

## **Calgary Arts Development Board Policy Manual**

### **11. Committee Terms of Reference: Finance and Audit**

#### **Mandate**

The purpose of the Finance & Audit Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing and making recommendations to the Board regarding:

- financial information, including audited financial statements, that will be provided to the Board of Directors and other stakeholders
- the systems of internal controls
- internal audit processes
- investment management activities

#### **Responsibilities**

1. Advising the Board on all financial matters affecting CADA.
2. On an annual basis, recommending auditors for appointment.
3. Reviewing scope of the audit and approving the audit fees involved.
4. Acting as the Board's liaison with auditors.
5. Receiving and reviewing the audited financial statements of CADA as to reasonableness of presentation, appropriateness of accounting principles and adequacy of disclosure prior to their submission to the Board.
6. Receiving and reviewing the written annual report of the auditor.
7. Reviewing the objectives and effectiveness of the internal audit function, including working relationships with the auditors and the administration.
8. Monitoring compliance of financial policies.
9. Advising the Board on specific matters relating to financial exigencies.
10. Reviewing on behalf of the Board all contracts, agreements or other instruments involving the financial affairs of CADA and which are to be presented to the Board and to make recommendations to the Board regarding appropriate action.
11. Ensuring that CADA has an effective process in place that provides appropriate alignment of financial resources with strategic directions.

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### **Membership**

At least three (3) members, of which two (2) are members of the Board of Directors, including the Treasurer, and the CEO as a Committee resource. The total number of committee members must always be an odd number. The Board Chair will be an ex-officio (non-voting) member of the committee.

### **Chair**

The Finance and Audit Committee is chaired by the treasurer.

### **Meetings**

The Finance and Audit Committee will meet regularly to review progress and identify emerging priorities. The Finance and Audit Committee will meet as needed to meet project-related deadlines, and in order to make recommendations to be forwarded for adoption by the Board of Directors. The meeting schedule should be determined by the Committee Chair upon appointment.

### **Lines of Accountability/Communication**

The Finance and Audit Committee is accountable to the Board.

1. The Chair of the Finance and Audit Committee reports on its activities to the Board, and submits written recommendations as required for the Board's consideration.
2. The Finance and Audit Committee's written reports and recommended positions are to be held confidential, and are to be made public only after approval by the Board.
3. Management will work closely with the Finance and Audit Committee as necessary to advance the work of the Committee.

(Edited March 2016)