

York Catholic District School Board

MINUTES AUDIT COMMITTEE (Regular Session)

A regular session of the Audit Committee was held in the Boardroom at 320 Bloomington Road West and virtually via Google Meets, on Tuesday, November 8, 2022, commencing at 5:30 p.m.

PRESENT:

Committee Members: R. Cantisano*, C. Cotton*, M. Iafrate
Other Trustees: E. Crowe, J. Wigston
External Committee Member: A. Rocha*, M. Petrilli*
Administration: D. Scuglia, E. Pivato, C. McNeil, J. Tsai, K. Scanlon, T. Steenhoek,
M. Gray
RIAT Team: P. Hatt, Regional Internal Audit Senior Manager
Absent with Notice:
Recording: K. Errett
Presiding: M. Iafrate, Committee Chair

[denotes attendance via teleconference]*

1. CALL TO ORDER, PRAYER AND LAND ACKNOWLEDGEMENT

Trustee M. Iafrate, Committee Chair, called the meeting to order and led the opening prayer. C. McNeil, CFO and Treasurer of the Board read the York Catholic District School Board Land Acknowledgement and provided roll call.

2. APPROVAL OF NEW MATERIAL: Nil

3. APPROVAL OF THE AGENDA

Motion: Cantisano/Rocha

THAT the Agenda be approved as amended by moving Discussion/Information Item 9) RIAT Audit Plan 2022-24 to Action Item 14).

– MOTION CARRIED –

4. APPROVAL OF THE MINUTES:

Motion: Cantisano/Cotton

THAT the Minutes of the September 27, 2022 Audit Committee meeting be approved as presented.

– MOTION CARRIED –

5. DECLARATION OF CONFLICT OF INTEREST: Nil

6. BUSINESS ARISING FROM THE MINUTES OF THE PREVIOUS MEETING: Nil

7. NEXT MEETING DATE: May 30, 2023

8. STAFF PRESENTATION ITEMS:**a) 2021-2022 Year-End Financial Statements Review****i) PowerPoint “2021-22 Year-End Financial Report – November 8, 2022 – Audited Financial Statements for the Year Ended August 31, 2022”**

C. McNeil, CFO and Treasurer of the Board, presented the PowerPoint “2021-22 Year-End Financial Report – November 8, 2022 – Audited Financial Statements for the Year Ended August 31, 2022” providing highlights of the Audited 2021-22 Consolidated Financial Statements. C. McNeil informed the Committee of Grant Thornton’s finding of a clean audit with no concerns.

The presentation showed the reconciliation between calculations used for Ministry compliance and the Financial Statements. Highlighted is an in-year surplus of \$2.6 million per the Financial Statements and an accumulated surplus of \$278.4 million.

C. McNeil noted that the that the submission of the Board’s Audited Consolidated Financial Statements would be filed with the Ministry through the Education Financial Information System (EFIS) before November 15, 2022, as required by the Ministry of Education. Further, the 2021-2022 Financial Statements will be posted on the Board website.

ii) 2021-22 Draft Financial Statements

C. McNeil, CFO and Treasurer of the Board, highlighted the *York Catholic District School Board Consolidated Financial Statement for the Year-Ended August 31, 2022* provided in the agenda.

9. DISCUSSION/INFORMATION ITEM(S):**a) Annual Audit Committee Report to the Ministry of Education**

C. McNeil, CFO and Treasurer of the Board, highlighted the *Annual Audit Committee Report to the Ministry of Education* included in the agenda which, per Regulation 361/10, advises the Ministry of Education of the audits completed by the Regional Internal Audit Team and advises whether the Board has any enrolment audits planned.

Motion: Cantisano/Cotton

THAT the Audit Committee receives the *Annual Audit Committee Report to the Ministry of Education* for submission to the Ministry of Education.

– MOTION CARRIED –

b) Regional Internal Audit Team (RIAT) Update

P. Hatt, Regional Internal Audit Senior Manager, presented the Regional Internal Audit Team Update. It was noted that progress with the main engagements since the September 27, 2022 meeting was not made due to on-going developments with some items, the Risk Assessment and Two-Year Audit Plan were completed and selected follow-up engagements (Construction Monitoring and Board-level Findings from Initial School Audits) will begin early in 2023.

