

**The Board of Directors of  
The Saskatchewan Cancer Agency  
FINANCE & AUDIT COMMITTEE CHARTER**

**1. Introduction**

The Finance & Audit Committee (the “Committee”) of the Board of Directors (the “Board”) shall assist the Board in fulfilling its oversight responsibilities with respect to the affairs of the Saskatchewan Cancer Agency (the “Agency”) by:

- i. Ensuring the integrity and accuracy of financial reporting;
- ii. Ensuring adequate systems of internal controls including those relating to risk management, compliance with laws, regulations and ethical conduct relating to the financial affairs of the Agency;
- iii. Overseeing an effective audit function; and
- iv. Overseeing the Agency’s budget process.

The Committee is under the direction of the Board and is to report its work to the Board for approval. The Board is ultimately responsible for the Agency’s affairs, including the Committee’s functions.

**2. Composition**

The Board appoints committee members and the Chairperson. Committee members serve until the Board re-appoints or appoints a successor.

The Committee shall consist of:

- A minimum of three (3) members of the Board (including Committee Chair)
- SCA Board Chairperson (ex-officio, voting)
- SCA CEO and/or designate(s) (ex-officio, non-voting)

Where deemed necessary by the Committee Chair, additional members can attend / participate on an ex-officio and non-voting basis.

**3. Duties and Responsibilities**

The Committee shall perform the following functions with respect to:

a) Financial Statements

- Receive and review the quarterly unaudited financial statements of the Agency ensuring the statements meaningfully report on the Agency’s financial situation including up-to-date forecasts of the year- end results, and recommend the statements to the Board prior to the Board’s approval thereof;
  - Review annual audited financial statements, in conjunction with the report of the external auditor, and obtain an explanation from management of all significant variances between comparative reporting periods;
  - Recommend approval of the annual audited financial statements to the Board;
  - Inquire about changes in professional standards or regulatory requirements;
  - Review the entire annual report for consistency with the financial statements; and
  - Review and approve the financial information that will be provided to the provincial government and other stakeholders/partners and ensure that this information accurately represents the Agency’s business activities.
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- b) Policies for Financial Operations, Principal Risk and Systems of Internal Control
- Inquire about changes in the financial systems and control systems during the year;
  - Review the integrity and effectiveness of policies regarding the financial operations, systems of internal control and reporting mechanisms, ensuring they are in accordance with generally accepted accounting principles and practices, and recommend accounting and financial policies;
  - Inquire into the major risks faced by the Agency, and the appropriateness of related controls to minimize their potential impact. This assessment relates to financial and non-financial risk but excludes risk related to quality of care, under the purview of the Quality, Safety & Risk Committee; and
  - Review and approve the systems of risk management and the internal controls established by management and the Board related to the Agency's financial affairs.
- c) Audit Planning and Preparation
- Review, with the external auditor, the proposed scope of the current year's audit;
  - Review and approve the auditor's engagement letter including the audit fee and expenses;
  - Assess whether appropriate assistance is being provided to the auditor by the Agency's staff; and
  - Review control weaknesses detected in the prior year's audit and determine whether all practical steps have been taken to overcome them.
- d) Audit Results
- Review the report from the external auditor on the annual financial statements;
  - Review the external auditor's post-audit or management letter, internal control opinion, and legislative compliance opinion which may document weaknesses in the accounting system or in the internal control systems and which contain recommendations of the external auditor, and management's response and subsequent follow-up to any identified weaknesses;
  - Meet privately with the external auditor (without the presence of management) regarding the adequacy of the internal accounting controls and similar matters, and review management responses to ascertain whether there are concerns that should be brought to the Committee's attention; and
  - Review any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management, or situations where management seeks a second opinion on a significant accounting issue.
- e) Auditor's Performance and Appointment
- Review the factors that might impair, or be perceived to impair, the independence of the external auditor;
  - Take, or recommend that the Board take, appropriate action to ensure the independence of the external auditor;
  - Monitor and evaluate the performance of the external auditor;
  - Meet privately with senior management (without the external auditor being present) to ensure that management has no concerns about the conduct of the audit;
  - Annually, recommend to the Board the appointment of a firm of chartered professional accountants, or the Provincial Auditor for Saskatchewan as the Board's external auditor and any change of external auditor. Consider from time to time and no less frequently than every five (5) years, the engagement of a different external auditor on such terms and conditions as may meet statutory and other requirements for the audit of the Agency; and
  - Ensure the external auditor report to the Committee and that any work done by the external auditor in addition to audit duties is pre-approved by the Board on the recommendation of the Finance and Audit Committee.
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- f) Budget Processes
  - Review the Agency's budget methodology for preparing annual and multi-year budgets; and
  - Review and recommend the operating, capital, research, cash flow and trust fund Operational Plans/budgets for approval by the Board.
- g) Duty to Report to the Board
  - Report major discussions, decisions, and the assistance the Committee has had in fulfilling its responsibilities, and make any recommendations to the Board as it shall deem advisable;
  - Report the minutes from all Committee meetings to the Board in a timely manner; and
  - Members will assess their performance and the performance of the Committee in conjunction with the annual Board Self-Evaluation Survey.
- h) Other Duties
  - Approve CEO expenses;
  - Recommend investment guidelines and receive annual information on investment performance;
  - Review the banking arrangements of the Agency and recommend revisions to the Banking Resolution from time-to-time;
  - Annually review the Agency's insurance to ensure appropriate coverage;
  - Build awareness and skills among Committee members and the Board to enable them to carry out their governance roles related to finance and audit;
  - Inform and advise the Board on financial matters as requested; and
  - Other duties as assigned by the Board.

