

AUDIT COMMITTEE REGULAR MEETING Open (Public) Session

AGENDA
September 30, 2020

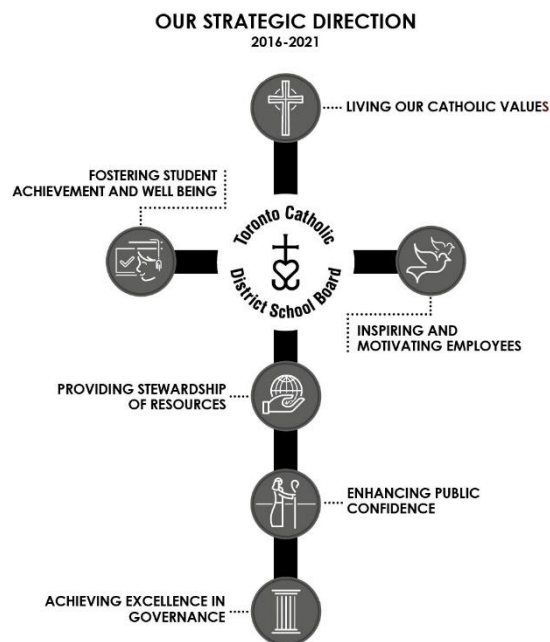
Angela Kennedy, Chair

Michael Del Grande

Daniel Di Giorgio

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: Skeeter Hinds-Barnett, 416-222-8282 Ext. 2298

Assistant Recording Secretary: Sarah Pellegrini, 416-222-8282 Ext. 2207

Dr. Brendan Browne
Director of Education

Joseph Martino
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.

ZOOM MEETING DETAILS

Phone one-tap: Canada: [+16475580588](tel:+16475580588) or [+16473744685](tel:+16473744685)
Meeting URL: <https://tcdsb.zoom.us/j/92676847885>
Meeting ID: 926 7684 7885

Join by Telephone

For higher quality, dial a number based on your current location.

Dial:

Canada: +1 647 558 0588 or +1 647 374 4685

Meeting ID: 926 7684 7885

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AGENDA THE SPECIAL MEETING OF THE AUDIT COMMITTEE

PUBLIC SESSION

Wednesday, September 30, 2020

6:30 P.M.

	Pages
1. Call to Order	
2. Opening Prayer	
3. Land Acknowledgement	
4. Roll Call & Apologies	
5. Approval of the Agenda	
6. Declarations of Interest	
7. Approval and Signing of the Minutes of the Meeting held June 22, 2020 for Public Session.	1 - 8
8. Delegations	
9. Presentation	
9.a Paula Hatt, representing the Toronto and Area Regional Internal Audit Team (Refer to Item 14a)	
9.b Trevor Ferguson and Scott Finkel, representing Deloitte LLP (Refer to Item 14b)	

10. **Notices of Motion**
11. **Consent and Review**
12. **Unfinished Business**
13. **Matters referred/deferred**
14. **Staff Reports**
 - 14.a Paula Hatt, representing Toronto and Area Regional Internal Audit Team, regarding the Regional Internal Audit Team Update (Refer to Item 9a) 9 - 12
 - 14.b Trevor Ferguson and Scott Finkel, representing Deloitte LLP, regarding the 2020 Audit Service Plan (Refer to Item 9b) 13 - 28
 - 14.c Audit Committee Non-Board Community Members' Term of Office (Recommendation) 29 - 38
 - 14.d 2019-2020 Third Quarter Financial Status Update (Information) 39 - 52
 - 14.e Audit Committee Annual Agenda/Checklist 53
15. **Listing of Communication**
16. **Inquiries and Miscellaneous**
 - 16.a Toronto District School Board (TDSB) Follow-up Inquiry regarding, Collaborating on a Joint Toronto Catholic District School Board (TCDSB)/TDSB Transportation Audit (Verbal)
 - 16.b Audit Committee Meeting Dates
November 17, 2020
17. **Updating of Pending List**
 - 17.a Pending List 54
18. **Closing Prayer**

19. Adjournment

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MINUTES OF THE SPECIAL VIRTUAL MEETING OF THE AUDIT COMMITTEE OPEN (PUBLIC) SESSION

HELD MONDAY, JUNE 22, 2020

Trustees: A. Kennedy, Chair
M. Del Grande

Non-Voting Trustees: I. Li Preti
M. Rizzo

External Members: N. Borges
R. Singh

Staff: R. McGuckin
L. Noronha
M. Eldridge
P. Matthews
S. Camacho
P. De Cock
A. Della Mora
D. Bilenduke
D. De Souza
C. Giambattista
G. Sequeira

S. Pellegrini, Acting Recording Secretary
S. Hinds-Barnett, Assistant Recording Secretary

External Auditor: P. Hatt, Toronto and Area Regional Internal Audit Team

3. Roll Call & Apologies

Trustee Di Giorgio was absent.

4. Approval of the Agenda

MOVED by Trustee Del Grande, seconded by Ryan Singh, that the Agenda, as amended to include the Addendum, be approved.

On the Vote taken, the Motion was declared

CARRIED

5. Declarations of Interest

Trustee Kennedy declared an interest in Item 13e) 2020-21 Grants for Student Needs Announcement as she has family members who are employees of the Board.

Trustee Kennedy indicated that she would neither vote nor participate in that Item.

6. Approval & Signing of the Minutes of the Previous Meeting

MOVED by Trustee Del Grande, seconded by Nancy Borges, that the Minutes of the Meeting held January 29, 2020 be approved.

On the Vote taken, the Motion was declared

CARRIED

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

8. Presentation

- 8a) Paula Hatt, representing the Toronto and Area Regional Internal Audit Team (RIAT) received.**

On the Vote taken, the Motion was declared

CARRIED

MOVED by Ryan Singh, seconded by Trustee Del Grande, that Item 8b) be adopted as follows:

- 8b) Paula Hatt, representing the Toronto and Area Regional Internal Audit Team (RIAT) received.**

On the Vote taken, the Motion was declared

CARRIED

MOVED by Ryan Singh, seconded by Trustee Del Grande, that Item 13a) be adopted as follows:

13. Staff Reports

- 13a) Paula Hatt, representing the Toronto and Area Regional Internal Audit Team, regarding the Regional Internal Audit Team Update:**

MOVED by Trustee Del Grande, seconded by Nancy Borges, that there be an external review by the Internal Audit Team of the current undertaking of issuing 9,000 devices out to the public domain, and to review whether the systems and procedures in place ensure that the assets are accounted for, and that they will be returned to the School Board within a timeline.

On the Vote taken, the Motion was declared

CARRIED

MOVED by Ryan Singh, seconded by Trustee Del Grande, that Item 13b) be adopted as follows:

- 13b) Paula Hatt, representing the Toronto and Area Regional Internal Audit Team, regarding the Payroll/HR Follow-up Audit Report received.**

On the Vote taken, the Motion was declared

CARRIED

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

- 13c) 2019-20 Second Quarter Financial Status Update received.**

On the Vote taken, the Motion was declared

CARRIED

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

- 13d) Toronto Catholic District School Board's (TCDSB) Response to the**

COVID-19 Pandemic received.

MOVED in AMENDMENT by Nancy Borges, seconded by Ryan Singh, that due to COVID-19 and there are no Audit Committee meetings held over the Summer, but plans need to be in place by September, that staff are asked to share the weekly briefing notes prepared by the Chief of Communications to Trustees, with the community members of the Audit Committee.

On the Vote taken, the AMENDMENT was declared

CARRIED

MOVED in AMENDMENT by Trustee Del Grande, seconded by Nancy Borges, that the Audit Committee recommend to the Board of Trustees that consideration be given to Trustees to be invited to sit on the COVID-19 Operations Committees.

With the consent of the Committee, Trustee Del Grande withdrew the Amendment.

MOVED in AMENDMENT by Trustee Del Grande, seconded by Nancy Borges, that the Audit Committee recommend to the Board of Trustees that an Ad Hoc Committee be established in September that provides meetings with Staff and Trustees to discuss issues at hand related to COVID-19 operations.

On the Vote taken, the AMENDMENT was declared

CARRIED

On the Vote taken, the Main Motion, as amended was declared

CARRIED

Trustee Kennedy relinquished the Chair to Trustee Del Grande, and left the virtual meeting room at 9:16 pm due to a Declaration of Interest in Item 13e), as earlier indicated.

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

13e) 2020-21 Grants for Student Needs Announcement received.

On the Vote taken, the Motion was declared

CARRIED

Trustee Kennedy returned to the virtual room at 9:26 pm and reassumed the Chair.

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

13f) Audit Committee Meeting 2020 Annual Agenda/Check List received.

