

AUDIT COMMITTEE REGULAR MEETING Open (Public) Session

AGENDA MAY 4, 2022

Angela Kennedy, Chair
Trustee Ward 11

Markus de Domenico
Trustee Ward 2

Michael Del Grande
Trustee Ward 7

Jonathan Law

Maria Morden



MULTI-YEAR STRATEGIC PLAN
2022 - 2025

IN GOD'S IMAGE: Growing in Knowledge, with Justice and Hope



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

Angela Kennedy
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.

Land Acknowledgement

Out of our deep respect for Indigenous peoples in Canada, we acknowledge that all Toronto Catholic District School Board properties are situated upon traditional territories of the Anishinabek (a-ni-shna-bek), the Haudenosaunee (hoh-Dee-noh-Shoh-nee) Confederacy, and the Wendat peoples. We also acknowledge the land covered by Treaty 13 is held by the Mississaugas of the Credit First Nation and Toronto is subject to The Dish with One Spoon covenant. We also recognize the contributions and enduring presence of all First Nations, Métis, and Inuit people in Ontario and the rest of Canada.

La Reconnaissance du Territoire

Nous témoignons du plus grand respect pour les Peuples autochtones au Canada et nous avons à cœur de souligner que tous les immeubles du Toronto Catholic District School Board sont situés sur les terres traditionnelles de la Nation Anishinabek, de la Confédération de Haudenosaunees et des Wendats. Il est également important de noter que le territoire visé par le Traité 13 est celui des Mississaugas de la Première Nation Credit et que celui de Toronto est protégé par l'accord d'« un plat à une cuillère ». Nous tenons également à rappeler la présence pérenne et l'importance des contributions des Premières Nations, des Metis et des Inuits en Ontario, et dans tout le Canada.

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AGENDA THE REGULAR MEETING OF THE AUDIT COMMITTEE

PUBLIC SESSION

Wednesday, May 4, 2022
6:30 P.M.

Pages

1. Call to Order
2. Opening Prayer
3. Land Acknowledgement
4. Singing of O Canada
5. Roll Call & Apologies
6. Approval of the Agenda
7. Declarations of Interest
8. Approval & Signing of the Minutes of the Meeting held January 26, 2022
for Public Session 1 - 6
9. Delegations
10. Presentation
- 10.a. Paula Hatt, representing the Toronto & Area Regional Internal Audit
Team (RIAT) (Refer to Item 15a)
11. Notices of Motion

12.	Consent and Review	
13.	Unfinished Business	
14.	Matters referred/deferred	
15.	Staff Reports	
15.a.	Regional Internal Audit Status Update (Information) (Refer to Item 10a)	7 - 17
16.	Listing of Communication	
17.	Inquiries and Miscellaneous	
17.a.	Audit Committee Meeting Dates:	
	(i) September 28, 2022	
	(ii) November 8, 2022	
18.	Updating of Pending List	
18.a.	Pending List of Reports	18
18.b.	Annual Checklist	19
19.	Closing Prayer	
20.	Adjournment	

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

HELD WEDNESDAY JANUARY 26, 2022

Trustees:

A. Kennedy, Chair
M. Del Grande - Virtual

Non-Member Trustee:

M. Rizzo - Virtual

External Members:

J. Law - Virtual
M. Morden - Virtual

Staff:

D. Boyce
R. Putnam
D. Bilenduke
S. Camacho
D. De Souza
M. Eldridge
C. Giambattista
T. Sanza
G. Sequeira

S. Pellegrini, Acting Recording Secretary

External Auditor:

P. Hatt, Toronto and Area Regional Internal Audit
Team

5. Roll Call & Apologies

Trustee de Domenico was absent.

6. Approval of the Agenda

MOVED by Maria Morden, seconded by Jonathan Law, that
The Agenda be approved.

On the Vote taken, the Motion was declared

CARRIED

7. Declarations of Interest

There were none.

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

MOVED by Trustee Del Grande, seconded by Jonathan Law,
that the Minutes of the PUBLIC (Open Session) Meeting held
November 16, 2021 be approved.

On the Vote taken, the Motion was declared

CARRIED

10. Presentation

MOVED by Maria Morden, seconded by Jonathan Law, that
Items 10a) and 15a) be adopted as follows:

10a) Paula Hatt, representing the Toronto & Area Regional Internal Audit Team (RIAT) (Refer to Items 15a and 15b) received; and

15. Staff Reports

15a) Regional Internal Audit Update & Audit Plan: January 2022 (Information) (Refer to Item 10a) that the Toronto Catholic District School Board Audit Committee receive as information the Regional Internal Audit Update as at January 2022.

