

Audit Committee

AGENDA

November 7, 2016 – 6:30 pm

Meeting Location: Stormont Room, Board Office Administrative Building
225 Central Ave. West, Brockville, Ontario K6V 5X1

School Board Members:	Jeremy Armer, John McAllister, David McDonald
External Members:	Sheldon Black, Jay Woollven
Administration:	Stephen Sliwa-Director of Education, Nancy Barkley-Superintendent of Business, Carole McKewen-Comptroller of Finance, Lianne Webster-Recording Secretary
Guests:	Andrew Newman-Lead Audit Engagement Partner, Vincent Trottier-Audit Senior Accountant, Susan Edwards-Superintendent of Schools, Diana Kingston-Manager of Accounting Services
Regrets:	Line Robitaille-Regional Internal Audit Manager, Krystyna Gagnon-Audit Senior Manager

AGENDA ITEM		NOTES
A1	Call to Order	
A2	Approval of Agenda November 7, 2016 – Meeting No. 27	
	Membership Extension of Appointment - External Members	OPEN SESSION Information
	Election of Chair	OPEN SESSION Information, By-Law and Nomination Form
A3	Conflict of Interest Declaration(s)	
A4	Approval of Minutes – OPEN SESSION September 13, 2016 – Meeting No. 25	OPEN SESSION Minutes Attached
	Regional Internal Audit - Postponed to February 14, 2017 Meeting	Information Only
A5	Move into CLOSED SESSION	
A6	Report from CLOSED SESSION	
A7	Proposed Ministry Report to Board	OPEN SESSION Report
A8	❖ Adjournment Next Meeting: February 14, 2017	

David McDonald
Chair, Audit Committee

Nancy McCaslin-Barkley
Superintendent of Business/Treasurer

UPCOMING AGENDA & ACTION ITEMS		TIMELINE
1.	2017-18 Meeting Dates	June 2017
2.	2016-17 External Audit Plan – Executive Summary	June 2017
3.	Election of Chair	September 2017

Audit Committee
OPEN SESSION
Election of Chair

November 7, 2016 – 6:30 pm

Information

The Election of Chair will be presided over by Nancy Barkley, Superintendent of Business.

A sample nomination form has been included with the agenda package. Nomination forms will be available for completion on the evening of the meeting. Please ensure they are completed in full, signed and submitted directly to the Recording Secretary, Lianne Webster no later than 6:30 pm.

The Election of Chair By-Law 4.30 is provided below for reference.

Excerpt from the By-Laws of the Upper Canada District School Board

Election of Chair 4.30

Each member present shall vote in the election of the Chair, with the election being conducted in the following manner:

1. The nomination of each candidate for the position of Chair shall be in writing with the consent of the nominee, shall not require a second and self-nomination is permitted.
2. If, when nominations have been closed, there is one candidate, the candidate shall be declared Chair for the year and shall assume the duties of Chair.
3. If, when nominations have been closed, there is more than one candidate, an election by ballot shall be held to determine who shall be Chair for the year.
4. Nominees will be permitted to address the Board for no more than three minutes. The speaking order will be determined by the order in which the nominations were received.
5. In the case of an election, the presiding officer shall appoint two (2) scrutineers from administration.
6. The successful candidate must receive a clear majority of the votes cast.
7. In the event a Chair is not elected on the first ballot, the following procedure shall be followed:
 - a) the candidates shall draw lots if a clear majority is not attained (*when there are only two candidates; see 4.35 Lottery Process below*)
 - b) Where there are more than two candidates:
 - i) a second ballot shall be taken if a clear majority is not attained for any reason;
 - ii) the candidate with the least number of votes on the first ballot shall be dropped from the second ballot; and
 - iii) in the event that there is a tie for the least number of votes, all candidates tied shall be dropped from the second ballot except where such action will reduce the number of candidates to less than two (2), in which event the candidate or candidates to remain on the ballot shall be determined by lot.

