



COLLEGE OF THE NORTH ATLANTIC

GOVERNANCE POLICY

TOPIC: BOARD OPERATIONS

TITLE: COMMITTEES OF THE BOARD

Policy No.	GP-BO-205	Supersedes	N/A
Related Policy	N/A	Effective Date:	May, 2016

205.1 All Committees

- 1.1 All committees shall not fail to be provided a specific mandate and in accordance with this mandate shall (i) provide the findings and the pros and cons associated with each option, and/or where options are available (ii) provide a recommendation for consideration as requested by the Board, and/or (iii) where directed by Board make a specific decision.
- 1.2 The committee chairperson shall not fail to ensure minutes are provided to all Board members to read as soon as they are available and shall report on the findings of committee meetings at a designated regular Board meeting.
- 1.3 Committee meetings shall only be held in accordance with the committee's mandate.
- 1.4 Notice of the time and place of every meeting shall not fail to be communicated by the Chairperson of the committee, or the designate, to each member of the committee at least seven days before the time appointed for holding such meeting unless an emergency situation exists.
- 1.5 A meeting shall only be held without notice, if a quorum of the committee are present and consent thereto, and if, before the meeting is held three attempts are made by Executive Assistant to the Board to contact the absentees.

205.2 Standing

- 2.1 Each Committee shall not fail to comply with the terms established in these policies unless there is an affirmative motion of the Board to extend or change the mandate.
- 2.2 When the Committee Chair is absent from a meeting, the members shall not fail to select another Board member to act as Chair for the meeting.
- 2.3 The Chair of a standing committee shall not fail to ensure minutes of each meeting are duly recorded, signed and stored in perpetuity with the President.

205.3 The Executive Committee shall not fail to:

- 3.1 Exercise the full powers of the Board in all matters when the Board is unable to obtain a quorum and an emergency or time-limited decision is required.
- 3.2 Make amendments of approved budget not in excess of 1% of the approved budget in any fiscal year, subject to reporting any such amendments to the Board meeting next following the decision.
- 3.3 Ensure the development of a strategic plan and monitor its implementation and effectiveness.
- 3.4 Facilitate the performance evaluations of the President as per the performance contract established via the *Transparency and Accountability Act*.
- 3.5 Develop a process for Board evaluation for Board approval and implement same.
- 3.6 Study common issues, seek comprehensive information, and advise the Board on any matter as directed by the Board.
- 3.7 Monitor the effective operation of the Board.
- 3.8 Ensure risk management procedures are set up with management to facilitate effective reporting to the Board.
- 3.9 Communicate with the President to ensure management policies support the governance policies of the Board.

3.10 Study an issue and advise the Board on any other matter as determined by the Board.

205.4 The Governance Committee shall not fail to:

4.1 Monitor each policy on a yearly basis to ensure it is current.

4.2 Suggest topics for new policies to the Board.

4.3 Monitor compliance with and effectiveness of current governance policies and practices.

4.4 Determine the education and training needs of Board members.

4.5 Develop a plan or approach to be submitted to the Board to address the identified professional development needs.

4.6 Develop a professional development governance budget to present to the Board, if this is an item in the budget.

4.7 Review the current orientation of Board members and report the findings to the Board.

4.8 Ensure there is intra-Board communication and that this process is operating effectively.

4.9 Study and advise the Board on any matter assigned by the Board.

205.5 The Audit Committee ("Committee") shall:

5.1 Ensure that the President has implemented appropriate internal control systems to identify, monitor and manage significant risks to operational, reporting and compliance objectives of the College.

5.2 Provide assistance to the Board in fulfilling its oversight responsibility to the shareholders relating to the internal control.

5.3 Maintain free and open communication with and shall provide oversight of internal audit activities. The Manager Internal Audit shall report functionally to the Chair of the Committee and administratively to the President and Chief Executive Officer of the College.

- 5.4 Ensure that the College establishes, resources, and maintains a professional internal audit function to serve the interests of the Committee, the Board, and the College.
- 5.5 Review and approve annually the Internal Audit Charter.
- 5.6 Review with management and the Manager Internal Audit the internal audit risk assessment, internal audit plan, and annual budget of the internal audit function, including adequacy of its budget, internal and external resources, and compensation.
- 5.7 Ensure there are no unjustified scope or resource restrictions or limitations on the internal audit function.
- 5.8 Review and approve the appointment, replacement or dismissal of the Manager Internal Audit.
- 5.9 Review the effectiveness of the internal audit activity, including conformance with The Institute of Internal Auditors international Standards for the Professional Practice of Internal Audit.
- 5.10 Receive from the Manager Internal Audit reports on the internal audit activity performance relative to its plan, important observations, and recommendations.
- 5.11 Review with the Manager Internal Audit management's response and status of action on important internal audit recommendations.
- 5.12 Meet separately with the Manager Internal Audit at least quarterly to discuss any matters that the committee or the Manager Internal Audit believes should be discussed privately.
- 5.13 Discuss with management, the internal auditors, and the independent registered public accounting firm the adequacy and effectiveness of the accounting and financial controls, including the College's system to monitor and manage business risk, and legal and ethical compliance programs.
- 5.14 Obtain reports from management, the College's Manager Internal Audit and the independent auditors concerning whether the College is in conformity with applicable legal requirements and the College's Code of Business Conduct.
- 5.15 Reviews the management letter from the external Auditors to confirm the President ensured financial statements were fairly presented in all material respects, in accordance with generally accepted accounting principles.

- 5.16 Meet with the external auditors where there are issues of concern which need to be addressed.
- 5.17 Ensure that any management reports and final audited financial statements have been submitted by the external auditors to the Board by June 15th for the Board's consideration.
- 5.18 Assist the Board in the development of suitable statements of risk appetite and tolerance for use by management and the Manager Internal Audit in the management of risk to College objectives.
- 205.6 The Board shall only structure ad hoc committees by resolution and the terms of reference shall not extend beyond 12 months unless the resolution establishing the ad hoc committee states otherwise.
- 205.7 The Board shall only structure ad hoc committees using comprehensive terms of reference to deal with specific issues in a specified manner.
- 205.8 Ad hoc committees shall not fail to refrain from dealing with items which are within the terms of reference of Standing Committees.
- 205.9 Ad hoc committees shall only present options with pros and cons for the Board's consideration and decision making, or where directly mandated by the Board, provide a recommendation for consideration by the Board, or make a decision when specified by the Board.
- 205.10 A quorum of an ad hoc committee shall be no less than a simple majority.
- 205.11 Where a chairperson has not been named to an ad hoc committee, the final report; at any time based on a resolution of the Board; or at the end of the term of office of the Board.
- 205.12 An ad hoc committee shall not fail to be considered dissolved when it has: delivered its final report; at any time based on a resolution of the Board; or at the end of the term of office of the Board.

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