

Audit Committee Terms of Reference

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<p>Legislated and other Mandate approved by Council</p>	<p><i>PEO By-law #1, section 51 states: The Council shall lay before each Annual Meeting of the members a financial statement prepared in accordance with generally accepted accounting principles for the previous fiscal year of the association (made up of a balance sheet as at the end of such fiscal year and statements of revenue and expenditure and members' equity for such fiscal year) together with the report of the association's auditors on the financial statement.</i></p> <p><i>PEO By-law #1, section 52 states: The members of each annual meeting shall appoint one or more auditors who shall be chartered accountants to hold office until the next annual meeting and if an appointment is not so made, the auditor in office shall continue in office until a successor is appointed.</i></p> <p>In order to allow Council to fulfill the above-noted regulations, the Audit Committee's mandate approved by Council is:</p> <ol style="list-style-type: none"> 1. to oversee the external audits of the association's financial statements, the statement of the pension fund and the Statement of Common Area Maintenance costs by the independent auditor; 2. to oversee the work of the independent auditor and recommend the appointment or replacement of the independent auditor; and 3. to monitor and recommend to Council any revisions to the Accounting and Financial reporting policies, processes and Systems of Internal Control.
<p>Key Duties and Responsibilities</p>	<p><i>The Audit Committee will:</i></p> <ol style="list-style-type: none"> a. <i>review and evaluate the audit scope, audit findings and financial statements of the association and recommend to Council approval of the association's annual financial statements and auditor's report thereon.</i> b. <i>review and evaluate the independence and performance of the company's independent auditors and recommend to Council the appointment of the independent auditor;</i> c. <i>review, evaluate and obtain reasonable assurance that the accounting and financial reporting processes and systems of internal control are operating effectively to produce accurate and timely financial information and statements; and</i> d. <i>request if necessary periodic reviews of the accounting and financial reporting processes and systems of internal control;</i> e. <i>report to Council matters which come to the attention of the Committee which are considered material or relevant.</i> f. <i>The Chair of the Audit Committee will be responsible for presenting to Council annually in March, a report on the review of financial results and financial statements by the Audit Committee and recommending the approval of the annual Financial Statements and Appointment of Auditors.</i>
<p>Constituency, Number &</p>	<p>Council has designated the Audit Committee as a board committee and, as such, a majority of its members must be Councillors.</p>

Qualifications of Committee/Task Force Members	<p>The Audit Committee will be a Board Committee composed of a minimum of four Councillors and one to three other members of the Association. All of the committee members will be appointed by Council and will serve for one year. The Council will appoint each year the Audit Committee membership at its first meeting following the Annual General Meeting. Qualifications include financially literate individuals with integrity and good business sense.</p>
Qualifications and election of the Chair	<p>The Audit Committee will elect its own Chair yearly. Qualifications include financial expertise either gained through academic or work experience, leadership perspective, integrity and good business sense.</p>
Qualifications and election of the Vice Chair(s)	<p>The Audit Committee will elect its own Vice Chair yearly. Qualifications include financially literate, integrity and good business sense.</p>
Duties of Vice Chair(s)	<p>The Vice-Chair will chair meetings in the Chair's absence.</p>
Term Limits for Committee Chair and Vice Chair	<p>The Chair and Vice Chair are elected annually for a one-year term, from Annual General Meeting to Annual General Meeting. The Chair and Vice Chair may be re-elected to their positions to serve a maximum of three (3) consecutive years. To ensure continuity, it is desirable that the Vice Chair moves to the Chair's position, once the Chair's term of service is expired. Once the Chair and/or Vice Chair have served for the maximum term for their respective positions, they are not eligible for reappointment to those positions. The Chair, once having served as Chair, may only serve as a general committee member thereafter to the maximum ten (10) years of cumulative committee service.</p>
Term Limits for Committee members	<p>Committee members are appointed for a one-year term, from Annual General Meeting to Annual General Meeting. Committee members may be re-appointed, but shall retire from the committee for at least six (6) years after ten (10) years of cumulative committee service.</p>
Succession Planning	<p>Note: All committees must have a succession plan, approved by Council, to ensure the orderly transition of the position of chair and vice chair as well as provide for the renewal of the committee's membership and on-boarding of new committee members.</p>
Quorum	<p>In accordance with Wainberg's Society Meetings Including Rules of Order and section 25(i) of By-Law No. 1, quorum for the purpose of having the meeting's decisions be considered binding is at least 50 per cent of the committee's/task force's membership present at the meeting. This threshold applies to all committee/task force decisions.</p>
Meeting Frequency & Time Commitment	<p>Minimum of three meetings per year. Time commitment per meeting is approximately 3 to 5 hours for preparation and review of documents.</p>

Operational year time frame	The Council year – from the first meeting after the Annual General Meeting of members to the end of the next Annual General meeting.
Committee Advisor	Controller
Staff Support	Administrative Assistant, Financial Services