

College of Micronesia-FSM

FINANCE COMMITTEE

Terms of Reference (with Amendments of December 04, 2009)

A. Authority

As a subcommittee of the Planning and Resources Committee, the Finance Committee operates through the authority of and reports to the President through the chairperson of the Planning and Resources Committee. Recommendations from the committee are submitted through the chairperson of the Planning and Resources Committee to the President for action.

B. Purpose

The Finance Committee advises the President on matters relating to fiscal management of the College.

C. Membership

The members of the Finance Committee are:

- Vice President for Administrative Services
- Vice President for Instructional Affairs
- Vice President for Support and Student Affairs
- Vice President for Cooperative Research and Extension
- Comptroller
- Director of Institutional Research and Planning
- Director of Human Resources
- Campus Directors (5)
- Business Office Manager
- Director of Financial Aid
- **Director of IT**
- State Campus Accountant
- Accounting/Finance instructor
- Two faculty representatives (at least one from a state campus)
- **At least two student representatives**

At the beginning of the academic year, the Faculty/Staff Senate recommends the two faculty representatives, at least one from a state campus; the **Student Body Association for at least two student representatives**. The President appoints the committee members based on the recommendations.

Responsibilities of committee members are to:

- Regularly prepare for and attend committee meetings;
- Actively participate in meetings; and

- Share information on committee discussions, recommendations and decisions with and gather input from their area of representation.

D. Organization

The Comptroller chairs the Finance Committee. The chairperson's responsibilities are to:

- Preside over meetings;
- Ensure the terms of reference for the committee are met and matters brought before the committee are judiciously addressed;
- Prepare and distribute the agenda prior to each meeting; and
- Ensure committee minutes, reports, and recommendations are completed and appropriately disseminated in a timely manner.

A vice chairperson is elected at the beginning of the academic year. The responsibilities of the vice chairperson are to:

- Preside over meetings in the absence of the chair; and
- Assist the chairperson with the above responsibilities.

The state campus accountant serves as the secretary. The responsibilities of the secretary are to:

- Take and prepare accurate minutes;
- Distribute and post the minutes in a timely manner; and
- Record attendance of committee members.

E. Meetings and Adoption of Action Items and Minutes of Meetings

Meetings are held monthly. The schedule is determined at the beginning of each academic term. The chairperson may call special meetings or upon consent of the majority of the members reschedule the regular meetings. Meetings may be held face-to-face or via teleconferences or other communication technologies. Twenty-five percent of members present constitute a quorum for discussion purposes. **If there is at least fifty one percent members present in the meeting, the committee can act on a motion by the majority vote from present members.**

Electronic voting may be utilized when necessary, however if a member expresses objection for an electronic vote, the matter is tabled to the next special meeting for discussion and appropriate action. **A majority vote of fifty – one percent of all members is required to adopt a motion through electronic voting. Results of electronic voting are to be documented in the finance committee electronic voting form.**

Minutes of meeting can be adopted through electronic voting.

Discussions and comments on items for electronic voting have to be transmitted within 3 days from date of email. After the 3 – day discussions and comments, members have to transmit their Yes, No or Abstain vote within the following 3 – day period. If no response is received within the 3 – day voting period from member, it will be considered a favorable vote from members for the action items and/or adoption of the minutes of meeting.

F. Responsibilities

The responsibilities of the Finance Committee are to:

- Address issues and matters relating to fiscal administration;
- Review budgets (operations budget, FSM FMI budget, infrastructure development plan budget, auxiliary enterprise budgets and other budgets) for the College;
- Recommend tuition fees and other fees charged by the College;
- Recommend fiscal policies and procedures;
- Recommend closure and opening bank accounts and credit card accounts;
- Recommend use of fund balance and excess revenue; and
- Act on other fiscal matters as referred by the College community.
- Review assessments/evaluations of financial processes and services and make recommendations.

G. Communication & Distribution of Information

Agenda items may be submitted to the chairperson by other members, other committees, or the President. The chairperson compiles the agenda and forwards it to committee members prior to meetings.

All meetings are to have minutes which are to be distributed electronically within three working days of the meeting to members for their review. Members are to comment within the next three working days. The minutes are officially adopted at the next meeting. The Business Office then distributes the official minutes to all committee members and to the President. The Business Office maintains a file on official Finance Committee minutes.

Following each meeting, the chairperson informs all concerned of decisions or forwards recommendations from the committee to the President through the chairperson of the Planning and Resources Committee. The chairperson also updates the members of the action taken on the committee's recommendations.

Committee members convey concerns and input on current issues from their respective areas to the committee. They also discuss the issues being addressed by the committee and share committee minutes with the community they represent.

H. Representation by Proxy

The college is actively working to improve its technical capacity to allow remote participation of members of the committee. Until that is achieved, remote members of the committee may select a proxy to act in their stead. Proxies must be regular employees of the college and reside on the island where the meeting is held. Committee members may not serve as a proxy.

Responsibilities of proxies are to:

- Attend committee meetings and perform the functions of a member in his/her absence;
- Communicate regularly with the committee member to clarify the member's view on issues and provide post-meeting feedback; and
- Vote on behalf of the member.

When a proxy misses three meetings, the chairperson informs the committee member. A new proxy may be selected. When the committee member is able to attend a meeting, the member attends and keeps the proxy advised of the activities at that meeting (reversing the roles).