

**CORPORATION OF DONCASTER COLLEGE****FINANCE COMMITTEE
TERMS OF REFERENCE**

1. The Finance Committee is a committee of the Corporation established under the terms of clause 4 of the Articles of Government (2008).
2. The purpose of the Committee is to oversee the financial affairs of the Corporation, to determine such matters that have been delegated to it and to advise the Corporation on appropriate financial policies and procedures subject at all times to the requirements of the Financial Memorandum between the Corporation and the Learning and Skills Council and the Articles of Government.

In discharging its role the Committee is also to be mindful of ensuring that that the information received by it and all decisions taken are centred on improving the experience of students at the College and levels of achievement.

Membership and Operation

3. The Committee shall consist of at least five members appointed by the Corporation. The Principal and Chief Executive will be one of the members.

Membership may include additional persons with relevant financial experience who are not governors who have been recommended by the Search Committee, and approved by the Corporation, to be Co-opted External Members of the Committee.

Members of the Corporation's Audit Committee are not eligible for membership of the Finance Committee.

4. The Committee shall be served by the Clerk to the Corporation or his/her deputy.
5. The Chair and Vice-Chair, if not appointed by the Corporation, shall be elected by the members of the Committee and shall not normally be the same person as Chair of the Corporation.
6. The quorum shall be three members of the Committee, excluding any Co-opted External Members. In the event of the Chair or Vice-Chair being unable to attend, the remaining members shall elect a Chair from among those present.
7. The Committee is entitled, wherever it is satisfied that it is appropriate to do so, to go into confidential session and (subject to the rules of quoracy at paragraph 6 above) to exclude any, or all, participants and observers, except the Clerk to the Corporation.
8. The Committee shall undertake an annual review of these terms of reference and recommend any changes needed to the Corporation for approval.

Functions of the Committee

9. The Committee will meet as and when necessary and will be empowered to act on behalf of the Corporation in financial matters requiring urgent consideration, except that the Corporation shall not delegate those items specified in s.9 of the Articles of Government (as appended). The Committee may also consider any other matter referred to it by the Corporation.
10. Subject to the detailed requirements of the College's Financial Regulations, the Committee is responsible for the following matters:
 - i. To consider and advise the Corporation on all aspects of its finances.
 - ii. To consider and make recommendations to the Corporation on the annual estimates of income and expenditure, other budgets and the financial forecasts for the College
 - iii. To approve the framework for expenditure on capital items and to review the list of priorities within the framework.
 - iv. To consider, review and report on the periodic management accounts of the Corporation, and of any subsidiary trading companies or other joint ventures, and to also advise the Corporation on the year-end accounts of the same.
 - v. To consider and recommend to the Corporation Board for approval of the annual pay award for staff.
 - vi. To consider any proposed capital expenditure projects in excess of £250k and to advise the Corporation on their financial implications.
 - vii. To consider and make representations to the Corporation on the solvency of Corporation and the safeguarding of its assets.
 - viii. To consider and advise the Corporation on the financial elements of the risk management policies in the College, including insurances.
 - ix. To consider and advise the Corporation on any relevant taxation issues.
 - x. To advise the Corporation generally on investments and borrowings and to seek appropriate advice from external sources as appropriate.
 - xi. To produce at least termly a report for the Corporation that reviews the financial position of the College.
 - xii. To approve any virement between budget heads of £30,000 or more or virement that would involve additional financial commitment in respect of subsequent years. Virement shall not be permitted by the Committee if it affects the estimated surplus or deficit approved by the Corporation.
 - xiii. To agree the providers with which the College proposes to enter into for franchise and direct with partner contracts, provided that the combined total values of activity are less than 5% of total income. For the avoidance of doubt, if the combined total value is greater than 5% of total income, matters

must be referred to the Corporation.

- xiv. To advise the Corporation on the policy by which the tuition and other fees payable to the College are determined, and on the policy (subject to any terms and conditions attached) related to grants, loans or other payments paid or made by the Learning and Skills Council or any successor body.
- xv. To advise the Corporation on allowances payable to governors.
- xvi. To advise the Corporation on the content of the Financial Regulations and to undertake an annual review of the same. To consider and approve financial procedures, capitalisation and depreciation and treasury management policies.
- xvii. To monitor the finances of Student Union and advise the Corporation on the same.
- xviii. To monitor the strategic risk areas remitted by the Corporation to the Committee and advise the Corporation and Audit Committee as appropriate.

Notes: -

Delegable and non-delegable functions: extract of the Articles of Government

9. The Corporation shall not delegate the following functions-

- (a) the determination of the educational character and mission of the institution;
- (b) the approval of the annual estimates of income and expenditure;
- (c) the responsibility for ensuring the solvency of the institution and the Corporation and for safeguarding their assets;
- (d) the appointment or (subject to article 17) the dismissal of the Principal or holder of a senior post;
- (e) the appointment or dismissal of the Clerk, (including, where the Clerk is, or is to be, appointed as a member of staff the Clerk's appointment or, subject to article 17, dismissal in the capacity of a member of staff); and
- (f) the modification or revocation of these Articles.

Revision History: -

Approved by the Corporation: 26 September 2007

Reviewed by the Clerk and clause reference to Articles of Government updated in line with changes to the Instrument and Articles of Government issued by the DIUS effective from 1 January 2008: 8 January 2008