

Audit Committee
AGENDA
February 8, 2022 – 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

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, Brad Notman-Manager of Purchasing and Admin Services

Regrets: Craig Fowler-External Member

AGENDA ITEM		NOTES
A1	Call to Order	
A2	Approval of Agenda February 8, 2022 – Meeting No. 52	
A3	Conflict of Interest Declaration(s)	
A4	Approval of Minutes – OPEN SESSION November 8, 2021 – Meeting No. 51	OPEN SESSION Minutes Attached
A5	Regional Internal Audit Update	OPEN SESSION Report
A6	Move into CLOSED SESSION	
A7	Report from CLOSED SESSION	
A8	❖ Adjournment Next Meeting: April 12, 2022	

David McDonald
Chair, Audit Committee

Ron Ferguson
Director of Education

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

Audit Committee
Minutes of November 8, 2021
OPEN SESSION
Meeting No. 51

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), Annik Blanchard-External Audit Partner (BDO Canada), Jim Guerin-Manager of ITS, Jessica Devlin-Manager of Accounting Services

Regrets:

A1	Meeting was called to order by D. McDonald at 6:02 p.m.
A2	<u>Approval of Agenda</u> Moved by N. White, seconded by J. McCrea, that the agenda for the November 8, 2021, Meeting No. 51 be approved. Carried.
A3	<u>Conflict of Interest Declaration(s)</u> No conflict of interest declarations were received.
A4	<u>Approval of Minutes – OPEN SESSION</u> Moved by C. Parisien, seconded by C. Fowler, that the minutes for the September 14, 2021 Meeting No. 50 be approved. Carried.
A5	<u>Regional Internal Audit Team (RIAT) Update</u> P. L’orfano, Regional Internal Auditor, provided the following update with respect to the 2021-22 Internal Audit Plan approved at the September 14, 2021 meeting: <ul style="list-style-type: none"> • Critical Positions Engagement: RIAT has reached out to the Board’s Human Resources department and will meet in the near future to discuss timing, scope, etc. of the engagement. • School Generated Funds Fraud Flags Identification: RIAT will reach out to management soon to schedule a meeting to discuss timing, scope, etc. of the engagement. • Follow-up Procedures: RIAT continues to follow-up with outstanding recommendations throughout the year and will report back to the committee in June, 2022. Moved by N. White, seconded by C. Parisien, that the Upper Canada District School Board Audit Committee receives for information the Regional Internal Audit update. Carried.
A6	<u>Move into CLOSED Session</u> Moved by J. McCrea, seconded by J. McAllister, that the Upper Canada District School Board Audit Committee move into Closed Session ~ November 8, 2021. Carried.

**Audit Committee
Minutes of November 8, 2021
OPEN SESSION
Meeting No. 51**

A7	<p><u>Rise and Report</u></p> <p>The Upper Canada District School Board received reports and discussed the following:</p> <ul style="list-style-type: none"> • 2020-21 Draft Audited Financial Statements • External Audit: Information Technology Audit Report – Update from February 2021 • 2020-21 Evaluation of External Auditor Performance • 2020-21 Proposed Annual Detailed Report to the Board of Trustees
A8	<p><u>Proposed Ministry Report to the Board of Trustees</u></p> <ul style="list-style-type: none"> • The Committee reviewed and finalized the report. <p>Moved by N. White, seconded by C. Parisien, 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.</p> <p align="right">Carried.</p>
A8	<p>❖ Adjournment</p> <p>❖ Next Meeting – February 8, 2022</p> <p>Moved by C. Parisien, seconded by J. McCrea, that the Upper Canada District School Board Audit Committee adjourn at 7:24 pm.</p> <p align="right">Carried.</p>

**David McDonald
Chair, Audit Committee**

**Ron Ferguson
Director of Education**

DRAFT

**Audit Committee
OPEN SESSION
Report**

February 8, 2022 – 6:00 pm

Item A5	Regional Internal Audit Update																	
Purpose	<ul style="list-style-type: none"> 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. 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). 																	
Content	<p>2021-2022 Regional Internal Audit Plan Update</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>																	
	<table border="1"> <thead> <tr> <th data-bbox="394 737 610 785">Status</th> <th data-bbox="610 737 1229 785">Audit & Scope</th> <th data-bbox="1229 737 1490 785">Schedule</th> </tr> </thead> <tbody> <tr> <td data-bbox="394 785 610 1098">In Progress</td> <td data-bbox="610 785 1229 1098"> <p>Critical Positions Engagement</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> </td> <td data-bbox="1229 785 1490 1098"> <p>November 2021: Meet with HR to discuss timing, objective and scope of work.</p> <p>January 2022: Provided terms of reference to HR.</p> </td> </tr> <tr> <td data-bbox="394 1098 610 1404">Not Initiated</td> <td data-bbox="610 1098 1229 1404"> <p>School Generated Funds Fraud Flags Identification</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.</p> <p>This engagement is part of OASBO IA 2021-2022 work plan.</p> </td> <td data-bbox="1229 1098 1490 1404">TBD</td> </tr> <tr> <td data-bbox="394 1404 610 1539">In Progress</td> <td data-bbox="610 1404 1229 1539"> <p>Follow-up Procedures</p> <p>RIAT continues to follow-up on the remaining recommendations, as they come due.</p> </td> <td data-bbox="1229 1404 1490 1539">Ongoing</td> </tr> <tr> <td data-bbox="394 1539 610 1673">As Needed</td> <td data-bbox="610 1539 1229 1673"> <p>Management Request Engagement</p> <p>To cover any important items that may be required to during the school year.</p> </td> <td data-bbox="1229 1539 1490 1673">If Requested</td> </tr> </tbody> </table>	Status	Audit & Scope	Schedule	In Progress	<p>Critical Positions Engagement</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>	<p>November 2021: Meet with HR to discuss timing, objective and scope of work.</p> <p>January 2022: Provided terms of reference to HR.</p>	Not Initiated	<p>School Generated Funds Fraud Flags Identification</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.</p> <p>This engagement is part of OASBO IA 2021-2022 work plan.</p>	TBD	In Progress	<p>Follow-up Procedures</p> <p>RIAT continues to follow-up on the remaining recommendations, as they come due.</p>	Ongoing	As Needed	<p>Management Request Engagement</p> <p>To cover any important items that may be required to during the school year.</p>	If Requested		
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<p>Aside: RIAT will be conducting an Audit Committee training session for all members across the region, in Spring 2022, recurring annually if needed.</p>																		
Appendices	None																	
Recommendation	THAT the Upper Canada District School Board Audit Committee receives for information the 2021-22 Regional Internal Audit Update.																	

**Audit Committee
OPEN SESSION**

February 8, 2022 – 6:00 pm

Item A6	Move into CLOSED SESSION
Recommendation	THAT the Upper Canada District School Board Audit Committee moves into CLOSED SESSION ~ February 8, 2022

**Audit Committee
OPEN SESSION**

February 8, 2022 – 6:00 pm

Item A7	REPORT FROM CLOSED SESSION
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**Audit Committee
OPEN SESSION**

February 8, 2022 – 6:00 pm

Item A8	ADJOURNMENT
Recommendation	THAT the Upper Canada District School Board Audit Committee adjourn ~ February 8, 2022