

AUDIT COMMITTEE REGULAR MEETING Open (Public) Session

AGENDA
September 12, 2018

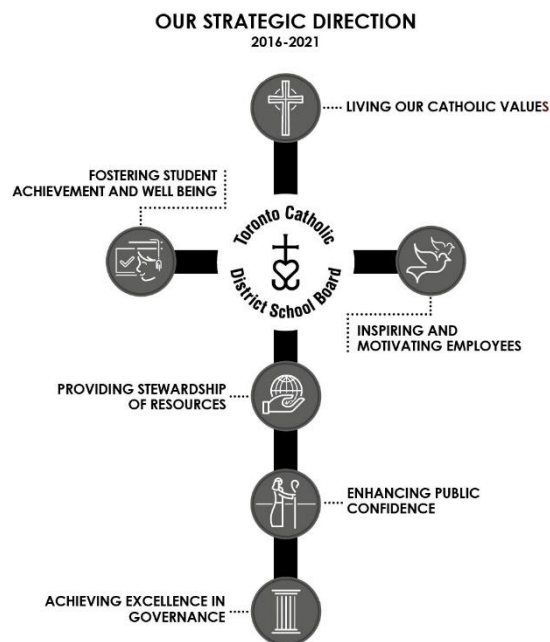
Barbara Poplawski, Chair

Angela Kennedy

Maria Rizzo

Nancy Borges

Ryan Singh



MISSION

*The Toronto Catholic District School Board is an inclusive learning community uniting home, parish and school and rooted in the love of Christ.
We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.*

VISION

At Toronto Catholic we transform the world through witness, faith, innovation and action.

Recording Secretary: Sophia Harris, 416-222-8282 Ext. 2293
Assistant Recording Secretary: Sonia Tomaz, 416-222-8282 Ext. 2298

Rory McGuckin
Director of Education

Barbara Poplawski
Chair of the Board

Summary of Terms of Reference for Audit Committee

The Audit Committee shall have responsibility for considering matters pertaining to:

(1) Related to the board's financial reporting process:

1. To review with the director of education, a senior business official and the external auditor the board's financial statements, the results of an annual external audit
2. To review the board's annual financial statements and consider whether they are complete, are consistent with any information known to the audit committee members and reflect accounting principles applicable to the board.
3. To ask the external auditor about any other relevant issues.

(2) Related to the board's internal controls:

1. To review the overall effectiveness of the board's internal controls.
2. To review the scope of the internal and external auditor's reviews of the board's internal controls, any significant findings and recommendations by the internal and external auditors and the responses of the board's staff to those findings and recommendations.
3. To discuss with the board's officials the board's significant financial risks and the measures the officials have taken to monitor and manage these risks.

(3) Related to the board's internal auditor:

1. To review the internal auditor's mandate, activities, staffing and organizational structure with the director of education, a senior business official and the internal auditor.
2. To make recommendations to the board on the content of annual or multi-year internal audit plans and on all proposed major changes to plans.
3. To ensure there are no unjustified restrictions or limitations on the scope of the annual internal audit.
4. To review at least once in each fiscal year the performance of the internal auditor and provide the board with comments regarding his or her performance.
5. To review the effectiveness of the internal auditor, including the internal auditor's compliance with the document International Standards for the Professional Practice of Internal Auditing, as amended from time to time, published by The Institute of Internal Auditors and available on its website.
6. To meet on a regular basis with the internal auditor to discuss any matters that the audit committee or internal auditor believes should be discussed.

(4) Related to the board's external auditor:

1. To review at least once in each fiscal year the performance of the external auditor and make recommendations to the board on the appointment, replacement or dismissal of the external auditor and on the fee and fee adjustment for the external auditor.

2. To review the external auditor's audit plan and confirm the independence of the external auditor.
3. To meet on a regular basis with the external auditor to discuss any matters that the audit committee or the external auditor believes should be discussed.

(5) Related to the board's compliance matters:

1. To review the effectiveness of the board's system for monitoring compliance with legislative requirements and with the board's policies and procedures, and where there have been instances of non-compliance, to review any investigation or action taken by the board's director of education, supervisory officers or other persons employed in management positions to address the non-compliance.
2. To obtain regular updates from the director of education, supervisory officers and legal counsel regarding compliance matters and that all statutory requirements have been met.

(6) Related to the board's risk management:

1. To ask the board's director of education, a senior business official, the internal auditor and the external auditor about significant risks, to review the board's policies for risk assessment and risk management and to assess the steps the director of education and a senior business official have taken to manage such risks, including the adequacy of insurance for those risks.
2. To initiate and oversee investigations into auditing matters, internal financial controls and allegations of inappropriate or illegal financial dealing.

(7) Related to reporting to the board:

1. To report to the board annually, and at any other time that the board may require, on the committee's performance of its duties.

(8) Related to website maintenance:

1. To make all reasonable efforts to ensure that a copy of Ontario Regulation 361/10 is posted on the board's website.

OUR MISSION

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AGENDA THE REGULAR MEETING OF THE AUDIT COMMITTEE

PUBLIC SESSION

Wednesday, September 12, 2018

7:00 P.M.

Pages

1. **Call to Order**
2. **Opening Prayer**
3. **Roll Call & Apologies**
4. **Approval of the Agenda**
5. **Declarations of Interest**
6. **Approval & Signing of the Minutes of the Meeting held May 23, 2018 for Public Session.** 1 - 5
7. **Delegations**
8. **Presentation**
 - 8.a Trevor Ferguson and Scott Finkel, representing Deloitte LLP, regarding the 2018 External Audit Plan (See Item 13b)
 - 8.b Paula Hatt, representing the Toronto and Area Regional Internal Audit Team (RIAT), regarding the RIAT Update (See Item 13c)
 - 8.c Paula Hatt, representing the Toronto and Area RIAT, regarding the Employee Health and Safety Audit (See Item 13d)

9.	Notices of Motion	
10.	Consent and Review	
11.	Unfinished Business	
12.	Matters referred/deferred	
13.	Staff Reports	
13.a	Update Report regarding Whistleblower Policy	6 - 8
13.b	2018 External Audit Plan (See Item 8a)	9 - 28
13.c	RIAT Update, September 2018 (See Item 8b)	29 - 31
13.d	RIAT Employee Health and Safety Audit, August 2018 (See Item 8c)	32 - 58
13.e	Audit Committee Meeting Annual Agenda/Checklist	59
14.	Listing of Communication	
15.	Inquiries and Miscellaneous	
15.a	Proposed Audit Committee Meeting Dates for Consideration (To Be Discussed)	
16.	Updating of Pending List	60 - 61
17.	Closing Prayer	
18.	Adjournment	

**MINUTES OF THE REGULAR MEETING OF THE
AUDIT COMMITTEE
HELD WEDNESDAY, MAY 23, 2018**

OPEN (PUBLIC) SESSION

PRESENT:

Trustees: B. Poplawski, Chair
A. Kennedy
M. Rizzo

External Members: R. Singh
N. Borges

B. Lowe – Auditor
V. Trivedi - Auditor

Staff: R. McGuckin
P. Matthews
L. Noronha
S. Camacho
M. Eldridge
D. Bilenduke
D. DeSouza

S. Harris, Recording Secretary
S. Tomaz, Assistant Recording Secretary

4. Approval of the Agenda

MOVED by Trustee Rizzo, seconded by Ryan Singh, that the Agenda be approved.

The Motion was declared

CARRIED

MOVED by Trustee Rizzo, seconded by Ryan Singh, that the meeting resolve into PRIVATE Session and then resolve back into PUBLIC Session.

The Motion was declared

CARRIED

6. Approval and Signing of the Minutes

MOVED by Nancy Borges, seconded by Ryan Singh, that the Minutes of the Meeting held April 24, 2018 be approved.

The Motion was declared

CARRIED

**8. Presentation &
13. Staff Reports**

MOVED by Nancy Borges, seconded by Ryan Singh, that Items 8a) and 13a) be adopted as follows:

8a) Bruce Lowe, representing the Toronto and Regional Internal Audit Team, regarding the Regional Internal Audit Team Update received; and

13a) Regional Internal Audit Team Update received.

The Motion was declared

CARRIED

MOVED by Trustee Kennedy, seconded by Trustee Rizzo, that Items 8b) and 13b) be adopted as follows:

- 8b) Bruce Lowe, representing the Toronto and Regional Internal Audit Team, regarding the Monitoring and Reporting Student Achievement Audit Report, March 2018 – Executive Summary; and**
- 13b) Regional Internal Audit Team regarding the Monitoring and Reporting Student Achievement Audit Report, March 2018** received and that the report be presented by staff at the May 31, 2018 Student Achievement and Wellbeing, Catholic Education and Human Resources Committee meeting.

The Motion was declared

CARRIED

MOVED by Trustee Kennedy, seconded by Nancy Borges, that Items 13c.1) 13.c2) 13.c3), 13.c4), 13.c5) and 13.c6) be adopted as follows:

- 13c.1) Financial Update Report as at February 28, 2018** received.
- 13c.2) 2018-2019 Budget Estimates Consolidated Presentation** received.
- 13c.3) Budget Report: Financial Planning and Consultation Review** received.
- 13c.4) Budget Report: 2018-19 Grants for Student Needs Update** received;
- 13c.5) Preliminary 2018-19 Budget Estimates (Volumes 1, 2, 3 – Includes Instructional); and**
- 13c.6) Preliminary 2018-19 Budget Estimates (Volumes 4,5 – Includes Non Instructional)** received and that the Audit Committee recommend to Board that the Board secure a legal opinion to answer the question, “ if a person who has pecuniary interest according to the Municipal Conflict of Interest Act votes on any part of the Budget, does it jeopardize the decision and put the Board in a position of financial risk of Ministry supervision?”

