

AUDIT COMMITTEE REGULAR MEETING Open (Public) Session

AGENDA
January 30, 2019

Michael Del Grande

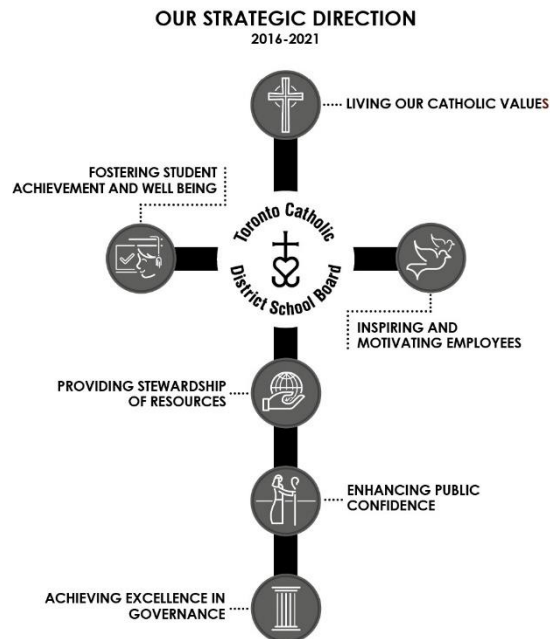
Daniel Di Giorgio

Angela Kennedy

Nancy Borges

Ryan Singh

Maria Rizzo
Ex-Officio



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

Maria Rizzo
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.

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AGENDA THE REGULAR MEETING OF THE AUDIT COMMITTEE

PUBLIC SESSION

Wednesday, January 30, 2019
6:30 P.M.

Pages

1. Call to Order
2. Opening Prayer
3. Roll Call & Apologies
4. Election of Chair
5. Election of Vice-Chair
6. Approval of the Agenda
7. Declarations of Interest
8. Approval & Signing of the Minutes of the Meeting held November 6, 2018
for Public Session 1 - 5
9. Delegations
10. Presentation
 - 10.a Paula Hatt, representing the Toronto & Area Regional Internal Audit Team (RIAT) - Refer Item 15(a)
 - 10.b Steve Camacho, Chief Information Officer, representing the Toronto

Catholic District School Board - Refer Item 15(b)

11. **Notices of Motion**
12. **Consent and Review**
13. **Unfinished Business**
14. **Matters referred/deferred**
15. **Staff Reports**
 - 15.a Paula Hatt, representing the Toronto & Area RIAT regarding the RIAT Update - Refer Item 10 (a) 6 - 8
 - 15.b Audit Committee IT Update January 2019 9 - 24
 - 15.c Summary of School and Catholic School Parent Council (CSPC) Audit Findings 25 - 34
 - 15.d Schedule of 2019 Internal School Audits 35 - 42
 - 15.e 2018-19 First Quarter Financial Status Update 43 - 60
 - 15.f Annual Agenda Checklist 61
16. **Listing of Communication**
17. **Inquiries and Miscellaneous**
 - 17.a Next Scheduled Meeting: March 26, 2019
18. **Updating of Pending List**
19. **Closing Prayer**
20. **Adjournment**

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MINUTES OF THE REGULAR MEETING OF THE AUDIT COMMITTEE OPEN (PUBLIC) SESSION

HELD TUESDAY, NOVEMBER 6, 2018

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

External Members: R. Singh
N. Borges

Staff: R. McGuckin
L. Noronha
D. Friesen (For Item 13b)
P. De Cock
K. Elgharbawy (For Item 13b)

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

External Auditor: P. Hatt – Toronto Regional Internal Audit Team

The meeting commenced with Trustee Kennedy in the Chair.

4. Approval of the Agenda

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

The Motion was declared

CARRIED

5. Declarations of Interest

There were none.

MOVED by Trustee Kennedy, seconded by Nancy Borges, that Item 6) be adopted as follows:

6. Approval & Signing of the Minutes of the Meeting held September 12, 2018 for Public Session approved.

The Motion was declared

CARRIED

8. Presentation

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

8a) Paula Hatt, representing the Toronto & Area Regional Internal Audit Team (RIAT) received; and

13. Staff Reports

13a) Regional Internal Audit Team Status Update received.

The Motion was declared

CARRIED

8. Presentation

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

8b) Paula Hatt, representing the Toronto & Area RIAT received; and

13. Staff Reports

13b) Repairs and Maintenance Follow-Up Audit, July 2018 received.

The Motion was declared

CARRIED

Trustee Kennedy relinquished the Chair to Trustee Poplawski.

MOVED by Nancy Borges, seconded by Ryan Singh, that Item 13c) be adopted as follows:

13c) Update on RIAT Enterprise Risk Management that staff bring to the January 30, 2019 Audit Committee Meeting an Information Technology (IT) Strategic update that will include some of the IT risk areas, and that staff bring back to the March 26, 2019 Audit Committee Meeting a Risk Assessment Framework.

The Motion was declared

CARRIED

Trustee Kennedy did not vote in favour of the Motion.

MOVED by Nancy Borges, seconded by Ryan Singh, that Item 13d) be adopted as follows:

13d) Annual Agenda/Checklist received.

The Motion was declared

CARRIED

MOVED by Trustee Rizzo, seconded by Nancy Borges, that Item 15a) be adopted as follows

15a) Proposed Audit Committee Meeting Dates for Consideration:

i) Wednesday January 30, 2019; ii) Tuesday, March 26, 2019; iii) Tuesday, May 28, 2019; iv) Tuesday, September 17, 2019; and v) Tuesday, November 13, 2019 that all proposed dates be approved, with the exception that the May 28, 2019 meeting be amended to May 14, 2019.

The Motion was declared

CARRIED

MOVED by Nancy Borges, seconded by Ryan Singh, that the meeting resolve back into PRIVATE Session.

The Motion was declared

CARRIED

SECRETARY

CHAIR



Toronto Catholic District School Board

Status Update for Audit Committee

January 2019

Staffing: The RIAT currently has vacancies in one of the RIAT Manager positions and one of the Regional Internal Audit Specialist positions. We are currently in the process of recruiting for both of these roles.

Audit Plan Update: The following is the status of engagements included in the Toronto Catholic District School Board's Regional Internal Audit Plan for the 2018/19 year.

#	Audits	Status
1	IT Assets	<p>The high-level objectives and scope for this engagement are to 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).</p> <p>The onsite fieldwork for this engagement is now complete. Once documentation and review of the fieldwork is complete, a closing meeting will be scheduled.</p>
2	Records Management	<p>The high-level objectives and scope for this engagement are to determine whether the network of the records management lifecycle as designed and implemented by the Board, is adequate and functioning.</p> <p>This outsourced audit is currently planned for early spring 2019. The RIAT is drafting the RFP, which will reflect the scope developed in consultation with management.</p>

#	Audits	Status
3	Payroll 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 engagement is currently planned for early spring 2019.</p>
4	Three (3) year Risk Assessment/Internal Audit Plan	<p>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.</p> <p>Preliminary surveys for this engagement were issued to process owners in December 2018, with the majority of surveys now returned. The RIAT is currently reviewing the responses and will be scheduling detailed interviews, where necessary, for February 2019.</p>



REPORT TO

AUDIT COMMITTEE

AUDIT COMMITTEE IT UPDATE JANUARY 2019

"An intelligent mind acquires knowledge, and the ear of the wise seeks knowledge." - Proverbs 18:15

Created, Draft	First Tabling	Review
January 14, 2019	January 30, 2019	Click here to enter a date.

Steve Camacho, Chief Information Officer

INFORMATION REPORT

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Rory McGuckin
Director of Education

D. Koenig
Associate Director
of Academic Affairs

L. Noronha
Associate Director of Facilities,
Business, and Community
Development and
Chief Financial Officer

1.

A. EXECUTIVE SUMMARY

At the November Audit Committee meeting, the Committee asked staff to “bring to the January 2019 Audit Committee Meeting an IT Strategic update that will include some of the IT risk areas”.

The Information and Technology (I&T) strategic planning process is still in progress and will not be completed until June 2019. As result, specific strategic objectives and risks have not yet been fully identified. However, in an effort to keep the Audit Committee up-to-date, the Chief Information Officer has summarized the strategic planning process and some key strategic discussions points along with their associated opportunities and risks.

Staff have prepared a short presentation regarding the I&T strategic planning process, the progress made thus far, as well as any major risk areas that have been identified through this process. The presentation is attached to this report as Appendix A

The cumulative staff time required to prepare this report was 15 hours

B. PURPOSE

The purpose of this report is to update the Audit Committee on the Information & Technology Strategic Planning process, provide an overview of the high-level strategic discussions that have been had thus far, and also list of major risks that may be associated with these high-level strategic themes.

C. BACKGROUND

1. The Board has embarked on Information and Technology (I&T) strategic planning process to help refresh its technology plans. The process will deliver the 3-year Information and Technology Strategic Plan.
2. An IT strategic plan was last refreshed in 2010 and again 2016. However, previous IT strategic plans have mostly focused on the inner workings of the IT department and resulted in investments primarily in IT infrastructure and device replacements. As result, these plans did not make significant inroads to the way the organization uses technology for its mission beyond the baseline of what is expected from stakeholders, students, and parents.

3. The Information and Technology strategic plan is purposely titled as such in order to indicate to the organization that, it an organizational wide plan that spans what the technologically based strategies the Board will focus on in the coming 3 years. Although the IT department will play a major part in the execution of this plan, it should not be considered an IT department plan.
4. It is also important to note the final Information and Technology Strategic Plan will be “change and improvement” plan that will focus on moving the organization to a new state in terms of technology use and technology enabled capabilities. The plan will only focus on what needs to change and how, and not all aspects of the technology and systems.
5. In addition, and in alignment with best practices, the plan will also focus high-level objectives (with goals) and what strategies will be employed to meet those goals. The I&T Strategic Plan will not contain an exhaustive list of all projects and initiatives. Such details will be developed on a yearly basis and documented in an annual IT plan and worked into the Board’s overall budget.
6. Over the course of the last few months, staff have been analysing a number of strategic inputs into the I&T Strategic Plan. These inputs include the Ernest & Young Managing Transformation report (Line-by-line Review of Ontario Government Expenditures), the Board’s Multi-Year Strategic Plan, the Board Learning Improvement Plan, previous IT strategic plans, the Auditor General’s report on IT Systems and Technology in the Classroom, and Gartner trend reports for the education and IT industries.
7. In addition to these reports, staff have completed or are in the process of completing a number of activities to help feed the overall strategy including an educational sector trends review with a Gartner analyst, a cybersecurity review, a IT assets audit, and benchmarking exercises on a dozen IT practice areas and IT budget.
8. Reviews and deeper discussions of these findings are on-going and will be synthesized into I&T strategic objectives with the final plan.
9. Although the objectives have not yet been formalized, a number of key discussions points have come up time and time again. These discussions point along with their opportunities, risks, and work-to-date have been summarized in the attached presentation. They include the following:

