

1. Mandate

The Township of Springwater's Finance & Audit Advisory Committee assists Council in the provision of effective municipal government by reviewing the administrative systems regarding financial accounting, reporting, internal controls, safeguarding of corporate assets, compliance with legal, ethical and regulatory requirements and the efficient and effective use of Township resources. Primary responsibility for the financial reporting and internal control of the Township are vested in management and overseen by Council.

Specifically, the committee will advise on:

Financial and Other Reporting

- Reviewing and recommending approval to Council of the draft annual consolidated financial statements of the Township and its local boards prior to presentation to Council;
- Reviewing and making recommendations, in conjunction with Staff, to Council respecting existing and proposed new financial and fiscal policies, practices and procedures;
- Reviewing program performance regarding the efficiency, effectiveness and economy in the use of Township resources (e.g. review of internal Performance Measures);
- Reviewing any significant proposed changes in financial reporting and accounting policies to be adopted by the municipality; and
- Reviewing and recommending a long range financial plan for the municipality including its ongoing updating.

Internal Control

- Reviewing the adequacy of the internal control systems for safeguarding assets, including the review of financial policies and procedures; and
- Reviewing the effectiveness of corporate reporting systems (e.g. financial software).

External Audit Function

- Making recommendations to Council, in conjunction with Staff, with respect to the selecting and dismissal of the External Auditor;
- Reviewing the terms of engagement, fees and scope of the audit and any non-audit services provided;
- Reviewing any reports and correspondence from the External Auditor relating to the Corporation of the Township of Springwater, the Corporation of the Township of Springwater Trust Funds, Springwater Township Public Library Board, the Elmvale Business Improvement Area Board, and any other local boards or agencies which may be created, including any communications from the External Auditor on relationships between the External Auditor and the Township and its

local boards and agencies, and on any matters that may have a bearing on the independence of the External Auditor;

- Assisting staff in evaluating the External Auditor's performance; and
- Reviewing with management and the External Auditor the result of the audit performed including any difficulties encountered.

Compliance

- Reviewing the level of compliance with legislation, regulations, corporate objectives, policies and ethics; and
- Reviewing the adequacy of the systems established to ensure compliance.

2. Committee Composition and Appointments

The term of office of the committee is the same as the term of office of Council that takes office following the next regular election. Currently that is a four (4) year term.

The Committee will consist of a maximum of two (2) members, which will comprise of:

- Two (2) Council Member Representatives

The Mayor is an ex-officio member.

Committee members shall:

- Have a demonstrated expertise, interest, and involvement in the sector(s) of the specified committee;
- Fairly represent the sector(s) of the specified committee; and
- Commit the time required to work on the committee.

3. Commencement of Term

The term of appointment commences after the Inaugural Meeting of the new Council and generally ends at the conclusion of Council's term.

At the first meeting of the term of the newly appointed committee, the following must occur:

- Elect a Committee Chair

The Recording Clerk calls for nominations of the Chair. A member of the Committee can make a nomination which must be seconded by another member of the Committee. When all nominations have been received the Recording Clerk closes nominations. Votes are then cast. If there is a tie vote, ballots will be cast for the tied nominees until such time as a nominee receives the majority of the votes.

4. Meetings

The committee will formally meet a minimum of two (2) times per year, and may meet at any other such times as the committee deems appropriate.

The committee will conduct its meetings in public, in an accessible location.

The committee shall be deemed to be a Committee of Council and shall adhere to any policies and procedures as provided for under the *Municipal Act, 2001*, as amended and the Township's Procedure By-law, and any other applicable legislation.

Where there is conflict between these Terms of Reference, the *Municipal Act, 2001* or any other Act or Regulation governing the Committee, the Act shall prevail.

5. Attendance by Committee Members

If a member is unable to attend a meeting, he/she should inform the Chair and Recording Clerk.

