

Terms of Reference Finance and Audit Committee Approved December 2020

Purpose

The Finance and Audit Committee (FAC) assists Council in fulfilling its financial oversight responsibilities.

Membership

Council appoints a chair and the members for the FAC.

Voting members are:

- two (2) public members of Council
- three (3) physician members of Council
- one (1) individual selected for their technical expertise on financial matters
- Council President, ex-officio

Authority and Accountability

- As per Council Bylaws section 17(6), FAC is a standing committee of Council.
- FAC does not have authority to direct the Registrar, but may delegate some of its power or duties to the Registrar. (see Bylaws section 17 (9) and 17 (10)).
- FAC makes recommendations to Council regarding the duties delegated to the Committee by Council.

Roles and Responsibilities

1. Approves policies concerning honoraria, expenses, grants, banking, fees or any other issue affecting the financial and operational management of CPSA.
2. Provides recommendations to Council regarding the operating budget and annual fees.
3. Appoints external auditors, approves the scope of an audit, recommends to Council to approve CPSA's annual audited financial statements and related documents, reports the results of the annual audit to Council, and assesses the performance of the auditors and their relationship with the Registrar and staff.
4. Ensures that the Registrar has in place and follows an investment policy which does not vary materially from Prudent Investor guidelines as summarized in Council policy.

5. Provides oversight of, and reports to Council concerning, the Registrar's adherence to financial and operational policies in the areas of budgeting and forecasting, financial condition, protection of assets, investment of CPSA funds, and compensation and benefits, including the pension plan.
6. Ensures that the Registrar has established a process to identify and manage risk factors relating to the financial and operational management of CPSA, including the prevention, early identification and management of error, misstatement and fraud.
7. Considers and reviews, with management and the auditors, the adequacy of the organization's risk management methodology and internal controls, including computerized information system controls and security.
8. Considers and reviews the Safe Disclosure of Work policy and CPSA Compliance Officer Report annually.
9. Considers and reviews the priorities and succession plan of CFO annually.

Meetings

Frequency

- FAC meets at least once a year or at the call of the Chair and normally four (4) times per year to fulfill its roles and responsibilities.

Procedures

- FAC may determine procedures to be used at any meeting.
- FAC may meet in person, by teleconference or by any other communications technology that permits all persons participating in the meeting to communicate with each other.

Decision Making

- Quorum shall be fifty (50) percent of the members of the FAC.
- A decision of the FAC may be made by consensus or motion.
- A majority vote of FAC members present at a meeting decides a vote.

Records of the Committee

- Minutes shall be recorded for all meetings and will be approved by FAC at its next meeting. Minutes will be made available to all Council members through the SharePoint site.
- FAC will report to Council at least two (2) times per year or as otherwise directed by Council regarding its activities.

Confidentiality

- All written materials and discussions related to decisions made at the meetings of FAC are confidential except any information deemed necessary to communicate with stakeholders.
- The Confidentiality and Non-disclosure Agreement signed annually by all Council members extends to their work and actions on Council Committees.

Subcommittees

- Subject to sections 19 and 20 of the Health Professions Act, FAC may, at its discretion, appoint a sub-committee to assist in the fulfillment of the Committee's roles and responsibilities.
- A sub-committee will have specific, defined tasks and deliverables as defined by FAC.

Committee Resources

- Council approves the budget for the FAC.
- FAC members are paid an honorarium and are reimbursed for their expenses as per CPSA's Honoraria and Expense Policy.
- The Registrar or their delegate attends all FAC meetings.
- The Executive Assistant to the Chief Financial Officer or designate will act as Recording Secretary for the Committee.

To be reviewed annually - Next Review Date - 2021