



YORK CATHOLIC DISTRICT SCHOOL BOARD

AUDIT COMMITTEE MEETING

REVISED AGENDA

Monday, September 29, 2025

5:00 p.m.

Catholic Education Centre

320 Bloomington Rd. West, Aurora, ON. L4G 0M1

Watch the Audit Committee Meeting STREAM event on our YCDSB TV Channel: <http://bit.ly/YCDSB-TV>

* Indicates Addendum

	Pages
1. CALL TO ORDER	
2. OPENING PRAYER/LAND ACKNOWLEDGEMENT	
<i>Father in Heaven, Thank You for all the graces and blessings You have bestowed upon us, spiritual and temporal, our faith and religious heritage, Our food and shelter, our health, the love we have for one another. Please grant us continued graces and blessing as we go upon our day.</i>	
<i>Amen</i>	
<i>We are gathered on the ancestral lands and waters of all Indigenous Peoples, who have left their footprints on Mother Earth before us. We respectfully acknowledge, those who have walked on it, those who walk on it now, and future generations who have yet to walk upon it. We pray to the Creator for strength and wisdom that all may continue to serve as stewards of the earth.</i>	
3. ROLL CALL	
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YORK CATHOLIC DISTRICT SCHOOL BOARD

(the “**Board**”)



AUDIT COMMITTEE TERMS OF REFERENCE

(these “**Terms of Reference**”)

1. ROLE AND RESPONSIBILITIES

The Audit Committee is a statutory committee of the Board constituted in accordance with Section 253.1 of the *Education Act* and Ontario Regulation 361/10 – *Audit Committees* (“**O. Reg. 361/10**”).

The role of the Audit Committee is to assist the board of trustees in fulfilling its governance and oversight responsibilities with respect to the financial matters of the Board.

The responsibilities of the Audit Committee include reviewing: financial reporting processes, internal controls, internal auditing, external auditing, compliance matters, risk management, and any other Board-proposed activity.

The Audit Committee shall fulfil all its duties under and has all the powers granted to it by O. Reg. 361/10, an excerpt of which has been attached as Schedule A hereto.

2. MEMBERSHIP COMPOSITION

The Board shall appoint the following individuals to be members of the Audit Committee:

- three (3) trustees of the Board (the “**Trustee Members**”); and
- two (2) members who are not trustees of the Board (the “**Non-Trustee Members**”).

Positions for Non-Trustee Members shall be advertised publicly on the Board’s website. Qualified candidates will be interviewed and recommended for appointment to the Board by a selection committee composed of the Director of Education, the Chief Financial Officer, and the Chair of the Board (or a trustee designated by the Chair of the Board) for appointment by the Board.

An individual is eligible to be appointed as a Non-Trustee Member of the Audit Committee if such individual:

- (a) has accounting, financial management or other relevant business experience that would enable such individual to understand the accounting and auditing standards applicable to the Board;
- (b) is not an employee or officer of the Board or of any other school board at the time of such individual's appointment;
- (c) does not have a conflict of interest arising from a parent, child or spouse of such individual being employed by the Board at the time of such individual's appointment;
- (d) is a resident of York Region;
- (e) supports the mission, vision and values of the Catholic school system; and
- (f) is a separate school elector.

In furtherance of ensuring public confidence in the decisions of the Audit Committee and the Board, a trustee of the Board who has a parent, child or spouse employed by the Board shall not be considered for appointment to the Audit Committee due to potential or actual conflicts of interest and the appearance of bias.

3. CHAIR

At the first meeting of the Audit Committee in each fiscal year (September 1 to August 31 of each year), the members of the Audit Committee shall elect the chair of the Audit Committee (the "**Committee Chair**") for the fiscal year of the Board from among members of the Audit Committee in accordance with the election process for committees set-out in the Board's Operational By-law (the "**By-law**"), as may be amended from time to time.

If at any meeting of the Audit Committee the Committee Chair is not present, the members present may elect a chair for that meeting. If the position of Committee Chair is vacated pursuant to Section 5, the members of the Audit Committee shall, at the next meeting of the Audit Committee, elect a new Committee Chair for the remainder of the Committee Chair's term in accordance with the election process for committees set-out in the Board's By-law.

4. TERM

Subject to the By-law, the Trustee Members shall be appointed by the Board at the regular August Board meeting on the first and third year of the Board of Trustees' term of office for a term of two (2) years, unless their position is vacated earlier pursuant to Section 5 or if their replacement is appointed by the Board of Trustees.

Subject to the By-law, the Non-Trustee Members shall be appointed by the Board at the applicable regular August Board meeting for a term of three (3) years, unless their position is vacated earlier pursuant to Section 5 or if their replacement is appointed by the Board of Trustees, and may be reappointed for more than one (1) term. Non-Trustee Members may only be reappointed for more than two (2) terms if the Board has advertised the position for at least thirty (30) days and after thirty (30) days, the selection committee does not identify any potential candidates.

When the term of a member of the Audit Committee expires, they continue to be a member until a successor is appointed or the member is reappointed.

5. VACANCIES

A Trustee Member vacates such Trustee Member's position on the Audit Committee if:

- such Trustee Member is convicted of an indictable offence;
- such Trustee Member is absent from two (2) consecutive regular meetings of the committee and the Audit Committee has not authorized those absences by a resolution at the first regular meeting of the committee that follows the second absence;
- such Trustee Member ceases to be a trustee of the Board; or
- such Trustee Member resigns.

A Non-Trustee Member vacates such Non-Trustee Member's position on the Audit Committee if:

- such Non-Trustee Member is convicted of an indictable offence;
- such Non-Trustee Member is absent from two (2) consecutive regular meetings of the committee and the Audit Committee has not authorized those absences by a resolution at the first regular meeting of the committee that follows the second absence;
- such Non-Trustee Member becomes an employee or officer of the Board or of any other board;
- it is discovered that such Non-Trustee Member had a conflict of interest arising from a parent, child or spouse of such Non-Trustee Member being employed by the Board at the time of such Non-Trustee Member's appointment and failed to disclose it; or
- such Non-Trustee Member resigns,

Any vacancies on the Audit Committee arising after an election of trustees of the Board shall be filled at the inaugural meeting of the Board that follows such election. All other vacancies on the Audit Committee shall be filled as soon as possible. A person who is appointed to fill a vacancy shall hold the position for the remainder of the term of the member whose position became vacant.

6. QUORUM

A quorum shall consist of a majority of the members of the Audit Committee and shall include at least one (1) Non-Trustee Member. If a quorum is not present within thirty (30) minutes (or such longer time as may be agreed upon by the members then present) after the time appointed, the secretary for the meeting shall record the names of the members present and the meeting shall be called anew within seven (7) days, at the call of the Committee Chair. In the event that at the called anew meeting, a quorum is not present within thirty (30) minutes (or such longer time as may be agreed upon by the members then present) after the time appointed, the secretary for the meeting shall record the names of the members present and such meeting shall stand adjourned. Whenever

a quorum is no longer present at a meeting, the chair of the meeting shall immediately adjourn the meeting and the foregoing provisions respecting a quorum not being present shall apply.