On the Vote taken, the Motion was declared

CARRIED

16. Updating of Pending List

MOVED by Nancy Borges, seconded by Ryan Singh, that Item 16a) be adopted as follows:

16a) Pending List received.

On the Vote taken, the Motion was declared

CARRIED

18. Adjournment

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

On the Vote taken, the Motion was declared

CARRIED

SECRETARY

CHAIR



INTERNAL AUDIT TEAM

Toronto and Area Region

Status Update for Audit Committee: September 2020

Toronto Catholic District School Board

Prepared by:

Paula Hatt, CPA, CA, CIA, Senior Manager, Regional Internal Audit

Audit Plan Update:

The following is the status of outstanding engagements included in the Toronto Catholic District School Board's 2018-19 Regional Internal Audit Plan.

Audits	Status
IT Asset Management, including Student Device Distribution during COVID-19	A response to the original report has been received. The RIAT is working with management to schedule meetings to complete the additional review of student device distribution during COVID-19. The results of this review will be issued together with the original report.
Records Management	This engagement was outsourced to KPMG. Management developed a strategy to address the findings contained in the draft report, to present to the Director's Council for approval. Once approved, management will provide KPMG with a response to the draft report.

The following is the status of engagements included in the Toronto Catholic District School Board's 2019-20 Regional Internal Audit Plan.

Audits	Status
Strategic Workforce Planning - Phase 1	<p>Multiphase engagement to assist the Board with ensuring the right skill sets and staffing resources are in place. Key position review and other analysis as needed (i.e. job description and performance review processes).</p> <p>Fieldwork is currently underway for the first phase of this engagement. This first phase (consulting engagement) will consist of a critical position analysis for the Capital Development and Asset Renewal, Planning and Development, and Business Services functional areas. The RIAT has developed a tool to help identify critical positions, which has been provided to management to obtain pertinent information on each position</p>
Usage of Schools Analysis	<p>Analyze to identify optimal use of schools over the summer months. Analyze key data (i.e. cost vs. revenue). Assess current processes and controls and identify opportunities for greater efficiency and cost savings.</p> <p>Fieldwork for this engagement is nearing completion, with a few queries outstanding. Board staff has committed to providing responses / information by September 25, 2020, at which time RIAT will work with Board staff and Management to finalize the draft report.</p>
Follow-up Activities	<p>The RIAT is currently confirming with management the status of open audit findings from all RIAT reports previously issued to the Board. Future follow-up work will be selected based on the results of this update.</p>

2020-21 Audit Plan

The table below outlines the engagements included in the 2020-21 Audit Plan, agreed to by the Audit Committee in May 2019. Given an overall delay in the completion of the 2019-20 RIAT plan due to COVID-19, timing for these engagements will be determined in late fall 2020.

Engagement	Preliminary Scope
Privacy Audit	Assess the current practices in place to protect sensitive information obtained by the school board, identifying areas for process improvements and minimization of risks. Sensitive information could include, but is not limited to, student and employee records.
Accounts Payable and Expense Audit	Assess controls in place and analyze accounts payable and expense data to identify potential issues and areas for process improvement (i.e. duplicate vendors, unusual payments).
Follow-up	Follow-up work will be selected based on the status update of previous audit findings that is currently being obtained.



REPORT TO

AUDIT COMMITTEE

DELOITTE LLP, 2020 AUDIT SERVICE PLAN

Show me your ways, O Lord. Teach me your paths.

- Psalm:25:4

Created, Draft	First Tabling	Review
September 22, 2020	September 30, 2020	
D. Bilenduke, Sr. Coordinator; Finance P. De Cock, Comptroller; Business Services		
INFORMATION REPORT		

Vision:

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Brendan Browne, PhD
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

Attached is a presentation on the 2020 Audit Services Plan by Trevor Ferguson and Scott Finkel representing Deloitte LLP.

The cumulative staff time required to prepare this report was .25 hours

B. PURPOSE

1. Scott and Trevor will present the plan and methodology ahead of the 2019/20 fiscal year end audit of the Toronto Catholic District School Board financial statements. A copy of the presentation is attached.

C. METRICS AND ACCOUNTABILITY

1. The Audited Financial Statements will be presented to the Audit Committee at the meeting scheduled for November 17, 2020.

D. CONCLUDING STATEMENT

This report is for the consideration of the Audit Committee.



Toronto Catholic District School Board 2020 Audit service plan

For the year ended August 31, 2020
Presented to the Audit Committee
September 30, 2020

September 21, 2020

Private and confidential

To the Chair and Members of the Audit Committee
Toronto Catholic District School Board
80 Sheppard Ave E
Toronto ON M2N 6E8

2020 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 ended August 31, 2020. 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,



Chartered Professional Accountants
Licensed Public Accountants

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Our audits explained

Significant events

Other than COVID-19, and the related impacts to revenue, cash management, and operations of the Board, we are not currently aware of any significant events that would impact the audit of the financial statements for the August 31, 2020 year-end.

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 ended August 31, 2020. In addition, we have also been engaged to perform the audit of the Ontario Youth Apprenticeship program. Deloitte also performs specified procedures on the Boards March reporting. Our audits will be conducted in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). The terms and conditions of our engagements will be described in our master service agreement which is currently being updated, and we anticipate being signed.

As a result of the physical distancing requirements arising for the COVID-19 pandemic, we have been performing our audits remotely since March 2020. We will continue to monitor the status of the situation and, if necessary, will discuss and finalize an action plan with management as to how to best conduct the audit remotely.



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 judgment using total revenues 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 judgments 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

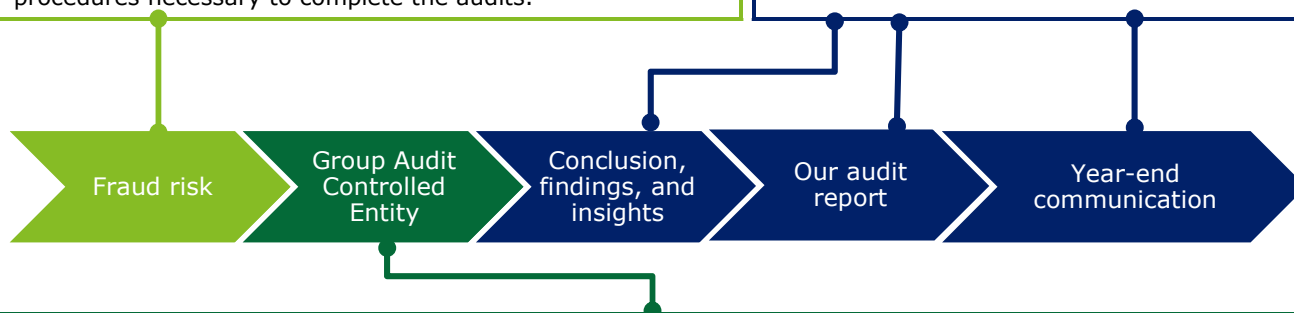
Audit reporting

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

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 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
- 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
- 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 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 audit 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 audit 	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 240.21
5. Any known suspected or alleged fraud affecting the Board	CAS 240.22
6. Whether the Board is in compliance with laws and regulations	CAS 250.15
Year-end communication	
7. Modification to our audit plan and strategy	CAS 260.A26
8. Fraud or possible fraud identified through the audit process	CAS 240.40-.42
9. Significant accounting policies, practices, unusual transactions, and our related conclusions	CAS 260.16 a.
10. Alternative treatments for accounting policies and practices that have been discussed with management during the current audit period	CAS 260.16 a.
11. Matters related to going concern	CAS 570.25
12. Management judgments and accounting estimates	CAS 260.16 a.
13. Significant difficulties, if any, encountered during the audit	CAS 260.16 b.
14. Material written communications between management and us, including management representation letters	CAS 260.16 c.
15. Circumstances that affect the form and the content of the auditor's report	CAS 260.16d.
16. Modifications to our opinion(s)	CAS 260.A21

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

Required communication	Reference
17. Our views of significant accounting or auditing matters for which management consulted with other accountants and about which we have concerns	CAS 260.A22
18. Significant matters discussed with management	CAS 260.A.22
19. Matters involving non-compliance with laws and regulations that come to our attention, unless prohibited by law or regulation, including illegal or possibly illegal acts that come to our attention	CAS 250.23
20. Significant deficiencies in internal control, if any, identified by us in the conduct of the audit of the Financial Statements	CAS 265
21. Uncorrected misstatements and disclosure items	CAS 450.12-13,
22. Any significant matters arising during the audit in connection with the Board's related parties	CAS 550.27

Appendix 3 – New and Revised Accounting Standards

The following is a summary of certain new standards, amendments, and proposals that will become effective in 2022 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 1201 - Financial statement presentation	This Section establishes general reporting principles and standards for the disclosure of information in government financial statements.	This Section applies in the period Section PS 2601 Foreign currency translation, and Section PS 3450 - Financial instruments, are adopted. Earlier adoption is permitted.
Section PS 2601 Foreign currency translation.	This Section 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 (i) Government organizations – April 1, 2012; and (ii) Governments – April 1, 2022. Earlier adoption is permitted.
Section PS 3280 - Asset retirement obligations	This Section establishes standards on how to account for and report a liability for asset retirement obligations.	Effective April 1, 2022, earlier application is permitted.
Section PS 3041 - Portfolio investments	This Section establishes standards on how to account for and report portfolio investments in government financial statements.	This Section applies in the period Section PS 1201 - Financial statement presentation, Section PS 2601 Foreign currency translation, and Section PS 3450 - Financial instruments, earlier application is permitted.
Section PS 3400 - Revenue	This Section establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations.	Effective for fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted. The Section may be applied retroactively or prospectively.
Section PS 3450 - Financial instruments	This Section establishes standards on how to account for and report all types of financial instruments including derivatives.	This section is effective for: (i) Government organizations - April 1, 2012; and (ii) Governments – April 1, 2022. Governments and government organizations would also adopt Section PS 2601 Foreign currency translation, at the same time. Earlier adoption is permitted.

