



REPORT TO

AUDIT COMMITTEE

SUMMARY OF SCHOOL AND CSPC AUDIT FINDINGS - MINISTRY AND TCDSB PROCEDURES AND POLICIES PERTAINING TO HOSPITALITY

Give and it will be given unto you.

Luke 6:38

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March 19, 2019	March 26, 2019	Click here to enter a date.
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INFORMATION REPORT		

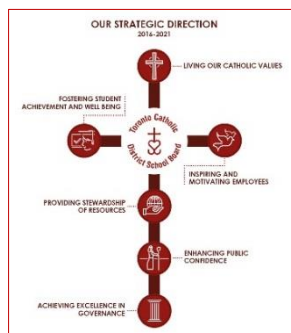
Vision:

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

Mission:

The Toronto Catholic District School Board is an inclusive learning community uniting home, parish and school and rooted in the love of Christ.

We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.



Rory McGuckin
Director of Education

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

A. EXECUTIVE SUMMARY

Provincial legislation, directives and guidelines regulate the use of School and CSPC generated funds. In addition, the TCDSB has established Board policies and operational procedures regarding the appropriate use of school and CSPC generated funds. Any funds raised by the school or CSPC becomes the property of the TCDSB, and consequently, is subject to the applicable laws, regulations and guidelines governing school boards. The overall objective of the aforementioned provide the TCDSB community confidence regarding the stewardship of public resources.

The cumulative staff time required to prepare this report was 5 hours.

B. PURPOSE

1. The purpose of this report is to provide the Audit Committee with documentation from the Ministry of Education and from the TCDSB procedures and policies pertaining to the use of School and CSPC Generated funds for hospitality.

C. BACKGROUND

1. During the 2017-2018 school year, the Board's finance staff performed field audits at 10 selected schools. The audit included a review of school banking funds, including the Catholic School Parent Council (CSPC) funds.
2. A summary of findings by school was presented at the January 30, 2019 Audit Committee meeting (Appendix A).
3. The audit findings included evidence of expenses relating to staff hospitality and gift card purchases for Board employees.
4. The Audit Committee requested TCDSB staff to provide documentation from the Ministry of Education and from TCDSB policies and procedures regarding the use of School and CSPC funds on hospitality.

D. EVIDENCE/RESEARCH/ANALYSIS

The following are a list of Ministry of Education Directives and TCDSB Policies and Procedures that address the use of public funds on hospitality expenses:

Ministry of Education

1. **The Broader Public Sector (BPS) Expenses Directive (April 2001)**, Appendix B, required all BPS organizations to establish expense rules where expenses are reimbursed from public funds. The expense rules apply to all of the following stakeholders:
 - a. Board members
 - b. Elected officials
 - c. Board employees
 - d. Consultants and contractors engaged by the board

Section 4.4 of the BPS Expenses Directive states that hospitality expenses (defined as the provision of food, beverages, accommodation and transportation) can be provided **only** for people who **are not** engaged to work for a BPS organization. Hospitality may never be offered solely for the benefit of anyone covered by this directive.

2. **The Ministry of Education document, School Councils a Guide for Members (2002)** states “School Councils should be aware that because the school board is a corporate entity and the school is not, any funds raised by the school council (and any assets purchased with those funds) belong legally to the board.” The document can be viewed at:

<http://www.edu.gov.on.ca/eng/general/elemensec/council>

3. **Regulation 612, Section 22** of the Education Act states that all fundraising activities and expenditures must be conducted in accordance with Board policies and guidelines. Under the TCDSB Policy, **Catholic School Parent Councils S.10** (Appendix C), all fund raising shall be governed by TCDSB Policy **S.M.04 Fund Raising in Schools**.

TCDSB Policy and Procedures

4. **Policy S.M.04 Fund Raising in Schools** (Appendix D), states that all fund raising must be carried out under the jurisdiction of the principal and may be a joint project with the local CSPC.
5. **TCDSB Guideline for School Accounts and CSPC Accounts** (Appendix E) restricts the use of funds for staff gifts and for hospitality for staff meetings.
6. **Policy F.M.07 Offering of Hospitality and Gifts** (Appendix F) has been aligned with the BPS Hospitality Directive. Regulation 2 states that hospitality may only be provided to people who are not engaged to work for a BPS organization. TCDSB is a BPS organization. This means that hospitality may never be offered solely for the benefit of anyone (i.e. TCDSB staff) covered by this policy or the BPS directive.

E. METRICS AND ACCOUNTABILITY

1. Finance staff will continue to remind schools of the restriction for the use of school funds to cover Hospitality for staff meetings and for gift purchases.
2. Principal checklists will be sent out at the start and end of each school year, which identifies the applicable Board policies and guidelines, and resources.

F. CONCLUDING STATEMENT

This report is for the consideration of the Audit Committee.