

AUDIT COMMITTEE MEETING MINUTES – SEPTEMBER 11, 2023

PUBLIC SESSION

Roll Call:

Administrative Staff Present:

Committee Members:	Staff:
S. Ruttan (Chair) G. Elliott, Trustee T. Lloyd - Regrets R. Richard, External Member C. Innocente, External Member	K. Burra, Director of Education C. Young, Superintendent of Business Services P. Carson, Manager of Financial Services L. Benjamin, Assistant Manager of Financial Services
Invitees:	Recorder & Producer:
L. Huber, KPMG External Auditor P. L'Orfano, Internal Auditor G. Segu, Internal Auditor	A. Galt, Administrative Assistant A.M. Andretta, Producer

Trustee Ruttan began the meeting with opening remarks. Good evening, Trustees, Senior Staff, and the viewing public. This is a hybrid meeting. Committee members joining us include myself, Trustee Suzanne Ruttan, Trustee Garrett Elliott, external audit committee members Christine Innocente and Roger Richard, Limestone's external auditor Lori Huber from KPMG, Pasquale L'Orfano and Genevieve Segu the Regional Internal Audit Team, as well as Director of Education Burra, Superintendent of Business Young, Manager of Financial Services Carson, and Assistant Manager of Financial Services Benjamin.

We will begin with the Indigenous 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.

Chair Ruttan noted that there would be an opportunity for the auditors and the committee members to have a private discussion without the Limestone staff present at the end of private session.

1. CALL TO ORDER

The meeting was called to order at 5:37 pm.

2. ADOPTION OF THE AGENDA

Chair Ruttan called for any additions to the agenda. No additions were made.

MOTION: *That the Agenda as presented be accepted.*

MOVED BY: *Trustee Elliott. Carried.*

3. DECLARATION OF CONFLICTIONS OF INTEREST

None.

4. ACTION ITEM

4.1 REGIONAL INTERNAL AUDIT PLAN

G. Segu presented the Regional Internal Audit Plan. This is the third year of the multiyear audit plan. Highlighted on the top of page 4 are the three projects that the Regional Internal Audit Team (RIAT) was able to perform during the past three years; Critical Positions, Safe Schools, and School Generated Fraud Flags Identification. We are proposing to review the Payroll Data Analytics, Attendance Management and Business Continuity after the strategic cyclical risk assessment.

On Appendix A, page 5, shows what we are proposing. The 2022-23 Fraud Policy Benchmarking is completed. The Strategic Risk Assessment was done in the spring of 2021. We are proposing to approach it the same as last year. Having a region-wide approach was a very good use of resources and it also enabled us to get a better understanding of the risk environment for the school boards in Ontario East. In 2021, we brought in all the Superintendents of Business and invited the academics from the school boards to do a risk identification session. Then, we took that list of risks and performed the risk assessment virtually with voting technology. That is how the multiyear strategy plan was developed. We felt that it worked very well.

We also propose to do the new Special Education Benchmarking. It is region wide. We are going to leverage all the data we can acquire via the EFIS and ONSIS systems, which are respectively financial data and enrollment data. Special Education is a very important item, discussed frequently. By the means of benchmarking, we are hoping to do one of two things. We would like the school boards to get a better understanding of how they are doing compared to school boards of a similar size and identify leading practices. We cannot identify leading practices via EFIS and ONSIS, so we are proposing to do a workshop. This is currently in discussion with Michael Blackburn from the Limestone District School Board (LDSB). All the Ontario East Leads of Special Education would be invited to review the numbers that we have. That would lead to further questions, then we would draw up a survey. The survey would be sent to boards willing to participate within the province.

2023-24 Management Request Engagement: This is a placeholder every year. Should management see that there is a major risk that needs to be addressed, it can be slotted in.

That concludes my presentation of our plan. The items that are on this plan, the Fraud Policy Benchmarking, Strategic Risk Assessment, and Special Education Benchmarking are region wide initiatives. With the budget constraints and reserves constraints that we are feeling this year, this is the way we are still trying to provide value to the school boards.

MOTION: *That the Limestone District School Board Audit Committee approve the 2023-2024 Internal Audit Plan.*

MOVED BY: *Roger Richard, Carried.*

Chair Ruttan asked for any questions and discussion ensued.