Trustee Poplawski relinquished the Chair to Trustee Rizzo.

Nancy Borges requested that the Question be split.

MOVED by Trustee Kennedy, seconded by Trustee Poplawski, that the meeting be extended to complete the Agenda.

The Motion was declared

LOST

The Motion on the Recommendation to Board was declared

CARRIED

Trustee Rizzo did not vote in favour of the Motion.

The Motion of Receipt was declared

CARRIED

Trustee Poplawski reassumed the Chair.

MOVED by Trustee Rizzo, seconded by Nancy Borges, that Item 13d) be adopted as follows;

13d) Update Report regarding Whistleblower Policy that it be deferred to the next Audit Committee meeting on September 12, 2018.

The Motion was declared

CARRIED

13. Staff Reports

13e) Audit Committee Annual Agenda/Checklist not discussed.

14. Listing of Communication

14a) Communication from Doreen Lamarche, Executive Director, Ministry of Education, regarding Toronto Catholic District School Board Multi-Year Financial Recovery Plan not discussed.

15. Inquiries and Miscellaneous

15a) Schedule of Next Audit Committee Meeting Date – It was unanimously agreed that the next meeting will be held on Wednesday, September 12, 2018 at 6:30 pm.

18. Adjournment

MOVED by Nancy Borges, seconded by Trustee Rizzo, that the meeting adjourn.

The Motion was declared

CARRIED

SECRETARY

CHAIR



REPORT TO

AUDIT COMMITTEE

UPDATE REPORT REGARDING WHISTLEBLOWER POLICY

And you will know the truth, and the truth will set you free.

John 8:32

Created, Draft	First Tabling	Review
May 8, 2018	May 23, 2018	Click here to enter a date.
P. De Cock, Comptroller of Business Services & Finance		
INFORMATION REPORT		

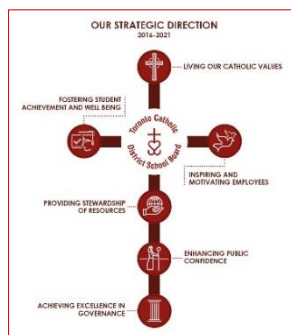
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Rory McGuckin
Director of Education

D. Koenig
Associate Director
of Academic Affairs

TBD
Associate Director
of Planning and Facilities

L. Noronha
Executive Superintendent
of Business Services and
Chief Financial Officer

A. EXECUTIVE SUMMARY

This report provides the Audit Committee with an update concerning the Draft Whistleblower Policy with standard guidelines to respond to moral, ethical or legal concerns of all of Toronto Catholic District School Board's Community Stakeholders with the inclusion of a third party reporting hotline.

B. PURPOSE

1. This Information Report is on the Order Paper of the Audit Committee by a Trustee request through approved motion from the Audit Committee at the April 24th 2018 meeting to provide the Audit Committee with an update concerning the Draft Whistleblower Policy and Procedures.

C. BACKGROUND

1. The Governance Committee on September 12th 2017 received the report concerning the draft Whistleblower Policy and Procedures.
2. The draft policy and procedures were reviewed and edited as appropriate, and recommended to the Regular Board meeting to be held in September 2017 for consideration and public consultation at the "consult" level.
3. Consultations began with Human Resources staff meeting with each employee groups' unions. This time-consuming administrative effort took place over the next few months.
4. At the conclusion of extensive consultations with unions and federations, Communications Department staff received notification during the last week of April 2018 to begin the TCDSB Community Consultation exercise.
5. The TCDSB launched the community consultation exercise on May 1st 2018 and all feedback received by Noon on May 22nd 2018 will be considered and reported to the Board of Trustees in an anonymous manner. The Whistleblower and other community consultations are listed on the new TCDSB community consultation micro-site which serves as a "One Stop Shop" for all consultation efforts on program and policy initiatives throughout the year.

6. The resulting consultation findings and responses will be brought forward to the Board of Trustees with a recommendation to refer the draft policy and procedures to the Governance Committee for final review and editing.

D. CONCLUDING STATEMENT

This report is for the consideration of the Audit Committee.



Toronto Catholic District School Board 2018 Audit service plan

For the year ending August 31, 2018
Presented to the Audit Committee
September 12, 2018

August 17, 2018

Private and confidential

To the Chair and Members of the Audit Committee
Toronto Catholic District School Board

2018 Audit service plan

Dear Audit Committee Members:

We are pleased to provide you with our audit service plan for Toronto Catholic District School Board ("the Board") for the year ending August 31, 2018. This document describes the key features of our plan including our audit scope and approach, our planned communications with you, and our team.

Our commitment to you is straightforward: we will provide you with outstanding professional services delivered by an experienced and dedicated team of specialists. Our professionals will continue providing you with best practices and insights to face the increasingly complex array of issues and challenges encountered by companies like the Board.

We look forward to discussing our audit service plan with you and answering any questions you may have.

Yours truly,

Original signed by Deloitte

Chartered Professional Accountants
Licensed Public Accountants

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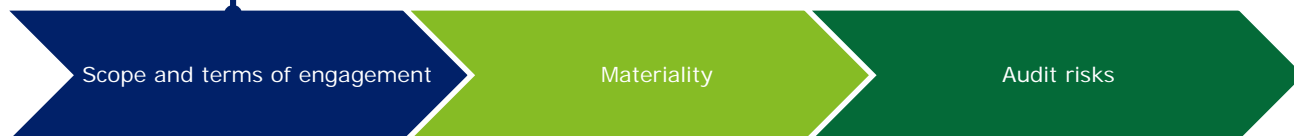
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Our audits explained

Audit scope and terms of engagement

We have been engaged to perform an audit of the Board's consolidated financial statements (the "Financial Statements") prepared in accordance with the Financial Administration Act supplemented by Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11, Accounting Policies and Practices Public Entities ("Regulation 395/11"), of the Financial Administration Act as at and for the year ending August 31, 2018. In addition, we have also been engaged to perform the audit of the Ontario Youth Apprenticeship program and the Literacy and Basic Skills program. Deloitte also performs specified procedures on the Boards March year end reporting. Our audits will be conducted in accordance with Canadian generally accepted auditing standards ("Canadian GAAS").

The terms and conditions of our engagement are described in the Master Services Agreement, dated August 26, 2016 and has been signed on behalf of the Board of Trustees and management.



Materiality

We are responsible for providing reasonable assurance that your Financial Statements as a whole are free from material misstatement.

Materiality levels are determined using professional judgement using total expenses as a reference point.

We will inform the Audit Committee of all uncorrected misstatements greater than a clearly trivial amount of 5% of materiality and any misstatements that are, in our judgment, qualitatively material. In accordance with Canadian GAAS, we will ask that any misstatements be corrected.

Audit risks

Through our preliminary risk assessment process, we have identified areas of audit risk. These risks of material misstatement and related audit responses are discussed in the Audit risks section of this report.

Fraud risk

We will develop our audit strategy to address the assessed risks of material misstatement due to fraud. Determining this strategy will involve:

1. Asking people involved in the financial reporting process about inappropriate or unusual activity.
2. Testing a sample of journal entries throughout the period as well as adjustments made at the end of the reporting period.
3. Identifying and obtaining an understanding of the business rationale for significant or unusual transactions that are outside the normal course of business.
4. Evaluating whether your accounting policies may be indicative of fraudulent financial reporting resulting from management's effort to manage results.
5. Evaluating whether the judgements and decisions related to management estimates indicate a possible bias.
6. Incorporating an element of unpredictability in selecting our audit procedures.

We will also ask the Audit Committee for their views about the risk of fraud, whether they know of any actual or suspected fraud affecting the Board and their role in the oversight of management's antifraud programs.

If we suspect fraud involving management, we will immediately inform the Audit Committee of our suspicions and discuss the nature, timing, and extent of audit procedures necessary to complete the audits.

Complete engagement reporting

Audit reporting

Under Canadian GAAS, we are required to communicate certain matters to the Audit Committee. The primary reports and formal communications through which we will address these matters are:

- This Audit Service Plan;
- Year End Communication; and
- Our Auditor's Report on the Financial Statements.

Business Insights

We will provide you with insights and offer meaningful suggestions for improvement that we identify during the audits.



Group Audit Controlled Entity

The Board is a component of the Group Audit for the Province of Ontario. Deloitte may be asked to provide information relating to the audit of the Board to the Office of the Auditor General of Ontario ("OAGO") in conjunction with the audit by the Auditor General of Ontario for the Government of Ontario's consolidated financial statements.

The Canadian Auditing Standard ("CAS 600") Group Audits require certain procedures to be carried out for significant components of Group Audits and we are required to comply with the requests of the Group Auditor. The Board may be considered to be a significant component by OAGO.

Audit risks

During our risk assessment, we identified areas of audit risk that will require special audit consideration. These risks, together with our planned responses, are described below.

The following tables set out certain areas of audit risk that we identified during our preliminary planning activities, including our proposed response to each risk. Our planned audit response is based on our assessment of the likelihood of a risk's occurrence, the significance should a misstatement occur, our determination of materiality and our prior knowledge of the Board.

