

Finance and Facilities Committee COMMITTEE GUIDANCE

(Staff Liaison: Dr. Tanner McKnight, Vice President & CFO)

I. Purpose/Charter: The Finance and Facilities Committee is a standing committee of the Board of Trustees responsible for providing policy guidance and strategic oversight of the University's financial, facilities, and other real estate matters for both the University and its direct support organizations ("DSO"). This responsibility includes, but is not limited to, receiving and reviewing information regarding the financial operations of the University and reviewing and, when appropriate, recommending to the Board for its approval the University's Annual Operating and Fixed Capital Outlay Budgets; the University's Investment Policy; the University's Capital Improvement Program including the Public Education Capital Outlay list; the University's Carryforward Budget; the University's Legislative Operating Budget Request; the University's Campus Master Plan; all University debt issuances; honorary and donative naming of University facilities; and all tuition, room rents, and other student fees and fines that are required by state statute to be approved by the Board.

II. Composition:

- The Committee will consist of no less than three members of the Board of Trustees
- The University's Vice President & Chief Financial Officer will serve as staff and primary liaison to the Committee
- The Finance & Facilities Committee Chair and members are appointed and removed by the Chair of the Board of Trustees
- The Chair of the Finance & Facilities Committee is the Committee's representative on the Board of Trustees' Executive Committee

III. Meetings:

- The Finance & Facilities Committee will meet at least four (4) times annually and shall correspond with the University's financial reporting cycle. The Committee may schedule additional meetings if needed
- The meetings will be open to the public
- A majority of Finance & Facilities Committee members present at a committee meeting constitutes quorum for purposes of committee business
- The Committee will maintain written minutes of its meetings, and the Committee Chair will approve each meeting's agenda
- The Committee may invite members of the administration, faculty, or others to attend meetings and provide pertinent information
- The Committee may request special presentations or reports that may enhance members' understanding of their responsibilities

IV. Responsibilities & Duties: To fulfill its oversight role, the Finance & Facilities Committee will carry out the following responsibilities and duties:

Finance:

The committee will:

- Review and approve the Annual Operating Budget, Carryforward Budget and Capital Outlay Budget of the University and recommend appropriate action to the Board
- Review the financial statements of the University's DSOs, making recommendations for action to the Board as needed
- Review and approve the annual Legislative Budget Request (LBR) of the University and recommend appropriate action to the Board
- Review and approve annual (or interim) changes to the University's tuition (including a tuition differential), room rents, and fees and any related policy changes, and recommend appropriate action to the Board
- Review and approve the annual financial statements of the University, making any recommendations regarding such reports deemed necessary to the Board
- Oversee investments of University cash balances and review quarterly
- Review and approve debt issuance of the University, making any recommendations regarding such issuance to the Board

Facilities:

Regarding the Campus Master Plan, the committee:

- Is the principal body responsible for board familiarity with the current Campus Master Plan and the philosophies behind its development
- Must understand the statutorily required process and frequency of updates to the plan
- Will recommend amendments to the plan to the Board
- Will recommend appropriate action regarding the acquisition and disposition or encumbrance of real property and personal property of significant value

Regarding the Capital Improvement Plan and construction, the committee will:

- Review, provide oversight with respect to, and provide recommendations to the Board for any actions that may be required for all new construction and renovation projects exceeding \$2 million
- Review all changes to projects that exceed \$2 million in construction costs or that increase project costs by more than 10 percent of the original estimate presented to the committee
- Review and recommend to the Board the annual list of capital improvements for funding by the Legislature, including the Public Education and Capital Outlay (PECO) list and the Capital Improvement Program (CIP) for all other projects

- Periodically review and recommend to the Board matters and facilities relating specifically to student housing, both on and off campus and further review a long-term strategic planning program for said student housing

Regarding the maintenance of facilities, the committee will:

- Review the effectiveness of the University in maintaining the buildings and grounds that are responsibilities of the Board
- Review the effectiveness of University law enforcement in protecting the physical assets of the University and providing a safe environment for the various University constituencies
- Review the effectiveness of the campus organizations responsible for environmental health and safety both in the buildings and on the grounds

Direct Support Organizations:

- Participate in the planning process for any DSO involvement in capital projects that affect the University either financially, in reputation, or that involve any real estate
- Review, provide oversight and recommendations to the Board for any actions that may be required stemming from a DSO-initiated capital project

General:

- Ensure the Board is aware of matters within the purview or responsibility of the Committee that may significantly impact the financial condition or legal liability of the University
- Review the Committee charter at least every two (2) years and discuss any required changes with the Board
- Ensure that the charter is approved or reapproved by the Board after each update