7. MEETING FREQUENCY AND AGENDA

The Audit Committee shall meet a minimum of three (3) times in each fiscal year at the call of the Committee Chair, and at such other times as the Committee Chair considers advisable. The first meeting of the Audit Committee in each fiscal year shall take place no later than September 30 of that year.

Subject to the *Education Act*, in the process of setting the meeting agenda, the chair of the Audit Committee may invite individuals to speak at Audit Committee meetings, and any such engagement shall be included in the meeting agenda.

The notice of all regular meetings of the Audit Committee and the agenda for such meetings shall be prepared and delivered in accordance with the requirements under the By-law. The Committee Chair shall ensure that minutes are taken at each meeting and provided to the members of the committee before the next meeting.

8. VOTING

The Audit Committee shall make decisions by resolution, which shall be determined by a majority of the votes cast by the Audit Committee members present at such meeting. The chair of the meeting may vote with the other members of the Audit Committee. Each member of the Audit Committee present and eligible to vote at such meeting shall have one (1) vote. In the event of a tie, the Committee Chair (if present) or otherwise the chair of the meeting, shall cast a second vote.

9. ELECTRONIC MEETINGS

The Board shall provide members of the Audit Committee with electronic means for participating in one or more meetings of the Audit Committee. The electronic means provided by the Board shall permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously. At every regular meeting of the Audit Committee, the following persons must be physically present in the meeting room:

- the Committee Chair or their designate, provided that the Committee Chair or their designate may participate in the meeting by electronic means if at least one (1) member of the Audit Committee, who is a Trustee Member, is physically present in the meeting room; and
- the Director of Education or their designate.

Members participating using electronic means will be included for quorum purposes as long as they remain electronically connected to the meeting. To ensure quorum is maintained, members using electronic means to participate in the meeting shall inform the chair of the meeting about their intentions to leave the meeting, either on a temporary or permanent basis. Should technical difficulties arise, where participating members affected by the disruption are no longer deemed present at the meeting, the chair of the meeting shall assess whether a quorum is present. The minutes of the meeting shall indicate the time and duration of the disruption. In the event the

technical difficulties cannot be rectified, it is the responsibility of the participating members to notify the chair of the meeting at their earliest opportunity.

Members of the Audit Committee using electronic means to participate in such meetings shall:

- ensure the security and confidentiality of all materials, discussions and decisions;
- comply with the requirements of the *Municipal Conflict of Interest Act*;
- be able to hear and be heard by all participants of the meeting and shall follow the protocol for electronic meetings enforced by the chair of the meeting; and
- shall, if possible, turn their cameras on when speaking and will not use any chat functions in video conferencing applications to extend debate.

A member of the Audit Committee who participates in a meeting through electronic means shall be deemed to be present at the meeting and will be recorded in attendance at the meeting. Minutes of the meeting will record the names of the members who participated in the meeting using electronic means.

Notwithstanding any other provision in these Terms of Reference, these Terms of Reference shall be subject to the *Education Act*, Ontario Regulation 463/97 – *Electronic Meetings and Meeting Attendance* and the By-law, as each may be amended from time to time, which shall prevail over these Terms of Reference in the event of conflict.

10. ATTENDEES

Audit Committee meetings shall comply with the *Education Act* and the *Municipal Freedom of Information and Protection of Privacy Act* in all respects.

The Board shall ensure that the meeting room of the Audit Committee shall be open to permit physical attendance by members of the public at every regular open meeting of the Audit Committee. The Audit Committee shall also stream its open meetings online for the public.

Subject to these Terms of Reference, only members of the Audit Committee may speak, exercise a binding vote, count towards quorum or move to pass a resolution/motion at a meeting of the Audit Committee.

Members of the public who wish to speak at open meetings must submit a formal delegation request in accordance with the Board's Delegation Policy.

Persons that are not members of the Audit Committee ("**Observers**") may attend open meetings to observe. Any Observer who interrupts, disrupts or otherwise engages in improper conduct at an Audit Committee meeting may be excluded from the meeting.

Trustees of the Board that are not Trustee Members and student trustees of the Board (unless the subject matter under consideration relates to clause 207(2)(b) of the *Education Act*) (collectively, "**Non-Committee Members**") may attend closed meetings of the Audit Committee and receive the agenda and materials for such closed meeting, unless (i) the Audit Committee exercises its powers under Section 11 to meet without the presence of such persons, or (ii) such Non-Committee

Member has a conflict of interest relating to the subject matter under consideration. For greater certainty, Non-Committee Members may not speak, exercise a binding vote, count towards quorum nor move to pass a resolution/motion at a meeting of the Audit Committee.

Audit Committee meetings shall be open to the public, unless the subject-matter under consideration at the meeting involves a matter under Subsection 207(2) or 207(2.1) of the *Education Act*.

11. DOUBLE CLOSED MEETINGS

The Audit Committee has the power to:

- (a) meet with or require the attendance of trustees of the Board, the Board's staff, internal or external auditor or legal counsel or representatives from a reporting entity of the Board at meetings of the Audit Committee, and require such persons or entities to provide any information and explanation that may be requested by the Audit Committee from time to time in connection with carrying out its functions and duties; and
- (b) where the Audit Committee determines it is appropriate, on a case-by-case basis in its reasonable discretion and determined by resolution, meet with the Board's external or internal auditor, or with any staff of the Board, without the presence of other Board staff or trustees of the Board, other than Trustee Members, in connection with carrying out its functions and duties.

12. REMUNERATION AND COMPENSATION

A person shall not receive any remuneration for serving as a member of the Audit Committee.

13. CONFLICT OF INTEREST AND CODE OF CONDUCT

The Trustee Code of Conduct also applies to Non-Trustee Members in relation to their functions, powers and duties as members of the Audit Committee.

Every member of the Audit Committee shall, when they are appointed to the Audit Committee for the first time and at the first meeting of the Audit Committee in each fiscal year, submit a written declaration to the Committee Chair declaring whether they have a conflict of interest. Pursuant to subsection 4(2) of O. Reg. 361/10, a person has a conflict of interest if his or her parent, child or spouse is employed by the Board.

A member of an Audit Committee who becomes aware after their appointment that they have a conflict of interest, as defined in subsection 4(2) of O. Reg. 361/10, shall immediately disclose the conflict in writing to the Committee Chair.

In furtherance of ensuring public confidence in the decisions of the Audit Committee and the Board, an Audit Committee member shall not continue in that role if a parent, child or spouse of such Audit Committee member becomes employed by the Board during their term, resulting in a conflict of interest. In such circumstances, the Board will request the resignation of the Audit Committee member and, if necessary, may pass a resolution to remove and replace the Audit Committee member in the interest of public trust and accountability.

If a member of the Audit Committee or their parent, child or spouse could derive any financial benefit relating to an item on the agenda for a meeting, the member shall declare the potential benefit at the start of the meeting and withdraw from the meeting during the discussion of the matter and shall not vote on the matter.