The Committee has the authority to engage independent counsel and other advisors, with prior approval from the chair of the Board.

#### **4. Meetings**

The Committee shall meet at least quarterly and as necessary. Meetings may be held in person, by teleconference or by videoconference, or by any individual member participating by teleconference or videoconference.

The Chairperson of the Committee may call a meeting of the Committee as he or she determines necessary.

For regularly scheduled meetings, an agenda and other necessary documentation is provided to Committee members at least seven days in advance. Meeting agendas are set by the Chairperson, in conjunction with discussions with the CEO or designate, and are structured throughout the year to ensure that significant responsibilities and goals of the board are addressed.

Minutes of meetings are recorded and once approved, by the Committee, are provided to the next regularly scheduled Board meeting.

A quorum shall consist of the majority of Committee members including the Committee Chairperson. In the case of an equality of votes, the Committee Chairperson will have the deciding vote.

Committee members attend and participate on the Committee as per their responsibilities and obligations under the General Bylaws for the Agency.

The Committee, alongside the CEO, shall ensure that it appoints a recording secretary to record its proceedings. If the position is vacated temporarily or permanently due to staff changes, the Committee shall ensure that a replacement recording secretary is appointed, even if the vacancy is temporary.

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At the end of every Committee meeting, the members shall conduct an in-camera session without members of management present. The Committee also has the option to have portions of the meeting conducted in-camera, at the discretion of the Committee Chair.

Meetings of the Committee are to be scheduled to take place on a regular basis, with opportunities for the external auditor and senior management to meet separately with members of the Committee.

The Committee Chair is required to submit a written report, which is provided to the next regularly scheduled Board meeting, accompanied with a verbal summary during the meeting.

The Committee shall meet with the external auditor at least twice a year, at the request of the auditor and as required by the Committee or the Board.

At each meeting of the Committee at which the auditors are present, the Committee shall hold an in-camera session with management excluded. The exclusion may extend to the chief executive officer.

**Reviewed by the Finance and Audit Committee on February 15, 2024**

**Revisions recommended for Board approval by Governance and HR Committee March 14, 2024**

**Revision(s) Approved by the SCA Board on March 28, 2024**