Appendix 4 – 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 (https://www.iasplus.com/en-ca/standards)	<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"/> Deloitte Viewpoints (https://www.iasplus.com/en-ca/tag-types/deloitte-viewpoints)	<ul style="list-style-type: none"> • CFO • Controller • Financial reporting team 	Electronic communications that helps you to stay on top of standard-setting initiatives impacting financial reporting in Canada.
<input type="checkbox"/> CFO's corner (https://www.iasplus.com/en-ca/cfos-corner)	<ul style="list-style-type: none"> • CFO • VP Finance • Controller • Financial reporting team 	Editorial providing insights into key trends, developments, issues and challenges executives face, with a Deloitte point of view.
<input type="checkbox"/> Deloitte Dbriefs (https://www.iasplus.com/en-ca/dbriefs/webcasts)	<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.



REPORT TO

AUDIT COMMITTEE

AUDIT COMMITTEE NON-BOARD COMMUNITY MEMBERS' TERM OF OFFICE

And Moses said, "Today you have ordained yourselves for the service of the Lord, each one at the cost of his son and of his brother, that he may bestow a blessing upon you this day."

Exodus 32:29

Created, Draft

First Tabling

Review

September 1, 2020

September 30, 2020

[Click here to enter a date.](#)

P. De Cock, Comptroller of Business Services & Finance

RECOMMENDATION REPORT

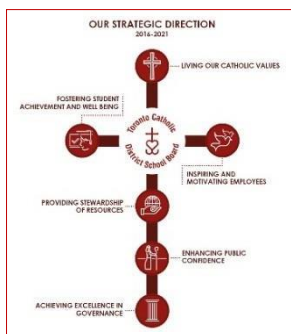
Vision:

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.



Brendan Browne
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

The report provides an overview of the Audit Committee Non-Board Community Members' terms of reference as per the Ontario Regulation 361/10 and the available options for renewing or not renewing their term of appointment. The existing Non-Board Community Members' terms expire on February 2021 at which point the option to reappoint or replace requires a decision by the Audit Committee for the new four-year term beginning in February 2021.

The cumulative staff time required to prepare this report was 4 hours.

B. PURPOSE

1. This report responds to the requirements detailed in Ontario Regulation 361/10 regarding Audit Committees.
2. The regulation 361/10 prescribes that Audit Committee Non-Board Community Members serve at maximum a four-year term with an opportunity for reappointment for a maximum of one four-year reappointment.
3. The existing Non-Board Community Members' term of office expire on February 2021, and the existing Community Members can continue serving in this capacity until a successor(s) is appointed.

C. BACKGROUND

1. The Education Act Ontario Regulation 361/10 governs the operation of Audit Committees in the education sector.
2. Ontario Regulation 361/10 states the following regarding composition of Audit Committees and terms of appointment for Non-Board Community Members:

Composition of audit committee

3. (1) An audit committee of a board shall consist of the following individuals appointed in accordance with the board's by-laws:

2. If the board has eight or more board members, but less than fifteen, the audit committee shall consist of five members, including three board members and two persons who are not board members.

Term of appointment

7. (2) The term of office of a member of the audit committee who is not a board member shall be determined by the board but shall not exceed three years. O. Reg. 361/10, s. 7 (2).

(4) An individual who is not a board member may not be appointed to the audit committee more than twice unless,

- (a) the board advertised the position for at least 30 days; and
- (b) after the 30 days, the selection committee did not identify any potential candidates. O. Reg. 361/10, s. 7 (4).

(5) When the term of a member of the audit committee expires, he or she continues to be a member until a successor is appointed or the member is reappointed. O. Reg. 361/10, s. 7 (5).

3. The complete Ontario Regulation 361/10 is included in this report as Appendix A.

D. EVIDENCE/RESEARCH/ANALYSIS

1. The TCDSB and the Audit Committee possess the option to reappoint the existing Non-Board Community Members for a second and final term. Pending the willingness and acceptance of the offer of reappointment, the second and final term begins effectively in February 2021.

2. In the event the existing Non-Board Community Member(s) are not reappointed, the TCDSB is required to advertise the vacant position for at least 30 days in order to solicit interest from a successor(s).
3. The existing Non-Board Community Member(s) can continue serving in this capacity until such time as a successor(s) is appointed.

E. STAFF RECOMMENDATION

That the Audit Committee consult the Non-Board Community Members regarding their interest to serve a second term and advise the TCDSB Board of Trustees accordingly.

Education Act

**ONTARIO REGULATION 361/10
AUDIT COMMITTEES**

Consolidation Period: From July 10, 2015 to the [e-Laws currency date](#).

Last amendment: 204/15.

Legislative History: 204/15.

This is the English version of a bilingual regulation.

Interpretation

1. (1) This Regulation applies in respect of audit committees established by district school boards under subsection 253.1 (1) of the Act. O. Reg. 361/10, s. 1 (1).

(2) In this Regulation,

“external auditor” means an auditor appointed by a board under subsection 253 (1) of the Act to perform the duties referred to in subsection 253 (4) of the Act; (“vérificateur externe”)

“internal auditor” means a contractor or employee of a board who examines and evaluates a board’s records and procedures related to the board’s risk management, internal controls and governance processes and makes recommendations on ways to improve the board’s risk management, internal controls and governance processes; (“vérificateur interne”)

“reporting entity” means, with respect to a board, an organization that is required to prepare reports for the purposes of the board regarding the organization’s financial affairs and resources; (“entité comptable”)

“senior business official” means a senior business official described in subsection 3 (2) of Regulation 309 of the Revised Regulations of Ontario, 1990 (Supervisory Officers) made under the Act. (“cadre supérieur de l’administration des affaires”) O. Reg. 361/10, s. 1 (2).

Establishment of audit committee

2. (1) Subject to subsection (3), every board shall establish an audit committee in accordance with this Regulation no later than January 31, 2011. O. Reg. 361/10, s. 2 (1).

(2) The first meeting of an audit committee established under subsection (1) shall be held no later than March 31, 2011. O. Reg. 361/10, s. 2 (2).

(3) A board established after the day this Regulation comes into force shall establish an audit committee in accordance with this Regulation no later than October 1 of the school year following the calendar year in which the board’s members are first elected. O. Reg. 361/10, s. 2 (3).

(4) The first meeting of an audit committee established under subsection (3) shall be held no later than December 1 of the school year following the calendar year in which the board’s members are first elected. O. Reg. 361/10, s. 2 (4).

Composition of audit committee

3. (1) An audit committee of a board shall consist of the following individuals appointed in accordance with the board’s by-laws:

1. If the board has fewer than eight board members, the audit committee shall consist of four members, including two board members and two persons who are not board members.
2. If the board has eight or more board members, but less than fifteen, the audit committee shall consist of five members, including three board members and two persons who are not board members.
3. If the board has fifteen or more board members, the audit committee shall consist of seven members, including four board members and three persons who are not board members. O. Reg. 361/10, s. 3 (1).

(2) In the absence of a by-law setting out an appointment process, the board shall appoint the members of the audit committee in accordance with paragraphs 1, 2 and 3 of subsection (1). O. Reg. 361/10, s. 3 (2).

(3) If the number of persons required by paragraphs 1, 2 and 3 of subsection (1) is not appointed to the audit committee, the Minister may appoint a person to each vacant position. O. Reg. 361/10, s. 3 (3).

(4) A person appointed under subsection (3) holds the position until the board appoints another person to the position. O. Reg. 361/10, s. 3 (4).

(5) An appointment made under subsection (3) must comply with paragraphs 1, 2 and 3 of subsection (1) and section 4. O. Reg. 361/10, s. 3 (5).