If no quorum exists for the purpose of voting on a matter only because a member is not permitted to be present at the meeting due to a potential benefit as described above, the remaining members shall be deemed to constitute a quorum for the purposes of the vote.

If a potential benefit is declared, a detailed description of the potential benefit declared shall be recorded in the minutes of the meeting.

14. RESOURCES

The Director of Education or their designate shall act as resource personnel for the Audit Committee, together with any other resource personnel provided by the Board or required for the Audit Committee to perform its mandate.

15. REPORTING

The Audit Committee shall satisfy all reporting obligations that are required by it in Schedule A hereto, as well as submit to the Board an annual report to be included in the regular August Board meeting each year, or at such other time as the Board may specify from time to time, that includes:

- any annual or multi-year audit plan of the Board's internal auditor;
- a description of any changes made to such plan since the last report of the Audit Committee;
- a summary of the work performed by the internal auditor since the last annual report of the Audit Committee, together with a summary of the work the auditor expected to perform during the period;
- a summary of risks identified and findings made by the internal auditor; and
- a summary of any enrolment audits planned by the internal auditor.

The Audit Committee shall submit a report to the Board in each fiscal year to be included in the regular August Board meeting each year, or at such other time as the Board may specify from time to time, that includes:

- a summary of the work performed by the Audit Committee since the last report;
- an assessment by the Audit Committee of the Board's progress in addressing any findings and recommendations that have been made by the internal or external auditor;
- a summary of the matters addressed by the Audit Committee at its meetings;
- the attendance record of members of the Audit Committee; and
- any other matter that the Audit Committee considers relevant.

16. REVIEW AND AMENDMENTS

Annually, the Audit Committee shall, at their first meeting in a fiscal year, review these Terms of Reference. No amendments to these Terms of Reference shall be made without first obtaining the approval of the Board of Trustees. If no amendments are required, these Terms of Reference shall continue to apply without further approval from the Board of Trustees.

Date of Approval: May 12, 2025

Date of Last Amendment:

Date of Last Review: September 29, 2025

Schedule A

Extract from O. Reg. 361/10

The mandate of the Audit Committee shall be in accordance with the duties and powers of the Audit Committee as outlined in O. Reg. 361/10 as follows:

Duties of an audit committee

9. (1) An audit committee of a board has the following duties 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, with regard to the following:
 - i. Relevant accounting and reporting practices and issues.
 - ii. Complex or unusual financial and commercial transactions of the board.
 - iii. Material judgments and accounting estimates of the board.
 - iv. Any departures from the accounting principles published from time to time by the Canadian Institute of Chartered Accountants that are applicable to the board.
2. To review with the director of education, a senior business official and the external auditor, before the results of an annual external audit are submitted to the board,
 - i. the results of the annual external audit,
 - ii. any difficulties encountered in the course of the external auditor's work, including any restrictions or limitations on the scope of the external auditor's work or on the external auditor's access to required information,
 - iii. any significant changes the external auditor made to the audit plan in response to issues that were identified during the audit, and
 - iv. any significant disagreements between the external auditor and the director of education or a senior business official and how those disagreements were resolved.
3. 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.
4. To recommend, if the audit committee considers it appropriate to do so, that the board approve the annual audited financial statements.
5. To review with the director of education, a senior business official and the external auditor all matters that the external auditor is required to communicate to the audit committee under generally accepted auditing standards.

6. To review with the external auditor material written communications between the external auditor and the director of education or a senior business official.
 7. To ask the external auditor about whether the financial statements of the board's reporting entities, if any, have been consolidated with the board's financial statements.
 8. To ask the external auditor about any other relevant issues. O. Reg. 361/10, s. 9 (1).
- (2) An audit committee of a board has the following duties 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. O. Reg. 361/10, s. 9 (2).
- (3) An audit committee of a board has the following duties 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.
 7. To review with the director of education, a senior business official and the internal auditor,
 - i. significant findings and recommendations by the internal auditor during the fiscal year and the responses of the board's staff to those findings and recommendations,
 - ii. any difficulties encountered in the course of the internal auditor's work, including any restrictions or limitations on the scope of the internal auditor's work or on the internal auditor's access to required information, and

- iii. any significant changes the internal auditor made to the audit plan in response to issues that were identified during the audit. O. Reg. 361/10, s. 9 (3).

(4) An audit committee of a board has the following duties 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, including,
 - i. the external auditor's engagement letter,
 - ii. how work will be co-ordinated with the internal auditor to ensure complete coverage, the reduction of redundant efforts and the effective use of auditing resources, and
 - iii. the use of independent public accountants other than the external auditor of the board.

2.1 To make recommendations to the board on the content of the external auditor's audit plan and on all proposed major changes to the plan.

3. To review and confirm the independence of the external auditor.
4. 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. To resolve any disagreements between the director of education, a senior business official and the external auditor about financial reporting.
6. To recommend to the board a policy designating services that the external auditor may perform for the board and, if the board adopts the policy, to oversee its implementation. O. Reg. 361/10, s. 9 (4); O. Reg. 204/15, s. 2.

(5) An audit committee of a board has the following duties 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 review any significant findings of regulatory entities, and any observations of the internal or external auditor related to those findings.
3. To review the board's process for communicating any codes of conduct that apply to board members or staff of the board to those individuals and the board's process for administering those codes of conduct.

4. To obtain regular updates from the director of education, supervisory officers and legal counsel regarding compliance matters.
5. To obtain confirmation by the board's director of education and supervisory officers that all statutory requirements have been met. O. Reg. 361/10, s. 9 (5).

(6) An audit committee of a board has the following duties 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 perform other activities related to the oversight of the board's risk management issues or financial matters, as requested by the board.
3. To initiate and oversee investigations into auditing matters, internal financial controls and allegations of inappropriate or illegal financial dealing. O. Reg. 361/10, s. 9 (6).

(7) An audit committee of a board shall report to the board annually, and at any other time that the board may require, on the committee's performance of its duties. O. Reg. 361/10, s. 9 (7).

(8) An audit committee shall make all reasonable efforts to ensure that a copy of this Regulation is posted on the board's website. O. Reg. 361/10, s. 9 (8).

Powers of an audit committee

10. In carrying out its functions and duties, an audit committee of a board has the power to,

- (a) with the prior approval of the board, retain counsel, accountants or other professionals to advise or assist the committee;
- (b) meet with or require the attendance of board members, the board's staff, internal or external auditor or legal counsel or representatives from a reporting entity of the board at meetings of the committee, and require such persons or entities to provide any information and explanation that may be requested;
- (c) where the committee determines it is appropriate, meet with the board's external or internal auditor, or with any staff of the board, without the presence of other board staff or board members, other than board members who are members of the committee;
- (d) require the board's internal or external auditor to provide reports to the committee; and
- (e) have access to all records of the board that were examined by the internal or external auditor. O. Reg. 361/10, s. 10.

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, May 20, 2025, commencing at 5:00 p.m.