Provincial grants and other fees Revenue/deferred revenue*

Audit risk

Appropriate recognition of revenue in accordance with public sector accounting standards supplemented by Ontario Government regulations

Our proposed audit response

- Testing of Government transfers received through confirmation with the Ministry of Education
- Detailed substantive testing of revenue supplemented by analytical review procedures
- Review of grant stipulations
- Review of related disclosure

Adoption of new accounting standards

Audit risk

Determine if balances and disclosures are appropriate and in accordance with newly adopted Public Sector Accounting Standards.

Our proposed audit response

- Review management's process of identifying related parties, and review management's analysis of related party transactions and balances and determine if they are recorded in accordance with PS 2200.
- Determine if Assets are properly recorded and disclosed in accordance with PS 3210.
- Review management's process of identifying Contingent assets and Contractual rights and determine if they are properly disclosed in accordance with PS 3320 and 3380.

Payroll

Audit risk

Significance and volume of transactions

Our proposed audit response

- Review and test the design, implementation and operating effectiveness of internal controls related to the payroll cycle.
- Detail test payroll transactions for appropriate pay in accordance with employment agreements and other relevant documentation.
- Overall analytical review of payroll amounts.

Accounting for Government Transfers in accordance with Ministry directives and Ontario government regulations as it relates to capital contributions

Audit risk

Requires certain accounting which has been prescribed by the Ministry and can be complex given the significance of transactions and balances impacted at the Board.

Our proposed audit response

- Attend Ministry training for school business officials and auditors to understand any new directives and reporting requirements.
- Detailed testing of transactions and balances impacted and determine that the Board has accounted for these transactions in accordance with regulations and relevant policies.
- Ensure adequate disclosure of the basis of accounting in the notes to the consolidated financial statements.

Accounts payable and accrued liabilities

Audit risk

Determine if existence and cut-off are appropriate and if estimates are supported.

Our proposed audit response

- Test disbursements subsequent to year-end to determine the reasonableness of accounts payable and accrued liabilities, and
- Test the supporting assumptions for accruals.

Tangible capital assets and deferred capital contributions

Audit risk

Validity and recording accuracy.

Our proposed audit response

- Test a sample of additions during the year to supporting documentation,
- Test to ensure additions to deferred capital contributions are externally restricted for capital purchases,
- Test amortization of tangible capital assets to ensure assets are appropriately amortized in accordance with Ministry guidelines,
- Test to ensure amortization of deferred capital contributions are amortized at the same rate as the assets they are associated with, and
- Test a sample of repairs and maintenance items to determine if they should be capitalized.

Management override of controls*

Audit risk

Management override of controls is a presumed area of risk in a financial statement audit due to management's ability to override controls that otherwise appear to be operating effectively.

Our proposed audit response

- Our audit tests the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of financial statements.
- We obtain an understanding of the business rationale for significant transactions that we become aware of that are outside of the normal course of business, or that otherwise appear to be unusual given our understanding of the Board and its environment.
- We review accounting estimates for bias and evaluate whether the circumstances producing the bias, if any, represented a risk of material misstatement.
- In addition, experienced Deloitte personnel will be assigned to the testing and review of journal entries and areas of estimates that require management judgments and assumptions.
- Professional skepticism will be maintained throughout the audit.

*Identified as area of significant risk

As we perform our audit procedures, we will inform you of any changes to the significant risk discussed above and the reasons for those changes.

Appendix 1 – Audit approach

Deloitte's audit approach is a systematic methodology that enables us to tailor our audit scope and plan to address the unique issues facing the Board.

The following steps are not necessarily sequential nor are they mutually exclusive. For example, once we have developed our audit plan and the audits are being performed, we may become aware of a risk that was not identified during the planning phase. Based on that new information, we would reassess our planning activities and adjust the audit plan accordingly.

1. Initial planning

The Deloitte audit approach begins with an extensive planning process that includes:

- Assessing your current business and operating conditions
- Understanding the composition and structure of your business and organization
- Understanding your accounting processes and internal controls
- Understanding your information technology systems
- Identifying potential engagement risks
- Planning the scope and timing of internal control and substantive testing that take into account the specific identified engagement risks

2. Assessing and responding to engagement risk

Our Audit approach combines an ongoing identification of risks with the flexibility to adjust our approach when additional risks are identified. Since these risks may impact our audit objectives, we consider materiality in our planning to focus on those risks that could be significant to your financial reporting.

Consideration of the risk of fraud

When we identify a misstatement or control deficiency, we consider whether it may be indicative of fraud and what the implications of fraud and significant error are in relation to other aspects of the audits, particularly the reliability of management representations.

In determining our audit strategy to address the assessed risks of material misstatement due to fraud, we will:

- Assign and supervise personnel, taking into account the knowledge, skill and ability of individuals with significant engagement responsibilities and our assessment of the risks of material misstatement due to fraud for the engagement.
- Evaluate whether the Board's selection and application of accounting policies, particularly those related to subjective measurements and complex transactions, may be indicative of fraudulent financial reporting resulting from management's effort to manage earnings.
- Incorporate an element of unpredictability when selecting the nature, timing and extent of our audit procedures.

We will inquire directly of the Audit Committee regarding:

- Its views about the risk of fraud
- Whether it has knowledge of any actual or suspected fraud affecting the Board, and
- The role it exercises in the oversight of fraud risk assessment and the establishment of mitigating controls.

We will also inquire if the Audit Committee is aware of tips or complaints regarding the Board's financial reporting and, if so, the Audit Committee's responses to such tips and complaints and whether it is aware of matters relevant to the audits, including, but not limited to, violations or possible violations of laws or regulations.

If we suspect fraud involving management, we will communicate these suspicions to the Audit Committee and discuss the nature, timing, and extent of audit procedures necessary to complete the audits.

Information technology

An important part of our audit planning process involves gaining an understanding of:

1. The importance of the computer environment relative to the risks to financial reporting
2. The way in which that environment supports the control procedures we intend to rely on when conducting our audits, and
3. The computer-based information that supports our substantive procedures.

The objective of our review of computer controls is to identify potential areas of risk and assess the relevance, reliability, accuracy and completeness of the data produced by the systems. We also assess the operating effectiveness of the computer environment and determine the reliability of the financial information used to generate the financial statements. To accomplish this, we gain an up-to-date understanding of your organization's computer processing environment and our understanding of the relevant general computer controls. We then conduct tests to support our conclusion on the operating effectiveness of controls considered relevant to the audits.

3. Developing and executing the audit plan

The performance of an audit includes evaluating the design and determining the implementation of internal controls relevant to the audits, testing the operational effectiveness of the controls we intend to rely on, and performing substantive audit procedures.

Audit procedures

The timing of our audit procedures is dependent upon a number of factors including the need to coordinate with management for the provision of supporting analysis and other documentation. Generally, we perform our audit procedures to allow us sufficient time to identify significant issues early, thereby allowing more time for analysis and resolution.

Tests of controls

As part of our audits, we will review and evaluate certain aspects of the systems of internal control over financial reporting to the extent we consider necessary in accordance with Canadian GAAS. The main objective of our review is to enable us to determine the nature, extent and timing of our audit tests and establish the degree of reliance that we can place on selected controls. An audit of the financial statements is not designed to determine whether internal controls were adequate for management's purposes or to provide assurance on the design or operational effectiveness of internal control over financial reporting.

The extent to which deficiencies in internal control may be identified through an audit of financial statements is influenced by a variety of factors including our assessment of materiality, our preliminary assessment of the risks of material misstatement, our audit approach, and the nature, timing and extent of the auditing procedures that we conduct. Accordingly, we gain only a limited understanding of controls as a result of the procedures that we conduct during an audit of financial statements.

We will inform the Audit Committee and management of any significant deficiencies that are identified in the course of conducting the audits.

Substantive audit procedures

Our substantive audit procedures consist of a tailored combination of analytical procedures and detailed tests of transactions and balances. These procedures take into account the results of our controls tests and are designed to enable us to obtain reasonable assurance that the financial statements are free from material misstatements. To obtain this assurance, misstatements that we identify while performing substantive auditing procedures will be considered in relation to the financial statements as a whole. Any misstatements that we identify, other than those that are clearly trivial (the clearly trivial threshold has been set at 5% of materiality), will be reported to management and the Audit Committee. In accordance with Canadian GAAS, we will request that misstatements be corrected.

4. Reporting and assessing performance

Perform post-engagement activities

We will analyze the results of the audit procedures performed throughout the year and, prior to rendering our report, we will conclude whether:

- The scope of the audits were sufficient to support our opinion, and
- The misstatements identified during the audits do not result in the financial statements being materially misstated.

Independence

We have developed important safeguards and procedures to protect our independence and objectivity. If, during the year, we identify a breach of independence, we will communicate it to you in writing. Our communication will describe the significance of the breach, including its nature and duration, the action taken or proposed to be taken, and our conclusion as to whether or not the action will satisfactorily address the consequences of the breach and have any impact on our ability to serve as independent auditor to the Board.

We are independent of the Board and we will reconfirm our independence in our final report to the Audit Committee.

