

Finance Committee

TERMS OF REFERENCE

Mandate:

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. The Finance Committee reports to the Board of Directors and will participate 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.

Responsibilities/Objectives:

The Finance Committee shall have the major responsibility of overseeing OLA's financial statements. Specifically, the Finance Committee shall have the following responsibilities:

1. The Finance Committee shall be responsible for reviewing all financial statements including investment results, annual statements, and interim statements and shall report thereon to the Board for consideration and approval.
2. The Finance Committee is responsible for reviewing the annual budget and making recommendations to the Board of Directors for approval.
3. Develop and recommend appropriate policies and procedures to ensure sound financial and investment policies and practices are in place and recommend revisions as required to policies such as the Committee Terms of Reference and financial policies to assist the Board of Directors in fulfilling its oversight responsibilities
4. The Finance Committee shall review the following financials, risk, policies, and the internal controls associated, documented by Management, and tested by Internal Audit Services and make recommendations to the Board of Directors for approval
5. Produce and keep current, documents needed for recruitment and education of current, new, and potential members that serve on the Finance Committee

Whenever possible, at least two (2) members of the Finance Committee shall possess financial expertise. All of the members of the Finance Committee shall be financially literate, or acquire such financial literacy within a reasonable period. Financial literacy is defined as having the ability to read and understand financial statements.

Deliverables:

The integrity of OLA's financial position of the organization including:

- Overall monitoring of OLA’s financials.
- The effectiveness of OLA’s internal control framework and information systems and provide recommendations for improving internal controls.
- Reviewing and making recommendations on annual budgets to meet the organization’s objectives.
- Review any changes in accounting policies and practices.
- Making recommendations on fiscal year changes.

Composition: The Finance Committee is comprised of:

1. OLA Treasurer of the Board (Chair)
2. OLA President of the Board
3. Each Divisional Treasurer

The following staff provides support to the finance committee:

OLA Executive Director

OLA Director, Operations (Secretary)

Resources and budget:

Teleconference fees.

Timelines:

The Finance Committee meets once per year, unless otherwise requested by OLA Staff. Committee members are confirmed no less than two weeks in advance of the meeting.

Type of Committee:

- ❖ **Standing Committee** (responsible for a specific program or function)
 - Task Forces** (time-limited tasks on a specific topic)
 - Action Groups** (development of a limited program or activity)

Term of Appointment:

The composition changes each fiscal year with the exception of:

- OLA Board Treasurer (this is a 2 year term)

