



Terms of Reference Finance and Audit Committee

Overview

1. These Terms of Reference describe the purpose, scope and authority of Volleyball Canada's Finance and Audit Committee. These Terms of Reference outline clear and specific information on how the Committee is organized, what it is trying to achieve, its decision-making authority and deliverables, who the members are, and when they meet.

Authority and Mandate

2. The Finance and Audit Committee will assist the Board of Directors in fulfilling its oversight responsibilities over Volleyball Canada's financial reporting, internal control, external audit, and risk management.
3. The Committee serves in an advisory capacity to the Board and/or operations staff.

Membership

4. The committee shall be composed of at least three (3) and not more than five (5) members, including a Chairperson.
5. The Chair of the Board shall appoint the Chairperson of the Committee. The Chairperson must be a Director. The Chairperson must be financially literate, which means having the ability to read and understand a set of financial statements, in accordance with Canadian generally accepted accounting principles.
6. The Chairperson shall appoint the other committee members in consultation with the Chair of the Board.
7. The Vice-Chair of the Committee will be the Chief Operating Officer (COO), unless otherwise determined, who is the Treasurer of the Organization. This position shall be a non-voting member of the Committee. The Vice-Chair will assist the Chair as necessary.
8. Subject to the Chairperson's status as a Director, the Chairperson will be appointed for a two-year term. Other Committee members will be appointed for a term of one year, unless otherwise decided by the Chairperson.
9. The Board may replace the Chairperson of the Committee at any time. The Chairperson may remove any member of the Committee at any time (other than the Vice-Chair) and fill any vacancy at their discretion.
10. The Chair of the Board shall be an ex-officio and non-voting member of the committee.
11. The Chief Executive Officer shall be an ex-officio and non-voting member of the committee .
12. At the request of the Committee, Volleyball Canada staff, management, external auditors, insurance brokers, or other persons may be invited to attend meetings of the Committee.

Conflict of Interest

13. Any member with a potential conflict of interest shall declare such conflict when they are appointed to the Committee and at the start of any meeting at which they may be conflicted on a topic for discussion. An individual will recuse themselves from any discussion when they are in conflict.
14. Conflict of Interest will remain a standing item on the agenda for all meetings.



Duties and Responsibilities

15. The Committee will:
 - a. Review and adhere to the Terms of Reference.
 - b. Review and approve the annual financial statements and report of the external auditors;
 - c. Review the interim financial statements and forecast to year end;
 - d. If requested by the Board, review any other financial information for presentation to stakeholders;
 - e. Review the independence, appointment and engagement terms of the external auditors;
 - f. Review any audit findings and management report(s) issued by the external auditors;
 - g. Review the design of internal controls to process and produce financial information, detect fraud or other misstatements, process and safeguard information technology, and ensure compliance with laws, regulations and contractual obligations;
 - h. Review the annual operational budgets and management's monitoring thereof;
 - i. Review the identification and mitigation plans to address key financial and operational risks;
 - j. Review the selection of accounting policies and significant management estimates and judgements;
 - k. Review the expense claims of the Chief Executive Officer;
 - l. Review the insurance program, litigation claims and/or possible claims;
 - m. Provide counsel or advice to operations staff and/or the Board, as requested;
 - n. Perform such additional tasks as may be assigned to the committee by the Board or by the Chief Executive Officer.
 - o. Suggest updates to these Terms of Reference to the Board
16. The Committee is authorized by the Board to investigate any matter that falls within the Terms of Reference.

Procedures

17. The Committee shall keep minutes of the discussion that will be included with its findings and recommendations.
18. The Committee shall meet at minimum, twice a year, or as necessary at the discretion of the Chairperson via conference call/web conference or in-person.
19. The Chairperson is required to call a meeting of the committee if requested to do so by:
 - a. Any committee member
 - b. The Chair of the Board of Directors
 - c. The Chief Executive Officer
20. The Chairperson shall distribute the agenda to committee members at least 24 hours in advance of a scheduled meeting. The agenda shall include the following items:
 - a. Approval of the agenda
 - b. Approval of the minutes from the previous meeting
 - c. Declaration of Conflict of Interest
 - d. Ongoing business
21. Quorum will be a majority of the committee members.

Resources

22. The Committee shall have access to resources to fulfill its duties as requested.

**Reporting**

23. The committee will submit regular reports to the Board.
24. When the Board requires the Committee to make a decision or take a position on a matter, the Committee will make its decision or determine its position by majority vote of the Committee's members.
25. The committee will record minutes of all meetings. All minutes will be forwarded to the Chair and Chief Executive Officer.

Review

26. The Board of Directors shall review the Terms of Reference annually.

Approval

27. These Terms of Reference were approved by the Board of Directors on January 19, 2021.