PRESENT:

Committee Members: C. Cotton, M. Iafrate, F. Cellucci*

Absent with Notice: J. DiMeo, D. Murack

Other Trustees: E. Crowe, A. Saggese

Administration: J. De Faveri, J. Sarna, C. McNeil, J. Tsai, G. De Girolamo

RIAT Team: P. Hatt, Regional Internal Audit Senior Manager

Other Guests:

Recording: K. Errett

Presiding: M. Iafrate, Committee Chair

[denotes attendance via teleconference]*

1. CALL TO ORDER, PRAYER AND LAND ACKNOWLEDGEMENT

M. Iafrate, called the meeting to order, led the opening prayer and read the York Catholic District School Board Land Acknowledgement. C. McNeil, Chief Financial Officer and Treasurer of the and provided roll call and introduced the newly appointed External Community Volunteer Audit Committee Member, Francesca Cellucci.

2. APPROVAL OF NEW MATERIAL: Nil

3. APPROVAL OF THE AGENDA

Motion: Cotton/Cellucci

THAT the Agenda be approved as presented.

– MOTION CARRIED –

4. APPROVAL OF THE MINUTES:

Motion: Cotton/Iafrate

THAT the Minutes of the November 12, 2024 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: September 23, 2025

8. STAFF PRESENTATION ITEMS: Nil**9. ACTION ITEMS: Nil****10. INFORMATION ITEM(S):****a) Regional Internal Audit Team (RIAT) Update**

P. Hatt, Regional Internal Audit Senior Manager, presented the Regional Internal Audit Team Update. The status of engagements for the 2023-24 (Special Education Financial and Operational Review, Phase 2 and Student Achievement Engagement – Analysis of EQAO Trends) and 2024-25 (Succession Planning for Senior Administration and Audit of Expense Reimbursements for Trustees and Senior Administration) Regional Audit Plans engagements was provided.

P. Hatt expressed concerns regarding meeting expected timelines for some of the on-going audits. There was a suggestion that focusing on Trustee expense portion of the audit of Expense Reimbursements for Trustees and Senior Administration would significantly reduce the number of transactions to audit. The three committee members present agreed that this was a good idea.

b) RIAT Follow-up: Transportation Audit

P. Hatt, Regional Internal Audit Senior Manager, presented the *Follow-up: Transportation Audit* which was originally from the 2018-19 Audit Plan and reported in October 2019. The follow-up review of the six findings and management action plans indicate that the action plans have adequately and effectively addressed the risk associated with the findings, either by implementing the action plan or thorough other means. The audit was found to have been adequately addressed and has now been closed.

Given the challenging task of transporting numerous special needs students, it was requested that Administration provides an annual report on the “*Pathway to Independence Plan – Transportation*” (PIP), which is included within the Individual Education Plan (IEP) implementation.

c) RIAT Follow-up: Continuing Education – Secondary Credit and Elementary International Languages Audit

P. Hatt, Regional Internal Audit Senior Manager, presented the *Follow-up: Continuing Education – Secondary Credit and Elementary International Languages Audit*. While two of the five findings were excluded from the follow-up (one which was identified as a low priority and one which management assumed the risk), the three remaining management action plans included in the follow-up were adequately addressed. The audit has now been closed.

11. FUTURE ITEM(S): Nil

Adjournment: 5:21 P.M.

On Motion: Cotton/Cellucci and CARRIED



York Catholic District School Board

REPORT

Report To: Audit Committee

From: Administration

Date: September 29, 2025

Report: **Annual Audit Committee Report to the Board of Trustees**

EXECUTIVE SUMMARY:

As required by O. Reg 361/10 – Audit Committees, two reports are required to be submitted annually: one outlining work performed by the Regional Internal Audit Team and submitted to the Ministry of Education, and one summarizing Audit Committee-related activities for the Board of Trustees.

Appendices:

- Appendix A: Draft Annual Audit Committee Report to the Ministry of Education for the year ended August 31, 2025
- Appendix B: Draft Annual Audit Committee Report to the Board of Trustees for the year ended August 31, 2025

Submitted by: Jesua Tsai, Manager, Financial Reporting and School Finance
Reviewed by: Calum McNeil, Chief Financial Officer and Treasurer of the Board
Endorsed by: John De Faveri, Director of Education, Foundation Chair and Secretary of the Board



York Catholic District School Board

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Annual Report to the Board of Trustees and Forwarded To the Ministry of Education For the year ended August 31, 2025

September 29, 2025

District School Board Name: York Catholic District School Board

Fiscal Year: 2024/25

Re: Annual Audit Committee report to the Ministry of Education as per Ontario Regulation 361/10

During the 2024/25 fiscal year, the following internal audits or other engagements were started by the Regional Internal Audit Team but not completed by August 31st:

Engagement	Commenced	Status at August 31 st
Student Achievement Engagement - Analysis of EQAO Trends	April 2025	Fieldwork
Trustee & Senior Administration Expense Audit	August 2025	Fieldwork

In addition to the above, the following engagements were completed in the 2024/25 fiscal year:

Engagement	Commenced	Completed	Presented
Follow-up: Transportation Audit	November 2024	March 2025	May 2025
Follow-Up: Continuing Education Audit	November 2024	March 2025	May 2025

AND

Based on the Regional Internal Audit Plan, YCDSB is not expecting any Enrolment Audits to be performed.

Date

Signature
Maria Iafrate, Audit Committee Chair

**ANNUAL AUDIT COMMITTEE REPORT TO THE BOARD OF TRUSTEES
AS PER ONTARIO REGULATION 361/10 FOR THE YEAR ENDED AUGUST 31, 2025**

This report summarizes the Audit Committee's actions for the year ended August 31, 2025.

Audit Committee Members

The Audit Committee consisted of 5 members, listed below:

Trustee Members:

- Maria Iafrate (Chair)
- Carol Cotton (Vice-Chair)
- Joseph DiMeo

External Members:

- Michael Petrilli (*Resigned November 11, 2024*)
- Daniel Murack
- Francesca Cellucci (*effective May 30, 2025*)

In addition, regular attendees at the Committee meetings were:

- John De Faveri – Director of Education, Foundation Chair and Secretary of the Board
- Jennifer Sarna – Associate Director
- Calum McNeil – Chief Financial Officer and Treasurer of the Board
- Paula Hatt – Regional Internal Audit Team Senior Manager
- Melanie Dugard and Allison Frizzell – Doane Grant Thornton LLP, External Auditors

Administrative Tasks

At the beginning and throughout the year, following recommended good practices, various administrative tasks were completed. These included:

- Public Sector Accounting Standards update
- Tracking of Committee work plan to ensure compliance with O.Reg 361/10

Four meetings were scheduled throughout the year. The minimum required by O.Reg 361/10 is three meetings. The April 2, 2025 meeting was cancelled due to lack of quorum.

The members in attendance at each meeting were as follows:

	September 18, 2024	November 11, 2024	April 2, 2025	May 30, 2025
Trustees:				
Maria Iafrate (Chair)	✓	✓	NA	✓
Carol Cotton (Vice-Chair)	✓	×	NA	✓
Joseph DiMeo	×	✓	NA	×
External Members:				
Michael Petrilli	×	✓	NA	resigned
Daniel Murack	✓	×	NA	×
Francesca Cellucci				✓

Governance

The Audit Committee operated throughout the fiscal year ending August 31, 2025. All of the members satisfied the eligibility requirements by Ontario Regulation 361/10.

