

Finance and Audit Committee Terms of Reference

Any capitalized terms used and not defined in these Terms of Reference shall have the meanings given to them in the by-law relating generally to the conduct of the affairs of Ontario Chiropractic Association as may be amended from time to time (the “By-Law”).

Overview

The Finance and Audit Committee exercises review and oversight of financial risk matters and other matters as delegated by the board to help ensure that the organization is managed in a fiscally responsible manner.

Responsibilities

- Review quarterly internal financial statements with management.
- Oversee reliable accurate and clear financial reporting to the OCA Board at each meeting of the Board, and to the OCA membership at each Annual General Meeting.
- Review the annual budget developed by management prior to its submission to the Board for approval.
- Review and recommend financial policies as required to the Board of Directors to ensure compliance with regulatory requirements and to define financial limitations that provide to the CEO Board-defined boundaries of acceptable action.
- Ensure that adequate financial controls are put into place by management including adherence to regulatory, legal and tax requirements.
- Recommend to the Board the auditors for appointment or re-appointment by the members at the annual meeting.
- Oversee the external audit including:
 - Review and make recommendations to the Board concerning auditors’ remuneration by way of the OCA budget development process.
 - Review audited financial statements and auditor’s report and make recommendations to the Board.
 - Meet with auditors without management present and receive and review recommendations with respect to management, accounting systems and internal control issues.
 - Oversee implementation of auditor’s recommendations.
 - Review the auditors’ report on the annual financial statements and related

- issues including accounting practices and financial controls
- Review areas of disagreement between management and the auditors.
- Such other responsibilities as are assigned by the Board within the scope of the Committee and in accordance with legislation.
- The FAC provides oversight to specific items in the OCA Aspire Canada Inc. (“OCA Aspire”) Unanimous Shareholders Declaration (USD). The nature of these items may change from time to time.
- One of the OCA Aspire cross-over OCA board members who is not the chair of the OCA board may be invited to attend the meeting of the Finance and Audit Committee as appropriate to respond to specific items related to the USD.

Frequency of Meetings and Manner of Call

At the call of the chair of the Committee.

The committee will meet by telephone, electronic or other communications facilities which permits all persons participating in the meeting to communicate with each other simultaneously and instantaneously.

Composition of the Finance and Audit Committee

The Finance and Audit Committee shall be composed as follows:

- 2nd Vice Chair (who shall serve as Chair)
- Up to 5 Directors of the Board
- One OCA member who is not on the board
- One non-OCA member with accounting expertise
- OCA Chair (ex-officio)

The individuals serving on the Finance and Audit Committee shall be appointed by the Board. Such individuals shall serve at the pleasure of the Board and may be removed at any time by the Board.

Staff Liaison

The Chief Executive Officer of the Association and/or other parties as may be deemed appropriate by the Committee will attend meetings of the Committee.

Guests

The Chief Executive Officer or their designate and the Chair of the Board or their designate and other parties as may be deemed appropriate by the Committee each have a right to attend all meetings of the Finance and Audit Committee but shall not have any right to vote thereat.

From time to time the Finance and Audit Committee may invite others to attend all or a portion of the meetings.

Quorum

As required by the OCA's by-laws, unless otherwise determined by resolution of the Board of Directors, quorum shall be a majority of the individuals serving on the Finance and Audit Committee.

Resources

The CEO or their designate shall be the primary resource to the Finance and Audit Committee, shall cause all minutes of the Finance and Audit Committee to be taken and agendas to be prepared, and shall coordinate additional resources as required to support the mandate of the Finance and Audit Committee.

The Committee as a whole or individual committees member do not have the authority to enter into any agreement or contract on behalf of the OCA.

Reporting

The Committee shall prepare minutes of each meeting.

Recommendations of the Finance and Audit Committee shall be made and the Finance and Audit Committee report shall be submitted to the Board.

Procedures

The Finance and Audit Committee shall be empowered to establish its own procedures, processes, role descriptions and subcommittees, so long as such procedures, processes, role descriptions and subcommittees are consistent with the By-Laws and these Terms of Reference.

The Finance and Audit Committee shall, from time to time, make recommendations to the Board of changes to these Terms of Reference, which changes shall not take effect until approved by the Board.

Confidentiality

Committee members are required to maintain confidentiality at all times including in the pursuit of additional expertise.

With the increasing use of Artificial Intelligence ("AI"), all committee members are required to adhere to the confidentiality rules governing their work on a committee. Committee or Board material must not be shared in AI systems not approved by the OCA.