



NACE INTERNATIONAL
FINANCE COMMITTEE
OPERATING MANUAL

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1. SCOPE

The Finance Committee (hereinafter called the Committee) is a committee of the NACE INTERNATIONAL (hereinafter referred to as NACE or the Association) Board of Directors (hereinafter referred to as the Board). The Committee is responsible for:

- (a) All matters involving fiscal policy of the Association
- (b) Budgets of the Association
- (c) Ensuring that fiscal policy accomplishes objectives of the Association
- (d) The method for selection of the investment funds of the Association not needed for current operations.

The Committee's duties include the following: reviewing and recommending actions related to the finances of the Association; reviewing monthly financial reports; reviewing budget preparation and variances; overseeing investment of Association funds; provide analysis and interpretation of financial conditions to the Board at each meeting and monitoring the results of the investment selection.

The Committee is also responsible for overseeing the compensation policy for staff including oversight of the contract with the Chief Executive Officer. The Committee shall annually approve, or make alternative recommendation of, compensation adjustments for the Chief Executive Officer as proposed by the Executive Committee. The Committee will also approve compensation adjustments for all staff that report directly to the Chief Executive Officer; recommend appointment of outside consultants to evaluate new and existing positions; and compensation ranges for each level of staff positions.

The Committee will support the mission and goals of the Association as defined by the Strategic Plan.

2. MEMBERSHIP OF COMMITTEE

The Committee consists of the Association Treasurer, the Vice President-elect, the Treasurer-elect, and four at-large¹ members. The Chief Executive Officer is an ex-officio member of the Committee without vote.

The Committee will recommend at-large candidates to the Board for approval.

The Chair shall be selected by the Finance Committee from the four at-large members and remains a member-at-large.

3. TERM OF OFFICE

The Treasurer is elected by the Association membership for a two (2)-year term and shall serve ex officio on the Committee concurrently with his/her term of office. The Vice President-elect shall serve for one (1) year. At-large members are appointed for three (3)-year terms, with at least one appointed each year.

The Chair shall have served as a member of the Committee for at least one year prior to serving as Chair.

¹ A member who is not a current Officer or Board member.

Members and officers shall begin their terms of office the first day of the fiscal year and terminate it the last day of the fiscal year.

In the event of a vacancy, the Committee will recommend a replacement member to the Board for appointment to complete the unexpired term.

4. STRUCTURE OF COMMITTEE

The Committee Chair may appoint ad hoc committees whenever necessary. The Chairs of ad hoc committees shall be members of the Committee. Membership on ad hoc committees shall not be restricted to members of the Committee but shall consist of Association members in good standing.

5. MEETINGS

The Committee shall meet during the year as often as necessary to conduct its business. The Chair shall develop an agenda that must be distributed by Headquarters to Committee members at least 15 days prior to a meeting.

Minutes of meetings shall be recorded and distributed to all Committee members by the Committee Staff Liaison within 30 days of the meeting.

While deliberating on compensation and/or personnel issues, the Committee meeting shall be closed to everyone except the Committee members and invited guests.

Committee members shall keep compensation and/or personnel matters in strict confidence other than those issued in formal reports.

Current portions of Roberts Rules of Order that pertain to committees shall be followed unless otherwise directed in this Operating Manual.

A quorum to conduct business will be a simple majority of its voting members.

6. VOTING PROCEDURE

A majority of the voting members present shall be required for approval of actions by the Committee except for Operating Manual revisions which require a 2/3^{rds} majority of all voting members. Proxies are not allowed.

Letter ballots may be used when necessary. Letter ballots are defined as being sent by post, courier, electronic means or facsimile transmission. Electronic letter ballots are required to contain a digital signature.

6.1. Unless specifically prohibited in the operating manual, letter ballots may be used for committee actions when necessary.

6.2. Letter ballots shall be distributed to all voting members with 14 days allowed for return, or as required.

Ballots may be returned by post, courier, electronic means or facsimile transmission.

7. RESPONSIBILITY OF COMMITTEE OFFICERS

7.1. Chair Responsibilities

The Chair is responsible for the functioning of the Committee, chairs the Committee meetings, and in cooperation with Headquarters, arranges for meeting time, date, place, and provide a meeting agenda.

The Chair shall be responsible for submitting written reports on the activities of the Committee to the Board. These reports shall be forwarded to the Chief Executive Officer for attachment to the Board meeting minutes.

The Chair shall submit the Committee's recommendations to the Board for possible action.

8. CONFLICT RESOLUTION

Where conflict in responsibility arises between Committee and Staff Members and the guidance and intent of responsibility is not adequately provided in this operation manual:

The Chair and/or Vice-Chair shall first work with Staff to resolve or clarify the issue using the requirements of this operating manual and the guidance and intent it conveys.

In the absence of a successful resolution, the Committee shall forward the conflict to the Chief Executive Officer for appropriate action (pertaining to staff) or to the parent committee and/or the Executive Committee (pertaining to committees).

9. REVISIONS TO MANUAL

This Manual is to be reviewed by this Committee at least once every five (5) years for revision or reaffirmation.

Revisions or reaffirmations of this Manual shall require a two-thirds (2/3^{rds}) affirmative vote of the voting members of the Committee.

The revised or reaffirmed Manual shall be submitted to the Policy Committee for approval and then to the Board for ratification.

The latest date of Board approval will be placed on the cover of the Manual and said revisions will replace all previous versions. If minor revisions/reaffirmation only are made to the manual, then the date of the overall approval and the date of the revisions/- reaffirmation will then be shown on the cover. The latest Manual approved will govern.

10. NACE POLICIES

The Committee shall operate within the rules of the NACE INTERNATIONAL Policies which are either included as an attachment or as Section 3 of the NACE INTERNATIONAL Operating Manuals Handbook.