

TERMS OF REFERENCE AND COMPOSITION

Terms of Reference

The terms of reference of the Finance and Business Affairs Committee shall be:

- 1) To advise and make recommendations to Council on matters concerning the University's consolidated finances, investments, borrowings and fixed assets including (but not limited to):
 - a) annual consideration of the parameters to be employed in developing the University's Financial Plan for the following year and, if appropriate, their recommendation to Council for approval
 - b) annual consideration of the University's Business Plan comprising the Operational Plan, the Financial Plan and the Capital Expenditure Program and, if appropriate, their recommendation to Council for approval
 - c) consideration of business cases for the individual major¹ capital expenditure projects that comprise the Capital Expenditure Program as they arise and, if appropriate, their recommendation to Council for approval
 - d) consideration at each meeting of the University's internal financial statements against budget, including cash flow projections, reports of performance against the Capital Expenditure Program budget and a summary of investment performance and, if appropriate, their approval and recommendation to Council for receipt.
- 2) To review, approve and report to Council as appropriate on enabling policies relating to the University's Financial Plan, the investment of surplus funds held by the University, and the management of the University's fixed assets.
- 3) To advise and make recommendations to Council on proposals for the University to form, participate in the formation of, or become a member (including by way of holding shares other than for investment purposes) of any of the following:
 - a) a limited company
 - b) a corporation (other than a limited company)
 - c) an association
 - d) partnership
 - e) joint venture including advice as to whether the requirements of Section 48 of the *Deakin University Act 2009* (the Act) are met by ensuring that:
 - a) the objects of the proposed company, association, partnership or joint venture are incidental or conducive to the attainment of any of the objects of the University as set out in the Act
 - b) the constitution of any limited company so proposed provides that the company shall not alter the constitution without the prior approval of Council.
- 4) To advise and make recommendations to Council on proposed amendments to the constitutions of any companies in which the University has an interest as set out above.
- 5) To advise and make recommendations to Council on the proposed divestment of the University's interest or participation in any of the entities as set out above.
- 6) To advise and make recommendations to Council on matters concerning the oversight of University controlled entities, whether incorporated or unincorporated, including:
 - a) consideration of business plans and quarterly reports on performance against those plans and, if appropriate, their recommendation to Council for receipt
 - b) annual consideration of board membership to ensure that each board has a skill and experience set that is conducive to proper stewardship and control of the entity, and that there is sufficient board representation from directors who are not members of the University Council or officers or students of the University
 - c) annual consideration of governance statements from each controlled entity, including evidence that the statements are evaluated by the board on a sufficiently regular basis and, if appropriate, their recommendation to Council for receipt

¹ Major capital projects are defined as being individual projects for which expenditure will be \$10 million or greater.

- d) the University's compliance with National Governance Protocols pertaining to the oversight of such entities
 - e) consideration of other reports as determined appropriate or as required by the National Governance Protocols as amended from time to time.
- 7) In conjunction with the Audit and Risk Committee, to advise and make recommendations to Council annually on matters concerning the assessment of risk to the University arising from its part ownership of any entity, partnership and joint venture, that advice to inform the University's submission regarding compliance with the National Governance Protocols.
 - 8) To advise and make recommendations to Council on proposals for the sale or disposal of University land, subject to the Campus Planning Committee's consideration of whether the land being proposed for sale is surplus to the University's requirements.
 - 9) To monitor the progress of the capital expenditure program.
 - 10) To receive the budgets and financial accounts of student associations pursuant to service level agreements or other agreements with the University.
 - 11) To determine fees and charges in accordance with the relevant University Statutes prior to the Budget being set and to review, approve and report to Council as appropriate on policies relating to those fees and charges levied by the University pursuant to Statute 6.1—*University Property, Facilities, Fees and Charges*.
 - 12) To approve items of expenditure exceeding \$1 million for which budget provision has not been made, and report these to Council.
 - 13) To approve material variations to approved expenditure programs and report these to Council.
 - 14) To consider advice from the Vice-Chancellor, Chief Financial Officer and Chief Operating Officer on proposed University business ventures or other opportunities to increase non-government income, including major new ventures by existing University commercial entities, and to report to Council on the relative merits and risks of these.
 - 15) To advise and make recommendations to Council on any matters referred to it by Council.
 - 16) To make such recommendations to Council as the Committee considers appropriate in respect of the matters referred to in the foregoing paragraphs.

Composition

The composition of Finance and Business Affairs Committee shall be:

- a) Chancellor or nominee
- b) Four members appointed by Council of whom two shall be external members of Council, one shall be a member of Council elected by the staff and one shall be a member of Council elected by students
- c) Three members appointed by Council who may or may not be members of Council and of whom at least one must be a person with substantial private sector financial management experience
- d) Vice-Chancellor or nominee
- e) Chief Financial Officer or nominee
- f) Chair of Academic Board or nominee

The Vice-President and Council Secretary and the Chief Operating Officer may attend meetings of the Finance and Business Affairs Committee with rights of audience and debate.

Rules of Operation

The Committee shall conduct its business subject to the *Operating Provisions for Standing Committees of Council*.