



# FINANCE, AUDIT AND RISK MANAGEMENT COMMITTEE

## Terms of Reference

December 2021

### 1. Mandate

- 1.1. The Finance, Audit and Risk Management Committee (the “Committee”) is an advisory committee of the Board of Speed Skating Canada (SSC). It is responsible for advising the Board on issues related to auditing and reporting, financial policies and strategies, financial and other risk management, and compliance with legal obligations.
- 1.2. The Committee will have access to members of management, employees, and all relevant information, and may engage independent counsel and other advisors as necessary to carry out its responsibilities.
- 1.3. The Committee will exercise its mandate in accordance with the Board guidelines and such additional provisions as are set out in these Terms of Reference and will do so with the support of the SSC Board or management.

### 2. Policies and Code of Conduct

- 2.1. Committee members are subject to and shall abide by all SSC policies and codes of conduct.
- 2.2. Conflict of Interest
  - 2.2.1. Each Committee Member shall provide a signed declaration annually declaring any conflicts of interest and provide a verbal declaration of any conflicts of interest at each meeting of the committee; and
  - 2.2.2. Each Committee Member and any other person attending a meeting of the Committee shall declare any conflict of interest regarding specific matters arising while conducting or present for Committee business.
  - 2.2.3. A Committee Member who declares a conflict of interest will physically remove themselves from the discussion relating to the matter giving rise to the conflict and not vote on the matter.
- 2.3. Confidentiality
  - 2.3.1. Each Committee Member shall sign a confidentiality agreement at the beginning of their term the confirming their understanding of their obligations to Speed Skating Canada.



### 3. Duties

- 3.1. The duties of the Committee are to assist the Board of Directors in fulfilling its responsibilities by reviewing and making recommendation in respect to (but not limited to):
  - 3.1.1. Review periodic reporting of financial statements and investigate any topics with potential of risk for SSC as an organization, and its board of directors.
  - 3.1.2. Advise the SSC Board on compliance with legal and regulatory requirements.
  - 3.1.3. Determine the adequacy of the SSC's internal financial controls and procedures for financial reporting to the Board, Members, and funding agencies.
  - 3.1.4. Develop and oversee the implementation of financial policies to safeguard the SSC's assets and revenue streams.
  - 3.1.5. Advise the Board on the appropriate level of financial reserves from time to time.
  - 3.1.6. Advise the Board on investment strategies.
  - 3.1.7. Review draft Financial Statements and identify any issues or concerns to be considered by the Board at the time they are presented for approval by the Board.
  - 3.1.8. Review and approve the scope of the annual audit and audit fees to be paid, and annually recommend the appointment of an auditor at the SSC Annual Meeting.
  - 3.1.9. Ensure that any problems, issues, or concerns raised by the auditor are promptly and satisfactorily addressed by the Board and staff.
  - 3.1.10. On the recommendation of the Board, provide timely communication to the membership as to the financial position of the association vis a vis its annual budget.
  - 3.1.11. Provide expertise to enhance the quality of Board discussion on financial matters and facilitate effective Board financial decision-making.
  - 3.1.12. As required, receive reports, and advise the Board on any material government investigations, litigation, contractual dispute, or legal matter.
  - 3.1.13. Identify risks facing SSC from time to time and advising the Board on SSC risk management and insurance policies, strategies, and programs.
  - 3.1.14. Oversee the development of a Risk Management Policy for SSC, and such changes as may be prudent from time to time to update that Policy.
  - 3.1.15. Guiding the Board's oversight of SSC's response to urgent or emergent risk management issues that arise on important matters.
  - 3.1.16. Additional duties as may be delegated to the Committee by the Board from time to time.



