

## **Audit Committee Policy**

### **Policy 1130**

May 8, 2018

The Board of Education requires an Audit Committee to provide advice and recommendations related to the Board's oversight of the school district's finances.

An Audit Committee assists the Board of Education in fulfilling its governance and oversight responsibilities related to financial reporting, risk management, and the appointment, duties, and reporting of an external auditor.

All Audit Committee members shall commit to ethical conduct, proper use of authority, decorum, and professional conduct.

### **Guidelines**

1. For purposes of this Policy, the Audit Committee shall be comprised of three trustees, appointed by the Chair of the Board, assisted by the District's Secretary-Treasurer, Superintendent of Schools and a recording secretary.
2. The Chair of the Audit Committee shall be one of the trustee members, appointed by the Chair of the Board.
3. Any trustee may attend an Audit Committee meeting as a guest.
4. Minutes will be taken at the meeting - the deliberations of and information received by the Audit Committee will be treated as private and confidential.
5. The Audit Committee will:
  - 5.1 Oversee financial reporting including reviewing the annual audited financial statements before such statements are considered for formal approval by the Board of Education.  
The Audit Committee will:
    - 5.1.1 receive a presentation by the Secretary-Treasurer on the annual financial statements;
    - 5.1.2 receive a presentation from the external auditor on the Audit Report and any related findings;
    - 5.1.3 have the opportunity to discuss any matters related to accounting principles, practices and judgments with the external auditor.

- 5.2 Provide an opportunity for communication between Trustees, the external auditor and the school district's senior administration.
  - 5.3 Establish processes to identify, assess, communicate and manage risks faced by the school district.
  - 5.4 Make recommendations to the Board in response to any matters identified in any report made by the external auditor.
  - 5.5 Consider any financial risks that may affect financial reporting.
6. With respect to the external auditor, the Audit Committee will:
- 6.1 Recommend the appointment of, or continue the appointment of an external auditor in accordance with the School Act, Section 158.
  - 6.2 Review the independence of the external auditor to the school district, and the fees paid to the external auditor by the school district on an annual basis.
  - 6.3 Review with the external auditor the scope of their work, including determination of materiality, and areas, if any, of audit risk.
  - 6.4 Review with the external auditor any reports of their findings and any recommendations included in an auditor's management letter.
  - 6.5 Consider any other matters the external auditor may bring to the Audit Committee's attention.