
DEXCOM Standing Committee on Finance Terms of Reference

General Terms of Reference

The Standing Committee on Finance has a dual role. It is both a standing committee established by the District Executive Committee (DEXCOM) required by the *Bylaws of the Christian and Missionary Alliance – Canadian Pacific District (CPD)* as well as a financial advisory and decision-making committee working under the authority of the District Superintendent or their designate.

Terms of Reference as a DEXCOM Standing Committee

As a standing committee established by DEXCOM, the Committee on Finance assists DEXCOM in fulfilling its fiduciary and general financial responsibilities as an incorporated Society in BC and as a constituted part of The Christian and Missionary Alliance in Canada (C&MA). Accordingly, the Committee should address matters specifically referred to it by DEXCOM and take initiative to advise DEXCOM on matters it believes important for their consideration. The Committee may provide informal counsel to CPD management, but such counsel cannot be considered binding on operations as that is DEXCOM's role with management.

Responsibilities

1. Financial Reporting

To ensure that both the Committee and DEXCOM receive timely, accurate, and relevant information on the financial aspects and condition of the CPD.

2. Financial Management

To periodically review the adequacy of internal controls established by management and to monitor the compliance with approved budgets, including the CPD Employee Benefits Plan.

3. Policy Development

To draft appropriate finance-related operational or DEXCOM policies (including such things as investment policies, insurance matters, church capital projects and financing, district grants and loans programs, etc.), and once approved, to monitor compliance.



4. **Responsibilities to The Christian & Missionary Alliance (C&MA) in Canada**

To monitor the contribution of CPD churches to the Global Advance Fund, Canadian Ministries, and other programs established by the C&MA, and to recommend actions to DEXCOM as may be required.

Terms of Reference as a Financial Advisory and Decision-Making Committee

As an advisory and decision-making committee working under the authority of the District Superintendent or their designate, the Committee on Finance participates in financial decisions for the CPD.

Responsibilities

1. Financial Planning

To ensure that appropriate financial assumptions guide short and long-term financial planning/budgeting, and that the financial plan is linked to the strategic plan. This would also include anticipating financial problems or environmental factors that could adversely affect the financial health of the CPD.

2. Available Funds

To ensure there are sufficient available funds for ongoing operations and satisfactory reserves for crises that may arise.

As it relates to the Employee Benefits Plan, the Committee will:

- 2.1 Monitor benefits income and expense claims and ensure that there are sufficient funds in deferred revenue.
- 2.2 Annually review and recommend any increases to benefits premiums.
- 2.3 Review all substantive proposed changes to the Employee Benefits Plan that are expected to reduce benefits coverage or to affect benefits revenue by \$25,000 or more in a twelve (12) month period. A recommendation will be made to DEXCOM for any such proposed changes.

3. Risk Management

To ensure there is appropriate insurance coverage to protect assets and insuring against liability risks through appropriate insurance or other means.



4. Banking Agreements and Credit Facilities

To ensure that the CPD's banking agreement and any related credit facilities agreement are each appropriate for the ongoing needs of the district. As it relates to the banking agreement and any related credit facilities agreement, the Committee will:

- 4.1 On an ongoing basis, monitor the banking and credit facility needs of the CPD to ensure that overall, the CPD's banking agreement and any related credit facilities agreement satisfy those needs.
- 4.2 On an ongoing basis, monitor the financial services marketplace to ensure that overall, the fees, costs, and interest rates associated with the CPD's banking agreement, and any related credit facilities agreement remain competitively priced.
- 4.3 Review all substantive proposed changes to the terms or conditions contained in the CPD's banking agreement and/or credit facilities agreement. A recommendation will be made to DEXCOM for any such proposed changes.

5. Capital Projects and Church Loans

Since the CPD is the legal owner of the property of most churches in the district, the management of this asset is of strategic importance to the CPD.

