Holland Bloorview Kids Rehabilitation Hospital
Business & Audit Committee
Terms of Reference

Format for Committee Terms of Reference	
Role or Purpose	The Business & Audit Committee is required to be established by the Hospital and has a role specified in legislation: *the Public Hospitals Act and Regulation 965*. The Business & Audit Committee operates as an operations committee and may make recommendations to the Board of Directors on business issues of the Hospital. No decision or resolution of the Committee shall be binding on Holland Bloorview Kids Rehabilitation Hospital until it is adopted by the Board, or unless it has otherwise been authorized by the Board.
Duties and Responsibilities	**General** (a) To develop the Terms of Reference and recommend any revisions to the Board. (b) Recommend an annual work plan to the Board based on the Terms of Reference. (c) Review, confirm and recommend revisions to Board policies for which the committee has oversight responsibility. (d) Other duties as assigned by the Board. **Finance** (a) Review and approve the quarterly and annual financial statements including implementation of plans to address variances. (b) Ensure there is a process in place for the development of an annual operating budget and capital budget. (c) Review and recommend to the Board the annual operating and capital plan. (d) Review and evaluate the Hospital Annual Planning Submission (HAPS), the Hospital (HSAA) and Multi-Sectoral (MSAA) Service Accountability Agreements. (e) Review and make recommendations on all Hospital borrowing and indebtedness arrangements. (f) Monitor debt obligations and repayment planning. (g) Evaluate all requests and make recommendations for binding purchase documents and expenditures over $1,000,000.00

	Including: • Payments for major capital projects • Multi-year commitments or contracts exceeding this threshold • Significant asset purchases, acquisitions, or disposals. (h) Review industry trends and legislative changes that may have an impact on financial resources or performance. (i) Monitor financial performance indicators, particularly those forming part of any known commitments or agreements. (j) Review and approve the financial assumptions and forecasts reflected in the Long-Term Financial Plan. (k) Ensure that the corporation meets financial regulatory compliance requirements. **Investments** (a) Oversee activity of the Investment Sub-Committee, including reports on management of investment funds and approval of the investment policy. **Audit** (a) Assess and review all aspects of the relationship with the external auditor and recommend appointment, or replacement of the external auditor including remuneration. (b) Review with the external auditor the proposed audit plan and scope of work including potential reporting issues. (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. (d) Review presentation of the annual audited statements and recommend to the Board for approval. (e) Oversee performance of audit as appropriate including receipt of management letter and recommendations for improving internal controls and ensure appropriate action taken. (f) Review and approve all additional audit and non-audit engagements by the external auditor including fees and terms. **Risk Management** (a) In conjunction with the Quality Committee monitor and review the hospital's risk management program, ensuring risk mitigation strategies are in place, and that identified risks are satisfactorily addressed. (b) Review and provide advice on at least annually, the corporate

	risk profile and risk appetite. (c) Assess the adequacy of the hospitals insurance arrangements and make recommendations to the Board of any changes to the insurance program as a result if its review. **Information Technology** (a) Review the policies, processes, and programs that management has put in place to prepare, prevent, and protect the hospital from significant IM&T security and business continuity risk. (b) Review and approve the IM&T multi-year project and investment plan. (c) Annually review updates on the hospital's progress against its IM&T multi-year plan **Other** (a) To provide oversight on the financial impact of compensation strategies to the organization.
Membership and Voting	The membership of the Business & Audit Committee shall consist of: • Chair (Treasurer of the Board) • At least three other members (at least two of whom shall be directors) • Ex-officio Members: Chair of the Board, and President and CEO The members of the Business & Audit Committee shall be appointed by the Board of Directors under the advisement of the Governance Committee pursuant to the By-laws. 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. The Business & Audit Committee Chair may invite such officers, Directors 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. At the first meeting of the Board following each Annual Meeting, the Board will appoint the members of the standing committees *(By-law),* (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 Directors 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 & Audit Committee during the year with the approval of the Board. <u>Voting</u> Except as described below, all members of the Business & Audit Committee, including *ex-officio* members, shall be entitled to vote. Votes may be taken by email in the event of a time sensitive issue in between scheduled meetings. Voting by proxy is not permitted.

	All matters submitted to the Business & Audit Committee for consideration will be determined by a vote of the majority of members present and entitled to vote at such meeting. • Provided that if the Chair of the Business & 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 & 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).
Chair	The Chair shall be the Treasurer of the Board of Directors pursuant to the By-laws. The Governance Committee shall make recommendations to the Board with respect to the appointment of the Chair of the Business & Audit Committee.
Frequency of Meetings and Manner of Call	The Business & Audit Committee shall meet at the call of the Chair. The Committee will meet at least four times per year. Copies of the Business & Audit Committee meeting minutes shall be distributed to all Committee members and presented for approval at the next scheduled meeting. The approved 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	Staff (employees or professional staff) will be assigned to the Committee by the Board or the President & CEO and will provide resources to the Committee as appropriate. Members of the Committee shall be entitled to be reimbursed for reasonable costs incurred by them in the performance of their duties as Business & Audit Committee members, according to Board policies.
Reporting	The Business & Audit Committee shall regularly submit reports of its meetings to the Board of Directors and shall perform the functions of both a business or finance committee and an audit committee. The Business & Audit Committee shall also provide update reports to the Board on its Terms of Reference, goals and work plan. The Committee will report to the Board via the Chair of the Committee.
Date of Last Review	November 2026