



DURHAM DISTRICT SCHOOL BOARD

NOTICE OF MEETING

AUDIT COMMITTEE PUBLIC SESSION

Wednesday, September 21, 2022

Chairperson: To be announced

Recording Secretary: Kristin Talbot

DATE: Wednesday, September 21, 2022

TIME: 7:00 p.m.

LOCATION: Virtual

ATTACHMENTS: Agenda

Copies to:

Committee Members

Director of Education

Associate Director of Corporate Services

Invited Board Staff

Invited Guests



Durham District School Board

Audit Committee Meeting

PUBLIC AGENDA

Wednesday, September 21, 2022

7:00 p.m.

Virtual

	<u>Presented By</u>	<u>Pages</u>
1. Call to Order		
2. Land Acknowledgement	D. Wright	
3. Declarations of Conflict of Interest	D. Wright	
4. Approval of the Agenda	D. Wright	
5. Election of Audit Committee Chair	D. Wright	
6. Approval of the November 8, 2021 Audit Committee Public Meeting Minutes	Chair	1 - 2
7. Annual Agenda Plan	D. Wright	3
8. Annual Audit Committee Report to the Board of Trustees	D. Wright	4 - 7
9. Annual Audit Committee Report to the Ministry of Education	D. Wright	8 - 10
10. Other Business	Chair	
11. Next Meeting – November 10, 2022	Chair	
12. Adjournment	Chair	



Durham District School Board

Audit Committee Meeting

DRAFT MINUTES

A PUBLIC meeting of the Audit Committee was held on Monday, November 8, 2021, virtually via ZOOM and livestreamed on YouTube.

1. Call to Order

Chair Barrett called the meeting to order at approximately 6:02 p.m.

Committee Members Present:	Michael Barrett, Trustee Paul Crawford, Trustee Linda Stone, Trustee Olufunke Majebi, External Member
Committee Member Absence/Regrets:	Karla Mansfield, External Member
Staff Present:	Norah Marsh, Director of Education David Wright, Associate Director of Corporate Services Melissa Durward, Senior Manager of Finance Jennifer Machin, Senior Manager of Finance Sidney Lashley, Internal Auditor Trevor Sealy, Manager of Accounting and Financial Services
Guests Present:	Joane Mui, Partner, KPMG LLP Shelyane Li, Senior Manager, KPMG LLP Jeff Henderson, Senior Regional Internal Auditor
Recording Secretary:	Kristin Talbot, Executive Assistant

2. Land Acknowledgement

Chair Barrett advised that the Durham District School Board acknowledges that many Indigenous Nations have longstanding relationships, both historic and modern, with the territories upon which our school board and schools are located. Today, this area is home to many Indigenous peoples from across Turtle Island (North America). We acknowledge that the Durham Region forms a part of the traditional and treaty territory of the Mississaugas of Scugog Island First Nation, the Mississauga Peoples and the treaty territory of the Chippewas of Georgina Island First Nation. It is on these ancestral and treaty lands that we teach, learn and live.

3. Declaration of Conflict of Interest

There were no declarations of conflict of interest.

4. Approval of the Agenda

MOVED by Linda Stone

That the agenda be approved as presented.

CARRIED

5. Approval of the September 29, 2021 Audit Committee PUBLIC Meeting Minutes

MOVED by Paul Crawford

That the minutes be approved as presented.

CARRIED

6. DDSB Code of Conduct - Update

Chair Barrett provided an update on the status of DDSB's Code of Conduct. A discussion ensued, and questions were responded to.

7. Audit Committee External Member Term of Appointment

Associate Director Wright advised that Karla Mansfield's term of appointment is ending in February 2022 and outlined the process for filling the vacancy. A discussion ensued and questions were responded to.

8. Financial Process and the 2020-2021 Financial Report

Associate Director Wright and Melissa Durward reviewed the Audited Financial Report for the year-ended August 31, 2021. A discussion ensued, and questions were responded to.

