Terms of Reference and Procedures for Board Standing Committees

SIMON FRASER UNIVERSITY

Policy and Procedures

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Standing Committees of the Board of Governors operate according to the following principles and procedures:

(i) Committees are organized to assist the Board of Governors in doing its work efficiently and effectively;
(ii) Standing Committees operate as a component of a collective body;
(iii) Apart from the Executive and Compensation Committee, Committees do not speak or act for the Board of Governors except when formally given such authority;
(iv) The Chair of the Board shall appoint members to serve on Committees for an unspecified term, with due regard to a balance of interests and skills of Board members and constituent groups and the mandates of Committees, and shall select Committee Chairs from among Committee members;
(v) Voting Committee members are permitted to participate and vote by reliable teleconferencing or other technology;
(vi) Members of the Board of Governors may attend Open and Closed Committee meetings but only Committee members can vote at such meetings. The Committee Chair may invite staff and other persons to attend Closed meetings;
(vii) The Board Secretary or other representative of the Board office may attend Open and Closed meetings but the Chair may exclude the Board Secretary or other representative of the Board office on an exception basis;
(viii) Committees shall inform the Board of decisions made by the Committee under delegated authority and Committee recommendations shall be referred to the Board for approval;
(ix) If any conflict of interest arises during Committee meetings, members shall adhere to Section 9 of the Rules of the Board of Governors (B 10.01).
Committees:

Audit, Risk and Compliance Committee (ARC)
Executive and Compensation Committee (ECC)
Finance and Administration Committee (FAC)
Governance and Nominating Committee (GNC)
Human Resources Committee (HRC)
Responsible Investment Committee (RIC)
University Relations Committee (URC)

1. Audit, Risk and Compliance Committee

Terms of Reference

The Audit, Risk and Compliance Committee is a standing committee of the Board of Governors with the following responsibilities:

- Oversee the integrity of the University’s financial reporting processes and controls;
- Ensure that procedures are in place for the receipt and investigation of complaints about accounting, internal controls or audit matters;
- Recommend approval of the Financial Statements;
- Review the audit plan of the external auditors;
- Receive the Audit Report of the external auditor;
- Review the performance of the external auditor and recommend the appointment of the external auditor;
- Oversee the Internal Audit Plan and Report;
- Receive and review the Enterprise Risk Management Plan;
- Receive and review the emergency preparedness/disaster recovery plan;
- Review the University’s compliance with legal, statutory and regulatory requirements;
- Review annually the University’s insurance coverages;
- Review annually litigation in which the University is a party;
- Address other matters as appropriate.

Membership: (4 voting members)

The Committee shall consist of the Chair or Vice-Chair of the Board and three order-in-council members of the Board. In addition, the Board Chair may appoint one or more non-voting Committee members.

In appointing members, the Chair of the Board should strive to ensure that a majority of members of the Committee are financially literate, i.e., have:

- The ability to read, understand and analyze the financial statements and notes to the financial statements;
- The ability to understand accounting policies, estimates and judgments when these are explained by management and the independent auditor;
- An understanding of the University’s business and unique features related to it and its operations that may affect accounting policies;
- A knowledge and understanding of the strategies that have been adopted by the University and the risks inherent in any proposed strategies; and
• An ability to understand the University’s risk environment.

Where possible, one or more members of the Committee should have accounting or related financial expertise.

Two voting members of the Committee constitute a quorum.

2. Executive and Compensation Committee

Terms of Reference

The Executive and Compensation Committee is a standing committee of the Board of Governors with the following responsibilities:

• Exercise all the powers and perform all the duties of the Board when urgent matters arise that cannot wait for a scheduled Board meeting and report such actions as have been taken to the next meeting of the Board;
• Recommend compensation arrangements to the Board in connection with the appointment of the President;
• Determine and approve compensation adjustments for the President in accordance with contractual arrangements and the law, following the annual presidential review;
• Recommend compensation arrangements to the Board for Vice-Presidents, Associate Vice-Presidents, Executive Directors, Deans, University Librarian and Registrar, when these matters are referred to the Committee by the President;
• Approve compensation adjustments for Vice-Presidents, Associate Vice-Presidents, Executive Directors, Deans, University Librarian and Registrar (in accordance with the Performance Review/Salary Advancement Plan approved by the Board).

Membership (Up to 9 voting members)

• Chair of the Board (ex-officio, voting) Chair of the Committee
• Chancellor (ex-officio, voting)
• President (ex-officio, voting except in relation to the President’s appointment, performance review or compensation)
• Chair, Audit, Risk and Compliance Committee
• Chair, Finance and Administration Committee
• Chair, Governance and Nominating Committee
• Chair, Human Resources Committee
• Chair, University Relations Committee
• Deputy Chair of the Board (if not included as a Committee Chair)

Four voting members of the Committee constitute a quorum.

