

Finance Committee

Terms of Reference

Purpose

To assist the Council of Federation University Australia (FedUni) in fulfilling its statutory and fiduciary responsibilities in accordance with the requirements of Federation University Australia Act 2010 and the Statutes and Regulations of FedUni..

Responsibilities

The Finance Committee has responsibility to:

- advise Council on matters concerning finance, investments, asset management, insurance, compliance with laws and regulations and its own Code of Finance Practice;
- monitor continuing financial viability of the University using Key Performance Indicators (KPIs) established by the Committee and the Finance Team on an annual basis;
- provide advice and receive reports as required for relevant programs and projects and make recommendations to Council;
- exercise oversight of University companies and other major commercial activities;
- receive and report to Council on the annual audited financial statements including making appropriate enquiries to satisfy itself that all regulatory compliance matters related to the business of the University have been appropriately considered in the preparation of the financial statements;
- consider a draft budget/forecast of expenditure and income, and recommend it to Council for approval;
- consider financial reports at regular intervals and report to Council on the general financial situation of the University, drawing attention to any significant variations from the budget/forecast;
- recommend to the Council any matter relating to the borrowing of money by the University (excluding operating leases less than \$100,000 in value);
- approve items of expenditure over \$750 000 (excluding statutory payments) but not more than \$2 million;
- consider and make recommendation to Council where an item of expenditure or project exceeds \$2 million;
- recommend to Council all approvals of write-offs of bad debts over \$5,000;
- annually review and recommend to Council for approval the accounting policies of the University;
- annually assess the University's investment policy and make recommendations to Council on its appropriateness;
- bi-annually review the University's investment portfolio including asset allocation principles to ensure it complies with policy;
- make recommendations on the appointment of fund manager(s) for the investment portfolio, including any fees payable and other terms on which the appointments are made;
- review the performance of fund manager(s) for the investment portfolio;
- monitor the acceptability and correct accounting treatment for and disclosure of significant transactions which are not part of the University's normal course of business;
- annually monitor the effectiveness of financial internal controls; and,
- assess whether management has appropriate controls in place for types of transactions and/or any particular transactions that may carry more than an acceptable degree of risk.

Composition

(i) Ex Officio

The Chancellor or nominee
The Vice-Chancellor or nominee

(ii) Council Appointees

Up to six members appointed by Council.

- At least one must be a person with substantial private sector management experience.
- At least two must be persons with formal accounting or business qualifications.
- Two may be persons who are not members of Council.
- Not more than one Council appointee shall be a member of staff of the University.

(iii) In attendance

Chief Operating Officer/Chief Financial Officer
Executive officer

(iv) By Standing Invitation

Up to five members of Finance staff nominated by the Chief Operating Officer/Chief Financial Officer to assist the Committee.

(v) Other Attendees by Invitation

The Chair can invite attendees to provide assistance to the Committee.

(vi) Attendees by Council Permission

Any person given permission to attend by Council under the terms of Regulation 2.1.2.

Quorum

In accordance with Statute 1.3 – Meetings.

In addition, one member must be the Committee Chair or a nominee of the Committee Chair.

Adopted by Council 26/02/2003

Amendments approved by Council 01/12/2004

Amendments approved by Council 28/07/2005

Amendments approved by Council 06/09/2006

Amendments approved by Council 07/09/2010

Amendments approved by Council Executive 31/01/2012

Amendments approved by Council 11/12/2012

Amendments approved by Council 17/02/2015

Amendments approved by Council Executive 05/06/2017