

<i>Rainy River District School Board</i>	SECTION 1 <i>Governance</i>
AUDIT COMMITTEE	1.19

POLICY

The Rainy River District School Board will maintain an Audit Committee to ensure that appropriate systems and controls are in place and monitored to manage risk.

RATIONALE

The Rainy River District School Board recognizes the need to assess and mitigate risks and to seek opportunities associated with implementing the Strategic Plan of the Board.

IMPLEMENTATION – As per Ontario Regulation 361/10.

GUIDELINES

1.0 Committee Composition and Tenure

1.1 The Committee will be composed of four members, two Board members and two external members, appointed by the Board of Trustees.

1.2 The members will elect the Chair of the Committee annually from among the members on the Committee.

1.3 Board Members will be appointed for a four-year term, which may be renewed at the discretion of the Board.

External members will be appointed for a three-year term and may serve two consecutive terms.

1.4 When a Committee member’s term expires, they will continue to be a member until a successor is appointed.

1.5 At the annual meeting of the Audit Committee, every member will submit a written declaration of any conflict of interest to the Chair of the Committee. Should a conflict of interest later arise, the conflict will be immediately disclosed and followed up in writing to the Chair.

1.6 A Committee member shall vacate their position:

- if convicted of an indictable offence;
- if absent from two consecutive regular meetings of the Committee without

- Committee authorization;
 - if the external member becomes an employee or officer of the Board or of any other Board, or;
 - if discovered to have had an undisclosed conflict of interest at the time of appointment.
- 1.7 The Committee will meet at least three times in each fiscal year. Committee members will be reimbursed for travel as per Board policy.

2.0 Committee Authority

- 2.1 The Committee has the authority to:
- Retain counsel, accountants or other professionals to advise or assist the Committee, with the prior approval of the Board of Trustees;
 - Use staff resources consistent with regular administrative support for other committee meetings;
 - Meet independently with the organization's External Auditor, Internal Auditor, or any staff member, without the presence of other Board staff or Board members;
 - Require internal or external auditors to provide reports to the Committee and to access all records that were examined by the internal or external auditors.

3.0 Audit Committee Responsibilities

- 3.1 The Audit Committee is responsible for:
- reviewing the audited financial statements
 - reporting annually to the Board of Trustees
 - reporting on administrative compliance to internal controls
 - reviewing the performance of the Internal Auditor
 - providing options for the Board regarding the selection of External Financial Auditor
 - recommending the scope of an audit and providing an opinion as to whether the independent audit of the organization was performed in an appropriate manner
 - following up on past audit recommendations
 - providing advice to the Board regarding compliance with legislative requirements and with respect to its policies, particularly policies focused on conduct and risk management
 - advising the Board on significant new developments in accounting principles or relevant rulings of regulatory bodies that affect the Board

4.0 Investigation

- 4.1 The Audit Committee will investigate any issue or activity, including but not limited to auditing matters, internal financial controls, allegations of inappropriate or illegal financial dealing, illegal acts, fraud, misuse of resources, abuse, or ethics violations.

Definitions:

External members are persons who are not Board members or employees of the Board.

<p><u>CROSS REFERENCE</u></p> <p>Policies:</p> <ul style="list-style-type: none"> • 1.07 The Role of the Board • 1.42 Board & Committee Members Attending Meetings Electronically • 1.75 Risk Appetite • 3.86 Employee Code of Conduct • 8.22 Board Expenses <p>Procedures:</p> <ul style="list-style-type: none"> • 3.86 Employee Code of Conduct <p>Additional:</p> <ul style="list-style-type: none"> • Audit Committee Terms of Reference 	<p><u>Date Approved</u></p> <p>September 7, 2021</p> <p><u>Board Motion</u> 195</p> <p><u>Review Prior to</u> 2026</p>	<p><u>LEGAL/MINISTRY OF EDUCATION REFERENCE</u></p> <p>Ontario Regulation 361/10</p>
---	--	--