

## *Terms of Reference*

**NAME:** This Committee shall be called the Audit Committee.

**STATUS:** The Audit Committee is a standing committee of the Board of Directors. The Audit Committee makes any recommendations directly to the Board of Directors.

**MANDATE:**

The purpose of the Committee includes the review of the annual statements, the controls over financial reporting and monitoring compliance with laws and regulations. Its primary role is to assist the Board of Directors in fulfilling its oversight responsibilities for the financial reporting process, the system of internal controls, the organization's process for monitoring compliance with laws and regulations and the code of conduct.

**MEMBERSHIP:** The Committee shall consist of at least three persons (of which at least one should be financially literate with some experience in financial reporting) including:

- The Chair of the Committee is the Treasurer of the Association ;
- One or Two other members of the Board of Directors, and/or;
- One member, who is a general member of the Association.

**RESOURCES:** Business & Operations Manager

**MEETINGS:** The Committee shall meet at least three to four times a year.

**QUORUM:** Fifty percent plus one shall constitute a quorum.

**FUNCTIONS:**

1. The Committee may conduct or authorize investigations into any matter within the scope of responsibility. In doing so, the Committee may:
  - a. Retain outside counsel, accountants or others to advise the Committee or assist in the conduct of an investigation;
  - b. Seek any information it requires from employees – all of whom are directed to cooperate with the Committee's requests – or external parties; and
  - c. Meet with Association staff & officers, external auditors or outside counsel, as necessary;
2. To review the annual audited financial statements and related documents and to recommend approval of them to the Board. The review shall include discussion with external auditors and management on issues such as accounting principles, internal controls, practices and judgements;
3. To review the effectiveness of the overall process for identifying the principal risks affecting financial reporting and to provide the Committee's view to the Board of Directors;

4. To review the performance of the external auditors and annually recommend to the Board of Directors the appointment of the external auditors or recommend the discharge of auditors when circumstances warrant;
5. To make recommendations to the Board of Directors, with respect to financial reporting and accounting policies, thereby providing an avenue of communication between external auditors, staff and the Board of Directors;
6. To review the findings of any examinations for regulatory agencies;
7. To consider the effectiveness of the internal control over annual, and if applicable monthly, financial reporting including information technology security and control;
8. Provide support to staff.

**REPORTING:** As required to the Board of Directors and at least once a year at the Annual General Meeting.

To be submitted to The Board of Directors for Approval: February 27, 2017