External Auditors

The relationship with the external auditors has been satisfactory. The external auditors, Doane Grant Thornton LLP, presented the planned scope of their work for the 2023-24 fiscal year to the Committee, which the Committee reviewed and recommended for approval at the September 18, 2024 meeting. The external auditors confirmed their independence in a September 18, 2024 letter included in the same Audit Strategy report.

The Audit Committee reviewed and recommended the approval of the 2023-24 annual audited financial statements on November 11, 2024.

Internal Auditors

The relationship with the GTA Regional Internal Audit Team (RIAT) has been satisfactory. The YCDSB Audit Plan (2024-25) was reviewed and received on November 11, 2024. Although the previous RIAT plan was for two years, due to various reasons, the team will conduct a risk refresh to inform the audit plan for 2025-26 subsequently.

The RIAT presented the following work during the year:

Planned Audits	Status	Date Presented to the Audit Committee
Special Education Financial and Operational Review, Phase 2 (2023-24)	Not Started	N/A
Student Achievement Engagement - Analysis of EQAO Trends (2023-24)	In Progress	N/A
Succession Planning for Senior Administration (2023-24)	Deferred	N/A
Audit of Expense Reimbursements for Trustees and Senior Administration (2024-25)	In Progress	NA
Transportation Audit (2018-19)	Follow up Report	May 20, 2025
Continuing Education Audit (2016-17)	Follow up Report	May 20, 2025

The Audit Committee was briefed on each engagement, including management's action plans, and submitted to the Board of Trustees as part of its Committee reports.

Audited Financial Statements

The Board received the 2023-24 Audited Financial Statements on November 11, 2024.

Audit Committee Training

Doane Grant Thornton LLP provided a Public Sector Accounting Standards update on September 18, 2024.

Summary of the work performed

In addition to the audit work noted above, Appendix C (below) outlines further work performed by the Audit Committee in the last 12 months.

By the signature noted below, we attest that we have discharged our duties and responsibilities under Ontario Regulation 361/10.

To be signed here

Trustee Maria Iafrate
2024-25 Audit Committee Chair

**Summary of Further Duties performed by the Audit Committee
For the Year Ended August 31, 2025**

The Audit Committee performed the following additional duties:

		Meeting Date 2024-25			
Category	Audit Committee Agenda Items	Sept 18, 2024	Nov. 12, 2024	April 2, 2025	May 21, 2025
	Ministry Amendments				
Ministry	Audit Committee Regulation 361/10 Amendments	NA	NA	NA	NA
	External Reports				
Doane Grant Thornton LLP	Year-End Audited Financial Statements – 2023-24		✓		
	Regional Internal Audit Team (RIAT)				
RIAT	YCDSB Regional Internal Audit Updates & Annual Report	✓	✓		✓
RIAT	Regional Internal Audit Team Annual Report - 2023-24	✓			
Governance	RIAT: Legislative Compliance Tool Presentation		✓		
RIAT	RIAT Follow-Up: Transportation Audit				✓
RIAT	RIAT Follow-up: Continuing Education Audit				✓
	Other				
Annual Report	2023-24 Consolidated Financial Statements		✓		
Annual Report	2023-24 Annual Audit Committee Report to the Ministry of Education		✓		
External Member	Audit Committee External Member Update; Recruitment process was undertaken for one external volunteer Audit Committee member (<i>Francesca Cellucci</i>)		✓		✓



York Catholic District School Board

REPORT

Report To: Audit Committee

From: Administration

Date: September 29, 2025

Report: YCDSB Regional Internal Audit Team (RIAT) Update

EXECUTIVE SUMMARY:

The purpose of the attached report is to provide the Audit Committee with information regarding RIAT's progress on completing planned engagements and other activities.

BACKGROUND INFORMATION:

The attached update report, prepared by RIAT, provides Audit Committee members with information regarding RIAT's progress on completing planned engagements and follow-up activities.

Submitted by: Paula Hatt, Regional Internal Audit Senior Manager
Reviewed by: Calum McNeil, Chief Financial Officer and Treasurer of the Board
Endorsed by: John De Faveri, Director of Education, Foundation Chair and Secretary of the Board

YCDSB Regional Internal Audit Update

The following is the status of engagements from York Catholic District School Board's 2023-24 and 2024-25 Regional Internal Audit Plans.

Year	Audits/Advisory	Audit Stage				
		Not Started	Planning	Fieldwork	Reporting	Complete
2023-24	2	1		1		
2024-25	2			2		

Special Education Financial and Operational Review, Phase 2 (2023-24)

- Objective: To further assist management with some of the analysis recommended in the first phase, as needed. Management will inform RIAT if/when a second phase is required (this has not occurred to date).
- **Status: Not Started (TBD)**
- RIAT met with the Superintendent of Education: Exceptional Learners to discuss the first phase of the engagement. Management is currently reviewing and taking action on the results of the first phase, as deemed appropriate. The second phase will remain on hold as a placeholder, pending a decision from management on whether proceeding with this next phase is necessary.

Student Achievement Engagement - Analysis of EQAO Trends (2023-24)

- Objective: To analyze EQAO Trends for both Elementary and Secondary, by school, together with other metrics (which may include staff absenteeism, percentage of students whose first language is not English, and others) to determine whether there is any correlation between the EQAO trends/results and other data.
- **Status: Fieldwork**
- The fieldwork is ready to be completed. Due to current resource constraints, specifically a vacant position that needs to be filled, RIAT is determining the best approach to staff this engagement (co-source or assign to the incoming team member).

Succession Planning for Senior Administration (2024-25)

- Objective: To develop a consistent approach to succession planning, that will assist in managing key person risk for the Senior Administration positions. The engagement will include the update of a toolkit that RIAT previously developed for other boards. YCDSB management will use the toolkit to assess the vacancy risk, prepare a succession plan and select appropriate action plans to further mitigate risk, such as retention strategies and mechanisms for knowledge sharing.
- **Status: Fieldwork**

- Fieldwork continues to be deferred, at management's request. RIAT will continue to touch base with management to determine when fieldwork can be started.

Audit of Expense Reimbursements for Trustees and Senior Administration (2024-25)

- Objectives:
 - To determine whether expense reimbursements paid to or expenses paid on behalf of YCDSB Trustees and Senior Administration were in compliance with YCDSB policies and procedures in place at the time of the expense.
 - To identify the extent and types of exceptions to policies and procedures that were approved, if any.
 - To review relevant policies and procedures and make recommendations to improve these based on the results of the compliance testing.
- **Status: Fieldwork**
- The fieldwork relating to trustee expenses is nearing completion. Fieldwork for the Senior Team expenses will follow.

Other RIAT Work

Risk Assessment & Audit Plan: RIAT will update the risk assessment completed in November 2024 and work with management to determine the two engagements to include in the plan for 2025-26. The Legislative Compliance Tool advisory engagement, presented in November 2024, will be considered for inclusion in the plan.

