

WCEI _Financial Terms of Reference (ToR)_Sep_25

1. Purpose

These Financial Terms of Reference (ToR) establish the framework for managing the financial resources of WCEI with integrity, transparency, and accountability. It is designed to ensure compliance with:

The Canada Not-for-Profit Corporations Act (NFP Act),

The Canadian Income Tax Act (charity and non-profit provisions),

Applicable federal and provincial anti-bribery and anti-corruption laws, and

Best practices in non-profit governance and financial management.

2. Guiding Principles

The organization's financial management shall be based on the following principles:

Transparency: All financial transactions shall be documented, reported, and subject to regular oversight.

Accountability: Financial resources shall be used strictly for the organization's mission and in accordance with donor intent.

Integrity: Strict adherence to anti-bribery and anti-corruption rules in all financial dealings.

Compliance: Full compliance with Canadian financial reporting requirements, taxation laws, and funding agreements.

Efficiency: Prudent use of resources to maximize academic and social impact.

3. Scope of Application

This ToR applies to:

The Board of Directors / Finance Committee,

The Executive Director / Treasurer,

Staff and volunteers with financial responsibilities,

External contractors, suppliers, and partners engaged in financial transactions with the organization.

4. Roles and Responsibilities

a. Board of Directors / Finance Committee

Approve annual budgets, financial policies, and audit reports.

Oversee financial risk management and ensure compliance with legal and ethical standards.

Ensure anti-bribery and anti-corruption training and monitoring are implemented.

b. Treasurer / Chief Financial Officer

Maintain accurate financial records and prepare timely reports.

Ensure segregation of duties to reduce risk of fraud.

Certify compliance with transparency and anti-bribery policies.

c. Staff & Volunteers

Adhere to organizational financial policies.

Report any irregularities, suspected fraud, bribery, or corruption.

Maintain receipts and supporting documents for all expenditures.

d. External Auditors

Conduct annual audits in compliance with Canadian auditing standards.

Provide independent assurance on transparency and financial integrity.

5. Financial Management Practices

Budgeting & Planning

Annual budgets shall be approved by the Board before the start of each fiscal year.

Budgets must align with the organization's mission and strategic priorities.

Financial Reporting

Quarterly financial statements will be presented to the Board.

Annual financial statements will be published and made accessible to stakeholders.

Internal Controls

Dual authorization for all payments above a threshold (e.g., CAD \$5,000).

Segregation of duties for authorization, recording, and custody of assets.

Regular reconciliations of bank accounts and financial systems.

Procurement & Contracts

Open, fair, and competitive procurement processes.

Conflict of interest declarations are required for all procurement decisions.

No gifts, facilitation payments, or favors in exchange for contracts.

Anti-Bribery & Anti-Corruption Policy

Bribes, kickbacks, facilitation payments, or undue advantages are strictly prohibited.

Staff members must avoid situations where their personal interests conflict with their organizational duties.

Any suspected corruption or bribery must be reported immediately to the Board or designated Ethics Officer.

Whistleblower Protection

Employees and stakeholders may report financial misconduct anonymously.

Retaliation against whistleblowers is prohibited.

6. Compliance & Monitoring

The Finance Committee will monitor compliance through regular reviews.

Independent external audits shall be conducted annually.

A compliance report (anti-bribery and anti-corruption review) will be included in the organization's annual report.

7. Review & Amendments

This Financial ToR will be reviewed every two years, or earlier if legislation or best practice standards change.

Amendments require Board approval.

8. Adoption

This Financial Terms of Reference is adopted by the Board of Directors of WCEI on this ___ day of _____, 2025.

Signatures:

_____ (Chairperson)

_____ (Treasurer / Finance Committee Lead)