

1.0 Status

- a) The Finance Committee shall be a standing committee of the TTLT Board of Directors.

2.0 Composition

- a) The Committee shall be comprised of not less than four members including not less than one Board members.
- b) The Committee shall include additional members of the community who have relevant accounting or finance expertise.
- c) The Committee shall be chaired by a Board member, preferably the Treasurer.
- d) Members shall normally serve for a three year term.
- e) New members shall be appointed to the Committee by the Committee Chair.
- f) All members of the committee will be financially literate with the majority of members having accounting or finance experience and expertise.
- g) The Committee shall include the Executive Director and other staff members as appropriate.

3.0 Purpose and Objectives

- a) The purpose of the Finance Committee is to assist the Board in meeting its responsibilities by ensuring the adequacy and effectiveness of the financial reporting, internal controls, management information systems and risk management. The Finance Committee has the responsibility of providing expertise and guidance in relation to all financial matters of Thames Talbot Land Trust.
- b) The Finance Committee will provide information and/or make recommendations for Board approval in the following areas:

Budget Planning and Oversight

- i) to ensure that there are processes in place for the development of the annual operating budgets.
- ii) to review and recommend to the board the annual operating budget, including a review of the financial assumptions used in the development of the budgets.
- iii) to monitor the actual financial performance in relation to the budget.
- iv) to monitor cash flow and review cash flow projections prepared by staff.
- v) to review and recommend to the board plans developed by management to address variances between budget and actual performance, revenues, and forecasts.
- vi) to review and recommend to the board, long-term financial goals and long-term revenue and expense projection.

Financial Management

- i) to review and recommend to the board effective policies, processes and procedures to effectively manage:
 - a) revenues, receivables, and cash receipts;
 - b) receivable collection and bad debts;
 - c) donation receipts including in-kind donations;
 - d) purchases, payables, payroll, and cash disbursements;
 - e) short-term and long-term investments'
- ii) to ensure Canada Revenue Agency compliance.
- iii) to ensure periodic financial reporting.

Asset Management

- i) to ensure there are processes in place to manage the assets of the TTLT effectively and efficiently.
- ii) to review and make recommendations concerning material asset acquisitions that are or were not contemplated in the annual operating plan.

Audit Responsibilities

- i) to help ensure the annual audit is conducted in an efficient, cost-effective and objective manner.
- ii) to oversee the organization's financial and control systems.
- iii) to review and recommend to the board approval of the annual financial statements, including the selection of appropriate accounting policies and practices.
- iv) to recommend the appointment and/or discharge of the external auditor.
- v) to act as a communication link between the Board, External Auditor and Management.
- vi) to review and communicate to the Board any issues the external auditors wish to bring to the attention of the Board.

Internal Controls and Risk Management

- i) to oversee, review and provide recommendations to the Board regarding the quality and integrity of internal controls, policies, practices and procedures.
- ii) to provide information and / or recommendations to the Board regarding the identification of risks.
- iii) to oversee Management's plan to address unusual or unanticipated risks
- iv) to oversee adequate insurance coverage.

Investment Management

- i) to oversee and review the organizations investments on a periodic basis and at least annually.
- ii) to act as a communication link between the Board, External fund

manager and Management.

4.0 Meeting Procedures

- a) The Committee shall meet six times each year. Meetings may take place in person, via teleconference, video conference or by email as appropriate.
- b) The Committee shall attempt to schedule meetings the week prior to Board meetings.
- c) Meetings must have a majority of members present to proceed.
- d) Meetings shall be called by the Committee Chair.
- e) Committee decisions shall be made by consensus whenever possible, or by a majority vote of members.
- f) Minutes of meetings shall be documented and made available to the Board of Directors.

5.0 Reporting

- a) The Committee Chair shall provide regular verbal and written updates to the Board of Directors on Committee decisions and activities.
- b) The Committee Chair shall circulate interim financial statements prior to each board meeting.

6.0 Review and Approval

- a) The Committee shall review and the terms of reference a minimum of every three years. The terms will be submitted to the Board prior to any changes.