

FINANCE COMMITTEE – STANDING TERMS OF REFERENCE

APPROVED/EFFECTIVE: 01-04-21

REVISED:

1. Purpose

The purpose of the finance committee is to ensure that the Board of Directors fulfills its legal, ethical, functional and fiscal responsibilities through adequate finance policy development for Board approval, participating in the development of financial, budget, and investment strategies, ensuring that there is adequate security over the organization's funds and accounting records, monitoring of financial activities and liaison with external auditors.

2. Composition

The Committee shall be composed of at least three SFC members in good standing who may vote and whom shall have knowledge and experience of finance of not-for-profit boards and/or Generally Accepted Accounting principles.

The VP of Admin will also sit on the committee as ex officio and is non voting.

Members of the committee are appointed annually to sit on the committee for a two -year term.

The committee may create ad-hoc and/or subcommittees as deemed relevant through the year.

3. Appointment of Chair

The Chairperson shall be selected from the committee members

4. Decision-Making Process

Decisions shall be made by majority vote. Non-consensus recommendations should come to the board with both sides of the decision and vote results.

5. Authority Delegated

The committee shall make recommendations to the Board.

6. Meetings

The Committee meets at least once prior to each Board Meeting with dates scheduled to accommodate the availability of all committee members.

Additional meetings may be held as deemed necessary by the Committee Chair or as requested by any Committee member particularly as needed during budget development and audit times.

The Committee Chair has the responsibility to excuse any elected member of the

Committee, from any given topic, who might be perceived to have a conflict of interest.
(reference policy document)

7. **Staff Support**

The Finance Committee will receive the necessary financial resources from Quickbooks and staff resources as directed by VP Admin to support their mandate.

8. **Communication with the Board**

Meeting reports will be provided as relevant to the VP of Admin who will provide reports to the Board of Directors.

9. **Specific Areas of Responsibility**

- Develop and recommend appropriate policies and procedures to ensure sound financial and investment policies and practices are in place and recommend revisions as required including the committee terms of reference, to assist the governance committee of the Board of Directors in fulfilling its oversight responsibilities
- Participate in the review of the annual budget and the development of a long-term financial plan and present to the Board of Directors for discussion and approval.
- Review on a regular basis the financial results of the organization (at least quarterly)
- Provide strategic advice on the allocation of financial resources towards the goals and mission of the organization
- Annual discussion with the external auditors prior to presentation to the board of directors regarding the result of their audit.
- Review and recommend external auditing firm based on competitive process as required
- Ensure that any recommendations from auditors gets addressed and is reported back to Board.