

## Business & Audit Committee Terms of Reference

<p>Role or Purpose</p>	<p>The Business &amp; Audit Committee is required to be established by the Hospital and has a role specified in legislation: <i>the Public Hospitals Act and Regulation 965</i>.</p> <p>The Business &amp; Audit Committee operates as an operations committee and may make recommendations to the Board of Trustees on business issues of the Hospital.</p> <p>No decision or resolution of the Committee shall be binding on the Holland Bloorview Kids Rehabilitation Hospital until it is adopted by the Board, or unless it has otherwise been authorized by the Board.</p>
<p>Duties and Responsibilities</p>	<ul style="list-style-type: none"> <li>(a) To develop the Business &amp; Audit Committee Terms of Reference that clearly establishes its areas of responsibility for approval by the Board.</li> <li>(b) To develop the Business &amp; Audit Committee Work Plan annually, that reflects the Board's priorities for the year.</li> <li>(c) Review and recommend to the Board for approval a detailed annual budget for capital expenditures, investment income and operating revenues and expenditures for each ensuing fiscal year.</li> <li>(d) ) To act as a Fiscal Advisory Committee under Public Hospitals Act, Regulation 965 "to make recommendations to the Board of Trustees on the operation, use and staffing of the Hospital".</li> <li>(e) To review with management industry trends and legislative changes that may have an impact on financial resources or performance.</li> <li>(f) Review the detailed financial statements on a timely basis, and advise the Board thereon; including implementation of plans to address variances.</li> <li>(g) Monitor performance indicators, particularly those forming part of any known commitments or agreements.</li> <li>(h) Review and approve the financial assumptions and forecasts reflected in the Long Term Financial Plan.</li> <li>(i) Monitor and review the Hospital's risk management program including identifying and assessing financial risks, information technology risks, contingent liabilities, adequacy of reserves, and insurance coverage.</li> <li>(i) Review and make recommendation on all of the Hospital's</li> </ul>

	<p>borrowing and indebtedness arrangements.</p> <p>(k) Evaluate all requests and make recommendations for capital appropriations, acquisitions, lease arrangements and long term contracts &gt;\$250,000 (individually) and dispositions greater than \$500,000 not included in the operating plan, as approved.</p> <p>(l) Review and approve the development of an Information Management &amp; Technology Strategic Plan for Holland Bloorview and monitor the implementation.</p> <p>(m) Review and approve policies as appropriate for effective financial management of Holland Bloorview Kids Rehabilitation Hospital.</p> <p>(n) Assist the Treasurer of the Board in the performance of his/her duties.</p> <p>(o) Perform such other duties as may be requested by the Board;</p> <p>(p) To provide oversight on the impact of compensation strategies in the organization.</p> <p><b><u>INVESTMENTS</u></b></p> <p>Oversee activity of the Investment Sub-Committee, including reports on management of investment funds and approval of the investment policy.</p> <p><b><u>AUDIT</u></b></p> <p>a) Recommend independent auditors for appointment by the Members of the Corporation, and approve auditors terms of engagement including remuneration.</p> <p>b) Meet with auditor to review and approve the plan and scope of annual financial audit and potential reporting issues.</p> <p>c) Oversee reliability of financial reporting, and understand significant risks and exposures, including the risk of fraud and error, and controls to minimize the risk.</p> <p>d) Review presentation of the Corporation's annual audited statements and recommend to the Board of Trustees for approval.</p> <p>e) Oversee performance of audit as appropriate including receipt of auditor's management letter and recommendations for improving internal controls, and ensure appropriate action, and evaluating the auditor's performance.</p> <p>f) Ensure that the corporation meets financial regulatory compliance requirements.</p> <p>g) Review and approve any additional audit work/special procedure compliance requirements.</p>
	<p>The membership of the Business &amp; Audit Committee shall consist of :</p>

<p>Membership and Voting</p>	<p>Chair (Treasurer of the Board)  At least three other members (at least two of whom shall be trustees)  Ex-officio Members: Chair of the Board, and President and CEO</p> <p>The members of the Business &amp; Audit Committee shall be appointed by the Board of Trustees under the advisement of the Governance Committee pursuant to the By-laws.</p> <p>The Board may appoint such additional members as it considers necessary or appropriate to ensure an appropriate breadth of perspectives is represented on the Committee.</p> <p>The Business &amp; Audit Committee Chair may invite such officers, trustees and staff members of the Corporation, or others, as he/she sees fit to attend Committee meetings and to take part in the discussion and consideration of any matter.</p> <p>At the first meeting of the Board following each Annual Meeting, the Board will appoint the members of the standing committees (<i>By-law</i>), (Including community members) for such year. Community members appointed by the Board will serve on the Committee for a term of one (1) year. Upon mutual agreement between the community member and the Board of Trustees, the term may be extended for an additional year but not to exceed three (3) years in total. Additional members may be added to the Business &amp; Audit Committee during the year with the approval of the Board.</p> <p><u>Voting</u>  Except as described below, all members of the Business &amp; Audit Committee, including <i>ex-officio</i> members, shall be entitled to vote. A member of the Committee may participate in the meeting by teleconference and vote by teleconference, however, e-mail or voting by proxy are not permitted.</p> <p>All matters submitted to the Business &amp; Audit Committee for consideration will be determined by a vote of the majority of members present and entitled to vote at such meeting.</p> <p>Provided that if the Chair of the Business &amp; Audit Committee shall determine, in his or her discretion, that all or any part of the subject matter of any meeting would constitute matters normally dealt with by an Audit Committee, the President and CEO shall not be considered a member of the Business &amp; Audit Committee for such meeting or part thereof, but instead will be considered a guest attending at the invitation of the Chair (and shall not be entitled to vote or form part of the quorum in respect of such meeting or part thereof).</p>
<p>Chair</p>	<p>The Chair shall be the Treasurer of the Board of Trustees pursuant to the By-laws.</p> <p>The Governance Committee shall make recommendations to the Board with respect to the appointment of the Chair of the Business &amp; Audit Committee.</p>
<p>Frequency of Meetings and Manner of Call</p>	<p>The Business &amp; Audit Committee shall meet at the call of the Chair. The Committee will meet at least four times per year.</p> <p>Copies of Business &amp; Audit Committee meeting minutes shall be distributed to all Committee members. The Chair of the Business &amp; Audit Committee shall sign the minutes immediately after they are accepted at the next scheduled</p>

	meeting. The signed original copy of the minutes shall be filed by the Executive Assistant to the Business & Audit Committee.
Quorum	Except as described above, a majority of Business & Audit Committee members shall constitute a quorum.
Resources	<p>Staff (employees or professional staff) will be assigned to the Committee by the Board or the President &amp; CEO and will provide resources to the Committee as appropriate.</p> <p>Members of the Committee shall be entitled to be reimbursed for reasonable costs incurred by them in the performance of their duties as Business &amp; Audit Committee members, according to Board policies.</p>
Reporting	<p>The Business &amp; Audit Committee shall regularly submit reports of its meetings to the Board of Trustees, and shall perform the functions of both a business or finance committee and an audit committee. The Business &amp; Audit Committee shall also provide update reports to the Board on its Terms of Reference, goals and work plan.</p> <p>The Committee will report to the Board via the Chair of the Committee.</p>
Date of Last Review	September 13, 2017 - Business & Audit Committee