

## Minutes of the Finance, Audit, and Risk Committee Meeting

Thursday, May 9, 2024 | 11:30 am – 1:30 pm (ET)

Virtual: Teams Link

Committee members in attendance	
Christian Bellini Dawn Nedohin-Macek	John Van der Put Steve Vieweg
Regrets	
Menelika Mekomba	
Staff and support	
Joan Bard Miller, Manager, Governance and Board Services Juliet Chou, Governance Coordinator Gerard McDonald, Chief Executive Officer Derek Menard, Chief Financial Officer	Mélanie Ouellette, Manager, Strategic and Operational Planning (joined at 12:10pm) Heidi Theelen, Director, Strategic Planning and Organizational Excellence (joined at 12:10pm)

### 1. Call to order and approval of agenda

D. Nedohin-Macek, FAR Committee Chair, opened the meeting at 11:36 a.m. (ET) and welcomed committee members and staff.

#### ***Moved and seconded***

***THAT the agenda be approved, and the chair be authorized to modify the order of discussion.***

***Carried***

### 2. Declaration of conflict of interest

No conflicts were declared. Participants were reminded to declare a conflict at any time during the meeting, as necessary.

### 3. Last meeting review

#### 3.1 Review of minutes (March 8, 2024)

The committee had no questions or comments regarding the pre-circulated minutes.

#### ***Moved and seconded***

***THAT the minutes of the March 8, 2024, meeting be approved as presented.***

***Carried***

#### 3.2 Review of action table

No comments or questions were received on the pre-circulated action table.

### 4. Review of Q1 financial and investment performance reporting

D. Menard, Chief Financial Officer (CFO), presented the pre-circulated 2024 Q1 Financial statements, Q1 Forecast and Q1 Investment performance report. He noted that the actual Q1 revenue exceeded the budget due to higher than estimated affinity program revenue and investment portfolio performance.

- Given the market outlook and historical revenue trends that see greater earnings in Q1, staff projected a conservative forecast with the unrestricted reserve ending 2024 at \$6.67 million. Clarifying questions were answered by the staff.
- It was noted that a lower than budgeted deficit is not the same as a surplus. Thus, Engineers Canada will continue to pursue a balanced budget. This will be accounted for in the high-level budget assumptions presented at the Board’s workshop in June 2024.

## 5. Review of finance-related operational policies

D. Menard, presented the operational finance policies that were pre-circulated to the FAR Committee as per Board policy 6.4, *Finance, Audit, and Risk (FAR) terms of reference*. No significant changes had been made to the policy since the FAR Committee’s last review in March 2023. All policies will be reviewed again before the end of the year.

It was confirmed that no issues emerged over the year that indicated issues with the current policies. Discussion followed in relation to the following policies:

### FI-3 Corporate Credit Cards Policy

- Committee members probed for potential risks associated with the current policy. All questions were sufficiently addressed by staff.

### FI-4 Procurement Policy

- It was noted that as part of the forthcoming policy review, staff intend to increase the purchase amount for which a request for proposal (RFP) is required from \$10,000 to \$25,000. The proposed threshold reflects inflation and is consistent with that of other organizations. The current threshold creates additional work for both staff and vendors and may discourage vendors from responding to RFPs. It was suggested that in lieu of an RFP, multiple quotes be requested for purchase amounts below \$25,000.

### FI-5 Financial Signing Authority and Delegation Policy

- The FAR Committee identified minor housekeeping issues related to staff titles and formatting to be addressed in the next policy review.

## 6. Review of Board policy 7.7, *Investments*

D. Nedohin-Macek invited FAR Committee members to provide feedback on the proposed revisions in Board policy 7.7, *Investments*, based on its discussion on February 26, 2024, and consider if further revisions are required.

The FAR Committee was satisfied with the proposed revisions and noted that a commitment to “meaningful investments in environmental, social and governance (ESG)-focused funds” aims to reflect “deliberate” consideration of ESG investments. The revised policy will be presented to the Governance committee for review.

H. Theelen and M. Ouellette joined the meeting.

## 7. Review of Q1 risk register

G. McDonald presented the pre-circulated Q1 Risk register and noted that no significant changes in risks requiring modifications to the registers had been identified.

- Clarifying questions were asked and answered around the likelihood rating for Board risk **5 – Engineering is unwelcoming and exclusionary to under-represented people in engineering.**
- It was reiterated from the March 8, 2024, FAR Committee meeting that if the National statement of collaboration is not signed by the Members at the spring meetings in May 2024, the 2024-2025 FAR Committee should reevaluate the relevant Board risks.

H. Theelen and M. Ouellette left the meeting.

#### **8. Work plan review**

The FAR Committee confirmed that it had completed all responsibilities set out in its 2023-2024 work plan that had been pre-circulated to the committee and presented by D. Nedohin-Macek.

#### **9. Other business**

No other business was brought forward.

#### **10. Meeting evaluation**

Overall, the FAR Committee and staff were pleased with the meeting.

#### **11. Closing**

With no further business, the meeting was closed at 12:31 pm (ET).