



# CATHOLIC DISTRICT SCHOOL BOARD OF EASTERN ONTARIO

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## **Minutes of the Audit Committee Meeting - **OPEN**** **Held on Wednesday, September 15, 2021** **Virtual Microsoft TEAMS Meeting**

### A. OPENING

Meeting was called to order at 5:05 p.m.

#### A.1 Prayer

Trustee McAllister opened with land acknowledgement and prayer.

### B. ROLL CALL

#### B.1 Audit Committee Members

Present: Karen McAllister, Audit Committee Member and Trustee  
Todd Lalonde, Audit Committee Member and Trustee  
Nancy Kirby, Audit Committee Member (External)  
Gord Greffe, Audit Committee Member (External)

#### B.2 Board Administration

Present: Bonnie Norton, Associate Director & Treasurer  
Ashley Hutchinson, Manager of Finance  
Traci Bloomfield, Assistant Manager of Finance  
Stephanie Keyes, Administrative Assistant

#### B.3 Guests

Present: Genevieve Sagu, Regional Internal Audit Manager  
Portia Marcaida, Regional Internal Auditor  
Rob Clayton, Audit Partner KPMG

### C. ELECTION OF THE CHAIR OF THE AUDIT COMMITTEE

After committee consultation, it was agreed that Mrs. Karen McAllister will continue as Chair of the committee for the 2021-22 year.

### D. AMENDMENT TO AND APPROVAL OF AGENDA

Audit Committee Chair, Mrs. McAllister suggested presentation *GI. iv) RIAT 2021-22-AC Members Presentation*, be deferred in consideration of time and move this presentation to the June 2022 meeting.

***Recommendation: “That the Audit Committee approve the agenda of the Open Meeting of September 15, 2021, as amended.”***

***Moved by: Nancy Kirby***

***Carried***

E. DECLARATION OF CONFLICT OF INTEREST

Nil

F. APPROVAL OF MINUTES

F.1 Minutes of the Audit Committee Meeting held on June 16, 2021

***Recommendation: That the Audit Committee approve the minutes of the meeting held on June 16, 2021, as presented”.***

***Moved by: Nancy Kirby***

***Carried***

G. PRESENTATIONS

G.1

i) 2020-21 Annual Report – RIAT activities CDSBEO

Mrs. Norton welcomed the Regional Internal Audit Team (RIAT) and introduced Genevieve Sagu, Regional Internal Audit Manager (RIAM), to present the 2020-21 Annual Report-RIAT Activities to the committee.

Ms. Sagu indicated that 80% of its 2020-21 plan was completed and consisted of the following audits;

- Strategic Risk Assessment
- Cybersecurity Framework
- Unaccounted Funds Review (Management request)
- Follow-up Procedures

Per Management’s request, Critical Position engagement was postponed.

Per Genevieve, Cybersecurity risk has a placeholder in the multi-year plan.

***Recommendation: “That the Audit Committee receive the Regional Internal Audit Update as information”.***

***Moved by: Nancy Kirby***

***Carried***

ii) Regional Internal Audit Charter 2021-22

Ms. Sagu indicated that the Regional Internal Audit Charter was previously known as the Regional Internal Audit Mandate. Ms. Sagu recommends calling this document the

Charter as this amended terminology is widely accepted in the internal audit function.

Ms. Sagu proposed change to language, as presented, under the Organization function of the audit charter. Ms Sagu expressed this change is meant to strengthen wording around the reporting relationship.

In the Reporting and Monitoring section of the charter, Ms. Sagu reviewed the additional paragraph inserted by the RIAM, as recommended by the contractor. Ms. Sagu indicated this is meant to formalize the practice.

Under Definition of Selected Terms of the charter, Ms. Sagu indicated that the term “review” should be used in audits.

Question was raised by external member of the committee regarding the author of the charter and if the charter had been previously approved by the Audit Committee. Ms Sagu stated that the charter, previously know as mandate would have been brought to the committee in September 2020. Regional Internal Audit Managers Group met and discussed that charters change based on local needs and therefore, these changes brought forward are that of the RIAM.

Committee Members agreed that this is a significant document that defines the relationship between the RIAT and Management. This relationship should be a cooperative function to support Management’s approach to risk management and controls. It was suggested that the Regional Internal Audit Charter for 2021-22 be deferred for discussion purposes.

***Recommendation: “That the Audit Committee defer the signing of the Regional Internal Audit Charter for 2021-22 until further discussions with the Audit Committee”.***

***Moved by: Gord Greffe***

***Carried***

iii) Self-Assessment with Independent Validation (SAIV) Final Report

Ms. Sagu presented the detailed report, as per agenda item Appendix D to the committee. Much discussion amongst the committee relating to the action plan outlined in the report which identifies the requirement to have a regular, private in-camera session at AC meetings without the presence of management between the AC members and the RIAT as an automatic, standard agenda item.

Members expressed the concern around time and staffing constraints on Managements side in terms of performing number of audit engagements per year.

***Recommendation: “That the Audit Committee receive the Regional Internal Audit update as information”.***

***Moved by: Todd Lalonde***

***Carried***

G.2 External KPMG Audit presentation on the External Audit Plan for the 2020-21 fiscal year

Mrs. Norton introduced Mr. Rob Clayton, KPMG Lead Audit Engagement Partner. Mrs. Norton indicated that KPMG will carry out the audit of the consolidated financial statements as at the year ending August 31, 2021.

Mr. Clayton began by stating that there are no significant alterations from previous years. Materiality will be altered to include the addition of Personal Protective Equipment (PPE) revenue and expense. Do not anticipate significant changes to the total materiality amount of \$4,500,000.

Mr. Clayton summarized audit related work performed by KPMG, which included School Generated Funds, Student Transportation of Eastern Ontario (STEO), Accounting Estimates, COVID-19 and Ontario Youth Apprenticeship Program (OYAP).

Mr. Clayton stated that newly effective audit standard requires auditors to get more granular in their approach to estimates. Mr. Clayton does not expect that this will be overly significant.

***Recommendation: "That the Audit Committee recommend approval of the 2020-2021 KPMG Audit Plan to the Board of Trustees".***

***Moved by: Gord Greffe***

***Carried***

H. INFORMATION ITEMS

H.1 Director Confirmation of Compliance

Letter from Director Cameron, confirming the Board's confirmation of compliance with various Acts and Regulations.

***Recommendation: "That the Audit Committee receive the Director Confirmation of Compliance as information".***

***Moved by: Nancy Kirby***

***Carried***

I. CLOSING PRAYER

Trustee McAllister led the Committee in a closing prayer.

J. ADJOURNMENT

Next Meeting scheduled for Thursday, October 28, 2021.

***Recommendation: "That the Open Meeting of September 15, 2021 be adjourned at 6:20 p.m.".***

***Moved by: Todd Lalonde***

***Carried***