

**Audit Committee**

**AGENDA**

**November 8, 2021 – 6:00 pm**

Meeting Location: Via Microsoft Teams due to COVID-19 pandemic

**School Board Members:** David McDonald, John McCrea, Corina Parisien, John McAllister

**External Members:** Nigel White, Craig Fowler

**Administration:** Ron Ferguson-Director of Education, Jeremy Hobbs-Executive Superintendent of Business Services, Diana Kingston-Comptroller of Finance, Kristi Carter-Recording Secretary

**Guests:** Genevieve Segu-Regional Internal Audit Manager (RIAT), Pasquale L’Orfano-Regional Internal Auditor (RIAT), Annik Blanchard-External Audit Partner (BDO Canada), Jim Guerin-Manager of ITS, Jessica Devlin-Manager of Accounting Services

**Regrets:**

AGENDA ITEM		NOTES
A1	<b>Call to Order</b>	
A2	<b>Approval of Agenda</b> November 8, 2021 – Meeting No. 51	
A3	<b>Conflict of Interest Declaration(s)</b>	
A4	<b>Approval of Minutes – OPEN SESSION</b> September 14, 2021 – Meeting No. 50	OPEN SESSION Minutes Attached
A5	<b>Regional Internal Audit Update</b>	OPEN SESSION Report
A6	<b>Move into CLOSED SESSION</b>	
A7	<b>Report from CLOSED SESSION</b>	
A8	<b>Proposed Ministry Report to Board</b>	OPEN SESSION Report
A9	❖ Adjournment <b>Next Meeting:</b> February 8, 2022	

**David McDonald**  
Chair, Audit Committee

**Ron Ferguson**  
Director of Education

UPCOMING AGENDA & ACTION ITEMS		TIMELINE
1.	<b>2022-23 Meeting Dates</b>	June 2022
2.	<b>2021-22 External Audit Plan – Executive Summary</b>	June 2022
3.	<b>Proposed Ministry Report to Board</b>	November 2022
4.	<b>Election of Chair</b> ( <i>postponed from September 2022 due to Municipal/Trustee Election October 24, 2022</i> )	February 2023

**Audit Committee**  
**Minutes of September 14, 2021**  
**OPEN SESSION**  
**Meeting No. 50**

**The meeting was held via Microsoft Teams due to the COVID-19 pandemic.**

**School Board Members:** David McDonald, John McCrea, Corina Parisien, John McAllister

**External Members:** Nigel White, Craig Fowler

**Administration:** Ron Ferguson-Director of Education, Jeremy Hobbs-Executive Superintendent of Business Services, Diana Kingston-Comptroller of Finance, Kristi Carter-Recording Secretary

**Guests:** Genevieve Segu-Regional Internal Audit Manager (RIAT), Pasquale L'Orfano-Regional Internal Auditor (RIAT), Marsha McNair-Superintendent of Schools, Bill Loshaw-Superintendent of Schools, April Scott-Clarke-Manager of Communications

**Regrets:**

A1	Meeting was called to order by D. McDonald at 6:08 p.m.
A2	<p><b><u>Approval of Agenda</u></b> <b>Moved by J. McCrea, seconded by N. White, that the agenda for the September 14, 2021, Meeting No. 50 be approved.</b></p> <p style="text-align: right;"><b>Carried.</b></p>
	<p><b><u>Election of Chair</u></b></p> <ul style="list-style-type: none"> <li>• J. Hobbs presided over the election.</li> <li>• D. McDonald was nominated in advance of the meeting by C. Parisien. D. McDonald accepted the nomination.</li> <li>• Nominations from the floor were called 3 times, with no further nominations received.</li> </ul> <p><b>Moved by C. Parisien, seconded by J. McCrea, THAT nominations be closed for the position of Chair.</b></p> <p style="text-align: right;"><b>Carried.</b></p> <p>D. McDonald was acclaimed Chair of the Audit Committee. D. McDonald thanked C. Parisien for the nomination and the committee for the opportunity to chair for another year.</p>
A3	<p><b><u>Conflict of Interest Declaration(s)</u></b></p> <p>No conflict of interest declarations were received.</p>
A4	<p><b><u>Approval of Minutes – OPEN SESSION</u></b> <b>Moved by C. Parisien, seconded by C. Fowler, that the minutes for the June 8, 2021 Meeting No. 49 be approved.</b></p> <p style="text-align: right;"><b>Carried.</b></p>
A5	<p><b><u>Regional Internal Audit Team (RIAT) Update</u></b></p> <p>G. Segu, Regional Internal Audit Manager, provided the following update:</p> <ol style="list-style-type: none"> <li>1. Appendix 1 - 2020-21 Annual Report <ul style="list-style-type: none"> <li>• This report is similar to the one presented September 2020, and G. Segu took the committee through the following components: <ul style="list-style-type: none"> <li>○ The RIAT's charter &amp; purpose,</li> <li>○ Confirmation of independence,</li> <li>○ Organizational structure, staffing, and professional development,</li> <li>○ Quality Assurance – internal and external, and</li> <li>○ A summary of activities for 2020-21 both region-wide and for UCDSB specifically.</li> </ul> </li> </ul> </li> </ol>

