

FINANCE COMMITTEE CONSTITUTION

Commencement Date: 6 December 2023

1 Establishment

- 1.1 The Finance Committee of the Council was established by the Council's 4/04 meeting on 23 June 2004.
- 1.2 The role of the Finance Committee is to assist the Council in the performance of its responsibilities in the areas of financial, investment and asset management within the context of the University's Strategic Plan.

2 Functions of the Committee

- 2.1 The Committee shall advise the Council on the management and organisation of the University's financial affairs; the development and management of the University's assets and physical locations; the commercialisation of intellectual property; and strategies for wealth generation to underpin the financial sustainability of the University.
- 2.2 Without limiting the generality of the foregoing, the Finance Committee will undertake the responsibilities described below.

Strategic and Planning Advice

- 2.2.1 receive and review recommendations from the Vice-Chancellor on the annual budget, ensure its alignment with the University's Strategic Plan and supporting plans, and recommend its adoption to the Council;
- 2.2.2 oversee the annual and long term financial planning processes (including a multi-year capital plan) which align with the University's Strategic Plan, in order to achieve the objectives within that Plan;
- 2.2.3 review and recommend to the Council the Business Plans for capital expenditure and its resourcing;
- 2.2.4 receive reports and make recommendations to Council on financial aspects of significant contracts outside the course of normal operations into which the University has entered or proposes to enter (in the context of Matters Reserved for Council);
- 2.2.5 receive reports and make recommendations to Council on financial aspects of significant commercial activities into which the University has entered or proposes to enter (in the context of Matters Reserved for Council);
- 2.2.6 advise the Council on appropriate approaches to enterprise-wide efficiencies to achieve better returns on expenditure; and

- 2.2.7 *oversee the long-term Greater Curtin Master Plan (including the integrated infrastructure management plan) and monitor implementation of the annual and multi-year capital plan which align with the University's Strategic Plan.*

*Financial Sustainability and Funding Strategy
(including investment of endowed funds)*

- 2.2.8 advise the Council on the University's:
- Borrowings Policy;
 - Borrowings Procedures;
 - *Investment and Treasury Management Policy;*
- 2.2.9 approve the University's Investment and Treasury Management Procedures;
- 2.2.10 advise the Council on the University's Investment strategies and plans, including Responsible Investing considerations and oversee their implementation;
- 2.2.11 select an appropriate Investment strategy that is in compliance with all applicable legislative and University Policy requirements, including:
- *Curtin University Act 1966;*
 - *Trustees Act 1962 (WA);*
 - Investment and Treasury Management Policy and Procedures;
 - Endowment Policy and Procedures; and
 - other relevant University Policies and Procedures;
- 2.2.12 review and advise the Council on the appropriateness of the University's debt funding strategy;
- 2.2.13 monitor and review the University's commercialisation of intellectual property; and

Endowment Activities

- 2.2.14 advise the Council on the University's Donations and Endowment Policies;
- 2.2.15 approve the University's Donations and Endowment Procedures;
- 2.2.16 monitor the University's activities with respect to receipt and expenditure of endowed funds received by the University.

Capital Plan Expenditure

- 2.2.17 recommend to the Council for its consideration Capital Plan projects and project budgets for amounts in excess of \$20.0 million (excluding GST) for any single asset or project;
- 2.2.18 exercise its authority to approve Capital Plan projects and project budgets for amounts over \$5.0 million and up to and including \$20.0 million (excluding GST) on the recommendation of the Vice-Chancellor; and

- 2.2.19 advise the Council of approvals under 2.2.18;
- 2.2.20 exercise its authority to approve Capital Plan project spend over \$10.0 million and up to and including \$20.0 million (excluding GST) within approved project budget. An Executive Manager will sign contracts approved pursuant to this clause; and
- 2.2.21 advise the Council of expenditure approved under 2.2.20.

