

## **FINANCE AND INVESTMENT COMMITTEE TERMS OF REFERENCE**

### **PURPOSE**

The purpose of the Finance and Investment Committee is to enable the Board of Directors to fulfill its governance responsibilities regarding the financial services policies, activities, and reporting under the *Workplace Health, Safety and Compensation Commission and Workers' Compensation Appeals Tribunal Act*, the *Workers' Compensation Act*, the *Occupational Health and Safety Act* and the *Firefighters' Compensation Act*.

### **DUTIES AND RESPONSIBILITIES**

#### Financial Reporting

The Committee will:

- Interpret financial policies and goals as needed;
- Review significant project costs;
- Review and evaluate the financial performance of WorkSafeNB and the WorkSafeNB Rehabilitation Centre; and
- Review other financial matters as directed by the Board of Directors.

#### Investments

The Committee will:

- Review and recommend to the Board of Directors for approval new or revised investment policies;
- Regularly review investment performance;
- Monitor staff decisions to ensure that the investment portfolio is managed in accordance with policies and directives;
- Monitor the performance and characteristics of the investment portfolio for compliance with policies and directives; and
- Receive for information new or revised investment directives.

#### Budget and Assessment Rates

The Committee will:

- Review WorkSafeNB's annual operating and capital budgets and recommend those to the Board of Directors for approval; and
- Review the annual assessment rates under the *Workers' Compensation Act* and the *Firefighters' Compensation Act* and recommend those to the Board of Directors.

## Other Duties

The Committee will:

- Perform other activities as requested by the board of directors;
- Review and assess the adequacy of the Committee terms of reference annually, requesting Board approval for proposed changes; and
- Evaluate both the Committee's and individual members' performance on a regular basis.

## **COMPOSITION**

The Board of Directors will select and appoint members of the Finance and Investment Committee. Appointments shall be made for up to two years and are renewable. All efforts shall be made to ensure that the member's terms, both primary and alternate, are staggered so as to ensure continuity of experience on the Committee. The Finance and Investment Committee Chairperson presides over the Committee meetings and reports Committee actions to the Board of Directors.

The Finance and Investment Committee membership shall consist of:

- A Finance and Investment Committee Chairperson selected by the full Board who shall be a voting member of the Board of Directors but will not have voting authority at the Finance and Investment,
- The President & Chief Executive Officer of WorkSafeNB, who shall be a non-voting member of the Committee;
- A Board Member representative of employers and selected by the employer representatives on the Board who shall be a primary member of the Finance and Investment Committee and who has voting authority;
- A Board Member representative of workers and selected by the worker representatives on the Board who shall be a primary member of the Finance and Investment Committee and who has voting authority;
- A Board Member representative of employers and selected by the employer representatives on the Board who shall be an alternate member of the Finance and Investment Committee and who shall have voting authority in the absence of the primary employer representative on the Finance and Investment Committee;
- A Board Member representative of workers and selected by the worker representatives on the Board who shall be an alternate member of the Finance and Investment Committee and who shall have voting authority in the absence of the primary worker representative on the Finance and Investment Committee.

The Vice President of Corporate Services will attend the Committee meetings as an advisor to the Finance and Investment Committee.

The Finance and Investment Committee may engage an independent consultant to assist them with their duties.

The representative of the Workers' Compensation Board of Prince Edward Island shall participate in Committee activities as set out above only for such period of time as the Prince Edward Island Board's funds are deposited with the Accident Fund set up under the New Brunswick *Workers' Compensation Act*. The Prince Edward Island Board's membership on the Finance and Investment Committee shall be

terminated automatically when and if the Prince Edward Island Board's funds are no longer deposited with the New Brunswick Accident Fund.

## PROCEDURES

- **Meeting Frequency:** The Finance and Investment Committee shall meet at least twice per calendar year or more frequently as the committee deems necessary.
- **Convening a Meeting:** The Finance and Investment Committee Chairperson, in consultation with the two primary Committee members, will ordinarily convene any Committee meeting though any two members (the Chairperson or either of the two primary members) can require that a meeting be convened.
- **Meeting Quorum:** One voting member, either the primary or alternate member, representing employers, and one voting member, either the primary or alternate member, representing workers shall, with the Finance and Investment Committee Chairperson, constitute a quorum.
- **Minutes:** Minutes shall be prepared by a recording secretary and presented to the Finance and Investment Committee Chairperson in accordance with applicable Board policy and procedure.

## VOTING

The Finance and Investment Committee shall make all reasonable efforts to render decisions on a consensus basis. Where a consensus is not possible between voting members, primary or alternate as required, and there is a tie vote at the Committee, the matter shall be forwarded to the full Board of Directors for debate and resolution.

## OPERATIONAL PRINCIPLES

The Finance and Investment Committee shall adhere to the following operational principles:

1. **Work plan:** The Finance and Investment Committee Chairperson, in consultation with the Board Chairperson and senior management, shall establish a work plan annually to ensure that the Committee responsibilities are scheduled to specific meeting agendas and dates.
2. **Meeting agenda:** The Finance and Investment Committee Chairperson shall establish meeting agendas in consultation with Committee members and senior management.
3. **Information requirements:** The Finance and Investment Committee shall establish and communicate its information requirements, which shall include the nature, extent and timing of required information. Information shall be provided to the Committee at least one week prior to the meeting.
4. **Preparation and attendance:** The Finance and Investment Committee members have an obligation to prepare for and participate in Committee meetings.
5. **Conflict(s) of interest:** It is the Finance and Investment Committee member's responsibility to disclose a conflict of interest or the appearance of a conflict of interest to the Committee. If

there is any question as to whether Committee member(s) should recuse themselves from a vote, the Committee shall determine whether the member should recuse himself or herself.

**ACCOUNTABILITY**

The Finance and Investment Committee shall cause a record of the Committee meeting to be provided to the Board of Directors at the next Board meeting following the Finance and Investment Committee meeting.