**Audit Committee  
Minutes of September 14, 2021  
OPEN SESSION  
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	<p>2. Appendix 2 – Regional Internal Audit Charter</p> <ul style="list-style-type: none"> <li>• The Charter is the same document presented to the committee in September 2020, with changes noted in red.</li> <li>• The Charter was formerly known as the Mandate; the term Charter is better known worldwide and will be used going forward.</li> <li>• G. Segu took the committee through the changes.</li> </ul> <p>3. Appendix 3 - Quality Assurance Final Report</p> <ul style="list-style-type: none"> <li>• G. Segu took the committee through the final report of the external Quality Assurance process that RIAT participated in last year, specifically the objectives and conclusion.</li> <li>• Recommendations pertained mostly to back-office functions, with no recommendations for audit activities.</li> <li>• Action item 1111 – Direct interaction with the Audit Committee – G. Segu brought to the committee’s attention the following recommendations in this action item: <ul style="list-style-type: none"> <li>○ Offer each Chair a short meeting prior to each Audit Committee meeting to review RIAT agenda items or other issues.</li> <li>○ Communicate to the Audit Committee Chairs the requirement to have a regular private session at meetings without management present and to exercise this requirement regularly. G. Segu recommended that this be added to the UCDSB Audit Committee closed agenda at each meeting.</li> <li>○ Reach out to each Chair for input into the annual audit plan, which G. Segu did in the summer of 2021, and incorporate feedback into the plan.</li> </ul> </li> </ul> <p>In response to a question, G. Segu confirmed that the only action required by the committee at this time is to consider approving the Charter (Appendix 2).</p> <p><b>Moved by J. McAllister, seconded by C. Parisien, that the Upper Canada District School Board Audit Committee approves the Regional Internal Audit Charter as presented in Appendix 2.</b> <b>Carried.</b></p>
A6	<p><b><u>Move into CLOSED Session</u></b> <b>Moved by N. White, seconded by C. Parisien, that the Upper Canada District School Board Audit Committee move into Closed Session ~ September 14, 2021.</b> <b>Carried.</b></p>
A7	<p><b><u>Rise and Report</u></b></p> <p>The Upper Canada District School Board received reports and discussed the following:</p> <ul style="list-style-type: none"> <li>• Policy Related Matters – Monitoring Compliance Plans and Status Reports</li> <li>• Regional Internal Audit Update</li> <li>• 2020-21 Audit Committee Self-Assessment</li> <li>• 2020-21 Evaluation of Regional Internal Audit Team</li> </ul>
A8	<p>❖ <b>Adjournment</b> ❖ Next Meeting – November 8, 2021</p> <p><b>Moved by J. McCrea, seconded by N. White, that the Upper Canada District School Board Audit Committee adjourn at 7:36 pm.</b> <b>Carried.</b></p>

