

Finance and Audit Committee Terms of Reference

	Finance and Audit Committee
Type of Committee	Board - Strategic
Mandate	The Finance and Audit Committee shall assist the Board in fulfilling its oversight responsibilities relating to corporate auditing and reporting, financial and investment policies, strategies and activities and corporate risk management This responsibility is carried out in accordance with approved policies that comply with generally accepted accounting principles (GAAP).
Key Duties	<p>The Committee will perform the following key duties:</p> <p><u>Finance</u></p> <ul style="list-style-type: none"> ● Advise the Board on compliance with legal and regulatory requirements. ● Determine the adequacy of BCB’s internal financial controls and procedures for financial reporting to the Board, Members, and funding agencies. ● Review BCB financial statements on a regular basis to monitor adherence to GAAP. ● Develop and oversee the implementation of financial policies to safeguard BCB’s assets and revenue streams. ● As required, receive reports and advise the Board on any material government investigation, litigation, contractual dispute, or legal matter. ● Work with staff to review and assess budgets and advise on budget recommendations to the Board. ● Provide expertise to enhance the quality of Board discussion on financial matters and facilitate effective Board financial decision-making. <p><u>Investments</u></p> <ul style="list-style-type: none"> ● Develop and implement investment policies. ● Appoint and monitor investment advisors. ● Review and monitor BCB investments to ensure they are compliant with investment policies, governing legislation and BCB’s risk tolerance. ● Rebalance/renew investments as required. <p><u>Audit</u></p> <ul style="list-style-type: none"> ● 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 Annual Meeting. ● Ensure that any problems, issues or concerns raised by the auditor are promptly and satisfactorily addressed by the Board.

	<ul style="list-style-type: none"> ● Additional duties as required may be delegated to the Committee by the Board from time to time. <p>Risk Management</p> <ul style="list-style-type: none"> ● Advise the Board on risk management and insurance policies and programs. ● In the event of a declared national or global pandemic, the Board will activate the Finance and Audit committee to serve as a “Pandemic Response Team” to assess risk and impact of the pandemic on the organization and to identify strategic responses for the organization and its members during and immediately following the pandemic. ● In accordance with the Risk Management Policy, monitor ongoing risks and identify any new risks that may arise. ● Perform an annual risk management review using the Risk Registry and propose any required action plans. ● Update the Board on any changes for their review and approval.
<p style="text-align: center;">Authority</p>	<p>The Committee will exercise its authority without interference from the Board in accordance with the By-laws and such additional provisions as are set out in this Terms of Reference.</p> <p>The Committee has the authority to act as signing officers for BCB investment products with the approval of the Board.</p> <p>The Committee is a limited agent of the Board in relation to audit matters and is an active advisor to the Board on all other financial 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.</p> <p>The Committee will have the authority to retain, with the approval of the Board and at the expense of BCB, the services of outside resources, including legal counsel or other experts.</p>
<p style="text-align: center;">Composition</p>	<p>The Committee will be composed of the Treasurer (who will Chair the Committee) and at least two additional persons who are appointed by the Chair. The Committee must have the required knowledge, skills and abilities required to perform the key duties as the Board in its judgement interprets such qualifications.</p> <p>The Chief Executive Officer (or staff designate) will be an ex-officio, non-voting member of the Committee.</p>

	Members of the Committee will serve terms of two years, which may be renewed by the Board. Members of the Committee may be removed by the Board for any reason.
Meetings	The Committee will meet virtually or in person, as required. Meetings will be at the call of the Chair.
Resources	The Committee will receive the necessary resources from BCB to fulfill its mandate. The Committee may, from time to time, receive administrative support from BCB.
Reporting	As a standing committee of BCB, the Committee operates independently of management and the Board. Status reports at a meeting of the Board, or full reports at a meeting of the Members, shall be presented by the Chair.
Approval and Review	The Board will review these Terms of Reference on a regular basis, with input from the Committee as required.
Other	Through its composition, the Committee should have the following skill set: <ul style="list-style-type: none"> ● Ability to read, understand and analyze complex financial statements; ● Experience with financial accounting standards, internal controls, audit, and reporting; ● Understanding of and experience with the current investment climate; ● Financial designation preferred.

Approved March, 2021

Revised and Approved November, 2021

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