

TERMS OF REFERENCE FOR THE FINANCE COMMITTEE

I. PURPOSE

The purpose of the Finance Committee is to monitor significant financial planning, management and reporting matters of the College, and make recommendations and deliver reports to the Board of Governors, and serve as the Board's audit committee.

II. COMPOSITION AND OPERATIONS

- A.** The Committee shall be composed of no fewer than five members of the Board, of which at least three are appointed members, all of whom will be appointed by the Board. The membership may be increased at the discretion of the Board. The Board will also ratify the appointment of the Committee Chair.

VCC Resource Persons to the Committee shall consist of :

- Chief Financial Officer and Bursar
- Confidential Assistant to the Chief Financial Officer and Bursar
- Director of Human Resources
- College Executive
- Other administrators as appropriate.

- B.** The Committee shall operate in a manner that is consistent with the Committee Guidelines outlined in Tab 12 of the Board Manual.
- C.** The Committee will normally meet a minimum of four times a year. Additional meetings will be scheduled as necessary during budget deliberations and annual approval of the financial statements. An annual schedule will be drawn up at the commencement of each academic year (September).
- D.** Extraordinary meetings may be held at the discretion of the Chair following consultation with the Board Chair.
- E.** Members are required to advise the committee of their inability to attend a meeting by contacting the Office of the Chief Financial Officer and Bursar no later than 9:00 a.m. on the day of the meeting.
- F.** The majority of members of the committee will constitute a quorum.
- G.** Committee members will be expected to attend all meetings, including extraordinary meetings.

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- H. The Committee has the authority to call a meeting exclusively among its members.

III. DUTIES AND RESPONSIBILITIES

The Finance Committee has the responsibility to:

- A. Make recommendations for Board approval and/or deliver reports to the Board in the following areas:
- i. Annual operating and capital budget
 - ii. Annual audited financial statements
 - iii. Appointment of auditors
 - iv. Policies related to financial management.
- B. Provide information to the Board on:
- i. Significant financial planning, management and reporting issues
 - ii. Interim financial reports
 - iii. Reports from auditors and administration on internal control issues and other matters.
- C. Serve as the Audit Committee to:
- i. Review the audit tender process
 - ii. Recommend the appointment of an auditing firm to the Board as outlined in A.iii.
 - iii. Meet with the external auditors to ensure that:
 - a) The College has implemented appropriate systems to identify, monitor and mitigate significant business risk.
 - b) The appropriate systems of internal control, which ensure compliance with college policies and procedures, are in place and operating effectively.
 - c) The College's annual financial statements are fairly represented in all material respects in accordance with generally accepted accounting principles.
 - d) Any matter that the external auditors wish to bring to the attention of the Board has been given adequate attention.
 - e) The external audit function has been effectively carried out.

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IV. ACCOUNTABILITY

The Committee shall report its discussions to the Board by maintaining minutes of its meetings and providing an oral report at the next Board meeting.

V. COMMITTEE TIMETABLE

The timetable on the following pages outlines the Committee's schedule of activities.