

# MEDICINE HAT & DISTRICT HEALTH FOUNDATION

<b>Policy and Procedure Manual</b>	<b>Title:</b> <b>Finance Committee – Terms of Reference</b>	
	<b>Section:</b> <b>Committees</b>	<b>Reference Number:</b> II.2019.003

## **PURPOSE:**

The Finance Committee shall review the audit practice and financial affairs of the Health Foundation. These include the review of published financial statements, selection and evaluation of external auditors, review of internal control practices, and review of the Foundation’s financial performance. The Committee may make recommendations to the Board concerning issues of an audit or financial nature. The Committee also oversees investment management and performance, selection and evaluation of external investment managers, and makes recommendations to the Board regarding Investment Policy.

## **DUTIES:**

The Committee shall:

1. Review annual financial statements and recommend approval by the Board.

This review may include but is not limited to:

- Differences of opinion between the external auditors and management.
- Annual report for consistency with audited financial statements.
- The selection of and changes to accounting policies or accounting principles which have a significant impact on the statements.
- Any legal matters which could have significant impact on the statements.
- Any other matters which should be taken into account concerning approval of the financial statements.

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2. Perform other oversight functions including but not limited to:
  - Development and recommendation of major fiscal policies of the Foundation.
  - Impact of developments and changes in laws and regulations relating to the Foundation's business operations.
  - Review of the Foundation's financial performance including major capital expenditures.
  - Monitor the adequacy of management reporting and control systems.
  - Receive and review financial statements on a regular basis.
3. Review the appointment of the external auditors including but not limited to:
  - Proposed audit scope and approach.
  - Performance of the external auditors.
  - Management's evaluation of the external auditor's independence.
  - External auditor's fees.
4. Recommend the appointment of external auditors to the Board of Directors, for approval at the annual general meeting.
5. Inquire as to the adequacy of the Foundation's system of internal control including but not limited to review of:
  - Annual audit findings.
  - Auditor's suggestions for improvements.
  - Management's response to audit suggestions.
6. Receive and review investment fund reports on a regular basis.

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7. Review and recommend investment policy and strategy to the Board including but not limited to:
  - Investment portfolio performance.
  - Fund manager's performance.
  - Goals and objectives.
  - Spending needs.
  - Targeted returns.
  - Investment guidelines to control risk.
8. Recommend the appointment of investment managers to the Board of Directors.

## **ACCOUNTABLE TO:**

The Finance Committee shall be accountable to the Medicine Hat & District Health Foundation Board of Directors.

## **COMMITTEE MEMBERSHIP:**

- Chair, Finance Committee
- Up to three (3) members of the Board of Trustees
- Chair, Board of Directors (ex-officio)
- Executive Director, Medicine Hat & District Health Foundation (ex-officio)

## **TERM OF OFFICE:**

- The Treasurer appointed by the Board of Directors will act as Chair, Finance Committee
- Committee Members will be appointed annually.

## **MEETING SCHEDULE:**

The Committee shall meet regularly, at least four times per year, and at the call of the Chair or the request of the external auditors or management.

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## **CIRCULATION OF MINUTES AND REPORTING:**

Minutes from each meeting shall be prepared and circulated to Committee Members. The Chair, Finance Committee will report at least annually to the Foundation Board.

## **SUB-COMMITTEES**

Sub-Committees will be created and disbanded as appropriate.

## **Signatures/Approvals:**

<u>Brent Fisher</u>	<u>Board Chair</u>	<u>September 2019</u>
Name	Title	Date

<u>Heather Bach</u>	<u>Executive Director</u>	<u>September 2019</u>
Name	Title	Date