

**CO-OPERATIVE HOUSING FEDERATION OF CANADA**

**POLICY MANUAL**

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**REPLACING ISSUE OF:**

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**CROSS REFERENCE:**

None

**DATE OF LAST REVIEW:**

2003

**AUTHORITY:**

General Members

**DUE FOR NEXT REVIEW:**

2008

**SUBJECT:**

Finance and Audit Committee

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**STATUS:**

Standing Committee

**SOURCE OF AUTHORITY:**

Annual General Meeting

**COMPOSITION:**

The Committee will have five (5) members:

- the Treasurer of CHF Canada,
- another member of the CHF Canada Board of Directors,
- the Treasurer of the Ontario Region,
- and two (2) members at large elected by the members of CHF Canada.

CHF Canada's Executive Director will attend all meetings of the Committee but will not be a voting member.

**QUALIFICATIONS OF MEMBERS:**

1. No person who

- is not a director, officer, shareholder, member or employee of a member of CHF Canada,
- is an officer or employee of CHF Canada, or
- is a member of CHF Canada's Board of Directors or Ontario Council

may serve as an at-large committee member.

2. The Treasurer of CHF Canada and the Treasurer of the Ontario Council must meet the qualifications set out in the terms of reference for those offices adopted by the Board of Directors and the Ontario Council, respectively.
3. The other members of the Committee must have an understanding of CHF Canada's business and must be financially literate, i.e., able to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues comparable to those of CHF Canada.

**APPOINTMENT OF MEMBERS:**

1. The members of CHF Canada will elect an at-large committee member each year at the annual general meeting. Each member will serve for a two (2) year term. If a member-at-large position becomes vacant for any reason, the Board of Directors of CHF Canada may appoint a replacement to serve until the next annual general meeting. At that time the members of CHF Canada will elect a person to serve out the rest of the original two-year term, if need be.
2. The Board of Directors will appoint the second director to the Committee.

**MEETINGS:**

1. The Treasurer of CHF Canada will chair meetings of the Committee.
2. Quorum for meetings will be at least three members of the Committee, at least one of whom must be a member at large.
3. The auditor will be advised of all meetings and may elect to attend, at his or her option.

**FUNCTION:**

The role of the Finance and Audit Committee is to:

- oversee CHF Canada's finances including budgeting, raising of revenue, spending, investing, lending and financial reporting;
- monitor and report to the members on CHF Canada's financial position and operating results against plans;
- review compliance with financial policies and resolutions;

- educate the members on CHF Canada's finances;
- liaise with the CHF Canada auditors; and
- advise the Board of Directors and Ontario Council on financial matters.

## **DUTIES AND RESPONSIBILITIES:**

The Committee will:

1. review budgets prepared by staff and give its advice to the Board of Directors and Ontario Council;
2. advise the Board on investment policies and review CHF Canada's investment portfolio at each of its meetings;
3. advise the Board on lending policies and review CHF Canada's outstanding loans and guarantees at each of its meetings;
4. act as a credit committee advising the Board of Directors on any loans to be made outside of the Risk Underwriting Fund or Special Assistance Fund;
5. review annual and interim financial statements;
6. report to the members at the annual general meeting on CHF Canada's financial position and operating results against approved financial plans;
7. monitor compliance by management and the Board with financial policies and resolutions set by the Board and members;
8. review from time to time and recommend changes as necessary to CHF Canada's financial authorities and control systems;
9. meet annually with the auditor to review the audited financial statement and the auditor's report to management;
10. review the annual audit plan and assess from time to time how well the auditor is doing their job;
11. review the proposed appointment, renewal or dismissal of the auditor;
12. hold educational workshops as appropriate at the annual general meeting to inform the members about CHF Canada's finances;

13. report regularly to the Board on the committee's activities and advise the Board on financial matters;
14. perform any other tasks the Board or general members may give to the Committee.