



AUDIT COMMITTEE MEETING MINUTES – MAY 6, 2024

PUBLIC SESSION

Roll Call:

Administrative Staff Present:

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

Trustee Ruttan presented the Land Acknowledgement: “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.”

1. CALL TO ORDER

Chair Ruttan called the meeting to order at 5:33 pm.

2. ADOPTION OF AGENDA

Chair Ruttan asked if there were any additions to the agenda. Chair Ruttan added an item to other business, to review the audit survey completed by the audit committee members.

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

MOVED BY: *Trustee Lloyd. Carried.*

3. DECLARATION OF CONFLICT OF INTEREST

None.

4. REPORTS FOR INFORMATION

4.1. Fraud Reporting Administrative Procedure

Superintendent Young presented the Fraud Reporting Administrative Procedure.

One of the recommendations from the regional internal audit team was for Limestone District School Board (“LDSB”) to put into place a fraud reporting procedure. Superintendent Young outlined the eight topics covered in the fraud reporting procedure: definition and classification of fraud, roles and responsibilities, fraud investigation protocol, reporting procedures, protection against reprisals, post investigation risk assessment, education and training, and procedure review.

Superintendent Young reviewed the info graphic regarding the fraud notification process.

Chair Ruttan thanked Superintendent Young for the report and asked for any questions.

4.2. 2023-2024 Regional Internal Audit Plan

G. Segu briefly summarized the 2023-2024 Regional Internal Audit. This report provides a regular update on the progress of the work performed by the regional internal audit team (“RIAT”) in 2023-2024.

There was a risk identification session on March 21, 2024, with two representatives from each of the nine school boards. RIAT will conduct a risk assessment workshop on June 17, 2024, with the Superintendents at LDSB.

At the next audit committee meeting in September 2024, RIAT will bring a report on the results of the strategic assessment and the special education benchmarking. To date there have been no requests from management and no follow-up procedures.

Chair Ruttan thanked G. Segu for the update and asked for any questions.

4.3. Audit Planning Report for the year ending August 31, 2024

L. Huber presented the Audit Planning Report for the Year Ending August 31, 2024. L. Huber reviewed the audit and technology highlights. Updates to the prior year audit plan include a new revenue recognition accounting standard. This standard establishes a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement. KPMG is not expecting any changes based on this new standard. Initial

materiality has been set using the prior year audited financial statements. Performance materiality has been set at 75% of materiality or \$6,000,000. KPMG's assessment of misstatements, if any, in amounts or disclosures at the completion of the audit will include the consideration of both qualitative and quantitative factors. Materiality as a percentage of expenses is at 2.6%.

KPMG will obtain and leverage the work of management's expert, the Actuary, related to the calculation of the liability for employee benefit liabilities. KPMG IT audit professionals are involved to understand the entity level controls surrounding the information systems used by the School Board

Audit planning begins with an assessment of risks of material misstatement in the financial statements. Management override of controls is a presumed risk which is always considered in every financial statement audit. There is nothing significantly different year-over-year. A great deal of work goes into the interim audit in terms of payroll. Payroll is a large proportion of the overall expenses in any given fiscal year.

L. Huber briefly reviewed the appendices in the audit planning report.

L. Huber welcomed feedback and comments. Chair Ruttan thanked L. Huber and asked the audit committee for questions.

5. OTHER BUSINESS

The survey completed by audit committee members suggested that members were interested in future training opportunities. The items of interest are public accountability, follow up of administration action plans, financial statements and financial reporting, and ethics, professional conduct and compliance. Members were asked to elaborate to the chair on their requests.

6. FUTURE MEETING DATES

September 2024

November 2024

The public meeting ended at 6:03 pm.

7. MOTION TO MOVE INTO PRIVATE SESSION

MOTION: To move into Private Session.

MOVED BY: Trustee Lloyd. Carried.

Limestone District School Board

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

SEE YOURSELF IN LIMESTONE

8. PRIVATE DISCUSSION BETWEEN AUDITORS AND AUDIT COMMITTEE

Chair Ruttan excused the LDSB staff members to provide a private conversation with both the external and internal auditors.

9. ADJOURNMENT

MOTION: To Adjourn.

MOVED BY: Trustee Lloyd. Carried

The meeting adjourned at: 6:26 pm.