

## Audit Committee: Terms of Reference Amendments

Type	Previous Terms of Reference	Proposed Amendments
Format (sub-heading)	<ol style="list-style-type: none"> <li>1. Alignment with Corporate Strategic Plan</li> <li>2. Heritage Newmarket Committee Mission</li> <li>3. Governance (Roles, Responsibilities, Assignment)</li> <li>4. Term</li> <li>5. Recruitment</li> <li>6. Work Plan</li> <li>7. Support Services</li> <li>8. Program Budget</li> <li>9. Meetings.</li> </ol>	<ol style="list-style-type: none"> <li>1. Name</li> <li>2. Reports to</li> <li>3. Status</li> <li>4. Established</li> <li>5. Enabling Legislation/ Authorizing By-law</li> <li>6. Mandate</li> <li>7. Deliverables</li> <li>8. Strategic Plan Linkages</li> <li>9. Committee Composition and Staff Resources</li> <li>10. Qualifications</li> <li>11. Frequency of Meetings</li> <li>12. Budget Consideration</li> <li>13. Work Plan</li> <li>14. Remuneration</li> <li>15. Term of Office</li> <li>16. Committee Review/ Sunset Date</li> </ol>
Mission/ Mandate	The primary function of the Audit Committee is to assist the Council in maintaining the financial integrity of the municipality as outlined in the roles and responsibilities within the Committee Mandate	<p>The Audit Committee shall assist the Council in maintaining the financial integrity of the municipality.</p> <p>The Committee will be responsible for the following:</p> <ul style="list-style-type: none"> <li>• To provide advice and recommendations to Council on the financial control framework including financial policies, information systems integrity, approval of budgets and safeguard of assets.</li> <li>• To provide advice and recommendations to Council on the appointment of the External Auditor, the scope of the audit, the annual report and management letter of the External Auditor.</li> <li>• To make recommendations with respect to the performance of the Internal Auditor and to provide comment and advice on the recommendations of the Internal Auditor respecting internal financial control.</li> <li>• To provide advice and recommendations to Council on any special project or issue as requested by Council.</li> </ul>

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Alignment with Corporate Strategic Plan/ Strategic Plan Linkages	<p>The 2004 Corporate Strategic Plan of the Town of Newmarket articulates the priority of the Town to be “well equipped and managed” by pursuing strategies of</p> <ul style="list-style-type: none"> <li>• Fiscal responsibility</li> <li>• Leadership excellence and leading edge management</li> <li>• Efficient management of capital assets and municipal services to meet existing and future operational demands</li> </ul>	<p>The mandate meets the following Corporate Str</p> <ul style="list-style-type: none"> <li>• Well-equipped and managed: By focusing on f Leadership excellence and leading edge manage management of capital assets and municipal ser and future operational needs.</li> </ul> <p>The mandate meets the following Council Strate</p> <ul style="list-style-type: none"> <li>• Efficiency/Financial Management: By ensuring services and measuring the Town’s performanc</li> </ul>
Governance	<p>communication link between the Committee and Council. <b>Assignment:</b> Mayor and Members of Council</p> <p><b>Committee Chair Responsibilities:</b> Chair meetings, facilitating group discussion and in cooperation with the Administration and Staff Resources ensuring an open and productive environment exists to meet the mandate of the group. <b>Assignment:</b> Appointed by the Committee from the citizen members</p> <p><b>Staff Resources Responsibilities:</b> Provide advice and information to the Audit Committee regarding applicable legislation, Town policies, procedures and regulations. Provide secretarial support for the meetings of the Audit Committee. <b>Assignment:</b> Chief Administrative Officer, Commissioner of Corporate Services Director, Financial Services/Treasurer, Library CEO, Other Senior Management as required.</p> <p><b>Members of the Audit Committee Responsibilities:</b>To provide advice and recommendations to Council with respect to the financial control framework including financial reporting, accounting policies, information systems integrity, approval processes and the safeguard of assets. To provide advice and recommendations to Council with respect to the appointment of the External Auditor, the scope and timing of the audit. To review and provide recommendations to Council regarding the annual report and management letter of the External Auditor. To make recommendations with respect to the work plan of the Internal Auditor and to provide comment and advice with respect to the recommendations of the Internal Auditor respecting the issues of internal financial control. To provide advice and recommendations to Council with respect to any special project or issue as requested by Council. <b>Assignment:</b> Mayor, Two Members of Council and Three Citizen Members.</p> <p><b>Communication and Reporting Relationships Responsibilities:</b> Staff and Members of Council serving on the Committee are responsible to communicate the views and recommendations of Committee to Council and to provide feedback to the Committee regarding Council’s disposition of the Committee business. <b>Assignment:</b> Council Representatives if applicable and Assigned Staff Resource Persons</p>	Not Included.
Term	The members of the Committee will serve a four-year term coincident with the four-year term of the elected Council.	A Member’s term on the Committee shall be co of Council, unless otherwise indicated in the Co until a successor is appointed.
Recruitment/ Qualifications	Not Included.	<p>Consideration shall be given to inclusion of the 1 during the appointment process:</p> <ul style="list-style-type: none"> <li>• Persons with knowledge of accounting policie</li> <li>• Persons with knowledge of risk management</li> <li>• Persons with knowledge of financial auditing</li> </ul>

