
Board Governance Policy Cross Reference: [1, 4, 14, 15](#)

Administrative Procedures Cross Reference:

Form Cross Reference:

Legal/Regulatory Reference:

[The Chartered Professional Accountants Act](#)

[The Public Schools Act](#) (41(8) through 41(14))

The Interlake School Division (ISD) complies with the statutes and regulations of the Public Schools Act (41(8) – 41(14)) in the appointment of an external auditor. The requirements are as follows:

- Each school board shall annually appoint an auditor to carry out the duties of an auditor under this Act with respect to the school division or school district.
- The school board shall appoint as auditor a person who is a chartered professional accountant authorized to provide public accounting services in accordance with [The Chartered Professional Accountants Act](#).
- The school board shall, within 40 days after appointing a new auditor under subsection (8), inform the minister of the name of the auditor appointed.
- The auditor of the school division or school district shall annually make an examination of the financial affairs, books, accounts, records, and transactions of the division or district.
- An examination made as required under subsection (9) shall be in accordance with generally accepted auditing standards and shall include a general review of the adequacy of the accounting procedures and system of internal control employed to preserve and protect the assets.
- An auditor for a school division or school district shall, not later than October 31 in each year, make a report to the school board on the annual financial statements that the auditor has examined as at the end of the preceding fiscal year.

Guidelines for Selection

The importance of the role of the independent auditor to both school divisions and the Department of Education requires the application of appropriate criteria to the auditor selection process of school divisions. In the selection of the auditor, criteria in addition to cost should be given considerations including:

1. The audit firm's and audit team's experience in school division audits and knowledge of FRAME accounting requirements and/or audit experience with organizations of similar size and complexity.
2. The auditor's stature and professional qualifications.
3. The quality and appropriateness of the firm's proposed work plan and the audit methodology to be applied.
4. The auditor's understanding of legislative requirements as they relate to the audit of school divisions.
5. The extent to which the auditor will rely on existing records and the amount of work which the auditor will require from the staff of the division.
6. The independence of the senior auditor and the audit firm from any engagement which may involve a possible conflict of interest.

The selection of the auditor will be conducted through a Request for Proposal (RFP) procedure in which the requirements of the school division audit are clearly identified. Where feasible, a sealed bid approach should be used such that audit proposals are evaluated and ranked against selection criteria first, prior to opening and reviewing the bids or price quotations. The evaluation of the proposals will use weighing factors applied to selection criteria to score the proposals and facilitate ranking.

The Division will request proposals every five (5) years for the provision of financial services to the Division with the exception that the Board may extend financial services for an additional two years upon satisfactory performance.