Other Expenditure

- 2.2.22 recommend to the Council for its consideration other (i.e. non-Capital Plan) contract expenditure for amounts in excess of \$20.0 million (excluding GST);
- 2.2.23 exercise its authority to approve other contract expenditure for amounts over \$10 million (excluding GST) and up to and including \$20.0 million (excluding GST) on the recommendation of the Vice-Chancellor;
- 2.2.24 advise the Council of other expenditure contracts approved by the Finance Committee with an expenditure commitment between \$10 million and \$20 million under 2.2.23; and
- 2.2.25 review and note other contracts approved by the Vice-Chancellor with an expenditure commitment between \$5 million and \$10 million.
- 2.2.26 Amounts referred to under 2.2.22 to 2.2.25 refer to implicit and/or explicit commitments over the full period of the contract (including extensions at management's discretion).

Revenue Contracts

- 2.2.27 recommend to the Council for its consideration revenue contracts for amounts in excess of \$20.0 million (excluding GST);
- 2.2.28 exercise its authority to approve revenue for amounts over \$10.0 million (excluding GST) and up to and including \$20.0 million (excluding GST) on the recommendation of the Vice-Chancellor; and
- 2.2.29 advise the Council of revenue contracts approved under 2.2.28.

Research Agreements

- 2.2.30 recommend to the Council for its consideration and approval research agreements for amounts in excess of \$10 million (excluding GST); and
- 2.2.31 review, note and recommend to Council for its noting research agreement contracts approved by the Vice-Chancellor with an expenditure commitment between \$5 million and \$10 million (excluding GST).

Acquisition, divestment or material change of an interest in a Relevant Entity

- 2.2.32 recommend to Council for its consideration the acquisition or divestment of a Controlled Entity; or a material change significantly affecting the University's level of control or interest in a Controlled Entity;
- 2.2.33 in respect of Non-Controlled Entities:
- 2.2.33.1 recommend to Council for its consideration the acquisition, divestment or material change of an interest in a Relevant Entity where the financial value of the transaction exceeds \$20 million;
- 2.2.33.2 exercise its authority to approve the acquisition, divestment or material change of an interest in a Relevant Entity where the financial value of the transaction is between \$5 million and \$20 million.

Financial Risk Management

- 2.2.34 advise the Council on any matters which have or potentially have, a significant financial impact upon the University;
- 2.2.35 review and recommend to the Council all financial risk parameters, noting that the Audit, Risk and Compliance Committee is responsible for the review and advice to Council on the adequacy, integrity and effectiveness of the University's risk management framework; and
- 2.2.36 review and advise the Council on financial policies (for example to address foreign exchange risk).

Review and Reporting

- 2.2.37 receive and review quarterly financial reports and advise the Council on those reviews; and
- 2.2.38 review and monitor the University's performance against financial benchmarks set by the Council, having regard for external benchmarking data, as appropriate.

Other Responsibilities

- 2.2.39 undertake such other delegations as the Council may assign.
- 2.3 For the purposes of this section, "significant" is defined as committing (or likely to commit) the University to expenditure in aggregate, over the term of the contract, in excess of \$20.0 million (excluding GST).

3 Investment Responsibilities

Without limiting the generality of the provisions of section 2.2, the Finance Committee shall:

- 3.1 approve the appointment of an independent Investment Advisor to provide the Committee with advice to enable the performance of the responsibilities described below;

- 3.2 approve specific investment strategies consistent with the Council-approved Investment and Treasury Management policy and procedures;
- 3.3 oversee mandates for Fund Managers and review these from time to time to ensure that these remain appropriate to the University's needs;
- 3.4 approve the appointment of Fund Managers; and
- 3.5 receive and consider regular reports on investment performance, measured against agreed objectives and benchmarks.