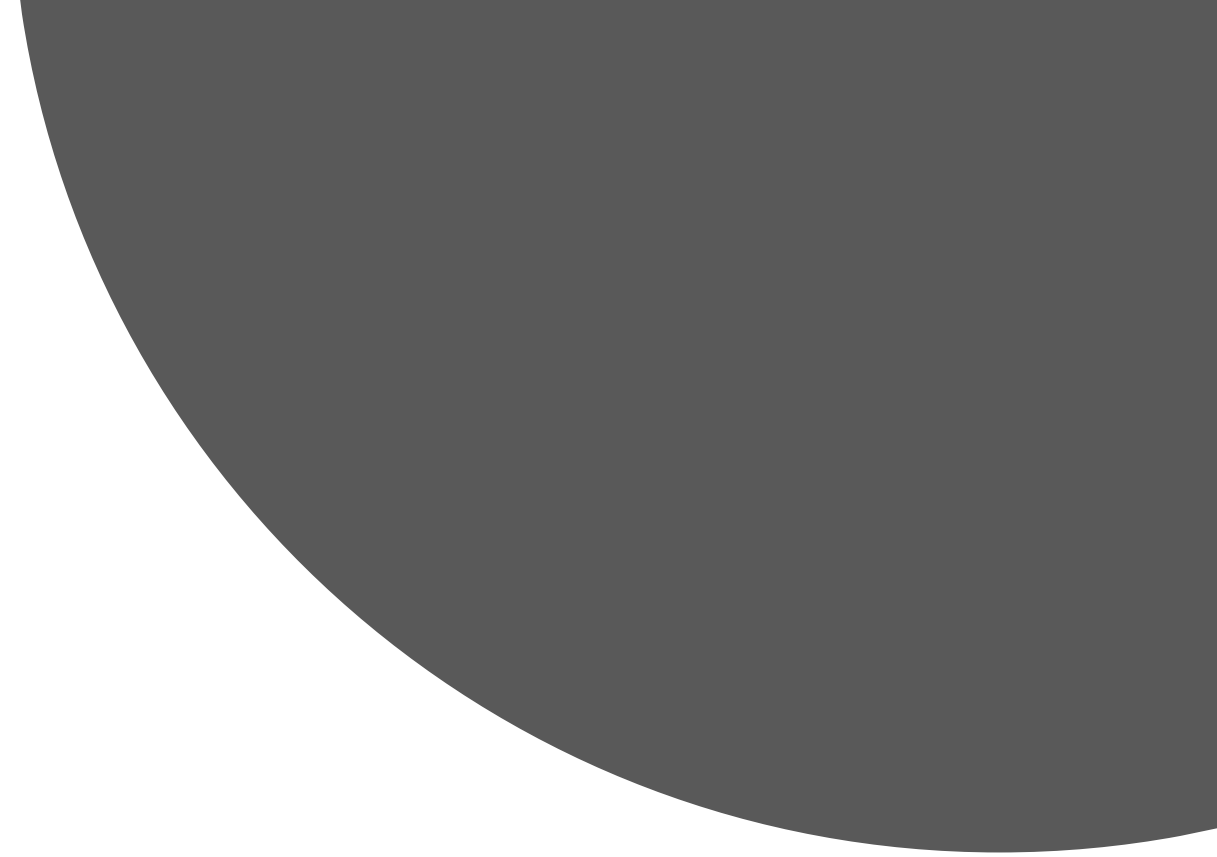
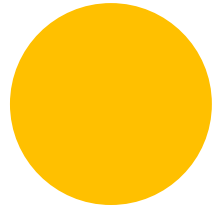
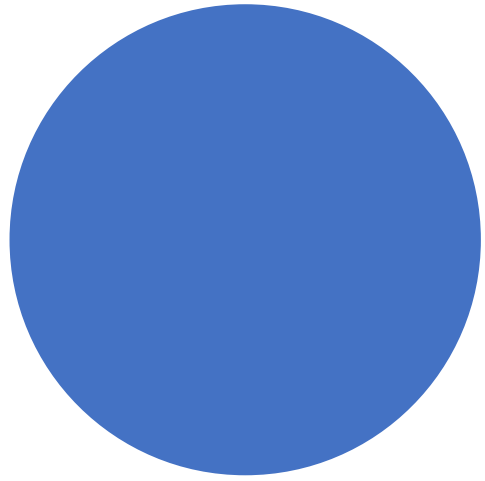
- a. **Enterprise Systems** - The Board has a number of core systems that help run major business processes such as registering and tracking students, managing employees, and maintaining the Board’s finances. Collectively we are referring to these core systems as “Enterprise systems”. Many of these systems have not been upgraded or replaced in 20 years and as such, there is an opportunity for the Board to replace them and modernized their associated processes. However, given the complexity and cost of these systems, there are a number of project execution risks the Board needs to consider.
- b. **More Data and Data Security** – There is an overall industry trend towards using more data. This data can be used to support student achievement, strategic decision making, and daily operations. However, with this abundance of data comes additional challenges around data management and information security.
- c. **Modernizing the I&T Operating model** – The I&T operating model represents how the organization decides on, deploys and uses technology on an on-going basis. A well defined and modern operating model can help the organization scale digital solutions for everyone’s benefit. However, the Board currently uses a traditional and dated I&T operating model that primarily used by in-house resources who are focused on traditional systems, infrastructure, and end-user devices.
- d. **Enabling the “digital” school experience** – As more technology enters the classroom there is an opportunity to develop and optimize teaching methods to maximize student learning. However, with this opportunity comes risks associated with Board’s dated funding model, lack of student devices to allow access to online tools, and teacher training to make the most of these digital opportunities.

D. METRICS AND ACCOUNTABILITY

- 1. Once the final I&T strategic plan is developed it will be circulated to trustees for comment as well as reviewed by the Audit committee before final approval by the Board of Trustees.
- 2. Staff is targeting the May 2019, Audit Committee meeting to bring forward the I&T Strategic plan.

E. CONCLUDING STATEMENT

This report is for the consideration of the Board and.



Audit Committee IT Update (Appendix A)

January 2019

Topics Covered



I&T Strategic Planning process



Strategic discussions,
opportunities, and risks



Question + Answers



Information & Technology Strategic Plan

- Plan focuses on organizational wide use of technology
- Previous strategic plans focused on:
 - IT department improvements
 - Infrastructure/devices
- New plan focused should focus organizational objectives improved via IT
- This is improvement plan not an exhaustive list of every IT initiative

I & T Strategic Plan

Best Practices

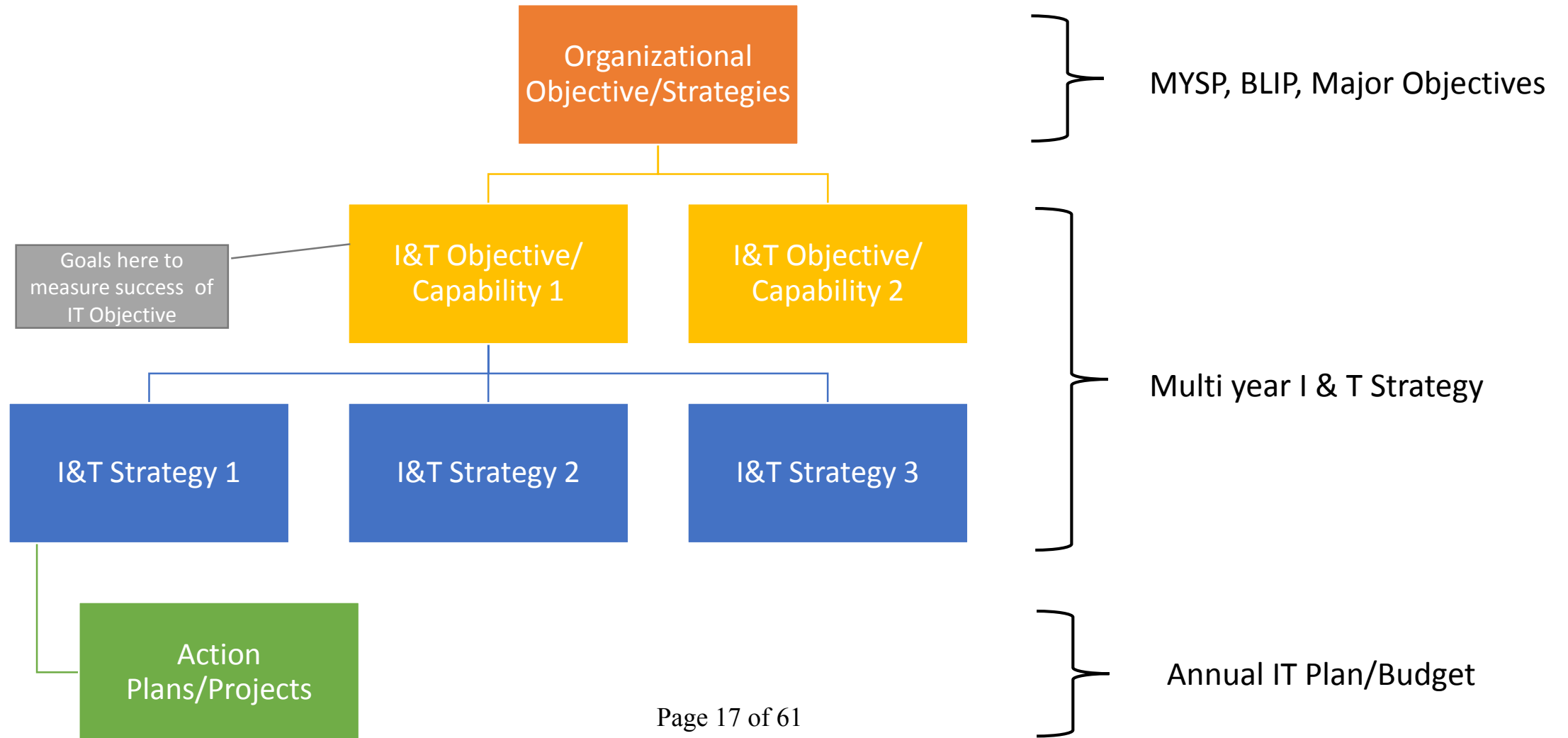
Strategy Is Part of the Enterprise's Long-Term Planning Horizon

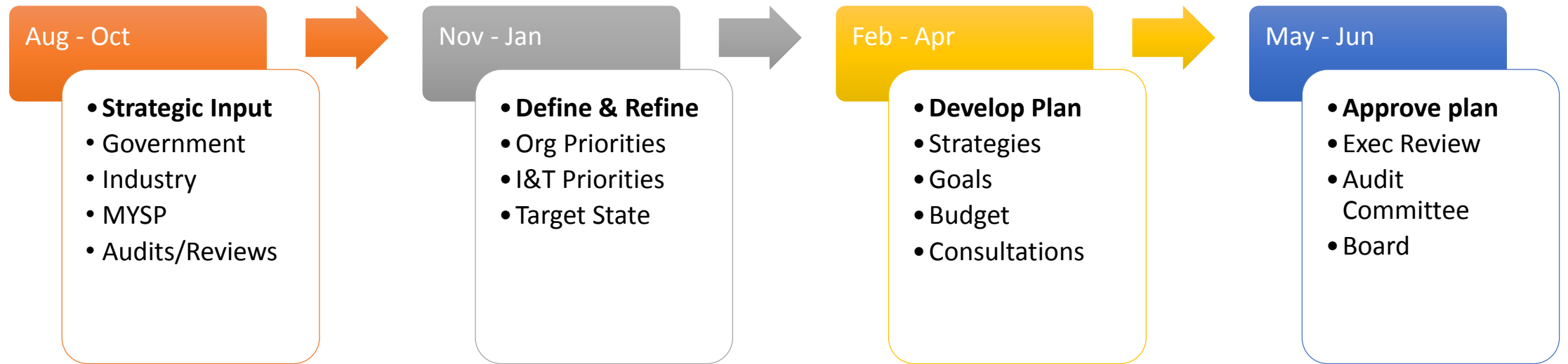


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I&T Strategic Plan – Linking our Plans





