



TERMS OF REFERENCE

FINANCE COMMITTEE

Authority: The Finance Committee operates as a Standing Committee under the authority of the Board of Directors and as outlined in the Stevenson Memorial Hospital (SMH) Corporate By-laws, Article 8 and Board Policies V-A-2, Roles and Responsibilities of the Board of Directors, V-A-3, Roles and Responsibilities of Individual Board Directors; V-A-7 Board Standing and Special Committees. No decision of this Committee shall be binding on the Board until approved or ratified by the Board.

Membership and Quorum: Quorum of a Standing Committee for the purpose of conducting business will be more than 50% of the voting members of the Committee.

The presence of Board Chair at Committee meetings counts towards quorum; whereas, the absence of the Board Chair at Committee meetings does not count against quorum. For greater clarity, the intent to this rule is to recognize that the Board Chair may not attend every meeting.

The members of the Finance Committee shall consist of:

Voting Members:

1. Board Treasurer, who will serve as Chair;
2. at least two (2) additional elected Directors;
3. up to two (2) Advisory Members with specific skill sets that will support the work of the Committee;
4. Chief Executive Officer (CEO); and
5. Board Chair, ex-officio.

Non-Voting Members:

6. one (1) representative or delegate of the SMH Foundation Board;
7. one (1) representative or delegate of the SMH Auxiliary Executive;
8. Chief Financial Officer (CFO); and
9. Manager of Finance.

Mandate: The Finance Committee shall:

1. study and recommend to the Board for approval a detailed annual budget for capital and operating revenues and expenditures for the ensuing fiscal year;
2. study the detailed financial statements on a timely basis and report thereon to the Board accordingly;
3. oversee the financial reporting process of the organization and compliance with regulatory requirements;
4. inform and advise the Board on financial risk management and financial matters as requested;
5. review and provide input on the Hospital Annual Planning Submission (HAPS);
6. review and recommend to the Board the Hospital Service Accountability Agreement (H-SAA);

7. review H-SAA Performance Indicators on a quarterly basis prior to formal Board presentation;
8. conduct an annual review and periodic monitoring of the Management Services Agreement regarding responsibilities for both parties with financial implications, except as related to the Human Resources Terms of Reference;
9. oversee the Memorandums of Understanding for Clinical Services, including negotiation, implementation and annual review and periodic monitoring regarding responsibilities for both parties with financial implications;
10. review Board financial policies and make recommendations to the Governance and Nominating Committee as appropriate;
11. review annually the Committee Terms of Reference and if any change is recommended forward same to the Governance and Nominating Committee for consideration;
12. prepare an annual work plan for the Committee that describes topics to be addressed at each meeting for approval by the Board; and
13. assume such other duties as may be assigned from time to time by the Board.

Administration: Support is provided by the office of the CFO.

Reporting: The Committee reports to the Board of Directors

Schedule: The Committee meets at least four (4) times per year at the call of the Chair.

Original Effective Date: Nov 08
Reviewed/Revised Date: Nov 11; Feb 12; May 12; Sept 12; Feb 13; Feb 14; Dec 14; Dec 15