

**Audit Committee**  
**AGENDA**

**April 11, 2023 – 6:00 pm**

Meeting Location: Via Microsoft Teams

**School Board Members:** David McDonald, Patricia Francis, John McAllister

**External Members:** Craig Fowler, Michael Kavcic

**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), Lisa Taylor-External Member effective April 12, 2023

**Regrets:**

AGENDA ITEM		NOTES
A1	<b>Call to Order</b>	Introduction of new External Member
A2	<b>Approval of Agenda</b> April 11, 2023 – Meeting No. 58	
A3	<b>Conflict of Interest Declaration(s)</b>	
A4	<b>Approval of Minutes – OPEN SESSION</b> February 14, 2023 – Meeting No. 57	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	❖ Adjournment <b>Next Meeting:</b> Tuesday June 13, 2023	

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

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

UPCOMING AGENDA & ACTION ITEMS		TIMELINE
1.	<b>2023-24 Meeting Dates</b>	June 2023
2.	<b>2022-23 External Audit Plan – Executive Summary</b>	June 2023
3.	<b>Election of Chair</b>	September 2023
4.	<b>Proposed Ministry Report to Board</b>	November 2023

**Audit Committee  
Minutes of February 14, 2023  
OPEN SESSION  
Meeting No. 57**

**The meeting was held via Microsoft Teams.**

**School Board Members:** David McDonald, John McAllister

**External Members:** Craig Fowler, Michael Kavcic

**Administration:** Ron Ferguson-Director of Education, Diana Kingston-Comptroller of Finance, Kristi Carter-Recording Secretary

**Guests:** Genevieve Segu-Regional Internal Audit Manager (RIAT), Eric Hardie-Executive Superintendent of Schools, Deanna Perry-Superintendent of Schools, Marsha McNair-Superintendent of Schools, Chad Brownlee-Superintendent of Schools & HR

**Regrets:** Jeremy Hobbs-Executive Superintendent of Business Services, Patricia Francis-Trustee, Curtis Jordan-Trustee, Pasquale L'Orfano-Regional Internal Auditor (RIAT)

A1	Meeting was called to order by D. McDonald at 6:03 p.m.
A2	<b><u>Approval of Agenda</u></b> <b>Moved by M. Kavcic, seconded by C. Fowler, that the agenda for the February 14, 2023, Meeting No. 57 be approved.</b> <b>Carried.</b>
	<b><u>Election of Chair</u></b> <ul style="list-style-type: none"> <li>R. Ferguson presided over the election.</li> <li>D. McDonald was nominated by J. McAllister. D. McDonald accepted the nomination.</li> <li>With no further nominations received, D. McDonald was acclaimed Chair of the Audit Committee for the remainder of 2022-23.</li> </ul>
A3	<b><u>Conflict of Interest Declaration(s)</u></b> No conflict of interest declarations were received.
A4	<b><u>Approval of Minutes – OPEN SESSION</u></b> <b>Moved by J. McAllister, seconded by C. Fowler, that the minutes for the November 7, 2022 Meeting No. 56 be approved.</b> <b>Carried.</b>
A5	<b><u>Regional Internal Audit Team (RIAT) Update</u></b> G. Segu provided the committee with an update on the 2022-23 internal audit plan: <ul style="list-style-type: none"> <li>Critical Positions Engagement: This engagement is complete, and the final report will be discussed in closed session.</li> <li>Workforce Planning Engagement: This engagement is not yet initiated.</li> <li>School Generated Funds Fraud Flags Identification Engagement: Planning has begun with next step being a meeting with management.</li> </ul>
A6	<b><u>Move into CLOSED Session</u></b> <b>Moved by M. Kavcic, seconded by J. McAllister, that the Upper Canada District School Board Audit Committee move into Closed Session ~ February 14, 2023.</b> <b>Carried.</b>
A7	<b><u>Rise and Report</u></b> The Upper Canada District School Board received reports and discussed the following: <ul style="list-style-type: none"> <li>Policy Related Matters – Monitoring Compliance Plans and Status Reports</li> <li>Regional Internal Audit Update</li> </ul>

**Audit Committee  
Minutes of February 14, 2023  
OPEN SESSION  
Meeting No. 57**

A8	<p>❖ <b>Adjournment</b> ❖ Next Meeting – Tuesday, April 11, 2023</p> <p><b>Moved by J. McAllister, seconded by M. Kavcic, that the Upper Canada District School Board Audit Committee adjourn at 7:06pm.</b></p> <p style="text-align: right;"><b>Carried.</b></p>
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**David McDonald  
Chair, Audit Committee**

**Ron Ferguson  
Director of Education**

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**Audit Committee  
OPEN SESSION  
Report**

