

FINANCE COMMITTEE TERMS OF REFERENCE

NAME & TYPE	<i>Finance Committee - Standing</i>
PURPOSE	The purpose of the Finance Committee is to ensure that the Board of Directors fulfills its legal, ethical, functional and fiscal responsibilities through adequate finance policy development for Board approval, participation in the development of financial, budget and investment strategies, ensuring that there is adequate security over the organization's funds and accounting records, monitoring of finance activities, and liaison with the external auditors.
COMPOSITION	<p>The Committee shall be composed of four persons who may vote and of whom at least one shall have knowledge and experience of finance of not-for-profit Boards. This will include:</p> <ul style="list-style-type: none"> - a Chairperson, who shall be a member of the Board of Directors - the Treasurer - Two Members at Large both approved by the Board of Directors, one from a member organization and one of whom has an accounting background and ideally is from a member organization. - The Executive Director (ex-officio and non-voting) <p>The composition of the Committee shall be reviewed after every Annual General Meeting. If the Committee members wish to continue and the Board of Directors approves their appointment, there shall be no limit to their term.</p>
APPOINTMENT OF CHAIR	The Chairperson shall be appointed by the Board of Directors.
DECISION-MAKING PROCESS	Decisions shall be made by majority vote, in case of a tie the Chair will cast a deciding vote.
AUTHORITY DELEGATED	The Committee shall make recommendations to the Board on finance matters such as finance and investment policy review and development, by-law and constitution revisions, etc. The Executive Director will serve in an advisory capacity to the Committee.
TIMEFRAME/ REPORTING/ DEADLINE	If the Executive Director requires that the Committee review or develop a policy, the Chair of the Board of Directors should agree to this work being assigned to the Committee, before the Committee undertakes any work. The Committee will report to the Board of Directors by forwarding minutes of its meetings to the Board of Directors. The Board of Directors will receive the minutes at the next regular meeting after the Committee's meeting. As a Standing Committee of the Board, there is no limit to its existence.
MEETINGS	The Committee will meet as needed, based on the workload assigned to it, either by the Board of Directors or the Executive Director. The Finance Committee will meet as needed, but at a minimum, three times a year (February/March for the budget, May/June to meet with auditors and at the Training Conference to conduct a six months financial review) or at the request of the Committee Chair.
STAFF SUPPORT	The Finance Committee will receive the necessary financial and staff resources from

	ROWONTARIO, to fulfill their mandate.
COMMUNICATION WITH BOARD	The Committee Chair will provide brief updates periodically and annually submit a written report to the Board of Directors detailing the activity of the Committee.
SPECIFIC AREAS OF RESPONSIBILITY	<p>The Finance Committee will perform the following key duties:</p> <ul style="list-style-type: none"> - Develop and recommend appropriate policies and procedures to ensure sound financial and investment policies and practices are in place and recommend revisions as required including the Committee Terms of Reference, to assist the Governance Committee of the Board of Directors in fulfilling its oversight responsibilities; - Participate in the review of the annual Financial Budget and the development of a Long Term Financial Plan (i.e. rolling 5 years) and ensure that any Board of Directors approved staffing plan is properly funded. - Review every six months the financial results of the organization that the Board of Directors has ultimate responsibility for (excluded would be any strategic partnerships that are administered by an outside management group) and obtaining explanations for variances to the Board approved Budget; - Annual discussion with the external auditors prior to presentation to the Board of Directors regarding the result of their audit and any issues, findings or concerns that they wish to raise relating to the organization's staff, accounting records, accounting practices and system of internal control; - Ensure proper orientation, support and continuing education for the organization's staff involved in the accounting and finance function; - Produce and keep current, documents needed for recruitment and education of current, new, and potential individual members to serve on the Finance Committee; - Maintain a horizontal scan/global watch for accounting and finance policy development, best practices, and other opportunities relating to non-profit organizations and other PSOs that could lead to growth and improvement of the accounting and finance activities of ROWONTARIO; - Additional duties as may be delegated to the Committee by the Board of Directors from time to time.
APPROVAL REVIEW DATE	<p>Approved on: February 8, 2016</p> <p>Revised and approved on: <date></p>
Other	As needed

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