

FINANCE AND AUDIT COMMITTEE
Draft Terms of Reference
(date)

PURPOSE

To assist the Board in carrying out its duties in regard to financial reporting and legal compliance.

ACCOUNTABILITY

As a committee accountable to the Board, the Finance and Audit Committee will report regularly to the Board.

MEMBERSHIP

- (x number) Board members
- The Committee may include one member from outside the Board (eg. A community member with financial designation or a FHO member)
- The Committee Chair will be a Board member and will be named by the Board
- Typically, the Chair of the Committee will be the agency's Treasurer
- The Executive Director shall not be a member of the Committee but may be requested to provide information to the Committee on a regular basis. (Option: ED and Board Chair are ex-officio)

FUNCTIONS/TASKS

1. Develop and recommend to the Board the organization's approach to financial management and issues.
2. Recommend financial policies and procedures to promote a culture of integrity throughout the organization, including reviewing compliance of the organization with legislative and regulatory requirements.
3. Assessment of the performance of financial management.
4. Liaison with the external auditor.
5. Review of audit findings and the annual financial statements.
6. Review of interim financial information including at least quarterly review of operating budget results, variance between budget and actual results and proposed action.
7. Review of accounting policies.
8. Review of the appointment of the external auditors and their fees.
9. Ensuring that recommendations arising from the audit reports are acted upon by management.
10. Examination of any financial matters referred to the Committee by the Board.

MEETINGS

Frequency: As required by the Chair, but not less than four times annually.

Minutes: To be kept in minute books at the FHT office with copies circulated to committee members and Board Chair after each meeting.

EVALUATION

Formally on an annual basis prior to the AGM and informally at each meeting.