

Finance, Facilities, and Operations Committee Charter

1. Overall Purpose and Objectives:

The Finance, Facilities and Operations Committee ("Committee") is a committee of the University of West Florida Board of Trustees ("Board") whose members are appointed by the Chairperson of the Board. The general purpose of the committee is to provide a review, policy guidance, and strategic oversight of the university's financial matters, financial reporting statements, campus master plan activities, and other real estate-type activities for both the University and its direct support organizations ("DSO").

The Committee is responsible for ensuring fiscal stability, long-term economic health, and the integrity of all physical assets and operations of the institution. The Committee advises the Board of Trustees concerning actions to ensure the university operates strategically and efficiently within the context of available resources and applicable federal, state, and university regulations and policies.

For university financial matters, the Committee will review actions to be presented to the Board and provide a recommendation. This includes, but is not limited to, the annual University budget and all tuition, room rents, and other student fees that are required by state statute to be approved by the Board. The committee will schedule and periodically review financial reports from the university's DSOs.

For campus master planning and other real estate matters, the Committee will coordinate the campus master planning process and provide recommendations to the Board for action. The Committee will annually review the capital improvement plan submissions to the Board of Governors and State legislature, and periodically review programs that ensure the maintenance and safety of University facilities. The Committee will review any real estate-related projects or facilities involving the University or any of its DSOs, or any other university entities that may arise in the future by whatever designation, and make recommendations to the full Board. The Committee will participate in and review and approve the planning process for any DSO-initiated program that will materially affect the University either financially or in reputation, or involve any real estate-related matters on or off-campus.

2. Authority:

The Board authorizes the Committee to

- 2.1 Perform activities within the scope of its charter.
- 2.2 Engage outside consultants and other advisors as it deems necessary, with the approval of the Board or the President.

- 2.3 Have unrestricted access to management, faculty, and employees of the University and its DSOs, as well as to all books, records, and facilities thereof.

3. Organization Membership

- 3.1 The Chair of the Board will appoint the chair and members of the Committee.
- 3.2 The Committee will be comprised of at least three (3) members, all of whom are voting Trustees of the University.
- 3.3 A majority of the Committee members, if not all, shall possess general accounting, business, and financial knowledge, including the ability to read and understand fundamental financial statements.
- 3.4 If possible, Committee will include at least one member who is an "accounting or financial expert"; a person who has an understanding of generally accepted accounting principles and financial statements; the ability to assess the application of these principles in connection with accounting for estimates, accruals, and reserves; and an understanding of committee functions; experience preparing financial statements, or experience actively supervising persons engaged in such activities. The person must have acquired these attributes through one or more of the following: education or experience doing these functions or similar ones; actively supervising someone who is performing these functions or similar ones; experience overseeing or assessing the performance of companies or public accountants who are preparing or evaluating financial statements; or other relevant experience.
- 3.5 Members will serve on the Committee until their resignation or replacement by the Chair of the Board.

4. Meetings

- 4.1 A simple majority of the members of the Committee will constitute a quorum for the transaction of the business.
- 4.2 The Committee shall meet at least four (4) times annually and shall correspond with the University's financial reporting cycle. Additional meetings may be held as the circumstances dictate. The meetings will be open to the public. The Committee may invite members of the administration, faculty, or others to attend meetings and provide pertinent information.
- 4.3 The Committee shall maintain written minutes of its meetings, and the Committee Chair will approve each meeting's agenda.
- 4.4 The Vice President of Finance & Administration and Chief Financial Officer, who has operational responsibility for financial and facilities planning, will be the liaison to the Committee from the UWF Administration. Said Vice President of Finance & Administration and Chief Financial Officer will regularly meet and correspond with the Chair of the Committee and in consultation with the Chair of the Committee, prepare the agenda for meetings of the Committee. Said Vice

President of Finance & Administration and Chief Financial Officer will further advise and keep informed, as needed, both the President and the Chair of the Board regularly regarding matters brought before and actions taken by the Committee.

- 4.5 The Committee shall provide regular updates of Committee activities to the Board for matters within the Committee's area of responsibility.
- 4.6 The Committee may request special presentations or reports that may enhance members' understanding of their responsibilities.
- 4.7 It is the intent of the Committee for matters within its purview to come before the Committee as early as possible so that the Committee can issue its recommendations and exercise its oversight at the beginning of any particular project or matter.

