

SFUCCS FINANCE, AUDIT AND INVESTMENT COMMITTEE

Terms of Reference

Purpose

The Finance & Audit Committee assists the Board of Directors in fulfilling its oversight responsibilities for:

The integrity of the society's financial statements, and budgeting and financial reporting processes;

Systems of internal accounting controls;

Compliance with legal and regulatory requirements;

Risk management activities; and

The qualifications, independence and performance of the external auditors.

Composition

The committee will consist of not less than three (3) and not more than five (5) members. Non directors may be appointed to the Committee, as a resource however the majority (50 + 1%) of the member must be Directors of the Society.

The Treasurer and Chair of the Board will be members of the Committee.

Each Committee member should be financially literate and at least one (1) member should have a financial background.

The Executive Director (ED) will attend all meetings as part of their financial oversight responsibility (non-committee member).

The ED will be responsible for ensuring the Committee thoroughly understands all aspects of financial information being reported providing management insight into business aspects of the Society to the Committee.

Appointment of Members

At the first meeting of the directors following the Annual General Meeting, the Directors will appoint for one (1) year term a Finance & Audit Committee. The members may be re-appointed and can serve a maximum of three (3) consecutive one year terms on the Committee.

The Board will appoint a Chair of the Committee. The Chair may be re-appointed and can serve a maximum of three (3) consecutive one year terms as Chair.

Authority, Duties and Responsibility

The Committee has authority to conduct or authorize reviews or investigations into any matters within its scope of responsibility

The Committee shall have access to personnel, documents, records and resources necessary to carry out its responsibilities.

The Committee may retain independent counsel, accountants, or others to assist it in fulfilling its responsibilities.

The Committee will meet with the External Auditor without other management present, at its initiative or at the request of any of these parties

The Committee will review and make recommendations to the Board on matters that fall within its area of responsibility, including but not limited to financial reporting, internal accounting controls and risk management.

Actions taken shall not conflict with laws and regulations, and SFUCCS's bylaws, policies and the expressed wishes of the Board.

Financial Reporting

Review the annual audit plan and audit findings, audited financial statements and management's discussion and analysis with the external auditors, prior to recommending approval by the Board;

Investigate and report to the Board any financial irregularities or concerns about the soundness of SFUCCS's finances or the integrity of its financial reporting

Review and recommend approval by the Board of Society's accounting policies and any proposed changes;

Review with the external auditors general accounting trends and issues of auditing policy, standards and practices which affect or may affect the Society;

Review the interim financial statements to ensure the Society's financial positions is consistent with the Board approved budget and financial policies, and report on the interim financial statements to the Board;

Ensure appropriate action is taken to address any errors or omissions identified in the financial reports and follow up.

Internal Control

The committee has the responsibility to:

Oversee management's design and implementation of systems of internal accounting and financial controls;

Review and ensure sufficient and appropriate controls are in place and operating effectively to ensure the reliability of financial reporting, safeguarding of organizational assets, and to ensure compliance with all regulatory, legal, and contractual requirements, and internal policies;

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- x Assess the qualifications and performance of the external auditor and recommend re-appointment or any proposed change in auditors;
- x Review the co-operation received by the auditor from management;
- x Obtain assurances each year regarding the independence of the External Auditor and the audit firm's internal policies and practices for quality control;

Review and recommend the External Auditor's annual audit plan and proposed audit fees;

Review the Post-audit findings or management letter containing the recommendations of the External Auditor, and management's response and subsequent follow up to any identified weaknesses.

Other Responsibilities

The Committee has the responsibility to:

Review the financial aspects of major proposed transactions, new programs and services, as well

Meetings may be called by the Committee Chair or any two (2) members of the Committee, by the ED or by the external Auditor.

Quorum for a meeting is a majority of its members. Members may be present in person or by telecommunication device that permit all persons participating in the meeting to speak and hear each other.

All determinations of the committee shall be made by a majority of votes) of its members