On the Vote taken, the Motion was declared

CARRIED

Trustee Rizzo joined the virtual meeting room at 7:15 pm.

MOVED by Trustee Del Grande, seconded by Jonathan Law, that Item 15b) be adopted as follows:

15b) 2022 Internal Audit Plan (Recommendation) (Refer to Item 10a) received and that the Toronto Catholic District School Board Audit Committee approve the Two-Year Regional Internal Audit Plan for 2021-22 and 2022-23, as outlined in the report.

On the Vote taken, the Motion was declared

CARRIED

17. Inquiries and Miscellaneous

MOVED by Jonathan Law, seconded by Trustee Del Grande, that Item 17a) be adopted as follows:

17a) Audit Committee Meeting Dates received.

On the Vote taken, the Motion was declared

CARRIED

18. Updating of Pending List

MOVED by Maria Morden, seconded by Jonathan Law, that Item 18a) be adopted as follows:

18a) Pending List of Reports received.

On the Vote taken, the Motion was declared

CARRIED

MOVED by Maria Morden, seconded by Jonathan Law, that Item 18b) be adopted as follows:

18b) Annual Checklist received.

On the Vote taken, the Motion was declared

CARRIED

MOVED by Trustee Del Grande, seconded by Maria Morden,
that the meeting resolve into PRIVATE SESSION.

On the Vote taken, the Motion was declared

CARRIED

PRESENT: (Following PRIVATE Session)

Trustees: A. Kennedy, Chair
M. Del Grande – Virtual

**Non-Member
Trustee:** M. Rizzo - Virtual

External Members: J. Law - Virtual
M. Morden – Virtual

20. Adjournment

MOVED by Trustee Del Grande, seconded by Maria Morden,
that the meeting be adjourned.

On the Vote taken, the Motion was declared

CARRIED

SECRETARY

CHAIR



INTERNAL AUDIT TEAM

Toronto and Area Region

Regional Internal Audit Update: May 2022

Toronto Catholic District School Board

Prepared by:

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

The purpose of this report is to provide the Audit Committee with an update on the progress made by the Regional Internal Audit Team (RIAT) since the last meeting on January 26, 2022.

Audit Plan Status

The status of the 2021-22 RIAT engagements for TCDSB (approved in January 2022), is outlined below.

Strategic Risk Management – MNP has been engaged to complete this outsourced consulting engagement. To date, MNP has presented an overview of the engagement to the Director's Council (April 5th) and the Education Council (April 11th). For an overview of this engagement, a copy of MNP's presentation to the Education Council has been attached to this report.

The next step will be for MNP to issue a risk survey to members of the Education Council to gain an understanding of what each member considers to be the main risks, based on their individual perspectives.

This engagement has been included on the RIAT plan for 2021-22 and 2022-23, as a two-phased engagement. This is due to the large scope and involvement of the Senior Leadership Team. It is expected that by the end of the fiscal year, the risks to be included in the register will be identified. In 2022-23, the risks will be assessed and actions taken to address key risks identified.

Legislative Compliance – As noted in the RIAT plan, this engagement will involve:

- Tailoring a generic school board compliance universe to TCDSB (confirming completeness and risk assessment, as well as assigning ownership for compliance).
- Identification and documentation of internal controls in place for the highest risk items and assessment of risk remaining after the controls are considered.

A meeting with management to start customizing the register to TCDSB is set for May 5th. Given that it will involve approximately 240 pieces of legislation, regulations, etc., covering all departments, this engagement is also expected to occur across the remainder of this fiscal year and into the next (i.e. a two-phased engagement).

Follow-Up on Previous Audit Findings and Recommendations - The RIAT has updated the audit findings and recommendations tracker to add reports issued since it was last presented to the Audit Committee in April 2021. The updated tracker has been recirculated to management to obtain updates, where required, for findings not previously identified as closed. To date, for 12 engagements where an update was requested, 3 have been received. RIAT will continue to work with management to obtain the remainder of the updates.

Once this activity is complete, follow-up procedures will be undertaken on findings that management has identified as closed and where the finding represents a higher risk gap in the design and/or operating effectiveness of a control. These follow-up procedures will validate that management's action plans, designed to address the findings and recommendations, have been implemented.

Validation procedures on applicable findings will take place throughout the balance of the 2021-22 fiscal year and into 2022-23. The results to date will be presented at the September 2022 Audit Committee meeting.