In the event that a non-elected member of a Committee is absent from the meeting for three consecutive meetings without being temporarily excused and such permission recorded in the minutes, Council may terminate the appointment and may by motion appoint a new person to fill the vacancy.

If the Chair is absent for three (3) consecutive meetings through illness or otherwise, the committee may appoint an Acting Chair or a new Chair, as deemed appropriate. While presiding the Acting Chair shall have all the powers of the Chair.

6. Quorum

A quorum is a majority of the whole number of committee members, more than 50%, is necessary to form a quorum to exercise its decision making authority.

If there is no quorum within thirty minutes after the time appointed for the meeting, the Recording Clerk shall call the roll and record the names of the members present and the meeting shall stand adjourned until the next regular meeting or until a special meeting is called.

Where a member of the committee resigns, or is dismissed by resolution of Council due to illness or otherwise, quorum shall be the majority of the remaining members.

7. Responsibilities and Protocol

General Responsibilities of Committee Members

Committee members shall:

- Perform their duties in a manner that maintains and enhances public confidence in the integrity, objectivity and impartiality of the Township;
- Adhere to the *Municipal Conflict of Interest Act* and clearly identify any items of pecuniary interest before they are discussed and refrain from discussing and voting on same;
- Not be under an obligation to any person who might benefit from special consideration or favour from the member or who might seek, in any way, preferential treatment;
- Not benefit from the use of information acquired during the course of official duties that is not generally available to the public;

- Be professional, courteous and respectful with other members, Council, administration and the general public. In doing so will not publicly criticize Elected Officials, administration or other members and respect the decisions of Council;
- Maintain confidentiality when necessary, and ensure personal information controlled by the Township is used or disclosed in compliance with the *Municipal Freedom of Information and Protection of Privacy Act* (MFIPPA);
- Understand the committee's relationship to Council;
- Strive to attend all scheduled meetings and advise in advance when unable to attend (to determine if there is going to be a quorum);
- Prepare for meetings by reading agendas and any background information supplied and by actively participating in the discussion and decision making process;
- Undertake any work assigned, including special projects and research, between meetings;
- Operate under the Township's Procedural By-law, as well as other Township policies and procedures where applicable;
- Respect that actions taken and/or recommendations shall reflect the majority view of the committee.

Responsibilities of Chair

The Chair holds the following responsibilities:

- Operate under the Township's Procedural By-law;
- Facilitate the meeting by identifying the order of proceedings and speakers according to the published agenda;
- Maintain decorum and ensure fairness and accountability;
- Generally refrain from participation in the discussion until all members have had an opportunity to speak to the matter;
- Run a meeting in a fair and efficient manner when the will of the majority prevails after the minority has had a fair chance to present its point of view;
- Assist staff liaison/recording clerk when possible or when requested;
- Represent the views of the committee and not personal views.

Responsibilities of Council Member Representative

Council Members appointed to the Committee have all of the rights and privileges of any other member, including voting. The Mayor is an ex-officio member of all Committees.

In addition, the Council member is also responsible for:

- Liaising between Council and the committee, providing information and clarification;
- Ensuring members are aware of Council issues that may affect the goals and objectives of the committee, including past actions of Council;
- When necessary and appropriate, explain the rationale behind the committee's recommendation when brought forward to Council.

Responsibilities of Staff Liaison

As a non-voting member, the responsibilities of the staff liaison are to:

- Provide guidance and advice;
- Prepare any necessary reports for Council's consideration;
- Ensure that any recommendations proposed by the committee do not contradict the Township's budget, by-laws or policies and procedures.

