

# Tsawout First Nation

## The Audit Committee

# Audit Committee Functions

- make recommendations to the Council on the selection, engagement and performance of an auditor
- receive assurances on the independence of a proposed or appointed auditor
- review, and make recommendation to the Council on, the planning, conduct and results of audit activities
- review, and make recommendations to the Council, on the audited annual financial statements, including the audited local revenue account financial statements and any special purpose reports
- periodically review, and make recommendations to the Council, on policies, procedures and directions on reimbursable expenses and perquisites of the Councillors, officers and employees of the first nation
- conduct a review of this law under section 103 and, where appropriate, recommend amendments to the Council
- periodically review, and make recommendations to the Council on, the terms of reference of the Committee

# What does this mean for Tsawout?

- The notion of “Financial Literacy” becomes an important consideration in the structure and work of the committee
- How do we go about acquiring this expertise

# Financial Literacy

- Defined as:

“...the ability to read and understand financial statements that present accounting issues reasonably expected to be raised by the first nation’s financial statements”

# Some Strategies for Acquiring Financial Literacy on the Committee

- Establish a training program for committee members
- Establish a reciprocal relationship with another organization's Director of Finance/CFO
- Contract with an independent Financial Professional

# Questions?

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## Useful Links:

KPMG Audit Committee Institute ... <http://www.kpmg.ca/auditcommittee/shaping.html>

Grant Thornton LLP ..... [http://www.grantthornton.ca/mgt\\_papers/MIP\\_Audit\\_Comm.pdf](http://www.grantthornton.ca/mgt_papers/MIP_Audit_Comm.pdf)

American Institute of Public Accountants

.....<http://www.aicpa.org/Audcommctr/toolkitsgovt/homepage.htm>