

BOARD OF GOVERNORS
THE LOYALIST COLLEGE OF APPLIED ARTS AND TECHNOLOGY
COMMITTEE TERMS OF REFERENCE

APPROVED BY THE BOARD MAY 29, 2025

LOYALIST COLLEGE Of Applied Arts & Technology

GENERAL TERMS OF REFERENCE

Unless otherwise specified, capitalized terms used herein shall have the meanings given to them in the Definitions Schedule to the By-Law.

1. PURPOSE

This General Terms of Reference outlines the provisions that apply to each of the College's Standing Committees.

Unless otherwise specified, each Standing Committee shall develop terms of reference not inconsistent with the By-Law and shall review its terms of reference on an annual basis and make any recommendations for change to the Board.

2. TERM

Unless otherwise specified, each member of a Standing Committee shall be appointed by the Board for a term of one (1) year, and such term may be extended for one (1) year, provided that such Standing Committee member continues to be a Governor during such time.

3. MEMBERSHIP

Unless otherwise specified, the Chair and the President shall be *ex officio* voting members of each committee of the Board.

4. VACANCIES

The Board may fill any vacancies occurring from time to time in any committee of the Board and may, from time to time, abolish, combine or re-establish any such committee.

5. COMMITTEE MEETINGS

Governors who wish to attend a meeting of a committee of which they are not members may do so as observers at the discretion of the chair of such committee.

If required by the Board, minutes of the proceedings of any committee shall be recorded by, or caused to be recorded by, the Secretary, who shall have the right to attend meetings of any such committee for such purpose. Unless otherwise specified, each committee shall report to the Board and may be required to provide a written report to the Board on its business and discussions.

Any committee may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit.

6. QUORUM

Unless otherwise specified, the quorum for any committee shall be a majority of the individuals on the committee with at least one (1) Governor present.

When an individual declares a conflict of interest at a committee meeting, the quorum shall be a majority of the remaining members of the committee with at least one (1) Governor present who is not in a conflict of interest. Unless otherwise specified, the Chair and the President, if present, shall be counted toward the determination of a quorum.

Questions arising at any meeting of a committee shall be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting shall have a second or casting vote.

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AUDIT AND RISK COMMITTEE TERMS OF REFERENCE

Unless otherwise specified, capitalized terms used herein shall have the meanings given to them in the Definitions Schedule to the By-Law.

1. PURPOSE

The Audit and Risk Committee is a Standing Committee established to assist the Board in fulfilling the Board's oversight responsibilities with respect to the financial matters of the College.

2. COMPOSITION

The Audit and Risk Committee shall be composed of:

A. at least four (4) External Governors, one of whom shall be elected by the Board as chair of the committee and shall, for the purposes of such committee and the meetings of such committee, perform the function of Chair; and

B. the President who shall be a non-voting member of the committee.

In accordance with the ONCA, the Audit and Risk Committee must be comprised of Governors only and a majority of the Audit and Risk Committee members must not be Officers or employees of the College or of any of its affiliates.

3. INVITED

A. Auditors;

B. The Vice-President Responsible for Corporate and Financial Services; and

C. The Treasurer (where the Treasurer is someone other than the Vice-President Responsible for Corporate and Financial Services).

4. RESPONSIBILITIES

The Audit and Risk Committee shall perform such duties as may be assigned to it by the Board and shall report to the Board at all meetings thereof if called upon to do so. The duties of the committee shall include:

A. maintaining a direct line of communication between the Board and the College's auditors;

B. reviewing the year-end audited financial statements and the work performed by the auditors prior to Board approval;

C. overseeing the selection of auditors based on their qualifications, independence and performance;

D. providing input to management in the development of the annual operating budget;

E. reviewing the annual operating budget prior to its submission to the Board for approval;

F. receiving and providing feedback to management on financial information throughout the fiscal year;

G. assuring the fair presentation of the financial position and results of operations of the College in accordance with generally accepted accounting principles (GAAP);

H. at least annually reviewing any lawsuits and fraud issues facing the College;

I. leading the Board's oversight of College risk management and obtain reasonable assurance that management's systems to manage these risks are effective;

J. reviewing proposals of financial significance to the College upon referral to the committee by the Board;

K. determining the financial measures to be presented to the Board and reviewing them regularly; and

L. monitoring and providing direction on the investment of all funds.

5. MEETING FREQUENCY

There shall be a minimum of four (4) meetings per year or at the call of the chair of the committee.

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EXECUTIVE AND GOVERNANCE COMMITTEE TERMS OF REFERENCE

Unless otherwise specified, capitalized terms used herein shall have the meanings given to them in the Definitions Schedule to the By-Law.

1. PURPOSE

The Executive and Governance Committee is a Standing Committee established to assist the Board in connection with the annual search for new Board nominees and to assist the Board in carrying on the affairs of the College in connection with all matters that may be properly referred to it by the Board.

2. COMPOSITION

A. The Executive and Governance Committee shall consist of the following Governors:

A.1. the Chair,

A.2. the Past Chair,

A.3. the Vice-Chairs,

A.4. the President,

A.5. the chair of any other Standing Committee; and

A.6. and up to two (2) additional External Governors.

B. The Executive and Governance Committee is empowered to act on behalf of the Board during the summer as well as on other occasions when a quick decision is required, and it is not practicable to achieve the requisite quorum of Governors.

3. RESPONSIBILITIES

The Executive and Governance Committee shall perform such duties as may be assigned to it by the Board and shall report to the Board at all meetings thereof if called to do so. The duties of the committee shall include:

A. overseeing the recruitment of new Governors by:

A.1. establishing an annual cycle to review Board skills and determine preferred skill requirements of new Governors;

A.2. receiving and evaluating nomination applications to the Board; and

A.3. conducting interviews and making recommendations to the full Board.

B. representing the Board in emergency situations or instances when it is not feasible or practical to have the matter dealt with by the whole Board;

C. annually evaluating the performance of the President and making recommendations to the Board regarding compensation;

D. negotiating the contract of the President and making recommendations to the Board regarding the same;

E. preparing Board agendas and reviewing any matters arising for appropriate follow-up;

F. conducting an annual evaluation of the operations of the Board and its committees and recommending changes to the process, composition or mandate of these committees;

G. identifying the strategy and objectives for the Board as required;

H. engaging in Board succession planning;

I. ensuring the By-Laws and policies are current and consistent with governing legislation, regulations and any directives received from the Ministry;

J. reporting regularly to the Board on committee activities and issues;

K. ensuring any proposed changes to the By-Laws are reviewed by legal counsel;

L. providing feedback to management, the Board and other committees of the Board on wording of policies; and

M. providing procedures for the review of policies and By-Laws.

N. providing procedures to assist the Board in fulfilling its functions and mandate; and

O. reviewing other documents from time to time that may be referred to the committee from the Board.

4. MEETING FREQUENCY

Meetings will be held at the call of the chair of the committee or at the request of a committee member.