

AUDIT AND RISK MANAGEMENT COMMITTEE – TERMS OF REFERENCE	
NAME & TYPE	Audit and Risk Management Committee – Standing Committee
PURPOSE	The Audit and Risk Management Committee is responsible for conducting due diligence, on behalf of the Board of Directors (the “Board”), on matters relating to financial management and reporting as well as risk management.
COMPOSITION	<p>The Committee must be comprised of no fewer than three members. The Chair of the Committee must be a member of the board.</p> <p>Committee members must be sufficiently financially literate to be able to read, understand and challenge information relating to the Organization’s financial position and financial processes. Knowledge and experience in risk management is of additional value to the committee, and members must have a sufficient understanding of the concept of risk and mitigation strategies.</p> <p>Where this expertise may not be available to the Committee from among directors of the Board, the Committee may choose to recruit outside of the Board and/or Organization for this expertise to contribute.</p> <p>The President & CEO is a non-voting member of the Committee.</p>
CHAIR	The Chair shall be appointed by the Board of Directors.
DECISION-MAKING PROCESS	Recommendations to the Board of Directors shall be made by majority vote of all Committee members.

TIMEFRAME/ REPORTING DEADLINE	<p>The Committee shall meet as needed to address the work assigned to it by the Board or referred to it by the President & CEO. The President & CEO will work closely with the Chair of the Committee to ensure the Committee has up to date information on current conditions, financial reporting and emerging risk.</p> <p>The Committee will report regularly to the Board through the minutes of Committee meetings, which will be provided to the Board in time for the regular Board meeting next following a Committee meeting.</p> <p>The Committee is a Standing Committee and has no expiry date. Membership of the committee will be reviewed at the first Board meeting following the Annual General Meeting. There will be no term limits on Committee membership.</p>
MEETINGS	<p>The Committee has a meeting calendar and work plan for the year.</p> <p>A quorum will be constituted by 3 Committee members being present in-person or remotely.</p> <p>The Committee will hold in-camera sessions immediately after the Committee meetings. These sessions will be structured by the Committee Chair and will not include Ontario Cycling employees other than at the Chair's request.</p>
STAFF SUPPORT	<p>The Committee will have unrestricted access to the External Auditor and the Organization Business Manager and will receive administrative support from the Ontario Cycling office, and such other resources as are reasonably necessary for it to fulfill its mandate.</p>
COMMUNICATION WITH BOARD	<p>The Committee Chair will report to the Board at each Board meeting, and otherwise as appropriate, depending on the nature of the work undertaken by the Committee.</p> <p>The Committee will re-evaluate its mandate annually and submit any proposed revisions to the Board for approval.</p> <p>Annually, the Committee will deliver to the Board a written report on its activities and recommendations.</p>
COMMUNICATION WITH PRESIDENT & CEO	<p>Communication between the Committee and the President & CEO will be through the Committee Chair.</p>

SPECIFIC AREAS OF RESPONSIBILITY	AUDIT RESPONSIBILITIES <ul style="list-style-type: none">• Make recommendations to the Board on the appointment, rotation, retention, and dismissal of the External Auditor.• Approve the audit plan.• Review financial statements with the President & CEO and the External Auditor prior to their approval by the Board.• Fundamental responsibility for the Organization's financial statements and disclosures rests with management.• Review recommendations from the External Auditor on significant accounting or financial policy issues and review management responses and the appropriateness of accounting judgements made in preparing the financial statements.• Review the adequacy of financial reporting to the Board so that the information is timely and fairly presented.• Review the policies and processes for external reporting to the membership, to funders and sponsors for assurance that the information provided is complete and accurate.• Review the adequacy of the Organization's internal processes and controls, including those for the prevention and detection of fraud, to ensure that the Organization assets are safeguarded and used appropriately and efficiently.• Maintain an environmental scan for developments, opportunities, and best practices in the financial operation of not-for-profit organizations (NFPs) and Provincial Sport Organizations (PSOs) that are relevant to the Organization. RISK MANAGEMENT RESPONSIBILITIES <ul style="list-style-type: none">• Review the implementation, maintenance, and adequacy of a Risk Management framework to enable the Organization to pursue its goals while appropriately managing material risks.• Review and make recommendations to the Board concerning the Organization's risk appetite and risk tolerance.• Maintain a Risk Register that identifies the Organization's material strategic, reputational, operational, and health & safety risks.
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	<ul style="list-style-type: none"> • Ensure that relevant risks are identified, evaluated, treated, and monitored. • Request reports from the President & CEO and take other action as necessary to evaluate risk exposures, incidents and breaches and achieve reasonable assurance of compliance with policies and procedures for reducing risk. • Review the adequacy of the Organization's insurance policies.
APPROVAL/REVIEW DATE	Approved on January 2025

	Work Plan Item	Jan	Apr	August	Nov
a	Review quarterly financial reports and forecasts	x	x	x	x
b	Review operating plan and budget, for recommendation for Board approval				x
c	Review external audit plan	x			
d	Review/Approve audited financial statements and auditor's report, for recommendation for Board approval		x		
e	Review insurance coverage	x			
f	Review Committee mandate and annual report to the board	x			
g	Review annual work plan for the next year	x			
h	Review risk management matrix			x	