

**BOARD OF DIRECTORS
FINANCE AND AUDIT COMMITTEE
Terms of Reference**



The Finance and Audit Committee, a standing committee of the Board of Directors, was established to assist the Board in fulfilling its financial accountability and oversight responsibilities.

Membership

Membership shall be as determined by the Board on a year to year basis.

Term of Appointment

Each Finance and Audit Committee member shall be appointed for a one year term and the term may be extended (for one year at a time) while the member continues as a Director of the OOLC.

Frequency of Meeting

The Finance and Audit Committee shall meet at least twice each year or more often as is deemed necessary.

Calling Meetings

Any member of the Finance and Audit Committee or the external auditor may call a meeting of the Finance and Audit Committee to consider any matter he or she believes should be brought to the attention of the Committee or the Board.

Auditor's Attendance

The external auditor has the right to appear before and be heard at any meeting of the Finance and Audit Committee and shall appear before the Finance and Audit Committee when required to do so by the Committee.

Responsibilities

The Finance and Audit Committee shall:

1. AUDIT

- a) Recommend to the Board the appointment of the external auditor, terms of engagement and remuneration.

Approved by Finance and Audit Committee: March 1, 2017

Approved by the Board of Directors: March 9, 2017

- b) Review the scope of the external auditor's reviews of the OOLC's internal controls, any significant findings and recommendations by the external auditors and the responses of the OOLC's staff to those findings and recommendations.
- c) Define the pre-approval process for all audit and non-audit services to be performed by the external auditor and assesses the independence of the external auditor.
- d) Review and approve the external auditors' audit plan including areas of identified risk.
- e) Review with the external auditors the results of the audit and determine if there were any difficulties or disputes with management, any significant changes in the audit plan, any significant changes in accounting policies and any management estimates that required significant judgement.
- f) Have the right to make inquiries and call upon corporate officers of the OOLC as the Committee deems necessary.

2. ANNUAL FINANCIAL STATEMENTS

- a) Reviews the audited financial statements and the auditor's report, and make recommendations to the Board.
- b) Seek assurance that the financial statements of the OOLC are prepared in accordance with accounting standards for not-for-profit organizations.
- c) Recommend accepted final statements for approval by the Board.
- d) Review draft financial statements and approve submission of year-end financial statement information to the Ministry of Advanced Education and Skills Development.

3. RISK MANAGEMENT/INTERNAL CONTROLS

- a) Reviews management's risk assessment framework and planning to ensure continuity of operations, protection of assets, information technology security and adequacy of insurance coverage.
- b) Oversees internal processes with respect to the accuracy of financial reporting, and the quality and integrity of internal accounting and control systems.
- c) Review each year a summary of single/sole source procurement transactions.
- d) Reports on management's compliance to statutory filings.
- e) Monitor Board documents to accurately reflect decisions of the Board

Approved by the Finance and Audit Committee: March 1, 2017

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