

## **The Society for the Promotion of Japanese Animation Finance Committee Charter**

### **1. Purpose**

- a. The purpose of this charter is to describe the purpose, membership and scope of work for the Finance Committee of the Board of Directors, Society for the Promotion of Japanese Animation.
- b. The Society for the Promotion for Japanese Animation (SPJA) is a non-profit organization incorporated under California law; its activities and the activities of its sponsored events and functions such as Anime Expo (AX) shall be conducted in accordance with all pertinent Federal and State laws (including the California Corporation Code) regarding non-profit organizations. SPJA must adhere to the stringent legal and ethical requirements regarding the spending/disbursement of funds received from its sponsors and members, including the reporting of such activities. The Finance Committee is established to have oversight of how the SPJA and its sponsored events and functions (such as AX) spends and invests the funds it receives and has under its control, to ensure that the SPJA operates in compliance with its Bylaws, its Strategic Finance Planning document, the SPJA Governance Charter, all Federal and State laws to include the California Corporation Code, and the basic principles of accounting.
- c. For more information on SPJA, its Bylaws and various Policies, please see the SPJA website at [www.spja.org](http://www.spja.org).

### **2. Authority**

- a. This document is approved by the SPJA Board of Directors and should be followed by the SPJA Board of Directors and all who provide services to SPJA and its sponsored events and functions such as AX.

### **3. Related Operational Processes**

- a. Please refer to the SPJA Finance Policies for specific information on the financial policies of the organization.

### **4. Membership of Finance Committee**

- a. The Finance Committee shall be comprised of at least two Directors as determined and appointed by the Board of Directors, each of whom shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee.
  - i. Unless a Chair is appointed by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.
  - ii. If a majority vote cannot be reached for a Chair by majority vote, the selection of a Chair will be referred to the Chairman of the Board for resolution.
- b. Administrative personnel may provide administrative support and services to the Finance Committee, such as provide requested information or take meeting minutes, but such personnel are neither members of the Finance Committee nor authorized to vote in any function of the Finance Committee.

### **5. Financial Principles of the SPJA**

- a. With respect to continuing activities involving non-staff personnel paid by SPJA, there are certain principles agreed upon by the Board, as follows:
  - i. SPJA and its sponsored events and functions will use volunteers when deemed reasonable and feasible by the Board of Directors.
  - ii. SPJA will continue to provide sufficient support to ensure consistency and continuity in corporate knowledge, leadership, and resources for the SPJA and its working teams supporting sponsored events and functions.
  - iii. SPJA will consistently strive to achieve maximum benefits for its customers and stakeholders

with minimum expenditures required to meet its goals and in support of its mission statement.

- iv. For those functions which the Board of Directors determines require salaried employees, hourly employees, or contracted personnel in order to accomplish its mission, SPJA will offer a salary and benefits package which is reasonable, equitable and appropriate for a non-profit organization to those personnel.
- v. SPJA will not pay a stipend to Board Directors for team leadership or instructor activities.

## **6. List of Responsibilities**

- a. In accomplishing its assigned responsibilities, the Finance Committee will review the following listed matters and other such matters as may warrant its attention. It may, with approval of the Board, engage additional assistance to undertake such reviews of financial management performance as it deems necessary.
  - i. Recommend an annual Operational Plan to the Board that will serve as the budgeting tool for the organization and its sponsored events and functions.
  - ii. Review the SPJA's quarterly and annual financial statements and reports as compared to the budget approved by the Board.
  - iii. Review original projects and significant changes to projects for funding consideration after development or update of the appropriate business cases, and make recommendations to the Board.
  - iv. For business cases deemed insufficient to warrant recommendation, recommend changes or other resolutions to the Board, along with sufficient background information and analysis in order to make good use of the Board's time.
  - v. Maintain oversight of, and make recommendations to the Board regarding, any agreements with outside consultants or vendors, including the need for such and payment thereof.
  - vi. Make recommendations to the Board regarding an investment strategy. This may include recommending an external investment firm who will manage the organization's financial assets according to goals and principles approved by the Board.
  - vii. As requested by the Audit Committee, provide assistance to the Audit Committee to:
    - 1. Periodically review the SPJA's system of internal controls, including its Risk Management Policy and any accompanying insurance coverage, and make recommendations for the Board for changes it considers desirable.
    - 2. Make recommendations to the Board regarding an external audit firm who will review the SPJA's annual financial statements and reports as required by the Bylaws, including the compliance of the SPJA's accounting and financial management systems and reports with Federal and State laws, and with generally accepted accounting principles for non-profit organizations.
    - 3. Review the work of the audit firm and recommend actions on the audit, if needed, to the Board.