

## CHAPTER 2.4 - BYLAWS STANDING COMMITTEES

### 2.4.3 IPC AUDIT and FINANCE COMMITTEE (AFC) BYLAWS

#### 1. FUNCTION

##### 1.1 Authority

1.1.1 The IPC Audit and Finance Committee (AFC) is accountable to the IPC Governing Board.

1.1.2 The AFC shall have no authority that does not come from the IPC Governing Board; the IPC Governing Board has the sole power to grant authority to the AFC. The AFC may, however, carry out such governance task or monitor performance provided that the IPC Governing Board has specifically delegated this power to the AFC.

##### 1.2 Role

The AFC shall provide advice

- to the IPC Governing Board on policy matters in its specific area of expertise, and
- to the IPC Finance Director on the operational aspects of the IPC Finance Programme.

The AFC shall in particular have the following roles:

1.2.1 Provide the IPC Governing Board with advice on any finance matter as requested by the IPC Governing Board and/or CEO;

1.2.2 Review and ensure the further development of IPC Financial Rules and Regulations and ensure they are consistently applied;

1.2.3 Review and consider all IPC financial documents and motions, which in accordance with the IPC Constitution shall be submitted to the IPC General Assembly for approval, including:

- Financial Reports and audited accounts of previous fiscal years, including Audit Reports, Balance Sheet and Profit and Loss Accounts
- annual budgets
- membership fee policy.



- 1.2.4 Provide guidance to the IPC CEO/Finance Director in the development of the annual budgets and submit relevant recommendations to the IPC Governing Board;
- 1.2.5 Keep under review procedures for the appointment of internal and external auditors, to implement such procedures and consequently to make recommendations to the Governing Board;
- 1.2.6 Review the audit of the organisation's annual financial statements and comment thereon to the Governing Board and to the membership;
- 1.2.7 Keep under review:  
a) Policies, procedures and regulations in respect of any assets, and  
b) Financial controls, accounting procedures, the application of accounting standards and routine arrangements for the investigation of questions of financial irregularity or impropriety;
- 1.2.8 Consider all matters relating to the internal and external audit of the organization;
- 1.2.9 Consider any other audit related matters as applicable;
- 1.2.10 Monitor and ensure the effectiveness of the organisation's approach to risk assessment and management through annual review of the Risk Register and of reports from relevant officers and committees;
- 1.2.11 Conduct in co-operation with the IPC Finance Director an annual review of the financial status of IPC and submit to the IPC Governing Board any relevant observations and recommendations;
- 1.2.12 Provide guidance to the IPC CEO/Finance Director in the development of any recommendations on Audit and Finances to be submitted for approval to the IPC Governing Board;
- 1.2.13 Review any motions related to Audit and Finances as submitted by IPC members to the IPC General Assembly, and provide relevant observations and/or recommendations to the IPC Governing Board on these motions;



- 1.2.14 Assist the IPC CEO/Finance Director, upon request, on all finance issues including, but not limited to
- financial investment planning
  - hedging in relation to currency exchange risks
  - contracts with significant financial implications for the IPC.

- 1.2.15 Consider and, where appropriate, make recommendations to the IPC Governing Board on any financial matter that, in its view, may be of future significance to the IPC.

## **2. STRUCTURE**

### **2.1 Composition**

The AFC shall normally consist of up to six (6) members, including the position of Chairperson. The IPC Finance Director shall be an ex-officio member, with speaking rights only.

### **2.2 Staffing**

The AFC will be assigned a member of the IPC Management Team to assist in the work of the AFC.

### **2.3 Reporting**

- 2.3.1 The IPC Finance Director shall produce written reports/minutes of all AFC meetings for distribution to the IPC Governing Board and AFC members; all reports shall be archived at the IPC Headquarters. The Chairperson of the AFC shall approve the reports/minutes prior to distribution.

- 2.3.2 The CEO shall ensure that recommendations to the IPC Governing Board resulting from AFC meetings are included on the agenda of the IPC Governing Board and that the subsequent decisions from the IPC Governing Board are communicated to the members of the AFC.