Eligibility for appointment of persons who are not board members

4. (1) A person who is not a board member is eligible to be appointed to the board's audit committee only if he or she,

- (a) has accounting, financial management or other relevant business experience that would enable him or her to understand the accounting and auditing standards applicable to the board;
- (b) is not an employee or officer of the board or of any other board at the time of his or her appointment;
- (c) does not have a conflict of interest, as described in subsection (2), at the time of his or her appointment; and
- (d) was identified by the selection committee described in section 5 as a potential candidate for appointment to the audit committee. O. Reg. 361/10, s. 4 (1).

(2) For the purposes of clause (1) (c), a person has a conflict of interest if his or her parent, child or spouse is employed by the board. O. Reg. 361/10, s. 4 (2).

(3) Clause (1) (d) does not apply if the person is appointed by the Minister under subsection 3 (3). O. Reg. 361/10, s. 4 (3).

Selection committee

5. (1) Each board shall have a selection committee for the purpose of identifying persons who are not board members as potential candidates for appointment to the board's audit committee. O. Reg. 361/10, s. 5 (1).

(2) The selection committee shall be composed of,

- (a) the board's director of education;
- (b) a senior business official of the board; and
- (c) the chair of the board or a board member designated by the chair. O. Reg. 361/10, s. 5 (2).

Chair of the audit committee

6. (1) At the first meeting of the audit committee in each fiscal year, the members of the committee shall elect the chair of the committee for the fiscal year of the board from among the members appointed to the committee. O. Reg. 361/10, s. 6 (1); O. Reg. 204/15, s. 1.

(2) If at any meeting of the audit committee the chair is not present, the members present may elect a chair for that meeting. O. Reg. 361/10, s. 6 (2).

Term of appointment

7. (1) The term of office of a member of the audit committee who is a board member shall be determined by the board but shall not exceed four years. O. Reg. 361/10, s. 7 (1).

(2) The term of office of a member of the audit committee who is not a board member shall be determined by the board but shall not exceed three years. O. Reg. 361/10, s. 7 (2).

(3) Subject to subsection (4), a member of the audit committee may be reappointed. O. Reg. 361/10, s. 7 (3).

(4) An individual who is not a board member may not be appointed to the audit committee more than twice unless,

- (a) the board advertised the position for at least 30 days; and
- (b) after the 30 days, the selection committee did not identify any potential candidates. O. Reg. 361/10, s. 7 (4).

(5) When the term of a member of the audit committee expires, he or she continues to be a member until a successor is appointed or the member is reappointed. O. Reg. 361/10, s. 7 (5).

Vacancies

8. (1) A member who is a board member vacates his or her position on the audit committee if,

- (a) he or she is convicted of an indictable offence; or
- (b) he or she is absent from two consecutive regular meetings of the committee and the committee has not authorized those absences by a resolution at the first regular meeting of the committee that follows the second absence. O. Reg. 361/10, s. 8 (1).

- (2) A member who is not a board member vacates his or her position on the audit committee if,
 - (a) he or she is convicted of an indictable offence;
 - (b) he or she is absent from two consecutive regular meetings of the committee and the committee has not authorized those absences by a resolution at the first regular meeting of the committee that follows the second absence;
 - (c) he or she becomes an employee or officer of the board or of any other board; or
 - (d) it is discovered that he or she had a conflict of interest as described in subsection 4 (2) at the time of his or her appointment and failed to disclose it. O. Reg. 361/10, s. 8 (2).
- (3) Despite any by-law of a board, if a position on the audit committee becomes vacant, the position shall be filled as soon as possible in accordance with this Regulation. O. Reg. 361/10, s. 8 (3).
- (4) A person who is appointed to fill a vacancy shall hold the position for the remainder of the term of the member whose position became vacant. O. Reg. 361/10, s. 8 (4).

Duties of an audit committee

9. (1) An audit committee of a board has the following duties 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, with regard to the following:
 - i. Relevant accounting and reporting practices and issues.
 - ii. Complex or unusual financial and commercial transactions of the board.
 - iii. Material judgments and accounting estimates of the board.
 - iv. Any departures from the accounting principles published from time to time by the Canadian Institute of Chartered Accountants that are applicable to the board.
- 2. To review with the director of education, a senior business official and the external auditor, before the results of an annual external audit are submitted to the board,
 - i. the results of the annual external audit,
 - ii. any difficulties encountered in the course of the external auditor's work, including any restrictions or limitations on the scope of the external auditor's work or on the external auditor's access to required information,
 - iii. any significant changes the external auditor made to the audit plan in response to issues that were identified during the audit, and
 - iv. any significant disagreements between the external auditor and the director of education or a senior business official and how those disagreements were resolved.
- 3. 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.
- 4. To recommend, if the audit committee considers it appropriate to do so, that the board approve the annual audited financial statements.
- 5. To review with the director of education, a senior business official and the external auditor all matters that the external auditor is required to communicate to the audit committee under generally accepted auditing standards.
- 6. To review with the external auditor material written communications between the external auditor and the director of education or a senior business official.
- 7. To ask the external auditor about whether the financial statements of the board's reporting entities, if any, have been consolidated with the board's financial statements.
- 8. To ask the external auditor about any other relevant issues. O. Reg. 361/10, s. 9 (1).

(2) An audit committee of a board has the following duties 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. O. Reg. 361/10, s. 9 (2).

(3) An audit committee of a board has the following duties 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.
 7. To review with the director of education, a senior business official and the internal auditor,
 - i. significant findings and recommendations by the internal auditor during the fiscal year and the responses of the board's staff to those findings and recommendations,
 - ii. any difficulties encountered in the course of the internal auditor's work, including any restrictions or limitations on the scope of the internal auditor's work or on the internal auditor's access to required information, and
 - iii. any significant changes the internal auditor made to the audit plan in response to issues that were identified during the audit. O. Reg. 361/10, s. 9 (3).
- (4) An audit committee of a board has the following duties 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, including,
 - i. the external auditor's engagement letter,
 - ii. how work will be co-ordinated with the internal auditor to ensure complete coverage, the reduction of redundant efforts and the effective use of auditing resources, and
 - iii. the use of independent public accountants other than the external auditor of the board.
- 2.1 To make recommendations to the board on the content of the external auditor's audit plan and on all proposed major changes to the plan.
3. To review and confirm the independence of the external auditor.
 4. 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. To resolve any disagreements between the director of education, a senior business official and the external auditor about financial reporting.
 6. To recommend to the board a policy designating services that the external auditor may perform for the board and, if the board adopts the policy, to oversee its implementation. O. Reg. 361/10, s. 9 (4); O. Reg. 204/15, s. 2.
- (5) An audit committee of a board has the following duties 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 review any significant findings of regulatory entities, and any observations of the internal or external auditor related to those findings.
 3. To review the board's process for communicating any codes of conduct that apply to board members or staff of the board to those individuals and the board's process for administering those codes of conduct.
 4. To obtain regular updates from the director of education, supervisory officers and legal counsel regarding compliance matters.

5. To obtain confirmation by the board's director of education and supervisory officers that all statutory requirements have been met. O. Reg. 361/10, s. 9 (5).
- (6) An audit committee of a board has the following duties 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 perform other activities related to the oversight of the board's risk management issues or financial matters, as requested by the board.
 3. To initiate and oversee investigations into auditing matters, internal financial controls and allegations of inappropriate or illegal financial dealing. O. Reg. 361/10, s. 9 (6).
- (7) An audit committee of a board shall report to the board annually, and at any other time that the board may require, on the committee's performance of its duties. O. Reg. 361/10, s. 9 (7).
- (8) An audit committee shall make all reasonable efforts to ensure that a copy of this Regulation is posted on the board's website. O. Reg. 361/10, s. 9 (8).

Powers of an audit committee

- 10.** In carrying out its functions and duties, an audit committee of a board has the power to,
 - (a) with the prior approval of the board, retain counsel, accountants or other professionals to advise or assist the committee;
 - (b) meet with or require the attendance of board members, the board's staff, internal or external auditor or legal counsel or representatives from a reporting entity of the board at meetings of the committee, and require such persons or entities to provide any information and explanation that may be requested;
 - (c) where the committee determines it is appropriate, meet with the board's external or internal auditor, or with any staff of the board, without the presence of other board staff or board members, other than board members who are members of the committee;
 - (d) require the board's internal or external auditor to provide reports to the committee; and
 - (e) have access to all records of the board that were examined by the internal or external auditor. O. Reg. 361/10, s. 10.

