



**King's University College  
Audit and Risk Committee  
Terms of Reference**

**Authority:**

The Audit and Risk Committee (the “Committee”) is established as a standing committee of the Board of Directors (the “Board”) of King's University College (“King's”).

**Membership:**

The Audit and Risk Committee shall be comprised of

- ✦ As least Three (3) External Voting Directors of the Board of Directors
- ✦ The President of King's University College, *Ex-Officio Non-Voting Resource*
- ✦ University Secretary, *Ex-Officio Non-Voting Resource*
- ✦ Any other individual may be invited from time to time depending on the agenda at the Chair's discretion.

The Treasurer (Chair of the Finance and Property Committee) may not serve on the Audit and Risk Management Committee.

Consistent with the Ontario Not-For-Profit Corporations Act, the majority of the committee must be external directors who are not officers or employees.

At least one member of the committee will have an accounting designation or related financial experience.

All member of the committee will be financially literate and have the ability to read and understand the university's financial statements, or must be able to become financially literate within a reasonable period of time after their appointment to the committee. In this regard, a financial expert will ensure that each new member receives appropriate training in reading and understanding the financial statements.

**Appointment and Term:**

All members of the Committee will be appointed by the Executive Committee and have terms not exceeding three (3) years or their remaining number of years in their term on the Board, save and except for the who shall be *ex-officio* members of the Committee. All Committee Members hold office during the pleasure of the Board and may be removed by Board resolution. The Board may fill any Committee vacancy that may occur.

**Chairing:**

The Executive Committee will appoint an External Voting Director to act as Chair and one Voting Director to act as Vice-Chair of the Committee. The Chair will approve all agenda items and will be responsible for reports of meetings to the Board.

**Frequency of Meetings:**

The Committee shall meet according to the Committee-approved workplan. Additional meetings and joint meetings with other standing committees of the Board may be requested by the Chair of the Committee as required.

**Purpose:**

The Committee shall monitor and oversee the performance of the annual audit, develop and recommend to the Board a risk management policy, and monitor senior leadership's application of the policy's risk assessment and mitigation framework. The Committee shall also consider any other matter delegated to the Committee by the Board.

Specifically:

1. To review and recommend to the Board of Directors:
  - ✦ The selection and engagement of an external audit firm, and oversee performance of the audit
  - ✦ Receive assurances that the selected audit is independent
  - ✦ Approve the annual audit plan including the audit scope and estimated audit fees
  - ✦ Review any management letters containing recommendations and management's response to such letters
  - ✦ Monitor financial reporting and fraud risks and controls for such risks.
2. To develop and recommend to the Board the approach for overseeing the organization's risk, compliance, and ethics culture; through the integration of enterprise risk management and internal control; to review the development of a holistic risk assessment and management framework; and to assess the effectiveness of the control network and internal controls. The Committee will review, at least annually, the processes for identifying, prioritizing, and monitoring current and emerging risks

✦ Once approved by the Board, monitor senior leadership's application of the risk assessment and mitigation framework.

3. Review insurance coverage and make recommendations to the Board respecting appropriate coverage, including indemnification of Directors.

4. To review the annual cybersecurity report.

5. To monitor new policies and legislative requirements related to employment at the College outside of regular collective bargaining processes.

6. Review reports relating to the Research Ethics Committee and make recommendations for approval to the Board as required.

### **Meetings**

Each meeting will have an in-camera and executive session on the agenda consistent with the Board's meetings' policy.

### **Record of Meetings**

Minutes of the meetings will be maintained and approved at the next meeting of the Committee. Minutes will reside in the President's Office once approved by the Committee.

### **Quorum:**

A majority of Committee members including two external board members shall constitute a quorum.

Original	Reviewed	Revised	Approved
June 2025	June 2025	June 2025	June 2025