

**CANADIAN COALITION FOR GOOD GOVERNANCE**  
**FINANCE AND AUDIT COMMITTEE**  
**CHARTER**

**1. RESPONSIBILITIES**

The Finance and Audit Committee (the “Committee”) is responsible for assisting the board of directors of the Corporation (the “Board”) in fulfilling its oversight responsibilities in relation to, among other matters:

- oversight of the reliability and integrity of the accounting principles and practices used by the Corporation;
- the Corporation’s financial statements and other financial reporting;
- oversight of the independent auditor’s qualifications, independence and performance; and
- any additional matters delegated to the Committee by the Board.

**2. MEMBERS**

The Committee shall consist of three or more directors appointed by the Board, a majority of whom are not officers or employees of the Corporation.

The Board shall appoint the members of the Committee annually following the annual meeting of Members, as that term is defined in the Corporation’s by-laws, at which directors are elected. The Chair of the Committee may appoint additional members to the Committee between annual meetings of Members after consultation with the Governance Committee and after taking into consideration the size of the Committee, diversity and other relevant factors.

**3. MEETINGS**

The Committee shall meet as frequently as it determines necessary but not less frequently than two times per year. The Chair of the Committee, or any two members of the Committee, may call meetings of the Committee.

The procedure at meetings of the Committee is to be determined by the Committee, unless otherwise specified by the by-laws of the Corporation, by a resolution of the Board or by this Charter.

A majority of the Committee members appointed by the Board shall form a quorum for the transaction of business. For the purposes of determining a quorum, a Committee member may be present in person or by teleconference and/or any other electronic means. A quorum need not be present throughout the meeting provided that a quorum is present at the opening of the meeting and for the transaction of business.

Committee members are expected to attend substantially all meetings, whether in person, by video or by telephone.

The Committee may invite any director, officer or employee of the Corporation or any other person to attend any meeting of the Committee to assist in the discussion and examination of the matters under consideration by the Committee.

#### **4. DUTIES**

The Committee is responsible for performing the duties set out below as well as any other duties that are otherwise required by law or are delegated to the Committee by the Board.

- (a) Oversight of the reliability and integrity of the accounting principles and practices used by the Corporation
- (b) Oversight of the Corporation's financial statements and other financial reporting, including:
  - reviewing and discussing with management and the independent auditor the Corporation's annual financial statements
  - recommending to the Board approval of the audited financial statements
  - reviewing major issues regarding accounting principles and financial statement presentation
  - reviewing all critical accounting policies and practices, including all alternative treatments of financial information
- (c) Oversight of the independent auditor's qualifications, independence and performance, including:
  - Recommending the independent auditor for appointment or replacement to the Board
  - Recommending compensation of the independent auditor to the Board
  - Reviewing the overall scope of the independent audit plan
  - Receiving all reporting from the independent auditor (i.e., the independent auditor reports to the audit committee)
  - Reviewing the status and findings of the independent auditor's audit program
  - Confirming the independent auditor's independence

#### **5. REPORTING**

The Committee will report to the Board on all significant matters it has addressed and with respect to such other matters as are within its responsibilities.

## 6. REVIEW

The Committee will review and assess the adequacy of this Charter on a biennial-basis, and recommend any amendments to the Board.

## 7. ASSESSMENT

The Committee will conduct an annual review and assessment of its performance, including a review of its compliance with this Charter, in accordance with the process developed by the Committee and approved by the Board.

## 8. CHAIR OF COMMITTEE

Each year, the Board will appoint one member of the Committee to be Chair of the Committee. The Board also may appoint one member of the Committee to be Vice-Chair. If, in any year, the Board does not appoint a Chair, the incumbent Chair will continue in office until a successor is appointed.

The Chair of the Committee will be responsible for effectively managing the affairs of the Committee and ensuring that it is properly organized, functions efficiently and addresses its responsibilities under this Charter. More specifically, the Chair of the Committee will:

- provide leadership to enable the Committee to act effectively in carrying out its duties and responsibilities as described in this Charter and otherwise as may be appropriate;
- in consultation with the Chair of the Board and the Executive Director, ensure that there is an effective relationship between management of the Corporation and members of the Committee;
- chair meetings of the Committee;
- in consultation with the Executive Director, prepare or review agendas for meetings of the Committee to ensure that all required business is brought before the Committee to enable it to efficiently carry out its duties and responsibilities;
- ensure, in consultation with the Chair of the Board, that all items requiring the Committee's input are appropriately tabled;
- ensure the proper flow of information to the Committee and review with the Executive Director the adequacy and timing of materials provided to the Committee in support of management's proposals;
- report to the Board on the matters reviewed by, and on any decisions or recommendations of, the Committee at the next meeting of the Board following any meeting of the Committee; and
- carry out any special assignments or any functions as requested by the Board.

## **9. REMOVAL AND VACANCIES**

Any member of the Committee may be removed and replaced at any time by the Board. The Board, or the Chair of the Committee after consultation with the Governance Committee, will fill vacancies on the Committee by appointment from among qualified members of the Board on the recommendation of the Committee.

## **10. ACCESS TO MANAGEMENT AND OUTSIDE ADVISORS**

The Committee shall have full, free and unrestricted access to the Executive Director and the other officers and employees of the Corporation.

In carrying out its duties, the Committee may retain any outside advisor without Board or management approval at the expense of the Corporation and has the authority to determine any such advisor's fees and other retention terms.