

Finance and Audit Committee

Terms of Reference 2017

Purpose of the Committee

The Finance and Audit Committee is a Council Committee established pursuant to section 82(1) of the *Real Estate Services Act*. The purpose of the Committee is to oversee the budget process and financial reporting and management obligations of Council to ensure they represent a complete, accurate and balanced picture of the organization's financial circumstances. The Committee also reviews and recommends updates to accounting and risk management policies, systems and practices for adequacy and effectiveness.

Chair and Membership

The Finance and Audit Committee consists of the Council Chair and at least two (2) other members of the Council appointed by the Chair and Vice-Chair and approved by the Council. The Finance and Audit Committee Chair must be a member other than the Council Chair.

Authority, Duties, and Responsibilities

The Committee:

- a) Reviews the annual budget prepared by staff and, if appropriate, recommends its acceptance to the Council;
- b) Reviews monthly and/or quarterly financial statements and financial reporting to government and other stakeholders;
- c) Reviews staff recommendations regarding significant accounting accruals, reserves, capital expenditures and technology requirements;
- d) Reviews and recommends the appointment of the Council's external auditor, overseeing the terms of reference and ensuring the auditor's independence;
- e) Reviews the audited financial statements with the Executive Officer and the auditors at the conclusion of the audit and makes recommendations to Council;
- f) Reviews the auditor's Management Letter and ensures that any recommendations are dealt with in an expeditious manner;

- g) Periodically reviews and approves systems of financial and operational risk management and internal controls established by Council staff to support the accuracy and integrity of financial and performance reporting;
- h) Recommends to Council or staff any updates to accounting policies, practices and systems essential to the Council to ensure management of operational risk and the safekeeping of all assets;
- i) Recommends to Council any amendments to investment policies and strategies;
- j) Reviews any other matters that assist the Council to fulfill its financial accountability and oversight responsibilities, including the application of legislative, regulatory or other financial requirements; and
- k) Research and report on any other miscellaneous topics referred to it by Council.