

BOARD FINANCE + AUDIT COMMITTEE TERMS OF REFERENCE

Approved by the Board: November 2009; May 2012

PURPOSE

The role of the Finance + Audit Committee is to assist the Board of Governors fulfill its financial accountability and oversight responsibilities. The Committee does this by reviewing the financial and performance information provided to the stakeholders, reviewing the annual operating budget, monitoring the systems of internal controls and overseeing the external audit process.

MEMBERSHIP

- Three (3) members from the Board to be appointed by the Chair of the Board who shall designate one member to be Chair and one member to be Vice-Chair
- One (1) ex-officio member, namely the Vice-President Finance + Administration
- Director of Finance shall serve as a non-voting member
- Board Chair shall serve as an ex-officio non-voting member
- President + Vice-Chancellor shall serve as an ex-officio non-voting member

Finance + Audit Committee members should be independent and financially literate. At least one member of the committee should have relevant financial management expertise. In this context:

- “independent” means having no material direct or indirect association with the University, which could, in the view of the University’s Board of Governors, reasonably interfere with the exercise of the member’s independent judgment;
- “financially literate” means that the member has the ability to read and understand a set of financial statements which present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the University’s financial statements.

MANDATE

In accordance with Provincial guidelines, the committee is responsible for:

1. selecting and appointing the University’s external auditor;
2. approving the auditor’s terms of engagement, including the audit plan and fees, for each fiscal year;
3. reviewing the working relationship with the auditors and management;
4. reviewing the interim financial information;
5. reviewing the University’s annual financial statements and audit reports with the authority to deal directly with the external auditors;

6. monitoring financial risk and internal controls;
7. reviewing and recommending the annual operating budget to the Board of Governors;
8. promoting transparency and accountability in all financial activities;
9. authorizing such special audits or studies as the Committee may consider appropriate; and
10. making regular reports on the Committee's activities to the Board of Governors.

MEETINGS

At the call of the Chair of the Committee