Chair Ruttan asked if anyone was opposed to the Internal Audit Plan that was presented.

Christine Innocente abstained, Carried.

5. FOR INFORMATION

5.1 2023-24 ANNUAL REPORT ON INTERNAL AUDIT ACTIVITIES

G. Segu briefly summarized the purpose of the 2023-24 Annual Report on Internal Audit Activities. This report is to present to the audit committee items that are mandated to be presented, as well as some statistics on the work that RIAT has been doing. RIAT is regulated by Ontario Regulation 361/10, the Regional Internal Audit Charter (The Charter), and the International Professional Practices Framework.

Last year, RIAT had three pieces of co-sourcing. MNP with the Covid 19 lessons learned, the 2022-23 enrolment project for the Ottawa School Boards and Robert Half with the Legislative Compliance project across four school boards. When hiring co-sourcing, they try to use the resources across several school boards.

There have been no changes in the organizational structure and staffing. Pasquale L'Orfano continues as the auditor assigned to the Limestone District School Board (LDSB). CPA's are required to do PD each year. Last year, the PD focused on ethics, risk management, cyber security, diversity, and inclusion.

Quality Assurance has not changed. An external Quality Assurance is not due.

G. Segu briefly reviewed what was done in 2022-23 on page 10, which shows the number of audits completed. By using projects that carry across all school boards, RIAT can do more. Safe Schools was completed. The Fraud Policy Benchmarking is in report mode. For LDSB, 100% of the plan was completed, 72% region wide.

Looking at Follow-up Procedures, there were about 300 recommendations for the whole region when G. Segu came in and now as of July 11, 2023, there are 15. RIAT is steering away from making recommendations to having a more collaborative approach with management. LDSB has no outstanding recommendations.

5.2 REGIONAL INTERNAL AUDIT CHARTER

G. Segu noted that the Charter is in the Appendix. The Charter defines the information that they can provide to the audit committee, it defines the way they shall proceed, and the reports. By G. Segu signing it, she is vouching that she is providing an independent and objective service. She has the same functional reporting to each one of the nine audit committees and still reports to the Senior Business Official of their host board, the Ottawa Catholic School Board. A signature is usually requested when there is a change in the Director or the Chair. A signature was not provided last year. At Chair Ruttan's request, A. Galt will apply Chair Ruttan's signature to the Charter.

Chair Ruttan asked if there were any questions. There were none.

6. OTHER BUSINESS

None at this time.

7. FUTURE MEETING DATES

Monday, November 6, 2023

Monday, May 6, 2024

Audit committee will rise and report at the next board meeting (September 20, 2023).

PRIVATE SESSION 5:58 PM

Roll Call:

Administrative Staff Present:

Committee Members:	Staff:
S. Ruttan, Trustee (Chair)	K. Burra, Director of Education
G. Elliott, Trustee	C. Young, Superintendent of Business Services
T. Lloyd, Trustee - Regrets	P. Carson, Manager of Financial Services
R. Richard, External Member	L. Benjamin, Assistant Manager of Financial Services
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G. Segu, Internal Auditor	

8. PRIVATE SESSION

MOTION: *To move into Private Session.*

MOVED BY: *Trustee Elliott. Carried.*

9. FOR INFORMATION

9.1 FRAUD POLICY REVIEW FINAL REPORT

G. Segu presented the Fraud Policy Review Final Report.

Limestone District School Board

Limestone District School Board is situated on traditional territories of the Anishinaabe & Haudenosaunee.

9.2 KPMG – INTERIM/YEAR END AUDIT

L. Huber gave a verbal update on the progress of the interim audit for year ended August 31, 2023.

10. ADJOURNMENT

MOTION: *To adjourn.*

MOVED BY: *R. Richard. Carried.*

The meeting adjourned at 6:08 pm.

11. PRIVATE DISCUSSION BETWEEN AUDITORS AND AUDIT COMMITTEE MEMBERS

COMMITTEE TO RISE AND REPORT

The Committee will rise and report to the full Board of Trustees in Private Session and to the public at the next Board meeting (September 20, 2023).