



TERMS OF REFERENCE

Committee: Finance & Audit Committee

Reports to: Board of Directors, Chair and Vice-Chair

Version Date: January 11, 2021

Purpose/Mandate:

The purpose of the Finance & Audit Committee is to ensure that the Board fulfills its legal, ethical, functional and fiscal responsibilities through adequate finance policy development for Board approval, participation in the development of financial, budget and investment strategies, ensuring that there is adequate security over the organization's funds and accounting records, monitoring of finance activities, and liaison with the external auditors.

Responsibilities:

The Committee will perform the following key duties:

- Develop and recommend appropriate policies and procedures to ensure sound financial and investment policies and practices are in place and recommend revisions as required including the Committee Terms of Reference, to assist the Governance Committee of the Board in fulfilling its oversight responsibilities.
- Participate in the review of the annual operating budget and the development of a long-term financial plan (i.e., rolling 3 years).
- Review quarterly financial results of the organization that the Board has ultimate responsibility for and obtaining explanations for variances to the Board approved budget.
- Annual discussion with the external auditors prior to presentation to the Board regarding the result of their audit and any issues, findings or concerns that they wish to raise relating to the organization's staff, accounting records, accounting practices and system of internal control.
- Ensure proper orientation, support and continuing education for the organization's staff involved in the accounting and finance function.
- Produce and keep current, documents needed for recruitment and education of current, new, and potential individual members to serve on the Committee.
- Maintain a horizontal scan/global watch for accounting and finance policy development, best practices, and other opportunities relating to non-profit organizations and other sport organizations that could lead to growth and improvement of the accounting and finance activities of Sport4Ontario.

Guiding Principles:

The Finance Committee is guided by the following principles:

- **Collaborative:** Recognizing the unique perspectives of the members, dialogue and membership engagement is knowledge and contribution based rather than positional based. Creating a safe space for a collaborative work environment (so we can speak freely).
- **Inclusive:** Discussion, advice and recommendations reflect the experience and knowledge of a cross-section of member interests.

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- **Collective:** A collective voice focussed on the broader agenda in working for the betterment of sport in Ontario; putting individual agendas aside to further the overarching goal.
- **Respect:** Each other; individually and the work we do.
- **Transparent:** Open, honest and frank.
- **Dynamic:** Shift to adapt/respond to the environment as it evolves.
- **Accountability:** It is recognized members have accountabilities to their respective organizations. Members are expected to bring to the discussions their views, knowledge and experience of the organization they represent, and promote awareness and understanding within their organization about deliberations of the committee and reasons for decisions taken.
- **Contribution-Based Participation:** Members demonstrate their commitment through their active participation in meetings and conference calls, and keeping informed of business by reviewing documents provided, and providing feedback as required. Members are encouraged to seek support for consensus-based agreements formed by the committee.

Composition

Chair/Co-Chair

The Chairperson shall be appointed by the Board. If not the Treasurer of the Board, the Treasurer will sit on the committee.

Committee Members:

The committee positions are appointed by the Executive Committee, through an open Expression of Interest process and made up of representatives from the Ontario sport sector.

A maximum of seven (7) members, including the Chair, ideally consisting of:

- The Treasurer if not the Chair
- The Chair of the National Sport Trust Fund – Ontario
- Two (2) individuals representing a current Member; and,
- One (1) Finance/Audit subject matter expert – ideally someone with a designation.

The Chair and committee members are selected based on their knowledge and experience working in finance.

Term:

With the exception of the Treasurer and Director who chairs the National Sport Trust Fund – Ontario , each committee member's is two years and will end on March 31st each year.

For purposes of continuity as the committee is established, at the first meeting of the committee the committee will elect half the members to serve a one-year term. All terms thereafter will be two-year terms.

Quorum:

Quorum for the meeting will be 50% or greater of committee members.

Working Operations

Meetings:

An agenda will be developed in advance of the meeting by the Chair of the Committee. The Agenda and supporting material (where available) will be circulated in advance of each meeting (ideally seven days).

The Finance Committee will meet quarterly via video call or in-person as requested by the chair. A meeting may be called as needed by the chair.

Recording of Minutes

An outline of the material, issues discussed by the committee, and all recommendations, shall be recorded in the minutes of the meeting by the person designated by the committee. Minutes of the meetings will record time, date, and participants of the meeting. Minutes are distributed within 30 days of the meeting.

Voting:

The objective of the Committee is to build consensus to obtain a majority or unanimous vote. In the unlikely event that a majority vote cannot be achieved, the Chair/Co-Chairs will determine the recommendation to be made.

Reporting

The Finance Committee will provide its recommended strategy and priorities to the Executive Committee and Board of Directors. An annual report will be provided to the membership.

Authority

The committee is responsible to its members and the sector. The committee does not have decision-making authority but has the authority to make recommendations to the Executive Committee and Board of Directors as required.

Working Groups

The committee may establish ad hoc working groups on specific areas as required.

Funding

Committee members are responsible for their own expenses when attending meetings and/or participating in conference calls or ad-hoc committee work.

Coordination with other Committees

The chairs or another designate(s) are responsible for maintaining strong working relations with other committees to support alignment, collaboration and coordinate sectoral voice.

Amendments and Review of Terms of Reference

These Terms of Reference shall be reviewed at least every two years.

Conflict of Interest

To ensure open and transparent meetings, members will be asked to disclose any conflicts of interest at the start of each meeting. (A conflict of interest is defined as a person or organization involved in multiple interests, financial or otherwise, and serving one interest could involve working against another).