Effective as of: January 16, 2025

Terms of Reference

Name of Committee: Audit and Finance

Mandate:
Water Polo Canada's (WPC's) Audit and Finance Committee is a standing committee of the Board. It shall assist the Board in fulfilling its oversight responsibilities relating to corporate auditing and reporting, financial policies, strategies and activities, and financial risk management. This responsibility is carried out in accordance with approved policies that comply with generally accepted accounting principles (GAAP).

Key Duties:
In fulfilling its mandate, the Committee will perform the following key tasks:

- On an ongoing basis provide expertise to enhance the quality of Board discussion on financial matters, and facilitate effective Board decision-making in this area;
- Determine the adequacy of WPC's internal financial controls and procedures for financial reporting to the Board, members and funding agencies;
- Monitor WPC's financial position in relation to the mitigation and triggers as set out in WPC's Risk Appetite Statement and Risk Registry;
- Review WPC financial statements on a regular basis to monitor adherence to GAAP
- Develop and oversee the implementation of policies to safeguard WPC's assets and revenue streams;
- Review and approve the scope of the annual audit and audit fees to be paid, and recommend annually to WPC members the appointment of the auditor;
- Ensure that the Board is promptly informed of any problems, issues or concerns raised by the auditor;
- As required, receive reports and advise the Board on any material government investigation, litigation, contractual dispute or legal matter;
- As required, periodically discuss with the Auditors, without management being present, their judgments about the quality and appropriateness of WPC's accounting principles and financial disclosure practices as applied in its financial reporting to the Board, members and funding agencies and the completeness and accuracy of these financial reports; and
- Perform such additional tasks as may be delegated to the Committee by the Board from time to time.

Authority:
This committee will be a Limited Agent of the Board. As such, the Audit and Finance committee may conduct investigations and retain, at WPC expense, the services of independent financial resources, including legal counsel or other experts. Otherwise, the Audit and Finance Committee is responsible for research, the proposal of action and/or preparation of finance policy recommendation to the Board of Directors for approval.

Policy Responsibility:
The Audit and Finance Committee will be responsible for policy research and oversight of the following organizational policies.

- Charitable Donations
- Audit, Financial Reporting and Investment, all of which will be covered by the Financial Management Policy.

Composition:
The Committee will be composed of a minimum of three (3) persons. Each Committee member will be financially literate as the Board in its business judgment interprets such qualification. The Board will designate the Chairperson of the Committee, who shall be a Director.

Appointment:
The Board appoints members to the Committee. Board committees will be reconstituted at the first meeting of the Board following each Annual Meeting. Members will serve from appointment until the re-striking of the committee. Should a vacancy occur on the Committee, for whatever reason, the Board may appoint a qualified person to fill that vacancy for the remainder of the vacant position's term. The Board may remove any member of the Committee.

Meetings:
The Committee will meet electronically, by telephone or in person, as required. Meetings will be as called by the Chairperson. Water Polo Canada's Chief Executive Officer (CEO) and Finance Manager will be present at the majority of meetings (as required to support the work of the Audit & Finance Committee), and the President of WPC will attend all meetings in an Ex-officio capacity.

Resources:
The Committee will receive the necessary resources from WPC to fulfill its mandate and may from time to time have staff persons assigned to assist the Committee with its work.

Objectives/Deliverables:

1. Review the monthly financial reports of WPC, as provided by WPC Staff
2. Review the quarterly financial statements of WPC, as provided by WPC Staff, and present these statements at the Board meeting immediately following their receipt
3. Review the annual budget of the WPC prior to its recommendation to the Board
4. Receive and review the audited financial statements of WPC and report to the Board prior to the AM
5. Review and/or establish the organization's policy and procedures for the receipt, retention and resolution of complaints regarding accounting, financial disclosure, internal controls and auditing matters

Evaluation:
The Board of Directors will evaluate the performance of the Committee. The performance of the committee will be assessed against the accomplishment of yearly objectives/deliverables. This review will take place immediately prior to the AM.

Reporting:
The Committee will report to the Board, in writing, at a minimum quarterly (to present the quarterly statements) but more frequently if needed. The Committee will report to Members at the Annual Meeting, in the form of a written report.

Review and Approval:
The Board of Directors will review these terms of reference every two years.