Revised September 2026

AUDIT COMMITTEE: TERMS OF REFERENCE

Role:

The audit committee supports the Board of Trustees in carrying out its oversight responsibilities related to the financial reporting process, the system of internal controls over financial reporting, and the audit function, including compliance with *Public Sector Accounting Standards* (PSAS). In doing so, the Committee assists the Board in fulfilling its fiduciary obligations under the *Education Act* and the Board's Fiscal Stewardship Policy.

Authority:

The Audit Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility as delegated by the Board of Trustees. It is empowered to:

1. With the consent of the Board of Trustees, retain outside counsel, accountants or others to advise the committee or assist in the conduct of an investigation;

2. Seek any information it requires from employees – all of whom are directed to cooperate with the committee's requests – or external parties; and

3. Meet with division officers, external auditors or outside counsel, as necessary.

The committee does not exercise operational authority and shall not direct the day-to-day activities of administration.

Composition:

The audit committee will consist of the following members:

1. Vice Chair of the Board, who will serve as committee chair

2. Two (2) trustees of the Board

3. Two (2) public members who are not employees

The Superintendent, Secretary Treasurer, and other members of senior administration may attend the audit committee meetings at the committee's discretion.

The two (2) public members must not be trustees of the Board, must be independent to the division, must be financially literate and have no relationship to the audit firm. This appointment will be for a two-year term and may be reappointed once by the Board of Trustees (total four (4) years) without advertisement.

Appointment of Public Members:

The trustees on the audit committee shall make a recommendation to the Board concerning the appointment of the public members. The Board shall approve the public members. In the event a public member is unable to complete their two-year term, the committee shall immediately begin a search for a new public member.

Meetings:

The audit committee will meet at least two (2) times per year, with authority to convene additional meetings, as circumstances require. All committee members are expected to attend each meeting. The audit committee will invite members of management, auditors, or others to attend meetings and provide pertinent information, as necessary. It shall hold private meetings with auditors and management.

Minutes of meetings will be prepared. Audit committee reports shall be provided at a meeting of the Board of Trustees.

Compensation:

The audit committee members shall be compensated as follows:

Public member	$90 for meetings four (4) hours or less $160 for meetings over four (4) hours

Responsibility:

The function of the audit committee is to help the auditors to remain independent of management and to support the Board in exercising effective financial oversight. The audit committee will carry out the following responsibilities:

Financial Statements and Annual Audit:

a) Recommend external auditors to the Board;
b) Review the auditor's proposed audit scope and approach;
c) Review the annual financial statements, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles;
d) Review with management and the auditors all matters required to be communicated to the Board of Trustees;
e) Review with management and the auditors the results of the audit, including any difficulties encountered, including internal and external school audits;
f) Provide a recommendation to the Board of Trustees regarding the appointment or discharge of the auditors;
g) Review and confirm the independence of the auditors by obtaining statements from the auditors on relationships between the auditors and the school division, including non-audit services, and discussing the relationship with the auditors; and,
h) Meet separately from management, with the auditors to discuss any matters that the audit committee or auditors believe should be discussed privately.

Internal Control:

1. Review and monitor the effectiveness of the division's internal controls over annual reporting, including information technology security and control, while recognizing that the internal controls are implemented by administration and overseen by the Board.

2. Understand the scope of auditor's review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

Fraud and Irregularities:

1. Receive reports, where appropriate, regarding significant financial irregularities, fraud investigations, or matters reported under the Board's Public Interest Disclosure (Whistleblower Protection) Policy that relate to financial oversight.

References **Section 142, *Education Act***