Follow-up Activities: RIAT is currently working with management to update the findings register for previously completed engagements. A summary of the updated register will be provided to the Audit Committee upon completion. As part of this process, RIAT will identify engagements that are ready for a follow-up engagement, which will be completed as resources become available.

Annual Report to the Audit Committee: RIAT is continuing to implement the new Global Internal Audit Standards, issued in January 2025. As part of this process, a gap assessment on the new Standards was conducted over the summer. This identified several areas requiring action, such as updating the RIAT charter, developing a strategic plan, enhancing reporting to audit committees, and establishing longer-term action plans to achieve conformance with new or revised standards. These actions will contribute to a refreshed annual report. Work is currently underway to address these items and the updated annual report will be presented at the next committee meeting.



York Catholic District School Board

REPORT

Report To: Audit Committee

From: Administration

Date: September 29, 2025

Report: School-Day Cashless Online System

EXECUTIVE SUMMARY:

This report is presented to Trustees to summarize the use of the School-Day Cashless Online System during the last two school years.

BACKGROUND INFORMATION:

The School-Day Cashless Online System enables parents to make secure payments for school activities and complete permission forms digitally, reducing cash handling for schools and eliminating the risks associated with students carrying money. The system is accessible through a web browser or app, providing parents with real-time information while streamlining administrative tasks for school staff, such as managing field trips permission forms and parent-teacher interview bookings.

Benefits for Parents:

- **Convenient Payments:** Pay for lunches, trips, activities, and other items using a debit or credit card.
- **Secure Handling:** Avoid risks linked to sending cash to school.
- **Digital Forms:** Complete permission forms instantly online.
- **Streamlined Registration:** Register for extra-curricular events and parent-teacher interviews.

Benefits for Schools:

- **Reduced Cash Handling:** Less burden on office staff and teachers.
- **Administrative Efficiency:** Streamlined collection, from management and event registration.
- **Environmental Impact:** Reduce paper usage by digitizing forms and announcements.

SYSTEM PERFORMANCE AND IMPACT

The 2024-25 school year marked the first year all schools had access to School-Day after three years of phased implementation. The platform is now the primary channel for school-related payments. Parents can complete transactions via mobile and web platforms while administrators benefit from transparent, real-time reporting. Overall, the system has reduced manual work, improved financial accuracy and enhanced the parent experience.

KEY ACHIEVEMENTS

	2024-25			2023-24			
Panel	# of Students (000s)	# of Students w/ Parents Account (000s)	% Enrolled	# of Students (000s)	# of Students w/ Parents Account (000s)	% Enrolled	Increase in adoption Rate
Elementary	30	28	95%	30	25	82%	12%
Secondary	20	19	92%	20	17	86%	6%
Total	50	47	94%	50	42	84%	10%

Please note that adoption rate represents the number of students with linked parent accounts, which is different than utilization rate as about 55% of all payments collected was done via School-Day.

	2024-25	2023-24	
Panel	School-Day Revenue (\$M)	School-Day Revenue (\$M)	Increase in Revenue
Elementary	\$ 7.4	\$ 4.8	\$2.6
Secondary	\$ 6.0	\$ 4.8	\$1.2
Total	\$13.4	\$ 9.6	\$3.8

ONGOING CHALLENGES

- **School Participation:** Some schools are not yet using School-Day consistently for payment collection.
- **Family Barriers:** Limited digital access, payment method restrictions or language needs remain obstacles for some families.
- **Vendor Transition:** Acquisition of School-Day by Sparkrock Edsembli Inc. during 2025 has introduced process and infrastructure changes.

FUTURE STEPS

To strengthen system adoption and utilization:

- Conduct targeted follow-up with schools not yet using the system consistently.
- Provide ready-to-use template (e.g. lunches, events, etc.) to support low-utilization schools.
- Offer ongoing and refresher training for administrators and school staff to build confidence and consistency in use.

CONCLUSION

After four years of adoption, the School-Day Cashless Online System has delivered considerable benefits in efficiency, financial controls, transparency, and user satisfaction. While challenges remain around utilization and cost recovery, the system provides a strong foundation for modernizing financial management. With improvements in accessibility and school participation, the platform is well positioned to continue supporting the evolving needs of the community.

Submitted by: Jesua Tsai, Manager – Financial Reporting and School Finance

Reviewed by: Calum McNeil, CFO and Treasurer of the Board

Endorsed by: John De Faveri, Director of Education, Foundation Chair and Secretary of the Board



York Catholic District School Board

REPORT

Report To: Audit Committee

From: Administration

Date: September 29, 2025

Report: 2023-24 School Finance Audit Reports

EXECUTIVE SUMMARY:

As requested at the May 20, 2025 Audit Committee Meeting In Camera Session, the following items will be included in the September 23, 2025 Audit Committee meeting: (please see attached for the original reports)

1. 2023-24 School Finance Audits and Administration's Follow Up Actions
2. School Finance Audit – Summary Report 2024

Submitted by: Jesua Tsai, Manager – Financial Reporting and School Finance
Reviewed by: Calum McNeil, Chief Financial Officer and Treasurer of the Board
Endorsed by: John De Faveri, Director of Education, Foundation Chair and Secretary of the Board

REPORT

York Catholic District School Board

Report To: Audit Committee

From: Administration

Date: May 20, 2025

RE: 2023-24 School Finance Audits and Administration's Follow Up Actions

The purpose of this report is to provide the Audit Committee with a summary of the School Finance audit findings for the fiscal year 2023-24 and outlines the ongoing corrective actions to address identified issues.

BACKGROUND:

In spring of 2024, a total of fifteen schools were selected for review for the 2023-24 fiscal year to assess their compliance with Board policies and procedures relating to management of school finances.

FINDINGS:

The attached report details the findings from the 2023-24 school finance audit. The most common issues identified include:

- Failure to retain proper financial documentation
- Lack of appropriate approvals for transactions
- Non-compliance with established policies and procedures

A key contributing factor to these issues is the high number of new administrators who may not have prior bookkeeping experience, particularly in areas such as bank reconciliations and banking procedures. While initial training is provided upon assignment to schools, ongoing refresher training is available and will be reinforced.

SUMMARY:

To ensure sustained compliance and address the deficiencies identified in the audit, the following actions will be implemented:

1. Targeted Compliance Training

- Schools rated as ineffective or partially effective will be required to attend mandatory compliance remediation training.
 - Additional refresher training will be available to all school administrators and secretaries upon request.
2. Enhanced Oversight and Support
 - The School Finance team will provide direct support to schools identified as having significant compliance challenges.
 - The transition to cashless school system will help mitigate some financial management issues and provide more visibility to the School Finance team.
 3. Principal and Staff Training Reinforcement
 - In consultation with Superintendents, specialized training sessions for principals will be conducted in the summer to reinforce financial procedures
 - Specific focus will be place on proper use and oversight of Purchasing Cards for both principals and school staff.
 4. Stronger Accountability Measures
 - For schools rated Ineffective and Partially Effective, closing meetings between the CFO, the Principal and the relevant Superintendent to ensure the Principal is aware of the importance of the findings and remediations required.
 - Share the results of the school audits (on a no-names basis) at a Directors Council meeting, with a focus on general themes of the audit outcomes, and the importance of oversight and controls.
 - Additionally, the PCard initiative is well underway and changes to Policy 808 and PCard processes to strengthen controls and accountability measures will be forthcoming.