P. Hatt also provided a verbal update on RIAT-provided Audit Committee Training which is timely given the turnover in Audit Committee membership due to the municipal elections of October 2022. A series of e-learning will be provided virtually to all boards in Ontario to ensure consistency in introducing new members to Audit Committees as well as providing a refresher for existing members. Sessions will cover topics such as regulation and governance, duties of audit committees, internal audit and internal controls, financial reporting, external audit, risk management and compliance.

c) **RIAT Findings and Recommendations from Completed Engagements**

P. Hatt, Regional Internal Audit Senior Manager, presented the *Findings and Recommendations from Completed Engagements* to provide information requested by the Audit Committee at the September 27, 2022 meeting on findings included in the Findings and Recommendations Register which identified action plans that management decided not to implement and assumed the identified risk. The recommendations identified a) Continuing Education – Secondary Credit and Elementary International Languages (EIL), b) School Based Audits – Enrolment). The findings provided in the report will be considered closed upon acceptance of the report. In addition, RIAT provided the Aging of Management Action Plans (currently being addressed). A summary table was provided to outline the progress taken by audit, on management’s action plans. Further updates will be provided as information becomes available.

It was requested a special notation be included for outstanding findings exceeding five years old to have an explanation if the reasoning is due to budgetary constraints in order to determine whether the board is able to address these issues during the budget development process.

10. **ACTION ITEMS:**

a) **Approval of YCDSB 2021-22 Audited Financial Statements**

C. McNeil, CFO and Treasurer of the Board, highlighted that the report included in the agenda includes staff recommendation to the Audit Committee to recommend to the Board the approval of the 2021-2022 Consolidated Audited Financial Statements audited by Grant Thornton (Re Staff Presentation Item 7b). Upon approval by the Board the Financial Statements will be posted on the Board website as required by the Education Act.

Motion: Cotton/Rocha

a) **THAT the York Catholic District School Board approve the Financial Statements for the year ended August 31, 2022, as presented, and**

b) **THAT the 2021-22 Audited Consolidated Financial Statements of the York Catholic District School Board, together with the Auditor’s Report, will be made available and posted on the Board’s website.**

– MOTION CARRIED –

a) **Approval of YCDSB 2021-22 Educational Development Charges (EDC) Summary Schedules**

C. McNeil, Chief Financial Officer and Treasurer of the Board, presented the Educational Development Charges (EDC) Summary Schedules for York Catholic District School Board which have been audited by Grant Thornton and provided in the agenda package for review as per the EDC Bylaws. It was also noted that YCDSB collects Educational Development Charges on behalf of the York Region DSB and the report, therefore, includes the By-Laws and the amounts collected on behalf of each Board.

It was noted that the \$20 million current year EDC revenue balance reflects the highest annual revenue from EDC.

Motion: Rocha/Cantisano

THAT the Board approve the Summary Schedules of Education Development Charges of the York Catholic District School Board for the year ended August 31, 2022 as audited by Grant Thornton LLP.

– MOTION CARRIED –

c) **RIAT Audit Plan 2022-24**

P. Hatt, Regional Internal Audit Senior Manager, presented the 2022-23 and 2023-24 RIAT Audit Plan for approval. The proposed two-year Regional Internal Audit Plan (2022-23 & 2023-24) focuses on overall risks for the Board rather than processes. Based on input from management, RIAT identified Financial Risk Review and School Finance Data Analytics (School Generated Funds and General School Budgets) engagements for 2022-23 and Attendance Support and School-Based Operational Review engagements for 2023-24. It was further noted that follow-up engagements and outstanding engagements from prior year plans will be conducted in 2023.

Motion: Cotton/Rocha

THAT the York Catholic District School Board’s Audit Committee approve the Two-Year Regional Internal Audit Plan for 2022-23 and 2023-24.

– MOTION CARRIED –

P. Hatt thanked management for their cooperation and feedback throughout the process of developing the 2022-24 Audit Plan.

FUTURE ITEM(S): Nil

Adjournment: 6:13 P.M.

On Motion: Petrilli/Cantisano and CARRIED