

MINUTES of the FINANCE, AUDIT, AND RISK COMMITTEE MEETING

October 18, 2019 1:00-3:00pm ET (held via webinar)

| Committee Members in attendance          |                                    |
|--|------------------------------------|
| L. Doig (Chair)<br>T. Brookes<br>D. Chui | J. Dunn<br>R. Trimble<br>S. Vieweg |
| Observers in attendance                  |                                    |
| J. Boudreau                              | C. Zinck                           |
| Regrets                                  |                                    |
| K. Baig                                  |                                    |
| Staff                                    |                                    |
| C. Mash<br>M. McCourt                    | G. McDonald<br>J. Monterrosa       |

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

The Chair opened the meeting at 1:03pm (ET) and welcomed the Committee members. The agenda was approved by consensus.

**2. Approval of August 21 meeting minutes**

One editorial change was requested to the minutes as circulated.

*Moved by R. Trimble, seconded by T. Brookes*

*THAT the minutes from August 21 be approved as amended.*

*Carried*

**3. Review of board recommendations on amendments to 2020 Budget**

J. Monterrosa reported on the suggested additions to the 2020 budget document following the October 4 Board meeting that include:

- Extending the reserve table for 2021 and 2022 projections; and
- Adding a column to the budget to present the 2019 forecast.

No major changes are anticipated in advance of the December meeting when the budget will be presented for approval.

**4. Risk Register review and process**

A discussion was had on the risk register and process to follow for review and updating.

A suggestion for red risks was discussed, where one-pagers would be created to provide background and the actions being taken to address each one. Additionally, the Committee would like columns added

to capture when each risk was originally added and when the status was last updated. Staff will further consider these recommendations for implementation.

It was agreed to assign committees, as appropriate, as responsible for reviewing and providing updates on risks that fall within their responsibilities. The preferred outcome would be for committees to incorporate a standing risk review item on their agendas, with staff compiling feedback received for each reporting period. FAR agreed to the following allocation of responsibility for risks currently identified as Board responsibilities:

| <b>Risk</b>                    | <b>Responsible</b>  | <b>Accountable</b> |
|--------------------------------|---|--------------------|
| #1 Vision or Strategy          | Strategic plan task force   | Board              |
| #3 Succession planning for CEO | HR Committee  | Board              |
| #5 Duty of Care - Board        | Governance Committee,<br>with support from HR Committee as required | Board              |
| #26 Accreditation Process      | Chair of the CEAB   | Board              |
| #28 AB and QB Oversight        | Governance Committee  | Board              |
| #34 Qualifications Board       | Governance Committee  | Board              |
| #35 Holism of the federation   | Board   | Board              |

A discussion was had on combining risk #28 and 34 as that they have similar symptoms and monitoring criteria. This will be reviewed further before changes are implemented.

The process for a “deeper-dive” review of the Register was discussed. It was agreed that once per year, FAR will review one category of risk type (Operational, Strategic, Reputational and Compliance) and make recommendations on new risks that should be added and amendments if required. The Risk Register will continue to be updated by staff, reviewed by FAR, and presented to the Board quarterly.

It was agreed to begin the “deep-dive” review with focus on strategic (board-level) risks for the November meeting, with Committee members being prepared with feedback on adjustments required to existing risks, in addition to suggestions for new risks to be added if gaps exist.

**ACTION: Staff to prepare a draft of the risk review process for further discussion at the November meeting.**

**ACTION: Staff to make recommendations on how to best implement time details for each risk and providing more information on risks marked in red into the current Register.**

**ACTION: J. Monterrosa to circulate standard documents on risk prior to the November meeting.**

**ACTION: G. McDonald to circulate the Accreditation Board and Qualifications Board responsibilities to D. Chui.**

## **5. In person meetings**

An in-person meeting has been scheduled in Ottawa on Sunday, December 8 from 3:00-6:00pm (ET).

It was suggested that in-person meetings be scheduled for the auditor's report and budget discussions and that they be built into the Committee's work plan.

**ACTION: Staff to update the work plan to reflect the in-person meetings and risk register review.**

**6. Other Business**

No other business was brought forward.

**7. Adjournment**

With no further business to discuss, the meeting was adjourned at 2:14pm ET.