Recommendation: That the Toronto Catholic District School Board Audit Committee receive as information the Regional Internal Audit Update as at May 2022.

TCDSB – Strategic Risk Assessment

Briefing for Education Council.

April 2022



Wherever business takes you

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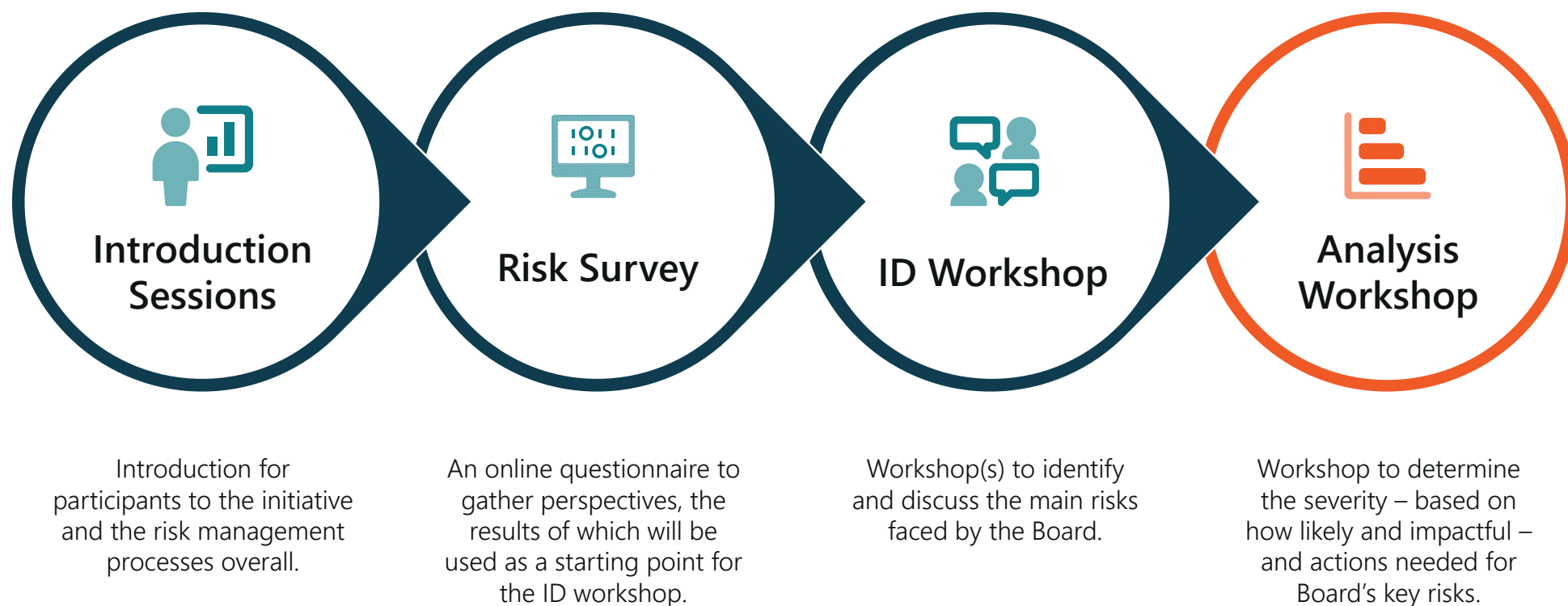
Background

- With the assistance of the Regional Internal Audit Teams (RIAT), Boards across the province have been undertaking Strategic Risk Assessments
 - Part of the broader work across the sector to implement a Strategic Enterprise Risk Management Framework
 - Compliments several ongoing initiatives such as Legislative Compliance and Policy Review initiatives
- Leveraging lessons learned and baseline information from this work, TCDSB is seeking to conduct its own Strategic Risk Assessment

Aim & Objectives

- The overall goal is to complete an initial Strategic Risk Assessment which can be used by the Board to inform its strategies, initiatives and decision making on an ongoing basis, as well as by the RIAT to help inform their audit planning
- Specific objectives of the initial Strategic Risk Assessment are to:
 - Identify and prioritize key risks facing the Board
 - Document mitigation and actions being taken to address key risk areas
 - Engage with stakeholders to increase understanding and awareness related to risk management efforts at the Board

Proposed Path Forward



Typical Risks & Categories

While each School Board has unique risks given its operating environment, there are common/typical risks and risk types (categories)