Meetings

- 11.** (1) An audit committee of a board shall meet at least three times in each fiscal year at the call of the chair of the committee, and at such other times as the chair considers advisable. O. Reg. 361/10, s. 11 (1).
- (2) The first meeting of the audit committee in each fiscal year after the 2011 year shall take place no later than September 30. O. Reg. 361/10, s. 11 (2).
- (3) Each member of the audit committee has one vote. O. Reg. 361/10, s. 11 (3).
- (4) The audit committee shall make decisions by resolution. O. Reg. 361/10, s. 11 (4).
- (5) In the event of a tie vote, the chair is entitled to cast a second vote. O. Reg. 361/10, s. 11 (5).
- (6) A majority of the members of the audit committee that includes at least one member who is not a board member constitutes a quorum for meetings of the committee. O. Reg. 361/10, s. 11 (6).
- (7) The chair of the audit committee shall ensure that minutes are taken at each meeting and provided to the members of the committee before the next meeting. O. Reg. 361/10, s. 11 (7).
- (8) Despite subsection (1), an audit committee of a board is required to meet only twice during the 2010-2011 fiscal year. O. Reg. 361/10, s. 11 (8).

Codes of Conduct

- 12.** Any code of conduct of the board that applies to board members also applies to members of the audit committee who are not board members in relation to their functions, powers and duties as members of the committee. O. Reg. 361/10, s. 12.

Remuneration and compensation

- 13.** (1) A person shall not receive any remuneration for serving as a member of the audit committee. O. Reg. 361/10, s. 13 (1).
- (2) Subsection (1) does not preclude payment of an honorarium under section 191 of the Act that takes into account the attendance of a board member at an audit committee meeting. O. Reg. 361/10, s. 13 (2).

(3) A board shall establish policies respecting the reimbursement of members of its audit committee for expenses incurred as members of the committee. O. Reg. 361/10, s. 13 (3).

(4) A board shall reimburse members of its audit committee for expenses incurred as members of the committee in accordance with the policies referred to in subsection (3). O. Reg. 361/10, s. 13 (4).

Declaration of conflicts

14. (1) Every member of an audit committee shall, when he or she is appointed to the committee for the first time and at the first meeting of the committee in each fiscal year, submit a written declaration to the chair of the committee declaring whether he or she has a conflict of interest as described in subsection 4 (2). O. Reg. 361/10, s. 14 (1).

(2) A member of an audit committee who becomes aware after his or her appointment that he or she has a conflict of interest, as described in subsection 4 (2), shall immediately disclose the conflict in writing to the chair. O. Reg. 361/10, s. 14 (2).

(3) If a member or his or her parent, child or spouse could derive any financial benefit relating to an item on the agenda for a meeting, the member shall declare the potential benefit at the start of the meeting and withdraw from the meeting during the discussion of the matter and shall not vote on the matter. O. Reg. 361/10, s. 14 (3).

(4) If no quorum exists for the purpose of voting on a matter only because a member is not permitted to be present at the meeting by reason of subsection (3), the remaining members shall be deemed to constitute a quorum for the purposes of the vote. O. Reg. 361/10, s. 14 (4).

(5) If a potential benefit is declared under subsection (3), a detailed description of the potential benefit declared shall be recorded in the minutes of the meeting. O. Reg. 361/10, s. 14 (5).

Reporting

15. (1) An audit committee of a board shall submit to the board on or before a date specified by the board an annual report that includes,

- (a) any annual or multi-year audit plan of the board's internal auditor;
- (b) a description of any changes made to a plan referred to in clause (a) since the last report of the committee;
- (c) a summary of the work performed by the internal auditor since the last annual report of the committee, together with a summary of the work the auditor expected to perform during the period, as indicated in the plan referred to in clause (a);
- (d) a summary of risks identified and findings made by the internal auditor; and
- (e) a summary of any enrolment audits planned by the internal auditor. O. Reg. 361/10, s. 15 (1); O. Reg. 204/15, s. 3 (1).

(2) A board who receives a report under subsection (1) shall submit the information described in clauses (1) (c) and (e) to the Minister in each fiscal year on or before a date specified by the Minister. O. Reg. 204/15, s. 3 (2).

(3) An audit committee of a board shall submit a report to the board in each fiscal year on or before a date specified by the board, and at any other time as may be requested by the board, that includes,

- (a) a summary of the work performed by the committee since the last report;
- (b) an assessment by the committee of the board's progress in addressing any findings and recommendations that have been made by the internal or external auditor;
- (c) a summary of the matters addressed by the committee at its meetings;
- (d) the attendance record of members of the committee; and
- (e) any other matter that the committee considers relevant. O. Reg. 361/10, s. 15 (3).

16. OMITTED (PROVIDES FOR COMING INTO FORCE OF PROVISIONS OF THIS REGULATION). O. Reg. 361/10, s. 16.

Français

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REPORT TO

AUDIT COMMITTEE

2019-20 THIRD QUARTER FINANCIAL STATUS UPDATE

"Whatsoever thy hand findeth to do, do it with all thy might."
Ecclesiastes 9:10

Created, Draft	First Tabling	Review
September 1, 2020	September 10, 2020	September 30, 2020

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

INFORMATION REPORT

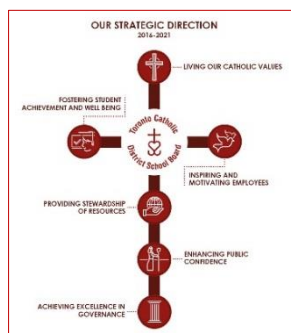
Vision:

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.



Brendan Browne
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 Financial Update Report as at May 31st 2020 provides a year-to-date look at significant financial activities at the Board.

This is the third update for fiscal 2019-20 using the Revised Estimates approved by the Board of Trustees in December 2019. The Board was on track to generate an in-year deficit this year as per the approved 2019-20 Revised Estimates, however, COVID-19 closures will result in significant savings to create a surplus. Appendix A provides a more detailed variance summary.

Financial projections to year-end anticipate an in-year surplus of \$5.0 – 10.0M subject to some variations due to the ongoing release of ASO Benefit surpluses by the Ministry of Education and Covid-19 expenses associated with planning towards reopening schools in September 2020.

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 Revised Estimates
- Staff Absenteeism
- 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 teaching days are comparable.*** When comparing the percentage spent to this period last year, it is important to note that YTD May 2019 had 174 teaching days compared to the actual YTD May 2020 of 170 teaching days. The 170 teaching days for YTD May 2020 accounts for four job action days by OECTA. Had there been no job action by OECTA, the YTD May 2020 teaching days would have totalled 174.

D. EVIDENCE/RESEARCH/ANALYSIS

HIGH LEVEL REVIEW AND RISK ASSESSMENTS OF OPERATING REVISED ESTIMATES

1. ***COVID-19 school closures, effective as of March 13, 2020, will result in a Net Savings of approximately \$3.3M.*** Costs related specifically to school closures will result in savings of \$11.6M. This is offset by costs of \$5.9M related to additional technology required for online learning and a reduction of \$2.4M in Revenues. The forecast below is not inclusive of the ongoing release of ASO Benefits Surpluses by the Ministry of Education.

Estimated Additional Costs and Savings due to COVID-19

<u>Expenditure Savings</u>	<u>\$M</u>
Occasional Staff Costs	4.40
Transportation	2.00
Utilities	2.10
Other Savings	<u>3.10</u>
Total Expenditure Savings	11.60
 <u>Additional Costs</u>	 <u>\$M</u>
Investment in Student Technology	4.00
Supplies	1.70
Security	<u>0.20</u>
Total Additional Costs	5.90
 <u>Revenue Loss</u>	 <u>\$M</u>
Loss of Revenue Sources	2.40
 <u>Net Savings</u>	 3.30

2. ***Salary and Benefit expenditures are expected to finish below target for this academic year.*** Overall, in the Salary and Benefits area, Figure 1 below illustrates the current trend. This expenditure category is the most closely monitored risk as it comprises the largest portion of the revised operating expenditure estimates. Due to COVID-19 school closures, these expenditures are expected to come in below budget.

Figure 1: Salary and Benefits Variance / Risk Analysis

	<i>Actual to Revised Estimates</i>		<i>Actual to Previous Year</i>		<i>Risk Assessment</i>
<i>Instructional Salaries</i>	↓	5.2%	↓	3.1%	●
<i>Instructional Benefits</i>	↓	0.2%	↓	2.3%	●
<i>Non-Instructional Salaries</i>	↓	1.0%	↓	2.8%	●
<i>Non-Instructional Benefits</i>	↓	3.6%	↓	2.7%	●

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

Salaries and Benefits for both Instructional and Non-Instructional categories are projected to finish below budget due to the COVID-19 school closures. This will result in an estimated reduction of Occasional Staff Costs totalling \$4.4M

3. ***Job action*** by OECTA resulted in a total of 4 job action days and the job action by ETFO resulted in a total of 6 strike days in the months of January and February 2020. The reduction to Salary and Benefit expenses, as a result of this job action, has been reflected in this report, \$12.6M. There is an equal and offsetting reduction to Ministry Grant revenue and therefore no impact on the projected surplus.

