SWC Finance Committee SOP
15 February 2002

SWC FINANCE COMMITTEE
STANDARD OPERATING PROCEDURES

I. COMMITTEE CHARGE

The Finance Committee shall advise, make policy recommendations and recommend operating procedures to the SETAC World Council (SWC) and Executive Director on all aspects of SETAC’s finances, including annual operating budget, increasing SETAC’s financial base, membership dues policy, fee structure for SWC meetings, short courses and publications, and long-range fiscal planning for SETAC.

II. MEMBERSHIP

The current Treasurer shall chair the Committee that will be composed of the Treasurers from each Geographical Unit (GU) and up to three members from the general membership appointed by the Treasurer. The members from the general membership shall be selected to attempt to maintain a balance, among the committee members, from GUs and academia, business and government. The GU Treasurers will be members of the Committee for their term of office. The remaining members of the Finance Committee shall serve for three years. The Executive Director shall be an ex-officio, non-voting member.

III. OPERATING PROCEDURES

A. The Finance Committee shall review the quarterly financial reports and the annual audit of SETAC, and assist the Executive Director and Treasurer in preparing the annual budget by reviewing drafts and providing comments.

B. The Committee should assist the Treasurer with review of all major contractual obligations prior to commitment to obligation by SETAC, e.g., obligations involving more than $25,000 (US), Euros 25,000 (Europe).

C. The Committee shall provide oversight and review of policies affecting the financial condition of SETAC and provide recommendations on such policies to the SWC.

D. The committee shall provide recommendations on the strategy for investment of funds.

E. The relationship between SWC and GUs requires close coordination, communication and full transparency among the Geographical Units and SWC Finance Committees. This is necessary to assure global objectives. SWC and GUs shall adopt the same fiscal year. A basic tenet of office operations will be the minimization of fund transfers between SWC and GUs and among GUs in those cases where significant banking fees would be incurred.
F. The membership dues are set by the SWC in US$. The membership dues for year X+1, expressed in a GU currency other than dollars, will be based on the actual exchange rate (e.g., Dollar to Euro). The committee will establish this rate each year in the month of July of year X (beginning in 2002). The resulting GU currency dues will thus be calculated by the Committee and made known to the offices, which will publish the dues for the membership and prepare membership forms.

IV. ACTIVITIES CALENDAR AND SCOPE OF ACTIVITIES

A. The Finance Committee shall meet at least twice each year. This will be at an annual meeting unless otherwise arranged.

B. For SWC budget development, the SWC Treasurer and the Executive Director, who will develop a draft SWC budget, will initiate the budget process. Staff and office costs allocation to SWC and GU activities, respectively, will be assessed based on the actual time allocation provided by the Executive Director. After deduction of SWC income (e.g., publications, Global Partners [global sustaining members], web site, etc.), a recommendation on the percentage of dues required will be made by the SWC Finance Committee, in order to reach a balanced budget for the SWC. This dues percentage will be discussed in consultation with the GU Treasurers who are members of the SWC Finance Committee.

Each GU’s Finance Committee will then develop their budgets based on GU budget categories and the percentage of dues allocated to the GU. The GUs will also strive for a balanced budget. GU Board/Council will then approve the GU budget. If a balanced budget cannot be achieved within a GU, the budget issue will be forwarded to the SWC Finance Committee in order that a dues allocation be reviewed and a recommendation made to the SWC.

A draft budget will be put forward for comment to the SWC Finance Committee, Executive Director, and the SWC Officers one to two months before the budget is to be acted upon by the SWC. A draft budget for the next year will be provided to the SWC in June of the current fiscal year and approved by September. Input from the SWC members will be included in the final budget agreed to by the SWC.

Any long-term commitment (e.g., hiring of new staff) will be recommended by the Executive Director to the SWC Officers for recommendation to the SWC. The final SETAC budget breakout will be passed to the membership (e.g., through the SETAC Globe) by showing distribution of major budget items and overall GU resources.

C. The Finance Committee shall convene a long-range fiscal planning meeting once every three years.