## 4. Composition, Appointment and Roles

- 4.1. The Committee will be composed of the SSC Treasurer (as Chair) and up to two additional persons who are appointed by the Board up to two of whom may be members of the Board. In addition to board members, the committee will be complemented by the Director of Finance of SSC.
- 4.2. All members of the committee will be financially literate.
- 4.3. The board, in its judgement, may ask the membership for advice and possible candidates for the Committee.
- 4.4. At any time, the President and/or the CEO of SSC may participate in meetings and discussions.
- 4.5. Annually, at the first Board Meeting following the AGM, the Board will approve the membership of the Committee.
- 4.6. The **Committee Chair** leads the Committee's operations and is accountable to the Board for the successful functioning of the Committee. In particular:
  - 4.6.1. The Chair sets the agenda for each meeting
  - 4.6.2. The Chair ensures that the agendas and supporting materials are delivered to the Committee members in advance of meetings.
  - 4.6.3. The Chair makes the purpose of each meeting clear to Committee members and explains the agenda at the beginning of each meeting.
  - 4.6.4. The Chair clarifies and summarizes what is happening throughout each meeting.
  - 4.6.5. The Chair keeps the meeting moving by putting time limits on each agenda items.
  - 4.6.6. The Chair encourages broad participation from Committee members during discussions.
  - 4.6.7. The Chair ends each meeting with a summary of decisions and assignments.
  - 4.6.8. The Chair follows up with consistently absent Committee members to determine if they wish to discontinue as a member of the committee.
  - 4.6.9. The Chair works with the Nominating Committee on ensuring appropriate succession.
  - 4.6.10. If required, the Chair may have access to an advisory group contributing to a discussion. This advisory group or task force will not have visibility on internal SSC information, but will be consulted, because of their expertise, to contribute on specific topics.
- 4.7. **Members** (including the Chair) shall participate fully and actively in the functioning of the Committee. In particular:
  - 4.7.1. Each member of the Committee shall understand the mandate and objectives of the Committee.
  - 4.7.2. Each member of the Committee shall act in the best interests of SSC and its members.
  - 4.7.3. Each member of the Committee shall take a genuine interest in the in the Committee's outcomes and overall success.



- 4.7.4. Each member of the Committee shall check that the committee is making sensible financial decisions – especially in responding to issues, risks, and proposed changes.
- 4.7.5. Each member of the Committee shall check that the committee’s objectives are aligned with the organizational strategic plan and policies and adhere to By-Laws and relevant legislation.
- 4.7.6. Each member of the Committee shall actively participate in meetings through attendance, discussion, and review of minutes, papers, and other documents.
- 4.7.7. Each member of the Committee shall support open discussion and debate and encourage fellow Committee members to voice their insights.

## 5. Authority

- 5.1. The Committee will exercise its authority in accordance with the Board guidelines and such additional provisions as are set out in these Terms of Reference.
- 5.2. The Committee is a limited agent of the Board in relation to audit matters and is an active advisor (when called upon) to the Board on all other financial and risk management matters. The Committee, with approval from the Board, may establish sub-committees or task forces to deal with specific issues in relation to the mandate of the Committee.

## 6. Meetings

- 6.1. The Committee will meet by telephone, video-conference or in person, as required. Meetings will be at the call of the Chair and are expected to be held at least a week prior to Board of Directors’ meeting.
- 6.2. Meetings shall be conducted as outlined in Call to Order by Herb Perry and Susan Perry. At each meeting it shall be determined who will record minutes. Quorum shall be a simple majority of members.
- 6.3. The Committee shall make decisions by consensus where possible, but if a vote is necessary, decisions will be made by majority of votes. In the event of a tie, the matter will be presented to the Board of Directors for further discussion and approval.
- 6.4. Minutes of the Committee shall be available to members of the Board. Minutes are to be approved by the Committee Chair prior to any distribution.

## 7. Reporting

- 7.1. Committee will report to Board of Directors on highlights of findings, with more emphasis on out of ordinary situations and/or potential risks. Status reports at a meeting of the Board, or full reports at a meeting of the Members, may be presented by the Chair.



## 8. Approval

- 8.1. These Terms of Reference are approved by the SSC Board on December 11, 2021. The board will review these Terms of Reference on a regular basis, with input from the Committee as required. Any provisions of SSC's By-Laws as they relate to the Standing Committees will also apply.