



Audit, Finance and Risk Committee

TERMS OF REFERENCE

Purpose:

Based on the board goals for a governing year, assist the board in fulfilling its obligations and oversight responsibilities relating to financial planning, audits, financial reporting, corporate controls and risk management.

Scope:

- *Review, provide guidance and/or recommend to the Board of Directors for improvement on any and all financial planning strategies*
- *Successfully complete approved annual work plan*
- *To make recommendations to the Board of Directors regarding approval of the draft annual financial statements as provided by the approved auditors*
- *Oversee the auditing process in liaison with the organization accountant*
- *To make recommendations to the Board of Directors regarding approval of the draft operating budget on an annual basis*
- *To review the status of any pending or potential legal action that may impact the association*
- *To review and report on any potential risks that may impact the association*
- *Provide oversight to internal controls and financial reporting as administered by the Executive Director*
- *Ensure appropriate policies, procedures and financial management practices are in place and regularly reviewed*
- *Foster an ethical culture of reporting, transparency and accountability*
- *Reviews and analyses the monthly financial reports as provided by the Executive Director*
- *Monitors performance against the annual budget and strategy (expenditures and revenue)*
- *Recommends capital purchasing and investment strategies that support the sustainability of the organization*
- *Recommends the Board adoption of the annual budget*
- *Recommends to the Board signing of the annual financial statements*

Committee Type:

Standing Committee

Membership & Structure:

Up to 6 members comprised of 3 Directors, and a minimum of 2 non-director members

- *Chair (Treasurer of the Board)*
- *Past-Chair*
- *Chair-Elect*
- *Staff Liaison*

Subcommittees:

Subcommittees may be formed to complete specific tasks/projects as needed.

Meetings:

Meetings will occur a minimum of 4 and a maximum of 12 times annually.



Location of Meetings:

Meetings will be held at the AMBA office or by Zoom videoconference.

Reporting

The Audit, Finance & Risk Committee is accountable to the Board of Directors.

Term Limits:

Committee members serve a minimum term of 1 year and a maximum term of 4 years

Quorum

A quorum shall consist of more than 50% of the voting membership on the committee.

Voting

Business arising at any meeting of this committee shall be decided by a majority of votes. The Committee Chair shall not have a second vote in case of a tie.

Committee Members:

Membership to this committee is determined based on application. Applications will be reviewed by the Executive Committee and the best-fit candidates selected accordingly.

Amendments or Changes to Terms of Reference:

Terms of Reference will be reviewed and approved annually by the Board of Directors.

Date of Last Review:

December 19, 2019

Skillset

Knowledge

- *Understanding of AMBA's governance documents (bylaws, board policy manual, rules)*
- *Be familiar with AMBA's vision, mission, values, goals, strategic plan, governance structure*
- *Have an understanding of risk-management best practices*
- *Have an understanding of budgets and financial statements*

Leadership

- *Use resources effectively to achieve set goals, including organization tasks, delegating responsibilities, and directing resources*

Strategic Thinking & Decision Making

- *Ability to consider the big picture while being goal/future-oriented*
- *Ability to process large amounts of information; synthesize and incorporate multiple viewpoints and perspectives*
- *Ability to make informed decisions efficiently and take action when needed*
- *Ability to be objective at all times about what is best for the whole association rather than what is best for a particular constituency*

Experience

- *Experience reading/interpreting financial statements an asset*