3. Finance and Administration Committee

Terms of Reference

The Finance and Administration Committee is a standing committee of the Board of Governors with the following responsibilities:
• Ensure that financial decisions are consistent with the University’s strategic vision and priorities;
• Oversee the University's financial operations and results;
• Recommend the annual operating and capital budgets for approval;
• Approve investment guidelines and receive information on performance annually;
• Oversee capital planning, construction and maintenance of the real property of the University;
• Recommend tenders/contracts exceeding $2 million for approval (with the exception of externally funded research contract purchases);
• Recommend the following fees for approval: tuition fees; student activity fees; parking fees; residence fees (when required by policy);
• Designate the signing officer positions;
• Address other matters as appropriate.

Membership (8 voting members)

• Chair of the Board (ex officio - voting)
• Chancellor (ex officio - voting)
• President (ex officio - voting)
• One student member of the Board
• One academic staff member of the Board
• Three OIC members of the Board

Four voting members of the Committee constitute a quorum.

4. Governance and Nominating Committee

Terms of Reference

The Governance and Nominating Committee is a standing committee of the Board of Governors with the following responsibilities:

• Make recommendations with respect to the proper functioning of the Board of Governors;
• Review Board policies annually and consider governance trends;
• Recommend approval of University and Board policies;
• Monitor the effectiveness of the Board Orientation Strategy and recommend professional development opportunities for Board members;
• Conduct timely Board self-evaluations and make recommendations for ways to improve Board functioning;
• Receive and consider nominations of candidates for the positions of Chair of the Board and Deputy Chair of the Board and recommend for Board approval the name of one person for each position at the first meeting in each calendar year;
• Approve appointments to boards, such as Pension Trusts, the SFU Foundation and SFU Community Corporation;
• Identify core competency profiles for existing and upcoming Board vacancies;
• Address other matters as appropriate.

Membership (6 voting members)

• Three Order-in-Council members, including the Deputy Chair
• Three Board members selected from the faculty, staff and student members

Three voting members of the Committee constitute a quorum.

5. Human Resources Committee

Terms of Reference

The Human Resources Committee is a standing committee of the Board of Governors with the following responsibilities in relation to Employee Relations Matters:
- Recommend salary policies and material changes to such policies to the Board for approval;
- Recommend framework agreements to the Board for approval;
- Approve negotiating parameters;
- Approve collective agreements and policies relating to terms and conditions of employment with employee groups and report the information to the Board;
- Approve the Faculty Recruitment and Retention Plan;
- Approve creation or termination of or material amendments to pension and employee benefit plans and report to the Board for information;
- Address other matters as appropriate.

Membership (6 voting members)

• Three OIC members of the Board
• Chancellor (ex-officio, voting)
• Board Chair (ex-officio, voting)
• President (ex-officio, voting)

Three voting members of the Committee constitute a quorum.

Responsibilities Delegated to the President:

The responsibility to approve the appointment of tenure-track faculty, Chairs and Directors, academic appointments under A 10.06, Deans, related contract renewals, tenure and promotion, related modification of contracts, and designations of non-automatic Professors Emeriti, is delegated to the President.

6. Responsible Investment Committee

Terms of Reference

The Responsible Investment Committee (Committee) is a standing committee of the Board of Governors with the following responsibilities:

- Investigate responsible investment concerns;
- Approve UNPRI reporting annually;
- Review Responsible Investment Policy (B10.16) and approve changes when required;
- Review and make recommendations related to responsible investment proposals;
- Address other matters as appropriate.
Membership (9 voting members)

- Chancellor (ex officio - voting)
- President (ex officio – voting)
- Chair of the Board (ex-officio – voting)
- Chair of the Investment Advisory Committee
- One student member of the Board
- One OIC member of the Board
- One faculty member of the Board
- The staff member of the Board
- One member of the Alumni Association Board of Directors

Five voting members of the Committee constitute a quorum.

7. University Relations Committee

Terms of Reference

The University Relations Committee is a standing committee of the Board with the following responsibilities:

- Promote the advancement of the University’s strategic vision to be the leading engaged university;
- Ensure that the University safeguards and enhances its reputation, identity and profile;
- Oversee strategic communication and marketing themes and key messages to enhance relationships and influence outcomes;
- Advise on the cultivation of cultural, economic and social linkages to enhance community engagement;
- Ensure that the University's advancement activities reflect the University's priorities;
- Approve new funds/endowments;
- Receive information on donations to established funds;
- Provide guidance regarding the relationship with the Alumni Association;
- Consult with, seek approval from, and approve certain academic matters originating with the Senate, as required by the University Act;
- Address other matters as appropriate.

Membership (7 voting members)

- Four members of the Board
- Chancellor (ex-officio, voting)
- Board Chair (ex-officio, voting)
- President (ex-officio, voting)

Three voting members of the Committee constitute a quorum.

Interpretation

Questions of interpretation or application of this policy or its procedures shall be referred to the President and the Chair of the Board of Governors, who will jointly make a decision which shall be final.