



Committee Terms of Reference

Committee Name: Audit

Date: August 9, 2011

Purpose:

To ensure the College has appropriate risk and financial management systems in place and to advise Council and members on matters pertaining to the College's finances and risk.

Membership:

Three committee members are appointed by Council including the Vice President of the College as chair and someone with financial management experience. A majority of the committee must be members of the College. The Executive Director is a non-voting member of the Committee. Committee members are appointed for a three year term, with the terms of office staggered to ensure continuity.

Members: Derek Dagenais, Chair (2009-2012); Ross Reaburn (2008-2011); Karen Wallace (2009-2012); Sheri Hupp, Executive Director

Responsibilities:

1. Monitor all revenues and expenditures in relationship to the budget, and prepare quarterly financial reports for Council.
2. Recommend an annual budget to Council prior to the end of the fiscal year.
3. Recommend to Council and monitor and report on a risk management strategy for the College.
4. Review and recommend needed changes to the financial policies for the College.
5. Submit the College's financial records to the auditor as per *Bylaws*.
6. Receive the auditor's report and ensure there is action upon any recommendations made by the auditor.

Resources:

Expenses of committee members to participate in committee meetings and activities will be reimbursed according to college policy. The Committee may invite people with expertise as needed. However, there are no funds available for honoraria or expenses for those invited.

Accountability:

The committee shall meet to prepare the budget and to review the quarterly financial and risk management reports before they are advanced to Council. The Committee may call additional meetings as needed at the discretion of the chair or Council. The Committee shall report in a timely fashion to Council.

The Committee shall abide by College policies. Committee members are expected to attend committee meetings and participate in committee activities on a reliable basis. The *Administrative Bylaws* provide a means for removal and replacement of committee members by Council in situations where regular attendance is not maintained.

39. Authority:

According to the *Administrative Bylaws*, Section 39.

- 39.1 The membership of the audit committee shall be:
 - 39.1.1 The vice-president who shall be the chairperson;
 - 39.1.2 A non-member who is independent of the college and financially literate and who has a financial designation or relevant financial management expertise; and
 - 39.1.3 A member appointed by council.

- 39.2 The duties of the committee shall be:
 - 39.2.1 Review and approve the financial information that will be provided to Council and the members and ensure that this information accurately represents the business activities of the College.

 - 39.2.2 Review and approve the systems of risk management and the internal controls established by the Executive Director and the Council to:
 - 39.2.2.1 Ensure the College's sound financial performance;
 - 39.2.2.2 Ensure that the College's internal controls have integrity and will lead to the production of accurate financial statements and performance reports;
 - 39.2.2.3 Ensure that the Executive Director has appropriate systems in place to identify and manage risk; and
 - 39.2.2.4 Prevent financial mismanagement.

 - 39.2.3 Recommend the appointment and compensation of the external auditor;
 - 39.2.4 Oversee the independence of the external auditor; and
 - 39.2.5 Work with the auditor to review audit results;