



## POLICY 8.01

### TERMS OF REFERENCE

#### *Finance Committee*

#### **POLICY INTENT**

This policy defines the roles and objectives of the Finance Committee.

#### **POLICY RESPONSIBILITY**

Council

#### **POLICY**

##### **Role**

8.01.01 The committee is a standing committee formed by council in order to provide oversight on AUSU's financial transactions, ensure compliance with policy, highlight errors or inconsistencies for review, and to offer recommendations to council on the financial direction of the organization.

##### **Authority**

8.01.02 The finance committee is a standing committee with the authority to:

- a) request council to review payment;
- b) recommend changes to financial policies;
- c) approve spending outside of the budget as specified by policy;
- d) recommend the appointment of an auditor; and
- e) recommend the appointment of an investment advisor.

##### **Responsibilities & Objectives**

8.01.03 To regularly review AUSU finance policies and practices, and recommend additions and changes as needed.

8.01.04 To provide recommendations to the vice-president finance and administration (VPFA) and council for special expenditures, as well as the development of the annual budget.

8.01.05 To ensure that all monthly expenditures are legitimate and conform to the budget by reviewing the most recent variance report each month.

8.01.06 To provide recommendations related to the development of the AUSU investment strategy as outlined in policy 6.07.

8.01.07 To fulfill all duties as assigned to the finance committee in AUSU policy.

### **Membership**

8.01.08 The committee shall be comprised of the following:

- a) the VP finance and administration;
- b) the executive director, ex-officio, non-voting; and
- c) a minimum of 2 councillors and maximum of 5 councillors as appointed by council.

8.01.09 A maximum of 2 seats that are not filled by councillors shall be made available to members at large as per Policy 2.07.

8.01.10 Membership must consist of a majority of councillors as voting members as per Policy 2.11

8.01.11 The VP finance and administration shall serve as chair.

8.01.12 Members will be required to possess a set of skills and knowledge that allows them to make informed and effective decisions with all of the financial resources provided to them. AUSU will support this financial literacy by providing committee members with financial literacy development opportunities. This may involve taking a finance committee approved course, webinar, or training. Members with proof of finance knowledge may be exempt from this requirement.

### **Meetings**

8.01.13 The committee shall meet no less than 4 times per year by teleconference.

8.01.14 Each meeting shall be held within 3 months of the most recent meeting.

### **Reporting**

8.01.15 The committee chair shall provide a written report of the committee activities as well as a monthly update of operational revenues and expenses at the end of each month, or within 3 days of a request by the executive committee.

8.01.16 Monthly financial reports will be circulated to all of council

8.01.17 Each report shall include the following:

- a) information about all meetings held since the last report (including a list of attendees of the meetings, as well as topics discussed at the meetings);
- b) a list of each work item the committee addressed, and the details of the committee's contribution; and
- c) details of any motions considered by the committee

## **RELATED REFERENCES, POLICIES, PROCEDURES AND FORMS**

### **This Policy References:**

AUSU Policy 2.07 Council Governance: Member Representatives on AUSU Committees  
AUSU Policy 2.11 Council Governance: Committee Governance  
AUSU Policy 6.01 Financial Management: General Financial Management

### **This Policy is Referenced by:**

None

### **Forms:**

None

## **POLICY HISTORY**

Original Approval Date: December 20, 2004  
Last Review Date: June 16<sup>th</sup>, 2018 (formal)  
Review by Date: June 2020