



MEMORANDUM

Memo No. 20-117

TO: Audit Committee Members

FROM: Camille Williams-Taylor, Director of Education and Secretary of the Board
Mike Carson, Chief Financial Officer

DATE: 21 October 2020

RE: **Regional Internal Audit Team Evaluation Process for 2019-2020**

A key responsibility of the Audit Committee is to work with the regional internal audit team (RIAT) which supports the committee by providing analyses, assessments, recommendations and advice that contribute to the effectiveness of risk management, internal control and governance processes. The RIAT manager (and staff) report administratively to the senior business official of the host board (Ottawa Catholic School Board) and functionally to the audit committees in the region.

Providing formal feedback to the RIAT through a high-level performance evaluation contributes to continued improvement in the team's effectiveness. It is the responsibility of the host board to complete a performance evaluation of the audit team with input from the audit committees in the region. *Ontario Regulation 361/10, Audit Committees* states that an audit committee is "to review at least once in each fiscal year the performance of the internal auditor and provide the board with comments regarding his or her performance."

The two-part form is attached as Appendix A. Staff is requesting your assistance in preparing the evaluation and asks that you please complete and return *Part 1, Evaluation of Regional Internal Audit – Audit Committee* to Kevin Gardner, Manager of Financial Services by 30 October 2020. Ratings and comments will be summarized and the evaluation, inclusive of management's evaluation, will be presented to Audit Committee for approval in November 2020.

To assist Audit Committee members in reviewing the work performed by the RIAT, reference can be made to Report 20-074 entitled *2019-2020 Annual Report on Internal Audit Activity* which is included in the Audit Committee agenda of 21 October 2020. The report identifies that the RIAT presented final reports on two consulting engagements: one assessed the District's attendance support program and the other presented absence data using a data visualization software application. The team also performed follow-up procedures relating to outstanding recommendations from past audits.

Please direct questions to Kevin Gardner at kevin.gardner@ocdsb.ca

Attach

cc Trustees
 Senior Staff
 Manager of Board Services
 Manager of Financial Services
 Corporate Records

This checklist should be completed by the audit committee annually prior to feedback from other areas of the Board.

Understanding:

How well does internal audit demonstrate that it:

- Recognizes its accountability to the audit committee;
- Understands the responsibilities and operation of the audit committee;
- Understands the expectations of the audit committee and the chair;
- Understands the Board's operations and risk environment?

Strong	Adequate	Needs Improvement

Comments:

Experience:

Evaluate internal audit's independence from the activities it audits.

How would you assess the committee's confidence in internal audit?

Has internal audit presented its mandate in the last two years?

Does the regional internal audit team demonstrate consistency in quality of service to the Board?

Strong	Adequate	Needs Improvement
N/A	Yes	No

Comments:

Communication:

Has internal audit attended all the audit committee meetings scheduled to attend?

Has internal audit made itself available for consultation outside of audit committee meetings?

N/A	Yes	No

Evaluate internal audit's frankness and candour with the committee.
 Evaluate internal audit's handling of difficult or contentious issues.
 Evaluate the usual level of preparation for audit committee meetings demonstrated by internal audit.
 Evaluate the quality of internal audit reports tabled with the audit committee. Consider relevance and clarity.

Strong	Adequate	Needs Improvement
N/A	Yes	No

Have reports been received from internal audit on a sufficiently timely basis?
 If not, has an explanation been provided?

Comments:

Performance:

Assess the quality of the annual audit plan in terms of:
 Comprehensiveness, clarity and timeliness,
 Coverage of priority and high risk areas.

Strong	Adequate	Needs Improvement
N/A	Yes	No
N/A	Yes	No

Did the current internal audit plan leave any significant issues of concern to the audit
 Was it clear from its reporting to the committee that internal audit:
 Delivered the services outlined in the plan,
 Were in accordance with the agreed timetable?
 Do you consider that internal audit has added value* to the organization?
 In what way has internal audit added value* to the organization?

"VALUE" is provided by improving opportunities to achieve organizational objectives, identifying operational improvement, and/or reducing risk exposure through both assurance and consulting services.

	Strong	Adequate	Needs Improvement
How would you assess internal audit's overall performance?			

Comments:

Name: _____
Position: _____
Audit Committee Chair

Signed: _____
Date: _____

Part 2

EVALUATION OF INTERNAL AUDIT – MANAGEMENT

This checklist is to be completed by all Superintendents of Business/CFOs based on direct interaction with regional internal audit and observation at audit committee meetings, with input from post-audit satisfaction surveys (as available). The Host Board Superintendent will compile responses into an overall evaluation form.

The full checklist should be completed every three years, starting with 2016-17. For the intervening years, please provide the following update:

* I have no issues to report on the RIAM's performance.

* I have some concerns with the RIAM's performance detailed below:

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Planning:

Is the regional internal audit mandate sufficiently communicated to key members of management and the Board?

Was there sufficient pre-planning and coordination by the internal auditors before internal audits and/or special projects commenced?

Did internal audit discuss its approach and major areas of audit focus with you?

Did you raise any major areas of concern that were not reviewed by the internal audit team?

N/A	Yes	No

Comments:

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Skill and Experience:

Do you consider the internal audit team have sufficient professional experience, project management, inter-personal skills to effectively carry out the work required?

Do you consider the internal audit team have sufficient experience in the functional specializations (eg IT, risk assessment, program delivery) to effectively carry out the work that was required?

Assess the strength of internal audit's understanding of the Board and its risk involvement.

To what level did the members of the internal audit team demonstrate an appreciation of the key risks and issues of the areas audited?

Did members of the internal audit team consistently demonstrate objectivity in all deliberations?

Do you believe the members of the internal audit team are independent of the activities they audit?

Were members of the internal audit team adequately supervised?

N/A	Yes	No
Strong	Adequate	Needs Improvement
N/A	Yes	No

Skill and Experience:**Comments:****Work Programme:**

Was effective cooperation achieved between the internal auditors and departments including the avoidance of undue disruption to normal activities?

Did internal audit keep you up to date with the progress of your audits/projects?

Did internal audit provide early identification and advise of contentious issues, problem area and delays?

Did internal audit suggest how such issues could be resolved?

Were suggestions realistic and presented clearly and on a timely basis?

N/A	Yes	No

Were internal audit reports:

Relevant, clear and constructive;

Sufficiently detailed to enable effective management action;

Issued on a timely basis?

Were internal audit findings discussed with you prior to being tabled with audit committee?

Did internal audit follow up on recommendations to see if they had been implemented?

Do you have any unresolved disagreements with internal audit?

Did internal audit add value* to the Board? *"Board" meaning corporate entity.*

N/A	Yes	No

In what way did internal audit add value*?

"VALUE" is provided by improving opportunities to achieve organizational objectives, identifying operational improvement, and/or reducing risk exposure through both assurance and consulting services.

Overall Performance:

Overall , we are pleased with the performance of the Regional Internal Audit Manager.

N/A	Yes	No

Comments:**Name:****Position:**

Board Superintendent of Business/CFO

Signed:**Date:**