- 2.3.3 The Chairperson of the AFC may be invited to attend the meetings of the IPC Governing Board and/or may be invited to give a verbal report at the meeting of the IPC Governing Board on a specific topic.



- 2.3.4 A report on the activities of the AFC will be developed by the Chairperson of the AFC and will be included in the overall biennial report to the IPC General Assembly.

### **3. MEMBERSHIP**

#### **3.1 Appointment of Members**

- 3.1.1 All members of the AFC shall be appointed by the IPC Governing Board, and their membership shall be ratified annually.

- 3.1.2 The Chairperson of the AFC shall be appointed by the IPC Governing Board. The AFC Chairperson shall inform the IPC Governing Board of any specific criteria to be considered by the IPC Governing Board when appointing members to the AFC; this to ensure the appropriate expertise is available.

#### **3.2 Process for Appointments**

- 3.2.1 The IPC Membership shall be invited to suggest candidates for consideration by the incoming IPC Governing Board as members of the AFC. Such invitations shall be sent by IPC to its members prior to the election of the IPC Governing Board.

- 3.2.2 In addition to considering candidates suggested by the IPC Membership, the IPC Governing Board may initiate an active search for suitable candidates to ensure the AFC includes the best-qualified individuals.

- 3.2.3 As soon as possible after its election, the IPC Governing Board shall first appoint the Chairperson of the AFC, and will then consider the AFC's further membership. The IPC Governing Board shall receive membership nominations from the Chairperson of the AFC.

#### **3.3 Terms of Office**

Members of the AFC shall normally serve for four (4) years corresponding to the term of office of the members of the IPC Governing Board. Members may be re-appointed to serve for a next term; there are no limitations to the number of terms members can be re-appointed to the AFC.



### **3.4 Vacancies**

Vacancies in the AFC occurring through resignation, death or any other reason shall be filled by appointment by the IPC Governing Board, following the nomination by the Chairperson of the AFC.

### **3.5 Substitutes**

No substitutes are allowed for members of the AFC.

## **4. MEETINGS**

4.1 The AFC will normally hold at least one (1) meeting per year. Any additional meetings must be approved by the IPC Governing Board, which shall normally delegate that authority to the CEO.

4.2 All meetings of the AFC must be conducted in compliance with the rules outlined in the IPC Standing Order 'The Conduct of IPC Committee Meetings'.

4.3 The IPC President and the CEO are ex-officio members at meetings of the AFC, with speaking rights only.

## **5. MOTIONS**

5.1 The AFC has the right to submit motions to the IPC General Assembly through the IPC Governing Board, and subject to compliance with the IPC Standing Order 'The Administrative Procedures to be followed prior to IPC General Assemblies'.

5.2 The IPC Governing Board may make further recommendations to the IPC General Assembly on all motions submitted by the AFC.

## **6. TERMINATION OF MEMBERSHIP**

6.1 Membership to the AFC may be terminated by the IPC Governing Board following the annual review of the appointments and/or following the recommendation of a two-thirds (2/3) majority of the full AFC, for reasons of not fulfilling his/her duties or any other serious breaches of IPC rules and regulations.



6.2 Any individual member of the AFC may resign at any time for personal reasons, subject only to the requirement that he/she informs the IPC President in writing of such decision.

**7. FINANCES**

**7.1 Annual Budget**

The Chairperson of the AFC will, in co-operation with the CEO, produce a budget for the AFC. The AFC budget will be included in the overall IPC Budget and submitted for approval to the IPC Governing Board and the IPC General Assembly in accordance with the IPC financial policies.

**7.2 Other Financial Regulations**

Any financial regulation for the AFC shall be in compliance with the financial procedures issued by IPC Headquarters from time to time.

**8. DISSOLUTION**

The AFC can only be dissolved by a decision of the IPC General Assembly.

**9. AMENDMENTS OF BYLAWS**

Any amendment proposed to the bylaws of the AFC shall be subject to approval by the IPC Governing Board.

