

## **Audit and Risk Management Committee**

### **Membership:**

Five independent members of the Board (i.e., no-one who is an employee, student, or in any way directly affiliated with the University)

### **Resource Persons:**

President and Vice-Chancellor  
Provost and Vice-President (Academic)  
Vice-President (Administration)  
Vice-President (Research)  
Chief Governance Officer  
Associate Vice-President (Finance)  
Associate Vice-President (Human Resources)  
Associate Vice-President (Indigenous Engagement)  
Internal Auditor  
Coordinator (Policy and Enterprise Risk Management)

### **Duties:**

The role of the Audit and Risk Management Committee is to monitor financial results, to provide oversight on risk management, and to advise the Board of Governors accordingly.

1. Review and recommend to the Board approval of the annual budget plan (including the operating budget, the capital budget, the preventative maintenance and renewal budget, and the ancillary services budget), and the annual Operations Forecast developed for the Ministry of Advanced Education.
2. Review and recommend to the Board annual approval of changes in tuition and academic student fees.
3. Review annually a report on program and service fees for community-based programs.
4. Review the University's financial reports, including oversight of the key areas of estimate and judgment prepared for the Board, in accordance with the Board-approved Fund Monitoring policy.
5. Review and recommend to the Board approval of any changes to the budget plan recommended during the fiscal year, and any other major issues with financial implications that the President or the Board refers to the Committee.
6. Receive and review reports on admissions and enrolment, including both domestic and international student activity.
7. Receive and review the Provincial Auditor's audit plans prior to the annual audit; the draft annual audited financial statements; the content of management letters; other reports from the Provincial Auditor; and any report of management that accompanies published financial statements; and to report on and/or recommend approval of these matters to the Board.

8. Review and recommend to the Board audited financial statements of the University (including those resulting from any additional audit engagements) and the pension plans.
9. The Committee will meet *in camera* with the Provincial Auditor and/or the Internal Auditor for a part of any meeting considering audited financial statements and reports from the Provincial Auditor or the Internal Auditor.
10. The Committee will facilitate a positive working relationship in the performance of University audits, in particular between management and the Provincial Auditor as External Auditor, and consultants or staff acting as Internal Auditor.
11. Review the internal audit charter, which includes the internal audit mandate, scope and types of internal audit services, recommending to the Board approval of changes as required.
12. Review and make recommendations to the Board for approval of the internal audit strategy (every 5 years) and the annual internal audit plan for the University.
13. Participate in discussions with the Internal Auditor and senior management about the “essential conditions” described in the Global Internal Audit Standards, which establish the foundation that enables an effective internal audit function.
14. Review the performance of the internal audit function relative to its annual work plan.
15. Review any findings and recommendations from the Internal Auditor and Enterprise Risk Management Coordinator, and provide oversight and monitoring of any follow-up reports that relate to either party’s recommendations.
16. Oversee the general internal financial controls of the University and, if necessary, request an investigation and analysis of any activity of the University relevant to the Committee’s mandate. The Committee may provide direction as to the appropriate accounting policies for the University.
17. Review and recommend to the Board approval of the University’s Enterprise Risk Management Register. Ensure that management has in place and uses adequate systems for identifying, assessing and appropriately managing risks, including ensuring that the University has effective crisis management systems, contingency plans and risk mitigation strategies.
18. Receive for information, at least once annually, a report on the University’s insurance.
19. Provide input into the layout and content of the University’s Annual Report, and review and recommend to the Board its approval.
20. Review pending and ongoing litigation in order to assess potential settlement costs and/or associated risks.
21. Receive an annual report from management related to account write-offs and bad debt expense, and recommend to the Board approval of any write-offs in excess of \$100,000.
22. Review and receive for information management’s attestation that all required statutory remittances have been paid.

23. Receive and recommend to the Board approval of significant changes in policies regarding financial controls, risk or audit.
24. Participate in the decisions regarding the appointment, removal and performance review of the Internal Auditor.
25. Provide oversight of the University's Safe Disclosure process by reviewing reports from the Office of Internal Audit on allegations received, investigations performed, results of investigations, and actions pursuant to investigations, and by ensuring that senior management provides the investigator with the resources and support necessary to conduct thorough investigations.
26. Annually review its terms of reference and recommend changes to the Board as appropriate.

