



AUDIT COMMITTEE REPORT (PUBLIC)

Wednesday, September 20, 2023
7:00 pm
Zoom Meeting

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

Staff and Guests Pino Buffone (Director of Education), Richard Sinclair (General Counsel), Teri Adamthwaite (General Manager, Finance), Rob Clayton (KPMG LLB), Kim Lebrun (Team Manager, Financial Services), Genevieve Segu (Regional Internal Audit Team Manager), Gordon Champagne (Senior Regional Internal Auditor), Darren Gatley (Senior Board Coordinator)

1. Call to Order

Chair Scott called the public session to order 7:05 p.m.

2. Acknowledgement of Territorial Lands

Chair Scott acknowledged that the meeting is taking place on unceded Algonquin Homelands and thanked the Algonquin Nations for hosting the meeting on their land.

3. Approval of Agenda

Moved 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

Director Buffone reported the following:

- Staff is monitoring elementary and secondary enrolment numbers and will make any necessary staffing adjustments to classrooms, if required.

7. Matters for Action

7.1 Review of Audit Committee Report

a. 17 May 2023

Moved by Trustee Milburn,

THAT the Audit Committee report, dated 17 May 2023, be received.

Carried

b. Business Arising

There was no business arising.

7.2 Report 23-067, External Auditor's Audit Plan for 2022-2023 Year End Audit (R. Gerrior)

Your Committee had before it Report 23-067 presenting KPMG LLP's plan for the external audit of the District's 2022-2023 Consolidated Financial Statements.

General Manager Adamthwaite introduced the report and noted that the Ministry is hosting a webinar on 26 September 2023 to provide clarification on the 1% cap on salary increases in public service unions.

Rob Clayton provided an overview of the audit plan and noted that the materiality is set at \$14 million. A significant new item this year is the Asset Retirement Obligations ("ARO") that requires the District to record a liability related to the future costs of any legal obligations, asbestos for example, to be incurred upon retirement of any controlled tangible assets. Other updates to the prior year audit plan include monitoring the status of Bill 124, and newly effective accounting and auditing standards.

Moved by Trustee Lee,

THAT KPMG LLP's plan for the audit of the 2022-2023 Consolidated Financial Statements be approved.

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

- The members of the Audit Committee will have an opportunity to discuss the management override of controls with the auditors without the presence of staff at the November meeting;

- The financial statements of the Ottawa Student Transportation Authority (OSTA) are audited by another organization; however, those results are used to test balances; and
- There is no requirement at the present time for consolidation of Ontario School Board Insurance Exchange (OSBIE), however this situation will be monitored.

Moved by Trustee Lee,

THAT KPMG LLP's plan for the audit of the 2022-2023 Consolidated Financial Statements be approved.

Carried

7.3 2023-24 Annual Report - RIAT Activities (G. Segu)

Your Committee had before it the 2023-2024 Annual Report of the Regional Internal Auditor Team (RIAT) Activities, providing information on:

- a confirmation of the independence of the audit activities;
- a description of its function;
- a confirmation of conformance with the Code of Ethics; and
- a summary of the 2022-23 activities.

Also attached for approval was the 2023-2024 Regional Internal Audit Team Charter.

Gord Champagne provided an overview of the report, including the Team's charter and purpose, independence, organizational structure, staffing and professional development, and quality assurance. The 2022-2023 activities included attendance at Audit Committee meetings, coordinating training for new trustees and external committee members, as well as reviewing educational assistant deployment, COVID-19 response, safe schools, legislative compliance, and an enrolment review and analysis.

Moved by Trustee Milburn,

THAT the Ottawa-Carleton District School Board Audit Committee:

1. **Receives for information the 2023-2024 Annual Report on Internal Audit Activities; and**
2. **Approves the 2023-2024 Regional Internal Audit Team Charter.**

Carried

7.4 2023-24 Regional Internal Audit Plan (G. Segu)

Your Committee had before it the 2023-2024 regional internal audit plan for the current year based on legislative requirements. Regional Internal Audit Manager Segu provided an overview of the audit plan and noted that it presents a best-case scenario and proposes the initiation or completion of work postponed or initiated in the past year; cyclical follow-up procedures, if required; a placeholder to account for Management's requests and potential changing priorities during the year; and one new engagement, if time permits. The plan has been reviewed by senior management.

Moved by Trustee Lee,

THAT the 2023-2024 Regional Internal Audit Plan be approved.

Carried

8. Information Items

8.1 2022-23 Ontario-East District School Board Enrolment Data Analysis (G. Segu)

Regional Internal Audit Manager Segu provided a report on enrolment at the four school boards within the City of Ottawa from 2011 to 2023, to better understand student distribution within a given geographical area. This review was initiated by the Ottawa Catholic School Board (OCSB).

The report includes enrolment data reported to the Ministry of Ontario and/or published on each school board's website. There is no legend for the graphs in the report that would identify each school board. The data for the graphs was extrapolated and the lack of a legend was intentional to prevent drawing incorrect conclusions about enrolment trends.

Each school board has received a copy of the full report.

8.2 Long Range Agenda

The long range agenda was provided for information.

Chair Scott requested that the Regional Internal Audit Team (RIAT) report on Educational Assistant Deployment, Part 1, be added to the 25 October 2023 agenda.

9. New Business

There was no new business.

10. Upcoming Meeting Dates

The upcoming meeting dates were provided for information.

Chair Scott noted that the start time for Audit Committee meetings in 2022-2023 was 6:00 p.m. compared to the start time of 7:00 p.m. for this meeting. The Committee agreed to continue scheduling meetings to commence at 7:00 p.m.

11. Adjournment

The public meeting adjourned at 8:05 p.m.

Lynn Scott, Chair, Audit Committee