MOVED by Linda Stone

That the Audit Committee recommend to the Board of Trustees that the 2020-2021 Financial Report of Durham District School Board, including transfers to and from internally restricted funds, be approved as presented.

CARRIED

9. Other Business

There was no other business.

10. Next Meeting Date

March 23, 2022

11. Adjournment

The meeting was adjourned at approximately 6:21p.m.

Michael Barrett
Chair of the Committee

DDSB Audit Committee

Annual Agenda Plan

September

- Ensure quorum is present
- Maintain minutes, review and approve the minutes of prior meetings
- Members declare any potential financial benefits relating to agenda items
- Annual report to the Ministry (prior fiscal year)
- Annual report to the Board of Trustees (prior fiscal year)
- Regional internal auditor performance evaluation (prior fiscal year)
- External auditor performance evaluation (prior fiscal year)
- Regional internal audit mandate review (current fiscal year)
- Review regional internal audit plan (current fiscal year)
- Meet with management, regional internal audit, and external auditors privately to discuss any necessary matters

November

- Ensure quorum is present
- Maintain minutes, review and approve the minutes of prior meetings
- Members declare any potential financial benefits relating to agenda items
- Review of financial statements (prior fiscal year)
- Review of external auditor's management letter (prior fiscal year)
- Meet with management, regional internal audit, and external auditors privately to discuss any necessary matters

March

- Ensure quorum is present
- Maintain minutes, review and approve the minutes of prior meetings
- Members declare any potential financial benefits relating to agenda items
- Election of Committee Chair
- Review regional internal audit plan (current and next fiscal year)
- Appointment
- Make a recommendation to the Board on the appointment of external member (next three-year term, as needed)
- Make a recommendation to the Board on the appointment of external auditor (next fiscal year, as needed)
- Meet with management, regional internal audit, and external auditors privately to discuss any necessary matters

June

- Ensure quorum is present
- Maintain minutes, review and approve the minutes of prior meetings
- Members declare any potential financial benefits relating to agenda items
- Review of external auditor's audit plan (next fiscal year)
- Review of internal audit plan (current and next fiscal year)
- Meet with management, regional internal audit, and external auditors privately to discuss any necessary matters

DURHAM DISTRICT SCHOOL BOARD ADMINISTRATIVE REPORT

REPORT TO: Audit Committee

DATE: September 21, 2022

SUBJECT: Annual Audit Committee Report
to the Board of Trustees

PAGE: 1 of 2

ORIGIN: Norah Marsh, Director of Education and Secretary to the Board
David Wright, Associate Director of Corporate Services and Treasurer of the Board

1.0 Purpose

The purpose of this report is to provide the Audit Committee with the Annual Audit Committee Report to the Board of Trustees, for the year ended August 31, 2022.

2.0 Ignite Learning Strategic Priority/Operational Goals

Success – *Set high expectations and provide support to ensure all staff and students reach their potential every year.*

Well-being – *Create safe, welcoming, inclusive learning spaces to promote well-being for all students and staff.*

Leadership – *Identify future leaders, actively develop new leaders and responsively support current leaders.*

Equity – *Promote a sense of belonging and increase equitable outcomes for all by identifying and addressing barriers to success and engagement.*

Engagement – *Engage students, parents and community members to improve student outcomes and build public confidence.*

Innovation – *Re-imagine learning and teaching spaces through digital technologies and innovative resources.*

3.0 Background

The Education Act Ontario Regulation 361/10; s.15 (3) states:

“(3). An audit committee of a board shall submit a report to the board in each fiscal year on or before a date specified by the board, and at any other time as may be requested by the board, that includes,

- (a) a summary of the work performed by the committee since the last report;
- (b) an assessment by the committee of the board’s progress in addressing any findings and recommendations that have been made by the internal or external auditor;
- (c) a summary of the matters addressed by the committee at its meetings;
- (d) the attendance record of members of the committee; and
- (e) any other matter that the committee considers relevant.”

The purpose of this report is to summarize the Audit Committee’s actions for the prior fiscal year.