**Annual Work Plan and Reporting:**

| Key Agenda Items/Activities                                                                                                                                   | Sept | Dec | Mar | Apr | Jul | At least annually or as required |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-----|-----|-----|-----|----------------------------------|
| Terms of reference and work plan review – for approval                                                                                                        | √    |     |     |     |     |                                  |
| Receive reports from the Internal Auditor on findings and recommendations                                                                                     | √    | √   | √   | √   | √   |                                  |
| Receive reports on Enterprise Risk Management, emerging risks and/or risk mitigation                                                                          | √    | √   | √   | √   | √   |                                  |
| Enrolment Headcounts and Credit Hours – First Day of Fall Classes – for information                                                                           | √    |     |     |     |     |                                  |
| Provincial Audit's post-audit questionnaire (bi-annual) – for approval (next scheduled for September 2028)                                                    | √    |     |     |     |     |                                  |
| Cybersecurity report/presentation                                                                                                                             | √    |     |     |     |     |                                  |
| Audit planning memo from Provincial Auditor – for approval                                                                                                    |      | √   |     |     |     |                                  |
| Fraud & Error questions – written response to Provincial Auditor from Chair                                                                                   |      | √   |     |     |     |                                  |
| Review and approval of the Internal Audit Charter, including the internal audit mandate, scope and types of internal audit services.                          |      | √   |     |     |     |                                  |
| Review the Internal Audit Quality Assurance and Improvement Program (annual review of internal assessment; external assessment every 5 years – next due 2029) |      | √   |     |     |     |                                  |
| Program and service fees for community-based programs (annual update) – for information                                                                       |      | √   |     |     |     |                                  |
| Receive updates on outstanding internal audit recommendations and status of management action plans                                                           |      | √   |     |     | √   |                                  |
| Operating Fund Monitoring report – for information                                                                                                            |      | √   | √   | √   |     |                                  |
| Update on budget preparation (status report) – for information                                                                                                |      |     | √   |     |     |                                  |
| University Internal Audit Plan– for approval                                                                                                                  |      |     | √   |     |     |                                  |
| Review of Internal Audit Strategy – for information                                                                                                           |      |     | √   |     |     |                                  |

| Key Agenda Items/Activities                                                                                                              | Sept | Dec | Mar | Apr | Jul | At least annually or as required |
|------------------------------------------------------------------------------------------------------------------------------------------|------|-----|-----|-----|-----|----------------------------------|
| (New strategy approval every 5 years – next due 2030)                                                                                    |      |     |     |     |     |                                  |
| University Enterprise Risk Management Risk Register – for approval                                                                       |      |     | √   |     |     |                                  |
| Report on the University's insurance – for information                                                                                   |      |     | √   |     |     |                                  |
| Report on International Activity – for information                                                                                       |      |     | √   |     |     |                                  |
| Tuition and academic fees – for approval                                                                                                 |      |     | √   |     |     |                                  |
| Annual Budget – for approval                                                                                                             |      |     |     | √   |     |                                  |
| Review the preliminary outline of the Annual Report – for information/discussion                                                         |      |     |     | √   |     |                                  |
| Annual audited financial statements for the pension plans for the year ending December 31 – for approval                                 |      |     |     |     | √   |                                  |
| Updates on accounts receivable write-offs and bad debt expense, and approve any write-offs in excess of \$100,000                        |      |     |     |     | √   |                                  |
| Report on the University's outstanding litigation activity – for information                                                             |      |     |     |     | √   |                                  |
| Annual audited consolidated financial statements for the University for the year ending April 30 – for approval                          |      |     |     |     | √   |                                  |
| Review the Provincial Auditor's Certain Other Matters Letter from the annual audit – for information                                     |      |     |     |     | √   |                                  |
| Receive the Provincial Auditor's Memorandum of Audit Observations – for information                                                      |      |     |     |     | √   |                                  |
| Annual Report – for approval                                                                                                             |      |     |     |     | √   |                                  |
| Carry Forward year-end summary – for information                                                                                         |      |     |     |     | √   |                                  |
| Statutory remittances review – for information                                                                                           |      |     |     |     | √   |                                  |
| Internal Audit Annual Report – including performance of the internal audit function relative to its annual work                          |      |     |     |     | √   |                                  |
| Fighting Forced Labour and Child Labour – for approval                                                                                   |      |     |     |     | √   |                                  |
| Annual Operations Forecast – for approval                                                                                                |      |     |     |     |     | √                                |
| Other financial information audited by the Office of the Provincial Auditor – for approval                                               |      |     |     |     |     | √                                |
| Receive Management's Response and Progress update on any audit recommendations - for information                                         |      |     |     |     |     | √                                |
| Discuss areas of concern that may warrant special focus by either the Provincial Auditor or the Internal Auditor                         |      |     |     |     |     | √                                |
| Approve significant changes in policies regarding financial controls, risk or audit – for approval                                       |      |     |     |     |     | √                                |
| Receive reports on internal controls and special audit projects – for information                                                        |      |     |     |     |     | √                                |
| Receive, for information, the financial statements for those organizations of which the U of R is perceived to have control or oversight |      |     |     |     |     | √                                |

| Key Agenda Items/Activities                                                                                            | Sept | Dec | Mar | Apr | Jul | At least annually or as required |
|------------------------------------------------------------------------------------------------------------------------|------|-----|-----|-----|-----|----------------------------------|
| Participate in the appointment, removal and performance review of the Internal Auditor                                 |      |     |     |     |     | √                                |
| Discuss with Internal Auditor and senior management the “essential conditions” described in the Global Audit Standards |      |     |     |     |     | √                                |