**David McDonald**  
**Chair, Audit Committee**

**Ron Ferguson**  
**Director of Education**

**Audit Committee  
OPEN SESSION  
Report**

November 8, 2021 – 6:00 pm

<b>Item A5</b>	<b>Regional Internal Audit Update</b>		
<b>Purpose</b>	<ul style="list-style-type: none"> <li>To provide the Audit Committee with an update from the Regional Internal Audit Manager, Geneviève Segu, on the progress of the 2021-22 Regional Internal Audit Team (RIAT) work.</li> <li>This report links with Regulation 361/10 in relation to the Audit Committee’s duties to the Internal Auditor 9(3) and the Board’s Internal Controls 9(2).</li> </ul>		
<b>Content</b>	<p><b>2021-2022 Regional Internal Audit Plan Update</b></p> <p>The Audit Committee approved the 2021-22 Audit Plan at the September 14, 2021 meeting. The following presents an update on the engagements:</p>		
	<b>Status</b>	<b>Audit &amp; Scope</b>	<b>Schedule</b>
	In Progress	<p><b>Critical Positions Engagement</b></p> <p>This engagement aligns with the preliminary region-wide Strategic Risk Assessment which identified Succession Planning as one of the top risks in the portfolio.</p> <p>The scope is to provide Management with a current state assessment/inventory of all positions, outside of the schools. Each position is critical, key, support or specialist.</p>	November 2021: Meet with HR to discuss timing, objective and scope of work.
	Not Initiated	<p><b>School Generated Funds Fraud Flags Identification</b></p> <p>This engagement focuses on fraud indicators and red flags applied to a selection of schools across the school board, using Data Analytics as well as interviews and documentation review. This engagement is part of OASBO IA 2021-2022 work plan.</p>	TBD
	In Progress	<p><b>Follow-up Procedures</b></p> <p>RIAT continues to follow-up on the remaining recommendations, as they come due.</p>	Ongoing
As Needed	<p><b>Management Request Engagement</b></p> <p>To cover any important items that may be required to during the school year.</p>	If Requested	
<b>Appendices</b>	None		
<b>Recommendation</b>	<b>THAT the Upper Canada District School Board Audit Committee receives for information the 2021-22 Regional Internal Audit Update.</b>		

**Audit Committee  
OPEN SESSION**

November 8, 2021 – 6:00 pm

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<b>Item A6</b>	<b>Move into CLOSED SESSION</b>
<b>Recommendation</b>	<b>THAT the Upper Canada District School Board Audit Committee moves into CLOSED SESSION ~ November 8, 2021</b>

**Audit Committee  
OPEN SESSION**

November 8, 2021 – 6:00 pm

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<b>Item A7</b>	<b>REPORT FROM CLOSED SESSION</b>
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**Audit Committee  
OPEN SESSION  
Report**

November 8, 2021 – 6:00 pm

Item A8	Proposed Ministry Report to the Board of Trustees
<p><b>Purpose</b></p>	<ul style="list-style-type: none"> <li>To provide to Audit Committee the proposed Ministry Report to the Board of Trustees.</li> </ul>
<p><b>Content</b></p>	<ul style="list-style-type: none"> <li>There is a requirement for the Board of Trustees to review a report for submission to the Ministry of Education no later than January 15, 2022.</li> <li>Below is the proposed draft content:           <p style="text-align: center;"><b>Annual Report from the Audit Committee to the Board of Trustees for Submission to the Ministry of Education For the year ended August 31, 2021</b></p> <p><b>District School Board Name:</b> Upper Canada <b>Fiscal Year:</b> 2020-21</p> <p><b>Re: Annual Audit Committee Report to the Ministry of Education as per Ontario Regulation 361/10</b></p> <p>During the 2020-21 fiscal year, no audit(s) or other engagements were started by the regional internal audit team but not completed by August 31<sup>st</sup>.</p> <p>The following audit(s) or other engagements were completed in the 2020-21 fiscal year:</p> <ul style="list-style-type: none"> <li><b>Strategic Risk Assessment</b> – To identify regional and Board-specific risks that could impact the Board’s strategic plan, and to develop the Board’s multi-year internal audit plan.</li> <li><b>Cyber Security Risk Assessment</b> – To provide Management with a review of their ability to protect the school board’s information assets and preparedness against cyber threats by assessing objectives, delivery models, and technology’s role in supporting services.</li> <li><b>Follow-up of Audit Recommendations</b> – To obtain assurance that UCDSB Management addressed the recommendations from the original report on the following audits:               <ul style="list-style-type: none"> <li>April 2016 – Data Management and Back-Up;</li> <li>March 2018 – Management Reporting and Analysis;</li> <li>March 2019 – Enrolment Forecasting; and</li> <li>April 2020 – Procurement Procedures Review and Benchmarking.</li> </ul> </li> </ul> <p><b>AND</b></p> <p>Based on the internal audit plan, we do not anticipate any enrolment audits to be performed.</p> <p>On behalf of the Audit Committee,</p> <p>David McDonald Audit Committee Chair</p> </li> </ul>

**Audit Committee  
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<b>Appendices</b>	None.
<b>Recommendation</b>	<b>THAT the Upper Canada District School Board Audit Committee recommends that the Audit Committee Chair submit the report to the Upper Canada District School Board of Trustees at its November 24, 2021 meeting.</b>



**Audit Committee  
OPEN SESSION**

November 8, 2021 – 6:00 pm

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<b>Item A9</b>	<b>ADJOURNMENT</b>
<b>Recommendation</b>	<b>THAT the Upper Canada District School Board Audit Committee adjourn ~ November 8, 2021</b>