



AUDIT COMMITTEE REPORT (PUBLIC)

Monday, November 28, 2022

7:00 pm

Zoom Meeting

Members: Lynn Scott (Trustee), Matthew Lee (Trustee), Cathryne Milburn (Trustee), Shannon Hoeft (External Member)

Staff and Guests Lyra Evans (Trustee), Camille Williams-Taylor (Director of Education), Janice McCoy (Interim Senior Business Official), Randy Gerrior (Associate Director, Business Operations), Kevin Gardner (Assistant Treasurer), James Proulx (Executive Officer, Information Technology and Digital Transformation), Richard Sinclair (General Counsel), Teri Adamthwaite (Manager, Finance), Sandy Owens (Manager of Business & Learning Technologies), Kim Lebrun (Team Manager, Accounting), Genevieve Segu (Regional Internal Audit Team Manager), Gordon Champagne (Senior Regional Internal Auditor), Darren Gatley (Senior Board Coordinator)

Others Present Rob Clayton (Lead Audit Engagement Partner KPMG LLP), Rebecca Prophet (Audit Senior Manager KPMG LLP)

1. Call to Order

Acting Chair Gerrior called the public session to order 7:00 p.m

2. Land Acknowledgment

Acting Chair Gerrior acknowledged that the meeting is taking place on unceded Algonquin Territories and thanked the Algonquin Nations for hosting the meeting on their land.

3. Approval of Agenda

Moved by Trustee Lee, seconded by Trustee Milburn,

THAT the agenda be approved.

Carried

4. Declarations of Interest

No declarations of interest were filed.

5. Delegations

There were no delegations.

6. Associate Director's Report

Associate Director Gerrior outlined the role and purpose of the Audit Committee. He extended his appreciation to Dr. Grace Lee and her commitment over the last two years as an external voting member.

7. Matters for Action

7.1 Election of the Chair

Acting Chair Gerrior reviewed the election process.

Acting Chair Gerrior called for nominations.

Trustee Lee, seconded by Trustee Milburn, nominated Trustee Scott,

Moved by Trustee Lee, seconded by Trustee Milburn,

THAT nomination be closed.

Carried

By acclamation, Acting Chair Gerrior declared Trustee Scott, Chair of the Audit Committee.

Trustee Scott assumed the chair.

7.2 Review of Audit Committee Report

a. 19 October 2022

Moved by Shannon Hoeft,

THAT the Audit Committee report, dated 19 October 2022 be received.

Carried

b. Business Arising

There was no business arising.

7.3 Report 22-076, Draft 2021-2022 Consolidated Financial Statements (R. Gerrior)

Your Committee had before it Report 22-076, seeking approval of the draft 2021-2022 Consolidated Financial Statements.

During the discussion and in response to queries, the following points were noted:

- Staff noted that the Ministry's request that school boards include the Ontario School Boards' Insurance Exchange (OSBIE) in their year end financial results has been partially retracted. Staff added that OSBIE would not cooperate fully for reporting and that the province is expected to work with OSBIE on individual school board statements;
- Revisions to the financial statements to include data from OSBIE could be factored into the 2022-2023 financial statements;
- Staff noted that the consolidated budget deficit of \$4.76 million was under the budgeted \$4.8 million deficit; and
- The consolidated accumulated surplus of \$11.6 million was primarily due to revenue recognized for land purchases.

Moved by Shannon Hoeft,

THAT the draft 2021-2022 Consolidated Financial Statements attached as Appendix A to Report 22-076 be approved (Attached as Appendix A).

Carried

8. Matters for Discussion

8.1 Report 22-077, Analysis of the District's 2021-2022 Financial Results (R. Gerrior)

Your Committee had before it Report 22-077, providing for discussion, information regarding the District's financial results for the year ended 31 August 2022.

During the discussion and in response to queries, the following information was provided:

- Priorities and Partnerships Fund (PPF) grants are special purpose grants that target specific Ministry priority projects which have specific restrictions in how the funds can be applied;
- The District saw an increase in daily average enrolment in secondary schools post COVID-19. The District has experienced educator absences due to COVID-19 illness. The isolation requirements for COVID-19 continues to be an operational challenge;
- The District received \$7.6 million in COVID-19 relief funding; however, this funding did not mitigate the replacement cost for absent educators and educator replacement costs are estimated to range from \$20 million to \$36 million. This will need to be addressed in the 2023-2024 budget and that the District should review areas to save costs in order to balance the budget; and

- The District has limited influence during central bargaining as it relates to staff sick leave.

8.2 RIAT Update on the 2022-2023 Audit Plan (G. Segu)

Ms. Segu provided an update on the 2022-2023 Audit Plan and noted that a further update would be provided at the 15 February 2023 meeting. Ms. Segu added that the Regional Internal Audit Team (RIAT) is working on developing training sessions for Audit Committee members in the Province of Ontario which will include four, one-hour training sessions.

In response to a query, Ms. Segu noted that the date should be corrected to 15 February 2023 instead of 2022 in the schedule section of the enrolment review on page two of the update.

In response to a query, Ms. Segu noted that the scope of legislative compliance review relates to the yearly confirmation of Board-wide risk assessment controls to inform the Director of Education of the Board's compliance with relevant legislation.

9. New Business

There was no new business.

10. Upcoming Meeting Dates

The upcoming meeting dates were provided for information.

11. Adjournment

The public meeting adjourned at 8:11 p.m.

Lynn Scott, Chair, Audit Committee