

The Regional Municipality of York

Audit Committee
January 20, 2022

Report of the Director, Audit Services

Audit Committee Charter Review

1. Recommendations

Regional Council approve the revised Audit Committee Charter, Attachment 1.

2. Summary

To obtain Regional Council approval to amend the Audit Committee Charter, which currently requires Regional Council to review and assess the adequacy of the Charter every term of Council. Additionally, the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing (the IIA Standards) require this review on a periodic basis.

3. Background

Charter review is due for this term of Council

The Audit Committee Charter was last reviewed and updated in June 2017. At that time, Regional Council approved two minor administrative changes to Section 3 – Composition and Section 5.8 – Other Responsibilities.

4. Analysis

Revised wording to provide clarity

Audit Services is recommending that wording be amended in Section 5.3 – Audit Services Branch, to provide clarity around the Audit Committee's role in ensuring Audit Services' ability to fulfill its mandate.

In the current wording under Section 5.3, the second responsibility of the Audit Committee with respect to oversight of the Audit Services branch is to:

- *Ensure there are no unjustified restrictions or limitations, and review and concur in the appointment, replacement, or dismissal of the Director, Audit Services.*

This statement combines two distinct and separate responsibilities; accordingly, Audit Services recommends that this statement be removed and replaced by two separate statements as follows:

- *Ensure full, free, and unrestricted access to any and all of the Region's records, physical properties, and personnel pertinent to carrying out any engagement.*
- *Review and concur in the appointment, replacement, or dismissal of the Director, Audit Services.*

5. Financial

There are no financial implications associated with this report.

6. Local Impact

Through the Audit Committee Charter, Regional Council is demonstrating its effective discharge of its oversight responsibilities for financial reporting processes, the systems of internal controls, and the internal and external audit functions.

7. Conclusion

The Audit Committee Charter reconfirms that the practices currently being exercised by the Audit Committee are adequate. These practices include oversight responsibilities for the financial reporting processes, the systems of controls, and internal and external audit functions.

For more information on this report, please contact Michelle Morris, Director Audit Services at 1-877-464-9675 ext. 71205. Accessible formats or communication supports are available upon request.

ORIGINAL SIGNED

Recommended by:

Michelle Morris
Director, Audit Services

January 11, 2022
Attachments (1)
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