



London Chamber of Commerce – Finance & Audit Committee Terms of Reference

PURPOSE

London Chamber of Commerce (the “Chamber”) strives to ensure the viability and sustainability of the Chamber through oversight, monitoring, and accountability for the use of funds.

The mandate of the Finance & Audit Committee (Committee) is to consider and make recommendations to the Board of Directors (Board) on matters related to financial management and asset management including: the annual operating budget; internal financial statements; the audit of the financial statements; financial governance policies and fiscal plans; and policies and recommendations for the investment of funds.

RESPONSIBILITY

The Committee will review and/or recommend to the Board policies and procedures relating to areas such as:

- Corporate Property/Assets Policy
- Investment Management Policy
- Financial Risk Policies
- Reserve/Liquidation of Investments Policies
- Signing Authorization Policy

Further, the Committee is to provide oversight over the following areas:

- Internal Controls
- Audit Responsibilities
 - Recommend to the Board the external auditors for appointment or re-appointment by the members at the annual meeting
 - Review and make recommendations to the Board concerning auditors’ remuneration o Approve auditor’s engagement letter
 - Oversee performance of audit as required, including ensuring auditors are receiving the assistance of management
 - Review audited financial statements and auditor’s report and make recommendations to the Board
 - Review non-audit services provided by the auditor and other factors that might compromise the auditor’s independence.

o Review management response to recommendations of auditor and report to the Board
o Receive, from staff, a report on implementation of auditor's recommendations

- Such other responsibilities as are assigned by the Board

ACCOUNTABILITY

- The Committee will report its deliberations to the Board at the next Board meeting following each Committee meeting through its minutes and the Committee chair
- The Committee makes non-binding recommendations to the Board
- The Committee will review these terms of reference every 2 years and recommend changes to the Board

MEMBERSHIP/TERMS OF OFFICE

- A minimum of three (3) Board Directors (one of whom shall be the Treasurer) appointed by the Board
- The Treasurer shall be the Chair of the Committee
- The Committee may invite guests to receive information or expertise that would be helpful in deliberations
- The Committee may have Community Members as determined appropriate by the Committee and approved by the Board. Recruitment of Community Members goes through the Governance & Nomination Committee. The Committee will inform the Governance & Nomination Committee how many Community Members they wish to have on the Committee
- Members shall serve for a two (2) year term ending at the commencement of the Annual Meeting of Members following the second year of their appointment and are eligible for reappointment for one additional term
- The CEO is an ex-officio member, and support staff may be assigned to the committee at the committee's approval

MEETING SCHEDULE and PROTOCOL

The Committee will meet at least quarterly with additional meetings at the will of the Chair of the Committee.

Quorum will be 50% plus one of the voting members.

DECISION-MAKING PROCESS

The Committee will strive to develop recommendations to the Board by consensus. If a vote is needed, quorum shall be a majority of members and the chair presiding at any meeting of the Committee shall have a vote in all matters. In the event of a tie, the motion is defeated (specifically, the chair shall not have a second vote to break the tie).

OTHER DIRECTORS PRESENT

Each Director shall be entitled to speak but not to vote at any meeting of the Committee at which the Director is present. However, no Director who has not been elected to the Committee shall be entitled to notice of any meeting of the Committee. The presence of such Director shall not be included for the purpose of calculating a quorum.

ACCESS TO CORPORATE RECORDS

In performing any of its duties and responsibilities, the Committee shall:

- Have access, through the CEO, to the appropriate information and at the frequency required by the Committee
- Have access, in performing any of its duties and responsibilities, to any and all books and records of the Corporation required for the execution of Committee's obligations
- If, in the opinion of the Committee, advice and counsel of external advisors is needed, the Committee chair shall, at the request of the Committee, seek Board approval to engage the necessary advisors and to determine remuneration for their services