

## **Finance and Audit Committee Terms of Reference**

**Approved by:** NOAMA Board of Directors

**Date:** May 23, 2023

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### **Mandate**

The Finance and Audit Committee shall:

- 1) Supervise the preparation of the Association's budget, approve the budget and recommend its approval to the NOAMA Board;
- 2) Monitor the financial performance of the Association in relation to its budget;
- 3) May make recommendations on major expenditures not foreseen in the approved annual budget and approve such expenditures in accordance with established Association policy;
- 4) Monitor compliance in relation to the financial objectives as may be set from time to time by all parties to the Alternate Funding Plan Agreement;
- 5) Review investments and transactions that could adversely affect the well-being of the Association;
- 6) Consider on an annual basis the scope of the audit work performed, or to be performed, for the Association;
- 7) Approve for presentation to the NOAMA Board the annual financial statements and the related Auditor's report;
- 8) Discuss with the Auditor any matters arising as a result of the audit of the annual financial statements;
- 9) Review and approve policies and procedures related to the financial management of the Association;

### **Responsibilities of Committee Members**

- 1) To carry out its mandate in the interests of the NOAMA Board.
- 2) To provide expertise and attention to detail on behalf of the NOAMA Board concerning all matters related to financial management.
- 3) To attend all Committee meetings as called. Meetings will be held virtually..

- 4) To review, annually, the Terms of Reference and forward recommendations, as required, to the NOAMA Board.
- 5) To declare any conflict of interest before review and approval of specific items included in the meeting agenda.

### **Membership**

- 1) Three appointees from the Physician Clinical Teachers' Association (PCTA) or designee(s).
- 2) One appointee from the NOSM University (Chief Operating Officer, Director of Finance, or designee).
- 3) One appointee which is a hospital representative, endorsed by the NOAMA Board.

Other participants:

- 1) Chair or Co-Chair of NOAMA Board.
- 2) Executive Director of NOAMA (Ex-Officio – non-voting).

Quorum is attained when the PCTA has the majority of members present at the meeting.

Membership on the Committee will be for a maximum three-year term. If there are no suitable candidates to fill a vacant position, a Finance and Audit Committee member who has reached his/her maximum term can continue to serve if recommended by the NOAMA Board.

### **Meeting Schedule**

Meetings will be scheduled at the call of the Chair to coincide with the timely submission of recommendations to the NOAMA Board. Meetings will generally be held virtually. The recommended schedule is as follows:

- Proposed Budget / Draft Annual Financial Statements – May
- Audit Results / August YTD Expenditure Report – September
- December YTD Expenditure Report (if deemed necessary) – February

### **Assumption**

The Committee is not a separate voting group but rather an efficient grouping of stakeholders which formulates consensus-based recommendations to the NOAMA Board.

### **Chair**

The Chair of this Committee shall be selected from the sitting committee members.

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Version	Date	Comments
1.0	2016 05 24	Original ToR
2.0	2023 05 23	Update to capture NOSM U and virtual meetings