

Board of Management Finance Committee

Date of Meeting	Wednesday 5 June 2024
Paper No.	FC4-I
Agenda Item	4.1
Subject of Paper	Review of Committee Terms of Reference
FOISA Status	Disclosable
Primary Contact	Drew McGowan Associate Director of Governance and Risk
Date of production	28 May 2024
Action	For Discussion and Decision

1. Recommendations

- 1.1. To review the Finance Committee Terms of Reference (ToR) and recommend any necessary and agreed amendments to the Board of Management for final approval.

2. Purpose

- 2.1. To facilitate the annual review of the Committee's Terms of Reference to ensure it remains fit for purpose.

3. Consultation

- 3.1. Members of the Committee are consulted annually on the Terms of Reference and have the opportunity to recommend any changes. Any agreed changes are tabled for the Board of Management's final approval.

4. Key Insights

- 4.1. Terms of Reference outline the purpose, remit, membership, meeting frequency and quoracy rules for the Board's committees. To support good governance, all committees review their Terms of Reference on at least an annual basis.
- 4.2. As outlined in the Standing Orders (section 7.3) and the Scheme of Delegation (section 2.3), amendments to the Terms of Reference can be agreed by the Committee; however, all changes must be recommended to the Board for final approval before they may take effect.

5. Impact and Implications

- 5.1. Reviewing the Board's governance documents, including the Terms of Reference for committees, is an opportunity to make necessary changes and ensure governance arrangements are continuously reviewed and remain effective.

Appendices:

Appendix 1: Finance Committee Terms of Reference.

Terms of Reference Finance Committee of the Board of Management

1. Purpose

- 1.1. The Finance Committee, referred to hereafter as “the Committee”, will have oversight of the College’s finance and procurement functions. The Committee will provide the Board of Management with assurance that the College has appropriate budgets, controls, plans and strategies in place to ensure the financial stability and sustainability of the organisation.

2. Remit

- 2.1. Carry out the oversight duties assigned to the Committee in the College Group’s Financial Regulations ensuring, on an annual basis, that these are fully compliant with the Financial Memorandum.
- 2.2. Provide advice to the Board of Management on all significant matters related to the College Group’s finances.
- 2.3. Review, approve and monitor the implementation of the College’s financial strategies and associated plans, and submit appropriate reports and recommendations to the Board of Management on these strategies and plans
- 2.4. Receive and approve the annual budget and final accounts for recommendation to the Board of Management.
- 2.5. Receive and approve funding applications to the College and Sector Foundations.
- 2.6. Receive and discuss College procurement reports.
- 2.7. Review the Strategic Risk Register and Management Action Plans for those risks that are directly related to the Committee’s remit and recommend any changes to the Board of Management for final approval.
- 2.8. Recommend to the Board of Management any matters of significance that fall within the Committee’s remit.

3. Membership

- 3.1. At least three Board members will be represented on the Committee. More than one-half of the Committee’s membership will comprise of non-executive Board members. The remaining members may include the Principal and staff and/or student Board members. The current composition of the Committee is as follows:
 - **Non-Executive Members:** D. Baillie; R. Quinn; and S. Patrick.
 - **Principal, Staff & Student Member(s):** P. Little and L. Subido.
- 3.2. Additional members may be co-opted to the Committee with the approval of the Board of Management. Co-opted members shall contribute to the business of the Committee but will not have the right to vote. The Committee does not currently have any co-opted members.
- 3.3. Members of the Committee shall elect a Convener from among their number. In accordance with the Standing Orders, approved and issued by the Board of Management, the Convener should be a non-executive member. The Committee may also choose to elect a Vice Convener.

4. Meetings and Quoracy

- 4.1. The Committee shall meet at least four times in each academic year. Meetings will be conducted in accordance with the Standing Orders as approved and issued by the Board of Management.
- 4.2. The quorum for a meeting of the Committee shall be no less than one-half of the members, as outlined in section 3.1, who are entitled to vote. At least one-half of those attending must be non-executive members to complete a quorum.

5. Review

- 5.1. Members will review the Committee's Terms of Reference at least annually. Any amendments shall be submitted to the Board of Management for consideration and final approval.

Approved by the Board of Management: 14 June 2023.

Amended by the Board of Management: 4 October 2023.