



REPORT TO

AUDIT COMMITTEE

## 2019-20 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 27, 2020	November 17, 2020	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.*



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 report provides a summary of the Toronto Catholic District School Board's (TCDSB) Audit Committee activities for the year ended August 31, 2020 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 2020-21. 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 2019-20 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 2018-19 external year-end audit work, and will also complete the 2019-20 year-end audit as the 5<sup>th</sup> 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 2018-19 Audit Committee Annual Report. The Audit Committee approved a minor change, however, to the scope of the IT Asset Management Audit Engagement already in progress to account for the risk impact of the Covid-19 Pandemic and resulting deployment of IT devices to staff and students.
3. For the 2019-20 fiscal year, the RIAT scheduled the following internal audits:
  - a. Usage of Facilities Audit
  - b. IT Asset Management & Student Device Distribution during Covid-19
  - c. Records Management & Privacy
  - d. Strategic Workforce Planning – Phase 1
  - e. Follow-up Audits
4. For the 2020-21 fiscal year, the RIAT is expected to deliver the following internal audits pending the completion of audit fieldwork commenced and ongoing in 2019-20:

- a. Privacy Audit
- b. Accounts Payable and Expense Audit
- c. Follow-up Audits

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

5. TCDSB Management staff responded to risks identified during the HR/Payroll Follow-up Audit and continue to respond to additional recommendations in order to increase operational efficiencies in Employee Master File Record changes and increasing the utilization of Employee Self Service utilities.
6. The Regional Internal Audit Team did not identify any outstanding significant risks in the follow-up audit engagement.
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-1 provides a listing of the School Enrolment Audits performed in the 2019-20 fiscal year and Appendix B-2 provides a listing of the Adult ESL Audits completed in the same 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 2019-20 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 2019-20 fiscal year:
  - a. Reviewed regular reports regarding Summary of Grievances, Legal Trends, Liabilities, Administrative Risks and Litigation,
  - b. Reviewed TCDSB's Enterprise Risk Management Framework,
  - c. Reviewed Financial Status Update Reports,
  - d. Reviewed Quarterly Whistleblower Update Reports,
  - e. Reviewed the 2020-21 Budget Estimates,
  - f. Reviewed External Auditors provision of Non-Audit Services,
  - g. Reviewed Professional Services Fees paid to External Consultants,

- h. Reviewed School and Catholic School Parent Councils (CSPCs) Audit Findings,
- i. Reviewed the TCDSB's Response to the Covid-19 Pandemic,
- j. Reviewed TCDSB's Environmental Risk Assessment

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

- 10. The Audit Committee met five times during the 2019-20 fiscal year; well exceeding the legislatively mandated three meeting minimum.
- 11. The composition of the committee remain unchanged through 2019-20.
- 12. Appendix D provides the full attendance details of the Committee per regulations.

## **E. STAFF RECOMMENDATION**

That this 2019-20 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 9<sup>th</sup> 2020, and subsequently, to the Ministry of Education in the required condensed format.