4. *At an aggregate level, the total of other expenditure categories (besides salary and benefits) are expected to finish below target* due to COVID-19 school closures. Overall, in the Non-Salary area, Figure 2 below illustrates the current trend.

Figure 2: Non-Salary Variance / Risk Analysis

	<i>Actual to Revised Estimate</i>		<i>Actual to Previous Year</i>		<i>Risk Assessment</i>
<i>Instructional Expense</i>	↓	26.1%	↓	9.9%	●
<i>Transportation Expense</i>	↓	5.7%	↑	7.8%	●
<i>Operations & Maintenance</i>	↓	12.2%	↓	0.7%	●
<i>Other Administrative</i>	↑	21.7%	↑	59.4%	●

As a result of COVID-19 school closures, Textbooks/Supplies are expected to finish a net \$1.4M below budget, Transportation \$1.2M (+\$0.8M offset by Revenue reduction) below budget and Utilities \$2.1M below budget. Computer and Technology expenses are estimated to finish \$4.0M above budget given the purchases of iPads and Chromebooks to facilitate distance learning.

5. *Permit Revenues (Community Use of Schools)*
- i. Due to the CUPE job action and Teachers strikes in Q2, permits were cancelled. As a result, TCDSB experienced a decrease in permit revenue compared to budget.
 - ii. Projections forward into Q4 indicate permits will be further reduced as all permits have been cancelled during the shutdown of

schools due to the COVID -19 virus. At this time, it is estimated the Board will lose approximately \$.26M from COVID closures. Permit expenses will also be reduced resulting in some savings.

6. ***Rental Revenues (Day cares)***

- i. CUPE and OECTA job actions in Q2 affected Day Care Operators by school closures. As a result, Day Care Providers will likely experience a decrease in their revenues. The TCDSB will also see a small decrease in these revenues compared to budget as TCDSB closed the day cares.
- ii. Projections in Q4 will be further reduced, as all day cares have been closed during the shutdown due to the COVID-19 Pandemic. At this time, it is estimated the TCDSB will lose \$.58M from day care closures due to the COVID-19 Pandemic.

7. ***COVID-19 related reductions to Other Revenues (-\$1.52M) as a result of school closures.*** The Transportation Revenue claw-back announced June 19, 2020 for the fuel funding reduction is estimated to be \$795K. This financial status report includes a further reduction in After Hours Parking of \$364K and all other revenue reductions of \$373K.

8. ***GSN Grant Revenue Strike Savings GSN claw back (-\$12.6M).*** As a result of the OECTA Teachers and ETFO (DECE's) strike in Q2 and Q3, the TCDSB will have to send back GSN funding in the amount of \$12.6M (net of strike expenses). The \$12.6M is the Salary savings from not paying Teachers and DECE's and are also reflected in the reduction of expenses.

9. ***The latest estimate of Secondary Enrolment is projected to decrease, affecting the 2019-2020 Revenue Budget Estimates by -430 ADE or \$4.0M in GSN funding.***

- i. ONSIS enrolment submission to the Ministry have a deadline of May 31, 2020; however, due to the COVID -19 virus, ONSIS reporting will be delayed, as schools have been closed.
- ii. As such, Business Services staff believe it would be appropriate to provide notice on the preliminary secondary enrolment decrease that is projected for ONSIS secondary school reporting purposes.

10. ***ESL Enrolment +\$2.4M GSN*** - An additional +588, mainly secondary students, over the 2019-20 Revised Budget Estimates arriving from non-English speaking countries within the last 4 years generated an additional +\$2.4M in GSN funding.
11. ***Additional Revenue reductions include*** VISA Student Tuition \$1.5M, Other EDU Grants \$1.4M and Attrition \$2.3M below budget.

STAFF ABSENTEEISM

12. ***Staff Absenteeism Rates and Occasional Fill Rates have decreased.*** Recent statistics provide evidence that overall staff absenteeism rates experienced a decrease of 45,262 days over the same period, from the prior year. The average absence days per FTE are 13.8 compared to 18.5 in the prior year's YTD third quarter. This large decrease in staff absenteeism is a direct result of the COVID-19 work-from-home orders effective as of March 13, 2020 and the trend is not expected to continue once schools and the CEC re-open.

** Absence days are Category A&B and are inclusive of: Personal/Family Illness Days, Urgent Personal Business Days, Bereavement, Compassionate Leave, Health & Safety Inspections, In Lieu of Planning, Jury Duty/Subpoenaed as Witness, Recoverable, Special Circumstances, Special Permission, Suspension and Teachers' Earned Leave Plan – Partial Paid Days. **
13. ***Staff absenteeism continues to be an area of concern for the Board.*** Despite the Occasional Teacher costs shown in Figure 5a trending downwards and expecting to end below budget this year, the reduction is considered temporary and due to COVID-19 school closures. Figure 5b illustrates the 13-month trend in Occasional Teachers salary. This graph highlights any trends in absenteeism by month, year over year.

Figure 5a: YTD Occasional Teachers Salary (\$M's)

