

1. ESTABLISHMENT AND AUTHORITY

The Board of Governors (Board) hereby establishes a standing committee called the Finance Committee as provided for in the Board of Governors Bylaws, and delegates to the Finance Committee the authorities set out in these Terms of Reference (TOR).

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.

All defined terms which are used, but not defined herein, and which are defined in the Board of Governors Bylaws shall have the meaning given to such terms in the Board of Governors Bylaws.

2. PURPOSE

The Finance Committee will assist the Board of Governors in its fiduciary oversight of the budget plans, financial policies and procedures, investments and financial practices of the University.

3. MEMBERSHIP

Committee members should be **financially literate**, which is the ability to read and understand a set of financial statements and investment reports, to the breadth and complexity of issues associated with the University's environment. At least one member should have accounting or related financial management expertise, preferably the Chair.

Chair

External Board member

Voting Members

At least three (3) Board members: one member will be an External Member who shall be named as Chair

Chair of the Board of Governors as *ex officio*

President and Vice-Chancellor as *ex officio*

Chair of the Audit and Risk Committee as *ex officio*

Resources

Vice-President, Finance and Administration

Provost and Vice-President, Academic

4. RESPONSIBILITIES

Without restricting the generality of its role, and within its delegated authorities, the Finance Committee will:

Policies

- 4.1. Recommend to the Board for approval financial policies governing financial, budgetary and investment matters affecting the University.
- 4.2. Provide oversight of the University's Investment Policy and assess the performance of the investment strategy in accordance with the Investment Policy.
- 4.3. Provide oversight of the University's Endowment Management Policy, including annual disbursement/capitalization of investment returns.

Finance

- 4.4. Review and monitor quarterly and year-end financial statements with respect to operating and capital funds and notify the Board of any significant variances from the approved budget.
- 4.5. Provide oversight of the University's revenue-generating activity.
- 4.6. Review the University cash flows, working capital and liquidity management and recommend to the Board borrowing arrangements as required for operational and capital needs.
- 4.7. Review and discuss with management and recommend to the Board any supplemental budget adjustments during the year.
- 4.8. Recommend to the Board approval of tuition and other fees in accordance with provincial legislation.
- 4.9. Recommend to the Board approvals of major capital projects that have been recommended by the Campus Development Committee.
- 4.10. Recommend to the Board changes to the parking fee and enforcement rates.
- 4.11. Recommend to the Board approval of the annual operating and capital budget.
- 4.12. Review and discuss Reserve Fund balances with management annually and recommend to the Board additional Reserve Fund designations, as appropriate.
- 4.13. Recommend to the Board the University's banking resolutions.
- 4.14. Review the financial sustainability, including financial health indicators, of the institution.
- 4.15. Receive the Annual Report for information.
- 4.16. Receive the Investment Management Agreement for information.

Investment

- 4.17. Approve the terms of reference for the Investment Working Group.
- 4.18. Approve of the External Fund Manager(s).
- 4.19. Review the asset mix and the Investment Portfolio Performance Report by the Asset Consultant annually.
- 4.20. Review fund objectives from time to time.
- 4.21. Meet with each investment manager every two years, or as otherwise called by the Chair of the Committee.
- 4.22. Receive quarterly investment reports with the overall analysis of fund performance including non-traded investment values.
- 4.23. Notify the Board of concerns arising from the review of the quarterly investment reports.
- 4.24. Provide oversight on the University's supplemental pension plans and review the Local Authorities Pension Plan (LAPP) at least annually.

General

- 4.25. Approve an annual Committee work plan.

5. REPORT TO THE BOARD OF GOVERNORS

The Committee reports regularly to the Board of Governors with respect to its activities and decisions.

Approved History:

Approved by the Governance and Nominating Committee: June 8, 2023
Approved by the Governance and Nominating Committee: November 15, 2021
Approved by the Governance and Nominating Committee: May 26, 2021
Approved by the Board of Governors: May 25, 2020
Approved by the Governance and Nominating Committee: May 14, 2019
Approved by Governance and Nominating Committee: November 23, 2017
Approved by Board of Governors: October 30, 2017
Approved by Governance and Nominating Committee: August 23, 2016