The School Finance team will continue to conduct annual audits. Schools will be selected for review through consultation with the Superintendents of Education and the School Finance team, with emphasis given to schools previously rated Ineffective.

By implementing these measures, we aim to enhance financial integrity across all schools, improve adherence to policies, and reduce recurring issues identified in the audit findings.

Prepared by: Jesua Tsai, Manager – Financial Reporting & School Finance
 Submitted by: Calum McNeil, Chief Financial Officer and Treasurer of the Board
 Endorsed by: John De Faveri, Director of Education, Foundation Chair and Secretary of the Board

York Catholic District School Board

School Finance Audit – Summary Report 2024

Prepared by:

Beth Hartung – School Finance Specialist

Issued by:

Jesua Tsai – Manager, Financial Reporting and School Finance

Distribution:

Audit Committee

John De Faveri – Director of Education, Foundation Chair and Secretary of the Board

Jennifer Sarna – Associate Director

Calum McNeil – Chief Financial Officer and Treasurer of the Board

Superintendents of Education: School Leadership



Introduction

In spring of 2024, fifteen schools (3 Secondary and 12 Elementary schools) were selected for review for the fiscal year 2023-24 transactions. The audit work was undertaken by the YCDSB School Finance team in the fall of 2024.

Previously, for the fiscal year 2022-23, 10 school audits were conducted.

The 15 schools audited are listed below:

- St. Giovanni Battista Scalabrini CES (previously Blessed Scalabrini CES)
- Canadian Martyrs CES
- Christ the King CES
- Immaculate Conception CES
- Our Lady of Fatima CES
- San Marco CES
- St Catherine of Siena CES
- St David CES
- St Julia Billiart CES
- St Justin Martyr CES
- St Marguerite d'Youville CES
- St Thomas Aquinas CES
- Sacred Heart CHS
- St Elizabeth CHS
- St Joan of Arc CHS

The purpose of this report is to provide a summary of the common observations and recommendations included in the individual school reports.

Audit Objective and Scope

The objective of the School Finance audit was to assess the school's adherence to Board policies and procedures relating to management of school finances (specifically school generated funds (SGF) and purchasing card transactions). The audit scope covered the 2023-24 fiscal period.

The specific areas in scope, which were tested on a sample basis, are noted under Common Audit Observations. The audit scope of the school audits excluded Board-level processes and controls.

Limitations on use of Internal Audit Report

This report is intended primarily for the information and use of the YCDSB Audit Committee and should not be provided to any other party without the consent of the YCDSB School Finance team.

Summary of Audit Observations

We have assessed the schools' effectiveness in compliance with Board policies and procedures relating to management of school finances (specifically school generated funds (SGF) and purchasing card transactions).

Below is a summary of the overall ratings for the 15 schools for the 2023-24 period.

Overall rating	Number of Schools
Effective	9
Partially Effective	4
Ineffective	2
Total	15

Please see Appendix A for detailed definitions of the terminology used as part of our work.

Common Audit Observations

This section provides a summary of audit observations that were found at multiple schools. Audit observations that are unique to one school are not included in this report with the exception of items ranked as high in significance.

Category Reviewed	Observations and Recommendations
1. Bank Reconciliations	- Reconciling items such as outstanding deposits, stale dated cheques, and other adjusting entries on bank reconciliations were not cleared on a timely basis. (Observed at 5 schools.) Recommendation: With the exception of outstanding cheques, all other reconciling items appearing on the bank reconciliation should be reviewed and adjustments made on a timely (monthly) basis to ensure all subledger accounts reflect accurate balances. - Bank reconciliations were not signed by the reviewer (principal) on a timely basis. The bank reconciliations were all signed with a date of July 2024. (Observed at 1 school.) Recommendation: All bank reconciliations should be reviewed on a monthly basis to ensure discrepancies are investigated and cleared in a timely manner.

Category Reviewed	Observations and Recommendations
	- In one of the bank reconciliations it was noted that the bank balance in SAP did not agree to the bank statement and was not noted during the review process. (Observed at 1 school.) Recommendation: Detailed completion and review of the bank reconciliation is required to ensure that any discrepancies are investigated in a timely manner.
2. Safeguarding of assets	- It was noted that during the safeguarding of assets review, cheque stock is not kept in a secure location. (Observed at 4 schools.) Recommendation: Cheques stock should be kept in a secure location to reduce the risk of theft and fraud. - The Principal pre-signs cheques which does not comply with School Generated Fund Procedure 3.1.2. (Observed at 1 school.) Recommendation: Cheques should only be signed after they are prepared to prevent unauthorized payments from occurring.
3. Collections and Deposits	- Deposit documentation (Admin 40 School Fund – Collector Deposit Form, Admin 11 Bank Deposit Slip – Catholic School Council) was not completed or was missing information. Missing information included collector name, signature, department, deposit account/reason and submission date as required by School Generated Fund Procedure 3.3 (Observed at 3 schools.) Recommendation: All deposit forms should be fully completed to provide evidence of who has verified the deposit amount, account and submission date. - Bank deposits were not deposited on a timely basis (greater than 14 days from collection date to deposit being recorded at bank). (Observed at 3 schools.) Recommendation: Bank deposits should occur on a timely basis to ensure the accuracy of the school's financial records. - A significant (>\$95,000) bank deposit was left at the bank without verification and cheques (<\$3,000) went missing, which were eventually replaced after an extensive period has passed. (Observed at 1 school.)

Category Reviewed	Observations and Recommendations
	○ Recommendation: School generated funds should be collected through School-Day platform. For cash and cheque deposits, smaller and more frequent bank deposits should be planned in order to reduce the risk of loss of funds. • Changes made to the School Fund - Collector Deposit Forms (Admin 40) were not communicated back to the preparer of the Admin 40. <i>(Observed at 3 schools.)</i> ○ Recommendation: All changes made to deposits should be communicated to the preparer for accountability and transparency.
4. Non-sufficient funds (NSF) Cheques	• There was inadequate back up for NSF Cheque follow up. <i>(Observed at 1 school.)</i> ○ Recommendation: Back up for NSF Cheque follow up should be retained to ensure accurate record keeping and as evidence of appropriate follow up.
5. Support for Deposit adjustments/ corrections	• There was inadequate back up for deposit adjustments. <i>(Observed at 4 schools.)</i> ○ Recommendation: Back up for deposit adjustments should be retained to ensure accurate record keeping and as evidence of appropriate follow up.
6. Spending of SGF funds (Cheques and Invoices)	• Expense payments did not have evidence of Principal approval for payment. <i>(Observed at 11 schools.)</i> ○ Recommendation: The Principal should initial each invoice as “approved for payment” and confirm subledger coding prior to cheque preparation or sign a completed Cheque Requisition Form as evidence of payment approval and correct subledger coding. • Procurement was not completed for two purchases greater than \$10,000 as required by School Generated Funds Procedure 2.5. <i>(Observed at 3 schools.)</i> ○ Recommendation: Three quotes should be obtained of purchases greater than \$10,000 to ensure the lowest cost is obtained for comparable items.

