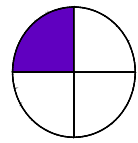


## Board of Directors Policy



**Policy Type:** Governance Process

**Policy #:** GP8

**Policy Name:** Financial Performance

**Page #:** 1 of 2

**Creation Date:** March 24, 2023

**Effective Date:** April 17, 2023

**Monitoring:**

The Board of Directors shall provide rigorous oversight of the organization's financial performance. To ensure fiscal accountability, the Board shall include explicit responsibility for financial planning and financial condition in CEO Limitation policies and annually appoint an Audit & Finance Committee that will operate under a Board approved Terms of Reference.

1. The Committee shall consist of at minimum three Directors, of which the majority cannot be Officers. The Chairperson of the Board is an ex-officio member of the Committee. Except for the annual audit reporting session to Directors, the CEO and appropriate staff shall participate in advisory roles in Committee meetings. Each Committee member shall be financially literate with at least one Director having accounting or related financial expertise.
2. The primary purpose of the Audit & Finance Committee is to assist the Board of Directors in fulfilling its oversight responsibilities for:
  - 2.1. accounting and financial reporting processes,
  - 2.2. external auditors, including performance, qualifications, independence, and their audit of the organization's financial statements,
  - 2.3. performance of the organization's internal audit function,
  - 2.4. financial matters and management of risks as delegated by the Board,
  - 2.5. development and monitoring of compliance with relevant laws, regulations, and accreditation standards, and,
  - 2.6. prevention and detection of fraudulent activities.
3. The Committee will meet at least four times annually and as many additional times as the Committee deems necessary to carry out its duties effectively. The Committee will meet separately in private with the external auditors as appropriate.
4. To carry out its duties and oversight responsibilities, the Committee shall:
  - 4.1. Determine one member of the Committee to be its Chair.
  - 4.2. Review Executive Limitation policies related to financials for the purpose of compliance and revision as needed,
  - 4.3. Recommend financial assumptions to the Board for budgeting,
  - 4.4. Review and recommend an annual budget,
  - 4.5. Review quarterly financial performance including any variances, and make recommendations to the Board as required,
  - 4.6. Review and recommend to the Board long-term financial goals and revenue,
  - 4.7. Ensure management of assets of the agency,
  - 4.8. Oversee, review, and make recommendations to the Board concerning risk management processes and the integrity of internal controls,

- 4.9. Ensure that relevant fiscal Accreditation standards are met,
- 4.10. Recommend to the Board the Auditors for the organization and their remuneration,
- 4.11. Meet with the Auditors regarding the scope of the audit and approve the auditor's engagement letter,
- 4.12. Oversee the performance of the audit,
- 4.13. Meet with the Auditors and receive and review recommendations with respect to management, accounting systems, and internal control issues,
- 4.14. Review management response to recommendations of Auditors and report to the Board,
- 4.15. Oversee implementation of the recommendations of Auditors and report to the Board