Appendix 2 – Communication requirements

Required communication	Reference
Audit Service Plan	
1. Our responsibilities under Canadian GAAS, including forming and expressing an opinion on the financial statements	CAS ¹ 260.14
2. An overview of the overall audit strategy, addressing: <ul style="list-style-type: none"> a. Timing of the audits b. Significant risks, including fraud risks c. Nature and extent of specialized skill or knowledge needed to perform the planned audit procedures related to significant risk d. Names, locations, and planned responsibilities of other independent public accounting firms or others that perform audit procedures in the audits 	CAS 260.15
3. Significant transactions outside of the normal course of business, including related party transactions	CAS 260 App. 2, CAS 550.27
Enquiries of those charged with governance	
4. How those charged with governance exercise oversight over management's process for identifying and responding to the risk of fraud and the internal control that management has established to mitigate these risks	CAS 240.20
5. Any known suspected or alleged fraud affecting the Board	CAS 240.21
6. Whether the Board is in compliance with laws and regulations	CAS 250.14
Year-end communication	
7. Fraud or possible fraud identified through the audit process	CAS 240.40-.42
8. Significant accounting policies, practices, unusual transactions, and our related conclusions	CAS 260.16 a.
9. Alternative treatments for accounting policies and practices that have been discussed with management during the current audit period	CAS 260.16 a.
10. Matters related to going concern	CAS 570.23
11. Management judgments and accounting estimates	CAS 260.16 a.
12. Significant difficulties, if any, encountered during the audits	CAS 260.16 b.
13. Material written communications between management and us, including management representation letters	CAS 260.16 c.
14. Other matters that are significant to the oversight of the financial reporting process	CAS 260.16d.
15. Modifications to our Independent Auditor's Reports.	CAS 260.A18
16. Our views of significant accounting or auditing matters for which management consulted with other accountants and about which we have concerns	CAS 260.A19

¹ CAS: Canadian Auditing Standards – CAS are issued by the Auditing and Assurance Standards Board of CPA Canada

Required communication	Reference
17. Significant matters discussed with management	CAS 260.A.19
18. Matters involving non-compliance with laws and regulations that come to our attention	CAS 250.23
19. Significant deficiencies in internal control, if any, identified by us in the conduct of the audits of the financial statements	CAS 265
20. Uncorrected misstatements and disclosure items	CAS 450.12-13
21. Any significant matters arising during the audits in connection with the Board's related parties	CAS 550.27

Appendix 3 – New and revised Auditor Reporting Standards

On April 11, 2017, the Canadian Auditing and Assurance Standards Board (AASB) approved new and revised Canadian Auditing Standards (CASs) on auditor reporting which will be effective for audits of financial statements for periods ending on or after December 15, 2018 with earlier application permitted.

While a number of CASs were impacted, the most significant changes made relate to the following four standards:

- Revised CAS 700, Forming an Opinion and Reporting on Financial Statements
- New CAS 701, Communicating Key Audit Matters in the Independent Auditor's Report
- Revised CAS 720, The Auditor's Responsibilities Relating to Other Information
- Revised CAS 570, Going Concern

These CASs are based on the International Auditing and Assurance Standards Board's (IAASB) new and revised International Standards on Auditing (ISAs) that were effective for periods ending on or after December 15, 2016 however there are two significant differences:

1. Deferral of the effective date for application by one year, and
2. Amending the scope of reporting Key Audit Matters so that such matters are communicated in the auditor's report only when required by law or regulation or the auditor decides to do so.

The following sets out the enhancements made to the new Independent Auditor's Report

Changes to the Auditor's Report and new reporting requirements

For all audits

Auditor's opinion	<ul style="list-style-type: none"> • auditor's opinion moved from the end of the auditor's report to the very beginning
Auditor's independence and ethics	<ul style="list-style-type: none"> • an explicit statement of the auditor's independence in accordance with relevant ethical requirements and the auditor's fulfilment of other ethical responsibilities
Going concern	<ul style="list-style-type: none"> • a separate section under the heading "Material Uncertainty Related to Going Concern", when a material uncertainty exists related to an entity's ability to continue as a going concern and is adequately disclosed in the financial statements
Other information	<ul style="list-style-type: none"> • a separate section under the heading "Other Information", when an entity prepares other information (e.g., an annual report) containing or accompanying the entity's financial statements and auditor's report thereon, to explain management's and the auditor's responsibilities for the other information and the auditor's conclusion from reading and considering the other information

Roles and Responsibilities	<ul style="list-style-type: none"> • an enhanced description of management's responsibilities for assessing the entity's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate • identification of those charged with governance (when applicable) and their responsibility for the oversight of the financial reporting process • an enhanced description of the auditor's responsibilities to conclude on the appropriateness of management's use of the going concern basis of accounting • an enhanced description of the auditor's responsibilities in an audit of group financial statements
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For audits of entities where the auditor decides or law or regulation requires reporting of key audit matters

Key audit matters	<ul style="list-style-type: none"> • a separate section under the heading "Key Audit Matters", when law or regulation requires the auditor, or the auditor decides, to communicate key audit matters in the auditor's report to those charged with governance that, in the auditor's judgment, were of most significance to the audit
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We will work to provide Toronto Catholic District School Board and the Audit Committee with guidance on the implications of the new and revised auditor reporting standards.

Benefits

- **Transparency** into the audit and discussions between the auditor, those charged with governance, and management
- **More robust** discussions between auditors and those charged with governance
- **Enhanced** communications between all stakeholders including regulators
- **Relevant** auditor's reports and insights into the complexities of the entity
- **Comparability** across industries and audit firms
- **Improved** audit and financial reporting quality

Highlights of Changes to Performance Requirements with respect to Going Concern

Auditors are now required to evaluate the adequacy of management's disclosure in the financial statements for "close calls" related to going concern (i.e., when events or conditions were identified that may cast significant doubt of an entity's ability to continue as a going concern but due to management's plans, the auditor concluded that no material uncertainty exists).

The following are some considerations for those charged with governance to start discussing with their auditor.

Implementation considerations for those charged with governance

- **KAMs:** If applicable, this commentary in the audit report will have a significant impact on the timing of:
 - Meetings between the auditor and the Audit Committee to discuss risks, which will form the basis of KAMs
 - Meetings with the auditor to identify, discuss and challenge KAMs as early as possible, and
 - Review of the auditor's report as the process will likely be more rigorous.

- **Going Concern:** Increased auditor focus may heighten your scrutiny of management's process for assessing the entity's ability to continue as a going concern and the relevance and completeness of related disclosures in the financial statements, particularly for "close calls".
- **Other information:** Discuss with the auditor which documents will be within the scope of "other information", evaluate timeframes for drafting and finalizing these documents, and assess documents for consistency with financial statements to ensure factually correct and reasonable.

Resources

The AASB is currently working with CPA Canada and other groups to drive the effective implementation of the new standards through a broad range of communications, tools and guidance materials for stakeholders. CPA Canada has issued a number of [Audit and Assurance alerts](#) in June 2017 discussing key features of the changes and will be releasing a web portal devoted exclusively to the topic of implementing auditor reporting. Webinars and other publications will be issued throughout the remainder of the year, including an update expected in December incorporating the changes to the new auditor's report into a revised reporting guide, "[Reporting Implications of New Auditing and Accounting Standards](#)."

- Keep abreast of the Canadian project at www.cfr.deloitte.ca.
- Information relating to the new and revised CASs and conforming amendments to other CASs can be found on the [AASB website](#).

We encourage you to engage your engagement partner or any other member of the Deloitte Team with any questions or enquiries related to the new and revised auditor reporting standards.

Appendix 4 – New and Revised Accounting Standards

The following is a summary of certain new standards, amendments and proposals that will become effective in 2017 and beyond.

To review all recent amendments that will impact your organization in the foreseeable future, we invite you to review our revamped [Standard-setting Activities Digest](http://www.cfr.deloitte.ca), included in our Centre for Financial Reporting (www.cfr.deloitte.ca).

Public Sector Accounting Standards

Topic	Description	Effective Date
Section PS 3430 - Restructuring transactions	This new section was published by PSAB in June 2015. It establishes standards on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities.	This section applies to restructuring transactions occurring in fiscal years beginning on or after April 1, 2018. Earlier adoption is permitted.
Section PS 1201 - Financial statement presentation	This new section was published by PSAB in June 2011. It revises and replaces Section PS 1200 Financial statement presentation. It establishes general reporting principles and standards for the disclosure of information in government financial statements.	This Section is effective when Sections PS 2601 and PS 3450 are adopted.
Section PS 2601 Foreign currency translation.	This section revises and replaces PS 2600, Foreign currency translation. It establishes standards on how to account for and report transactions that are denominated in a foreign currency in government financial statements.	This Section is effective for fiscal years beginning on or after April 1, 2019. For government organizations that applied the CPA Canada Handbook – Accounting prior to adopting the CPA Canada Public Sector Accounting Handbook, this Section applies to fiscal years beginning on or after April 1, 2012. Governments and government organizations would also adopt Section PS 3450 at the same time. Earlier adoption is permitted.
Section PS 3041 - Portfolio investments	This section revises and replaces PS 3040, Portfolio investments. It establishes standards on how to account for and report portfolio investments in government financial statements.	This Section is effective when Sections PS 1201, PS 2601 and PS 3450 are adopted.
Section PS 3450 - Financial instruments	This new section was published by PSAB in June 2011. It establishes standards on how to account for and report all types of financial instruments including derivatives.	This section is effective for fiscal years beginning on or after April 1, 2019. For government organizations that applied the CPA Canada Handbook – Accounting prior to adopting the CPA Canada Public Sector Accounting Handbook, this Section applies to fiscal years beginning on or after April 1, 2012. Governments and government organizations would also adopt PS 2601 at the same time. Earlier adoption is permitted.

