



Subcommittee Report

Item: Audit and Finance Subcommittee Report

Public Interest Rationale: The Audit and Finance Subcommittee ensure transparent financial oversight and accountability to protect the College's resources and budget.

Submitted By: Valerie Fontenelle, OCT, Chair

Committee Meeting Dates

Since our last report to Council, the Audit and Finance Subcommittee ("the AFS") met on March 12, 2026.

Summary of Work

At the March 12, 2026, meeting, the subcommittee received the 2025 year-end audit results presented by KPMG, including the 2025 audited financial statements and a summary of the audit findings (GC20260326-11 Att. 2). The KPMG audit team stated: "In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations". Fred Towers, the Controller presented the 2025 financial results (GC20260326-11 Att. 1), noting that at year-end there was a surplus of \$2,051,468. The subcommittee supported a recommendation to allocate the year-end surplus balance to the reserve fund, as outlined in Motion #1 below.

Fred Towers, the Controller presented the 2026 milestone dates for development of the 2027 College budget. He noted that at the June subcommittee meeting, College senior leadership team members will present their preliminary high-level strategic department budgets and in September, the subcommittee will receive a full budget brief.

Linda Lacroix, Registrar/CEO presented the Annual Budget Reallocations policy draft to the Subcommittee for consideration (GC20260326-11 Att. 3). The policy is intended to allow the organization the flexibility to reallocate funds within the approved annual budget for unforeseen opportunities or address unforeseen liabilities. Following discussion, the Subcommittee supported the recommendation to approve the policy, as outlined in Motion #2 below.

Motions Referred to Council

That the Audit and Finance Subcommittee recommend that Council approve a reserve contribution of \$2,051,468 representing the 2025 year-end financial surplus.

That the Audit and Finance Subcommittee (AFS) recommend that Council approve the "Annual Budget Reallocations Policy" supporting the Registrar's discretion to cumulatively reallocate up to \$2.5 million per year within the annual approved budget envelope with a report out to the AFS at the next scheduled meeting of AFS after a transfer has been enacted.

Future Meeting Dates

- June 8, 2026
- September 17, 2026
- December 1, 2026

Subcommittee Mandate/Duties

Per Section 5.05 of the College Bylaws, the Audit and Finance Subcommittee shall:

- Monitor and report to Council on the financial activities of the College and shall recommend to Council an annual budget, the appointment of an auditor and the annual audited financial statements; and
- Act as the Audit Committee of the College for the purpose of reviewing the annual audit scope, audit fees and audit findings.

Subcommittee Members

- Valerie Fontenelle, OCT (Chair)
- Robert Waxman (Vice Chair)
- Mark Baxter
- Charles Kouassi, OCT
- Jeff Rutledge