

A meeting of the Audit Committee was held in the Barry C. O'Connor Board Room at the Limestone Education Centre, 220 Portsmouth Avenue, Kingston, ON on Monday, May 6, 2019, at 5:30 p.m.

Present:

Trustee L. French - regrets
Members: S. Ruttan

Community A. Young
Members: F. Tan

Officials: M. Baumann, Manager, Financial Services
D. Rantz, Director of Education
C. Young, Superintendent of Business Services & Treasurer

Others: L. Huber, KPMG
H. Kobusinge, KPMG
P. L'Orfano, RIAT Ontario East
G. Segu, RIAT Ontario East

Recorder: L. Strange, Records Management Coordinator

Trustee Ruttan called the meeting to order at 5:30 pm.

Acknowledgement of Territory:

"The Limestone District School Board is situated on the traditional territories of the Anishinaabe and Haudenosaunee. We acknowledge their enduring presence on this land, as well as the presence of Métis, Inuit and other First Nations from across Turtle Island. We honour their cultures and celebrate their commitment to this land."

Approval of Agenda

MOVED BY: A. Young, that the agenda, as presented, be approved. Carried.

Declaration of Conflict of Interest

No committee members declared a conflict of interest.

Action Items:

1. Verbal Internal Audit Update

G. Segu introduced herself as the new Audit Manager for Ontario East, and explained that P. L'Orfano would be the main person responsible for the field work for audits in LDSB.

2. 2018-2019 Draft Audit Plan

L. Huber, Manager of KPMG, attended the meeting to provide an overview of the 2018-2019 Draft Audit plan: She noted the following highlights:

- Executive summary – this area of the plan outlines the Audit and Business risks, Audit Materiality and Independence and Quality Control
- Audit plan considerations – KPMG staff have met with the Board to review the organization, regulatory environment, Canadian Accounting Standards and Canadian Audit Standards as they pertain to the Board's Audit. It was noted that the Auditing Reporting standards are effective this year.
- Management override and controls – the possible fraud risks
- Payroll Expenses – this is the largest part of board's budget. KPMG works with Board staff over the summer months to review control processes
- Materiality – For the Board materiality is \$7,500,000 or 2.8% of materiality benchmark
- KPMG is developing new technologies and alliances to enhance the Audit process with a KPMG Clara Collaboration, Visualization Tool and Journey Entry Analysis
- The Auditing cycle - key deliverable and milestones
- New Audit Report format - re-ordering of the auditors' report, including moving opinion to the first section, expanded descriptions of management's responsibilities, those charged with governance and auditors' responsibilities, and disclosure of name of the engagement partner
- Asset Retirement Obligations - in August 2018, PSAB issued the new standard, Section PS 3280

MOVED BY: A. Young, that Draft Audit Plan be received. Carried.

Motion to Private Session

MOVED BY: F. Tan, that the meeting move into Private Session.

Private Session

3. Multi-Year Audit Plan

G. Segu provided an overview of the Multi-Year Audit Plan.

MOVED BY: L. Huber, that the Multi-Year Audit Plan report be received. Carried.

4. Internal Audit Activities Update

G. Segu provided an Internal Audit Activities update.

MOVED BY: A. Young, that the Internal Audit Activities Update report be received. Carried.

Committee to Rise and Report

MOVED BY: A. Young, the committee Rise and Report to Public Session. Carried.

Other Business

None at this time.

Next Meeting Date

September 9, 2019.

Adjournment

MOVED BY: F. Tan, that the meeting adjourn. Carried.

The meeting adjourned at 6:20 p.m.