Accordingly, the Committee will:

- 5.1. Review all church requests for general-use loans or lines of credit from a financial institution. The Committee may approve a maximum amount of indebtedness of \$250,000 as set by DEXCOM.¹
- 5.2. Review all proposed capital projects and financing for those projects for CPD churches/ministries. The Committee may approve projects and levels of indebtedness within parameters set by DEXCOM¹:
 - for a general-use church loan or line of credit from a Canadian financial institution, a maximum amount of \$250,000²
 - for a church building expansion or improvement project, a loan of up to 100% of the total project cost or 75% of the total equity of existing church properties plus the project costs, whichever is lower, with a maximum amortization period of 15 years³

¹ In the case of any conflict or difference between the *DEXCOM Policy Governance Manual* and this document, the Manual will be considered the correct version.

² Per the *DEXCOM Policy Governance Manual*, 4.9.1.1.1.

³ Per the *DEXCOM Policy Governance Manual*, 4.9.1.1.2.



-
- for a church that does not own real property at the time of loan application, a loan of up to 75% of the proposed project cost⁴
 - a maximum church building loan amount of \$1,000,000⁵

The Committee may also make a recommendation to DEXCOM for action it should take with respect to:

- a) approval of the project,
 - b) maximum level of total church indebtedness to complete the project,
 - c) loans exceeding the approval limits for the Committee set by DEXCOM, and
 - d) necessary controls to ensure both compliance and risk management of projects.
- 4.3 For legal reasons, DEXCOM must ratify decisions made by the Committee (even those within its delegated authority) to incur debt, so the Committee will ensure that decision profiles, with appropriate motions, are produced as necessary for DEXCOM's approval.
- 4.4 Establish its own policies and procedures for effective review of project and project financing.
- 4.5 Monitor management of capital indebtedness for all churches.

General Duties

The general duties of the Committee are to:

- maintain minutes of all meetings and submit these to DEXCOM for its review
- meet no less than quarterly in the performance of these duties
- assist the District Superintendent in proactive succession planning by finding suitable candidates for Committee membership with appropriate expertise and experience

All members must annually complete the *Declaration of Conflict of Interest* in compliance with the *Conflict of Interest Policy for CPD Employees and Volunteers*.

All members must sign the *District Finance Committee Confidentiality Agreement* upon becoming a member of the Committee.

⁴ Per the *DEXCOM Policy Governance Manual*, 4.9.1.1.3.

⁵ Per the *DEXCOM Policy Governance Manual*, 4.9.1.1.4.



Committee Functioning

The Committee will be composed of no fewer than five (5) and no more than eight (8) members including the District Superintendent, District Treasurer, and the Director of Finance. The District Superintendent, District Treasurer, and the Director of Finance are ex-officio, voting members of the Committee.

Any nominees for the Committee will be prayerfully vetted by the Committee and Lead Team and presented to DEXCOM for appointment.

Members at large are appointed by DEXCOM for a two (2) year term. A member's term begins the day of DEXCOM appointment. There is no limitation on the number of consecutive terms a DEXCOM-appointed member at large may serve.

Should an appointed member be unable to complete their term for any reason, DEXCOM may appoint a District member to the Committee to fill the vacancy. If the number of appointed members falls below two (2), DEXCOM must appoint a District member to fill the vacancy.

The District Treasurer will be the Committee Chair. The Chair will have a single vote.

A recording secretary will take minutes at every Committee meeting.

The quorum for the transaction of business at a Committee meeting is a simple majority of the Committee members. When a quorum is present at a meeting, a resolution will require a simple majority vote of those members present to be passed.

Voting by mail or another means of communication, including by email or other electronic means is authorized in principle. All Committee members must agree to handle a matter by an email ballot, or the item reverts to a meeting, either virtual or face-to-face.

Committee members will be reimbursed for reasonable expenses incurred for Committee work (e.g., mileage).



Qualifications

It is expected that the members of the Committee as a group will generally provide expertise through their training and experience in a wide area of disciplines such as banking, finance, land development, real estate, legal, accounting, business, ministry, construction, and negotiation.

Additionally, each member must:

- Be a member of a CPD church in good standing with the endorsement of their Lead Pastor, or if the member is a Lead Pastor, endorsement from the church's Board of Elders
- Be able to read and generally understand financial statements
- Be willing and available to offer their comments regarding a variety of decisions within a commitment to make and support group decisions
- Be willing and available to provide personal expertise on issues and discussions
- Be familiar with the governance structure of the C&MA

Amendments

February 2014

March 2016

October 2019

April 2021

October 2021

October 2022

April 2024