I&T Strategic Plan - Work Plan

Strategic Inputs

Discussions

✓ E&Y Line-by-line spending
report

✓ Auditor General's Report

✓ MYSP

✓ BLIP

✓ 2010/16 IT Strategy

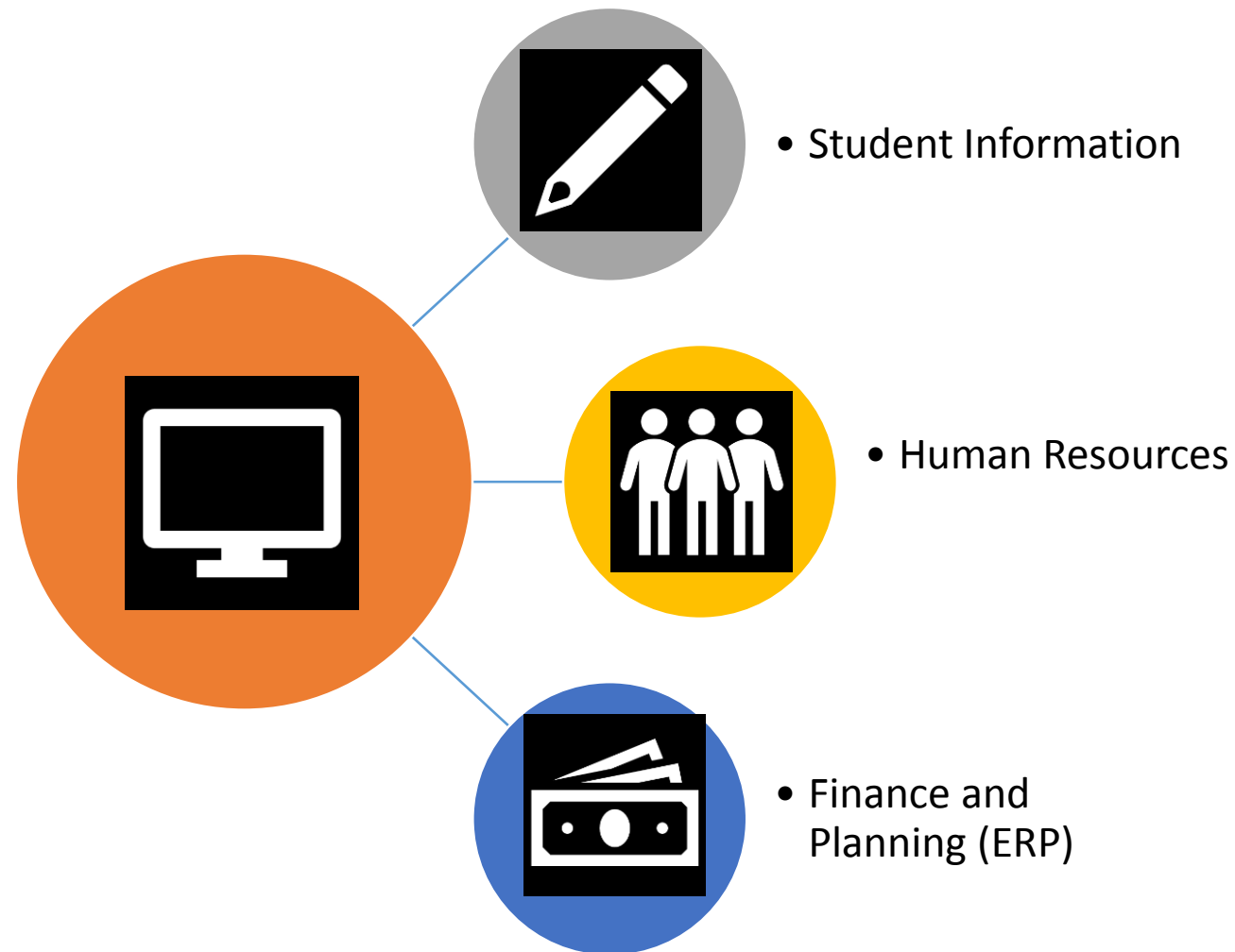
Benchmarking
(2012)

◇ CYBER SECURITY

◇ IT ASSET AUDIT

top trends
Gartner

Enterprise Systems



Opportunities

- Upgrade the “digital core”
- Improve and streamline processes
- Make better decisions with more data
- Align with AGO recommendations on SIS

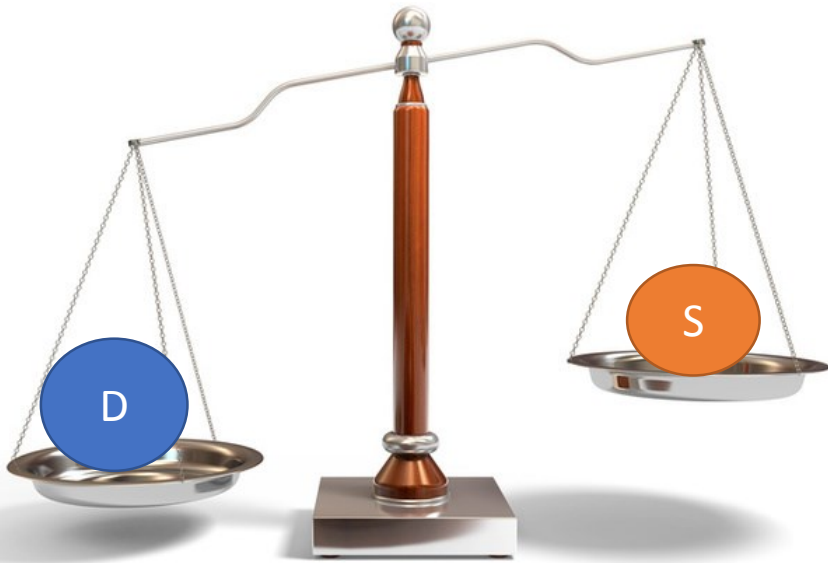
Risks/ Challenges

- SIS vendor change and end of life
- SAP move needed before 2025
- Expensive and high organization change
- Staff capacity for implementation

Recent Work

- Exploring market for HR, project, facilities and expense systems
- Deeply involved in RFP for province wide SIS
- IT strategic systems reserve

More Data and Data Security



“With great power comes great responsibility”
- Uncle Ben

Opportunities

- Better understanding and decision making
- Customizing student learning and feedback
- Connecting the home and schools
- Improving our cyber security posture

Risks/ Challenges

- Data Integration (Data Silos)
- More data = more risk of attack/mistakes
- Organizational cyber security thinking
- No specific funding for IT security

Recent Work

- Cyber risk assessment by 3rd party
- Vulnerability and penetration testing
- Security monitoring and notices

Modernizing the I&T Operating model

Opportunities

- Strategic deployment of I&T
- Improving IT decision making (bang for buck)
- Maximizing scarce people resources
- Supporting parents and students more

Risks/ Challenges

- No formal IT Governance
- No CIO until now. 3 separate IT departments
- Funding- IT spend is 2.1% vs 5.7% Edu industry
- Changes for unionized staff

Recent Work

- Started high-level IT Governance process
- Benchmarking across 8 functional areas
- IT department Reorganization planning
- Exploration of Cloud-based Services



“An information and technology (I&T) operating model represents how an organization orchestrates its I&T capabilities to achieve its strategic objectives”
- Gartner

Enabling the “digital” school experience



Opportunities

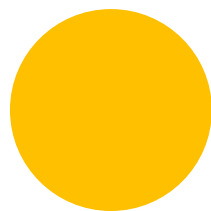
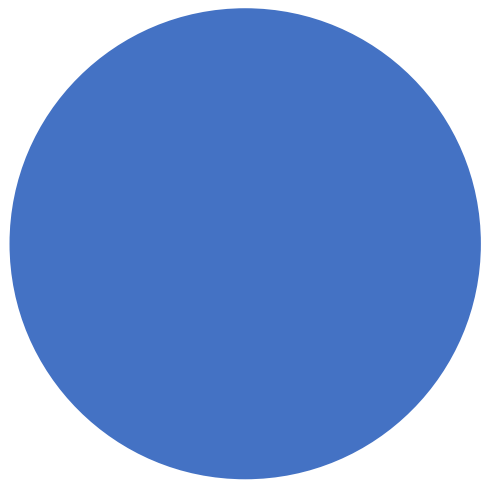
- Personalized learning for students
- maximizing teaching time
- Streamline school operations
- Connect the school and the home
- Attracting more parents and students

Risks/ Challenges

- Old funding based
- Not enough student devices
- Teachers comfort with digital tools
- Privacy and data security risks

Recent Work

- Development of I&T Strategy
- Spot solutions (school messenger)
- IT asset audit on-going
- IT Infrastructure reserve



Questions | Answers



REPORT TO

AUDIT COMMITTEE

SUMMARY OF SCHOOL AND CSPC AUDIT FINDINGS

"Even a child is known by his doings, whether his work be pure, and whether it be right"

Proverbs 20:11

Created, Draft	First Tabling	Review
January 14, 2019	January 30, 2019	Click here to enter a date.

L. LePera; Senior Financial Analyst, Finance and Accounting
 C. Giambattista; Senior Manager, Finance
 D. Bilenduke; Senior Co-ordinator, Finance
 P. De Cock; Comptroller, Business Services & Finance

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 Associate Director
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L. Noronha
 Associate Director of Facilities,
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 Development, and
 Chief Financial Officer

A. EXECUTIVE SUMMARY

During the 2017-2018 school year, the Board's Finance staff performed field audits at 10 selected schools. The internal audits' scope encompassed school financial procedures and controls. This report provides the Audit Committee with a summary of the findings and risks arising from the completed audits.

B. PURPOSE

The purpose of this report is to provide the Audit Committee with a high level summary of the audit findings on School Generated Funds.

C. BACKGROUND

As part of an annual exercise, Finance staff perform field audits at select schools, which possess an overall higher risk profile (i.e. staff turnover, new principals and anomalies in their school reporting). The audit results are compiled using a procedure and controls questionnaire template to be completed by the school Principal and Secretary. The findings of the questionnaire, along with the sample testing, were measured for compliance against Board Policies and Procedures. The audit included a review of school banking funds (including the Catholic School Parent Council (CSPC) and the Student Nutrition (SNP) accounts) and P-card purchases.

D. EVIDENCE/RESEARCH/ANALYSIS

1. During the 2017-2018 school year, Finance staff performed ten school audits. The list of completed school audits is outlined in **Appendix A**.
2. A high level Summary of Findings, by school, identified as requiring immediate attention is attached as **Appendix B**. For each finding, there an accounting of corrective action taken and the lessons learned by the in-servicing activities following the field-work. Each School Principal and Area School Superintendent receives a detailed audit report complete with findings, action plans and sign-off by a school administrator.

3. Finance staff will similarly engage in action plans as follows:

- a) Offer training courses for Principals and Vice Principals, and schedule one-on-one classroom sessions throughout the school year for both Principals and Secretaries where appropriate;
- b) Attend and present the common and recurring audit findings at the area Principals meetings that are held monthly;
- c) Monitor the KEV program for the parent adoption rate, the usage rate, and for the school cash catalogue usage;
- d) Attend the CSPC Executive Workshop on January 29, 2019 and present a workshop regarding the “Role and Responsibility of the Treasurer and Fundraising in Schools”;
- e) Continue to perform field audits and provide in-servicing towards best business practices and ensure compliance with the Board’s Policies and Procedures during the 2018-2019 school year.

E. METRICS AND ACCOUNTABILITY

Finance staff will continue to report the findings associated with School & CSPC Internal Audits to the Audit Committee for review and consideration.

F. CONCLUDING STATEMENT

This report is for the consideration of the Audit Committee.

Schedule of 2017-18 School & CSPC Audits

	School Name	Ward	Trustee	Principal
Elementary Schools				
1	St. Clement	2	Markus de Domenico	Stephen Peters
2	Mother Cabrini	2	Markus de Domenico	Sherryann Ambrose
3	St. Brendan	8	Garry Tanuan	Arlene Martin
4	Transfiguration	2	Markus de Domenico	Victoria Purri
5	St. Bonaventure	11	Angela Kennedy	James Graham (previous) Caroline D'Souza (current)
6	St. Andre	3	Ida Li Preti	Frank Termine
7	St. Norbert	5	Maria Rizzo	Rosa Tucci (previous) Nunzio Del Giudice (current)
Secondary Schools				
1	Cardinal Carter	5	Maria Rizzo	Mary Topping Keenan
2	Loretto Abbey	5	Maria Rizzo	Anita Bartolini
3	St. Michael Choir	9	Norman Di Pasquale	Linton Soares

Summary of Findings identified as requiring immediate attention

School A

<i>Finding</i>	<i>Solution</i>	<i>Learning</i>
Found evidence of TCDSB employees paid for services from the SGF account (not expense reimbursement).	The school has discontinued this practice. To ensure we are compliant with CRA regulations, these remunerations must be processed through payroll.	This control has been added to the Audit testing for future process reviews.
Found evidence of unrecorded HST paid in the school banking system. The result is lost revenue to the school.	The school was made aware that in order for schools to get the benefit of the HST refund, schools must record the HST paid in the KEV system.	The revenue potential was highlighted in the latest principals' meeting and should continue to be an agenda item for future updates.
Found evidence of expenses relating to staff hospitality and gift card purchases for Board employees.	The school was made aware that in accordance with to the 'School Management Report' issued July 2015, there is a restriction for use of school funds to cover 'Hospitality for staff meeting'.	Principal checklists will be sent out at the start and end of each school year. The checklist identifies the resources available for the most recent Board policies and guidelines.
Found evidence of non-compliance of Board regulations by the 3 rd party fundraising group.	Because this group has an arm's length relationship with the school, all purchases should be made by the school, after approval only, and reimbursed by the group. This will ensure Board purchasing policy is adhered to.	This control has been added to the Audit testing for future process reviews.