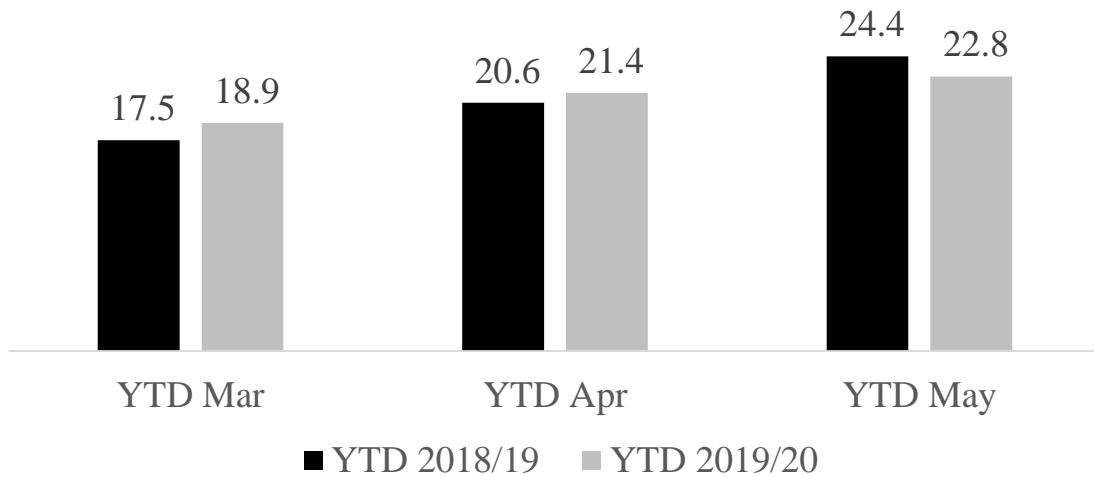
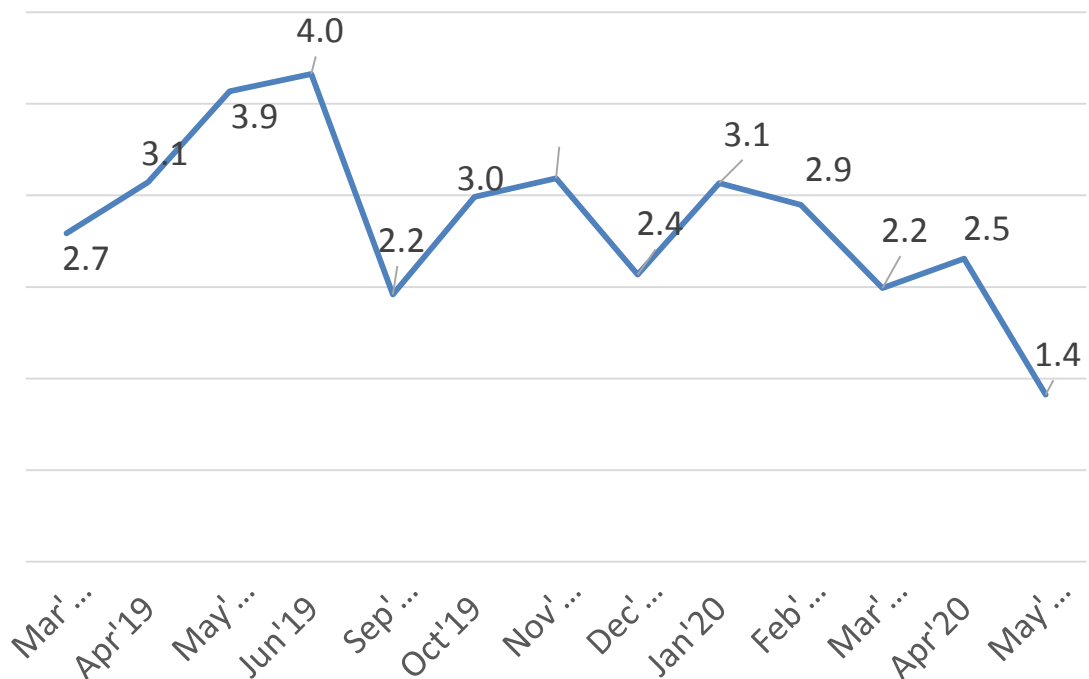
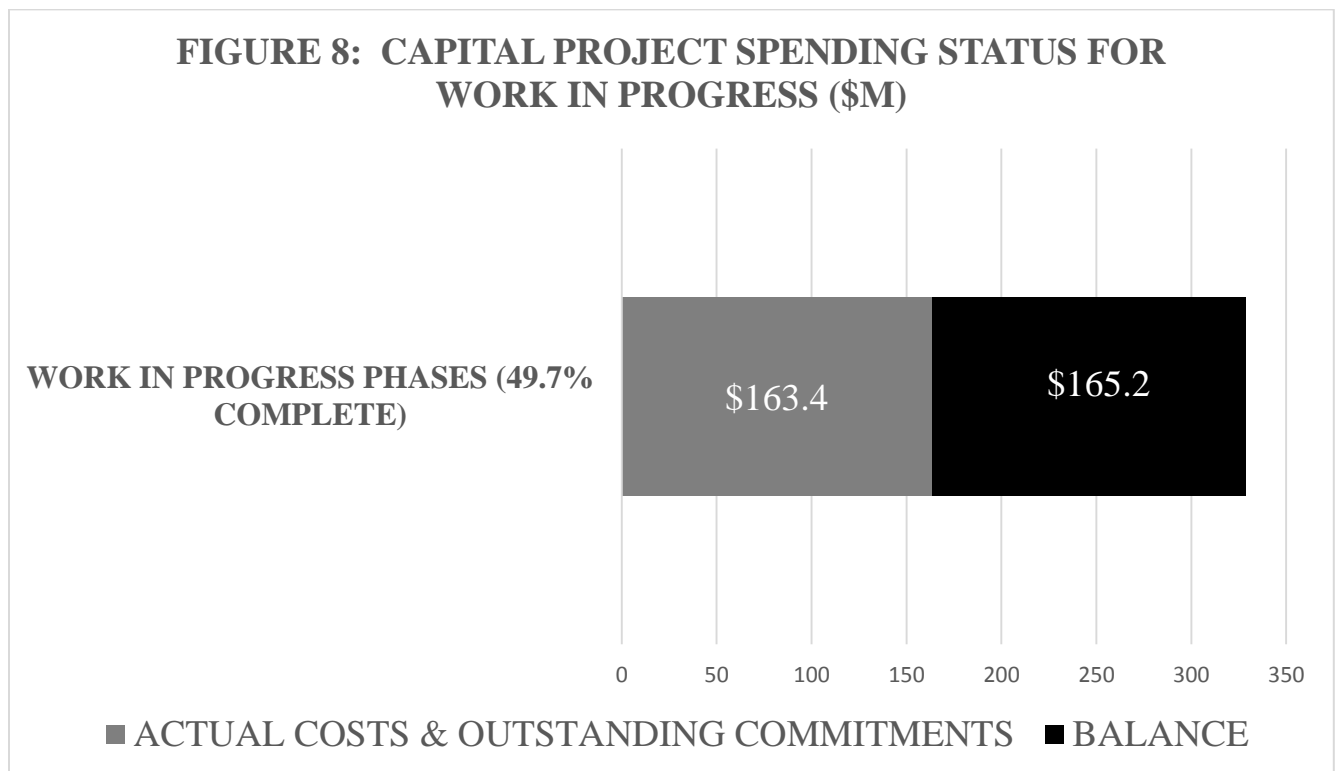


Figure 5b: Occasional Teachers Salary (\$M's)
13 Month Trend



HIGH LEVEL REVIEW OF SCHOOL RENEWAL AND CAPITAL PROJECTS

14. ***The Capital program totals \$326 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 8.



Phase I - 16 School Additions (*Projects Completed*)

Phase II - 6 New Elementary Schools (*Projects Completed*)

Phase III - 5 New Elementary Schools, 1 Secondary School (*Work In Progress*)

Phase IV - 2 New Elementary Schools & 9 School Additions (*Work In Progress*)

Phase V – Full Day Kindergarten Program (*Project Completed*)

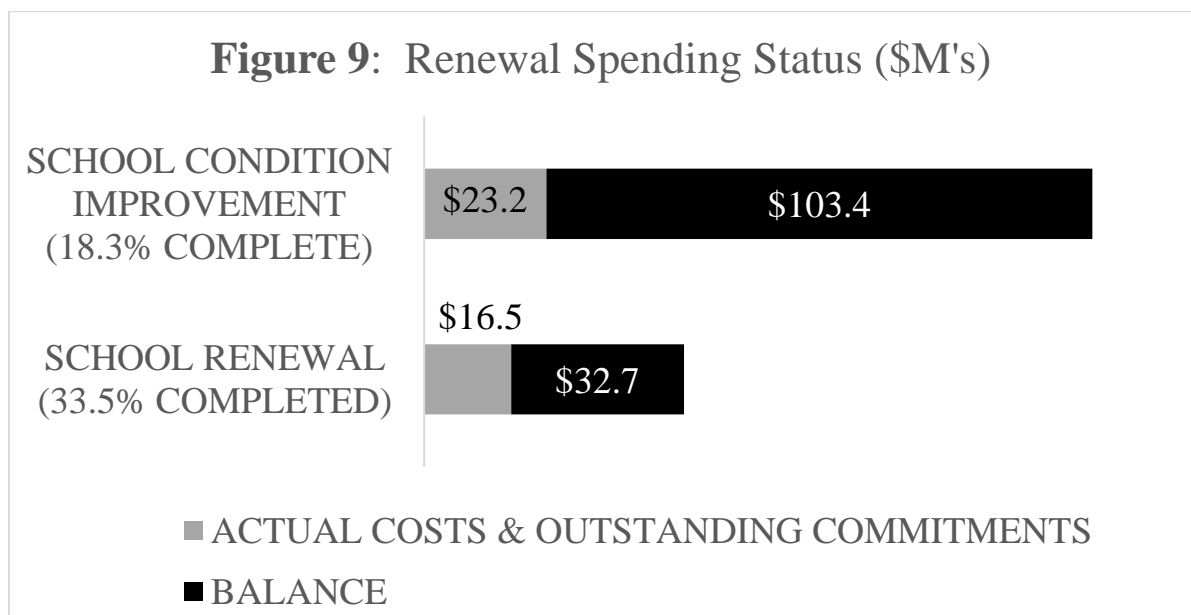
Phase VI – Railway/Bishop MacDonnell consolidated into **Phase VII** (*Projects Completed*)

Phase VII - 6 New Elementary Schools, 1 New Secondary School (*Work In Progress*)

Phase VIII – 1 New Elementary School & 6 expanded Gyms and Childcares
(Work In Progress)

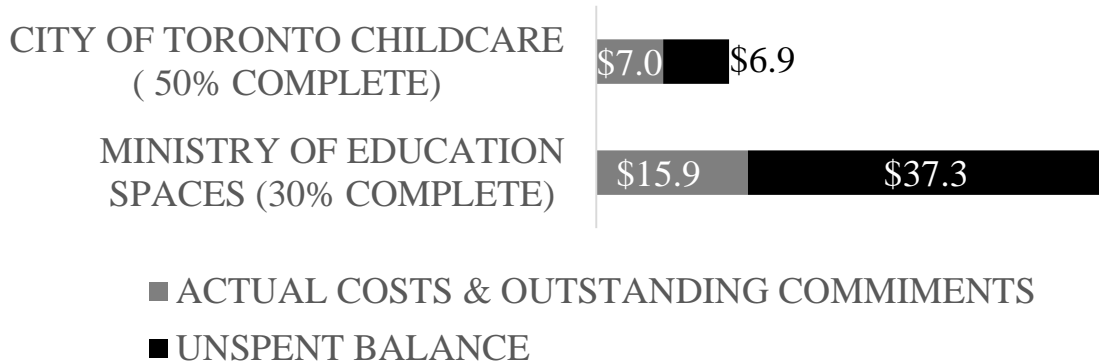
15. ***The Renewal Program consists of major building component replacements and site improvements for a total available at September 1, 2019 of \$175.8M with funding of approximately \$136.1M remaining.*** The Regular School Renewal Grant, School Improvement Grant and several other grants provide the funding for the School Renewal Program.

