

Appendix A

Audit committee

Purpose

To assist the Board and the Superintendent in fulfilling their oversight responsibilities for the financial reporting process, the system of internal control over financial reporting, the audit process (including Public Sector Accounting Standards (PSAS) compliance), and monitoring the Division's compliance with laws and regulations pertaining to the financial operations

1. Authority

- 1.1 The audit committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:
- 1.2 With the consent of the Board, retain outside counsel, accountants or others to advise the committee or assist in the conduct of an investigation;
- 1.3 Seek any information it requires from employees - all of whom are directed to cooperate with the committee's requests - or external parties; and
- 1.4 Meet with Division officers, external auditors or outside counsel

2. Meetings

- 2.1 The audit committee will meet at least once a year, with authority to convene additional meetings, as circumstances require.
- 2.2 All audit committee members are expected to attend each meeting, in person or via tele- or video-conference.
- 2.3 The audit committee will invite members of management, auditors or others to attend meetings and provide pertinent information, as necessary.
- 2.4 It may hold private meetings with auditors and executive sessions.
- 2.5 Minutes of meetings will be prepared.
- 2.6 Audit committee reports shall be provided at a meeting of the Board.
- 2.7 The Recording Secretary shall act as the Secretary to the audit committee.

3. Responsibility

The audit committee will carry out the following responsibilities:

- 3.1 Financial Statements
- 3.2 Review significant accounting and reporting issues, including complex or unusual transactions;
- 3.3 Review the results of the audit with management and the auditors, including any difficulties encountered;
- 3.4 Review the annual financial statements and consider whether they are complete, consistent with the information known to committee members, and reflect appropriate accounting principles;
- 3.5 Review all matters required to be communicated to the Board with management and the auditors.

4. Internal Control

- 4.1 Consider the effectiveness of the Division's internal controls over annual reporting, including information technology security and control; and,
- 4.2 Understand the scope of the auditor's review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.
- 4.3 Audit
- 4.4 Review the auditor's proposed audit scope and approach

- 4.5 Review the performance of the auditors, and provide a recommendation to the Board for final approval on the appointment or discharge of the auditors;
 - 4.6 Review and confirm the independence of the auditors by obtaining statements from the auditors on relationships between the auditors and the Division, including non-audit services, and discussing the relationship with the auditors; and,
 - 4.7 On a needs basis, meet separately with the auditors to discuss any matters that the audit committee or auditors believe should be discussed privately.
- 5. Compliance**
- 5.1 Review the findings of any examinations by regulatory agencies, and any audit observations; and
 - 5.2 Obtain regular updates from management and company legal counsel regarding compliance matters.
- 6. Membership**
- 6.1 The audit committee shall consist of 3 trustees, one (1) of whom shall act as Chair of the audit committee; and
 - 6.2 Two (2) members of the general public, who are members of the business community, who are independent to the Division, have no relationship to the audit firm, and who are financially literate. A member of the business community, and a member of the adult learning community neither can be a trustee (Section 143 (2a,b) Education Act)
- 7. Compliance**
- 7.1 Review the findings of any examinations by regulatory agencies, and any audit observations; and
 - 7.2 Obtain regular updates from management and company legal counsel regarding compliance matters.
- 8. Compensation**
- 8.1 External committee members will receive per diem at the board approved rate as per board policy 8 clause 10(1)(b) and appendix C(2,3, and 5).
- 9. Code of Conduct - Public Members**
- 9.1 Devote time, thought and study to the duties of a public member so that they may render effective and creditable service.
 - 9.2 Work with their fellow committee members in a spirit of harmony and cooperation in spite of differences of opinion that arise during vigorous debate of points of issue.
 - 9.3 Consider information received from all sources and base personal decisions upon all available facts in every case; un-swayed by partisan bias of any kind, and thereafter, abide by and uphold the final majority decision of the committee.
 - 9.4 Work together with fellow committee members to communicate to the Board all the facts.
 - 9.5 Remember at all times that individual committee members have no legal authority outside those delegated by the Board, and therefore relationships with schools' staff, the community, and all media of communication is to be conducted through the Board.

- 9.6 Resist every temptation and outside pressure to use the public member position to benefit either oneself or any other individual or agency apart from the total interest of the Division.
- 9.7 Bring to the committee your perspective as a stakeholder with respect to committee work.
- 9.8 Provide effective public member service to the community in a spirit of teamwork and devotion to public education as the greatest instrument for the preservation and perpetuation of our representative democracy.
- 9.9 Represent the committee responsibly in all committee related matters with proper decorum and respect for others.
- 9.10 Represent the needs of the community to the committee and the committee's actions to the Board.
- 9.11 Declare any conflict of interest between personal life and the position on the committee and remove oneself from voting when appropriate.
- 9.12 Respect the confidentiality appropriate to issues of a sensitive nature.

10. Sanctions for Public Members

- 10.1 A public member found to be in violation of the Code of Conduct, may be subject to removal from the committee.
- 10.2 Removal from the committee would be a decision by the Board, upon the recommendation of the majority of trustee members of the committee.
- 10.3 The decision of the Board to remove a public member is final.