

# Finance and Facilities Committee Terms of Reference

## Section 1 - Establishment

### Background

(1) The University Council (Council) has established the Finance and Facilities Committee (the Committee). These Terms of Reference set out the Committee's purpose, authority, membership and functions and responsibilities.

(2) The procedures for the Committee are set out in the [Council and Council Committees Procedure](#).

### Purpose

(3) The purpose of the Committee is to assist Council in fulfilling its responsibilities relating to the acquisition, development, and maintenance of University buildings and grounds, and the financial and investment planning and performance of the University and its controlled entities (the University).

### Authority

(4) The Committee has delegated authority as detailed in the [Reserved Powers of Council and Council Committees](#), the [Delegations of Authority Register](#) and noted in the each relevant section of these Terms of Reference.

## Section 2 - Membership

(5) The Committee will be constituted by up to eight members of Council appointed by Council on the recommendation of the Nominations and Remuneration Committee.

(6) Council may appoint up to two additional persons external to the University who are appropriately qualified on the recommendation of the Nominations and Remuneration Committee.

(7) The Nominations and Remuneration Committee will maintain a skills matrix to ensure the Committee is comprised of an appropriate mix of skills and any recommendations for changes to Committee membership will be in consultation with the Chair of the Committee.

## Section 3 - Functions and Responsibilities

(8) The Committee is directly responsible and accountable to Council for the exercise of its responsibilities.

(9) The Committee's responsibilities are as follows:

a. University facilities:

- i. oversee and monitor progress with the University Campus Concept Plan;
- ii. review the Capital Management Plan and Campus Development Plan and recommend to Council for

approval;

- iii. review, and make recommendations to Council, regarding the University's long term direction and policies regarding buildings and grounds, property development and management, including environmental impact, physical planning space usage, utilities, and infrastructure;
- iv. review the progress of all major projects listed in the Capital Management and Campus Development plans;
- v. approve variations to approved budgets for projects listed within either the Capital Management Plan or the Campus Development Plan - change previously approved projects greater than \$50 million by 10% subject to a cap of \$5 million;
- vi. approve the execution of contracts, instruments and dealings (other than Deeds) and other documents on behalf of the University under conditions set by the [Supplier Contracts Policy](#) for amounts between \$5 million and \$50 million;
- vii. recommend to Council the execution of contracts, instruments and dealings (other than Deeds) and other documents on behalf of the University under conditions set by the [Supplier Contracts Policy](#) for amounts in excess of \$50 million;
- viii. approve remedial action for sums from \$3 million to \$50 million that may be required where project status indicates that contractual arrangements are not being met and recommend to Council if greater than \$50 million;
- ix. oversee the University's acquisition and disposal of assets, specifically:
  - approve off-campus property acquisition, maintenance, renovation, development and/or disposal for sums less than \$50 million and recommend to Council for sums greater than \$50 million;
  - approve disposal of property off campus within the limitations of the [Macquarie University Act 1989](#);
  - approve the acquisition and transfer of property for sums greater than \$3 million up to \$50 million;
- x. approve maintenance and renovation arrangements of University property for sums greater than \$3 million up to \$50 million and recommend to Council for sums greater than \$50 million;
- xi. with respect to leases and licences:
  - approve execution of a lease or licence of 6 months or more, over University-owned premises where rent receipts over the total lease period are for \$10 million and above;
  - approve execution of a lease; or licence of 6 months or more, over non-University premises where rent payments over the total lease or licence term are for \$10 million and above;
- xii. oversee and review business case development for all major commercial activities within the University, including but not limited to major commercial/construction projects;
- xiii. monitor the exercise of powers relating to Division 2 of the Act dealing with Property, including, but not limited to, acquisition, maintenance, lease arrangements, and transfer;
- xiv. review and monitor sustainability initiatives, including waste management, and energy and water consumption;
- xv. review the University's Information Technology Strategic Plan, recommend key investment decisions and monitor progress against the Plan;

b. Financial management and investment:

- i. oversee the University's financial strategy and management, including the funding of the Capital Management Plan;
- ii. approve the University's policy for investment of funds;
- iii. monitor investment of funds surplus to requirements;
- iv. engage and terminate external fund managers as may be required;
- v. monitor the governance and management of the University's investment portfolio;

- vi. review regularly (at least quarterly) the University's financial performance against budget, including, but not limited to, income and expenditure, asset management, replacement and disposal, debtors (including write-offs), investments and ratings of investment products, including examination of the reasons behind any material variances from budgets;
- vii. make recommendations to Council with respect to the approval of:
  - the annual budget and budgeting process;
  - investment;
- viii. review performance against agreed financial performance indicators;
- ix. oversee and review the results of the University's financial, asset management and credit processes, and accompanying policies and procedures;
- x. review, monitor, and approve changes to Finance and Property Delegations of Authority, and make recommendations to Council where changes exceed the Committee's delegation and with respect to the University's financial delegations instruments and accompanying policies and procedures;
- xi. approve payment to controlled entities;
- xii. approve bank and similar guarantees on behalf of the University and controlled entities;
- xiii. approve the investment of funds greater than \$10 million up to \$50 million by Access Macquarie Limited categorised to an Internal Fund and subject to the equity investment not leading to a new controlled entity, and make recommendations to Council where the investment exceeds \$50 million;
- xiv. consider and make recommendations to Council on any matters that have a significant financial impact on the University;

c. Donations:

- i. approve the acceptance of cash gifts and bequests and execute relevant contracts for cash donations greater than \$20 million where none of the following conditions apply:
  - the donation is towards a purpose not previously agreed by the University Executive Group;
  - the donation is made with significant conditions attached, which may prove difficult or costly for the University to honour;
  - acceptance of the donation may put the University at reputational risk; and

d. Intellectual Property:

- i. review investment proposals for spin-out companies commercialising research-based Intellectual Property.

## Section 4 - Meetings

(10) Refer to the [Council and Council Committees Procedure](#) for meeting requirements and protocols.

## Section 5 - Variations

(11) Variations to this Terms of Reference must be approved by Council.

## Section 6 - Definitions

(12) For the purpose of this document:

- a. Committee - means the Finance and Facilities Committee of Council.



## Status and Details

<b>Status</b>	Historic
<b>Effective Date</b>	20th December 2021
<b>Review Date</b>	1st December 2024
<b>Approval Authority</b>	University Council
<b>Approval Date</b>	16th December 2021
<b>Expiry Date</b>	12th December 2024
<b>Responsible Executive</b>	S. Bruce Dowton Vice-Chancellor
<b>Responsible Officer</b>	Sophie Buck Director, Governance Services
<b>Enquiries Contact</b>	Sophie Buck Director, Governance Services