Waterloo Wellington **LHIN**

FINANCE AND AUDIT COMMITTEE

TERMS OF REFERENCE

1.0 Purpose: To oversee the financial health of the corporation by ensuring that appropriate controls and accountabilities exist with respect to finance and areas of material Risk and to fulfil requirements under By-Law No. 1 Section 5.05 Audit Committee.

2.0 Mandate:

Financial Statements, Financial Management and Reporting

2.1 Review and provide advice and recommendations to the Board on the Corporation's obligations with respect to appropriate accounting and financial reporting.

2.2 Review and provide advice and recommendations to the Board on the Corporation's obligations with respect to applicable directives, agreements and legislation.

2.3 Monitor and review the financial statements, variances and statistical information on a quarterly and annual basis.

2.4 Periodically review the need for an internal audit and, should an internal audit function be implemented, that the Committee would oversee the process.

Audit

2.5 Review and provide advice and recommendations to the Board on whom the Corporation should appoint annually as its auditor.

2.6 Review and provide advice and recommendations to the Board on the annual audit plan of the Corporation.

2.7 Review and provide advice and recommendations to the Board on the audited financial statements of the Corporation.

2.8 Meet with the auditors to review the findings of the audit including any difficulties encountered, weaknesses in internal controls, the auditor's management letter and the management response to the letter.

2.9 Meet with management during the year on their action to the management letter coming from the annual audit.

2.10 Meet with the auditor and management in separate in camera sessions to discuss any matters the Committee or these groups believe should be discussed privately with the committee.

Risk Management

2.11 Receive regular reports from the CEO on areas of key system risk and significant corporate risk to WWLHIN for example but not limited to legal claims, environmental issues, health, safety and other regulatory issues.

2.12 Receive regular reports from the CEO on the adequacy and appropriateness of levels on insurance coverage.

2.13 Oversee management's establishment of an adequate system of internal controls and procedures and effective performance of those internal controls and procedures. Committee to receive periodic reports from management on internal control questions/issues.

2.14 Review and recommend whom a health service provider should appoint as its auditor to audit its accounts and financial transactions, if the Corporation directs the service provider under section 21 of the Act to have such an auditor[1].

2.15 Review and make recommendations to the Board related to internal risks and financial operating plan associated with the Annual Business Plan.

2.16 Review and provide advice and recommendations to the Board on appropriate risk management activities.

Other

2.17 Review and provide advice and recommendations to the Board on any other matters required by the Board.

3.0 Reporting Relationships: Finance and Audit Committee reports through the Committee Chair to the Board.

4.0 Membership: The Finance and Audit Committee consists of:

a) Four members of the Board of Directors, including the Committee Chair, voting members

b) Board Chair, voting member

c) CEO, non-voting member

[1] Subject to review and advice from LHIN Legal Counsel

5.0	**Chair:**	The Committee Chair shall be appointed by the Board from the membership of the committee.
6.0	**Recording Secretary:**	The CEO shall assign the recording secretary.
7.0	**Frequency of Meetings:**	The Finance and Audit Committee shall meet a minimum of four (4) times per year.
8.0	**Quorum:**	A quorum shall be a majority of the members.
9.0	**Appointment:**	Members are appointed annually by the Board.
10.0	**Circulation of Minutes:**	Minutes are circulated to Committee members as well as to the Board.
11.0	**Annual Review:**	The Terms of Reference will be reviewed annually by the Finance and Audit Committee and any revisions will be brought forward to the Board of Directors for approval.

Committee Reviewed/Revised:	September 20, 2017
Committee Approved:	September 20, 2017
Board Reviewed:	November 15, 2017
Board Approved:	November 15, 2017