

Calgary Sexual Health Centre Finance Committee Mandate

OVERVIEW

The Finance Committee (“Committee”) is a committee of the Board of Directors of the Calgary Sexual Health Centre (the “Society”). Its primary function is to assist the Board in carrying out its responsibilities, by reviewing the Society’s financial reporting (interim internal and annual external), internal controls, and risk management processes, and making recommendations to the Board of Directors regarding the appointment of the external auditors. This Finance Committee Mandate complements and clarifies the duties of the Board as laid out in the Board of Directors’ Mandate.

CONSTITUTION AND COMPOSITION

Committee Reporting and Composition

- The Committee shall report to the Board
- The Committee shall consist of not less than three and not more than five independent directors with at least a basic level of financial literacy
- The CEO is ex officio a member of all committees of the Board
- At the request of the Committee, certain directors, staff members and others may attend Committee meetings on an ad hoc or regular basis

Committee Membership

- Committee members shall be appointed from time to time by the Board, and may be removed or replaced at any time by the Board
- Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board
- Existing Committee members (namely, the Committee Chair) will be responsible for orienting new Committee members

Committee Chair (“Chair”)

- The Board Chair will recommend an independent director with recent and relevant financial experience to act as Committee Chair to the Board for approval
- If the Chair is unavailable or unable to attend a Committee meeting, the Chair shall ask another member to chair the meeting, failing which, a member of the Committee present at the meeting shall be chosen to preside over the meeting by a majority of the members of the Committee present at such meeting

Committee Meetings

- The Committee shall meet at least three times per year at the call of the Chair. Also, a meeting may be called by the Board Chair, the CEO, or any other Committee member

- Committee meetings may be held in person, by means of telephone, by electronic means or by a combination of any of the foregoing
- A majority of Committee members present in person, by telephone, by electronic means or by any combination thereof shall constitute a quorum
- Notes shall be made available to all Committee members by electronic means
- The external auditor will be invited to attend Committee meetings on a regular basis
- The full Board shall be kept informed of the Committee's activities by a short report (written or oral) following each Committee meeting

SPECIFIC RESPONSIBILITIES

Ongoing Basis

- Review the adequacy and effectiveness of the Society's internal controls and risk management systems
- Review the appropriateness of the Society's arrangements for its staff and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow-up action
- Act in an advisory capacity to the Board regarding appropriate risk management, financial reporting, and internal control issues on a timely basis following appropriate consultation with the Board Chair and CEO prior to making recommendations
- Ensure an appropriate relationship between the Board (including the Committee), management, and the Society's independent external auditor, including monitoring the auditor's independence and objectivity and effectiveness of the audit process, based on relevant professional and regulatory requirements
- Monitor the integrity of the Society's financial reporting and any related formal announcements, including significant financial reporting judgments contained therein
- Report to the Board of Directors on its proceedings after each Committee meeting on all matters within its duties and responsibilities

Annual

- Make recommendations to the Board of Directors, for it to put to the Society's members for their approval at the Annual General Meeting, in relation to the appointment, reappointment, and/or removal of the external auditor
- Make recommendations to the Board to approve the remuneration and terms of engagement of the external auditor
- Meet with the external auditor at least once per year, without management being present, to discuss the auditor's remit and any issues arising from the audit
- Review the Society's annual insurance policy and advise the Board of the adequacy of that coverage

The duties and responsibilities of a member of the Committee are in addition to those duties set out for a member of the Board of Directors.