Category Reviewed	Observations and Recommendations
	• Purchases were not supported by itemized receipts or invoices but paid based on email information. (<i>Observed at 3 schools.</i>) ○ Recommendation: Appropriate back up such as invoices should be obtained prior to payment to ensure accuracy, validity and approval. • Cleared cheques are not provided with the monthly bank statement. (<i>Observed at 5 schools.</i>) ○ Recommendation: Cleared cheques should be obtained with each bank statement and reviewed to ensure cashed by the correct payee. • Cheque amounts did not agree to the invoice. In both cases the invoices were short paid. (<i>Observed at 2 schools.</i>) ○ Recommendation: Cheques should be reviewed to ensure that they are correct to ensure accurate payments are made. • A staff appreciation lunch was paid with school generated funds which is not consistent with Board Policy 801 Use of Board and School Funds for Recognition Purposes. (<i>Observed at 1 school.</i>) ○ Recommendation: Staff appreciation lunch should follow Board Policy and be funded with GSB funds. • Expense payments were not coded to the correct subledger account. (<i>Observed at 1 school.</i>) ○ Recommendation: Expense payments should be paid from appropriate subledgers to ensure accurate record keeping and reports. • Gift card purchases did not include recipient information as required by School Generated Fund Procedure 3.4.4. (<i>Observed at 1 school.</i>) ○ Recommendation: Gift card recipients should be documented for accountability and transparency.

7. Missing cheques numbers and Void Cheques	• Voided cheques are retained, but not defaced. (<i>Observed at 1 school.</i>) - o Recommendation: All voided cheques should be defaced to prevent them from being cashed.
8. Purchasing Card transactions	• Monthly Admin. 17 forms (<i>Purchasing Card Monthly Transaction Log</i>) were not signed off by the Principal/(Superintendent for Principal cards) to evidence that the purchases were reviewed. (<i>Observed at 8 schools.</i>) - o Recommendation: The Principal/Superintendent must sign the monthly Admin. 17 forms for all purchasing cards (other than their own) to evidence review of the purchases. • Purchases were split into two transactions to bypass the individual's single transaction limit. (<i>Observed at 5 schools.</i>) - o Recommendation: Instead of splitting purchases, the purchasing card holder should contact the Pcard Administrator at the Catholic Education Centre to request a temporary increase in the purchasing card limit along with their supervisor's approval. • Purchases had no supporting documentation, such as a detailed receipt or an approved Admin. 19A (<i>Missing Original Detailed Receipt Approval Form- Schools Only</i>). (<i>Observed at 4 schools.</i>) - o Recommendation: Documentation should be retained in order to comply with retention requirements. • Restaurant purchases (\$375 and \$500) did not have a receipt and the supporting documentation did not include the number /list of attendees as per the Travel, Meals and Expense Reimbursement Section 4.2. As a result, the per person cost could not be assessed for reasonability. (<i>Observed at 2 schools.</i>) - o Recommendation: When meals are purchased, the supporting documentation should include the receipt and a list of attendees to comply with procedures.

	• A Superintendent attended a restaurant meal which was charged to the Principal's purchasing card and then the Superintendent subsequently provided approval of the receipt which contravenes the Travel, Meals and Expense Reimbursement Policy 808. (Observed at 1 school.) ○ Recommendation: The most senior person in attendance should claim meal expenses and be approved by their supervisor. • The Vice Principal purchased meals for a small number of attendees including the principal which contravenes Travel, Meals and Expense Reimbursement, Policy 808 section 3.6. (Observed at 2 schools.) ○ Recommendation: The most senior person in attendance should claim meal expenses and be approved by their supervisor. • One principal purchasing card transaction was to a charitable organization and the secretary was identified as the donor. (Observed at 1 school.) ○ Recommendation: All school donations should identify the school as the donor to ensure accountability and transparency. • In one instance a teacher prize was provided based on classroom fundraising which is not compliant with Policy 603A School Fundraising section 3.7. (Observed at 1 school.) ○ Recommendation: Policy 603A School Fundraising should be reviewed to ensure that procedures are followed to ensure appropriate back up and approval. • There was a purchase of gifts for staff appreciation that did not include recipient information as required by School Generated Fund Procedure 3.4.4. (Observed at 1 school.) ○ Recommendation: Recipients of gifts should be documented for accountability and transparency. • In two instances, the recipients of fundraising prizes were not documented. (Observed at 1 school.) ○ Recommendation: Details on names of the recipients, purpose/reason for fundraising should be documented according to purchasing card procedures.
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Conclusion

Overall, there was adequate documentation available to conduct the audits. To mitigate financial, legal and reputational risk, schools must ensure that:

- Policies and procedures are followed (including Purchasing Card; School Generated Funds; Travel, Meals & Expense Reimbursement; and Use of Board and School Funds for Recognition or Acknowledgement Purposes);
- Utilization of the School Day platform to minimize cash at the schools;
- Accountability/accuracy is increased around cash handling/deposits;
- Controls over cheque issuance and purchasing card transactions are strengthened; and
- Appropriate approval is received.

The School Finance team would like to thank the school administrators at each school for their support and assistance during this audit.

Observation/ Recommendation ratings

Our observations and recommendations have been rated on a three-point scale (high, medium and low), as shown below, based on an analysis of the likelihood of a control or process failure and the overall impact.

High – Issues arising referring to high priority issue, if not addressed, could lead to significant levels of noncompliance with Board policies and procedures relating to management of school finances. Issues should be addressed as a matter of urgency to ensure schools are in compliance with financial requirements.

Medium – Issues arising referring mainly to issues that have an important effect on the level of compliance but are not significant nor require immediate action. Nevertheless, issues should be addressed to ensure compliance with Board policies and procedures relating to management of school finances.

Low – Issues arising that would, if corrected, improve the school's internal processes, but are not vital in achieving overall compliance with Board policies and procedures relating to management of school finances. These recommendations are of leading practices as opposed to weaknesses that prevent compliance from being met.

Overall report ratings

The overall rating for this report has been measured on a three-point scale (Effective, Partially Effective and Ineffective), as shown below

Effective – Operation of existing controls is effective. Management's control environment is adequate to manage risks associated with compliance with Board policies and procedures regarding management of school finances. All high-level risks are adequately controlled.

Partially Effective – Operation of existing controls is partly effective. Management's control environment is adequate but some control weaknesses and/or opportunities for improvement observed. Existing controls are partially enforced to manage risks associated with compliance with Board policies and procedures regarding management of school finances.

Ineffective - Operation of existing controls is ineffective. Management's control environment is not adequate and below standard. Existing controls are not being effectively enforced to manage risks associated with compliance with Board policies and procedures regarding to management of school finances. School administrators should address high risks issues immediately.