

Codiac Regional Policing Authority

Policy #: G-408
Category: Financial Oversight
Subject: External Audit Policy
Date: Insert
Review Cycle: Year 3/5
Review Date: 2023

Framework

Police Act

Section 17.05(3) of the Police Act requires that a regional policing authority annually appoint an auditor and the provisions of section 79 of the *Local Governance Act* respecting audits apply with the necessary modifications to a regional policing authority and an auditor appointed by a regional policing authority.”

Local Governance Act

Section 79 of the *Local Governance Act* provides that:

- 1) The regional policing authority shall not appoint as an auditor a person who is not a chartered professional accountant.
- 2) The auditor will perform any duties prescribed by the Local Governance Act and its regulations and the *Control of Municipalities Act*, and that the regional policing authority prescribes by by-law or resolution.
- 3) The auditor shall complete an annual audit by March 1 of each year.
- 4) Within 10 days after completing the audit of the regional policing authority, the auditor shall transmit to the Minister of Environment and Local Government a certified copy of the financial statements of the regional policing authority together with a copy of the auditor’s report on the financial statements.
- 5) If a regional policing authority fails to appoint an auditor, the Minister may appoint one and the regional policing authority shall pay the fees and expenses of the appointed auditor.

Definitions

Audit – means an examination and an opinion of evidential matter to determine the reliability of a record or assertion or to evaluate compliance with standards, policies, and/or directives.

Annual audit work plan – is a document that outlines the focus and direction of an audit; it sets out the audit’s scope and objectives, the methodology and criteria to be

used, and provides an approximate time frame for the duration of the audit.

Financial audit – means an examination of financial information and/or internal controls of a function.

Policy

It is the policy of the CRP Authority that:

Annual Audit

1. The CRP Authority's financial statements shall be verified by the annual audit performed by the external auditor appointed annually by the CRP Authority.
2. The external auditor will be a chartered professional accountant or a firm of same.

Annual Audit Work Plan

2. The appointed external auditor will develop an annual audit work plan for the CRP Authority.
3. The auditor will conduct a risk analysis in the development of an audit work plan.
4. The auditor will develop the work plan with input from the CRP Authority, through the Finance, Audit and Risk (FAR) Committee and the Officer in Charge (OIC) of the Codiac Regional Police Service (CPRS).
5. The work plan will be approved by the CRP Authority on the recommendation of the FAR Committee.

Reporting and Review Process

6. Prior to submitting an audit report to the CRP Authority, the auditor will discuss the audit's findings with the FAR Committee and with the OIC, or his/her designate.
7. The auditor will submit the audit report directly to the CRP Authority, through the Treasurer, in a timely manner.
8. The OIC will be provided with an opportunity to provide comments on the audit report if he/she wishes to do so.
9. The CRP Authority will then review the audit report and any OIC comments before considering the approval of the annual audited financial statements.

Tracking of Audit Recommendations

10. The OIC (for the CRPS) or his delegate, the Director – Strategic Planning and Police Support Services (SPPSS) (for administrative and support services provided to CRP Authority by the City of Moncton), will provide the CRP

Authority with quarterly reports that tracks the implementation status of audit recommendations.

Relationship with Municipal Councils and Municipal Audit Committees

11. Any audit requests by Municipal Councils will be forward to the CRP Authority, through the Chairperson, for consideration.
12. The CRP Authority will consider forwarding individual audit reports to the Municipalities' Audit Committees for their information.