

COMMITTEE CHARTER FOR THE VIRGINIA E-911 SERVICES BOARD FINANCE COMMITTEE

PURPOSE

The Virginia E-911 Services Board establishes a Finance Committee (the Committee), the purpose of which is to review matters relating to and/or affecting the financial management of the Virginia Wireless E-911 Fund (the Fund), and to make recommendations to the Board regarding those matters. The Committee is specifically authorized to review matters relating to and/or affecting Wireless E-911's financial and management reporting process, audit process, and processes for monitoring compliance with laws and regulations, and to submit reports and/or make recommendations to the Board regarding those matters.

DUTIES AND RESPONSIBILITIES

To fulfill the purpose for which it was established, the Committee shall perform the following duties and responsibilities:

A. Revenue Allocation, Budget and Cash Management

1. Review the proposed revenue allocations, budget and cash-flow data and reports regarding the Fund and advise the Board on changes recommended.
2. Review the procedures and reports of staff and report to the Board on the efficacy, content, significance, and/or impact of such procedures and reports as they relate to matters under the Committee's consideration.

B. Audit

1. Review, examine, and monitor the Fund's accounting and financial reporting processes, systems of internal controls, financial statements and financial disclosures and discuss any findings with VITA staff. Make appropriate recommendations and reports to the Board with respect to such activities.
2. Review and recommend to the Board the type of audit (e.g. performance, financial) to be conducted and any specific controls, reports, or processes the Board should ask to be reviewed.
3. Monitor the Plan's external audit function by participating in discussions pertaining to the Fund's financial statements and accounting policies with independent auditors.
4. Inquire of management and the independent auditors about significant risks or exposures and assess the steps management has taken to monitor and control such risks.
5. Perform such other duties if, as, and when directed to do so by the Board.

COMPOSITION

The Committee shall be composed of a minimum of four (4) members who shall be appointed by the Board. The E-911 Board Treasurer shall chair the committee. Each member is appointed for a four year term and may be reappointed for an additional two-year term.

PROPOSED NEW MANAGEMENT REPORTS AND CASH MANAGEMENT ACTIONS

Questions to be answered by recurring management reports:

- How much revenue is expected (budget) and collected (actual) in total?
- How is total expected revenue allocated pursuant to statutory/budgetary programmatic requirements (i.e., including 60/30/10, GIS, administrative costs, mandatory transfers, etc.)?
- How much is budgeted and spent for PSAPs?
- How much is budgeted and spent for CMRS providers?
- How much is budgeted and spent for grants (including carry-forwards)?
- How much is budgeted and spent for GIS, administrative costs, mandatory transfers, etc.?
- How much cash is on-hand and expected to be collected relative to budgeted cash out-flows?

Assumptions:

- Reports should show Budget vs. Actual amounts
- Reports should show Monthly/Quarterly and Year-to-Date amounts by Program
- Programmatic reports should be designed to provide transparency for each program and roll-up to total fund reports (which are already provided).

Issues to be resolved:

- Report frequency? Is quarterly sufficient?
- Cash basis and/or accrual? Certain accrual information seems essential (i.e., PSAP, CMRS, grant and transfer commitments) but is full-accrual necessary for quarterly reports?
- Ensure policies governing the timing of disbursements (e.g., PSAP, CMRS, grants, etc.) are coordinated with the timing of receipts cash flow and the policies allow reasonable/proportional disbursement timing adjustments contingent upon cash availability.