5. Roles and Responsibilities

FINANCE

Concerning each item listed below, the committee will:

- 5.1 Review the annual operating budgets of the University and recommend appropriate action to the Board.
- 5.2 Review the financial statements of the University's DSOs, making recommendations for action to the board as needed (frequency of review is at the discretion of the committee, but will be not less than once each year).
- 5.3 Review the annual capital budget request of the university and recommend appropriate action to the Board.
- 5.4 Review annual (or interim) changes to the University's tuition and fees and any related regulation or policy changes, and recommend appropriate action to the Board.
- 5.5 Review and approve material, non-mandated changes to accounting policies and practices.
- 5.6 Consult annually with the Chief Financial Officer regarding the integrity of the University's financial reporting processes and related internal controls.
- 5.7 Review the annual financial statements of the university, making any recommendations regarding such reports deemed necessary to the Board.
- 5.8 Oversee investments of university cash balances and review quarterly.
- 5.9 Review annual financial commitments, obligations, or contingent risks of five million dollars or .5% of the University budget, whichever amount is smaller, other than grants, contracts, and other agreements for research, sponsored training,

clinical trials, patents, and licensing technology transfer, and research compliance.

- 5.10 Review contractual obligations of more than five years' duration and an aggregate net value of five (5) million or more dollars, options, renewals, extensions, or amendments thereto, other than grants, contracts, and other agreements for research, sponsored training, clinical trials, patents, and licensing technology transfer, and research compliance.
- 5.11 Review borrowing of funds by the University or Affiliated Entities, including DSOs, and any changes to the terms of existing indebtedness.
- 5.12 Review transfer of University funds to, from, or among Affiliated Entities including DSOs.
- 5.13 Advise Senior Management, based upon the Committee's review, whether the Committee believes that the annual audited financial statements (including the footnotes) contain any material misstatements or omissions.
- 5.14 Review with the Vice President of Finance & Administration and the Chief Financial Officer after the annual financial statement audit:
 - 5.14.1 the University's annual financial statements and related footnotes, including their degree of clarity;
 - 5.14.2 the Auditor General's opinion regarding the financial statements;
 - 5.14.3 any significant changes required to the state auditor's audit plan;
 - 5.14.4 any difficulties or disputes with management encountered during the audit, including an overall assessment of management cooperation;
 - 5.14.5 the University's accounting principles, including the consistency, appropriateness, and quality (not just acceptability) thereof; with particular emphasis on sensitive accounting estimates and accruals;
 - 5.14.6 the University's overall level of compliance with governmental regulations;
 - 5.14.7 reports concerning internal controls, including significant findings and recommendations and management's response;
 - 5.14.8 other matters that should be communicated to the Committee under generally accepted auditing standards; and
 - 5.14.9 any other financial filings required by law or regulation.

FACILITIES

Campus Master Plan

- 5.15 Become familiar with the current campus master plan and the philosophy behind its development.
- 5.16 Understand the statutorily required process and frequency of updates to the plan
- 5.17 Recommend amendments to the plan to the Board.
- 5.18 Recommend appropriate action regarding the acquisition and distribution or encumbrance of real property.

Capital Improvement Plan

- 5.19 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.
- 5.20 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.
- 5.21 Receive as information all new construction projects less than or equal to \$2 million.
- 5.22 Review and recommend to the Board the annual list of capital improvements for funding by the Legislature, including the PECO list and the Capital Improvement Program for all other projects.
- 5.23 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.

Direct Support Organizations

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

Maintenance of Facilities

- 5.26 Review the effectiveness of the various University and DSO organizations in maintaining the buildings and grounds that are responsibilities of the Board.
- 5.27 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.

- 5.28 Review the effectiveness of the campus organizations responsible for environmental health and safety both in the buildings and on the grounds.
- 5.29 Provide recommended action items to the Board on all of the items above when necessary.
- 5.30 Review, adopt and recommend to the Board changes to the University policy associated with the naming of any buildings or facilities of the University.

Reporting Responsibilities

- 5.31 Regularly update the Board about Committee activities and make appropriate recommendations.
- 5.32 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.

Charter Review

- 5.33 Review the Committee charter at least every three (3) years or earlier, if necessary, and discuss any required changes with the Board
- 5.34 Ensure that the charter is approved or reapproved by the Board after each update.

History: March 17, 2022