

York Catholic District School Board

MINUTES AUDIT COMMITTEE (Regular Session)

A Regular session of the Audit Committee was held virtually via Google Meets, on Tuesday, June 30, 2020, commencing at 4:03 p.m.

PRESENT:

Committee Members: R. Cantisano, C. Cotton, M. Iafrate
Other Trustees: J. Ecker, D. Giuliani, M. Marchese, J. Wigston
External Committee Members: A. Rocha, B. Chu
Administration: A. Falconi, A. Yeung, L. Giambattista, J. Tsai, G. Liu, N. Di Nardo,
M. Gray, N. Jugnundan, C. Recine, A. Arcadi, M. Battista, T. D'Acunto,
L. Sawicky, O. Oloya, E. Pivato, J. Sarna
RIAT Team: P. Hatt, Regional Internal Audit Senior Manager
Other Guests:
Absent with Notice:
Recording: K. Errett
Presiding: M. Iafrate, Committee Chair

1. CALL TO ORDER AND PRAYER

Trustee M. Iafrate, Committee Chair, called the meeting to order, led the opening prayer and read the York Catholic District School Board Land Acknowledgement.

2. APPROVAL OF NEW MATERIAL

Nil

3. APPROVAL OF THE AGENDA

Motion: Cotton/Cantisano

THAT the Agenda be approved as presented.

– MOTION CARRIED –

4. APPROVAL OF THE MINUTES

Motion: Cotton/Cantisano

THAT the approval of the Minutes of the April 28, 2020 Audit Committee meeting be deferred to September 29, 2020.

– 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 29, 2020

8. PRESENTATION ITEMS:**a) REGIONAL INTERNAL AUDIT SENIOR MANAGER (RIAM) UPDATE**

P. Hatt, Regional Internal Audit Senior Manager provided a status update the 2019-2020 audit activities. Four audits are now complete: Transportation, Three-Year Risk Assessment/Internal Audit Plan, School-Based Audits - Enrolment and School generated Funds (presented on April 28, 2020) and BPS Procurement – Follow-Up Audit (presentation was provided at the June 30, 2020 Audit Committee meeting).

P. Hatt noted that an RFP for the Records Management (Privacy) outsourced audit, was released on June 16, 2020 and will be selected on July 13, 2020.

Furthermore, the Workflow Assessment – HR and Financial Services, was to be scheduled, however, with the limitations on in-person interviews, a re-evaluation of the approach may need to be undertaken. This engagement will be outsourced.

There were no questions regarding the presentation.

9. ACTION ITEMS:

Nil

10. INFORMATION ITEM(S):**a) STATUS OF MANAGEMENT ACTION RE SCHOOL FINANCE AUDIT**

Further to the presentation and findings presented at the April 28, 2020 Audit Committee meeting, A. Yeung, Chief Financial Officer and Treasurer of the Board, provided a status update of the Management Actions presented as part of RIAT's School-Based Finance Audit. The School-Based Audits – Enrolment & School Finance tracking chart was provided to track the progress of issues and concerns included in the audit report which focused on compliance with Board policy and procedures in the area of School Generated Funds (SGF), P-cards and General School Budgets (GSB).

As of June 30, 2020, school finance training sessions have been provided to all school (elementary and secondary) principals, vice-principals, school secretaries and secondary school bursars (training for new staff and “refresher training” for existing school staff). The training focused on the School Generated Funds (SGF) Policy 803, P-card spending limits and procedures and Purchasing procedures for school administration/staff. Feedback received via survey reflected that the sessions were well received and that staff appreciated the sessions. Staff will follow-up with staff that were unable to attend the training session and will track to ensure that all staff have been properly trained.

New checklists have been developed for both principals and superintendents as reminders and to assist in following the Board's policies and procedures, e.g. PCard statement monthly review, bank reconciliation, capital enhancement requests, etc. It was confirmed that steps will be taken to continue follow-up on recommendations in the report including sign-off of the checklists by the school secretary, principal and superintendent. On-line training sessions to be provided in the fall will be updated to include any subsequent changes to policies approved by the Board. Dedicated staff members continue to be available in the Finance and Purchasing departments to address any questions and concerns that principals and superintendents may have.

Chair M. Marchese brought attention to Finding #7 – Purchasing Department’s Involvement in SGF Spending, and the concern that the Board is not in compliance with the Broader Public Sector requirements. While the RIAT auditors had recommended a list of spending by vendor using SGF, it was explained that the Board’s SAP financial system does not have the capacity to report in this manner. While Administration is looking at ways to address this, school administrators have been informed through the training sessions of the expectations to follow the policy and also to address this as an item during the desk audits which will be a part of the portfolio for the new compliance officer position in order to provide the additional level of control to ensure schools are compliant through periodic testing on the process. Further to this approach, it was suggested that progressive discipline be put in place. Trustee J. Cantisano concurred with Chair Marchese on her concerns. A. Yeung confirmed for Trustee Cantisano that Catholic School Councils must follow purchasing procedures and BPS guidelines and that staff will continue to work with schools to ensure they are compliant.

Regarding Finding #10 – Use of P-Cards was highlighted for the recommendation that included annual training should include a refresher on the procedures for P-Cards”. It was noted by Trustee M. Iafrate that the recommendation be changed to read “must” instead of “should” to ensure that there is no misinterpretation.

A. Yeung thanked the Finance and Purchasing Department managers for preparing and providing the mandatory finance training sessions in such a timely manner. It was stressed that Policy awareness and training were provided on-line at this time during COVID and that in-person training will resume once staff return to the office.

b) AUGUST 31, 2020 YEAR-END AUDIT TIMELINES

J. Tsai, Manager Accounting & Financial Services, provided a report outlining Year-End Audit activities and timelines for the year ending August 31, 2020. Barring any extensions from the Ministry for the submission of the financial statements, dates were provided for Grant Thornton LLP, the Boards external auditor’s, planning meeting and fieldwork.

D. Clapham, Chief Information Officer, has made plans to meet with Grant Thornton LLP regarding IT and school audits have been selected for St. Joan of Arc CHS and St. Joseph CES (dates to be determined). The Year-End Financial Statement presentation by Grant Thornton LLP is scheduled for September 29, 2020. The Year-End Financial Statements approval will be on November 10, 2020 prior to the EFIS and Financial Statement submission to the Ministry on November 13, 2020. A Special Board Meeting will be convened following the November 10, 2020 Audit Committee meeting to approve the Financial Statements.

FUTURE ITEM(S): Nil

Adjournment: 4:41 P.M.

On Motion: Giuliani/Cantisano and CARRIED