

TERMS OF REFERENCE

FINANCE COMMITTEE OF BGST¹

1. INTRODUCTION

1.1 The Functional Committee shall be called the Finance Committee (thereafter, "FC") of BGST.

2. OBJECTIVES

2.1 The main objective of the FC is to assist the BGST Council (thereafter, "the Council") in fulfilling its oversight and fiduciary responsibilities to the School and act in the best interest of the School's members as a whole.

3. COMPOSITION AND CONSTITUTION

3.1 The Chair of the FC shall confirm the membership of the FC, subject to the vetting of the Governance and Nomination Committee (GNC), and the approval of the Council. The FC shall comprise not less than three and not more than 5 members according to the following composition:

- (i) At least 1 Council member
- (ii) Up to 4 other co-opted members

3.2 Each term of appointment shall be two years.

3.3 All members of the FC shall exercise independent judgement when discharging their duties.

3.4 Members of the FC should come with broad business experience, as well as knowledge of accounting, financial, and investment matters.

3.5 If any member of the FC shall for any reason cease to be a member with the result that the membership of the FC is reduced to below three, the Chairman of the FC shall, within three months of that event, appoint such new members as to restore the membership to no less than 3. Should the Chairman of the FC resign, then the Council shall act immediately to appoint a new Chairman.

3.6 The Council should endow the FC with reasonable resources for it to discharge its functions properly.

4. FUNCTIONAL INDEPENDENCE

4.1 The FC is to function independently of the members of the Council who are not FC members. Such members of the Council who are not FC members may attend any particular FC meeting only at the FC's invitation.

4.2 Management shall offer the FC its full co-operation in availing information and resources, and in implementing or carrying out all requests made by the FC.

¹ The Finance Committee used to be called Finance and Investment Committee. The title has been shortened but the TOR remains unchanged (12 Sep 2023).

5. DUTIES AND RESPONSIBILITIES

5.1 The FC shall:

- (i) Support Management in the annual preparation of audited accounts
- (ii) Oversee the annual budget preparation;
- (iii) Review tenders with Management (in accordance to Finance and Procurement Policies);
- (iv) Recommend investment and financial policies, and update Council on decisions taken;
- (v) Work with management to define short-term and long term funding needs;
- (vi) Advise and make recommendations regarding major purchases, sales, rentals, and income matters.

6. FC MEETINGS

6.1 Calling of Meetings

- (i) Meetings of the FC shall be held at least three times a year at such time and place as the FIC members may elect.
- (ii) In addition, the Secretariat for the Committee shall, on the requisition of a Committee member, convene a meeting of the Committee members.
- (iii) The FC may invite members of the Council, Management, or others to attend any meeting and to provide pertinent information as necessary.

6.2 Notice of Meetings

Seven days' notice, or such other shorter notice as may be agreed by the FC members, shall be given specifying the place, time, and agenda of the meeting.

6.3 Quorum

The quorum for any FC meetings shall be 50% of the committee members, of which one must be a Council member.

6.4 Voting

All decisions at any meeting of the FC shall be decided by a simple majority of the FC members present and voting. The decision of the FC shall at all times exclude the vote, approval or recommendation of any member who has a conflict of interest in the subject matter under consideration.

6.5 Chairman of Meetings

- (i) The Chairman of the FIC shall be the Treasurer appointed by the Chair of the Governance and Nomination Committee, and shall chair all meetings of the Committee.
- (ii) If at any meeting the Chairman is not present, the chair will then be assumed by another Council member appointed by the FC Chairman for that specific meeting.

6.6 Resolutions

- (i) A resolution in writing, signed by the requisite majority of the members for the time being entitled to receive notice of a meeting of the FC, shall be as valid and effectual as if it had been passed at a meeting of the FC duly convened and held.
- (ii) Any such resolution may consist of several documents in like form, each signed by one or more members of the FC.
- (iii) Decisions can be taken via electronic communication means, subject to proper audit trail. Such decisions shall take effect from the date the resolution is duly passed. It shall be recorded at the next Committee meeting and shall suffice as valid resolution with retro-active effects.

6.7 Minutes

- (i) Minutes of all proceedings of meetings of the FC shall be recorded by the Secretariat and circulated to all members.
- (ii) The minutes are to be confirmed and signed by the Chairman of the meeting or by the Chairman of the next succeeding meeting.

6.8 Reporting to the Council

The Chairman of the FC shall report on the proceedings of the Committee to the Council by way of submission of minutes of the Committee meetings.

7. UPDATES OF TERMS OF REFERENCE

These Terms of Reference of the FC shall be approved by the Council. Every three years, or whenever necessary, the FC will review and re-assess the adequacy of these Terms of Reference and any required revisions shall be submitted to the Council for approval in writing before they come into effect.

Drafted on : 13 July 2021

Approved on : (28 Sep 2021)