



Governance Process	Ends
Board-President Delegation	Executive Limitations

BOARD OF TRUSTEES POLICY
Policy Type: Governance Process
Policy Title: Audit Committee Terms of Reference
Policy Number: GP – 07.1
Date Adopted: 06/08/20
Version: 2.0
Date Last Reviewed: 1/11/21
Office Responsible: President’s
Reviewing Committee: Board of Trustees

The Audit Committee of the Jackson College Board of Trustees enhances the Board’s effectiveness and efficiency in fulfilling its external and direct inspection monitoring responsibilities of fiscal policy.

Committee Products

1. The Committee products are to support the Board’s job, never to decide for the Board unless explicitly stated below:
 - 1.1. A transparent process of review and disclosure that enhances owner and stakeholder confidence in the organization’s financial reporting.
 - 1.1.1. Options for Board decision re: appointment, compensation and oversight of public accounting firm; designation of specific area(s), if any, of audit focus; and liaison with auditor on behalf of Board.
 - 1.1.2. Options for Board decision about the appointment, compensation and oversight of independent counsel or other advisors necessary to the Board in carrying out its audit duties.
 - 1.1.3. At the request of the Board, an opinion for the Board as to President compliance with criteria specified in Executive Limitations policies on internal controls [EL-5, items 4, 4.1 and 4.2]
 - 1.1.4. An opinion for the Board upon its request as to the President’s compliance with criteria specified in Executive Limitations policies on data and information security [EL-5, item #9].
 - 1.1.5. An opinion for the Board, based on evidence required of the external auditor, as to whether the independent audit of the organization was performed in an appropriate manner.
 - 1.1.6. An annual report to the Board highlighting the Committee’s review of the audited financial statements and any other significant information arising from their discussions with the external auditor.
 - 1.2. Current information for the Board on significant new developments in accounting principles or relevant rulings of regulatory bodies that affect the organization.

- 1.3. Current information for the Board on significant new developments in data and information security that affect the organization.
- 1.4. A self-monitoring report on the appropriateness of the Board's own spending, based on criteria in the Governance Process policy on Board expenses.
- 1.5. Options for Board decision re: capital projects outside the President's expenditure limits as identified in Executive Limitations on finance.

Committee Authority

2. The Committee's authority enables it to assist the Board in its work, while not interfering with Board holism.
 - 2.1. The Committee cannot change or contravene Board policies, or instruct the President or any other College staff member. (Requests for information, required in the conduct of its duties, should be made through the President).
 - 2.2. The Committee may not spend or commit organization funds, other than those specifically allocated by the Board.
 - 2.3. The Committee may use staff resource time normal for administrative support around meetings.
 - 2.4. The Committee may meet independently with the organization's external auditors.
 - 2.5. The Committee Chair has the authority to make any reasonable interpretation of this policy.

Committee Composition and Tenure

3. The Committee's composition shall enable it to function effectively and efficiently.
 - 3.1. The Committee shall be composed of not more than three Trustees.
 - 3.2. Members shall be appointed by the Board Chair for a three-year year term. Members will serve staggered terms. Membership on the Committee will be rotated among all Trustees.
 - 3.3. The Committee shall appoint a Committee Chair from among its members.

Date Of Change	Version	Description of Change	Responsible Party
06.08.20	1.0	First release following Policy Governance consulting work.	Chief of Staff
1.11.21	2.0	Regular review – no changes	Chief of Staff