



AUDIT COMMITTEE

MINUTES

Monday, June 11, 2018
5:30 p.m.

Education Centre
Grimsby-Lincoln Room

Present:

Audit Committee Members: Linda Crouch, Yusuf Essop, Lons Kushner (Acting Chair), Kevin Maves

Committee Member Regrets: Jonathan Fast

DSBN Administration: Stacy Veld, Superintendent of Business Services
Nicky Westlake, Controller of Finance
Brian Vander Vloet, Manager of Financial Services

Regional Internal Audit Team: John Forte

Recording Secretary: Brenda Buckingham, Business Assistant

CALL TO ORDER

Acting Chair Lons Kushner called the meeting to order. Welcome was extended to Brian Vander Vloet, DSBN's newly appointed Manager of Financial Services.

APPROVAL OF THE AGENDA

Moved by: Linda Crouch

Seconded by: Yusuf Essop

"That the agenda be approved as presented."

CARRIED UNANIMOUSLY

DECLARATIONS OF CONFLICT OF INTEREST

There were no conflicts of interest declared with respect to matters noted on the agenda.

APPROVAL OF THE MINUTES OF NOVEMBER 20, 2017

The November 20, 2017, minutes were reviewed, and it was

Moved by: Yusuf Essop

Seconded by: Linda Crouch

"That the minutes of the November 20, 2017, Audit Committee meeting be approved as presented."

CARRIED UNANIMOUSLY

REGIONAL INTERNAL AUDIT STATUS REPORT

Regional Internal Audit Team member John Forte reported on the RIAT's work undertaken since November 20, 2017.

2018-19 Risk Assessment Update and Audit Plan Proposal

In April, the Regional Internal Audit Manager Jenny Baker facilitated a risk assessment workshop with the Superintendent of Business Services Stacy Veld and the Senior Business Services Managers. Discussions on any new or emerging risks impacting DSBN operations and processes resulted in the formulation of the 2018-19 Internal Audit Plan. The two areas proposed for audit are *Attendance Support & Data Visualization* and *Records Management*.

John Forte outlined the objectives for the two audits. A consultant will be retained by the RIAT to assist in data collection and analysis for the Attendance Audit. Superintendent Veld noted that one of the largest cost pressures to school boards is sick leave expense. The DSBN implemented an Attendance Management Program a number of years ago which has resulted in reduced absentee costs.

Audit follow-up reviews will be scheduled for the *BAS 2000 Data Analytics*, *Board Data Recovery*, and *Network Penetration Test* audits.

Annual Independence Assertion

In compliance with the International Standards for the Professional Practice of Internal Auditing, S1110, the RIAT confirmed that they are organizationally independent from the DSBN.

Regional Internal Audit Response to the Auditor General's Report

The Regional Internal Audit Managers drafted a response for the Director of the Ministry's School Business Support Branch as to how the regional internal audit teams can assist in addressing two education sector specific sections in the Auditor General's report. The sections are 'Ministry Funding and Oversight of School Boards' and 'School Board's Management of Financial and Human Resources'.

Moved by: Linda Crouch

Seconded by: Yusuf Essop

"That the report of the Regional Internal Audit Status Report be received."

and

"That the 2018-19 Internal Audit Plan for the audit of *Attendance Support & Data Visualization* and *Records Management* be approved."

CARRIED UNANIMOUSLY

MOVE TO CLOSED SESSION

Moved by: Yusuf Essop

Seconded by: Kevin Maves

"That the Committee move into closed session."

CARRIED UNANIMOUSLY

MOVE BACK TO OPEN SESSION

Moved by: Yusuf Essop
Seconded by: Linda Crouch

“That the Committee move back into open session.”

CARRIED UNANIMOUSLY

APPOINTMENT OF EXTERNAL AUDITOR

Controller of Finance Nicky Westlake explained that Ontario Regulation 361/10 requires Audit Committees to make an annual recommendation to their Board of Trustees on the appointment, replacement or dismissal of the external auditor.

It was confirmed that the KPMG LLP audit partner and audit team have provided excellent audit services and have met all quality and timeline expectations during the 2016-17 audits. In addition, in January 2017, KPMG presented a proposal which lowered their audit fees for each of the following five years.

The Committee supported staff's endorsement of KPMG and it was

Moved by: Linda Crouch
Seconded by: Yusuf Essop

“That KPMG be appointed external auditors for the District School Board of Niagara for a one-year term commencing September 1, 2018.”

CARRIED UNANIMOUSLY

NEXT MEETING

The next Audit Committee meeting will take place on Monday, September 10, 2018, at 5:30 p.m.

ADJOURNMENT

The meeting adjourned at 6:40 p.m.

**Lons Kushner
Acting Chair**