Responsibilities of Recording Clerk

(In some instances, the recording clerk and staff liaison are one in the same)

As a non-voting member, the responsibilities of the recording clerk are to:

- Prepare the agenda for each meeting in consultation with the Committee Chair;
- Distribute the agenda to the committee members as outlined in Township's Procedural By-law;
- Post agendas, minutes and meeting dates/times to the Township's website as outlined in Township's Procedural By-law;
- Record the minutes of the meeting including resolutions, decisions and other proceedings at the meeting, without note or comment;
- Submit the approved minutes of each committee meeting for inclusion on the Regular Council agenda for Council's consideration;
- Report any resignations of committee members to the Township Clerk;
- Book the meeting venue;
- When necessary and in consultation with the Chair, cancel a meeting (due to inclement weather or provide knowledge of lack of quorum), if time permits, the members should be contacted to advise of the cancellation.

8. Agendas & Minutes

Agenda items should be relevant to the business of the committee and should only include items that require the attention or action of the committee.

Committee members are encouraged to submit agenda items to the Recording Clerk. A deadline may be established for submission of agenda items.

The agenda will be prepared in consultation with the Committee Chair and posted to the Township's website in accordance with the Township's Procedural By-law.

Minutes of meetings represent a clear and accurate account of the business conducted by the committee. Minutes provide a permanent and official record of all proceedings, policy and budgetary decisions. Minutes should only reflect actions and not discussions.

The recording clerk will include the minutes of the previous meeting on the agenda for the next, regularly scheduled committee meeting for approval.

9. Rules of Procedure & Records

The Procedural By-law shall apply to all committees, a copy of which shall be provided to all members. Where the by-law is silent, the Township Clerk or their designate is available to assist committees with the interpretation of the rules.

Under Section 2(3) of the MFIPPA, as amended, records relating to the business of the municipality, created or received by a body considered part of the municipality, are accessible under the Act.

10. Conflict of Interest

A conflict of interest may arise for committee members appointed by Council when their personal or business interests clash with, or affect the duties and decisions of the committee. These members are required to adhere to the *Municipal Conflict of Interest Act*, which contains strict rules regulating their participation in matters to which they have a direct or indirect pecuniary interest. The onus to declare a conflict of interest lies with the member and not municipal staff.

At a meeting at which a member discloses an interest, or as soon as possible afterwards, the member shall file a written statement of the interest and its general nature with the clerk of the municipality or the recording clerk of the committee.

Committee members can seek advice from the Township's Integrity Commissioner respecting their obligations under the Township's Code of Conduct for Council, Committees and Boards, local ethical behaviour procedures, rules or policies governing the members, and the *Municipal Conflict of Interest Act*.

11. Committee Member Conduct

Committee members shall, at all times follow the policies and procedures set out in the Township of Springwater's Council/Committee Code of Conduct.

All committee members shall also comply with all applicable Township policies and procedures, including but not limited to:

- Workplace Violence & Harassment Policy
- Rzone Policy

12. Communications

Any written communications, including media releases, advisories, flyers, posters and other printed materials shall be vetted by the Township's Communications Officer or designate.

Letters of appreciation or recognition or correspondence related to the committee's mandate do not require Council's approval.

Communications to Council or Administration are generally through the staff liaison, recording clerk or Chair.

Committees and committee members are not authorized to design and launch websites or social media accounts. Responsibility for managing and monitoring corporate websites and social media sites is centralized through the Township Administration. Any Township policies relating to social media shall apply.

Only authorized spokespersons may speak on behalf of a committee. The Township's Communication Policy shall apply to committees.

13. Budget and Expenses

In the event a committee has been approved a budget to carry out the mandate of the committee, the staff liaison or recording clerk shall oversee the finances of the committee and ensure that all purchases are in accordance with the Township's Procurement Policy.

Expenses incurred by a committee against an approved budget shall be detailed in the meeting minutes, with a resolution approving the expenditure.

The budget will generally include expenses such as:

- Mileage, meals, and costs for committee members to attend workshops, conferences and other training in accordance with section 4.5.4 of the Township's Team Member Handbook;
- Other costs that may be specific to the legislative mandate of the committee.

14. Remuneration

Committee members will not receive remuneration and will not be paid mileage to attend meetings.