

## Finance, Audit & Risk Committee Terms of Reference

### Membership

The Treasurer of the Board of Directors shall be the Chair of the Finance, Audit and Risk Committee. The Immediate Past President, two (2) board members and one external public at large shall sit on the committee for a total of five (5) members. The CEO or delegate shall be an ex-officio non-voting member. The President Elect shall sit on the Committee bi-annually to complete their orientation as a non-voting member.

### Terms:

The public at large member shall serve a three-year term. The term shall be staggered when possible.

### Purpose

The Finance, Audit & Risk Committee ("FAR") provides leadership and regular information to the Board of Directors in all activities of:

- Finance
- Audit
- Risk management
- Real property/Investments

This includes identifying issues and options for consideration by the Board as well as recommendations as to most appropriate course of action. The Committee is supported by the *Operational Principles* contained in Section 6.

### Work of the Finance, Audit & Risk Committee

#### A. The Work In Brief

- Review internal financial statements quarterly
- Review and recommend annual draft audited financial statements
- Review and recommend annual draft budget including multi-year forecasting
- Oversees the external audit process, and RAIC's relationship with the external auditors including appointment, re-appointment, independence, terms of engagement, review of remuneration and provision of non-audit services
- Oversee the adequacy of:
  - internal controls and procedures, by ensuring any deficiencies discovered through the annual audit process are addressed and corrected
  - accounting policies and approval of changes to accounting policies
  - financial risk management policies and procedures
  - financial business continuity planning and procedures
- Investigate and resolve or recommend resolution, of instances concerning financial improprieties and other issues as may be appropriate, as brought forward through the Whistleblower policy and process, and report to the Board of Directors
- Provide reports to the Board of Directors and Members as defined in

Approved by the RAIC Board of Directors on February 21, 2020

*A-11 Annual Board and Standing Committee Activity Cycle and B-7 Officer, Committee and Management Reports to the Board of Directors.*

## **Reporting**

The Finance, Audit and Risk Committee reports bi-annually to the Board of Directors with respect to its activities.

The Finance, Audit and Risk Committee may be appointed further responsibilities as described in Part 2 of the Governance Manual.

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