Categories	Risks	
Governance	Governance Structures and Processes Strategic Alignment Regulatory Compliance	Privacy Ethics & Conduct
Instruction and Schools	Academic Programming Academic Program Delivery	Academic Learning Environment
Management System	Risk Transfer Financial Sustainability Critical Incident Management Information Management	Third-Party Oversight Project Management Performance Measurement
People	Student health, safety and well-being Staff health, safety and well-being Staff recruitment and retention	Resourcing Succession Planning
Technology	Cybersecurity	IT Application & Infrastructure

Proposed Survey

- To help focus the risk identification process, we use a survey to aid our understanding of the Board's key areas of risk
- The survey consists of four (4) questions, and – based on previous experience – takes an average of 5 minutes to complete
- Questions include:
 - What is your title? (multiple choice)
 - What areas are you responsible for? (multiple choice)
 - What are the top five (5) risk areas you see for the Board? (multiple choice)
 - Any additional comments? (open text)

Outcome – Strategic Risk Register

No.	Category	Name	Description	Observations	Residual Likelihood	Residual Impact	Residual Score
G1	Governance	Governance Structures and Processes	The risk of having ineffective governance structures and processes (oversight, management, front-line) to enable and support the success of the organization	<ul style="list-style-type: none"> The Board's relationship with their Board of Trustees is currently positive Management and Board currently consistent of experienced individuals 	2	3	6
G4	Governance	Privacy	The risk of an inability to safeguard personally identifiable and medical information of staff and students	<ul style="list-style-type: none"> Evolving due to increased consideration for student and staff data, as well as use of third parties Training and process are key elements to manage the ever evolving privacy landscape Move to online during COVID response created additional considerations related to privacy 	4	3	12
G5	Governance	Ethics & Conduct	The risk of inappropriate conduct - real or perceived - on the part of staff	<ul style="list-style-type: none"> Continues to change and evolve Due to the size of the organization and number of stakeholders, situations do happen with some regularity; training and processes need to continue to improve 	4	3	12
IS2	Instruction and Schools	Academic Program Delivery	The risk of an inability to effectively deliver programming to meet the needs of students and achieve strong outcomes	<ul style="list-style-type: none"> Instructional learning will now be a much larger component of program delivery Experience of COVID and remote learning has impacted effective delivery, but staff have risen to the occasion 	2	3	6
IS3	Instruction and Schools	Academic Learning Environment	The risk of a misalignment of the learning environment with the Board's values of inclusivity and equity	<ul style="list-style-type: none"> Broad spectrum of students to support - as an inclusive Board, they have a variety of student needs that may need to be met in a single classroom Inclusivity is and will continue to be a focus for the Board 	3	3	9
MS1	Management System	Risk Transfer	The risk of an inappropriate approach to manage the transfer of risk	<ul style="list-style-type: none"> Board works to manage its risk through transfer to third parties (e.g. Insurance, contract management, due diligence, procurement and purchases, etc.) 	2	3	6

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18.a Audit Committee Annual & Pending List of Reports (2022)

	Subject	Date Due	Delegated to
a.	Regional Internal Audit Status Update (Every Meeting)	Every Meeting	P. Hatt
b.	Legal Claims Update (Quarterly)	Quarterly	Legal Counsel
c.	Whistleblower Update (Quarterly)	Quarterly	Legal Counsel
d.	Internal Audit Plan (Annual)	January	P. Hatt
e.	External Auditor Year End Audit Plan (Annual)	September	R. Putnam
f.	Audit Committee Annual Report (Annual)	November	R. Putnam
g.	Draft Audited Financial Statements (Annual)	November	R. Putnam
h.	External Auditor Audit Report (Annual)	November	R. Putnam

Audit Committee - 2022 Annual Agenda Checklist

		Jan	May	Sep	Nov
Risk Management					
Recruitment/Retention/Succession		X			
Reputational					
Organizational Design/Structure		X			
Strategic		X	X		
Financial					
Financial Reporting Process					
Ministry Financial Reports					
Consolidated Financial Statements					
Internal Audit					
Status Update		X	X		
Findings/Recommendations		X			
Audit Plan/Schedule		X			
Review/Evaluation					
Internal Controls					
Ministry Operational Review					
Internal/External Auditor Testing		X			
Compliance Matters					
Legal		X			
Ministry					
Legislative		X	X		
Contractual					
Policy		X			
External Audit					
Review/Evaluation					
Scope/Methodology					
Findings/Recommendations					

(Note: the Audit Committee is required to meet a minimum of 3 times annually)