

STEM INNOVATION ACADEMY SOCIETY

**TERMS OF REFERENCE
OF THE
AUDIT COMMITTEE**

ARTICLE 1
GENERAL

- 1.01 General Terms. The General Terms of Reference for Committees ("General Terms") are incorporated herein by reference, except as otherwise provided herein.
- 1.02 Purpose. The primary purposes and functions of the Committee are to:
- (a) Review all financial reporting of the Society;
 - (b) Examine opportunities to minimize risk and maintain the financial health of the School; and
 - (c) Act as a liaison between the Board and the auditor appointed by the Board.

ARTICLE 2
INTERPRETATION

- 2.01 Defined Terms. In these terms of reference, unless the context otherwise requires:
- (a) "Terms of Reference" shall mean these terms of reference of the Committee; and
 - (b) "Committee" shall mean the audit committee established by the Board.

ARTICLE 3
MEMBERSHIP

- 3.01 Composition. The Committee shall consist of six members ("Committee Members") appointed pursuant to the By-laws. The Committee shall consist of:
- (a) Three Directors;
 - (b) The Secretary-Treasurer (non-voting member); and
 - (c) Two persons who are members of either the business or adult learning communities who are not Directors.

In choosing the persons who are members of either the business or adult learning communities to serve on the Committee, preference will be given to persons with professional qualifications to review and provide advice on financial statements and other budget matters. At the request of the Committee, others may attend meetings of the Committee on an *ad hoc* or regular basis.

- 3.02 Committee Chair. The Committee shall have a chair ("Committee Chair") appointed pursuant to the By-laws. The Committee Chair must be a Director. In the absence or vacancy of the Committee Chair, the members of the Committee shall elect one of their number to act as Committee Chair for the time being. For the avoidance of doubt, the Committee Chair must be a Committee Member.

ARTICLE 4 COMMITTEE MEETINGS

- 4.01 Frequency. The Committee shall meet at the call of the Committee Chair.

ARTICLE 5 RESPONSIBILITIES

- 5.01 Specific Responsibilities. In carrying out its mandate, the Committee should consider and make recommendations relating to:

- (a) The review of all financial reporting of the Society;
- (b) The review of books, accounts, and records of the Society;
- (c) The appointment of the auditor;
- (d) The receipt of the audited financial statements;
- (e) The receipt of the quarterly financial report;
- (f) The recommendation for approval of a complete and proper statement of the standing of the books for the previous year of the Society;
- (g) School insurance matters; and
- (h) Investments and risk management which includes financial management principles.