School B

<i>Finding</i>	<i>Solution</i>	<i>Learning</i>
Found evidence of cash deposited without counting. The result was multiple bank discrepancy adjustments.	The new office administration is now counting all cash in advance of making deposits to eliminate the risk of mis-directed funds.	This control continues to be a part of the Audit testing for future process reviews.
Found evidence that some banking procedures were not adhered to. This included the practice of issuing handwritten cheques and delaying the depositing of large amounts for up to 2 weeks. The school's secretary at the time did not	Subsequent to the audit, a new secretary was assigned to the school. Proper banking procedures are now being adhered to.	This control continues to be a part of the Audit testing for future process reviews.

<i>Finding</i>	<i>Solution</i>	<i>Learning</i>
have access to the school's bank account.		
Found evidence of expenses relating to staff hospitality and gift card purchases for Board employees.	The school was made aware that in accordance with to the 'School Management Report' issued July 2015, there is a restriction for use of school funds to cover 'Hospitality for staff meeting'.	Principal checklists will be sent out at the start and end of each school year. The checklist identifies the resources available for the most recent Board policies and guidelines.

School C

<i>Finding</i>	<i>Solution</i>	<i>Learning</i>
Found evidence that the school did not have a safe and when required, stored cash in a locked cabinet overnight.	All schools should be equipped with a safe and be anchored to a wall or to the floor to eliminate the risk of theft.	This control continues to be a part of the Audit testing for future process reviews.
Found evidence that bank reconciliations were not printed and approved. The result was an array of very old outstanding items that skewed the ledger cash balance position.	Additional KEV training is available on-going to assist with this control.	Principal checklists will be sent out at the start and end of each school year. The checklist identifies the resources available for the most recent Board policies and guidelines.
Found evidence that some banking procedures were not adhered to. In addition to Finding C1.1, this included numerous incorrect adjusting entries.	Additional KEV training is available ongoing to assist with this control.	This control continues to be a part of the Audit testing for future process reviews.
Found evidence of expenses relating to staff hospitality.	The school was made aware that in accordance with to the 'School Management Report' issued July 2015, there is a restriction for use of school funds to cover 'Hospitality for staff meeting'.	Principal checklists will be sent out at the start and end of each school year. The checklist identifies the resources available for the most recent Board policies and guidelines.

School D

<i>Finding</i>	<i>Solution</i>	<i>Learning</i>
Found evidence of unrecorded HST paid in the school banking system. The result is lost revenue to the school.	The school was made aware that in order for schools to get the benefit of the HST refund, schools must record the HST paid in the KEV system.	The revenue potential was highlighted in the latest principals' meeting and should continue to be an agenda item for future updates.
Found evidence of expenses relating to staff hospitality.	The school was made aware that in accordance with to the 'School Management Report' issued July 2015, there is a restriction for use of school funds to cover 'Hospitality for staff meeting'.	Principal checklists will be sent out at the start and end of each school year. The checklist identifies the resources available for the most recent Board policies and guidelines.

School E

<i>Finding</i>	<i>Solution</i>	<i>Learning</i>
Found evidence of funds stored in classrooms overnight. This practice resulted in the school experiencing theft.	Principal to enforce the classroom practice of submitting all funds collected to the office before end of the same school day.	Principal checklists will be sent out at the start and end of each school year. The checklist identifies the resources available for the most recent Board policies and guidelines.
Found evidence that the school did not store funds in the school safe due to the inconvenience of its location.	Subsequent to the audit the school safe was relocated and is now used.	This control continues to be a part of the Audit testing for future process reviews.
Found evidence that bank reconciliations were not approved.	A review and approval of the monthly bank reconciliations is required by the principal.	Principal checklists will be sent out at the start and end of each school year. The checklist identifies the resources available for the most recent Board policies and guidelines.
Found evidence that some banking procedures were not adhered to. This included the delaying of depositing of funds for weeks after receipt.	Subsequent to the audit deposits are done timely. This reduces the risk of the school's bank account becoming overdrawn.	This control continues to be a part of the Audit testing for future process reviews.

School F

<i>Finding</i>	<i>Solution</i>	<i>Learning</i>
Found evidence that some banking procedures were not adhered to. This included issuing handwritten cheques, and delaying the depositing of funds for weeks after receipt.	The return of the permanent secretary will assure compliance.	Principal checklists will be sent out at the start and end of each school year. The checklist identifies the resources available for the most recent Board policies and guidelines.
Found evidence that the CSPC funds were stored in the safe for months in advance of depositing, CSPC funds were counted off school property and CSPC records were stored off school property.	All deposits should be made timely, CSPC funds should always be counted with at least 2 people present and on school site. CSPC records are the property of the school and should be stored on-site at all times.	Include the CSPC procedures on the agenda for the next CSPC workshop and on future communication and workshops.
Found evidence that the CSPC maintains a petty cash float without a reconciliation. The petty cash float was also used for cash disbursements.	In order to ensure data integrity, CSPC should discontinue the use of issuing cash disbursements	Include the CSPC procedures on the agenda for the next CSPC workshop and on future communication and workshops.
Found evidence that the CSPC often delayed reimbursements to the school for spend approved by the CSPC in advance of incurring the expense.	There should be no delay in reimbursing the school for spend that was previously approved by the CSPC. Reimbursement should be made within 10 days of the school providing the invoice.	Include the CSPC procedures on the agenda for the next CSPC workshop and on future communication and workshops.

School G

<i>Finding</i>	<i>Solution</i>	<i>Learning</i>
Found evidence that some banking procedures were not adhered to. This included delaying the depositing of funds for weeks after receipt and not retaining invoice copies to support payments.	Subsequent to the audit, proper banking procedures are now being adhered to.	Principal checklists will be sent out at the start and end of each school year. The checklist identifies the resources available for the most recent Board policies and guidelines.
Found evidence of unrecorded HST paid in the school banking system. The result is lost revenue to the school.	The school was made aware that in order for schools to get the benefit of the HST refund, schools must record the HST paid in the KEV system.	The revenue potential was highlighted in the latest principals' meeting and should continue to be an agenda item for future updates.

School H

<i>Finding</i>	<i>Solution</i>	<i>Learning</i>
Found evidence that students were submitting funds, collected in the classroom, to the office.	Teachers, never students, should submit funds collected in the classroom to the office on a daily basis.	Principal checklists will be sent out at the start and end of each school year. The checklist identifies the resources available for the most recent Board policies and guidelines.
Found evidence that some banking procedures were not adhered to. This included delaying the depositing of funds for weeks after receipt. The school was also experiencing high bank charges prior to the move to CIBC.	Subsequent to the audit, deposits are done timely. Monthly bank charges have now been reduced since moving to a Commercial account with CIBC.	Principal checklists will be sent out at the start and end of each school year. The checklist identifies the resources available for the most recent Board policies and guidelines.

School I

<i>Finding</i>	<i>Solution</i>	<i>Learning</i>
Found evidence that the school did not follow the practice of segregating banking duties. The principal was completing all banking tasks including counting funds, making deposits, issuing cheques and reconciling the bank account.	The secretary should be performing the daily banking tasks and the principal should play the part of oversight and approver.	Principal checklists will be sent out at the start and end of each school year. The checklist identifies the resources available for the most recent Board policies and guidelines.
Found evidence that some banking procedures were not adhered to. This included delaying the depositing of funds for weeks after receipt and not retaining invoice copies to support payments.	Subsequent to the audit, proper banking procedures are now being adhered to.	Principal checklists will be sent out at the start and end of each school year. The checklist identifies the resources available for the most recent Board policies and guidelines.
Found evidence of expenses relating to staff hospitality and gift card purchases for Board employees.	The school was made aware that in accordance with the 'School Management Report' issued July 2015, there is a restriction for use of school funds to cover 'Hospitality for staff meeting'.	Principal checklists will be sent out at the start and end of each school year. The checklist identifies the resources available for the most recent Board policies and guidelines.

School J

<i>Finding</i>	<i>Solution</i>	<i>Learning</i>
Found evidence that the school did not have a safe and when required, stored cash in a locked cabinet overnight.	Subsequent to the audit, the school purchased a safe which was located in the principal's office.	This control continues to be a part of the Audit testing for future process reviews.
Found evidence that the CSPC records were stored off school property and were not made available for an audit. The principal was asked to follow up with the CSPC.	Business Services continues to wait for the CSPC records to be made available for a reviews.	Include the CSPC procedures on the agenda for the next CSPC workshop and on future communication and workshops.



REPORT TO

AUDIT COMMITTEE

SCHEDULE OF 2019 INTERNAL SCHOOL AUDITS

"Take delight in the LORD, and he will give you the desires of your heart."

Psalm 37:4

Created, Draft	First Tabling	Review
January 11, 2019	January 30, 2019	Click here to enter a date

L. LePera; Senior Financial Analyst, Finance and Accounting

C. Giambattista; Senior Manager, Finance

D. Bilenduke; Senior Co-ordinator, Finance

P. De Cock; Comptroller, Business Services & Finance

INFORMATION REPORT

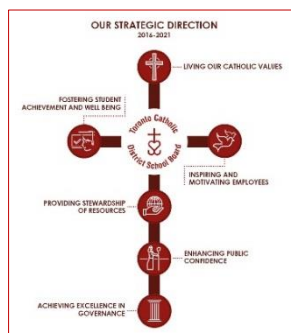
Vision:

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

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.



Rory McGuckin
Director of Education

D. Koenig
Associate Director
of Academic Affairs

L. Noronha
Associate Director of Facilities,
Business and Community
Development, and
Chief Financial Officer

A. EXECUTIVE SUMMARY

This report provides the Audit Committee with a schedule of internal school audits to be carried out by the TCDSB's Finance staff during the 2019 calendar year. The internal audits' scope encompasses school financial procedures and controls.

B. PURPOSE

The purpose of this report is to give the Audit Committee an opportunity to review and provide input into the audit plan.

C. BACKGROUND

1. *This is an annual exercise where Finance staff perform field audits at selected schools which possess an overall higher risk profile.* These risks include, but are not limited to staff turnover, new Principal appointments and anomalies in their school reporting. The audit results are compiled using a procedures and controls questionnaire template to be completed by the school principal and secretary. The findings of the questionnaire, along with the sample testing, are measured for compliance with the TCDSB's Policies and Procedures. The audit will include the review of all school banking funds including the Catholic School Parent Council (CSPC), Student Nutrition (SNP) accounts and P-card purchases.
2. Review of the School Cash Suite banking implementation and usage will continue to be a focus of this year's audit scope.

D. EVIDENCE/RESEARCH/ANALYSIS

1. A schedule of school audits for the year ending August 31, 2019 is attached as **Appendix A**.
2. A sample procedure controls template and questionnaire is attached as **Appendix B**.

3. For each of the processes and questions in **Appendix B**, the following information will be provided to assess compliance:
 - A. School Principal and Secretary will:
 - a) identify the control owner (if applicable),
 - b) add context to the control in place.
 - B. The Finance staff, performing the audit, will:
 - a) identify if the process is applicable,
 - b) identify if a control exists and suggest frequency,
 - c) determine if approval is required
 - d) identify the audit test plan, the audit findings, make recommendations, follow up on action plan timeframes and update action plan completions.

E. METRICS AND ACCOUNTABILITY

1. ***The internal audits are scheduled for January – May 2019.*** The audits will examine the period of September 2017 up to the date of the audit. The audit results and findings will be compiled and measured for compliance to the Board's Policies and Procedures. The results will be reported back to the Audit Committee and respective Superintendents highlighting any key issues of non-compliance.
2. The audit will focus on the following processes: funds collection, record keeping, reporting, security measures, approval process and general practices relating to all school funds including the general school fund, CSPC funds and the SNP funding.
3. Finance staff will review the School Cash Suite transition for both school banking and school cash online with a particular focus on the areas outlined below.
 - a) ***Parent adoption rate.*** This identifies the number of students that have been register for online payment access by the parent.
 - b) ***Usage rate.*** This identifies the rate in which the school cash online is being used.

c) *School Cash Catalogue usage.* This identifies the rate in which schools are creating items for parents to purchase online.

