

PURPOSE

The principal responsibility of the Finance & Audit Committee (FAC) is to provide financial expertise; along with internal and external oversight to support the fiduciary responsibilities of the Board of Directors.

ACCOUNTABILITY

The FAC is a standing CSAE committee and is accountable to the Board of Directors regarding the following:

- Ensuring financial reports, budgets, forecasts and assumptions are consistent with best practices and compliant with current legislation;
- Providing oversight for the annual external audit while providing insight into the broader internal audit and controls;
- The FAC provides quarterly reports to the Board of Directors.

AUTHORITY

The FAC shall exercise oversight in the following areas:

Finance:

- Work with external auditors and staff to review financial processes and reports
- Review and monitor the investment portfolio;
- Ensure processes are in place for the development of an annual operating and capital budget;
- Ensure processes are in place to manage the assets of CSAE effectively and efficiently;
- Conduct internal audit to ensure operational policies are in effect regarding financial controls.

Audit:

- Recommend to the Board of Directors the selection, appointment, compensation, retention and termination of the external auditor, for forwarding to the Annual General Meeting (AGM);
- Evaluate the current auditor annually;
- In collaboration with management, initiate a Request for Proposal (RFP) tendering process every five (5) years, or sooner if needed;
- Receive the annual audit plan and approve as presented by the auditors;
- Receive the annual audit report as presented by the auditors;
- Review any proposed changes to major accounting policies or to other matters relating to annual financial reporting that may be material to such reporting;
- Review all internal control or similar 'management' letters issued by external auditors concerning CSAE's accounting or financial reporting systems together with management's response thereto.

TEAM SUPPORT

CSAE's Director of Finance & Administration takes the lead on the FAC and provides it with professional and administrative support.

COMMITTEE MEMBERSHIP

- The FAC is comprised of four to six members, including:
 - o CSAE Secretary/Treasurer who functions as the chair;
 - o Two additional Board members;
 - o Up to two (2) members, who have financial/accounting designations or experience, appointed by the Board from the CSAE membership;
 - o CSAE President & CEO is ex-officio.
- Committee members will be appointed by the Board of Directors for a minimum two-year term.

COMMITTEE MEETINGS

- FAC meetings are held in-person or electronically every quarter of the fiscal year
- Additional meetings/work may be required during the course of the year
- The frequency of meetings will be assessed by the committee