Committee Charge

Committee Name: Finance

Committee Type: Board – Advisory

Mission/Purpose: The Finance Committee (FC) shall ensure fiscal stability and long-term economic health of the College by reviewing financial conditions and recommending strategies aimed at attaining the Board's Strategic Outcomes and supporting the College's mission. Further, the FC oversees the work of the external and internal auditors, reviews proposed financing activities as recommended by the Chief Financial Officer (CFO), reviews major building and renovation projects, and recommends actions to the Board. Finally, the FC will review significant financial matters related to the integrity of senior management, including conflicts of interest and adherence to standards of business conduct as required by College policy.

Scope of Responsibility: The FC shall:

1. Review the College's long-term financial plan that includes (at a minimum) a tuition, tax levy, investment, capital improvement, and debt management strategies.
2. Monitor the College's Composite Financial Index (CFI) score and recommend strategies to ensure performance is within range for public institutions as defined by the Higher Learning Commission.
3. Review the annual budget for alignment with the long-term financial plan and the Board's Strategic Outcomes.
4. Review the long-term financial and strategic implications of workforce planning and collective bargaining and recommend strategies to the Board that support the College's long-term financial sustainability.
5. Receive and review finance, budget, capital improvement, and risk management monitoring reports.
6. Review the College's annual risk management plan and the recommended tort fund levy.
7. Hire an investment advisor, review investment performance, and recommend investment policy for Board action.
8. Direct the College's annual audit by:
    a. Participating in the auditor selection process and recommending an external auditing firm to the Board for consideration.
    b. Assessing the external auditor's process for identifying and responding to key audit and internal control risks.
    c. Reviewing the accuracy of financial reporting and the adequacy of financial disclosure with the auditor.
    d. Reviewing the appropriateness and effectiveness of internal control systems and internal audit functions with the auditor.

e. Monitoring compliance with state and federal regulations and any other laws relevant to the College's activities with the auditor.
f. Considering compliance with all related-party transaction disclosures or conflict of interest disclosures.

9. Coordinate the investigation and evaluation of serious allegations of financial misconduct or conflict of interest.
10. Review the FC Charge annually and recommend improvements to the Board.

Related Board Policies:

- *B3004 Employment, Compensation, and Benefits;*
- *B3005 Budgeting/Forecasting;*
- *B3006 Financial Condition;*
- *B3007 Asset Protection;*
- *B3008 Investments;*
- *B3009 Financial Planning.*

Reporting: The FC reports to the Board. The Board will consider all recommendations made by FC and endorse those that benefit the College.

Associated Committees: None.

Composition: At least 2 as appointed by the Board Chairperson.

Meeting Dates: Quarterly, as needed.

Change Log	Governance Unit: Board of Trustees
Date	**Description of Change**
03-07-22	Initial Adoption
06-05-23	Annual Review, No Changes
06-06-24	Finance Committee Review, Updated Composition
08-21-25	Board Reviewed, No Changes
07-27-26	Board Reviewed, Updated Scope of Responsibility