

**WASHINGTON CENTER FOR DEAF AND  
HARD OF HEARING YOUTH**


**POLICY: 6002**

Adopted: **May 10, 2019**

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**SUBJECT: Financial Oversight**

Approved by:



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Nancy Fitta, CDHY Board of Trustees Chair

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The Board of Trustees and the Executive Director share responsibility for the financial welfare of CDHY. The Board of Trustees governance is dependent upon the agency's financial reports and OFM and audit reports that are provided its members. The Executive Director is ultimately responsible to the Board and the Governor for the financial well-being of the agency.

The Board of Trustees will designate a Finance Committee, representative of the Board, with the responsibility of ongoing review and oversight of the agency's budget, spending plan and fiscal reporting. The Finance Committee will provide a report of the agency's budget status to the Board of Trustees at each scheduled meeting. The Finance Committee will make recommendations to the Board of Trustees related to proposed budget approval, modifications to spending plans or any other actions deemed necessary as it relates to the fiscal integrity of the agency.

### **Designation of Duties**

#### **Executive Director**

The Executive Director, working with the Director of Business Operations, shall

- Provide accurate, timely and useful information as scheduled for review by the Finance Committee but on no less than a monthly basis. This information shall be provided electronically to committee members prior to committee meetings whenever possible.
- Request approval by the Board for all operating and capital budget proposals prior to being submitted to the governor.
- Act as a liaison between the agency and the governor's office regarding budget proposals.
- Monitor and take such action as needed as the agency's appropriations are considered through the legislative process.
- Provide oversight that all financial requirements are followed by staff.
- Bring to the Board's immediate attention any matters that may compromise the financial welfare of the agency.

### **Board of Trustees**

The Board of Trustees shall

- Designate a Finance Committee to provide regular and ongoing oversight of the agency's financial status.
- Receive and review regular financial reports from the committee.
- Approve an annual budget, any supplemental or capital proposals and spending plans for the agency prior to submission to the governor.
- When calendar conflicts arise, the Board may designate the Finance Committee to act on behalf of the Board, until the Board is able to ratify the Committee's action at the next scheduled meeting.

### **Finance Committee**

The Finance Committee shall

- Regularly review and provide oversight of financial reports and spending plans provided by the Director of Business Operations and the Executive Director of the agency.
- Request additional information or changes in the format and detail used in reports received from staff when needed for increased clarity and understanding.
- Report its findings and provide any recommendations for action to the Board at its regularly scheduled meetings.
- Have the Finance Committee Chair or designee, participate in the exit interview concluded by the State Auditor's office following each audit required by that office.

The Board recognizes the vital importance of accurate, timely and useful information. As such, the Finance Committee shall be provided and shall review the following information.

#### **At the close of each fiscal month:**

- A thorough financial narrative detailing the most recent fiscal month's expenditures compared to the approved budget. Included in this narrative should be explanations for deviations from the spending plan, actions plan to address any variances that may potentially have a negative effect on students and/or staff, and justifiable fact-based projections related to expenditures, account balances and remaining fiscal year expenditure authority.
- A statement that summarizes revenue received, expenditures and balances for any non-appropriated/non-allotted accounts. Local accounts not in the custody of the state treasure shall include a formal reconciliation signed by the Director of Business Operations or designee and the Executive Director. These statements shall include narratives that describe any challenges related to revenue generating activities, grants, and/or recoveries.



**On a quarterly basis:**

- A report by the Director of Business Operations or designee, in collaboration with department and program managers related to the expenditures of their budget allocations and describing any factors causing deviations from the financial plan and what actions are being taken to reduce/eliminate any negative effects.

**On an annual basis:**

- A report of all fiscal year financial activity, revenues received and expenditures within the agency, including sub-categories, objectives and activities.
- All proposed budget requests shall to be approved by the Board prior to submission to the governor. The Committee shall review all budget proposals and make recommendations on such proposals to the Board.