



AUDIT COMMITTEE	
Committee Type:	Statutory
Membership:	Elected members: Three (3) Trustees Non-elected members: Two External Members as prescribed by Ontario Regulation 361/10
Election of Committee Chair and Vice-Chair:	Election to be held at the first meeting of the Committee after the Inaugural Meeting or the Organizational Meeting of the Board. Both elected and non-elected members are eligible for these positions.
Term of Appointment:	Trustee Members Appointed for One-Year Term at the Board's Organizational Meeting. Non-elected Members are Appointed for a Three-Year Term and are not to serve more than two consecutive terms, unless no other suitable candidates are found, as prescribed by Ontario Regulation 361/10 Section 3(1)2.
Quorum Requirement:	A majority of members, including at least one non-elected member
Meeting Frequency:	At least three (3) meetings per school year
Reporting Structure:	Reports directly to the Board of Trustees
Administrative Responsibility:	Director of Education
Applicable Legislation/Policies:	Ontario Regulation 361/10 Internal Audit Charter
Board Resolutions:	Established by: Amended by:
Approval Date/Last Update:	



AUDIT COMMITTEE MANDATE

- to assist Board Members to fulfill their oversight responsibilities as they relate to the financial reporting process and the internal structure and to maintain, by way of regularly scheduled meetings, direct lines of communication among Board Members, financial management, and internal and external auditors
- to review an annual report regarding Municipal Freedom of Information and Protection of Privacy Requests submitted to DSB1
- to ensure the Committee's deliberations and recommendations are undertaken with integrity and in compliance with its obligations under the Ontario Human Rights Code and related policies
- The Audit Committee has the following duties related to the Board's financial reporting process:
 - Review with the Director of Education, the Superintendent of Business and the external auditor the Board's financial statements, with regard to the following:
 - Relevant accounting and reporting practices and issues.
 - Complex or unusual financial and commercial transactions of the Board.
 - Material judgments and accounting estimates of the Board.
 - Any departures from the accounting principles published from time to time by the Canadian Institute of Chartered Accountants that are applicable to the Board.
 - Review with the Director of Education, the Superintendent of Business and the external auditor, before the results of an annual external audit are submitted to the Board:
 - The results of the annual external audit.
 - Any difficulties encountered in the course of the external auditor's work, including any restrictions or limitations on the scope of the external auditor's work or on the external auditor's access to required information.
 - Any significant changes the external auditor made to the audit plan in response to issues that were identified during the audit.
 - Any significant disagreements between the external auditor and the Director of Education or the Superintendent of Business and how those disagreements were resolved.
 - Review the Board's annual financial statements and consider whether they are complete, are consistent with any information known to the Audit Committee members and reflect accounting principles applicable to the Board.
 - Recommend, if the Audit Committee considers it appropriate to do so, that the Board approve the annual audited financial statements.
 - Review with the Director of Education, the Superintendent of Business and the external auditor all matters that the external auditor is required to communicate to the Audit Committee under generally accepted auditing standards.
 - Review with the external auditor material written communications between the external auditor and the Director of Education or the Superintendent of Business
 - Ask the external auditor about whether the financial statements of the Board's reporting entities, if any, have been consolidated with the Board's financial statements.
 - Ask the external auditor about any other relevant issues (O. Reg. 361/10, s. 9 (1)).
- The Audit Committee has the following duties related to the Board's internal controls:
 - Review the overall effectiveness of the Board's internal controls.
 - Review the scope of the internal and external auditor's reviews of the Board's internal controls, any significant findings and recommendations by the internal and external auditors and the responses of the Board's staff to those findings and recommendations.
 - Discuss with the Board's officials the Board's significant financial risks and the measures the officials have taken to monitor and manage these risks (O. Reg. 361/10, s. 9 (2)).



- The Audit Committee of a Board has the following duties related to the Board's internal auditor:
 - Review the internal auditor's mandate, activities, staffing and organizational structure with the Director of Education, the Superintendent of Business and the internal auditor.
 - Make recommendations to the Board on the content of annual or multi-year internal audit plans and on all proposed major changes to plans.
 - Ensure there are no unjustified restrictions or limitations on the scope of the annual internal audit.
 - Review at least once in each fiscal year the performance of the internal auditor and provide the Board with comments regarding his or her performance.
 - Review the effectiveness of the internal auditor, including the internal auditor's compliance with the document International Standards for the Professional Practice of Internal Auditing, as amended from time to time, published by The Institute of Internal Auditors and available on its website.
 - Meet on a regular basis with the internal auditor to discuss any matters that the Audit Committee or internal auditor believes should be discussed.
 - Review with the Director of Education, the Superintendent of Business and the internal auditor:
 - Significant findings and recommendations by the internal auditor during the fiscal year and the responses of the Board's staff to those findings and recommendations.
 - Any difficulties encountered in the course of the internal auditor's work, including any restrictions or limitations on the scope of the internal auditor's work or on the internal auditor's access to required information.
 - Any significant changes the internal auditor made to the audit plan in response to issues that were identified during the audit (O. Reg. 361/10, s. 9 (3)).
- The Audit Committee has the following duties related to the Board's external auditor:
 - Review at least once in each fiscal year the performance of the external auditor and make recommendations to the Board on the appointment, replacement or dismissal of the external auditor and on the fee and fee adjustment for the external auditor.
 - Review the external auditor's audit plan, including:
 - The external auditor's engagement letter.
 - How work will be co-ordinated with the internal auditor to ensure complete coverage, the reduction of redundant efforts and the effective use of auditing resources.
 - The use of independent public accountants other than the external auditor of the Board.
 - To review and confirm the independence of the external auditor.
 - Meet on a regular basis with the external auditor to discuss any matters that the Audit Committee or the external auditor believes should be discussed.
 - Resolve any disagreements between the Director of Education, the Superintendent of Business and the external auditor about financial reporting.
- The Audit Committee has the following duties related to the Board's compliance matters:
 - Review the effectiveness of the Board's system for monitoring compliance with legislative requirements and with the Board's policies and procedures, and where there have been instances of non-compliance, to review any investigation or action taken by the Board's Director of Education, supervisory officers or other persons employed in management positions to address the non-compliance.
 - Review any significant findings of regulatory entities, and any observations of the internal or external auditor related to those findings.
 - Review the Board's process for communicating any codes of conduct that apply to Board members or staff of the Board to those individuals and the Board's process for administering those codes of conduct.
 - Obtain confirmation by the Board's Director of Education and supervisory officers that all statutory requirements have been met (O. Reg. 361/10, s. 9 (5)).



District School Board Ontario North East

- The Audit Committee has the following duties related to the Board's risk management:
 - Ask the Board's Director of Education, the Superintendent of Business, the internal auditor and the external auditor about significant risks, to review the Board's policies for risk assessment and risk management and to assess the steps the Director of Education and the Superintendent of Business have taken to manage such risks, including the adequacy of insurance for those risks.
 - Initiate and oversee investigations into auditing matters, internal financial controls and allegations of inappropriate or illegal financial dealing (O. Reg. 361/10, s. 9 (6)).
- The Audit Committee of the Board shall report to the Board annually and at any other time that the Board may require a report on the Committee's performance of its duties (O. Reg. 361/10, s. 9 (7)).