

Canadian Race Relations Foundation ("CRRF")

Bylaw No. 8

Finance and Audit Committee

1. COMPOSITION

The Committee shall be comprised of three to five persons of whom the majority shall be members of the Board of Directors of the CRRF (the "Board"), as follows:

- a) Two to four persons appointed by resolution of the Board.
- b) The Chairperson of the Board shall be an ex-officio member of the Committee.
- c) Whenever the title "Treasurer" is used in official documents, the Chair of the Finance and Audit Committee will sign or be listed in this capacity.

2. TERM

Each member of the Committee shall continue to be a Committee member until a successor is appointed, unless the member resigns, is removed by resolution of the Board or otherwise ceases to be a member of the Board.

3. PURPOSE

The Committee is a standing committee of the Board responsible to ensure fiscal responsibility, to oversee financial activities of the Foundation and to receive Investment Reports, to advise the Board on financial policies and to review, amend and recommend approval of budgets.

In addition, the Committee is to provide strategic directions and advice on the CRRF fundraising strategy and activities in order to raise the financial resources required for the CRRF to pursue its vision.

4. SPECIFIC RESPONSIBILITIES

The Committee in carrying out its specific responsibilities shall:

- a. Develop and annually review appropriate policies and procedures regarding fundraising;
- b. Review and evaluate the CRRF's long-term fundraising strategy and annual operational plan for fundraising, and make recommendations to the Board as required, including;
 - i. develop a fundraising, major gift acceptance and development policy
 - ii. strike a standing fundraising sub-committee under the Finance and Audit Committee to examine strategies for annual fund development
 - iii. determine timelines, required human resources, annual budget allocation from CRRF's unrestricted fund to support fund development and fundraising activities
 - iv. allocate an annual percentage of unrestricted charitable gifts received to increase the Endowment Fund above \$24,000,000;
- c. Monitor and report to the Board at agreed milestones on the implementation of the annual operational plan for fundraising;
- d. Explore ways of enlarging the CRRF's endowment funds;
- e. Recommend future directions and initiatives for fundraising activities at the CRRF;
- f. Review quarterly the financial status of the CRRF and the adequacy of the Endowment Fund in consultation with the Investment Committee;
- g. Liaise with the Investment Committee regarding the CRRF Endowment Fund and Reserve Fund including;

- i. recommend the utilization of income from the Endowment Fund for operating expenses if the capital of the fund has depreciated below its statutory level (i.e. below \$24,000,000) due to unusual market fluctuations and unexpected economic downturns
 - ii. recommend the transfer from restricted fund to unrestricted fund at any point when the foundation is left with limited financial options or limited access to resources to carry out its core purposes and operations”;
- h. Report with respect of CRRF Endowment Fund and Reserve Fund at every Board meeting;
- i. Assist the Executive Director in the preparation of annual budgets;
- j. Review and recommend approval of annual budgets;
- k. Determine when a revised budget is necessary and will recommend accordingly to the Board;
- l. Receive and review quarterly budget variance report;
- m. Monitor the financial status of specific activities or projects as the need to monitor is determined from time to time by the Board;
- n. Develop and review policies, guidelines and procedures on financial matters and will recommend changes where warranted;
- o. Meet with auditors to discuss the financial statements of the CRRF and shall make such recommendations as it shall consider necessary or advisable with respect to changes in the presentation of the audited financial statements;
- p. Receive and review the audited financial statements of the CRRF prior to presentation to the Board;
- q. Recommend the appointment of auditors annually;
- r. Provide advice to the Executive Director and the Chief Financial Officer on financial matters;
- s. Advise the Board on specific matters relating to financial exigencies
- t. In addition to any delegation specifically contemplated hereby, the Committee may delegate such of its other duties and responsibilities as it from time to time thinks fit and as permitted by law, and shall undertake such supervision as it deems appropriate to ensure that such duties and responsibilities are satisfied; and
- u. Oversee the internal audit function including:
 - i. select the internal auditor
 - ii. approve the subject of the annual internal audit
 - iii. approve terms of reference for the internal audit
 - iv. report to the board issues involving the performance of the internal audit function.

5. REPORTING RELATIONSHIPS

The Committee shall report to the Board through its Chair.

6. FREQUENCY OF MEETINGS

The Committee shall meet at least quarterly and otherwise as required at the call of the Chair of the Committee.

7. EXPENSE REIMBURSEMENT

Committee members will be reimbursed in accordance with the CRRF's *Policy – Payment of Honoraria and Travel Expenses to Directors*.

Amendments:

Approved by Board of Directors' resolution 55.12 on September 22, 2013

Amended by Board of Directors' resolution 61.10 & 61.11 on September 20, 2015

Amended by Board of Directors' resolution 64.3 on October 29, 2016

Amended by Board of Directors' resolution 73.13 on April 19, 2020

Amended by Board of Directors' resolution 73.13 on July 10, 2020

Amended - #75 Board meeting, July 10, 2020