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



16. ***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 the Revised Estimates at the end of the third quarter as detailed in this report:* The Board is estimated to have a small in-year surplus at year end primarily due to COVID operating savings.

F. CONCLUDING STATEMENT

This report is for the consideration of the Audit Committee.

OPERATING EXPENDITURES
@ May 31, 2020

'000's	Total Revised Estimate	YTD Revised Estimate	YTD Actual	Variance '000's	Variance %	2019/20 YTD % Spent	2018/19 YTD % Spent
Salaries							
Teachers	542,405	486,487	470,616	15,871	3.3%	86.8%	89.0%
Occasional Teachers	27,011	24,310	22,878	1,432	5.9%	84.7%	87.2%
Educational Assistants & ECE's	61,761	55,585	50,382	5,202	9.4%	81.6%	87.4%
Principal & VP	38,328	34,495	34,719	(224)	-0.7%	90.6%	89.6%
School Office	17,792	16,013	13,940	2,073	12.9%	78.4%	82.4%
Continuing Education	17,050	15,345	9,150	6,195	40.4%	53.7%	57.8%
Other Instructional	61,819	55,637	48,221	7,417	13.3%	78.0%	87.8%
Sub Total Instruction	766,166	687,872	649,906	37,966	5.5%	84.8%	87.9%
Administration	17,819	13,364	14,469	(1,105)	-8.3%	81.2%	72.8%
Transportation	1,073	805	677	128	15.9%	63.1%	72.5%
Operations & Maintenance	47,058	35,293	34,953	341	1.0%	74.3%	78.1%
Other	8,591	6,443	5,089	1,354	21.0%	59.2%	79.0%
Sub Total Non Instruction	74,541	55,906	55,188	718	1.3%	74.0%	76.8%
Total Salaries	840,707	743,778	705,094	38,684	5.2%	83.9%	86.9%
Benefits							
Teachers	79,940	59,955	59,863	92	0.2%	74.9%	74.2%
Occasional Teachers	5,719	4,289	3,998	291	6.8%	69.9%	89.2%
Educational Assistants & ECE's	19,830	14,873	15,283	(410)	-2.8%	77.1%	82.9%
Principal & VP	4,991	3,743	3,972	(229)	-6.1%	79.6%	81.1%
School Office	5,630	4,223	4,066	157	3.7%	72.2%	79.2%
Continuing Education	2,564	1,923	1,877	46	2.4%	73.2%	80.9%
Other Instructional	13,413	10,060	9,750	309	3.1%	72.7%	78.4%
Sub Total Instruction	132,088	99,066	98,810	256	0.3%	74.8%	77.1%
Administration	5,137	3,853	4,164	(311)	-8.1%	81.1%	66.9%
Transportation	240	180	176	4	2.5%	73.2%	71.8%
Operations & Maintenance	14,501	10,876	10,199	677	6.2%	70.3%	77.9%
Other	1,409	1,057	666	390	36.9%	47.3%	70.2%
Sub Total Non Instruction	21,288	15,966	15,205	761	4.8%	71.4%	74.1%
Total Benefits	153,375	115,031	114,015	1,017	0.9%	74.3%	76.7%
Operating Expense							
Instructional Expense	42,435	38,192	27,125	11,067	29.0%	63.9%	73.8%
Transportation Expense	37,383	33,645	31,532	2,113	6.3%	84.4%	76.6%
Operations & Maintenance Expense	36,613	27,460	23,000	4,460	16.2%	62.8%	63.5%
Other Non Instructional Expense	5,240	3,930	5,064	(1,134)	-28.9%	96.7%	37.2%
Total Expense	121,671	103,226	86,721	16,505	16.0%	71.3%	67.4%
Grand Total	1,115,754	962,035	905,830	56,205	5.8%	81.2%	83.3%

Instruction %	9/10	90.0%
Non-Instruction %	9/12	75.0%

CAPITAL PROJECT PHASES 1 TO 7

APPENDIX B

FINANCIAL UPDATE MAY 31, 2020

	COMPLETED PROJECT STATUS		WORK IN PROGRESS			% Complete
	MINISTRY APPROVED BUDGET	Costs to Date	Outstanding Purchase Order	Costs & Outstanding Purchase Orders ②+③	Balance ①-④	
	①	②	③	④		
Phase III	113,294,407	71,339,729	9,227,425	80,567,155	32,727,252	71%
Phase IV	88,937,869	70,672,802	838,634	71,511,435	17,426,434	80%
Phase VII	107,856,852	4,617,647	4,793,721	9,411,368	98,445,484	9%
Phase VIII	18,510,735	248,295	1,620,262	1,868,557	16,642,178	10%
	328,599,863	146,878,472	16,480,042	163,358,514	165,241,349	50%

Phase I - 16 School Additions (*Projects Completed*)

Phase II - 6 New Elementary Schools (*Projects Completed*)

Phase III- 5 New Elementary Schools, 1 Secondary School (*Work in Progress*)

Phase IV - 2 New Elementary Schools & 9 School Additions (*Work in Progress*)

Phase V – Full Day Kindergarten Program (*Projects completed*)

Phase VI – Railway/Bishop MacDonnell consolidated into Phase VII (*Project Completed*)

Phase VII - 6 New Elementary & 1 New Secondary School (s) (*Work in Progress*)

Phase VIII - 1New Elementary & 6 Expanded Gyms and Childcare (*Work in Progress*)

SCHOOL RENEWAL AND SCHOOL CONDITION IMPROVEMENT GRANT BALANCE

Appendix C

FUNDS REMAINING

Financial Update at May 31, 2020

SRG Renewal	SRA Renewal	SCI 70% Restricted	SCI 30% Unrestricted	TOTAL
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70% 30%

FUNDING AVAILABLE

Balance Forward - August 31, 2019 EFIS	27,327,151	2,467,383	37,005,932	39,254,671	106,055,137
Grant - 2019-2020 (Estimates & B16:2019)	17,108,301	0	30,124,891	12,910,668	60,143,860

Page 5 of 4

Total Grant Available for 2019/2020	44,435,452	2,467,383	67,130,823	52,165,339	166,198,997
Add: Accruals (Deducted from EFIS Bal Fwd)	2,304,782	0	7,233,677	(0)	9,538,458
Balance Available September 1, 2019	46,740,233	2,467,383	74,364,500	52,165,339	175,737,455

EXPENDITURES & WORK IN PROGRESS (September 1, 2019 - May 31, 2020)

Actuals - Completed Work	8,405,784	199,124	10,601,430	4,501	19,210,840
Open Purchase Orders - Work in Progress	7,415,635	481,283	12,460,260	103,771	20,460,948

EXPENDITURES AND OPEN PURCHASE ORDERS	15,821,419	680,407	23,061,690	108,272	39,671,788
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BALANCE AT MAY 31, 2020	30,918,814	1,786,976	51,302,810	52,057,067	136,065,667
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Audit Committee Meeting 2020 Annual Agenda / Check List

	Jan	Mar	June	Sep	Nov
Risk Management					
Resourcing (Mix, Skillset, Quantity)		D		D	
Reputational Risk	D		D	D	
Management Structure Issues			D		
Enterprise Risk Management	D		D	D	
Budget (2020/2021)		D	D		
Financial Reporting Process					
MOE Financial Reports	D	D	D	D	
Consolidated Financial Statements					
Internal Audit					
Open Audit Status (% complete, support received)	D	D	D	D	
Risk Review Summary on Audit Completion			D		
Future Audit Plan (2 years)					
Internal Controls					
Ministry Operational Review					
Internal Audit recommendations		D	D		
Compliance Matters					
Legal	D	D	D	D	
MOE	D	D	D	D	
Union	D	D	D	D	
Board Policy Compliance		D	D	D	
External Audit					
Review External Auditors				D	
Scope				D	
Cost					

D - Discussed

R - Review requested

P - Pending

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

17.a Updating of Annual & Pending List of Reports			
	Subject	Date Due	Delegated to
a.	Report regarding Schedule of Internal Audits (Annual)	Jan./Feb.	L. Noronha
b.	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	M. Eldridge
c.	Report regarding Whistleblower Metrics	Quarterly	L. Noronha
d.	Report regarding Audit Committee Annual Report to the Board of Trustees (Annual)	Nov.	L. Noronha
e.	Report regarding the Draft Audited Financial Statements (Annual)	Nov.	L. Noronha
f.	Report regarding the Audit Committee's Self-Assessment (Annual)	Jan./Feb.	L. Noronha
g.	Report regarding the External Auditors' Annual Audit Plan (Annual)	Sept.	L. Noronha
h.	Report regarding the Toronto & Area Regional Internal Audit Team Progress Report (Every Meeting)	Every Meeting	P. Hatt