



Policy 134

Budget and Finance Advisory Committee Policy

Section: 100 – General Administration

Responsible Executive: Lead Financial
Administrator

Responsible Department: Business and Finance

First Effective Date: April 26, 2019

Last Reviewed: February 2026

Next Scheduled Review: June 2029

1.0 PURPOSE

- 1.1. To outline the duties, roles, and responsibilities of the Budget and Finance Advisory Committee and provide guidance on the membership, selection, and appointment to the Committee.

2.0 BACKGROUND

- 2.1. The Board of Directors (“Board”) has a fiduciary duty over the assets held by the Cal Poly Corporation, dba, Cal Poly Partners (“CPP”). To facilitate fulfilling its fiduciary duty, the Board reviews and approves the annual budgets of CPP operations. In addition, the Board reviews the Corporation’s financial information on a quarterly basis.

3.0 POLICY

- 3.1. Budget and Finance Advisory Committee. A Budget and Finance Advisory Committee (“Committee”) will be created to assist the Board in fulfilling its fiduciary responsibilities by reviewing and monitoring Corporation budgets and financial activities. The Committee will monitor and review Corporation budgets and financial performance, and report to board on overall financial health of the organization. Committee will review quarterly and annual financial activity, advise on format for financial reports, analyze supporting data, and review CPP budgets in advance of the annual Board meeting. The Committee will set expectations regarding the desired level of detail and subject matter of such reports, and report to the full board the outcome of its reviews. In reporting to the Board, the Committee would ensure that the Board is alerted to any existing or projected financial risks the CPP is facing or is expected to face. Any advice or recommendations by the Committee for policy changes or financial action that only the Board may make must be reviewed and approved by the Board prior to implementation.

- 3.1.1. Membership. Membership of the Committee must include at least one director and can include up to four members of the Board, and may also include non-Board members with relevant financial expertise. CPP staff may not serve on this committee. The Committee will consist of at least two (2) members and not more than seven (7) members.

- 3.1.2. Selection and Appointment. The Board chair will appoint the Board of Directors member(s) and the Committee chair, as well as the non-director members of the Committee. The Committee chair may be a non-director.

- 3.1.3. Responsibilities. The Committee will advise the Board on financial performance and make Board aware of existing or projected financial risks the CPP is facing or is expected to face, and provide a perspective on the overall health of the organization. Duties and responsibilities of the Committee include:

- 3.1.3.1. Review annual operating budgets with staff and monitor adherence to Board approved budgets.
 - 3.1.3.2. Review quarterly financial information, analyze supporting data

- 3.1.3.3. Monitor long-range financial goals along with funding strategies to achieve them.
- 3.1.3.4. Advise staff on development of useful and readable formats for financial reports and set expectations regarding the desired level of detail and subject matter of such reports.
- 3.1.3.5. Consult with the Chief Financial Officer on decisions requiring interpretation of financial policies and guidelines.

3.1.4. Support to Committee. The Chief Financial Officer (or highest level financial administrator of corporation, if different title), will provide reports, information and support, as needed, to assist the Committee in its review and advisory role. The Chief Financial Officer will also ensure finance staff support for the Committee is adequate to meet the needs of the Committee.

Reports to the Board. Committee Chair, or board committee member if chair is not a board member, will report to full board at each meeting. The Chief Financial Officer will support committee report with updates on actions from committee recommendations.

4.0 DEFINITIONS

- 4.1. Chief Financial Officer The CPP staff member charged with primary responsibility for the CPP financial operations in compliance with Board policies, and working directly with the Committee. If this position is not filled or title has changed, this will be the highest-level financial administrator in the organization.

5.0 PROCEDURES, GUIDELINES AND FORMS

- 5.1. The Chief Financial Officer shall provide appropriate staff support to the Committee to carry out the above policy.
- 5.2. The Committee is authorized to establish, procedures, guidelines and forms consistent with and in implementation of this policy

6.0 COMPLIANCE

- 6.1. All CPP units, departments and personnel must comply with this policy.

7.0 REFERENCES AND RELATED POLICY

- 7.1. None.