Topic	Description	Effective Date
Section PS 3280 – Asset Retirement Obligations	This new section was published by PSAB in August 2018. It establishes standards on how to account for and report asset retirement obligations associated with tangible capital assets.	This section is effective for fiscal years beginning on or after April 1, 2021. Earlier adoption is permitted.

Appendix 5 – Deloitte resources a click away

At Deloitte, we are devoted to excellence in the provision of professional services and advice, always focused on client service. We have developed a series of resources, which contain relevant and timely information.

<input type="checkbox"/> Canada's Best Managed Companies (www.bestmanagedcompanies.ca)	<ul style="list-style-type: none"> • Directors • CEO/CFO 	The Canada's Best Managed Companies designation symbolizes Canadian corporate success: companies focused on their core vision, creating stakeholder value and excelling in the global economy.
<input type="checkbox"/> Centre for financial reporting (www.cfr.deloitte.ca)	<ul style="list-style-type: none"> • Directors • CEO/CFO • Controller • Financial reporting team 	Web site designed by Deloitte to provide the most comprehensive information on the web about financial reporting frameworks used in Canada.
<input type="checkbox"/> Financial Reporting Insights (www.iasplus.com/fri)	<ul style="list-style-type: none"> • CFO • Controller • Financial reporting team 	Monthly electronic communications that helps you to stay on top of standard-setting initiatives impacting financial reporting in Canada.
<input type="checkbox"/> On the board's agenda	<ul style="list-style-type: none"> • Directors • CEO/CFO 	Bi-monthly publication examining a key topic in detail, including the perspectives of a Deloitte professional with deep expertise in the subject matter as well as the views of an experienced external director.
<input type="checkbox"/> State of change (www.iasplus.com/StateOfChange)	<ul style="list-style-type: none"> • CFO • VP Finance • Controller • Financial reporting team 	Bi-monthly newsletter providing insights into key trends, developments, issues and challenges facing the not-for-profit sector in Canada, with a Deloitte point of view.
<input type="checkbox"/> Deloitte Financial Reporting Update (www.deloitte.com/ca/update)	<ul style="list-style-type: none"> • CFO • VP Finance • Controller • Financial reporting team 	Learning webcasts offered throughout the year featuring our professionals discussing critical issues that affect your business.



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Toronto Catholic District School Board

Status Update for Audit Committee

September 2018

The following is the status of engagements included in the Toronto Catholic District School Board's Regional Internal Audit Plan for the 2017/18 year.

Introduction of NEW Senior Regional Internal Audit Manager – Paula Hatt

Paula will be supporting the audit committees and internal audit initiatives for the six school boards within the Toronto and Area Region (Toronto DSB, Toronto Catholic DSB, Peel DSB, Dufferin-Peel Catholic DSB, York Region DSB and York Catholic DSB).

#	Audits	Status
1	Monitoring and Reporting of Student Achievement	<p>The high-level objectives and scope for this engagement are to assess the processes for monitoring and reporting of student achievement.</p> <p>The audit report has been issued, and was presented to Audit Committee in May.</p>
2	Health and Safety	<p>The high-level objectives and scope for this engagement are to assess whether controls are in place to ensure that processes and controls relating to employee health and safety are developed, adequate and communicated to the relevant employees. Compliance with legislative requirements will be evaluated.</p> <p>This audit report has been completed and issued and will be discussed at the Audit Committee in September 2018.</p>

3	Repairs and Maintenance Follow Up	<p>The objective of the follow-up engagement is to assess that controls are in place and are operating effectively to mitigate the risks associated with findings identified in the initial audit report.</p> <p>This follow up audit is completed and is with Management for their review and further comment. This audit report will be presented at the next Audit Committee meeting.</p>
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The following are the planned engagements for Toronto Catholic District School Board's Regional Internal Audit Plan for the 2018/19 year. The timing of each is currently being scheduled with Management.

IT Assets - Internal audit will assess the processes surrounding IT asset management at the schools (staff and students) and administrative level including the controls surrounding approval, purchasing, deployment, retirement and recording/monitoring of IT related assets (e.g. computers, tablets).

Records Management - Internal audit will determine whether the network of the records management lifecycle as designed and implemented by the Board, is adequate and functioning.

Payroll follow up - The objective of the follow-up is to assess that controls are in place and are operating effectively to mitigate the risks associated with findings identified in the initial audit report.

Three (3) year Risk Assessment/Internal Audit Plan - The multi-year audit plan will be developed for the three-year period 2019-2022 and will consider the previous assurance coverage across the School Board Audit Universe.



**INTERNAL
AUDIT TEAM**
Toronto and Area Region

CONFIDENTIAL

**Toronto Catholic
District School Board
Employee Health and Safety**

Audit Report

August 2018

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Executive Summary

Introduction

In 2018, the Regional Internal Audit Team (RIAT) conducted an audit to assess the design and operational effectiveness of internal controls and processes related to employee health and safety at the Toronto Catholic District School Board (TCDSB or the Board).

“A vital component of our TCDSB Mission Statement is to provide a safe and welcoming learning environment that is an example of Christian community.”¹

Objectives and Scope

The objective of this engagement was to assess that processes and controls were designed and operating effectively to mitigate the risks related to employee health and safety. More specifically, we assessed the processes and controls within the following areas:

- Regulatory compliance (i.e. Occupational Health and Safety Act);
- Roles, responsibilities and accountabilities of those designated with health and safety functions (e.g. Multi-Workplace Joint Health and Safety Committee (JHSC), Safety Coordinating Committee, Health and Safety Coordinator and school level representative);
- Training and communication of workplace health and safety requirements;
- Monitoring and reporting; and
- Policy and procedure development.

To carry out this assessment, we reviewed supporting documentation and interviewed management including the following personnel:

- Melissa Eldridge - Legal Counsel Employee Relations
- Corrado Maltese - Coordinator Occupational Health and Safety Department
- Suzy Kawasaki - Supervisor Occupational Health and Safety Department

¹ TCDSB Occupational Health and Safety Policy

- Fabrizio Macieri - Manager, Facilities Operations
- Marty Farrell - Coordinator, Purchasing Department

As agreed with management, the scope of our engagement focused on employee health and safety and did not include student health and safety or compliance with any other regulations such as “Health Protection and Promotion Act” and the “Workplace Safety and Insurance Act”. As an example, the Health Protection Act provides for the organization and delivery of public health programs, and is not directly related to the management of employee health and safety. Although the Workplace Safety Act does involve employee health and safety, the Act’s purpose is to provide compensation and benefits to workers, and facilitate return to work from those that have already sustained an injury.

Summary of Key Observations and Recommendations

In addition to facilitating compliance with Ontario's Occupational Health and Safety Act, we found that the Occupational Health and Safety Department has procedures in place to address health and safety incidents and to support a safe working environment for their employees. These include:

- Conducting ongoing inspections of the workplace (e.g. schools) for potential health and safety risks;
- Follow-up on health and safety concerns with staff;
- Identification of training needs, and facilitation of training materials; and
- Development of health and safety related procedures.

The Occupational Health and Safety Department continues to face ongoing challenges of ensuring School Board compliance, while still devoting the time and resources to work with staff to improve processes with an aim at reducing the number of health and safety related incidents. Specifically, management has taken the initiative to identify and has begun to address areas of improvement. These include:

- The Coordinator Occupational Health and Safety Department has begun monthly meetings with the Management Co-chairs of the three JHSCs to discuss common safety concerns and establish a consistent management approach among the three JHSCs.
- Starting in September, the Coordinator Occupational Health and Safety Department will chair the Safety Coordinating Committee which is comprised of the Co-chairs (Management and Worker) of the three JHSCs
- Utilizing a grant from the Ministry of Education, TCDSB is looking to implement an electronic hazard reporting system. This will replace the manual hazard reporting form

While the Occupational Health and Safety Department has processes and controls in place to mitigate the risks related to health and safety compliance, these alone cannot completely mitigate the risk that employees will be injured while performing their duties.

In 2017 TCDSB has recorded the following incidents by category². While these incidents are recorded and tracked, the severity of the incident has not been quantified by management. Over the same time period, the Board has not been fined or levied for non-compliance of the Occupational Health and Safety Act (OHSA) and/or its regulations, or subject to any legal action related to employee health and safety.

- In 2017, TCDSB employees sustained 458 work-related injuries, 265 of which were lost-time injuries (“LTIs”)*.
- There were 4174 work days missed as a result of workplace injuries in 2017.