This report is provided annually to the Audit Committee for review and approval and is then presented to the Board of Trustees at the following Board meeting for information.

4.0 Analysis

The Annual Audit Committee Report to the Board of Trustees, for the year ended August 31, 2022, is attached as Appendix A.

5.0 Financial Implications

N/A

6.0 Evidence of Impact

Maintaining compliance with Ontario Regulation 361/10.

7.0 Communication Plan

N/A

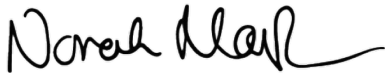
8.0 Recommendation

It is recommended that the Audit Committee approve the Annual Audit Committee Report to the Board of Trustees, for the year ended August 31, 2022, to be presented to the Board of Trustees at the October Board meeting.

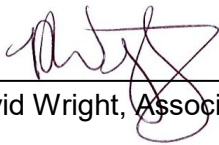
9.0 Appendices

Appendix A – Annual Audit Committee Report to the Board of Trustees

Report reviewed and submitted by:



Norah Marsh, Director of Education and Secretary to the Board



David Wright, Associate Director of Corporate Services and Treasurer of the Board

Durham District School Board

Annual Audit Committee Report to the Board of Trustees

For the year ended August 31, 2022

This report summarizes the Audit Committee's actions for the year ended August 31, 2022.

Audit Committee Members

The following members served on the Committee for the 2021-2022 year:

Michael Barrett – Trustee Representative and Chair
 Paul Crawford – Trustee Representative
 Donna Edwards – Trustee Representative (term commenced May 2022)
 Linda Stone – Trustee Representative (term ended May 2022)
 Karla Mansfield – External Member (term ended February 2022)
 Olufunke Majebi – External Member
 Leslie Miller – External Member (term commenced February 2022)

At the December Board Meeting, the Board of Trustees moved to appoint trustee representatives on a bi-annual basis at the Board's December organizational meeting. Election of the Chair will occur at the first Audit Committee meeting after the December organizational meeting.

In accordance with the Committee terms of reference approved by the Board on October 17, 2011, the External Members are appointed for a three-year term.

In addition, regular attendees at the committee meetings were:

- Partner, KPMG LLP, External Auditors (term ended February 2022)
- Partner, Deloitte LLP, External Auditors (term commenced February 2022)
- Regional Internal Audit Manager
- Senior Regional Internal Auditor
- Director of Education
- Associate Director of Corporate Services and Treasurer of the Board
- Senior Managers of Finance
- Internal Auditor

Meetings

Five meetings took place for the 2021-2022 year and were all held virtually. The members in attendance at each meeting were as follows:

Member's Name	September 29, 2021	November 8, 2021	February 28, 2022	March 23, 2022	June 15, 2022
Michael Barrett	P	P	P	P	P
Paul Crawford	P	P	P	P	P
Donna Edwards	X	X	X	X	P
Linda Stone	P	P	P	P	X
Karla Mansfield	P	R	P	X	X
Olufunke Majebi	P	P	R	P	P
Leslie Miller	X	X	P	P	R

P = Present, R = Regrets, X = Not an active member of the Committee at that time

Governance

The Audit Committee operated throughout the fiscal year ended August 31, 2022. All of the members satisfied the eligibility requirements in accordance with Ontario Regulation 361/10.

External Auditors

The External Auditors, KPMG LLP, were appointed to provide auditing services for the fiscal year 2021. In January 2022, a Request for Proposal was conducted for External Auditor services. Deloitte LLP was awarded the contract for fiscal years 2022-2026.

External Auditors were present at all meetings, during which the Audit Committee:

- Received and approved the audit plan for the year ended August 31, 2022;
- Reviewed the annual engagement letter confirming their independence;
- Received the audit findings report and audit opinion on the annual financial statements for the year ended August 31, 2021.

Regional Internal Auditors

The relationship with the Regional Internal Auditors has been productive and private meetings were held during the year. The Committee reviewed and approved the 2021-2022 audit plan.

