



AUDIT AND FINANCE COMMITTEE

Background

The Board has established the Audit and Finance Committee (Committee).

Purpose

The purpose of the College of Pharmacists of British Columbia (CPBC) Audit and Finance Committee is to assist the Board in fulfilling its oversight responsibilities relating to financial planning, annual audit process, financial reporting, the system of financial controls and risk management, and make recommendations to the full Board for approval.

Authority

Health Professions Act, s. 19(1)(t); HPA Bylaws s. 19.

Responsibilities

The Audit and Finance Committee is responsible for:

- a) Finance Reporting and Planning
 - Review management's internal financial reports prior to providing the information to the Board
 - Review and recommend for Board decision:
 1. Annual audited financial statements
 2. Annual operating budget and capital budget
 3. Financial policies essential to the financial administration of the College
- b) External Audit
 - Review the annual audit plan
 - Review and recommend to the Board the Independent Auditor's Report and any concerns expressed or recommendations made by the External Auditor
 - Review and recommend appointment of auditors
- c) Risk Management and Control
 - Review the design and implementation of risk management strategies across the College and the procedures of monitoring the adequacy and effectiveness of those procedures
 - Review and advise the Board with respect to compliance with applicable legislation and government directives
 - Ascertain that policies and procedures are in place to identify and minimize risks and review such policies and procedures periodically
 - Review reserve policy on an annual basis ensuring that it aligns with the College's strategic risk objectives
- d) Investments
 - Review on an annual basis the investment policy and recommend any needed revisions to the Board
 - Meet with the portfolio advisor on an annual basis to monitor compliance with the investment policy



Reporting relationship

The committee as a whole reports through the chair to the Board. The committee must submit a report of its activities to the Board annually, or as required by the Board.

Committee Membership

Composition

The Board will appoint the members of the Audit and Finance Committee which will be comprised of:

- At least 3 but no more than 5 Board members (must include the Board chair, the Board vice-chair and at least 1 appointed Board member); and
- No more than 2 individuals who are not registrants or Board members and who are Chartered Professional Accountants in good standing with their regulatory body.

Term of appointment

- Appointments are determined by the Board and will not exceed 3 years. Appointees are eligible for reappointment by the Board but may not serve more than 6 consecutive years.
- A Board member appointed to the committee ceases to be a member if they are no longer a Board member.
- Any committee member may resign upon written notification to the registrar. Committee members who are absent for more than three committee meetings per year automatically forfeit membership on the committee. The chair has the discretion to approve, in advance, an extended absence of any committee member.

Committee officers

The chair and vice chair of the Audit and Finance Committee will be determined by the Committee annually.

Responsibilities of all Committee Members

All Committee members have a responsibility to understand, sign and comply with the expectations set out in the CPBC Code of Conduct for Committee Members (chapter 4 of the Committee Orientation Manual).

Voting rights

Each committee member is entitled to one vote on all matters coming before the committee.



Meeting procedures

<i>Schedule:</i>	At least four times annually.
<i>Format:</i>	In person, by teleconference or by videoconference.
<i>Agenda:</i>	Developed by College staff in consultation with the committee chair with input from committee members.
<i>Attendees:</i>	The Registrar and the Chief Operating Officer will attend. Other College staff, external auditors and guests will be invited as needed to participate in specific meetings.
<i>Quorum:</i>	Shall consists of a majority of committee members.
<i>Minutes:</i>	Drafted by College staff for review and approval at the next committee meeting.
<i>Secretariat Support:</i>	Provided by the College e.g. meeting coordination, preparation and distribution of materials.

Conflict of interest disclosure

Members must declare conflicts of interest at any time a conflict of interest or potential conflict of interest arises.

A conflict of interest refers to situations in which personal, occupational or financial considerations may affect or appear to affect the objectivity or fairness of decisions related to the committee activities. A conflict of interest may be real, potential or perceived in nature. Individuals must declare potential conflicts to the chair of the committee and must either absent themselves from the discussion and voting or put the decision to the committee on whether they should absent themselves.

Confidentiality

Each committee member must sign a confidentiality agreement at the time of each appointment indicating their agreement to maintain the confidentiality, security and integrity of all materials during and after their term on the committee.

Amendment to terms of reference

The Board may amend the committee terms of reference at any time, and should formally review the terms of reference on an annual basis.