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Support Services	The Departments listed in the Governance model shall provide support Services.	Not Included.
Program Budget/ Budget Consi	Council has authorized a budget of \$0 for the Audit Committee.	The fiscal year of the Committee shall be from J 31. The Committee will work with the assigned : a budget request that reflects their upcoming yr capital needs, in keeping with corporate budget
Meetings	<p>The Committee is to meet at least three (3) times annually, as set out below, and as many additional times as the Committee deems necessary. The Committee Chair should clear the content of the agenda for each meeting.</p> <p>April/May:</p> <ul style="list-style-type: none"> <li>• To recommend approval of the annual financial statements.</li> </ul> <p>June:</p> <ul style="list-style-type: none"> <li>• To review the newly issued external auditors’ management letter with senior management.</li> </ul> <p>October/November:</p> <ul style="list-style-type: none"> <li>• To review and approve the scope of the external audit;</li> <li>• To follow up with senior management on disposition of the previous year’s external auditors’ management letter points.</li> </ul> <p>Committee members will strive to be present at all meetings. A quorum will be the attendance of three (3) members at a Committee meeting. Senior staff members including the Chief Administrative Officer (C.A.O.), the Chief Executive Officer (C.E.O.) of the Newmarket Library, the Commissioner of Corporate Services and the Director, Financial Services/Treasurer will attend Committee meetings as necessary.</p> <p>Note: Members of Council and citizen members are covered under the Town’s policy under General Liability and Error and Omissions</p>	<ul style="list-style-type: none"> <li>• Three (3) times annually (or as required)</li> </ul>
Enabling Legislation	Not Included.	<p>The Audit Committee is authorized under the <i>M Section 296</i>.</p> <p>The Audit Committee is required to adhere to th the Town’s Procedural By-Law 2013-46, as ame Committee Public Appointment Policy, and Corr Policy.</p>
Deliverables	Not Included.	<p>The Committee will accomplish its mandate by:</p> <ul style="list-style-type: none"> <li>• Recommending approval of the annual financi</li> <li>• Reviewing the newly issued external auditors’ senior management.</li> <li>• Reviewing and approving the scope of the ext</li> <li>• Following up with senior management on disp year’s external auditors’ management letter poi</li> </ul>

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Committee Composition and Staff Resources	*See information under Governance	<p>The Audit Committee will be composed of:</p> <ul style="list-style-type: none"> <li>• Three (3) citizen members</li> <li>• The Mayor</li> <li>• Two (2) Members of Council</li> </ul> <p>The Audit Committee shall be supported by:</p> <ul style="list-style-type: none"> <li>• Chief Administrative Officer</li> <li>• Chief Executive Officer of the Newmarket Library</li> <li>• Commissioner of Corporate Services</li> <li>• Director and the Financial Services/Treasurer</li> </ul>
Work Plan	Not included.	A report or presentation summarizing the Committee's accomplishments shall be provided to Council in writing annually.
Remuneration	Not Included.	Audit Committee members shall not receive remuneration.
Committee Review/Sunset Date	Not Included.	Every four years to coincide with the Term of Council. Legislation that impacts the obligations and responsibilities of the Committee.