F. CONCLUDING STATEMENT

This report is for the consideration of the Audit Committee.

Proposed Schedule of 2018-19 School & CSPC Audits

	School Name	Ward	Trustee	Principal	Site visit date
Elementary Schools					
1	St. Stephen	1	Joseph Martino	Pasquale Paolitto - VP	May 1, 2019
2	St. Bernard	10	Daniel Di Giorgio	Maria Aloisi	Mar 5, 2019
3	St. Charles	5	Maria Rizzo	James Graham	Apr 26, 2019
4	Cardinal Leger	8	Garry Tanuan	Olimpia Crosby	Feb 5, 2019
5	Holy Child	1	Joseph Martino	Ana Pires	Apr 8, 2019
7	St. Gabriel Lalemant	8	Garry Tanuan	John Gioia	Mar 21, 2019
8	St. John Bosco	6	Frank D'Amico	Lucy Caporale	Feb 27, 2019
Secondary Schools					
1	Chaminade	10	Daniel Di Giorgio	Tony Augello	Apr 12, 2019
2	Blessed Cardinal Newman	12	Nancy Crawford	Kristine Carey	Apr 17, 2019
3	St. Mother Teresa	8	Garry Tanuan	Jose Alberto Flores	Jan 28, 2019

Sample School/CSPC Internal Audit Questionnaire

Process	Co. ID	Question
Funds Collection	A.1	Are funds collected by the teaching staff, from the students, directed to you on day collected?
Funds Collection	A.2	If no to A.1, where are the funds stored?
Funds Collection	A.3	Describe the process followed by staff when handling funds before it arrives to person responsible for recording it.
Funds Collection	A.4	Is the process in A.3 documented? If yes, provide a copy.
Recording	B.1	Are all funds/bank accounts included in the General Ledger (i.e. nutrition program)?
Recording	B.2	Are all funds/monies collected, relating to school activities, deposited into the bank accounts?
Recording	B.3	Are there any activities which do not run through the General Ledger?
Recording	B.4	What control(s) are in place to ensure all information recorded in the General Ledger is correct?
Recording	B.5	How do you know when an invoice is paid?
Recording	B.6	Does an original invoice accompany each request for payment?
Recording	B.7	Is there any requirement to have pre-signed cheques on-hand? If yes, under what circumstances?
Recording	B.8	Are the physical cheques numbered? Do you print out cheques or issue manually?
Recording	B.9	If cheques are numbered, are all cheques accounted for, including any voided cheques?
Recording	B.10	Under what circumstances have you found it necessary to make cash disbursements instead of using a cheque?
Recording	B.11	Do School Generated Funds have a Petty Cash float? If yes, how often is a Petty Cash Reconciliation completed?
Recording	B.12	Is the bank account set up as a statement only ? (no passbook)
Recording	B.13	What deposit forms/receipt logs are used by the school? Provide copies of each.
Recording	B.14	How do revenues and expenses get tracked to ensure all is being reported and recorded relating to specific school trips?
Recording	B.15	How often are bank deposits made?
Recording	B.16	Have there been any payments made to staff that was not an expense re-imbursement? If yes, explain the nature of the payment.

Sample School/CSPC Internal Audit Questionnaire

Process	Co. ID	Question
Reporting	C.1	Are all bank accounts included in the General Ledger?
Reporting	C.2.	Do you complete, review and sign the bank reconciliation on a monthly basis?
Reporting	C.3	Other than the bank reconciliation, what other reports do you review on a regular basis? Are they signed?
Reporting	C.4	Do you have any concerns or need help with anything relating to management of school funds?
Reporting	C.5	Are stamped bank deposit forms kept with the school's records?
Reporting	C.6	Is HST paid tracked in KEV?
Reporting	C.7	Has your school implemented the standard funds collection/disbursement forms?
CSPC	D.1	Do you have a Catholic School Parent Council (CSPC)?
CSPC	D.2	If yes to D.1, do they have their own bank account?
CSPC	D.3	If yes CSPC funds are managed in KEV, who tracks the spend?
CSPC	D.4	Who is responsible for preparing monthly reporting from CSPC (including bank reconciliation and revenues and expenses)?
CSPC	D.5	Who is responsible for the review and sign-off of the reports in question D.4?
CSPC	D.6	Has your CSPC implemented the standard funds collection/disbursement forms?
CSPC	D.7	Do you have a Fundraising Plan developed in conjunction with your CSPC?
CSPC	D.8	Who has signing authority on the CSPC bank account?
CSPC	D.9	Who reviews, signs and dates the annual CSPC financial reports?
CSPC	D.10	Do you have any reason to suspect any fraudulent activity with the CSPC funds?
CSPC	D.11	If it hasn't already, will your CSPC bank account be consolidated with the school bank account? If yes, what is the expected timeframe for this to happen?
CSPC	D1.12	Is your CSPC bank account set up for EFT (electronic funds transfer) with any vendors?
CSPC	D.13	Have any concerns been expressed at the CSPC meetings about the amount of collections from fundraising activities?
General	E.1	Do you have any suspicions with respect to the theft of funds or other fraudulent activity?
General	E.2	Have there been any changes in the current school year to personnel handing funds in the school?
General	E.3	Who is responsible for reviewing the school's general email account?
Security	F.1	Where are school funds (cash or cheque) stored in the school before deposited into bank?
Security	F.2.	Where is the cheque stock stored in the school? Who has access to unused cheques?

Sample School/CSPC Internal Audit Questionnaire

Process	Co. ID	Question
Security	F.3	Who has signing authority of any school bank accounts?
Security	F.4	Who has access to the accounting records?
Security	F.5	What control(s) are in place to ensure payee name on cheque is not the same as signing authority?
Security	F.6	Do you have a bank card?
Security	F.7	Is there any requirement to make cash withdrawals, ATM withdrawals, direct debit purchases from the school bank accounts?
Security	F.8	Are there at least 2 people present at all times when funds are counted in preparation of a bank deposit?
Security	F.9	Are deposit forms signed by both individuals?
Security	F.10	Who are the signing authorities on your bank accounts? Please provide bank confirmation of same.
Approvals	G.1	Does supporting documentation accompany each request for payment and reviewed by signing authority?
Approvals	G.2	Has there been a change in bank signing authorities in the current school year?
P- Card Trans.	H.1	Are P- Cards made out in the name of the school?
P- Card Trans.	H.2	Are P- Cards kept by the School Principal?
P- Card Trans.	H.3	Is a P-Card tracking sheet used to monitor the signing out of the card?
P- Card Trans.	H.4	Are P-Card statements reconciled to invoices/receipts?
KEV	I.1	Who is responsibly for your school's banking on KEV for the SGF account? SNP, if applicable?
KEV	I.4	What is your KEV adoption rate? What steps have you taken to increase parents registration?
KEV	I.5	How many events has your school created in KEV? Usage rate?
KEV	I.6	How has handling of cash and cheque changed for your school with the introduction of KEV?
KEV	I.7	If you haven't already, is the school planning on adopting the School Cash Express option to allow teachers and CSPC access to create events on the system? What steps have taken place to implement this option?

Approval

 Principal's name (please print)

 Date

 Principal's signature



REPORT TO

AUDIT COMMITTEE

2018-19 FIRST QUARTER FINANCIAL STATUS UPDATE

"Whatsoever thy hand findeth to do, do it with all thy might."

Ecclesiastes 9:10

Created, Draft	First Tabling	Review
January 8, 2019	January 30, 2019	

L. LePera, Sr. Financial Analyst
D. Bilenduke, Senior Coordinator of Finance
P. De Cock, Comptroller of Business Services & Finance

INFORMATION REPORT

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Associate Director
of Academic Affairs

L. Noronha
Associate Director of Facilities,
Business and Community
Development, and
Chief Financial Officer

A. EXECUTIVE SUMMARY

This Financial Update Report as at November 30th, 2018 provides a year-to-date look at significant financial activities at the Board.

This is the first update for fiscal 2018-19 using the Revised Estimates approved by the Board of Trustees in December 2018. The Board is on target to ending the year with a balanced budget. A more detailed variance summary is attached as Appendix A.

The cumulative staff time required to prepare this report was 20 hours.

B. PURPOSE

The Financial Update report is required to keep Trustees informed on the Board's financial performance through the year and illustrate any variance in expected outcomes. The report will provide a systematic analytical review of Operating and Capital Budgets, in the following order:

- High Level Review and Risk Assessments of Operating Budget
- Staff Absenteeism and Employee Family Assistance Program
- High Level Review of School Renewal and Capital Projects

C. BACKGROUND

1. *This report is recognized as a best practice in the province.* The Ministry of Education and the District School Board Reporting Workgroup have both identified regular periodic financial reporting as a best practice in managing the Board's financial outcomes.
2. *Year to year comparisons can be slightly skewed.* When comparing the percentage spent to this period last year, it is important to note that YTD November 2017 had 62 teaching days and YTD November 2018 had 63 teaching days.

D. EVIDENCE/RESEARCH/ANALYSIS

HIGH LEVEL REVIEW AND RISK ASSESSMENTS OF OPERATING BUDGET

1. *Salary and Benefit expenditures are expected to finish on or below target for this academic year.* Overall, in the Salary and Benefits area, Figure 1 below illustrates the current risk exposure. This expenditure category is the most closely monitored risk as it comprises the largest portion of the operating budget. These expenditure are expected to be on track at this time.

Figure 1: Salary and Benefits Variance / Risk Analysis

	<i>Actual to Budget</i>		<i>Actual to Previous Year</i>		<i>Risk Assessment</i>
<i>Instructional Salaries</i>	↑	0.4%	↓	0.7%	●
<i>Instructional Benefits</i>	↓	7.1%	↑	2.0%	●
<i>Non-Instructional Salaries</i>	↑	0.5%	↑	1.8%	●
<i>Non-Instructional Benefits</i>	↓	3.5%	↓	3.4%	●

● = Low: On Track ◆ = Medium: Monitor ◆ = High: Action Required

Salaries are tracking very close to budget for both Instructional and Non-Instructional categories. All employee groups have been moved to the benefit trusts as of June 1st 2018. Benefits are tracking to finish on budget.

2. ***At an aggregate level, total other expenditure categories (besides salary and benefits) are expected to finish on or below target.*** Overall, in the Non-Salary area, Figure 2 below illustrates the current risk exposure.

Figure 2: Non-Salary Variance / Risk Analysis

	<i>Actual to Budget</i>		<i>Actual to Previous Year</i>		<i>Risk Assessment</i>
<i>Instructional Expense</i>	↓	7.1%	↓	2.9%	●
<i>Transportation Expense</i>	↓	5.9%	↓	2.1%	●
<i>Operations & Maintenance</i>	↓	7.5%	↑	1.9%	●
<i>Other Administrative</i>	↑	4.3%	↑	4.7%	◆

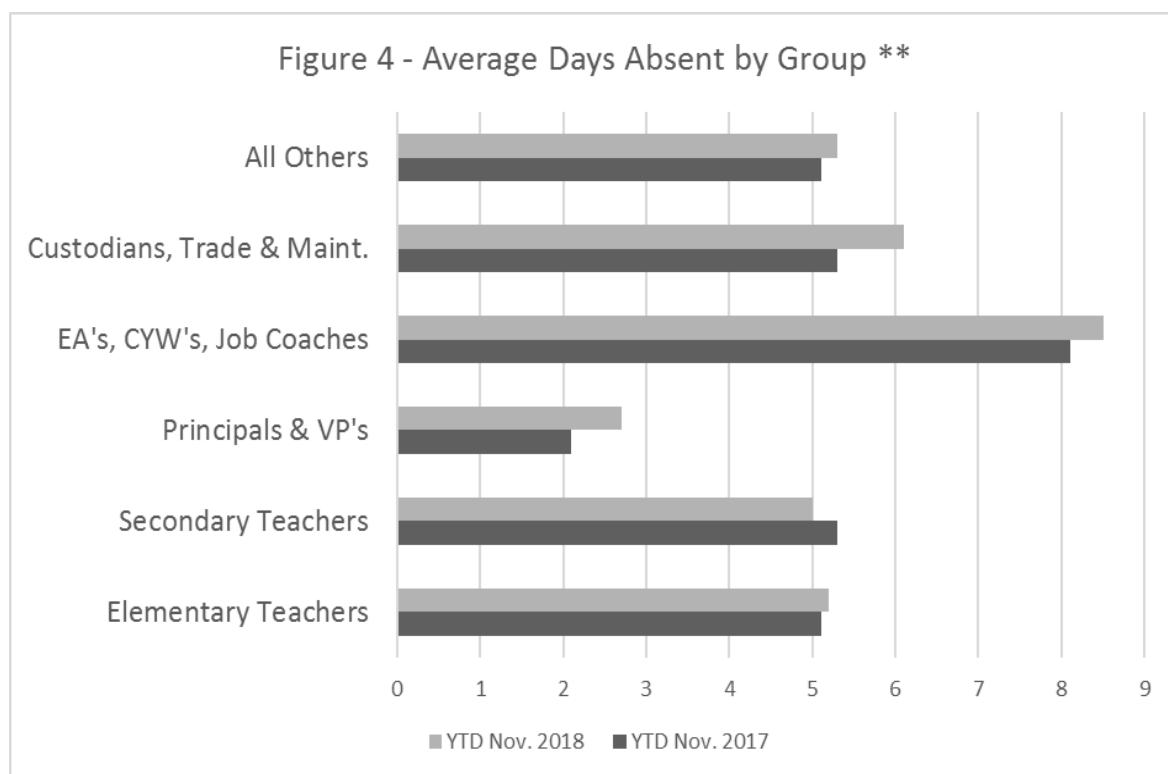
While Instructional expenses are tracking low compared to budget, they are considered a low risk because the timing of expenditure recognition is subject to annual variations and unspent school block funds are carried forward. Other Revenue Related expenses are being monitored and are expected to come in at Budget.

