

2022 Finance Committee Terms of Reference

Purpose

CFEK's Board of Directors has resolved that it is prudent to authorize the Finance Committee (the "Committee") to assist the Board in fulfilling its financial oversight and fiduciary responsibilities by undertaking certain monitoring and review activities on behalf of the Board.

Authority

The Committee has the authority to review and discuss with the General Manager all things pertaining to the financial position and performance of the organization and to make recommendations to the Board as to actions that may be necessary or desired to strengthen CFEK's financial health.

The Board has also authorized the Committee to engage with CFEK's external auditors each year on its behalf. Through this engagement, the Committee will monitor the audit process and receive the draft audit report in advance of the Annual General Meeting. Based on the audit report, the Committee may make recommendations to the Board of Directors.

Goals & Objectives

1. Assist the General Manager in the development of the annual operating budget.
2. Review CFEK's operating revenues and expenses (including payroll remittances) with the General Manager at least quarterly, assess the cause of any significant variances from the approved budget and make recommendations to the Board as necessary.
3. Annually, through discussions with the external auditor and the General Manager, obtain reasonable assurances that CFEK's internal financial controls and procedures are adequate and effective. Present recommendations and action plans to the Board of Directors for significant issues arising out of the annual audit.
4. Bring to the Board's attention all financial matters and potential risks or opportunities of which the Committee has knowledge that may materially affect the current or future financial health of the organization.

Membership

The Board of Directors will appoint the Committee members each year at a special meeting immediately following the Annual General Meeting (AGM) and the Committee will stand until the conclusion of the next AGM.

Open Committee seats may be filled at any time during the year by an ordinary resolution of the Board.

Committee members should be financially literate with at least one member having accounting, bookkeeping or financial management expertise.

CFEK's Treasurer will be the Committee Chair.

The Committee will consist of at least 3 CFEK Directors, including the Treasurer, and up to 5 voting members, 2 of whom may be Directors or volunteers who are not on the Board of Directors.

If the Board Chair is appointed to the Committee, the Chair will have voting rights on the Committee; otherwise, the Board Chair will sit *ex officio* as a non-voting member of the committee.

The General Manager will sit *ex officio* as a non-voting member of the Committee.

Meetings

The Finance Committee will meet at least quarterly and otherwise as necessary throughout the year. The meeting schedule will be included in the Board Calendar.

Quorum

Provided that all voting members have been properly notified of the meeting and that there are more CFEK Directors in attendance than non-Director volunteers, a quorum of the committee shall be a simple majority of the voting members.

Notice

Typically, the Committee Chair will provide seven (7) calendar days' notice of a meeting. In any event, a meeting shall not be convened without at least 48 hours' notice.

Approved by the Board on: **June 16, 2022**