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**Finance Committee Terms of Reference**

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**1. Authority**

The Finance Committee operates under the authority granted in Article Four of the University Bylaws and is accountable to the Board of Governors.

**2. Mandate / Purpose**

This committee adheres to the Bylaws of St. Mary's University. The Finance Committee shall monitor, evaluate, advise and make recommendations to the Board with respect to the management and control of the property, financial resources and financial obligations of the University and such other duties as the Board may delegate or direct from time to time. In particular, the Committee shall:

**2.1 Financial and Budget**

- 2.1.1. Annually approve the guiding principles, process and assumptions for the annual operating and capital budgets.
- 2.1.2. Approve and recommend to the Board principles for changes to approved budgets and for transfer or reallocation of monies included in approved budgets.
- 2.1.3. Recommend the annual operating and capital budgets to the Board for approval.
- 2.1.4. Recommend to the Board any supplemental budget adjustments during the year.
- 2.1.5. Review and recommend to the Board for approval annual setting of tuition and other fees.
- 2.1.6. Review annual and quarterly reports highlighting progress achieved in implementing current budget and strategic business plan, including appropriate and relevant performance indicators.
- 2.1.7. Review and discuss with management the quarterly financial analysis.
- 2.1.8. Recommend to the Board authorized signing officers in respect of all banking and safekeeping.
- 2.1.9. Review, discuss with management cash flows, working capital and liquidity management and recommend to the Board borrowing arrangements as required for operational and capital needs.
- 2.1.10. Review, approve and submit for Board approval an Investment Policy which addresses asset allocation, spending guidelines, risk tolerance, investment horizon, and total return objectives.

**2.2 Property**

- 2.2.1. Recommend to the Board for approval, major capital projects.
- 2.2.2. Review and discuss with management, major long-range strategies and plans for information technology physical infrastructure.

Approval Authority	Responsible Office	Effective Date	Date Last Revisited	Review Frequency
Board of Governors	Governance & Nominating Committee	December 4, 2025		Annual

## 2.3 Policies

- 2.3.1. Recommend to the Board for approval policies governing financial, budgetary and investment matters.
- 2.3.2. Approve policies for intellectual property and technology transfer.
- 2.3.3. Approve policies for construction and supply contracts and policies governing the use of space and planning reports for individual capital projects and receive an annual report on these.
- 2.3.4. Recommend to the Board capital expenditure policies.
- 2.3.5. Review and recommend to the Board policies regarding the acquisition, management, control and disposition of buildings, land and equipment and regarding individual project proposals and the implication of these short and long-range capital plans to the strategic vision.

## 2.4 General

- 2.4.1. Annually recommend to the Board for approval, changes to the Terms of Reference.
- 2.4.2. Establish guidelines for an optimal financial position.
- 2.4.3. Monitor long-range strategic and financial planning to ensure adequate resources.
- 2.4.4. Approve allocation of any surplus funds and proposed action on anticipated deficits.
- 2.4.5. Monitor the preservation of facilities and make capital decisions by authorizing and monitoring major capital projects.
- 2.4.6. Develop, evaluate and monitor investments and investment policy, and make recommendations to the Board for any required amendment thereto.
- 2.4.7. Receive for review an annual report on donations and gifts and monitor performance against fundraising goals.
- 2.4.8. Annually provide advice to the President with respect to the responsibilities and performance, in relation thereto, of the Vice-President, Business and Finance, and any other administrator whose responsibilities are within the mandate of the Committee.
- 2.4.9. Monitor relevant trends and the implications of those trends on finances and property.

## 3. Chairperson and Membership

The Committee shall consist of the Chair and at least two other Governors, the Chair and Vice-Chair of the Board, the President, the Vice President Finance & Administration, and an external member at the discretion of the Chair. All members shall be confirmed by the Board of Governors.

## 4. Limits on Authority

The Committee does not have decision-making authority except where, and to the extent that, such authority has been expressly delegated or assigned by the Board in these Terms of Reference or by a resolution of the Board.

## 5. Reliance on Management and Experts

The Committee may enlist the assistance of any member of the University and any professional that it deems useful in its work. Prior to engaging any professional services, the Committee must obtain Board approval.

## 6. Limitations on Committee's Duties

In contributing to the Committee's work, each member of the Committee shall be obligated only to exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances. No Committee member is subject to a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Governors are subject.

## **7. Meetings**

The Committee shall meet at least 4 times per year, with additional meetings at the call of the Chair. The Committee shall bring recommendations concerning tuition and fee rates to the December Board meeting. The Committee shall normally bring its recommendation regarding the annual operating and capital budgets to the Spring Board meeting. Quorum shall consist of a majority of the members. A record of documentation shall be kept by the University Secretary.

## **8. Decision-Making Process**

The Committees will vote on motions with a simple majority required. The Chair shall only vote in the event of a tie. All members of this committee shall be voting members, yet the Office of the President shall have only one vote when both the President and Vice President of Finance & Administration are present. All Committee motions serve as recommendations to the Board of Governors.

## **9. Reporting to the Board**

The Chair of the Committee shall provide oral or written reports of its proceedings to the Board in a manner that will allow the Board to understand how decisions today impact upon the short- and long-term financial position.

## **10. Annual Work Plan**

The Committee shall develop and approve an annual work plan to be provided to the Board for information.

## **11. Review of Terms of Reference**

The Committee shall review its Terms of Reference annually and recommend any necessary revisions to the Board of Governors for approval.