2017	
Total number of injuries	458
Total number of lost-time injuries*	265
Total number of injuries requiring health care or first aid (no lost-time injuries)	193
Workplace Fatalities	0
Lost-time injury rate	(2.57 per 100 FTE**)

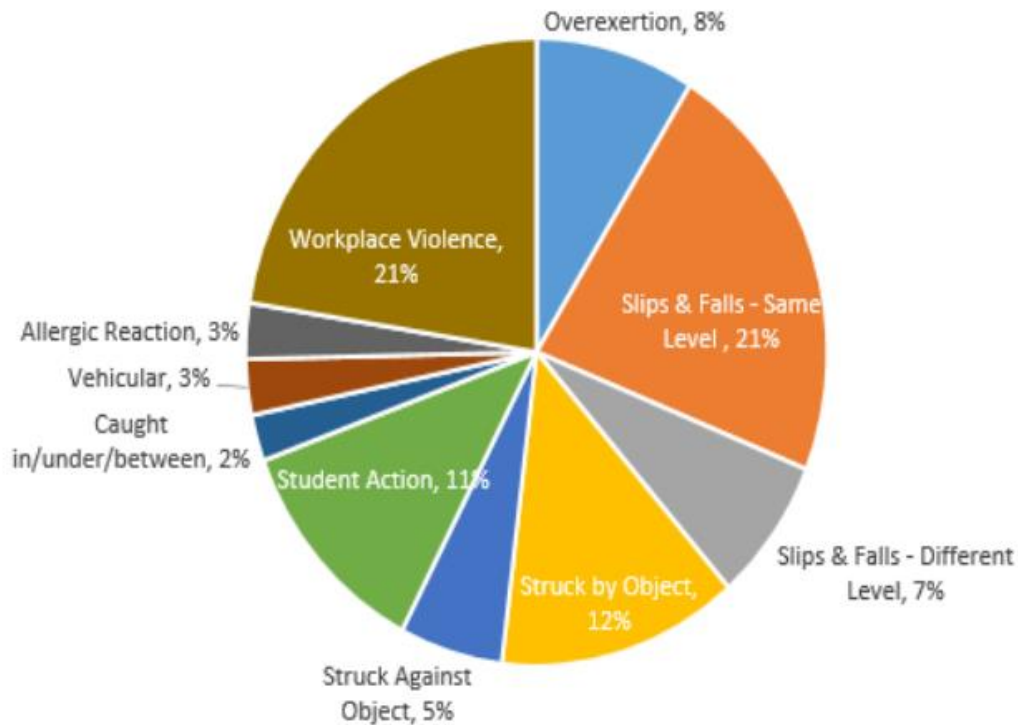
*A **Lost Time Injury (LTI)** is defined as any worker losing time from work and/or wages/earnings after the day of a work-related injury.

****Full-Time Equivalent (FTE)**: A FTE of 1.0 represents that a worker is equivalent to a full-time worker. A given employee’s work hours are converted into a FTE as a method of standardization to account for various work hours.

3

² ANNUAL HEALTH AND SAFETY STATISTICS REPORT: A SUMMARY OF WORK-RELATED INJURIES & OCCUPATIONAL ILLNESSES IN 2017

Top 10 Injury Types (All Job Categories)



The “*Top 10 Injury Types (All Job Categories)*” chart illustrates the 10 most frequent injury types reported by TCDSB employees in 2017. Slips and falls, from ‘same’ and ‘different’ levels, make up 28% of all injuries. Workplace violence is the second leading injury type (21%).

TOP 5 INJURY TYPES in 2017

1. Slips & Falls
2. Workplace Violence
3. Struck by Object
4. Student Action
5. Overexertion

For detailed observations see the “Observations and Recommendations” section below.

Background

Reporting to Legal Counsel, Employee Relations, who reports to the Executive Superintendent, Human Resources & Employee Relations, the Occupational Health and Safety Department⁴ is responsible for facilitating and reporting on health and safety processes to support the safety of employees and the Board's compliance with governing legislation. Specifically, the group facilitates the implementation of employee health and safety processes, in accordance with the Occupational Health and Safety Act (OHSA).

The OHSA establishes a number of duties and responsibilities for employers (TCDSB) and employees⁵. These include but are not limited to: communication, training, inspection, and the implementation of processes to support employee health and safety. Accordingly, a Board health and safety policy and supporting programs have been designed and implemented to address these requirements. In addition, the Occupational Health and Safety Department serves as a resource to all Board staff on health and safety matters, and acts as the liaison with outside organizations (i.e. Ministry of Labour).

As part of its responsibilities, the Occupational Health and Safety Department performs the following:

- Keeps up-to-date with changes in legislation dictating health and safety requirements;
- Communicates health and safety requirements to each location (i.e. school, CEC);
- Communicates with the Ministry of Labour (MOL);
- Investigates, tracks and records workplace incidents / accidents;
- Develops and provides health and safety training and materials;
- Develops and implements health and safety policies, procedures and processes;
- Provides reports as needed through the Director of Education to the Board of Trustees on health and safety matters; and
- Ensures health and safety materials are accessible to employees through posting on the staff portal and in the workplace.

⁴ For an organizational chart of the Occupational Health and Safety department, refer to Appendix C.

⁵ For details on the Ministry of Labour's role, OHSA, Committees, Inspections, refer to Appendix D

Observations and Recommendations

Our observations and recommendations which follow have been grouped within the scope areas listed above.

Regulatory Compliance

As part of its goal to provide a safe working environment for all TCDSB employees, the Occupational Health and Safety Department must ensure that TCDSB is in compliance with all regulations related to health and safety. Primarily, these regulations are stated within the OHSA. The Occupational Health and Safety Department facilitates Board compliance with the OHSA through the achievement of the following objectives:

- Changes to the OHSA are monitored; and
- Implemented procedures and processes exist to ensure adherence to the OHSA.

To keep current on legislative health and safety changes, members of the Occupational Health and Safety Department maintain memberships in professional Health and Safety associations (e.g. OASBO) and also review updates on the MOL site, and subscribe to the annotated OHSA which provides updates on case law, fines, convictions, and updates to the act.

The group has established a number of procedures and policies to facilitate compliance with the OHSA. These include:

- A health and safety manual. The health and safety manual along with key policies such as Workplace Violence, Harassment and Discrimination and Occupational Health and Safety provide an overview of policies and procedures related to health and safety. This includes details on how TCDSB complies with the requirements of the OHSA, The manual is made readily available to employees through posting on the staff portal as well as at each worksite.
- A workplace violence and harassment program and policy. The program has been implemented and adheres to OHSA requirements, including procedures to control risks, to report incidents, to summon immediate assistance and provides details on how incidents/complaints will be investigated.

- A Joint Health and Safety Committee (JHSC). The Board has established three committees which represent the following employees:
 - (1) Elementary teachers;
 - (2) Secondary teachers; and
 - (3) CUPE staff.

While each committee is required to have at least two members who have been certified in safety training, currently the JHSC's at TCDSB exceed this requirement. In addition, at least half of these members are employees of the Board and do not exercise managerial duties.

- Training relating to workplace violence, safety and harassment is provided to employees upon hire and annually thereafter through health and safety awareness videos and in-person and online learning sessions.
- Risk assessments of workplace violence are performed for each site. The assessments consider the risk of violence, the nature of the workplace and the type or conditions of work. Further, they include measures and procedures to control identified risks that are likely to expose a worker to physical injury. Should a critical injury or fatality occur, they would be investigated by staff of the Occupational Health and Safety department and a written report is submitted to the MOL.

We assessed the processes and controls of regulatory compliance through discussion with management and review of supporting documentation. Specifically, we conducted two school site visits, and one maintenance facility to review the sites compliance to the OHSA. In addition, to assess processes for compliance to the OHSA, we assessed supporting documents against compliance requirements, including the following:

- Committee terms of reference;
- Meeting minutes;
- Position descriptions;
- Health and safety training;
- Health and safety manual;
- Inspection forms;

- Risk assessment forms;
- Critical injury forms; and
- Training materials.

In addition to the positive practices noted above, we identified some opportunities for further improvement.

Key Findings

1. Oversight and monitoring of the site inspection/risk assessment process

As part of our assessment of the processes related to OHSA compliance, we assessed the monthly building inspection process, including annual risk assessments. To ensure compliance with OHSA, each building is to be inspected on a monthly basis. These inspections are performed by unionized staff, and the results are reported to JHSC and also shared with the Occupational Health and Safety Department. In addition, on an annual basis, each site is to have an update performed to their workplace violence risk assessment. We found through our assessment that there is opportunity to improve the oversight and monitoring of the site inspection process. More specifically we found:

- Currently, tracking of site inspections is not performed by TCDSB to validate completion across all sites on a monthly basis. During our testing, 6 out of the 25 sample worksites selected, did not have an inspection completed for the month(s) selected.
- We assessed the site inspections for the Plant and Facilities East Warehouse on May 31, 2018 and found some of the risk areas identified in the March inspections had not been addressed. Without a centralized tracking process in place on the follow-up actions agreed upon by site Supervisors or Managers, it will be difficult to ensure that all remediation steps are sufficiently addressed.
- Occupational Health and Safety Inspection Reports used by Designated Worker Members during monthly inspections are not comprehensive enough to evidence sufficient and consistent inspections across all sites. Specifically, the forms only detail infractions that were observed. This does not provide enough evidence to confirm if all requirements of the inspection have been met.

- Currently the process for tracking risk assessments is done informally. The Coordinator, OHS sends out a reminder to all schools in October of the calendar year, reminding all schools to perform an annual review and tracks this on a printed list of all the workplaces. However, this list is not maintained. Out of the 15 samples selected for testing 8 Workplace Violence Risk Assessments did not have a revision log, one (a new build) had not yet been completed and only 6 were able to evidence an annual review performed within the last year. At the time of our review, we were informed by the Coordinator, OHS that the process of using revision logs is still being adopted and has not been implemented by all worksites.

We also noted that management has proactively identified an inspection monitoring system which would assist with oversight and monitoring of the inspection process.

