



District of West Vancouver

Terms of Reference – Audit Committee 02-30-331

Effective Date: May 16, 2011

Consolidated for Convenience Only

For convenience, the original policy (or “parent policy”) has been updated to include the amendments. This consolidation is for convenience only; the original policy and amendments should be consulted for all interpretations and applications of the policy.

Original Policy 02-30-331	Effective Date May 16, 2011
Amendment Policy 02-30-331	Effective Date May 25, 2015
Amendment Policy 02-30-331	Effective Date June 6, 2016

Dates of amendments to the original policy are shown in the margin of this consolidation.

District of West Vancouver CORPORATE POLICY

Financial Services Division	Council Committee Terms of Reference
Policy 02-30-331	
CIS File: 0116-20-FIN	
Audit Committee	

Purpose

- 1.0** The Audit Committee is a committee comprised of Council members, pursuant to the *Community Charter* section 170, which provides oversight of the annual audited financial statements, internal controls and the external auditors.

Amended
May 25, 2015

Policy

2.0 Duties and Responsibilities

2.1 Audited Financial Statements

The Audit Committee will:

- i) review and recommend for approval the annual audited financial statements;
- ii) review the appropriateness and validity of fundamental assumptions and estimates and report exceptions to Council;
- iii) review and recommend for approval any changes to existing accounting policies or transactions that impact the financial statements in a significant manner;
- iv) review the evaluation of the system of internal controls, procedures and documentation and report exceptions to Council;
- v) review the status of outstanding litigation; and
- vi) review the Management Letter containing any findings or recommendations, including management's response and subsequent follow-up.

2.2 External Audit

The external auditor is accountable to Council and the Audit Committee.

The Audit Committee will:

- i) review the appointment of the external auditor; assessing performance and recommending appointment or re-appointment of the external auditor;
- ii) receive assurance from the external auditor on the independence of the external auditor;
- iii) review the plans and conduct of the annual external audit, including, but not limited to:
 - i. the engagement letter;
 - ii. procedures to review the internal controls and management estimates;
 - iii. materiality limit;
 - iv. areas of financial risk identified by the auditor; and
 - v. proposed fees.

2.3 Other

On an annual basis, the Audit Committee will:

- i) review the terms of reference for the Audit Committee;
- ii) review policies relevant to the Audit Committee's functional responsibility;
- iii) review the need for an internal audit function; and
- iv) provide input to the Chief Administrative Officer on the performance of the Director of Financial Services.

Amended
May 25, 2015

Amended
June 6, 2016

3.0 Membership

All members of Council; the Chairperson to be recommended by the Mayor and approved by the Committee.

4.0 Meeting Schedule

Amended
May 25, 2015

Once per year or as determined by the Committee.

5.0 Rules of Procedure

Amended
May 25, 2015

Meetings shall be conducted in accordance with the General Council Committees Policy, the Council Procedure Bylaw and the *Community Charter*.

6.0 Support Services

A designated staff person will provide committee support services including agendas and minutes. Professional staff support is to be provided from the Financial Services Division and other departments as necessary.

7.0 Policy Approvals, Reviews, Amendments

To be made by Council and the Chief Administrative Officer.

Approval Date: May 16, 2011 <i>(original policy approved on May 16, 2011 in #455227)</i>	Approved by: Mayor and Council
Amendment Date: May 25, 2015	Approved by: Mayor and Council
Amendment Date: June 6, 2016	Approved by: Mayor and Council

Audit Committee Terms of Reference Policy 02-30-331 Amendment History

May 16, 2011: New terms of reference approved by Council.

Council report in eDocs 463272.

Terms of reference in eDocs 455227 (former Audit Committee terms of reference Policy 02-10-302 rescinded by Council on May 16, 2011).

May 25, 2015: Amendment approved by Council.

Council report in eDocs 939622.

Proposed amendments in eDocs 935471.

A summary of the amendments follows:

Section 1.0 – Purpose

- Information added relative to the committee’s membership composition
- Text removed in the first sentence, “The Audit Committee is a Standing Committee of Council” replaced by added text, “The Audit Committee is a committee comprised of Council members, pursuant to the *Community Charter* section 170”.

Section 2.3 – Other

- In subsection iv): “Director, Financial Services” replaced with Chief Financial Officer”.

Section 4.0 – Meeting Schedule

- Meeting schedule changed from once per quarter to once per year.

Section 5.0 – Rules of Procedure

- “Committee” was made plural and “Community Charter” was italicized.

June 6, 2016: Amendment approved by Council.

No Council report; Policy with proposed amendment only, in eDocs 1126584.

Amendments incorporated into consolidated terms of reference in eDocs 1116778.

One amendment as follows:

Section 2.3 – Other

- In subsection iv): “Chief Financial Officer” replaced with “Director of Financial Services”.