



BOARD OF GOVERNORS

AUDIT COMMITTEE

Terms of Reference

- NAME:** This Committee shall be called the Audit Committee.
- STATUS:** The Audit Committee is a standing committee of the Board of Governors. The Audit committee makes any recommendations directly to the Board of Governors.
- MANDATE:**
- A. To provide assistance to the Board in fulfilling its fiduciary responsibilities relating to financial accounting and reporting practices by overseeing the internal control environment and reviewing financial statements.
 - B. To maintain, by way of regularly scheduled meetings, a direct line of communication promoting transparency, honesty and ethical behaviour between the Board of Governors and the Auditors, thus ensuring the Auditors' independence and an avenue for discussion with the Board of Governors.
- MEMBERSHIP:** The Committee shall consist of at least five persons including the Chair appointed by the Executive Committee.
- At least two members of the Committee must be members of the Board of Governors, but not employees of the University; one of whom shall act as Vice-Chair of the Committee
 - At least two must be external members;
 - The President, Vice-President (Administration) and Director, Finance and Administration are ex officio, non-voting resources to the Committee.
 - The Chair of the Board is an ex officio, voting, member of the Committee.
 - Audit Committee members should be financially literate.
- MEETINGS:** The Committee shall meet at least three times a year.
- QUORUM:** A majority of the voting membership shall constitute a quorum.
- FUNCTIONS:**
1. To review arrangements for, and approach to, the annual audit.
 2. To review the annual audited financial statements and related documents and to recommend approval of them to the Board. The review shall include discussion with external auditors and management on issues such as accounting principles, practices and judgements.

Audit Committee Terms of Reference (Continued)

3. To review reports and recommendations from the external auditors concerning internal control and other matters and to assess management's response to such matters.
4. To monitor the integrity of the University's - a) financial reporting process and b) system on internal controls, regarding financial reporting and accounting compliance.
5. To review the effectiveness of the overall process for identifying the principal risks affecting financial reporting, including cyber-security, and to provide the Committee's view to the Board of Governors.
6. To review the performance of the external auditors and annually recommend to the Board of Governors the appointment of the external auditors or recommend the discharge of auditors when circumstances warrant.
7. To assess the reasonableness and adequacy of the audit fee and approve the fees and other significant compensation to be paid to the external auditors.
8. To meet with the external auditors to discuss with them any matters they may wish to bring to the attention of the Committee concerning the financial affairs of the University.
9. To make recommendations to the Board of Governors, with respect to financial reporting and accounting policies, thereby providing an avenue of communication between external auditors, administration and the Board of Governors.
10. To review any critical accounting policy or accounting principle changes including appropriate application of the Canadian accounting standards for not-for-profit organizations.
11. To review the findings of any examinations for regulatory agencies.
12. To review the policies and procedures in effect for the review of the President's expenses and perquisites.
13. To perform other oversight functions as requested by the Board of Governors.

REPORTING: As required and at least once a year at the Annual General Meeting of the Board of Governors.

Approved by the Audit Committee: December 14, 2015

Approved by the Board of Governors: February 25, 2016 (via Consent Agenda)

Approved by the Audit Committee: December 4, 2017

Approved by the Board of Governors: March 1, 2018