



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

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;
- c) a minimum of two councillors and maximum of five councillors as appointed by council;
- d) up to two members at large as per Policy 2.07; and
- e) a total membership of a minimum of four and a maximum of six voting members.

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

8.01.10 The VP finance and administration shall serve as chair.

8.01.11 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.

8.01.12 The chair shall liaise directly with the executive director as appropriate.

Meetings

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

8.01.14 Each meeting shall be held within three 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 three days of a request by the executive committee.

8.01.16 Monthly financial reports will be circulated to all of council including:

- a) Balance Sheet for period ending in the relevant month;
- b) YTD Income Statement, including a comparison to budgeted amounts; and
- c) Revenue Summary

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 10th, 2020 (informal)
Review by Date: June 2022