

2.3.iii. Policy

FINANCIAL PLANNING COMMITTEE TERMS OF REFERENCE

Trust Council: December 11, 1993

Amended: March 6, 1998; September 15, 2000; March 10, 2006

A: PURPOSE:

1. To outline, further to the Standard Committee Terms of Reference document, the specific roles and responsibilities of Trust Council's Financial Planning Committee.

B: REFERENCES:

1. Policy Manual: Council Committee System (2.3.i.)

C: POLICY:

1. COMPOSITION:

The committee shall be comprised of the Chairperson (or an appointee) from each of the other standing committees (2), members of the Executive Committee (4), a member chosen by the Trust Fund Board (1), and three other members from Council (3). The Chairperson of the Committee will be elected by the committee from amongst the three members from Council.

2. ROLES & RESPONSIBILITIES

2.1. Annual Budget Process

To facilitate Council's involvement in the annual budget process by:

- i. providing direction to all program units, via management, in overseeing the process of budget preparation.
- ii. assisting Council in establishing the principles and assumptions for the development of the budget.
- iii. reviewing the base operating needs and all program requests against the principles and assumptions and make recommendations to Council.

- iv. representing the interests of Council, Executive Committee, and Council Committees throughout the budget process.

2.2. Budget and Financial Planning

To facilitate the linkage of the annual strategic planning process with the annual budget process through:

- i. the interpretation of Council's priorities/strategies and related work programs into resource allocation requirements both for the annual budget and for long range planning practices.
- ii. direction to management in the development of long range financial planning and capital budgeting.
- iii. facilitating Council's involvement in the preparation of a three year operational and capital budget plan.

2.3. Financial Management

To report to and make recommendations to Council regarding the organization's financial management practices such as:

- i. a regular financial reporting system.
- ii. development of financial management policies and procedures.
- iii. assessing/monitoring revenue generating and expenditure control practices, management recommendations for financial resource allocations within and during the annual budget.
- iv. review financial reporting documents for the Ministry/Treasury Board and/or public presentation via the Executive Committee.

2.4. Annual Audit

The Finance Committee will appoint from amongst its members, but excluding members of the Executive Committee, an Annual Audit Committee for the purposes of the annual audit and will report directly to Council by:

- i. reviewing audit reports.
- ii. reviewing with management the management letter recommendations and determining necessary actions.
- iii. monitoring the implementation of the auditor's recommendations.

- iv. recommending an accounting firm to Trust Council, each year, to conduct the annual audit.
- v. reviewing with the auditors the year end audit (and interim audit) work program.

2.5. Trust Fund Support

To provide advice to the Trust Fund Board on financial services and support available from the Islands Trust.

2.6. Management Advice

To monitor and review the Trust's financial management, budget and financial planning practices and to assess management's recommendations to Trust Council in these areas, through consultation with the Trust's auditors as required.