April 11, 2023 – 6:00 pm

Item A5	Regional Internal Audit Update											
<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 2022-23 Regional Internal Audit Team (RIAT) work.</li> <li>• This is in alignment with Ontario Regulation 361/10: Audit Committees (9) Duties of an Audit Committee 3(2 &amp; 3).</li> </ul>											
<b>Content</b>	<p><b>2022-2023 Regional Internal Audit Plan Update</b></p> <p>The Audit Committee approved the 2022-23 Audit Plan at the September 13, 2022 meeting.</p> <p>The Sector, once again this year, faces several disruptive events such as collective agreement bargaining, trustee elections, and shortage with replacement staff (teachers, EAs) to name a few. The RIAT is aware of these additional pressures and will keep that in mind when initiating new work this year.</p> <p>The following presents an update on the engagements:</p> <table border="1" data-bbox="407 894 1471 1890"> <thead> <tr> <th data-bbox="407 894 574 940">Status</th> <th data-bbox="574 894 1110 940">Audit &amp; Scope</th> <th data-bbox="1110 894 1471 940">Schedule</th> </tr> </thead> <tbody> <tr> <td data-bbox="407 940 574 1425"><b>Complete</b></td> <td data-bbox="574 940 1110 1425"> <p><b>Critical Positions</b></p> <p>Part of workforce planning processes, this engagement provides Management with a current state assessment of all central positions, outside of the schools. Each position is critical, key, support, or specialist. It also identifies and documents the succession and emergency plans in place for key and critical positions.</p> <p>Ontario East Region and other RIATs in the province have performed this engagement previously.</p> </td> <td data-bbox="1110 940 1471 1425"><b>February 2023: Reported</b></td> </tr> <tr> <td data-bbox="407 1425 574 1890"><b>Not Initiated</b></td> <td data-bbox="574 1425 1110 1890"> <p><b>Workforce Planning</b></p> <p>The scope to be determined after the Critical Position engagement has been performed. This could focus on any of the following processes: job evaluations, recruitment &amp; retention, employee satisfaction survey, key performance indicators (KPIs).</p> <p>RIAT is aware that the Human Resources (HR) Department will once again be heavily taxed this upcoming year with the collective agreements negotiations and will be mindful in their planning.</p> </td> <td data-bbox="1110 1425 1471 1890"><b>TBD</b></td> </tr> </tbody> </table>			Status	Audit & Scope	Schedule	<b>Complete</b>	<p><b>Critical Positions</b></p> <p>Part of workforce planning processes, this engagement provides Management with a current state assessment of all central positions, outside of the schools. Each position is critical, key, support, or specialist. It also identifies and documents the succession and emergency plans in place for key and critical positions.</p> <p>Ontario East Region and other RIATs in the province have performed this engagement previously.</p>	<b>February 2023: Reported</b>	<b>Not Initiated</b>	<p><b>Workforce Planning</b></p> <p>The scope to be determined after the Critical Position engagement has been performed. This could focus on any of the following processes: job evaluations, recruitment &amp; retention, employee satisfaction survey, key performance indicators (KPIs).</p> <p>RIAT is aware that the Human Resources (HR) Department will once again be heavily taxed this upcoming year with the collective agreements negotiations and will be mindful in their planning.</p>	<b>TBD</b>
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**Audit Committee  
OPEN SESSION  
Report**

April 11, 2023 – 6:00 pm

	<b>In Progress</b>	<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.</p>	<p><b>December 2022-January 2023:</b> Developed Audit Program.</p> <p><b>February 2023:</b> Met with Management to discuss Terms of Reference.</p> <p><b>March 2023:</b> Met with process owners.</p> <p><b>April 2023:</b> Obtained SGF reports.</p>
	<b>Cyclical</b>	<p><b>Follow-up Procedures</b></p> <p>This is a recurring item on RIAT’s annual plan.</p> <p>The last update was June 2022. Two recommendations were outstanding with a new completion date in 2022-23.</p>	<p><b>February 2023:</b> RIAT starts follow-up procedures. To be reported in June 2023.</p>
	<b>As Needed</b>	<p><b>Management Request Engagement</b></p> <p>To cover any important items that may be required to during the school year.</p>	<p>None requested to-date</p>
<b>Recommendation</b>	<p><b>THAT the Upper Canada District School Board Audit Committee receives for information the April 11, 2023, Regional Internal Audit Team update.</b></p>		

**Audit Committee  
OPEN SESSION**

April 11, 2023 – 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 ~ April 11, 2023</b>

**Audit Committee  
OPEN SESSION**

April 11, 2023 – 6:00 pm

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

April 11, 2023 – 6:00 pm

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<b>Item A8</b>	<b>ADJOURNMENT</b>
<b>Recommendation</b>	<b>THAT the Upper Canada District School Board Audit Committee adjourn ~ April 11, 2023</b>