3. ***Grant Revenue from the Province projected to remain unchanged from the Latest Estimates.*** Grants for Student Needs (GSNs) revenue is expected to remain unchanged and all indications from the current Provincial Government is that they will not be affected in the 2018-19 school year.
4. ***“Education Program – Other” or “EPO” Revenues are projected to decrease by a minimum of \$812K, based on the most recent Ministry announcements.*** Recent updates provided by the Ministry of Education mitigated the anticipated reduction to EPO funded initiatives. The conversion to application-based EPO funding agreements could further reduce the funding reduction. The details of this funding reduction are attached as Appendix D.

STAFF ABSENTEEISM AND EMPLOYEE FAMILY ASSISTANCE PROGRAM

5. ***Staff Absenteeism Rates have increased and Occasional Fill Rates have declined.*** Recent statistics provide evidence that overall staff absenteeism rates experienced an increase of 1,067 days over the same period, from the prior year. Total Teacher Absence days have remained relatively flat year over year, while total Occasional Teacher expenditures have risen by 7.0% when compared to the same period last year.

Figure 4 provides a year-over-year comparison of staff absenteeism over the same period in the previous fiscal year. Elementary Teachers, Principals/VP's, Education Assistants (EAs), Child and Youth Workers (CYW), Job Coaches, Secondary Teachers, Custodians/Maintenance and Other school board employees are all showing an increase in days absent. These increases were slightly offset by a decrease in days absent for Secondary Teachers. The following chart compares average absence utilization by employee type as of November:



** Absence days are Category A&B and are inclusive of: Personal Illness Days, Non-Personal Illness Days, Bereavement, Compassionate Leave, Health & Safety Inspections, In Lieu of Planning, Jury Duty/Subpoenaed as

Witness, Recoverable, Special Circumstances, Special Permission and Suspension.

6. ***Staff absenteeism due to personal illness continues to be an area of concern for the Board.*** Despite the rise in Occasional Teacher costs shown in Figure 5a, they are expected to end in line with budget as staff proactively increased the Occasional Teacher Budget in the Revised Budget Estimates last fall in anticipation of this increase. Figure 5b illustrates the 13-month trend. The first 2 months of the school year experienced the same level of salary when compared to prior year. This graph highlights any trends in absenteeism by month, year over year.

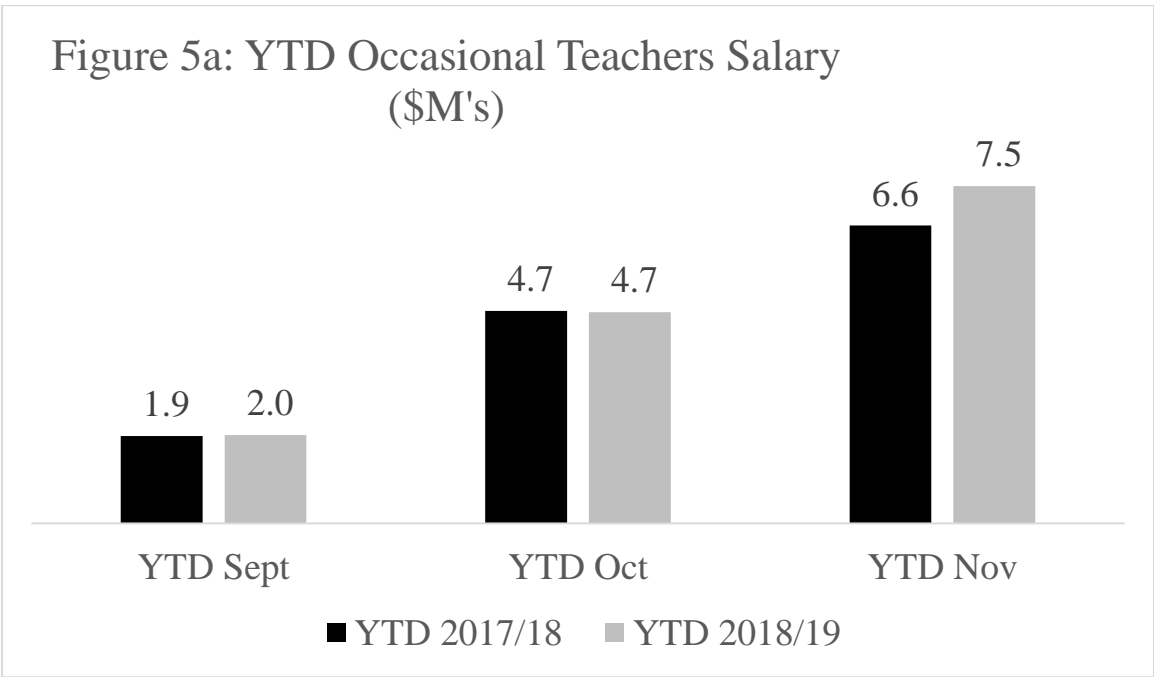
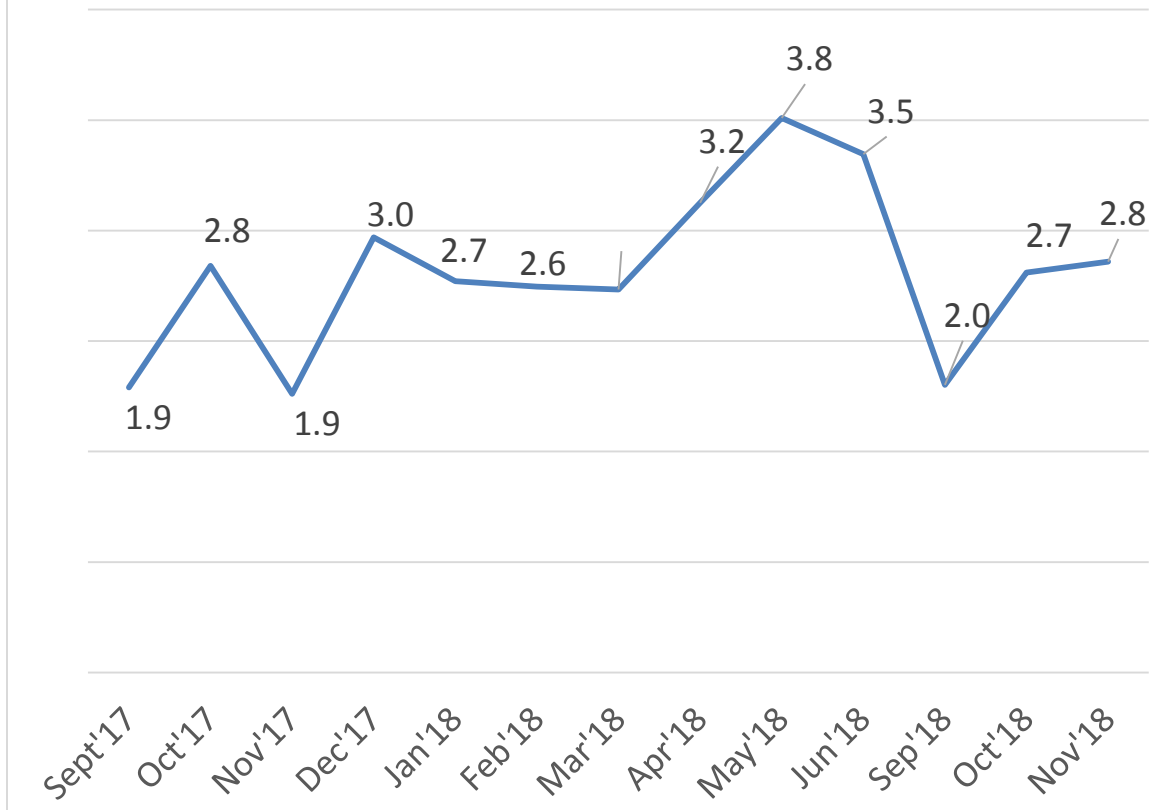


Figure 5b: Occasional Teachers Salary (\$M's)13
Month Trend



7. ***The Board has invested in employee wellness by purchasing an Employee Family Assistance Program (EFAP).*** The Board purchased an EFAP in December 2017. The data collected to November 30, 2018 show that usage rates spiked in the fall months. This is largely driven by promotion of the program as there is a direct connection to supporting employees and their workplace engagement and attendance. Figure 6 provides the services accessed by month and Figure 7 provides information on the types of services accessed.

