

### **Audit Committee Community Members Assessment Form**

The following questionnaire will assist in the self-assessment of the audit committee's (AC) Community Members' performance. The questionnaire should take less than 30 minutes to complete. When completing the performance evaluation, you may wish to consider the following process:

- Select a coordinator (perhaps the chair of the AC) and establish a timeline for the process.
- You may consider asking individuals who interact with the Audit Committee's Community Members (Regional Internal Audit Manager, Director of Education, Chief Financial Officer, etc.) to also complete the assessment.
- Ask each audit committee Board Member to complete an evaluation by selecting the appropriate response below.
- Consolidate the results into a summarized document for discussion and review by the committee.

If the answer is "Yes" for some criteria and "No" for others, check the box "No" and include comments for those criteria that were not met below each category.

<b>1. QUALIFICATIONS</b>	Yes	No
<ul style="list-style-type: none"> <li>• Has appropriate sector knowledge and diversity of experiences and backgrounds</li> <li>• Demonstrates integrity, credibility, trustworthiness, active participation, an ability to handle conflict constructively, strong interpersonal skills, and the willingness to address issues proactively</li> <li>• Meets all applicable independence and conflict of interest requirements</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Feedback/Comments:</b>    		

<b>2. UNDERSTAND AND FOLLOW PROCESSES AND PROCEDURES</b>	Yes	No
Community Members understanding the following: <ul style="list-style-type: none"> <li>• Adequate minutes and report of proceedings to the Board of Trustees</li> <li>• Quorum</li> <li>• Well prepared members</li> <li>• Conducted effectively, with sufficient time spent on significant or emerging issues</li> <li>• Respect the line between oversight and management</li> <li>• Separate (in camera) sessions with management, internal and external auditors as required</li> <li>• Contributed recommendations for the Board of Trustees to adopt and/or approve</li> <li>• Feedback to the Board of Trustees regarding their interactions with senior management, internal audit and external audit</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
Community Members are appropriately planned/prepared due to the following: <ul style="list-style-type: none"> <li>• Preparation of an annual calendar to guide meeting discussions</li> <li>• Agenda and related materials are circulated in advance of meetings</li> <li>• Held with enough frequency to fulfill the audit committee's duties</li> <li>• Contributed to the audit committee agenda items for review and discussion</li> <li>• Written materials and verbal content provided to/and from the audit committee are relevant and concise</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Feedback/Comments:</b>    		

3. UNDERSTANDING OF THE BOARD, INCLUDING RISKS	Yes	No
<ul style="list-style-type: none"> <li>Has general knowledge about operating risks and risk appetite of the Board of Trustees (e.g. Regulatory requirements, Ministry of Education compliance rules, financing and liquidity needs, school board's reputation, senior management's capabilities, fraud control, school board pressures such as "tone at the top")</li> <li>Reviews the process implemented by management to effectively identify and assess significant risks, and assessed the steps taken to control such risks</li> <li>Reviews the Regional Internal Audit Team's risk assessment and understands the identified risks</li> <li>Considers the school board's performance versus that of comparable school boards in a manner that enhances risk oversight (particularly where significant differences are noted)</li> <li>Takes appropriate action (such as requesting and overseeing special investigations) where information was received that would lead you to believe that a fraudulent or unusual activity has taken place</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Feedback/Comments:</b>          		

4. OVERSIGHT OF FINANCIAL REPORTING PROCESS, INCLUDING INTERNAL CONTROLS	Yes	No
Reviews the financial statements for the following: <ul style="list-style-type: none"> <li>Completeness and accuracy</li> <li>Significant accounting policies followed by the board</li> <li>Quality, appropriateness and transparency of note disclosures</li> <li>Identification of related-party transactions</li> <li>Adjustments to the statements that resulted from the external audit</li> <li>Recommendation to the Board of Trustees for their approval</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Is consulted when management is seeking a second opinion or disagrees with the external auditor on an accounting or auditing matter. In the case of a disagreement, the audit committee leads the parties toward resolution</li> <li>Receives sufficient information to assess and understand management's process for evaluating the school board's system of internal controls (environment, risk assessment, information system, control activities, monitoring)</li> <li>Receives sufficient information to understand the internal control testing conducted by the internal auditors and the external auditors to assess the process for detecting internal control issues or fraud. Any significant deficiencies or material weaknesses that are identified are addressed, reviewed, and monitored by the audit committee</li> <li>Recommends to the Audit Committee that management takes action to achieve resolution when there are repeat comments from auditors, particularly those related to internal controls</li> <li>Makes inquiries of the external auditors, internal auditors, and management on the depth of experience and sufficiency of the school board's accounting and finance staff</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Feedback/Comments:</b>          		

## APPENDIX B

<b>5. OVERSIGHT OF INTERNAL AUDIT AND EXTERNAL AUDIT FUNCTIONS:</b>	Yes	No
Understands the coordination of work between the external and internal auditors and clearly articulates its expectations of each.	<input type="checkbox"/>	<input type="checkbox"/>
<b>INTERNAL AUDIT:</b> <ul style="list-style-type: none"> <li>Reviews the annual and multi-year internal audit plans and makes recommendations for adjustments when appropriate</li> <li>Regularly reviews the internal audit function (e.g. independence, the mandate, activities, structure, budget, compliance with IIA standards and staffing)</li> <li>The internal audit reporting lines established with the audit committee promote an atmosphere where significant issues that might involve management will be brought to the attention of the audit committee</li> <li>Ensures that there are no unjustified restrictions or limitations on the scope of any internal audit</li> <li>Reviews significant internal audit findings, management's action plans to address these findings and the status of action plans presented in earlier meetings</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Feedback/Comments:</b>		
<b>EXTERNAL AUDIT:</b> <ul style="list-style-type: none"> <li>Reviews the annual external audit plan and provides recommendations, as necessary</li> <li>Oversees the role of the external auditors from selection to termination and has an effective process to evaluate their independence, qualifications and performance</li> <li>Reviews management's representation letters to the external auditors, including making inquiries about any difficulties in obtaining them</li> <li>Reviews significant external audit findings, management's action plans and the status of action plans presented in earlier meetings</li> <li>Reviews and makes recommendations to the board on the audit fees paid to the external auditors</li> <li>Reviews other professional services that relate to financial reporting (e.g., consulting, legal, and tax strategy services) provided by outside consultants</li> <li>Recommends to the Audit Committee and oversees a policy regarding the permissible (audit and non-audit) services that the external auditors may perform and considers the scope of the non-audit services provided</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Feedback/Comments:</b>		
<b>6. ETHICS, COMPLIANCE &amp; MONITORING</b>	Yes	No
<ul style="list-style-type: none"> <li>Reviews the school board's system for monitoring compliance and reviews any action taken by the board to address non-compliance (compliance with regulatory agencies, Ministry of Education, etc.)</li> <li>Performs an adequate review of any findings of examinations by regulatory agencies or the Ministry of Education</li> <li>Reviews management's procedures for enforcing the school board's code of conduct</li> <li>Oversees the school board's whistleblower process and understands the procedures to prohibit retaliation against whistleblowers</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Feedback/Comments:</b>		