4 Membership

- 4.1 The membership of the Finance Committee shall comprise:
 - 4.1.1 the Chairperson, appointed by the Council from amongst the Members of the Council who are neither students nor staff
 - 4.1.2 the Vice-Chancellor, *ex officio*
 - 4.1.3 not less than two and up to four other members of the Council, with particular expertise in the Committee's responsibilities, appointed by the Council
 - 4.1.4 up to two Members, either from within or external to the University, with particular expertise in the Committee's responsibilities, appointed by the Council.
- 4.2 The Council will appoint one of the two Members appointed under section 4.1.3 as Deputy Chairperson for the Member's term of office on the Council. The Deputy Chairperson will chair meetings of the Committee in the absence of the Chair.
- 4.3 The Chair of the Audit, Risk and Compliance Committee is ineligible to be a Member of the Finance Committee.
- 4.4 The Committee is committed to gender balance and diversity of membership. Council will work towards achieving gender balance (40% women; 40% men and 20% of either, and/or other genders) on average across all its standing committees assessed over a reasonable period of time, noting that this may not be possible at all times due to the composition of Council and the skills and experience required by the Committee.

5 Term of Office of Appointed Members

- 5.1 Members of the Committee other than *ex officio* Members shall serve for terms of up to two years, concluding on 31 March of the relevant anniversary year, or in the case of Council Members, until the conclusion of their terms on the Council, whichever first occurs.
- 5.2 Appointed Members may, if eligible, be re-appointed to serve for further terms.

6 Quorum

6.1 The quorum for a meeting of the Committee shall be not less than one half of the total number of Non-Executive Members excluding:

- (a) any vacancy in the membership of the Committee; and
- (b) any Member who has an approved leave of absence and in respect of whom a deputy has not been appointed.

7 Officers in Attendance

7.1 The Chief Operating Officer and the Chief Financial Officer shall attend all meetings of the Committee with rights of audience and debate.

7.2 The Committee may invite any other officer of the University to attend for specific items of a meeting or to attend specified meetings, to assist the Committee in its deliberations.

8 Establishment of Working Parties or Sub-Groups

8.1 The Committee may, as it deems appropriate or desirable, establish working parties to undertake particular tasks in relation to a nominated function. The composition of a working party may include persons other than members of the Finance Committee.

8.2 No working party will have authority to make decisions on behalf of the Finance Committee. The Finance Committee is responsible for receiving reports from any such group, and either determining on recommendations or referring them to the Council for determination.

9 Meeting Schedule

9.1 The Committee shall meet at least four times a year.

10 Reporting

10.1 The Committee will report to the Council by way of its minutes.

11 Servicing of the Committee

11.1 The secretary of the Committee is the Council Secretary or such other person appointed by the Council Secretary.

REVISION HISTORY

Revision Ref. No.	Approved/ Rescinded	Date	Committee/ Board	Resolution Number	Document Reference
(First Established)	Approved	23 June 2004	Council	C 61/04	C 71/04
	Amended	21 October 2009	Council	C 134/09	Attachment 3 to 01478/09

Revision Ref. No.	Approved/ Rescinded	Date	Committee/ Board	Resolution Number	Document Reference
	Amended	9 December 2009	Council	C 157/09	Attachment 1 to 01736/09
	Amended	7 August 2013	Council	C 183/13	Attachment 1 to 00847/13
	Amended	18 March 2015	Council	C 37/15	Attachment B to Item 8.1.2.
	Amended	22 June 2016	Council	C 91/16	Attachment A to Item 8.3.2
	Amended	3 August 2016	Council	C 113/16	Attachment A to Item 7.10
	Approved	14 February 2018	Council	C 19/18	Attachment A to Item 8.2.4
	Approved	13 February 2019	Council	C 20/19	Attachment A to Item 8.4.2
	Approved	1 July 2020	Council	C 105/20	Attachment B to Item 8.2
	Approved	20 August 2020	Council	C 136/20	Attachment A to Item 8.4
	Approved	17 March 2021	Council	C 42/21	Attachment A to Item 8.5
	Approved	12 May 2021	Council	C 66/21	Attachment A to Item 7.4
	Approved	8 December 2021	Council	C 177/21	Attachment B to Item 7.3
	Statute 14 – Revocation was gazetted 15 February 2022, formally disestablishing the Foundation and Foundation Board on 16 February 2022.				
	Approved	16 February 2022	Council	C 12/22	Attachment A to Item 8.2
	Approved	7 December 2022	Council	C 185/22	Attachment A to Item 8.7
	Approved	6 December 2023	Council	C 153/23	New clause 2.2.15 inserted