

Audit Committee Terms of Reference

Purpose

The purpose of the Audit Committee is to assist the Board of Education in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, risk assessment and mitigation strategies, internal and external audit functions and compliance matters.

Responsibilities

The Audit Committee will carry out the following responsibilities:

Financial Statements and Other Financial Information

The Audit Committee will:

- Review and recommend approval of the School District's annual audited financial statements to the Board of Education
- Review quarterly financial reports

Internal Control and Risk Management

The Audit Committee will understand the scope of the external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses. The Audit Committee will assess risk matters and determine the adequacy of risk mitigation strategies implemented by Management.

External and Internal Audit

The Audit Committee will:

- Recommend the appointment and compensation of the external auditor to the Board of Education
- Review the audit engagement letter
- Review and confirm the independence of the external auditors
- Ensure that direct and open communications exist among the audit committee, management and the external auditor
- Meet with the external auditor to review and approve the annual audit plan, including scope, materiality levels, areas of audit risk and timelines
- Receive and review the results of the annual financial statement audit including the post audit management letter together with management's responses
- Receive and review operational audit results
- Review the results of the internal audit of the elementary, middle and secondary schools' accounting records and processes
- Advise the Board of Education with respect to the plan, conduct and reporting of the annual external audit and the internal audit function

Compliance Matters

The Audit Committee will ensure that Management has the proper review system in place to ensure that the District's financial statements, reports and other financial information disseminated to the public and government organizations satisfy legal requirements.

Operational Review

- Receive and review data to ensure that programming is meeting desired outcomes
- Make recommendations on programming as it aligns with District goals

Membership

The Audit Committee will be comprised of the following members:

- Two (2) Trustees appointed by the Board Chair
- Up to three (3) community members with financial or business backgrounds determined by the Chair of the Audit Committee
- Superintendent, Secretary-Treasurer, Associate Secretary-Treasurer, and Director of Finance, Budgets and Financial Reporting

Meetings

The Audit Committee will meet at least twice a year, with authority to convene additional meetings, as circumstances require. The Audit Committee will invite auditors or others to attend meetings and provide pertinent information, as necessary. Meeting agendas will be prepared and provided in advance to members. Minutes will be prepared.

Reporting

The Audit Committee will report to the Operations Policy and Planning Committee with the exception of quarterly financial reports and audited financial statements which will be reported to the Board of Education.

Date Adopted: November 27, 2017