Impact:

Without sufficient oversight over the inspection process, there is an increased risk that health and safety risks at school board locations may go unidentified. In addition, there is an increased risk that TCDSB will not be compliant with OHSA requirements.

Recommendation

- R1. Working with the JHSC, management should establish a centralized tracking process to ensure that all sites have been inspected completely and follow up actions are identified and tracked. Management has previously identified a system which would allow for inspections to be done electronically, and would include reporting functions. Management should consider continuing to explore the implementation of an inspection monitoring system.

Management Response and Action Plan:

The OHS Department will implement an inspection spreadsheet in September 2018 to track inspections. Monthly reports listing any outstanding inspections will be provided to the three JHSCs. The OHS Department will also consult with the JHSCs to implement an electronic inspection system using a tablet rather than paper inspection forms (implementation date: September 2019).

2. Structure of the JHSC should be addressed to ensure compliance with the OHSA

We found that TCDSB Management accounts for more than half (6 out of 10) of the Elementary School Teacher Committee composition. This is in violation of the OHSA, which states that at least half the members of a committee must be in non-management roles.

Impact:

Without ensuring that the JHSC is comprised in accordance with the OHSA, there is a risk that TCDSB will be in violation of the OHSA.

Recommendation

- R2. Working with the JHSC, management should ensure that the structure of the JHSC is composed of equal parts management and non-management roles.

Management Response and Action Plan:

The OHS Department will work with the new Management Co-Chair of the JHSC to ensure that the JHSC membership complies with the Terms of Reference (timeline: September 2018).

Roles, Responsibilities and Accountabilities

Although health and safety is everyone's responsibility in supporting a culture of wellbeing, TCDSB has established and promoted an internal responsibility system⁶ for health and safety. This system is promoted within the following:

- Defined roles and responsibilities;
- Organizational charts; and
- Joint Health and Safety Oversight Committees.

The health and safety manual and individual position descriptions for health and safety roles clearly define key responsibilities. Further, the organizational chart for the Occupational Health and Safety department clearly outlines accountabilities. In addition, all health and safety roles mandated by the OHSA have been filled at the Board. This includes:

- A supervisor at each location (i.e. school) who has been designated with responsibility for workplace health and safety; and
- Three Multi-workplace Joint Health and Safety Committees (elementary teachers, secondary teachers, and unions) who meet on a bi-monthly basis (throughout the school year). The OHSA requires the committee has at least two members who are certified⁷

We assessed the processes and controls supporting the internal responsibility system through discussion with the Occupational Health and Safety department and a review of supporting documentation, including the health and safety manual, position descriptions, organizational chart, listing of health and safety assignees, committee guidelines and meeting minutes.

We found that roles and responsibilities were defined and operating to facilitate health and safety governance at TCDSB, in line with OHSA requirements. There are opportunities to improve communication between the JHSC and the Occupational Health and Safety Department. As an example, the Occupational Health and Safety Department has recently scheduled ongoing meetings with the management representatives of the

⁶ For an organizational chart of the Occupational Health and Safety department, refer to Appendix C.

⁷ A certified member is a member who has received specialized training in occupational health and safety and has been certified by the Chief Prevention Officer under the OHSA.

JHSC, to provide guidance and support where needed. In addition, the Coordinator of the OHS department will chair a newly formed Safety Coordination meeting, which will include the Management and Worker Co-chairs from all three JHSC's. The intent is to improve coordination between the three committees and to discuss health and safety issues that are common to all employee groups.

Training and Communication

Ongoing training and communication of changes in regulation, policy, and process are an important aspect of ensuring employee safety at the Board.

The Occupational Health and Safety Department at TCDSB has implemented a number of controls and procedures to achieve the following objectives relating to training and communication:

- The Board trains employees on health and safety areas and hazards;
- Health and safety policies and procedures are easily accessible to employees;
- Hazards or serious potential hazards are communicated to employees; and
- Changes to the OHSA are communicated and appropriate action is undertaken.

All Board staff are trained in health and safety practices relevant to their job and responsibilities. On an annual basis, the Occupational Health and Safety Department provides schools with health and safety tasks and training requirements for the year. This includes mandatory and optional training offered through both online and live sessions. In addition, all health and safety procedures, videos, and training materials are posted on the staff portal for employee access. Further, the health and safety manual (including policies and procedures) is posted on the staff portal and at each worksite and copies of the OHSA are also posted in all worksites. Revisions are made to health and safety policies/procedures in response to changes in the OHSA (and related regulations). Revisions are communicated to relevant employees (i.e. principals, vice principals and supervisory officers) in a timely manner.

In addition, ongoing health and safety reminder memos are provided to school principals and vice principals covering topics such as incident/accident reporting procedures, health and safety information and training, and Joint Health and Safety Committee workplace inspections.

We assessed the processes and controls which support the achievement of the above objectives. Specifically, in addition to discussion with management, we assessed

- The staff portal;
- Training presentations;
- Reminder memos; and
- Health and safety calendar and emails.

We found that Management has developed their training programs to not only address the immediate risks of workplace hazards, but also to support a culture of ongoing safety awareness. In addition, the OHS department is in the process of formalizing a standardized training program for each employee group. As part of this process, Management may consider implementing a centralized tracking system, to allow the Board to monitor all complete and incomplete training.

Monitoring and Reporting

The Occupational Health and Safety Department at TCDSB facilitates the monitoring and reporting for all aspects of health and safety at TCDSB. This includes monitoring and reporting to the Director of Education, the Board, and the Ministry of Labour on items including:

- Workplace incident tracking;
- Inspection reporting; and
- Current initiatives.

As part of their monitoring and reporting responsibilities, the Occupational Health and Safety Department works to achieve the following objectives:

- Site inspections are completed on a periodic basis in accordance with the OHSA;
- Incidents related to health and safety are investigated and tracked;
- Reporting of health and safety matters occurs in a timely manner to relevant stakeholders; and
- Ministry of Labour orders are addressed.

Site inspections are completed for each site in accordance with workplace safety inspection procedures outlined in the health and safety manual. Completed inspection forms are provided to the school principal, Joint Health and Safety Committee, and Health and Safety group.

Also outlined in the health and safety manual are procedures governing health and safety incidents occurring at schools/administrative buildings. Incidents are reported through completion of an accident investigation report (AIR), and are investigated and signed off by the site supervisor with corrective measures documented. A copy of the form is provided to Health and Safety group for analysis and further investigation (if required). All incidents are entered into the Board's tracking system (i.e. Parklane). The forms include actions taken to prevent reoccurrence.

A health and safety concern report is completed when an employee identifies a hazard or hazardous situation. Once notified of the concern, the respective principal provides corrective action. A copy of the report is

sent to the Occupational Health and Safety Department for information and further investigation (if required).

Critical injuries are reported immediately to the Occupational Health and Safety department who submit a report to the MOL.

The Occupational Health and Safety Department monitors action items from the Joint Health and Safety Committee meetings and follows up (as necessary). Potentially significant and/or unusual issues are escalated to Senior Management.

Health and safety reports are provided to the Board of Trustees that contain information on specific system-wide procedures (e.g. : Hot Weather Standard Operating Procedure) or revisions to Board policies (Workplace Violence Policy).

Should the MOL conduct a site inspection, the reports (including any MOL orders) are provided to both the site supervisor and the Occupational Health and Safety Department. There have been 12 MOL orders from May 2017 – April 2018. These range from removing potential tripping hazards to investigations of workplace harassment. The Occupational Health and Safety Department tracks the reports/orders within a spreadsheet and ensures that appropriate, timely actions are taken to address the issues/orders.

We assessed the processes and controls relating to monitoring and reporting through discussion with management and a review of supporting documents. This included the health and safety manual, inspection forms, follow-up emails, incident forms, concern forms, critical injury reports, committee minutes, Annual reports, and MOL reports/orders.

We found that Management looks to continuously improve their program. This includes, utilizing a grant from the Ministry of Education, to implement an electronic hazard reporting system. This will replace the manual hazard reporting form, and ensure that it is consistently used.

Based on the audit work performed, we found some opportunities to continue to improve the monitoring and reporting process. In addition, to a continued focus on incident metric tracking and indirect route cause analysis, we identified opportunities to ensure that accident investigation

forms (AIR forms) are filled out completely, including preventative actions, and sign off by the Supervisor.

Key Findings

3. Accident forms are not consistently filled out.

Through our assessment of accident forms, we found that 8 of the 25 samples selected had not been completely filled out. Missing information included preventative action descriptions, and sign off by the Supervisor.

Impact:

Without ensuring that all forms are filled out completely (including sign off by the Supervisor), there is a risk that pertinent information (including preventative actions) may not be documented and implemented moving forward.

Recommendation

- R3. To ensure that all incidents are documented completely, including preventative action, management should ensure that all accident reporting forms are reviewed to ensure they are filled out completely and accurately, including sign off.

Management Response and Action Plan:

The Occupational Health and Safety Department will attend K-12 Principals' meetings to review accident reporting procedures (timeline September 2018)

Policies and Procedures

Formal documented policies and procedures support the ongoing health and safety of employees at the Board, by providing detailed processes to be followed to prevent and respond to health and safety incidents. In addition, documented policies and procedures support the orientation of new employees. TCDSB's health and safety function management has developed and implemented policies and procedures governing health and safety processes, which are available to all employees.

