

Policy Number	002-B-2007
Policy Group	Board of Directors
Policy Name	Annual Financial Audit
Date of Origin	June 2007
Date Amended	August 2010, September 2014
Date Reviewed	October 2011, November 2013, October 2015, November 2017

PURPOSE To ensure that SUN meets its fiduciary responsibilities by performing annual financial audits.

SCOPE Board of Directors, Finance Committee

POLICY STATEMENT SUN shall engage a firm of accountants to perform its yearly audit.

PROCEDURE In accordance with the Constitution and Bylaws of SUN, the Union will, through the Board of Directors, engage a firm of chartered accountants, annually, to perform its audit.

In preparation for the audit and as a matter of practice, the Finance Committee will review SUN's relationship with the past year's firm of chartered accountants and determine whether or not this relationship should be continued. Triennially, the Finance Committee shall review and determine if timing is appropriate to change the auditing firm.

Where the Finance Committee determines the re-appointment is appropriate, it will request the First Vice-President to cause the preparation of a presentation memo (audit plan) outlining the following:

- a) Terms of engagement, and
- b) Fee estimate.

Where the Finance Committee determines that the accounting firm re-appointment is inappropriate, it shall request that the First Vice-President call for audit proposals from alternate firms of chartered accountants, requesting a presentation memo. The Finance Committee will make a recommendation to the Board as to which firm to appoint.

The presentation memo and recommendations of the Finance Committee shall be reviewed annually by the Board of Directors to ensure that the needs of the organization will be adequately met and all costs are known.

In the event that the Board of Directors requires any changes in the proposed audit plan, the accounting firm shall be advised in writing prior to the commencement of work. The Board of Directors shall approve any additional financial implications resulting from such changes, in advance of the audit.

All audits performed on behalf of SUN must include the presentation of financial statements and management letters to both the Finance Committee and subsequently, the Board of Directors, in writing, and through personal attendance by a representative of the firm, at a meeting of the Finance Committee and if deemed necessary at a meeting of the Board of Directors. The management letters shall be addressed to the Board of Directors and shall not be amended in any form prior to presentation to the Board of Directors. This shall be communicated to the auditors, in writing, at time of appointment.

The audit schedule must ensure sufficient time for the preparation of material required for the Annual Meeting of SUN.

Annual financial statements shall be sent to each Local and SUN District Council following acceptance by the Board of Directors.