

Section: Corporate- Administration

Approved By: Board of Governors

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Purpose

To support and advise the Board in discharging its fiduciary responsibilities. In doing so the Committee ensures excellence in patient care through effective resource allocation for excellent corporate performance by providing advice and guidance to the Board and ensures that the Hospital adheres to sound and accountable financial reporting, auditing and internal fiscal control processes.

Resources Committee Responsibilities

Budget Planning and Oversight

- Ensure that there are processes in place for the development of an annual operating budget and capital budget;
- Review and recommend to the Board financial assumptions used to develop the operating budget, capital budget and strategic plan;
- Review and recommend to the Board the annual operating plan and budget, and the capital plan and budget;
- Review quarterly financial performance and compare actual performance against budget;
- Review and recommend to the Board plans developed by management to address variances between budget and actual performance; and
- Monitor implementation of plans to address variances and report to the Board.

Long-Term Planning

- Review and recommend to the Board long-term financial goals and long-term revenue and expense projections; and
- Review, with management, industry developments and legislative changes that may have an impact on financial resources or performance and report to the Board.

Asset Management

- Ensure there are processes in place to manage the assets of the organization; and
- Review and make recommendations concerning material asset acquisitions not contemplated in the annual operating plan.

Financial Transactions

- Review and make recommendations to the Board concerning banking arrangements; and

- Review and make recommendations to the Board regarding lines of credit and long-term debt.

Investments

- Review and recommend to the Board the organization's investment policy; and
- Monitor investment performance for compliance with the investment policy.

Internal Controls and Risk Management

- Review and make recommendations concerning the adequacy of financial resources;
- Review and make recommendations concerning insurance coverage;
- Identify unusual financial and human resource risks and oversee management's plan to address unusual or unanticipated risks and make recommendations to the Board; and
- Review and make recommendations concerning the quality and integrity of management's internal controls.

Human Resources

- Review and make recommendations to the Board concerning performance related to human resource indicators that may impact the Hospital's financial position such as overtime, sick time and lost time due to injuries.

Audit Committee Responsibilities

- Recommend to the Board the auditors for appointment or re-appointment by the members at the annual meeting of members;
- Review and make recommendations to the Board concerning the auditor's remuneration;
- Meet with the auditors to review proposed scope of audit;
- Approve the auditor's engagement letter;
- Oversee performance of audit as required, including ensuring auditors are receiving the assistance of management;
- Review audited financial statements and the auditor's report and make recommendations to the Board;
- Meet with the auditors and receive and review recommendations with respect to management, accounting systems and internal control issues;
- Review policies regarding financial operations, including internal controls;
- Review non-audit services provided by the auditor and other factors that might compromise the auditor's independence and make recommendations to ensure auditor independence;
- Review management response to recommendations of the auditor and report to the Board; and

- Oversee implementation of the auditor's recommendations.

Membership and Voting

The following shall be voting members of the Resources & Audit Committee:

1. At a minimum five (5) voting members of the Board;
2. Board Chair, Board Vice Chair, President & CEO, ex officio;
3. A representative of the Medical Advisory Committee appointed by the Medical Advisory Committee; and
4. Up to two (2) community representatives.

Staff Resources (attend meetings as non-voting invited guests)

1. Chief Financial Officer
2. Chief Nursing Executive
3. Chief Human Resources Officer (as needed)

Chair

The Chair of the Resources and Audit Committee shall be the Board Treasurer, as appointed by the voting members of the Board.

Frequency of Meetings and Manner of Call

For the purpose of carrying out the identified Resources responsibilities, the Committee shall meet at least six times per year.

At least two meetings per year will address the identified Audit responsibilities and shall be held with the external auditors present. At each meeting of the Committee at which the external auditors are present, the Committee shall hold an in-camera session with management excluded.

Meetings are held at the call of the Committee Chair, or as requested by the Board.

Quorum

A quorum will be considered a majority of the Committee Members who are voting members of the Board of Directors.

Privilege and Confidentiality

All Board Standing Committee meetings are Closed meetings. Information prepared for and reviewed by the Resources and Audit Committee is considered privileged and confidential until such time as it may be presented through an Open Board of Directors meeting.