Specifically, in addition to the Board's policy on Health and Safety, the Occupational Health and Safety Department has developed detailed procedures within its "Health and Safety Manual". The manual is derived from requirements of the OHSA and specifically references sections of the Act.

Through discussion with management and through review of the policy and health and safety manual, we assessed whether the manual addresses OHSA requirements. Overall, we found that policies were in place and procedures (documented within the manual) addressed the requirements of the OHSA. Management should ensure that the manual is updated on a regular basis, and communicated to employees.

Appendix A - Acknowledgements

We would like to take this opportunity to thank the management and staff of the TCDSB for their support and assistance during this engagement.

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Appendix B - Report Distribution

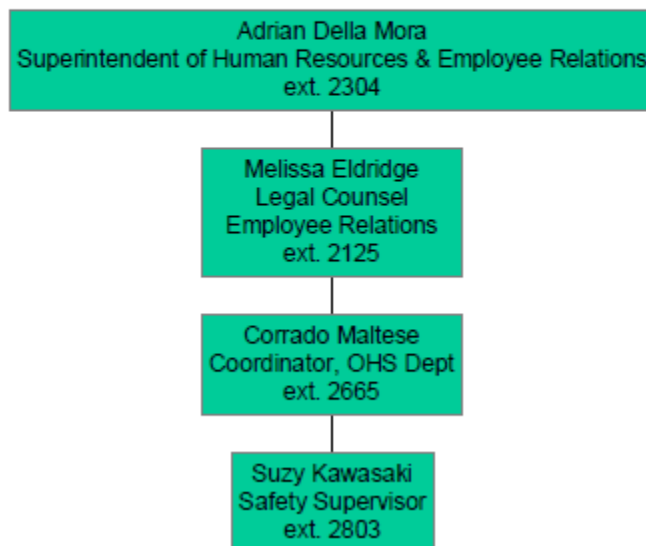
This report is intended primarily for the information and use of the individuals on the distribution list and should not be provided to any other individuals without the consent of the Senior Manager, Regional Internal Audit Team, Toronto and Area.

This report has been distributed to the following individuals:

- Toronto Catholic District School Board (TCDSB) Audit Committee
- Rory McGuckin, Director of Education
- Dan Koenig, Associate Director, Academic Services
- Adrian Della Mora, Executive Superintendent Human Resources & Employee Relations
- Lloyd Noronha, Chief Financial Officer and Executive Superintendent Business Services
- Paul DeCock, Comptroller (Business Services)

Appendix C - Occupational Health and Safety department Organizational Chart

OCCUPATIONAL HEALTH AND SAFETY DEPARTMENT (2017/2018)



Appendix D - Definitions

Occupational Health and Safety Act

“The Occupational Health and Safety Act (OHSA) and its many regulations are the main pieces of governing legislation that protects the health and safety of staff. The OHSA contains a number of duties and responsibilities for all employers (the Board and its supervisors) as well as duties and responsibilities for its workers (our employees). This includes but is not limited to the provision of information, instruction, and supervision to all workers in order to protect their health and safety, as well as the requirement to provide equipment, materials, and protective devices as prescribed”. (Health and Safety/Risk Management and Insurance Annual Report – 2015)

According to the Act:

“(1) Every person who contravenes or fails to comply with,

(a) a provision of this Act or the regulations;

(b) an order or requirement of an inspector or a Director; or

(c) an order of the Minister,

is guilty of an offence and on conviction is liable to a fine of not more than \$25,000 or to imprisonment for a term of not more than twelve months, or to both.

(2) If a corporation is convicted of an offence under subsection (1), the maximum fine that may be imposed upon the corporation is \$500,000 and not as provided therein.

The Ministry of Labour

Established in 1919 to develop and enforce labour legislation, the Ministry of Labour's mission is to advance safe, fair and harmonious workplace practices that are essential to the social and economic well-being of the people of Ontario. Through the ministry's key areas of occupational health and safety, employment rights and responsibilities, and labour relations, the ministry's mandate is to set, communicate, and enforce workplace standards while encouraging greater workplace self-reliance. The Ministry

*also develops, coordinates and implements strategies to prevent workplace injuries and illnesses and can set standards for health and safety training.*⁸

Ministry of Labour Inspectors have the right to inspect schools on a random basis at any time. Whenever possible, the principal or vice principal should accompany the inspector during the inspection. The Act stipulates that Worker Joint Health and Safety Committee member(s) must accompany the inspector during the inspection or partial inspection of a school or administrative building. Copies of all Ministry of Labour reports shall be forwarded to the Health and Safety Department. The principal shall advise the Health and Safety Department immediately by telephone of any report containing an order by the Ministry of Labour Inspector so that appropriate action may be taken

Multi-Site Joint Health and Safety Committee (JHSCs)

The Joint Health and Safety Committee is an advisory body comprised of management and worker representatives under the Occupational Health and Safety Act and its Regulations. The goals of the Joint Health and Safety Committee are: to recognize workplace risks; to stimulate awareness of health and safety; and to provide greater protection against workplace injury and illness. Greater protection means, but is not limited to, reduced human suffering, work-related accidents, and work-related deaths. The Board shall provide necessary assistance and co-operation to Committee member(s) in carrying out any required duties and functions.

Joint Health and Safety Committees are a requirement of the OHSA. The Board's JHSCs continue to operate under a multi- site structure rather than a structure that has such committees at each of its sites / facilities. JHSCs committees are comprised of both workers and management and are an integral part of the Internal Responsibility System (IRS). Each of the committees meets five times per year which equates to fifteen meetings from September to June.

Depending on the nature of the hazard, members of the Board's Joint Health and Safety Committees will be called upon to be present and/or assist with controlling the situation.

⁸ <https://www.labour.gov.on.ca/english/about/index.php>

External authorities and agents may also participate in the management of the situation. Authorities such as the Ministries of Labour, Health, Education & Training and the Environment or the police have legal obligations to contribute to the resolution of these issues. These authorities must be advised of the circumstances by the Occupational Health and Safety Department, principal or supervisor. External consultants may be requested by the Health and Safety Department to become involved in evaluating and/or mitigating the hazard. The response to a particular hazard will be dependent upon the nature and severity of the hazard. It is essential that all parties in the event of identification of a health, safety or environmental hazard understand roles and responsibilities.

Workplace Safety Inspections

Under the OHSA the JHSCs are required to inspect the workplace on a monthly basis. Each of the Joint Committees have designated worker members seconded full time to perform these inspections. The committees divide the inspections such that every school/facility where Board employees work on a regular basis is inspected, at least in part, each month. The items from these inspections are reviewed, with follow up initiated by site administrators (i.e., principals, supervisors, managers) and a copy of each report is received in the Health & Safety Department.

These inspections are in addition to those required under the Education Act as well as the periodic inspections that may be conducted by government agencies such as the Public Health Unit and local Fire Departments etc.

Audit Committee Meeting 2018 Annual Agenda / Check List

	Jan	Apr	May	Sep	Nov
Risk Management					
Resourcing (Mix, Skillset, Quantity)	D				
Reputational Risk	D			D	
Management Structure Issues		D			
CFO Role		D			
Budget (2018/2019)			D	D	
Financial Reporting Process					
MOE Financial Reports			D		
Consolidated Financial Statements					
Internal Audit					
Open Audit Status (% complete, support received)	D		D		
Risk Review Summary on Audit Completion	D		D		
Future Audit Plan (2 years)			D	D	
Internal Controls					
Ministry Operational Review					
Internal Audit recommendations	D		D	D	
Compliance Matters					
Legal		D		D	
MOE				D	
Union				D	
Board Policy Compliance				D	
External Audit					
Review External Auditors		D		D	
Scope				D	
Cost				D	

D - Discussed

R - Review requested

P - Pending

Audit Committee is required to meet a minimum of 3 times annually.

Requested (Meeting Date)	Agenda Item #	Subject	Date Due	Delegated to
Feb. 2014	14	Report regarding Schedule of Internal Audits (Annual)	Jan./Feb.	
Feb. 2014	11(a)	Report regarding Summary of Grievances, Trends, Liabilities, Administrative Risks and Litigation (Quarterly, where appropriate, to both the Audit Committee and the respective Standing Committee)	Quarterly	P. Matthews
Feb. 2014	14	Report regarding Audit Committee Annual Report to the Board of Trustees (Annual)	Nov.	L. Noronha
Feb. 2014	14	Report regarding the Draft Audited Financial Statements (Annual)	Nov.	L. Noronha
Feb. 2014	14	Report regarding the Audit Committee's Self-Assessment (Annual)	Jan./Feb.	L. Noronha
Feb. 2014	14	Report regarding the External Auditors' Annual Audit Plan (Annual)	Sept.	L. Noronha
Feb. 2014	14	Report regarding the Toronto & Area Regional Internal Audit Team Progress Report (Every Meeting)	Every Meeting	TBD
Feb. 2013	14(a)	Report regarding Statements of Reserves and Accumulated Surplus (Annual)	Nov.	L. Noronha
April 2018		Report regarding the type of work External Auditors	Nov.	L. Noronha

		may/may not complete on non-audit work; and include a staff recommendation on the ratio of non-audit services that External Auditor may be able to perform so as to not compromise independence.		
April 2018		Report regarding Professional Services Fees paid to External Consultants for Financial Advisory and Reporting Services (Annual)	Nov.	L. Noronha