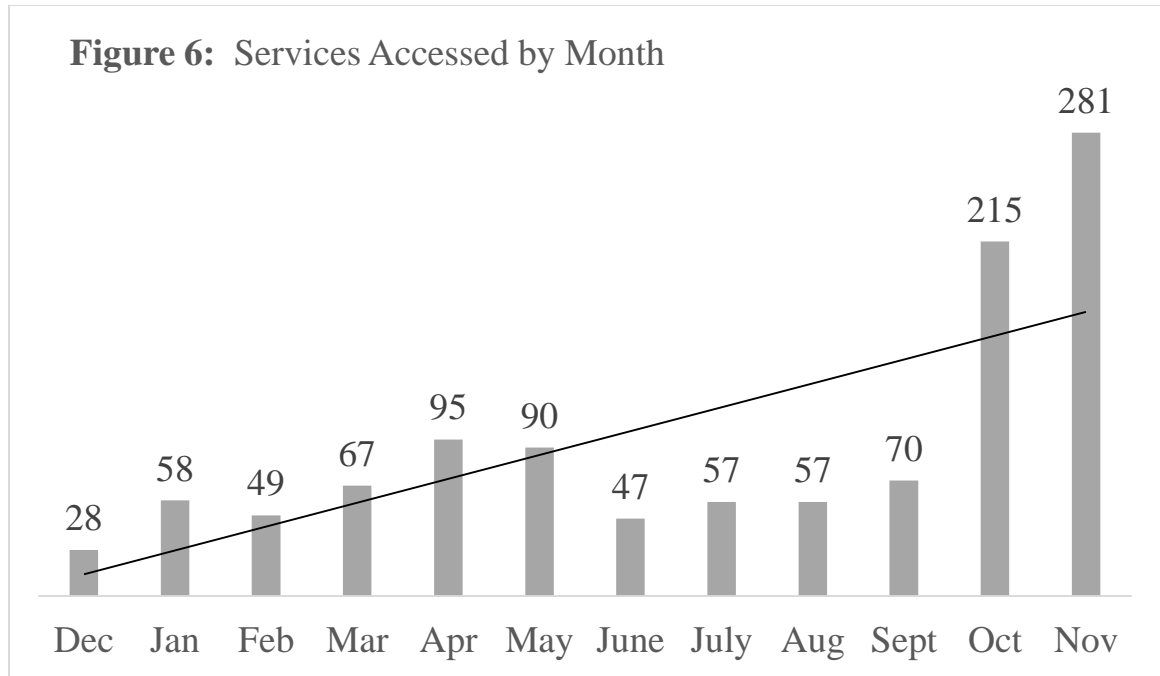
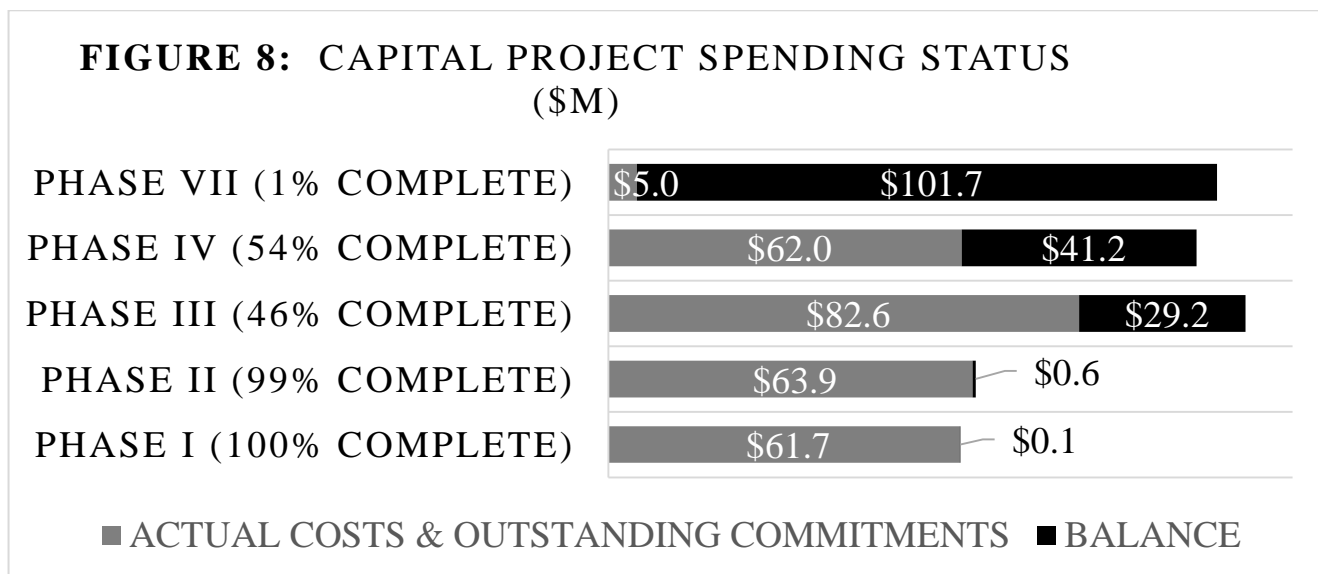


Figure 7: Counselling Service Types

	Q1	Q2	Q3	Q4	Current YTD		Industry Average	National Norm
Addiction Related	1	11	3	2	17	2.3%	1.7%	2.5%
Couple / Relationship	15	50	26	59	150	20.7%	23.5%	23.0%
Family	4	18	17	27	66	9.1%	11.9%	10.9%
Personal / Emotional	54	85	65	201	405	55.9%	50.7%	50.5%
Work Related	7	12	12	56	87	12.0%	12.2%	13.2%
Total	81	176	123	345	725	100.0%		

HIGH LEVEL REVIEW OF SCHOOL RENEWAL AND CAPITAL PROJECTS

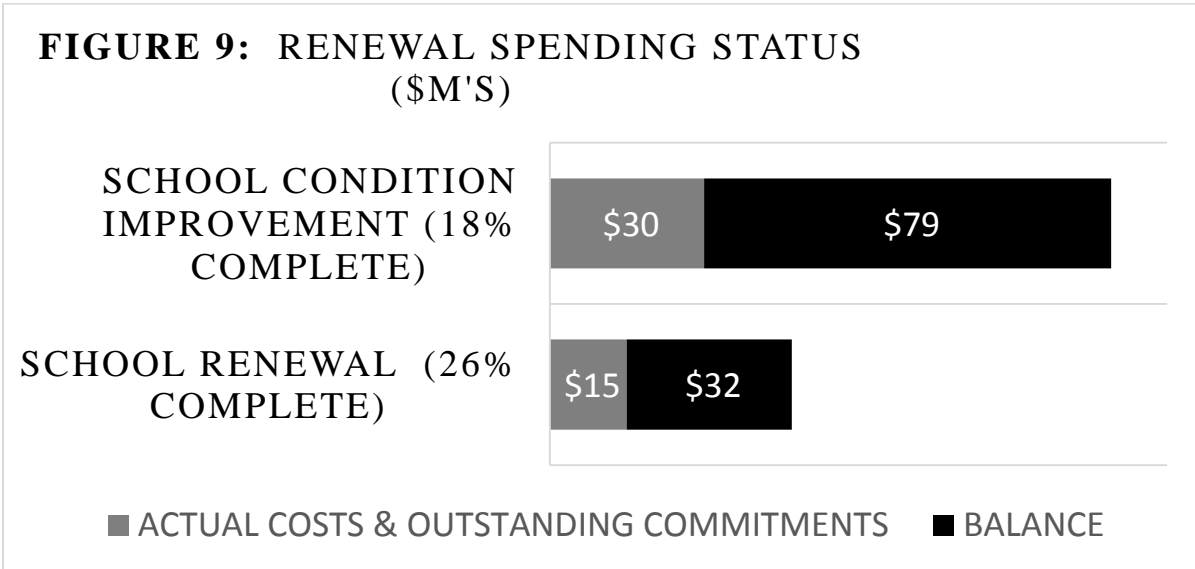
8. ***The Capital program totals \$448 million.*** The Board received Capital Project funding for many new schools, additions and childcare spaces. The capital program funding includes Childcare funding and Full Day Kindergarten funding for projects where applicable. Figure 8 illustrates the Ministry approved capital budgets, the amount spent and/or committed, the balance remaining and the percentage completed by each Phase. Appendix B provides more detail regarding the Capital Projects Phases 1 to 7.



Phase I (16 School Additions), **Phase II** (6 New Elementary Schools), **Phase III** (5 New Elementary Schools), **Phase IV** (8 School Additions & 3 New Elementary Schools), **Phase VII** (7 New Elementary Schools)

9. ***The Renewal Program consists of major building component replacements and site improvements for a total available at September 1, 2018 of \$158M with funding of approximately \$111M remaining.*** The Renewal Program is funded through several grants such as Regular School Renewal Grant and School Improvement Grant. Staff are currently planning for the upcoming construction season so projects may begin in the summer months. Greenhouse Gas Reduction projects are fully committed and underway and the completion timeline of March 31, 2019 is expected to be met.

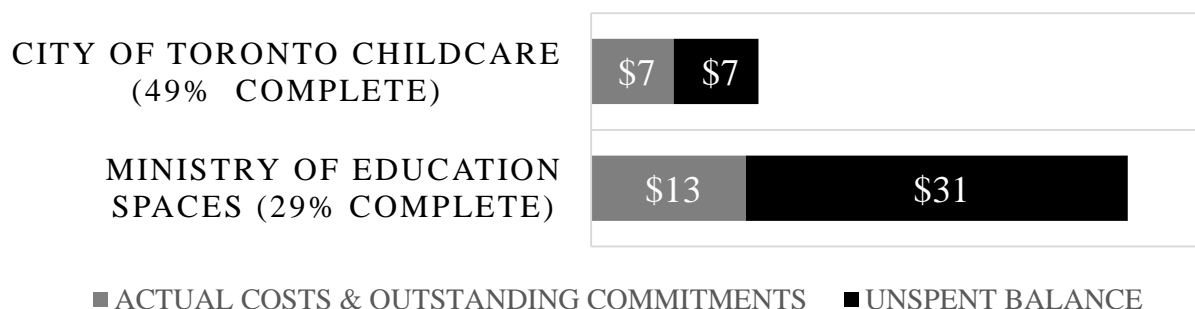
Figure 9 provides a high-level view of the Ministry Approved funding, Actual & Committed Amounts spent and the balance remaining for School Renewal and School Renewal Capital Projects to date:



The Board received a budget of \$7.1M for Greenhouse Gas Reduction with an expenditure timeline of March 31st 2018 and an additional \$3.8M on April 1, 2018 with an expenditure timeline of March 31st 2019. The Board met the completion timeline of March 31, 2018. The Board continues to complete committed work underway to meet the expenditure timeline of March 31, 2019. This funding stream has been discontinued.

10. *The Capital budget also includes two Childcare Program capital projects.* The childcare program consists of childcare additions, childcares as part of new school construction and retrofit of existing childcares. Childcare capital funding is received from the Ministry of Education and the City of Toronto for purposes of building childcare space at specific schools. Figure 10 presents the status of progress to date including the percentage complete, actual and committed costs, as well as the balance remaining for both the Ministry and City of Toronto funded childcares.

**FIGURE 10: CHILDCARE CAPITAL PROGRAM
SPENDING STATUS (\$M)**



E. METRICS AND ACCOUNTABILITY

1. The actual revenues and expenditures are tracking to budget at the end of the first quarter.
2. The one-time extraordinary item (ASO benefit surplus) had a projected balance of \$10.5M for the 2017-18 fiscal year of which \$4.5M was recorded as revenue in the 2017-18 financial statements. The remaining balance of the ASO benefit surplus is projected to be \$5.3M and is expected in the 2018-19 fiscal year.

F. CONCLUDING STATEMENT

This report is for the consideration of the Audit Committee.

OPERATING EXPENDITURES

@ November 30, 2018

'000's	Total Revised Estimate	YTD Revised Estimate	YTD Actual	Variance '000's	Variance %	2018/19 YTD % Spent	2017/18 YTD % Spent
Salaries							
Teachers	540,445	162,133	169,854	(7,720)	-4.8%	31.4%	32.2%
Occasional Teachers	27,109	8,133	7,455	678	8.3%	27.5%	20.5%
Educational Assistants & ECE's	61,652	18,496	16,985	1,511	8.2%	27.6%	31.2%
Principal & VP	38,112	11,433	12,070	(636)	-5.6%	31.7%	31.8%
School Office	17,777	5,333	4,719	614	11.5%	26.6%	27.8%
Continuing Education	17,843	5,353	3,235	2,118	39.6%	18.1%	20.1%
Other Instructional	61,925	18,577	18,115	463	2.5%	29.3%	30.6%
Sub Total Instruction	764,862	229,459	232,432	- 2,973	-1.3%	30.4%	31.1%
Administration	18,173	4,543	4,530	13	0.3%	24.9%	23.1%
Transportation	1,063	266	240	25	9.5%	22.6%	24.7%
Operations & Maintenance	46,129	11,532	11,859	(327)	-2.8%	25.7%	26.3%
Other	8,591	2,148	2,191	(43)	-2.0%	25.5%	15.7%
Sub Total Non Instruction	73,956	18,489	18,821	- 332	-1.8%	25.5%	23.7%
Total Salaries	838,818	247,948	251,252	- 3,305	-1.3%	30.0%	30.4%
Benefits							
Teachers	78,843	23,653	17,485	6,168	26.1%	22.2%	19.6%
Occasional Teachers	5,536	1,661	1,240	421	25.3%	22.4%	18.2%
Educational Assistants & ECE's	19,779	5,934	5,044	889	15.0%	25.5%	23.8%
Principal & VP	4,898	1,469	977	492	33.5%	20.0%	22.0%
School Office	5,566	1,670	1,377	293	17.6%	24.7%	27.7%
Continuing Education	2,759	828	665	162	19.6%	24.1%	21.9%
Other Instructional	14,079	4,224	3,375	849	20.1%	24.0%	23.3%
Sub Total Instruction	131,460	39,438	30,163	9,275	23.5%	22.9%	20.9%
Administration	4,770	1,193	974	219	18.3%	20.4%	22.7%
Transportation	249	62	52	10	16.7%	20.8%	22.3%
Operations & Maintenance	14,703	3,676	3,266	410	11.2%	22.2%	26.8%
Other	1,675	419	305	114	27.2%	18.2%	14.6%
Sub Total Non Instruction	21,397	5,349	4,597	753	14.1%	21.5%	24.9%
Total Benefits	152,857	44,787	34,760	10,028	22.4%	22.7%	21.4%
Operating Expense							
Instructional Expense	48,928	14,678	11,200	3,478	23.7%	22.9%	25.8%
Transportation Expense	35,910	8,977	6,856	2,121	23.6%	19.1%	21.2%
Operations & Maintenance Expense	37,192	9,298	6,494	2,805	30.2%	17.5%	15.6%
Other Non Instructional Expense	5,116	1,279	1,497	(218)	-17.0%	29.3%	24.6%
Total Expense	127,146	34,233	26,046	8,187	23.9%	20.5%	20.9%
Grand Total	1,118,821	326,968	312,058	14,910	4.6%	27.9%	28.1%