Summary of the Work Performed

The following is a summary of the work undertaken by the Audit Committee in the last twelve months:

- Reviewed the Audit Committee report to the Board of Trustees for the year ended August 31, 2021;
- Reviewed the Audit Committee report to the Ministry of Education for the year ended August 31, 2021;
- Reviewed the annual agenda plan;
- Reviewed the External Audit Findings Report and Management Representation Letter for the year ended August 31, 2021;
- Presented the Audited Financial Statements for the year ended August 31, 2021;
- Reviewed the Audit Committee External Member terms of appointments;
- Recommended a Request for Proposal be conducted for External Auditor services;
- Reviewed the Board's OSBIE/Litigation items;
- Reviewed and approved Deloitte's Audit Planning Report for the year ending August 31, 2022;
- Reviewed Regional Internal Audit Team's Internal Audit Update Reports;
- Approved recommendations arising from the self-assessment.

Conclusion

By the signature noted below, we attest that to the best of our knowledge we have discharged our duties and responsibilities under Ontario Regulation 361/10.

On behalf of the Audit Committee

Audit Committee Chair

DURHAM DISTRICT SCHOOL BOARD ADMINISTRATIVE REPORT

REPORT TO: Audit Committee **DATE:** September 21, 2022

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3.0 Background

The Education Act Ontario Regulation 361/10; s.15 states:

- “(1) An audit committee of a board shall submit to the board on or before a date specified by the board an annual report that includes,
- (a) any annual or multi-year audit plan of the board’s internal auditor;
 - (b) a description of any changes made to a plan referred to in clause (a) since the last report of the committee;
 - (c) a summary of the work performed by the internal auditor since the last annual report of the committee, together with a summary of the work the auditor expected to perform during the period, as indicated in the plan referred to in clause (a);
 - (d) a summary of risks identified and findings made by the internal auditor; and
 - (e) a summary of any enrolment audits planned by the internal auditor. O. Reg. 361/10, s. 15 (1); O. Reg. 204/15, s. 3 (1).

(2) A board who receives a report under subsection (1) shall submit the information described in clauses (1) (c) and (e) to the Minister in each fiscal year on or before a date specified by the Minister.”

The purpose of this report is to summarize the Regional Internal Audit Team's actions for the prior fiscal year.

This report is provided annually to the Audit Committee for review and approval and is then presented to the Board of Trustees at the following Board meeting for information. The report is required to be forwarded to the Ministry of Education on or before a date specified by the Minister, typically January 15.

4.0 Analysis

The Annual Audit Committee Report to the Ministry of Education, for the year ended August 31, 2022, is attached as Appendix A.

5.0 Financial Implications

N/A

6.0 Evidence of Impact

Maintaining compliance with O. Reg 361/10.

7.0 Communication Plan

Appendix A will be submitted to the Ministry of Education, as required by O. Reg 361/10.

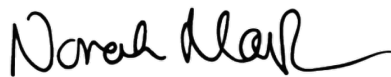
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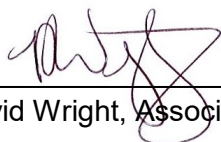
9.0 Appendices

Appendix A – Annual Audit Committee Report to the Ministry of Education

Report reviewed and submitted by:



Norah Marsh, Director of Education and Secretary to the Board



David Wright, Associate Director of Corporate Services and Treasurer of the Board

**Audit Committee
Annual Report to the Ministry of Education
For the year ended August 31, 2022**

District School Board Name: Durham District School Board

Fiscal Year: 2021-2022

Re: Annual Audit Committee Report to the Ministry of Education,
as per Ontario Regulation 361/10

Regional Internal Audit Team

2021-2022

During the 2021-2022 fiscal year, the following internal audits were completed by August 31, 2022:

- Workforce Planning – Facilities and IT

2022-2023

Based on the Regional Internal Audit plan, we are expecting the following audits for 2022-2023:

- Legislative Compliance Phase Two
- Strategic Risk Assessment
- People and Culture Department Review

September 21, 2022

Date

Audit Committee Chair