

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
FINANCE COMMITTEE CHARTER**

**I. Introduction**

The Board is responsible for the oversight of the financial and operational controls at VCERA, the accuracy of financial and actuarial reporting released by VCERA, the budgeting of VCERA's resources, and the general safekeeping of VCERA's assets. To assist the Board with these responsibilities, the Board has established a Finance committee, to be comprised of not fewer than three (3) trustees, and for which the operation, and duties are set forth below.

**II. Operation and Duties**

Committee Operation

- 1) The Finance Committee shall operate as follows:
  - a) The presence of a majority of committee members shall constitute a quorum for a meeting.
  - b) All actions and/or recommendations of the committee shall be by affirmative vote of the majority of the members present at a meeting of the committee, and only if a quorum is present.
  - c) All actions of the committee shall subsequently be approved by the Board to be effective, unless otherwise provided herein.
  - d) The committee shall meet at least annually but may meet as frequently as is deemed necessary by the committee or Chair of the committee, in consultation with the Retirement Administrator.
  - e) Meetings of the committee shall be open to the public and noticed and held in accordance with the Brown Act
  - f) The committee shall keep minutes of its meetings.
  - g) The Retirement Administrator and Chief Financial Officer shall serve as the staff contact for the Committee.

Committee Duties

***Accounting and Audit Functions***

- 2) The Finance Committee shall:
  - a) Meet at least annually with the financial auditors and Management to review the audit process, examine, and approve the objectives and scope of financial audits, reporting on internal controls, the duties and responsibilities of the financial auditor, and the timing and estimated budget of the annual financial audit.

- b) The committee is authorized to invite relevant individuals, such as management or auditors, to attend meetings and provide necessary information; however, non-committee members of the Board may only attend meetings as members of the public.
- c) Review and comment on any claims or contingencies that could have a material effect on the financial condition of VCERA and the way they have been disclosed in the financial statements.
- d) Review and comment on Quarterly Budget Summaries. Statement of Fiduciary Net Position, Statement of Changes to Fiduciary Net Position, Schedule of Investments, Cash and Cash Equivalents, Schedule of Investment Management Fees, and other financial documents that may arise from time to time, prior to submittal to the Board.
- e) Review and comment on the appropriateness of accounting policies and financial reporting practices, any significant proposed changes thereto, and any new or pending developments in accounting and reporting standards that may have an impact on VCERA.
- f) Meet with the financial auditor to discuss the annual financial statements, review the findings of the financial auditor, and review any response thereto by Management.
- g) Review and comment on the Management Discussion and Analysis section of the Plan's Annual Comprehensive Financial Report (ACFR) and all other financial information contained in the ACFR as deemed appropriate, prior to Board approval.
- h) Serve as the primary liaison, on behalf of the Board, for all matters related to financial audits, examinations, investigations, or inquiries from financial authorities.
- i) Review and comment on the findings or comments of any regulatory agencies concerning financial information or reporting of VCERA and Management's response thereto.
- j) Review the engagement of the financial auditor at least every five (5) years with regards to performance, internal quality control procedures, fees, qualifications, and independence and then make recommendations to the Board on these matters.
- k) Review and comment on any internal audit plans that may be established and coordinate special investigations, audits, or other compliance efforts of VCERA as may be necessary and inform the Board of such investigations or audits.

### ***Budgeting***

- 3) The Finance Committee shall:

- a) Review and comment on the proposed Operating Budget prior to Board approval.
- b) Periodically review the budget process and format with Management.

***Other Duties***

4) The Finance Committee shall:

- a) Be available to advise the Board and Management as required or requested on financial matters, and perform any other duties assigned by the Board.

**III. Review**

The Board shall review this charter at least once every 3 years to ensure that it remains relevant and appropriate.

**VI. History**

The Board last approved this charter on May 22, 2023. Prior to this, the Board approved this policy on May 24, 2021. This charter was originally adopted by the Board on March 29, 2021.