



REPORT TO

AUDIT COMMITTEE

2018-19 ANNUAL REPORT OF THE AUDIT COMMITTEE

Give generously to him and do so without a grudging heart; then because of this the LORD your God will bless you in all your work and in everything you put your hand to.”
Deuteronomy 15:10

Created, Draft	First Tabling	Review
October 25, 2019	November 13, 2019	Final Report to Audit Committee
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.



Rory McGuckin
Director of Education

D. Koenig
Associate Director
of Academic Affairs

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

A. EXECUTIVE SUMMARY

This report provides a summary of the Toronto Catholic District School Board's (TCDSB) Audit Committee activities for the year ended August 31, 2019 as required by Ontario Regulation 361/10. It outlines the audit work plan delivered by the Regional Internal Audit Team (RIAT) as well as their plan for 2019-20. It also provides a summary of the risks identified through those audits. Management continues to address those risk areas and follow-up internal audits are scheduled after an appropriate amount of time has elapsed for the Audit Committee to be informed of the action plans implemented to address risks.

A brief synopsis of the Audit Committee's topics of discussion for issues outside of the RIAT or External Audit is provided. Finally, the report provides the attendance details of Audit Committee members as required by Regulation.

The cumulative staff time required to prepare this report was 12 hours.

B. PURPOSE

1. This report provides a summary of the Audit Committee activities over the 2018-19 fiscal year.

C. BACKGROUND

School Board Audit Committees are driven by legislative requirements

1. Ontario Regulation 361/10 outlines the composition, terms of membership, mandate, duties, responsibilities, and reporting requirements for Audit Committees.
2. Ontario Regulation 361/10 requires the Audit Committee to submit a report to the Board of Trustees in each fiscal year that includes the following:
 - i. Any annual or multi-year audit plan of the Board's internal auditor;
 - ii. A description of any changes made to a plan since the last report of the committee;
 - iii. 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;

- iv. A summary of risks identified and findings made by the internal auditor;
- v. 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;
- vi. A summary of any enrolment audits planned by the internal auditor;
- vii. A summary of the work performed by the committee;
- viii. A summary of the matters addressed by the committee at its meetings;
- ix. The attendance record of members of the committee; and
- x. Any other matter that the committee considers relevant.

D. EVIDENCE/RESEARCH/ANALYSIS

The TCDSB uses Deloitte LLP for its External Auditor

1. Deloitte LLP completed the 2017-18 external year-end audit work, and will also complete the 2018-19 year-end audit as the 4th year of its 5-year external auditor contract with the TCDSB. No significant risks were identified as a part of the External Auditor's work.

The TCDSB uses a Regional Internal Audit Team (RIAT) model for its Internal Audit function

2. There have been no material changes to the RIAT work plan since the 2017-18 Audit Committee Annual Report.
3. For the 2018-19 fiscal year, the RIAT scheduled the following internal audits:
 - a. Employee Health and Safety Audit Report
 - b. Repairs and Maintenance Follow-Up Audit Report
 - c. Information Technology Asset Management Audit
 - d. Records Management and Privacy Audit
 - e. Payroll and Human Resources Follow-up Audit
4. For the 2019-20 fiscal year, the RIAT is expected to deliver the following internal audits:
 - a. Strategic Workforce Planning – Phase I
 - b. Usage of Schools Analysis

Several risks were identified through the RIAT audits and are being tracked by staff

5. Risks identified during the Employee Health and Safety Audit included the possibility of non-compliance with the Ontario Health and Safety Act (OHSA) due to insufficient oversight of the inspection process, which may lead to health and safety risks going unidentified. In addition, there is a need to ensure the composition of the Joint Health and Safety Committee complies with the OHSA requirements. Lastly, the audit identified the risk associated with investigation forms not filled out completely and signed-off by the Supervisor may lead to the absence of pertinent information.
6. The Regional Internal Audit Team did not identify any significant risks as remaining at the conclusion of the Repairs and Maintenance Follow-up Audit. Four of the six audit recommendations are fully completed, and there is work-in-progress to complete the remaining two audit recommendations.
7. Appendix A provides a more fulsome description of the findings and risks from these audits. Follow-up audits are scheduled at appropriate intervals after the completion of the initial audit to report back to the Audit Committee on management's progress towards addressing the risk areas.
8. Enrolment Audits are not performed by the RIAT, but rather are performed in-house from within the Business Services Department. Appendix B provides a listing of the Enrolment Audits performed in the 2018-19 fiscal year. Similarly, Business Services Department staff conduct School/CSPC School Banking Audits. Appendix C provides a listing of School Banking Audits performed in the 2018-19 fiscal year.

The TCDSB Audit Committee addresses a large volume of issues outside of the RIAT and External Audit Reports

9. The following is a non-exhaustive list of issues and/or reports discussed at the Audit Committee during the 2018-19 fiscal year:
 - a. Reviewed regular reports regarding Summary of Grievances, Legal Trends, Liabilities, Administrative Risks and Litigation,
 - b. Reviewed Financial Status Update Reports,
 - c. Reviewed the Independence of External Auditors,
 - d. Reviewed the ICT Strategy Review Project Priority List,
 - e. Reviewed and recommended to the Board of Trustees the implementation of the new Whistleblower Policy and Procedures,
 - f. Reviewed the 2019-20 Budget Estimates,

- g. Reviewed School and Catholic School Parent Councils (CSPCs) Audit Findings,
- h. Reviewed Office of the Auditor General of Ontario (OAGO) Follow-up Audit,
- i. Reviewed TCDSB's Environmental Risk Assessment.
- j. Reviewed TCDSB's Draft Information and Technology Strategy

Audit Committee members have shown a great deal of commitment to meeting attendance

- 10. The Audit Committee met five times during the 2018-19 fiscal year; well exceeding the legislatively mandated three meeting minimum.
- 11. The composition of the committee changed through 2018-19 as the Chair of Board transitioned in December 2018, the Audit Committee appointed a new Chair and two new Board Members replaced outgoing committee members.
- 12. Appendix D provides the full attendance details of the Committee per regulations.

E. STAFF RECOMMENDATION

That this 2018-19 Annual Report be adopted by the Audit Committee and submitted on its own behalf to the Board at its Corporate Services Committee (Private Session) meeting on December 11th 2019, and subsequently, to the Ministry of Education in the required condensed format.