New Brunswick Medical Society | Société Médicale du Nouveau-Brunswick

TERMS OF REFERENCE

Committee:	Finance, Audit and Risk Management Committee
Reports to:	NBMS Board of Directors
Purpose:	The purpose of the Finance, Audit and Risk Management Committee is to assist the Board in fulfilling its legal and fiduciary obligations of financial reporting, accounting, auditing, compliance, regulated reporting, and oversite of organizational risk management matters. The Committee provides oversight of the NBMS human resources strategy and reporting. Through coordination with the CEO Performance and Compensation Subcommittee, the Committee ensures annual CEO performance management and compensation adjustments. The purpose is executed under the framework of the NBMS Bylaws and the *Medical Act*, S.N.B. 1981, c. 87.
Responsibilities:	<u>In performing Finance functions, the Committee shall:</u> • Monitor and report on the finances of the organization and recommend annual budget and annual membership fees to the Board. • Monitor the unaudited financial statements and adherence to budget at mid-year and year-end. • Review the investment strategy and make recommendations to the Board. • Oversee expense and reimbursement guidelines, including making recommendations on director and committee member remuneration to the Board. <u>In performing Audit functions, the Committee shall:</u> • Annually review and make recommendations to the Board with respect to the appointment of external financial auditors. • Meet with external auditors to discuss matters relating to the organization's financial internal controls to ensure adequacy and effectiveness. • Review and monitor the annual auditors Management Letter and report to the Board on any significant items. • Review the annual audited financial statements and make recommendations to the Board for approval.

	• Ensure the Board receives regular education on the overall NBMS financial structure and its components. <u>In performing Risk Management functions, the Committee shall:</u> • Ensure compliance with all required public and government reporting. • Ensure a deliberate mechanism to manage risk across NBMS to understand, identify and report risk to the Board. • Provide oversight on the organization's risk appetite and the effectiveness of the NBMS mitigation and/or transfer of risk. • Ensure the Board receives regular education on matters of organizational risk management. <u>In performing Human Resources functions, the Committee shall:</u> • Provide oversight of the CEO Performance and Compensation Subcommittee. • Have the Chair of the Committee sit on the CEO Performance and Compensation Subcommittee. • Receive reports on human resources, including indicators such as vacancies, turnover, workplace injuries, sick time, compliance with human resource policies, and other performance indicators.
Membership, Chair, Term & Quorum:	The Committee will consist of a minimum of six (6) and no more than eight (8) members of the NBMS, including the Chair. The Chair only votes in the event of a tie. The NBMS CEO will and the NBMS Board Chair may be ex-officio, non-voting members of the Committee. The Committee has the authority to recommend a non-member of the NBMS where there is a need for specific expertise. This individual may be a voting member. The Committee will be chaired by a member of the Board. In the event the Chair is unable to attend, another member of the Committee will be asked to chair the meeting. The Chair will serve a term of one (1) year, renewable with the approval of the Board. Committee members will serve a term of three (3) years, renewable once (1) with approval of the Board. The Committee will meet at least quarterly and report regularly to the Board with respect to its activities. Quorum is the majority of voting members of the Committee.
Approved by the NBMS Board of Directors:	May 30, 2025

Effective Date:	June 1, 2025