



(Updated May 12, 2022)

## **AUDIT & RISK MANAGEMENT COMMITTEE TERMS OF REFERENCE**

### **Mandate**

The Audit and Risk Management Committee is a Standing Committee of the Board of Directors of the Royal Canadian Golf Association (operating as Golf Canada), hereinafter referred to as “Golf Canada”. It is responsible for assisting the Board in fulfilling its oversight responsibilities relating to risk management, including, but not limited to, corporate auditing, regular financial reporting, financial risk management, operational administration, lawsuit management, and reputational damages.

### **Key Duties of Chair**

In fulfilling their role, the Chair will work closely with staff on the following tasks:

1. Work with Committee Members and the staff representative to plan meetings;
2. Support committee members between meetings to complete tasks;
3. Approve annual Golf Canada budget for recommendation to the Board;
4. Provide the Board with reports on whistleblower activity (where possible to do so without compromising the investigation) within a reasonable time frame from receipt of complaint; and
5. Provide written reports to the Board as required

### **Key Duties of the Committee**

In fulfilling its mandate, the Committee will perform the following key tasks:

1. Ensure compliance with legal and regulatory requirements;
2. Ensure that management has in place adequate internal financial controls and procedures for financial reporting to the Board, members and funding agencies;
3. Oversee the development and implementation of policies as required;
4. Review and approve the scope of the annual audit and audit fees to be paid, and recommend annually to Golf Canada members the appointment of an auditor;
5. Ensure that any problems, issues or concerns raised by the auditor are promptly and satisfactorily addressed by the Board and management;
6. As required, receive reports and advise the Board on any material government investigation, litigation, contractual dispute or legal matter;
7. Review the organization’s Risk Management Policy, and insurance policies and programs;
8. Receive from management current year operating results, annual operating budgets, any new business plans, and provide input to the Board, taking into consideration of Golf Canada’s Strategic Plan;
9. Provide input, as required, as part of the Golf Canada strategic planning process;
10. Develop and implement an annual work plan in accordance with these terms of reference;
11. Review an annual report from the Chair of whistleblower activity that was reported during the fiscal year;
12. Recommend professional development for Committee members or staff with respect to oversight responsibilities relating to corporate auditing, regular financial reporting and financial risk management; and

13. Perform such additional tasks as may be delegated to the Committee by the Board from time to time.

The Committee will have the authority to conduct investigations and to retain, at Golf Canada's expense, the services of outside resources, including legal counsel or other experts.

### **Appointment**

Members shall be appointed to the Committee by the Board within 30 days of each annual general meeting and will serve terms of one year. Appointments are annual, but members normally serve a minimum of three one-year terms.

Should a vacancy occur on the Committee, for whatever reason, the Board may appoint a qualified person to fill that vacancy for the remainder of the vacant position's term. The Board may remove or add any member of the Committee.

### **Composition**

The Committee should be composed of the Chair of Committee and 5 to 8 additional members, who shall be nominated by the Officers and CEO in consultation with the Chair and Staff Representative and approved by the Board.

Committee members shall possess appropriate expertise or experience in the areas of the Committee's responsibility (financial, legal or risk management) and should reflect the diversity commitment and goals of the organization as outlined in the [Equity, Diversity, and Inclusion Policy](#). This includes, but is not limited to language, geographic location, ability, sex, sexual orientation, gender identity or expression, religion, age, Indigenous identity and ethno-cultural diversity. At least one member of the Committee will have a recognized Canadian accounting designation.

The Board will designate the Chair of the Committee, who shall be a Director. The Chair may serve a maximum of four one-year terms as determined by the Board. For resolutions that require a vote, the Chair shall have a vote but will not have a second vote in the event of a tie.

### **Staff Representative**

The CEO shall designate a staff representative(s) to provide support to the Committee

### **Meetings and Resources**

The Committee may meet by telephone, electronic platform or in person, at least quarterly and as required. Meetings will be scheduled by the Chair. The Committee shall receive the necessary resources from Golf Canada to fulfill its mandate and will have staff persons assigned to assist the Committee with its work.

### **Reporting**

The Committee shall report to the Board. Minutes of all meetings will be kept, and draft minutes and reports will be sent to the President within 15 days after each meeting. Minutes shall be posted on the Golf Canada electronic platform and shall be accessible to Committee members.

## **Review and Approval**

**Standing Committee Chairs** shall review their existing TOR with other Committee members annually to ensure Committee activities are in line with the TOR. At least once every 3 years (or earlier if required) the TOR must be updated to best reflect the Committee's activities, and recommended amendments, as appropriate, are to be submitted to the Board for approval.

These terms of reference were approved by the Board of Directors on May 12, 2022, and may be reviewed and revised from time to time by the Board.