Desired Competencies for Finance and Audit Committee Members

Finance and Audit Committee members play a critical role in supporting the Board of Directors' fiduciary responsibilities by providing recommendations related to the Society's financial health, internal controls, and long-term sustainability. Committee members are expected to bring relevant expertise, exercise sound judgment, and engage actively in financial governance in alignment with APS's mission and strategic objectives.

Financial Acumen and Experience

Committee members should possess a working knowledge of financial principles sufficient to review, question, and interpret financial information presented to the committee and board. This may include experience with:

- Financial statements, budgets, and financial reporting
- Audit reports and internal controls
- Cash flow, reserves, and investment considerations
- Mission-driven resource allocation
- Revenue diversification and sustainability
- Regulatory and compliance frameworks (e.g., IRS Form 990, independent audits)

Relevant experience could include service on a nonprofit finance or audit committee, a governing board with fiduciary responsibility, or senior-level roles in academia or industry with budget or financial oversight.

Financial Monitoring, Financial Strategy and Analysis, and Budget Review

While members will not manage the finances or budgets directly, they are expected to exercise informed oversight and judgment. Reviewing and monitoring budgets and financial performance includes:

- Comparing actual results to approved budgets and identifying material variances, risks, or trends
- Asking constructive, probing questions to support transparency and accountability
- Bring a forward-looking mindset to help the board understand financial implications of strategic initiatives, including the ability to connect financial impact with mission alignment
- Anticipate financial risks and opportunities in the external environment
- Consider long-term financial sustainability and alignment with APS's strategic plan

Integrity, Ethics, Communication, and Accountability

Members should be prepared to address potential conflicts of interest and support ethical financial decision-making. Given access to sensitive financial and audit-related information, committee members must demonstrate:

- High ethical standards and personal integrity
- Commitment to confidentiality
- Willingness to uphold transparency, accountability, and strong governance practices

Effective committee service requires careful preparation and engagement, and must commit to:

- Reviewing financial materials in advance of meetings
- Participating actively in discussions related to audits, controls, and financial risks as they arise
- Supporting follow-up on findings or recommendations from auditors or management
- Engaging constructively with fellow committee members, the Treasurer, and staff leadership (e.g., CEO, CFO)
- Ask clear, respectful questions and articulate concerns
- Support the committee chair in ensuring that financial information is understandable and actionable for the full board