4.35 Lottery Process

In the event of a tie-vote, a lottery shall be conducted as follows:

- i) A number of folded pieces of paper (4 times the number of candidates), one of which shall be marked, will be placed in a receptacle and the candidates shall draw in alphabetical order.
- ii) If there is not a winner on the first draw, a second draw will be made with the candidate who drew second on the previous draw drawing first, and the candidate who drew first on the previous draw drawing last, this rotation in drawing to continue until a winner has been declared.

Audit Committee
OPEN SESSION
Election of Chair

November 7, 2016 – 6:30 pm

**Nomination Form
for the
Position of Chair
Audit Committee
2016-2017**

I, nominate

.....

for the position of Chair of the Audit Committee of the Upper Canada District School Board.

CONSENT OF NOMINEE:

.....

Signature

Audit Committee
Minutes of September 13, 2016
OPEN SESSION
Meeting No. 25

The meeting was held at the Upper Canada District School Board Office, 225 Central Avenue West, Brockville, Ontario.

School Board Members:	John McAllister, David McDonald
External Members:	Sheldon Black, Jay Woollven
Administration:	Stephen Sliwa-Director of Education, Nancy Barkley-Superintendent of Business, Carole McKewen-Comptroller of Finance, Lianne Webster-Recording Secretary
Guests:	Diana Kingston-Manager of Accounting Services, Line Robitaille-Regional Internal Audit Manager, David Coombs-Superintendent of Schools, Phil Dawes-Superintendent of District Alignment, Jeremy Hobbs-Superintendent of HR and Operational Services, Patti Whyte-Accountability & Alignment Officer, Dennis Koluk-Health & Safety Specialist, Brad Notman-Manager of Purchasing & Admin Services, Jim Guerin-Manager of IT Services
Regrets:	Jeremy Armer (School Board Member), Susan Edwards-Superintendent of Schools, Allison Grange-Acting Manager of Communications

A1	The meeting was called to order by David McDonald, Chair, at 6:40 p.m.
A2	<u>Approval of Agenda</u> Moved by J.Woollven, seconded by J.McAllister, that the agenda for the September 13, 2016 Meeting No. 25 be approved. <div style="text-align: right;">Carried.</div>
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 J.McAllister, seconded by S.Black, that the minutes for the June 14, 2016, Meeting No. 24 be approved. <div style="text-align: right;">Carried.</div>
A5	<u>Regional Internal Audit</u> <ul style="list-style-type: none"> • 2016-17 Regional Internal Audit Update Revised Internal Audit Mandate <ul style="list-style-type: none"> ○ L.Robitaille presented the Revised Regional Internal Audit Mandate for review as per the annual requirement; mandate had not been updated since its inception in 2010; Regional Internal Audit Managers (RIAMs) from across the province reviewed and updated • Audit Reports <ul style="list-style-type: none"> ○ Further to 2016:B10 Ministry memo in May, RIAMs from across the province met this summer and developed a standardized provincial audit report; committees will see significantly shortened audit reports; more concise with detailed reporting only on observations for which there are recommendations; each observation will be ranked high, medium, or low (H/M/L) in terms of risk; scope paragraph will outline at a high level, the areas that were reviewed • Regional Internal Audit Coordinator <ul style="list-style-type: none"> ○ Contract renewed to July 30, 2017 for Regional Internal Audit Coordinator Dan Duszczyszyn; Ministry memo will be coming out soon with announcement; L.Robitaille will speak to further at the November committee meeting • 2016:SB14 Update on the Internal Audit Leading Practice Repository <ul style="list-style-type: none"> ○ L.Robitaille provided the committee with an overview of the memo; repository will gather leading practices and be available as a resource for board staff; there will be segregation by board size; leading practices will be anonymous but you may reach out for contact information through the Regional Internal Audit Team (RIAT) or Ministry of Education

