
**THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES**

**FINANCE AND ADMINISTRATION COMMITTEE
CHARTER**

PURPOSE

The Finance and Administration Committee provides oversight for the university's finances, business, and facilities activities. The committee advises the Board of Trustees on the state of the university's financial operations, budgetary allocations, student fees, personnel policies, investment performance strategy and returns, and facilities. The committee serves to ensure the university operates within available resources and applicable federal, state, and university policies in a manner supportive of the university's strategic plan.

POWERS AND RESPONSIBILITIES

The Finance and Administration Committee is responsible for formulating and recommending action or necessary policies in all matters relating to finance, business and administration, including the investment of university funds. Specifically, the committee shall approve and recommend to the Board:

1. The university's proposed annual capital outlay budget and appropriation request, prior to their submission to other state agencies and officials;
2. Guidelines to govern the administration's submission of a proposed annual operating budget and appropriation request to state agencies and officials;
3. The university's final operating and capital outlay budgets for the fiscal year (after the General Assembly has enacted annual appropriations for the university);
4. Tuition and fee rates;
5. Construction of specific buildings and other capital improvements;
6. Issuance of debt (which shall not constitute indebtedness of the State of Tennessee) to erect buildings, purchase real estate or cooperate with agencies of the United States;

7. A facilities master plan for each campus;
8. Policies relating to the investment of University funds;
9. The purchase of public area furnishings or fixtures and the renovation, major maintenance, or grounds projects for university-owned or university-leased housing for the President and Chancellors;
10. Any personnel policy matters requiring Board approval and not otherwise vested in the Executive and Compensation Committee under its committee charter or the Bylaws; and
11. University rules required to be promulgated under the Tennessee Uniform Administrative Procedures Act, except rules governing student conduct, rights, and responsibilities, which shall be approved and recommended by the Academic Affairs and Student Life Committee

The committee shall approve and recommend to the Board or to the Executive and Compensation Committee:

1. Acquisition of any interest in real property, including acquisition by gift or devise if the acquisition obligates the university or the State of Tennessee to expend state funds for capital improvements or continuing operating expenditures; and
2. Disposition of the university's interest in real property by sale in fee, easement or right-of-way; provided, however, that in the case of an interest acquired by gift or devise, the president, upon recommendation of the appropriate vice president, shall have authority to approve the sale at or above the appraised value. All sales of real property acquired by gift or devise shall be reported annually to the Finance and Administration Committee, which in turn shall report the sales to the Board of Trustees.

COMPOSITION OF THE COMMITTEE

The voting membership of the committee shall be no less than three members of the Board of Trustees appointed by the Board upon the recommendation of the Vice Chair of the Board, with the advice and consent of the Governance Committee. The Vice Chair of the Board shall be an *ex officio*, voting member of the committee. The President of the University shall be an *ex officio*, non-voting member of the committee.

Committee appointments shall be made at the annual meeting for a two-year term, but *ex officio* appointments shall not exceed the term of office. There shall

be no overlapping membership of the Finance and Administration Committee and the Audit Committee.

The chair of the committee shall be designated by the Board for a two-year term, upon the recommendation of the Vice Chair, with the advice and consent of the Governance Committee. No Trustee may serve more than two consecutive two-year terms as chair of the committee.

The President shall designate one or more members of his or her senior administrative staff to provide staff support to the committee.

MEETINGS

Required Number and Call

The committee shall meet at least three times annually, in conjunction with regular meetings of the Board of Trustees or at any other time upon the call of the chair. A meeting may also be called by the Chair of the Board, the Vice Chair of the Board, the President, the committee chair, or by the Secretary of the Board upon the written request of two members of the committee.

Notice

Notice of committee meetings shall be given to all committee members. Notice may be given by regular mail, electronic mail, or facsimile transmission. At least five (5) days' notice shall be given when feasible, but less notice may be given when there is a need for urgent action by the committee. If written notice is not feasible, by reason of urgency or other exigent circumstance, notice may be given by telephone.

All meetings of the committee shall be open to the public unless otherwise provided by the Tennessee Open Meetings Act or a judicially-recognized exception to the Act.

Agenda

An agenda shall accompany the notice of every meeting of the committee when feasible, but when not feasible, the notice shall state the purpose or purposes for which the meeting is called.

Development of the committee agenda shall be the responsibility of the chair, in consultation with the President and designated committee staff. The agenda shall list in outline form each matter to be considered at the meeting. The committee may use a consent agenda in the manner provided by the Bylaws.

Matters not set forth on the agenda or in the notice may be considered only upon an affirmative vote of a majority of the entire committee.

Quorum

A quorum shall be a majority (more than one-half) of the voting members of the committee. The Vice Chair of the Board shall be counted for quorum purposes, but the President shall not be counted for quorum purposes. In the absence of a quorum, those attending may adjourn the meeting until a quorum is present.

Minutes

Committee staff shall prepare minutes of all committee meetings, review the minutes with the committee chair, and provide the minutes to all committee members before the next committee meeting.