

## **Terms of Reference of Care Alliance Ireland**

### **Finance, Quality, Audit and Risk Committee**

The Corporate Governance Policy and Board of Directors' Handbook of Care Alliance Ireland ('CAI') provides for the establishment of Board Committees.

The role of the Finance, Quality, Audit and Risk Committee (the 'FQARC or the 'Committee') is to;

- Provide leadership, direction and oversee the risk management approach of CAI
- Ensure that there is an ongoing review of the material risks facing the organisation and actions are taken to manage, and mitigate where possible, those material risks identified by the Committee
- Ensure the implementation of robust financial management controls for CAI including the raising, collection, investment, borrowing and outlay of all monies required (including fundraising of monies raised for CAI).
- Oversee and monitor key risk indicators pertaining to Complaints/Compliments, Quality Measures, Staffing, HR, and Succession Planning. Quality measures include (but is not necessarily limited to client feedback, pre and post intervention client surveys and response times to member applications).
- Monitor standards in protecting and promoting the health and safety of employees and volunteers including oversight and management of CAI's Health & Safety Statement & Policy and mandatory training.
- Receive and verify assurances that the following are being managed effectively:
  - Serious incidents/ accidents
  - Serious complaints
- Review, approve (where authorised to do so), monitor and oversee the implementation of a sub set of company-wide policies, practices and procedures relating to the control, monitoring, management and documentation of employee, health and social care risk
- Approve non budgeted expenditure on a single item between €2,001 and €5,000 in line with the Finance Policy

#### **1. Constitution**

1.1. The Committee derives its powers from the Care Alliance Board.

#### **2. Membership**

- 2.1. The Committee shall be appointed by the Board from amongst the Non-Executive Directors of the organisation and shall consist of not less than three members. The Board should satisfy itself that at least one member of the Committee has recent and relevant financial experience, preferably a professional qualification from one of the professional accountancy bodies. A quorum shall be two members. Committee members must not be former employees (within the previous 5 years).
- 2.2. The Board Chair maybe a member of the Committee but not Chair the committee.
- 2.3. The Chair of the Committee shall be appointed by the Board.
- 2.4. The Chair of the Committee will liaise with the CEO to convene meetings and circulate minutes.
- 2.5. Appointment to the Committee should be for a period of up to three years maximum, but a member may be reappointed by the board at that time.

### **3. Authority**

- 3.1. The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
- 3.2. The Committee may recommend the appointment and terms of reference of external advisors or consultants for legal, internal Audit and Risk or other professional advice, at CAI's expense when it judges it necessary to do so.
- 3.3. The Committee shall report to the Board any significant fraud or irregularities, failures of internal control or suspected infringements of laws, rules and regulation which come to its attention.

### **4. Responsibility**

- 4.1. The Committee is to serve as a focal point for communication between other directors, external auditors and management as their duties relate to financial and other reporting, internal controls and other matters the Board deems necessary
- 4.2. Outside of what has been specific in the Committee's duties below, the Committee will also consider other topics, as defined or delegated by the Board and agreed by the FQARC in line with its role.

### **5. Attendance at meetings**

- 5.1. Virtual attendance is acceptable.
- 5.2. No one other than the Committee Chair and members are entitled to be present at the meeting of the Committee.
- 5.3. However, the following may also be invited to attend by the Committee Chair:
  - CEO and/or
  - any other employee, Director, external auditor, external actuary, legal or other external advisors.
- 5.4. The External auditors may be invited to attend as deemed appropriate by the Committee.
- 5.5. The External auditors may be invited to spend time alone with the members of the Committee at each meeting to which they are invited.

### **6. Frequency of meetings**

- 6.1. The Committee should hold at least three scheduled meetings a year, and more frequently as deemed necessary

### **7. Committee Duties**

The specific duties of the Committee shall be:

#### **Audit related**

- 7.1. to consider the appointment of the external auditor, their performance, the audit fee and any questions of resignation or dismissal, and make appropriate recommendations to the Board
- 7.2. to discuss the nature and scope of the work with the external auditor before the audit commences
- 7.3. to review the external auditor independence, objectivity and effectiveness; to consider the award of non-Audit and Risk work to auditors, and to monitor any such work
- 7.4. to determine that proper books of accounts have been kept and to concur with the external auditors' opinion that the annual financial statements give a 'true and fair view', before submission to the Board
- 7.5. to have familiarity with financial reporting principles and practices applied by Care Alliance in preparation of the financial statements

- 7.6. to discuss problems and reservations arising from the final audit and any matters the external auditor may wish to discuss
- 7.7. to review the draft representation letter prior to approval by the Board
- 7.8. to review the external auditor's management letter and management's response
- 7.9. to evaluate the cooperation received by the external auditors including their access to all requested records, data and information.
- 7.10. to monitor compliance with any recommendations contained in the auditor's management letters

**Finance related**

- 7.11. to report to the Board on funding and expenditure matters, i.e. robustness of income streams, income generation, value for money, staff remuneration, cost effectiveness, etc.
- 7.12. to advise and assist the Board Chair on CEO remuneration
- 7.13. to oversee and assess the process for setting annual budgets, and provide advice to the Board

**Risk**

- 7.14. Consider the key risks to CAI at least on a twice-yearly basis, recommending mitigating actions to the Board to manage those risks, and review and recommend changes to the Risk Register on at least an annual basis.
- 7.15. to review arrangements by which staff of the company may raise possible improprieties and assure that proportional and independent procedures are in place for investigation of these matters.

**8. Policies**

The FQARC will review, and refresh and approve where necessary, the following Policies, as and when required, but no less frequently than every three years:

- Health and Safety Statement and Policy
- Business Continuity Policy
- Donations Policy (due for development in 2024)

The FQARC will review and recommend changes to the Board, where necessary, the following Policies, as and when required, but no less frequently than every three years:

- Finance Policy
- Complaints Policy
- Gifts Policy

**9. Reporting procedures**

The Committee will provide the following reports to the Board:

- 9.1. a copy of the minutes from each of the meetings of the Committee
- 9.2. other reports in relation to any significant frauds or irregularities, failures of internal control or suspected infringements of laws, rules and regulation which come to its attention.

**10. Ongoing Review**

- 10.1. The terms of reference of the Committee will be reviewed every two years at a minimum, and any necessary changes will be recommended to the Board for approval.