



# Governance, Finance, Audit and Risk Committee Membership and Terms of Reference

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## PURPOSE:

The purpose of the Governance, Finance, Audit and Risk (GFAR) Committee is to assist the Board by providing high level oversight of financial reporting, risk management and audit and provide advice to the Board on these matters.

## RESPONSIBILITIES

The GFAR Committee will fulfil its purpose by:

- Monitoring monthly, quarterly and annual financial statements including monitoring the balance sheet, profit and loss and cash flow statements and any noted variance
- Reviewing the annual capital and operating budgets
- Providing oversight and review of the external audit process including assessment of the terms of engagement and remuneration of the auditor; recommending to the Board the appointment of the auditor; considering the scope and quality of external audits; and review of audit reports
- Reviewing the effectiveness of internal audits and internal control systems
- Overseeing AOAC's risk management practices and periodic review of key risks to the organisation
- Periodically reviewing AOAC's Risk Management Plan, Insurances, Delegations Policy, Procurement Policy, Business Continuity Plan and other high-level policies relevant to the Committee's purpose
- Reviewing the draft budget developed by the Executive Officer in time for the Board meeting
- Attending to all matters of governance as directed by the Board
- Reviewing the contract and performance of the Executive and making recommendations to the Board with respect to the contract

The Chair of GFAR is responsible for the approval of AOAC payments. The Board Chair will review the claims and payments of the GFAR Committee Chair.

## MEMBERSHIP

The membership will consist of no less than three and no more than five Board Directors. The committee Chair and Deputy Chair will be appointed by the Board.

## IN ATTENDANCE



- Executive Officer
- Secretariat Support

## **TERM**

In accordance with AOAC's Board Governance Charter:

- The Committee Chair and Deputy Chair are appointed for a period of one year, the Chair and Deputy Chair positions are reviewed at the Board meeting held following the Annual General Meeting (AGM)
- Committee Members are appointed for a period of three years.

## **MEETINGS**

Bi-monthly throughout the year. The appointed auditor may request such other meetings as required. Meetings may be held by any means as determined by the Committee.

## **QUORUM**

A quorum will consist of half the members plus one (1).

## **SECRETARIAT**

- Executive Officer of AOAC
- AOAC Administration Officer

## **REPORTS TO**

- AOAC Board

## **EVALUATION**

Annual evaluation will be conducted by the committee for quality improvement purposes. The evaluation will include review of the Terms of Reference; and of the Committee's operation and performance. Outcomes of the evaluation will be provided to the Board annually at the Board meeting following the AGM.