



AUDIT AND FINANCE COMMITTEE TERMS OF REFERENCE

Category:	BOARD GOVERNANCE
Policy Number:	BG-12
Board Approval Date:	January 23, 2025

Objective:	This policy outlines the role and responsibilities of the Audit and Finance Committee in its support of the work of the Board of Governors of Olds College (the "Board").		
Scope:	This policy applies to all Board-approved members of the Audit and Finance Committee.		
Definitions:			
Policy:	1.	The Committee will assist the Board in fulfilling its oversight responsibilities.	
	1.1	The Committee will exercise oversight with respect to financial reporting and will report its findings to the Board.	
		1.1.1	The Committee will exercise oversight with respect to internal controls and will report its findings to the Board.
		1.1.2	The Committee will exercise oversight with respect to investments and will report its findings to the Board.
		1.1.3	The Committee will exercise oversight with respect to institutional cash flow and will report its findings to the Board.
		1.1.4	The Committee will exercise oversight with respect to the annual operating and capital budgets and will report its findings to the Board.
		1.1.5	The Committee will monitor any external matters that may have a significant effect on the College's operations or cash position.
	1.2	The Committee will exercise oversight with respect to Enterprise Risk Management and will report its findings to the Board.	
	1.3	The Committee will exercise oversight with respect to legislative compliance and will report its findings to the Board.	
	1.4	The Committee will exercise oversight with respect to the Board's own budget and will report its findings to the Board.	



	2.	The Committee will assist the Board by overseeing a transparent process of review and disclosure that enhances owner and stakeholder confidence in the College's financial reporting.
	2.1	The Committee will exercise direct oversight of the Auditor General's (Auditor) audit, including oversight of the resolution of any disagreements between administration and the Auditor.
	2.2	The Committee will communicate with the Auditor regarding audit plans, including the scope and extent of the proposed examination, and the preparation and issuance of an audit report.
	2.3	The Committee will provide an annual report to the Board highlighting the Committee's analysis of the audited financial statements and the audit report as well as any other significant information arising from discussions with the Auditor General.
	2.4	The Committee will oversee resolution of recommendations within the Auditor General's report and will report progress to the Board.
	2.5	The Committee will provide an opinion for the Board regarding the President's response to the Auditor General's report.
	2.6	The Committee will provide advice to the Board regarding alternative treatments of financial information within Public Service Accounting Standards (PSAB) that have been discussed with administration, ramifications of the alternative disclosures and treatments and the treatments preferred by the Auditor General.
	2.7	The Committee will review the Annual Report prior to submission to the Board for consideration of approval.
	3.	The Committee's authority enables it to assist the Board in its work while not impeding Board holism.
	3.1	The Committee cannot change or contravene Board policies or instruct the President or any staff member, other than to request information required in the conduct of its duties.
	3.2	The Committee cannot spend or commit organization funds, other than those specifically allocated by the Board.
	3.3	Staff resource time for administrative support around meetings and reporting will be provided through the Board Secretary.
	3.4	The Committee may meet independently with the Auditor General in the absence of any members of administration.
	4.	The Committee's composition shall enable it to function effectively and efficiently.
	4.1	The Committee shall be composed of at least three public Board members, the Board Chair and the President.



	4.2	The Board Chair shall appoint a public member as Committee Chair.
	4.3	An external accountant or an individual with significant experience in audit and finance may be appointed as a voting member of the Committee in cases where this expertise is not available among the membership of the Board.
	4.4	Members shall be appointed for a one year term.
	BG-10 Role and Use of Board Committees	
Related Information:		
Related Procedures:		
Review Period:	3 years	
Revision History:	NEW: January 2025	