Audit Committee
Minutes of September 13, 2016
OPEN SESSION
Meeting No. 25

	<ul style="list-style-type: none"> Ministry selected payroll as pilot project; Upper Canada had a Pay Compensation Audit in 2012 which did not look at all payroll processes but, rather, vacation, retirements, and terminations. In addition, external auditors had already completed a lot of the standard payroll audit work; therefore, there were no best practices to put forward; it was noted that Superintendent of Business (SBO) approval is required for any posting of leading practices. Total of 18 payroll practices have been submitted; currently being reviewed for clarity; Ministry of Education is working with OASBO to post so boards may access <p>Moved by S.Black, seconded by J.McAllister, that the Upper Canada District School Board Audit Committee accepts the revised Regional Internal Audit Mandate.</p> <p style="text-align: right;">Carried.</p> <p>Moved by S.Black, seconded by J.McAllister, that the Upper Canada District School Board Audit Committee receives the verbal update from the Regional Internal Audit Manager.</p> <p style="text-align: right;">Carried.</p>
A6	<p><u>Move into CLOSED Session</u> Moved by J.Woollven, seconded by J.McAllister, that the Upper Canada District School Board Audit Committee move into Closed Session ~ September 13, 2016.</p> <p style="text-align: right;">Carried.</p>
A7	<p><u>Rise and Report</u> The Upper Canada District School Board received reports and discussed the following:</p> <ul style="list-style-type: none"> Monitoring Compliance of 2016-17 High Risk Policies Regional Internal Audit <ul style="list-style-type: none"> Backups and Data Management Audit 2016-17 Regional Internal Audit Work Plan Update 2015-16 Evaluation of Regional Internal Audit Team 2015-16 Audit Committee Self-Assessment
A8	<p>❖ Adjournment ❖ Next Meeting – November 7, 2016</p> <p>Moved by J.McAllister, seconded by J.Woollven, that the Upper Canada District School Board Audit Committee adjourn at 9:27 pm.</p> <p style="text-align: right;">Carried.</p>

David McDonald
Chair, Audit Committee

Stephen Sliwa
Director of Education

**Audit Committee
OPEN SESSION**

November 7, 2016 – 6:30 pm

Item A5	Move into CLOSED SESSION
Recommendation	THAT the Upper Canada District School Board Audit Committee moves into CLOSED SESSION ~ November 7, 2016

**Audit Committee
OPEN SESSION**

November 7, 2016 – 6:30 pm

Item A6	REPORT FROM CLOSED SESSION
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Audit Committee
OPEN SESSION
Report

November 7, 2016 – 6:30 pm

Item A7	Proposed Ministry Report to the Board of Trustees
Purpose	<ul style="list-style-type: none"> • To provide the proposed Ministry Report to the Board of Trustees.
Content	<ul style="list-style-type: none"> • There is a further requirement for the Board of Trustees to review a second report and submit to the Ministry of Education no later than January 15, 2017 • Below is the proposed draft content: <p style="text-align: center;">Annual Report to the Board of Trustees and Forwarded To the Ministry of Education For the year ended August 31, 2016</p> <p>District School Board Name: Upper Canada Fiscal Year: 2015-2016</p> <p>Re: Annual Audit Committee Report to the Ministry of Education as per Ontario Regulation 361/10</p> <p>During the 2015-2016 fiscal year, the following audit(s) were completed by August 31st. Due to timing, audit report(s) will not be scheduled for presentation to Audit Committee until 2016-2017 fiscal year:</p> <ul style="list-style-type: none"> ○ Backups and Data Management Audit <p>In addition to those listed above, the following audits were completed in 2015-2016 fiscal year:</p> <ul style="list-style-type: none"> ○ Special Education Audit <p>Based on multi-year 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>
Appendices	
Recommendation	<p>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 23, 2016 meeting.</p>

**Audit Committee
OPEN SESSION**

November 7, 2016 – 6:30 pm

Item A8	ADJOURNMENT
Recommendation	THAT the Upper Canada District School Board Audit Committee adjourn ~ November 7, 2016