

REPORT TO BOARD OF TRUSTEES October 22, 2019

Deb Crawford, Director of Education

SUBJECT: Annual Audit Committee Reports to the Board of Trustees

PREPARED BY: Amy Janssens, Associate Director – Corporate Services & Treasurer

BACKGROUND:

Ontario Regulation 361/10, Section 15, of the Education Act requires an audit committee of a board to submit reports to the Board of Trustees each fiscal year.

Every year, no later than November 30th, the audit committee will present a Detailed Annual Report to the Board of Trustees, covering the prior fiscal year. The report will include:

- The annual or multi-year internal audit plan, including planned internal audits on enrolment;
- A description of any changes made to the internal audit plan(s);
- A list of the work performed by internal audit during the period, together with a list of the work the auditor expected to perform during the period;
- A summary of risks identified and findings made by internal audit;
- A summary of the work performed by the committee for the year;
- The audit committee's assessment of the board's progress on addressing any internal or external audit findings and recommendations;
- A summary of the matters addressed by the committee at its meetings;
- The attendance record of audit committee members; and
- Other matters that the audit committee considers relevant (e.g. fraud, special mandates and assignments, specialist involvement, etc.).

Every year, no later than November 30th, the audit committee will present a Ministry Report to the Board of Trustees which will be submitted to the Ministry of Education no later than January 15th. The intent of the reporting is twofold:

- A list of the work performed by the internal auditors in the fiscal year provides a report to the Ministry on the use of the internal audit funding allocation; and
- A list of planned enrolment audits for upcoming fiscal years allows better coordination of enrolment audits performed by the Ministry and the regional internal audit teams.

The Annual Audit Committee Reports to the Board of Trustees for the year ended August 31, 2019 are attached.

RECOMMENDATION:

That the St. Clair Catholic District School Board receive the report: *Annual Audit Committee Reports to the Board of Trustees*, for information.



ST. CLAIR CATHOLIC
DISTRICT SCHOOL BOARD
Lighting the Way - Rejoicing in Our Journey

Annual Report to the Board of Trustees and Forwarded To the Ministry of Education for the year ended August 31, 2019

District School Board Name: St. Clair Catholic District School Board

Fiscal Year: 2018/19

Re: Annual audit committee report to the Ministry of Education as per Ontario Regulation 361/10

During the 2018/19 fiscal year, the following internal audits were started but not completed by August 31st:

- Privacy (Complete pending presentation to the Audit Committee)

In addition to those listed above, the following audits were completed in the 2018/19 fiscal year:

- Asset Management

Based on the multi-year internal audit plan, we are not expecting any enrolment audits to be performed.

Sept 25/2019

Date

Carol Byrdon

Signature

Audit Committee Chair

Title



Annual Audit Committee Report to the Board of Trustees for the year ended August 31, 2019

This report summarizes the Audit Committee’s actions for the year ended August 31, 2019.

Audit Committee Members

The Audit Committee consisted of the members listed below:

- C. Bryden – Chair & Trustee Representative
- L. Ward – Trustee Representative
- M. Kerwin – External Member
- G. Quinton – External Member

In addition, regular attendees at the Committee meetings were:

- D. Crawford – Director of Education
- A. Janssens – Associate Director – Corporate Services & Treasurer
- C. Day – Manager – Financial and Information Services
- J. Cincurak – Administrative Assistant – Corporate Services

Assessment

At the beginning of the year and in accordance with recommended good practice various administrative tasks were completed. These included:

- Declaration of Conflicts of Interest
- Election of a Chair and appointment of Secretary for private meetings
- Review of committee membership
- Development of a meeting schedule and agenda for the year

It was agreed that the Committee would meet five times during the year. The April 23, 2019 meeting was cancelled due to conflicting priorities with budget estimates work.

The members in attendance at each meeting were as follows:

Name	Sep 27, 2018	Nov 13, 2018	Jan 29, 2019	Apr 23, 2019	Jun 11, 2019
C. Bryden	X	X	X	N/A	X
L. Ward				N/A	
M. Kerwin	X	X	X	N/A	X
G. Quinton	X	X	X	N/A	X

Governance

The Audit Committee operated throughout the fiscal year ending August 31, 2019. All of the members satisfied the eligibility requirements in accordance with Ontario Regulation 361/10.

External Auditors

The relationship with the external auditors has been satisfactory. The external auditors, BDO, presented their Audit Service Plan to the Committee for approval at the meeting held on June 11, 2019. The Audit Committee recommended the approval of the annual audited financial statements on November 13, 2018. The external auditors have confirmed their independence in a letter dated June 11, 2019.

Internal Auditors

The relationship with the internal auditors has been satisfactory. For 2018-19 the Committee continued to follow the risk assessment, as well as the risk-based internal audit plan for the three years commencing September 1, 2018. The Committee has received regular reports on the outcome of audit work and recommendations made.

The following work was performed during the year:

- Asset Management – completed
- Privacy - completed pending final report to the Audit Committee in November 2019

The internal auditors did not perform any unplanned audits during the year.

For the completed Asset Management audit the audit committee endorsed the report, including management's action plan.

The audit committee received reports from management regarding the progress toward implementation of action plans developed in response to previous audit findings.

Audit Committee Training

All updates from the Ministry of Education regarding the Regional Internal Audit initiative have been shared with the audit committee.

Summary of the work performed

The following is a summary of work undertaken by the Audit Committee for the year ending August 31, 2019:

- Received an update from the PWC on the work undertaken by the internal audit function.
- Reviewed 3-year Internal Audit Plan.
- Reviewed the 2019 Audit Service Plan with BDO for the year ending August 31, 2019.
- Agreed to the approach and scope of the audit work to be undertaken by the auditors (both internal and external).
- Received assurances from the auditors regarding their independence.
- Reviewed the August 31, 2018 Audited Financial Statements, received a report from the external auditors on the statements and made recommendation to the Board of Trustees for approval.
- Confirmed that the external and internal auditors did not encounter any difficulties in the course of their work.
- Submitted the Annual Audit Committee Report to the Board of Trustees and Ministry of Education.
- Reviewed Interim Financial Reports for 2018-19.
- Performed a self-assessment.
- Undertook a review of both the external and internal auditors' performance.
- Agreed to investigate the Board's policies and procedures related to fraud management.

By the signature noted below, we attest that we have discharged our duties and responsibilities respecting Ontario Regulation 361/10.

On behalf of the Audit Committee



C. Bryden, Chair