

1. PURPOSE

The Finance Committee (“Committee”) is appointed by and assists the Board of Governors in its oversight of the finances of the University through:

- Establishment, review and oversight of a Board of Governors policy framework concerning financial matters including those associated with the acquisition and disposition of capital assets (in collaboration with the Property Committee)
- Oversight and advice on the University’s long-term financial planning, including its activities directed to financial risk assessment and risk management
- Oversight and advice on operating and capital budget planning and expenditures, including attention to both the University’s immediate and long-term financial health
- Oversight and advice on operating and capital financing, including debt management
- Oversight and advice on the establishment, operations and management of University investments, including oversight of the Investment Advisory Committee.

2. ACCOUNTABILITY

The Committee is established by the Board and is accountable to the Board through the Chair of the Committee. The Board may, from time to time, delegate any of its powers under section 8(1) of the Act to the Committee.

3. MEMBERSHIP

The Committee shall consist of eight (8) members of the Board of Governors as follows:

- The Vice Chair of the Board of Governors who will Chair the Committee
- One faculty governor
- One student governor
- One alumni governor
- Three external governors
- The President

No members of the Committee should contemporaneously serve on the Audit and Risk Committee.

Committee members are appointed by the Board for a term of one year and may be reappointed for a further term(s) at the discretion of the Board.

The Chair of the Committee will be appointed by the Board from among the voting members of the Committee.

4. MEETINGS

The Committee will meet at least three times per year. Meetings of the Committee are closed to the public.

All meetings of the Committee are called by the Committee Chair at his or her discretion. The preference is for meetings to be held in person; however business of the Committee may be conducted electronically as needed. Where applicable, Board members are encouraged to attend meetings in person. However, a member of the Committee may participate in a meeting by means of telephone or other communication facility. A member participating in a meeting by such means is deemed for all purposes to be present at that meeting. If a Committee member is not able to participate in a meeting, that member can speak to the Committee Chair in advance of the meeting so that the Committee Chair can share the member's perspective at the meeting. That member may also submit written comments or documentation to the Committee Chair and University Secretary in advance of the meeting.

A majority of the members of the Committee shall form a quorum. The Committee may meet in joint session with one or more other Board committees.

Every Committee meeting agenda will include an opportunity for members to declare any conflict of interest in accordance with the Board of Governors Code of Conduct policy.

All Committee meetings will allow for an in-camera session to be conducted in accordance the Board's Guidelines for In-Camera Sessions.

The Office of the University Secretary will be responsible for providing governance and administrative support to the Committee, including taking minutes at Committee meetings. Minutes of a Committee meeting will be provided to the Committee at least seven days in advance of the next regularly scheduled Committee meeting. Once approved, the minutes will be included in the consent agenda of the next Board meeting for information.

5. RESPONSIBILITIES

The Board Charter sets out the key responsibilities of the Board, and consistent with these key responsibilities, the specific responsibilities of the Committee include the following:

A. Financial Policy Framework

- Provide oversight and advice on a policy framework for the conduct of the University's financial activities. The framework will include policies pertaining to budget development, operating borrowing, capital debt, the acquisition and disposition of capital assets, acceptance of gifts, acquisition and disposition of real property (working with Property Committee), and investment polices. The policy framework will also incorporate policies pertaining to the identification and management of strategic financial risks.
- Review and make recommendations to the Board of Governors concerning the individual policies incorporated within the above-described policy framework overseeing and making

recommendations to the Board on amendments or new policies, as necessary, for the appropriate conduct of the University's financial activities.

B. Long-Term Financial Planning & Financial Risk

- Review and make recommendations to the Board of Governors concerning multi-year financial goals and related plans including those arising from the University's Strategic Planning process and long term capital expenditure planning activities. Monitor progress of these plans and progress towards achieving long-term goals.
- Monitor financial health and related risks for the University including those pertaining to government funding, capital spending, fundraising, and endowments.
- Guide the development and maintenance of financial health indicators for the University that can assist the Committee with its responsibilities for long-term financial planning and related oversight.

C. Operating and Capital Budget Planning and Expenditure Review

- Review and make recommendations to the Board of Governors concerning the annual operating and capital budgets, including tuition and other student fee rates as well as ancillary operations. Recommendations will be offered in the context of multi-year financial goals and related plans and will be directed to enhancing the institution's long-term financial health.
- Review and make recommendations to the Board of Governors concerning all capital project expenditures over \$2 million. On behalf of the Board of Governors, the Committee will exercise authority that may be delegated to it by the Board with regard to approval of detailed financial plans for individual construction and maintenance projects, in consultation with the Property Committee.
- Review and make recommendations to the Board of Governors concerning the acquisition or disposition of real property, in consultation with the Property Committee.
- Review on at least a semi-annual basis, financial statements for the University including financial performance against budget and forecasts for year end results.
- Review the annual Audited Financial Statements for the University and provide recommendations or commentary to the Audit and Risk Committee.

D. Financing and Debt Management

- Review, at least once annually, a report on the University's management of expendable funds and borrowing for operating expenses, monitoring activity in the context of relevant Board policies.
- Review, at least once annually, a report on the University's management of capital debt, monitoring activity in the context of relevant Board policies.

E. Investment Oversight

- Review, at least once annually, and approve for recommendation to the Board of Governors the University Funds Investment Policy.

- Review and approve for recommendation to the Board of Governors the Trading Authority Resolution governing the establishment of investment accounts and the authorization of trading instructions.
- Advise and make recommendations to the Board of Governors on investment matters related to the University's funds, including all University investments except those for which the Board has assigned responsibility to another committee or body (as provided in the University Funds Investment Policy).
- Monitor the performance of investments in meeting the requirements of the University Funds Investment Policy; receive and assess reports from University Management and investment advisors and approve changes to investment strategies from time to time.

F. Other Duties

- Ensure that Committee members receive appropriate orientation regarding the work of the Committee, and that training to enhance financial literacy and best practices in risk management is made available.
- Perform any other activities consistent with the Committee's mandate, other rules and regulations, and governing laws, as the Committee or the Board deems necessary or appropriate.

6. REPORTING

The Committee will establish an annual macro agenda which identifies the Committee's work plan for the year. The annual macro agenda will be shared with the Board in writing before its second meeting of the Board year.

The Chair of the Committee will provide oral or written reports of its proceedings at the Board meeting following each meeting of Committee. If there is no action item or crucial information, written reports from the Committee can be included in the consent agenda without an oral report.

The Committee will provide an annual written report of its work to the Annual General Meeting of the Board.

7. RESOURCES

The Vice President Finance and Administration is the Executive Advisor to the Committee. The Executive Advisor will attend all meetings of the Committee but will not be a voting member of the Committee. The Chair may, at his or her discretion, also invite guests to attend meetings as resources, as required. For greater certainty, such resources are not members of the Committee.

The Committee has the authority, with consent of the Chair of the Board of Governors, to retain professional advisors as the Committee deems necessary to carry out its duties.

8. TERMS OF REFERENCE REVIEW

The Committee will review its Terms of Reference annually at the first meeting of the Committee in the respective Board year, and report their findings to the Governance Committee. The Governance

Committee will review the Committee's findings and recommend any proposed changes to the Board for approval.

9. EVALUATION

At the discretion of the Committee Chair, the Committee may assess its own performance at any time. Notwithstanding any Committee self-evaluation, the annual Board self-evaluation will include an assessment by Committee members of the Committee's performance.