LOYOLA UNIVERSITY NEW ORLEANS
Board of Trustees
SEPTEMBER 2008

REVISED COMMITTEE DESCRIPTION

COMMITTEE:  Committee on Finance

MISSION STATEMENT / CHARGE

To ensure the fiscal stability and long-term economic health of the University by identifying, monitoring and developing policy and plans related to the financial operations of the University and to its budget functions.

To see that a comprehensive plan of strategic finance is in place for identifying strategic options, developing the rationale for all financial/economic decisions, and monitoring pursuit of that plan.

Through a coordinated effort with the Sub-committee on Investment to identify, develop and monitor policy and performance ensuring appropriate management of the University’s investment funds.

Through a coordinated effort with the Sub-committee on Buildings & Grounds, to provide for the adequacy and good condition of the University’s capital assets, to develop and review policies concerning land, buildings and equipment, to advocate for new structures and for rehabilitating older ones consistent with Board policy, to ensure controls on plant debt, and to ensure adequate levels of funding for maintenance of a safe and supportive learning and living environment.

MEMBERSHIP, LEADERSHIP AND ORGANIZATION

➤ **MEMBERSHIP:** Membership of the Finance Committee shall consist of seven to ten Trustees, some of whom have extensive financial backgrounds – one at least with significant experience in each area of responsibility: strategic financial management, investment management, and real estate and/or construction. Others need have no particular financial background but must possess a deep understanding of and enthusiasm for the University’s mission and work. [Review membership annually for continuity, freshness and balance.]

➤ **LEADERSHIP:** The chair and two vice chairs of the committee (each of whom will chair an appropriate sub-committee) shall be experienced Trustees who are expert in financial matters generally and possess specific expertise in areas of committee responsibility, are committed to the University’s mission and goals, and have a good understanding of higher education generally.

➤ **ORGANIZATION:** The Committee shall meet on a quarterly basis or in conjunction with regularly scheduled Board meetings, but more frequent telephonic meetings may
be necessary depending on the financial circumstances of the University. The Committee shall be staffed by the chief financial officer.

RESPONSIBILITIES

➢ The Committee will develop, monitor and revise policies for the strategic management of the institution’s financial, investment and facilities operations by strategic use of key performance indicators and a financial “dashboard”
➢ It shall oversee annual and long-range budget planning and implementation
➢ It shall review requests and plans for borrowing and submit them to the full board for approval
➢ It shall establish policies to provide for the maintenance of accurate and complete financial, investment and facilities records, and to guarantee that all necessary disclosures and internal controls are in place
➢ The Committee shall take responsibility for the presentation of timely and accurate financial, investment and facilities / equipment information to the board and for keeping the board is apprised of the University’s financial condition, investment performance, and condition of facilities
➢ It shall submit to the full board for approval those capital budgets that exceed prescribed amounts, and shall review all facilities’ renewal or replacement decisions
➢ It shall make certain that the institution regularly assesses the strategic effectiveness of its financial, investment and facilities operations, systems and personnel
➢ Through a coordinated effort with the Sub-committee on Investments, the Committee shall select, hire, monitor, and terminate professional managers for all or part of the University’s investment funds, and shall, together with the professional managers, participate in the selection of investment strategies for each asset class.
➢ It will also review annually and monitor closely the level of expense incurred in the management of investment funds.
➢ Through a coordinated effort with the Sub-committee on Buildings & Grounds, the Committee shall determine the adequacy, condition and use of the existing campus environment, ensuring that a facilities and plant management audit is in place and being utilized and that mandated regulatory programs (energy, ADA, environment) are adhered to
➢ It will develop a physical facilities planning policy, and ensure that a master plan is developed and the planning process is on-going, ensuring also that a “disaster” or emergency plan is an integral part of the process

AGENDA—POLICIES & PRACTICES TO CONSIDER:

➢ The Committee should set its own agenda, guided by the University’s mission, strategic plan and other planning documents, federal and state regulations, and the financial condition of the institution. It should consciously seek to collaborate with the Committee on Academic Affairs & Student Life and the Committee on Institutional Advancement. It should heed but not be driven by the suggestions of the chief financial officer and other administrators

➢ [See the Strategic Plan and the President’s / Board’s Strategic Priorities for Agenda Items ... 2008-2009.]