

THE FINANCE SUBCOMMITTEE OF PAFSO EXECUTIVE COMMITTEE TERMS OF REFERENCE

1. Purpose and role of the Finance Subcommittee

Pursuant to article 6(g) of PAFSO Constitution, PAFSO operates a Finance Subcommittee of the Executive Committee (hereafter Finance Subcommittee or Subcommittee) for the purpose of prudent, effective and efficient management and oversight of PAFSO finances, and to assist in compliance with relevant laws and regulations governing financial operations of PAFSO.

The Finance Subcommittee reviews all financial matters and makes proposals to the Executive Committee pursuant to these Terms of Reference.

2. Composition of the Subcommittee

Members of the subcommittee shall be President, Executive Vice President, Treasurer and Executive Director. The Executive Director may designate additional Office staff as members of the Finance Subcommittee. The President may designate additional members of the Executive Committee as members of the Finance Subcommittee.

The Treasurer shall chair the Subcommittee.

3. Activities of the Subcommittee

The Subcommittee shall undertake the following activities on a recurring basis:

- preparation and periodic review of PAFSO annual budget
- preparation of periodic reports on the budget
- preparation and review of interim (if required) and annual financial statements
- assisting the Treasurer in ensuring compliance with relevant laws and regulations governing financial operations of PAFSO
- drafting, reviewing and recommending to the Executive Committees policies and actions pertaining to the financial affairs of PAFSO
- any other activities as may be mandated by the Executive Committee from time to time

4. PAFSO Annual Budget

The Subcommittee shall, pursuant to Article 9(a) of the PAFSO constitution, assist the Treasurer in preparing the budget proposal of the Association for the tabling at the Annual General Meeting of the Association. Prior to tabling at the Annual General Meeting, the budget proposal shall be presented to the Executive Committee for consultation and approval together with the worksheets normally prepared by the office to estimate each budget line.

5. Financial authority of the Subcommittee

Notwithstanding article 6(g) of the PAFSO Constitution, the Subcommittee shall review and make a recommendation to the Executive Committee regarding the approval of any proposed expenditure or any proposed policy or action involving expenditure, not otherwise included in an

existing budget line or any of its constituent components, in the excess of \$5,000 but not exceeding \$20,000.

Notwithstanding article 6(g) of the PAFSO Constitution, the Subcommittee shall review and approve any proposed expenditure or any proposed policy or action involving expenditure, not otherwise included in an existing budget line or any of its constituent components, not exceeding \$5,000.

This section shall not apply to payment of Salaries/Benefits/Personnel costs (31) and Rent and General Insurance (32).

6. Amendment, modification and variance.

These Terms of Reference may be amended, modified or varied in writing by a decision of the Executive Committee of PAFSO.