FINANCE COMMITTEE

Terms of Reference

Preamble

The Finance Committee is a standing committee of the PEAC Board of Directors. The Board of Directors of PEAC acts to supervise, control, and direct the affairs and business of the Corporation.

Purpose

The principal objective of the committee is to make recommendations to the Board of Directors with respect to the accounting, financial reporting, and the legal obligations (finance-related) of PEAC.

Composition, Appointment, and Accountability

1. The Finance Committee will comprise at least three (3) members including:
    - Director of Finance
    - An individual with financial expertise (a Chartered Professional Accountant – CPA)
    - External member(s)
    - Additional member if required to meet the needs of the committee
2. External members may be drawn from COPEC or CCPUP membership or from elsewhere. Preference will be given to those with interest in and experience with not-for-profit financials.
3. Members of the committee will be appointed by the Board of Directors.
4. The Chair is the Director of Finance.
5. The Executive Director is also an ex-officio, non-voting member of the committee.
6. The committee is accountable to the Board of Directors.

Term of Office

The term of office of the Chair (Director of Finance) shall be the length of tenure of the office of Director of Finance. The term of office of the remaining members of the Committee is three years, renewable twice for a total of nine years. Succession planning will ensure that there is some consistency of committee membership from year to year.

Responsibilities

The committee's responsibilities are focused in four areas. The committee will review, comment upon and/or make recommendations to the Board of Directors regarding:

1. Annual financial statements prior to the Annual General Meeting.
2. Monthly financials/review of expenditures completed through random audit of all materials provided to the committee members at each meeting.
3. Proposed PEAC budget prior to presentation to the Board of Directors for discussion and approval.
4. Contracts/Agreements/Insurance documents.
5. An annual review of all PEAC and OTA & PTA EAP financial policies and dollar amounts.

See Appendix 1 for the timeline for carrying out committee responsibilities.

Meetings

The committee will meet by teleconference at least four times per year by teleconference. Additional meetings will be held if required. PEAC will assist in scheduling of the teleconference meetings.

Quorum

Quorum at committee meetings is a simple majority of members.

Voting

At all meetings of the committee, every motion shall be decided by a simple majority of the votes cast on the motion, including that of the Chair. In case of an equality of votes, the motion shall be lost.

Minutes and Reports

Minutes of all meetings will be recorded and a copy will be maintained in the PEAC office.

Expenses

Expenses of committee members for any meetings of the committee will be paid by PEAC in accordance with established policies and procedures.

Appendix 1: Finance Committee Timelines

SUGGESTED TIMING	ACTIVITY
Late March	Hold teleconference meeting to: • Randomly audit monthly revenues/expenditures Oct-Dec • Review and discuss Annual Financial Statements and CRA tax return prepared by PEAC Accountant in preparation for the Annual General Meeting
May	Hold teleconference meeting to: • Randomly audit monthly revenues/expenditures Jan-Mar • Review any contracts coming up for renewal • Review Corporations Canada reporting • Review investment holdings for Contingency Funds • Review all PEAC and OTA & PTA EAP financial policies and dollar amounts
August	Hold teleconference meeting to: • Randomly audit monthly revenues/expenditures Apr-Jun • Review the proposed budget prepared by the Executive Director and the Director of Finance • Review any contracts coming up for renewal • Review General Liability and Directors & Officers Liability policies before renewal Sept 30
November	Hold teleconference meeting to: • Randomly audit monthly revenues/expenditures Jul-Sep • Review any contracts coming up for renewal
Spring – Annual General Meeting	• Present the report of the Finance Committee's activities and the year-end financials