

<b>CAMPION COLLEGE BOARD OF REGENTS POLICY: Finance and Audit Committee Terms of Reference CODE: 5.2.2</b>	<p style="text-align: right;"><b>Standing Committee</b> Date Initially Approved: April 12, 2006</p> <p style="text-align: right;">Date Revised: December 12, 2007 Date Revised: December 14, 2011 Date Revised: February 1, 2017</p>
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**Finance and Audit Committee Terms of Reference**

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**1. Objective**

The objective of the Finance and Audit Committee will be to assist the Board in fulfilling its fiduciary responsibilities in regard to overseeing of the financial reporting processes; internal control systems; and coordinating communication between the Board and the external auditors.

**2. Composition of Committee**

- a) The Committee shall ordinarily consist of at least two Board members plus the following members:
  - i. The Chair of the Board
  - ii. The President of Campion College
  - iii. The Chair of the Corporation
- b) The Executive Director Administration and Finance who shall serve as the Secretary to the Committee.
- c) The Board shall designate one of the Board members of the Committee to be the Chair of the Committee.
- d) The Committee may designate one of its members to be a Vice-Chair of the Committee. The Vice-Chair shall undertake and discharge all duties of the Chair in the absence of the Chair.

**3. Duties and Responsibilities of the Committee**

- a) Review the annual consolidated financial statements and recommend their approval to the Board after discussing with management and the auditors:
  - o Compliance with generally accepted accounting principles
  - o Significant accounting judgments, unusual or complex items, accruals and estimates; recent professional pronouncements
  - o Significant variances in the financial statements compared to prior periods and budgets
  - o Observations on effectiveness of controls and any significant weaknesses or issues noted
  - o Any material errors detected by the audit, how they were resolved with management and whether they indicate a weakness in the reporting and control system

- b) Review with management and approve the annual audit plan including:
  - The scope of the audit, including areas of audit risk, timetable, deadlines, materiality limits and extent of internal control testing
  - Annual fees.
- c) Recommend to the Board the annual appointment of auditors (6.1.6.1 and 6.1.6.2).
- d) Review on a quarterly basis the College’s financial statements and report highlights to the Board.
- e) Review external audit management letters and management responses and monitor that – necessary corrective actions have been taken.
- f) Review the annual budget, including assumptions, and recommend approval to the Board.
- g) Other specific tasks as may be assigned by the Board from time to time (i.e. risk management, policy review)

**4. Reporting to the Board**

The Committee shall report to the Board with respect to its activities and decisions including:

- the approval of the annual financial statements of the College and attached related auditor's reports;
- the receipt for review and information of the quarterly financial statements including information and explanation of material variations in revenue, expenditures of operating and capital budgets;
- information and recommendations with respect to issues that in the opinion of the Committee, may pose material risk to the College
- information from the Auditor on controls or related matters the Chair of the Committee or the Committee may consider prudent or necessary.
- new and / or amendments to Finance and Audit policies

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Chair – Finance and Audit Committee

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Date

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Chair – Board of Regents

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Date