Instruction %	3/10	30.0%
Non-Instruction %	3/12	25.0%

**CAPITAL PROJECT PHASES 1 TO 7
NOVEMBER 30, 2018**

SUMMARY

	①	②	③	④	⑤	⑥	
	COMPLETED PROJECT STATUS			WORK IN PROGRESS - OPEN PURCHASE ORDERS			
	MINISTRY APPROVED BUDGET	SAP COSTS TO DATE (excluding purchase order balances)	REMAINING APPROVED BALANCE LESS ACTUALS ①—②	Outstanding Purchase Order Balances & Committed Works	SAP Costs & Outstanding Purchase Orders ② + ④	BALANCE REMAINING WORK NOT STARTED ①—⑤	% Complete
Phase I	61,750,493	61,652,172	98,321	-	61,652,172	98,321	100%
Phase II	64,450,776	63,343,645	1,107,131	544,562	63,888,208	562,568	99%
Phase III	111,781,897	51,373,118	60,408,779	31,214,655	82,587,773	29,194,124	46%
Phase IV	103,163,780	55,212,756	47,951,025	6,773,062	61,985,818	41,177,962	54%
Phase VII	106,764,690	1,114,468	105,650,222	3,928,080	5,042,548	101,722,142	1%
	447,911,636	232,696,159	215,215,477	42,460,359	275,156,518	172,755,118	52%

Phase II - Includes Phase I & II post construction; SAP actuals includes \$63,113,632 + Post construction completion of \$230,013 for a total of \$63,343,645

Phase V - FDK complete and not included in the table above.

Phase VI - Railway/Bishop MacDonnell consolidated with Phase IV Capital Projects.

SCHOOL RENEWAL / SCHOOL CONDITION IMPROVEMENT / GREENHOUSE GAS REDUCTION GRANT BALANCE

Update: December 12, 2018.

Financial Update at November 30, 2018

	SRG Renewal	SRA Renewal	Greenhouse Gas Reduction Fund	SCI 70% Restricted	SCI 30% Unrestricted	TOTAL
				70%	30%	
FUNDING AVAILABLE						
Balance Forward - August 31, 2018 (2018 Accruals incl.)	25,399,374	1,394,592	438,786	38,172,324	29,018,085	94,423,160
Grant - 2018/2019 (Rev. Estimates/SB11 2018)	16,418,436	704,708		24,152,170	10,350,930	51,626,244
Total Grant Available for 2018/2019	41,817,810	2,099,300	438,786	62,324,494	39,369,015	146,049,404
Add: Accruals (Payments incl. below)	3,002,368	148,988	1,111,473	7,439,787	0	11,702,617
Balance Available September 1, 2018 ①	44,820,177	2,248,288	1,550,259	69,764,281	39,369,015	157,752,021
EXPENDITURES & WORK IN PROGRESS (September 1, 2018 - November 30, 2018)						
Actuals - Completed Work	3,571,995	219,465	533,166	6,031,120	0	10,355,746
Open Purchase Orders - Work in Progress	10,772,711	354,458	1,017,093	23,800,236	142,973	36,087,470
EXPENDITURES AND OPEN PURCHASE ORDERS ②	14,344,706	573,923	1,550,259	29,831,356	142,973	46,443,216
BALANCE AT NOVEMBER 30, 2018 ① - ②	30,475,472	1,674,365	0	39,932,925	39,226,042	111,308,805

TORONTO CATHOLIC DISTRICT SCHOOL BOARD

Comparative EPO Revenues (2017-18 EPO Amounts vs 2018-19 EPO Announcement)

		2017-18 EPO Amount	2018-19 EPO Amount	Inc (Dec) Over 2017/2018 Actuals	Note
EPO Grant	EPO Description	2017-18	2018-19		
Focus on Youth - After School	Provide youth participants with a focus on at-risk youth with leadership experience through supported employment, and develop positive attitudes and behaviours required for leadership roles, within a safe and positive employment environment.	125,426	0	(125,426)	
Enhancements to Support Experiential Learning	Support participation in a regional professional learning session to deepen understanding and help develop educators' capacity to plan and deliver effective community-connected experiences.	395,865	391,366	(4,499)	
Re-engagement 12 & 12+	Support the re-engagement efforts for senior students who have left the school system without an OSSD; the funds will allow boards to temporarily employ individuals or provide release time for staff to contact and mentor those students who left without a diploma during the past school year or who were enrolled in June, did not receive a diploma and do not have a timetable for the following September.	41,041	0	(41,041)	
Renewed Mathematics Strategy	Support for schools will focus on professional learning opportunities connected to student learning and well-being that leverage the big and/or highly effective ideas from key foundational mathematical documents and resources that will support teachers.	1,974,856	1,974,856	0	
Indigenous Focused Collaborative Inquiry	Develop new strategies & resources that will enhance the learning of all students, and in particular, those of indigenous backgrounds.	15,000	0	(15,000)	
Indigenous Student Learning and Leadership	Provide leadership development opportunities to Indigenous students (from Grades 7-12).	30,000	TBD	0	*
Transportation Supports for Children and Youth in Care	Implementation of education liaisons and transportation supports to assist in improving educational outcomes for children and youth in care, i.e. Mini-bus and Taxi service.	114,676	TBD	0	

**

APPENDIX D

		2017-18 EPO Amount	2018-19 EPO Amount	Inc (Dec) Over 2017/2018 Actuals	Note
EPO Grant	EPO Description	2017-18	2018-19		
Support Pilots on Ensuring Equitable Access to Post-Secondary Education	To support boards and schools in providing enhancements to current initiatives to help students, who without supports might not otherwise go on to Post Secondary Education(PSE), understand the value of pursuing a PSE and gain awareness of the broad range of pathways, possibilities and supports available to them	37,290	0	(37,290)	
TechnoMath	Support the development and implementation of the TechnoMath program at St. Patrick's CSS which creates cross-curricular connections between mathematics and technological education.	6,185	5,000	(1,185)	
TLLP	Project to cultivate community by a collaborative, arts-based initiative towards Reconciliation (Larrysa Gorecki & Vanessa Pinto)	17,600	17,600	0	
Physical Activity for Secondary Schools (PASS)	Promote a culture of physical activity in secondary schools by funding projects that increase the number of less active students participating in physical activities outside of instructional time; Projects can be regional, board-wide (including co-terminus boards), or targeted at an individual secondary school or a group of secondary schools.	54,575	0	(54,575)	***
Daily Physical Activity for Elementary Schools	Support innovative, strategic and sustainable initiatives that engage elementary students in daily physical activities	22,545	0	(22,545)	
Innovation in Learning Fund	Support the evolution of teacher practice towards, for example, more hands-on, culturally relevant, experiential learning that fosters global competencies and deeper learning.	109,500	0	(109,500)	
Tutors in the Classroom	Support post-secondary students enrolled in colleges and universities to work as tutors in JK to Grade 6 classrooms.	35,000	0	(35,000)	
Gap Closing in Literacy for Grades 7-12	To support educators working in collaborative teams to assess & respond to the literacy learning needs of up to three targeted groups of students: 1) Students in Grade10 who require additional support to prepare for the Ontario Secondary School Literacy Test (OSSLT); 2) Students who have been unsuccessful on the OSSLT and have not yet met the literacy graduation requirement, and/or; 3) Students in Grades 7, 8 and 9 who require additional support in literacy.	15,960	12,000	(3,960)	

APPENDIX D

		2017-18 EPO Amount	2018-19 EPO Amount	Inc (Dec) Over 2017/2018 Actuals	Note
EPO Grant	EPO Description	2017-18	2018-19		
Student Success Leaders: Supporting Racialized Students	New to TCDSB: Support school boards and schools in creating a safe and welcoming school environments, particularly for students experiencing social isolation, bullying, discrimination and systemic racism; • Projects can be regional, board-wide (including co-terminus boards), or targeted at an individual school or a group of schools.	0	TBD	0	****
Board Leadership Development Strategy	Funding is to continue the implementation of the TCDSB leadership succession and talent development plan (Board Leadership Development Strategy Plan)	127,539	80,227	(47,312)	
OPS Learn & Work	Deliver the OPS Learn and Work program in accordance with the current curriculum policy document: Cooperative Education, The Ontario Curriculum, Grades 11 & 12, 2018 to students who are re-entering or re-engaging in their learning community.	116,500	116,500	0	
Parent Reaching Out Grants - School Councils	School councils of publicly funded schools may apply for grants to support projects focused on engaging parents who may experience barriers such as language, transportation, socio-economic, newness to Ontario's education system or other factors.	129,370	133,991	4,621	
Parent Reaching Out Grants - Regional Provincial	These projects, designed to enhance parent engagement on a regional or province-wide basis.	10,000	7,500	(2,500)	
Community Use of Schools - Outreach Coordinators	Funding is being provided to all school boards so they can make school space more affordable for use after hours. Both indoor and outdoor school space is available to not-for-profit community groups at reduced rates, outside of regular school hours.	200,000	125,000	(75,000)	
Community Use of Schools - Priority Schools	School activities, extra-curricular activities and parent involvement activities organized or administered by the school or school board have priority use of school space during and after regular school hours.	782,000	488,750	(293,250)	
Legalization of Recreational Cannabis	One-time funding to support school boards with local training needs related to the legalization of recreational cannabis.	0	74,800	74,800	
Well-being: Safe, Accepting & Healthy Schools and Mental Health - Theme Bundle	Support for students that encompass; engagment acitivity; Professional Learning for Programs resouces & equipment; Leadership Development; alignment with work that directly supports student well being	257,000	241,010	(15,990)	

APPENDIX D

		2017-18 EPO Amount	2018-19 EPO Amount	Inc (Dec) Over 2017/2018 Actuals	Note
EPO Grant	EPO Description	2017-18	2018-19		
Speak Up Projects	Provide students with an opportunity to lead and/or participate in a project in order to empower students to take action and support student engagement, equity, achievement and well-being through an experience within the school community.	69,695	61,900	(7,795)	
EPO & Other Grant Revenues after Dec 14th and Dec 21st Memo's		4,687,623	3,730,500	(812,456)	

Notes: EPO's (Education Program Other) projected converted to application based funding initiatives

- * Boards may apply for funds up to \$20,000; and to maximize consideration of any application, Boards must partner with at least one Ontario District School Board, contribute funds from Student Success board funding, and contribute funds from Indigenous Education board funding.
- ** Supports transportation to enable students in care to remain in their home school on a temporary basis when they experience a residence placement change.
- *** Up to \$10,000 per project will be awarded to support projects that address an identified need and engage students in physical activities.
- **** Up to \$10,000 per project will be awarded to support projects that address an identified need and engage students.

Audit Committee Meeting 2019 Annual Agenda / Check List

	Jan	Apr	May	Sep	Nov
Risk Management					
Resourcing (Mix, Skillset, Quantity)					
Reputational Risk					
Management Structure Issues					
CFO Role					
Budget (2019/2020)	D				
Financial Reporting Process					
MOE Financial Reports	D				
Consolidated Financial Statements					
Internal Audit					
Open Audit Status (% complete, support received)					
Risk Review Summary on Audit Completion					
Future Audit Plan (2 years)					
Internal Controls					
Ministry Operational Review					
Internal Audit recommendations	D				
Compliance Matters					
Legal	D				
MOE					
Union					
Board Policy Compliance					
External Audit					
Review External Auditors					
Scope					
Cost					

D - Discussed

R - Review requested

P - Pending

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