

Status: Standing Committee

Purpose (Finance):

- To provide advice to the Board with respect to all Finance matters.
- To recommend actions/decisions to the Board for approval on financial matters.

Responsibilities (Finance):

- I. Oversee the development of and recommend the annual operating and capital budgets to the Board.
- II. Monitor and report on the annual operating and capital budgets and recommend revisions.
- III. Review and recommend financial policies to the Board.

Purpose (Audit):

- To serve as the Audit Committee of Annapolis Valley Regional School Board in accordance with Section 85A of the *Education Act*, and the related regulations.
- To monitor the internal controls over its operations, the internal audit plan, the financial reporting process and the Board's Risk Management Plan.
- To oversee the work of the external auditors and the external audit plan.

Responsibilities (Audit):

- I. Perform the duties of an Audit Committee as set out in Regulation 64(2) of the *Education Act*.
- II. Specific responsibilities include:

Financial Statements

- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- Review annual financial statements, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles.
- Review with management and the external auditors all matters required to be communicated to the Committee under generally accepted auditing standards.
- Understand how management develops interim financial information, and the nature and extent of internal and external auditor involvement.

Internal Control

- Consider the effectiveness of the Board's internal control over annual and interim financial reporting, including information technology security and control.
- Understand the scope of the external auditor's review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's response.

External Audit

- Review the performance of the external auditors, and make recommendations to the Board on the appointment or discharge of the auditors.
- Meet separately with the auditors without Financial Management staff present to discuss any matters that the Committee or auditors believe should be discussed privately.

Compliance

- Review the findings of any examinations by regulatory agencies, and any auditor observations.

Finance and Audit Committee Terms of Reference

- Obtain regular updates from management regarding compliance matters.

Risk Management

- Provide oversight to the Board's process to identify, assess, manage and mitigate risks with particular attention to areas of financial risk.

Procedures:

- In accordance with the *Education Act*, Finance and Audit Committee meetings will be open to the public.
- In accordance with the Board By-laws, Kerr/King Rules of Order will be used to conduct the business and a quorum will represent a majority of Board members serving on the Finance and Audit Committee at the time.
- Confidential documents which are circulated for review and/or exploration at Committee meetings will be returned by members prior to the end of the meeting.

Membership:

- Board members to be duly appointed by the selection process in the Board By-laws and comprise the following membership:
 - Membership will be in accordance with the Board By-laws.
 - The Chair and Vice Chair of the Board are ex-officio (non-voting) members unless they are serving as regular voting members.
 - The Chair and Vice Chair of the Committee shall be elected at the first meeting of the Committee following the approval of the Nominating Committee Report.
- Staff membership to include:
 - The Superintendent of Schools is an ex-officio (non-voting) member of the Committee.
 - The Director of Finance will coordinate the work of the Committee.
 - The Executive Assistant to the Director of Finance is the Recording Secretary for the Committee.
 - Other staff may attend when appropriate.

Reporting:

- The Director of Finance and the Executive Assistant to the Director of Finance in consultation with the Committee Chair will prepare the agenda for prior circulation to all Board members, the Regional Education Officer, and appropriate staff.
- Minutes will be recorded and circulated to all Board members, the Regional Education Officer and appropriate staff.
- Personnel and negotiation issues will be deemed to be private session issues for discussion of the Committee.
- The meeting agenda will separate the finance and audit items for greater clarity.
- Agendas and minutes will be posted to the Board website by the Board Secretary.
- The Committee Chair will provide a monthly report at regular Board meetings.

Meeting Dates:

- Meetings will be held monthly.
- Special meetings may be called by the Committee Chair when necessary.