

## **Terms of Reference: AUDIT AND FINANCE COMMITTEE**

### **Mandate**

The Audit and Finance Committee is a standing committee of the Board. It shall assist the Board in fulfilling its oversight responsibilities relating to corporate auditing and reporting, financial policies, strategies and activities, and financial risk management. This responsibility is carried out in accordance with approved policies that comply with generally accepted accounting principles (GAAP).

### **Key Duties**

In fulfilling its mandate, the Committee will perform the following key tasks:

- On an ongoing basis provide expertise to enhance the quality of Board discussion on financial matters, and facilitate effective Board decision-making in this area;
- Determine the adequacy of WPC's internal financial controls and procedures for financial reporting to the Board, members and funding agencies;
- Review WPC financial statements on a regular basis to monitor adherence to GAAP
- Develop and oversee the implementation of policies to safeguard WPC's assets and revenue streams;
- Review and approve the scope of the annual audit and audit fees to be paid, and recommend annually to WPC members the appointment of the auditor;
- Ensure that the Board is promptly informed of any problems, issues or concerns raised by the auditor;
- As required, receive reports and advise the Board on any material government investigation, litigation, contractual dispute or legal matter; and
- As required, periodically discuss with the Auditors, without management being present, their judgments about the quality and appropriateness of WPC's accounting principles and financial disclosure practices as applied in its financial reporting to the Board, members and funding agencies and the completeness and accuracy of these financial reports, and
- Perform such additional tasks as may be delegated to the Committee by the Board from time to time.

### **Authority**

This committee will be a Limited Agent, of the Board. As such, the Audit and Finance committee may conduct investigations and retain, at WPC expense, the services of independent financial resources, including legal counsel or other experts. Otherwise the Audit and Finance Committee is responsible for research, the proposal of action and/or preparation of finance policy recommendation to the Board of Directors for approval.

### **Policy Responsibility**

The Audit and Finance Committee will be responsible for policy research and oversight of the following organizational policies.

- Charitable Donations
- Audit

- Financial Reporting
- Investment

### **Composition**

The Committee will be composed of a minimum of three (3) persons. Each Committee member will be financially literate as the Board in its business judgment interprets such qualification. The Board will designate the Chairperson of the Committee, who shall be a Director. At least one member of the Committee should have a recognized Canadian accounting designation.

### **Appointment**

The Board appoints members to the Committee. Members will serve from appointment until the re-striking of the committee. Should a vacancy occur on the Committee, for whatever reason, the Board may appoint a qualified person to fill that vacancy for the remainder of the vacant position's term. The Board may remove any member of the Committee.

### **Meetings**

The Committee will meet by telephone or in person, as required. Meetings will be as called by the Chairperson.

### **Resources**

The Committee will receive the necessary resources from WPC to fulfill its mandate, and may from time to time have staff persons assigned to assist the Committee with its work.

### **Objectives/Deliverables**

1. Review monthly the financial statements of the WPC, as provided by WPC Staff
2. Review the annual budget of the WPC prior to its introduction to the Board
3. Receive and review the audited financial statements of WPC and report to the Board prior to the AGM
4. Review and/or establish the organization's policy and procedures for the receipt, retention and resolution of complaints regarding accounting, financial disclosure, internal controls and auditing matters.

### **Evaluation**

The Board of Directors will evaluate the performance of the Committee. The performance of the committee will be assessed against the accomplishment of yearly objectives/deliverables. This review will take place immediately prior to the AGM

### **Reporting**

The Committee will report to the Board, in writing, at every meeting of the Board. The Committee will report to Members at the Annual General Meeting, in the form of a written report.

### **Review and Approval**

The Board of Directors will review these terms of reference every two years.

