

PEEL DISTRICT SCHOOL BOARD

Minutes of a meeting of the Audit Committee of the Peel District School Board, held in the Brampton Room, the H. J. A. Brown Education Centre, 5650 Hurontario Street, Mississauga, Ontario on Thursday, March 23, 2017, at 14:30 hours.

Members present:

Sue Lawton
Kim Ogryzek
Harkirat Singh
Pradeep Sinha
Rick Williams

Also present:

David Johnston, Senior Manager, Regional Internal Audit Team
Suzanne Nurse, Trustee

Administration:

Jaspal Gill, Associate Director, Operational Support Services (Executive Member)
Tania Alatishe-Charles, Controller, Finance Support Services (Executive Back-up Member)
Renée Lucas, Senior Internal Auditor
Tony Pontes, Director of Education

Lorelei Fernandes, Board Reporter

1. Election of Chair

Associate Director of Operational Support Services, Jaspal Gill, assumed the Chair, and called the meeting to order. He called for nominations for the position of Chair of the Audit Committee.

Trustee Williams nominated Trustee Lawton.

There were no further nominations. After observing the standard one minute silence, Trustee Lawton was declared elected as Chair of the Audit Committee for the 2016-2017 term.

Trustee Lawton assumed the Chair.

2. Approval of Agenda

Chair Lawton welcomed and introduced the two new external members, Kim Ogryzek and Pradeep Sinha, to the Audit Committee. Kim Ogryzek and Pradeep Sinha provided background information on their education and professional experience, and expressed their interest in contributing to the Audit Committee. Chair Lawton also introduced the trustees present at the meeting.

AC-01, moved by Rick Williams, that the agenda, be approved.

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3. Declaration of Conflict of Interest

There were no declarations of conflict of interest.

4. Minutes of the Audit Committee Meeting, November 15, 2016

AC-02, moved by Harkirat Singh, that the Minutes of the Audit Committee meeting, held November 15, 2016, be approved.

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5. Audit Committee Work Plan - Update

Tania Alatishe-Charles, Controller, Finance Support Services, stated that the Work Plan outlines and tracks the tasks to be accomplished throughout the year, based on which an annual report is prepared at year end. She advised that reports related to the regional internal auditor and the Board's internal controls will be presented at today's meeting.

AC-03, moved by Harkirat Singh, that the update report re Audit Committee Work Plan, be received.

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6. Regional Internal Audit Team (RIAT) – Status Update

David Johnston, Senior Manager, Regional Internal Audit Team, reviewed the report and provided an update on the Audit Plan status of engagements. He advised that the objectives and scope of the capital planning audit include a review of high level processes within the board, to support the capital strategic planning process and future work. David Johnston stated that the IT strategy will be reviewed over the next few years in terms of structure, management and governance, and this engagement has been co-sourced to procure the services of a third party firm.

6. Regional Internal Audit Team (RIAT) – Status Update (Continued)

AC-04, moved by Rick Williams, that the status update report re Regional Internal Audit Team (RIAT), be received.

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7. Internal Audit Services Summary

Stating that audits have been completed in 14 schools listed in the report, Senior Internal Auditor, Renée Lucas, advised that findings were minor and successful practices have been put in place at the schools. She noted that audit findings are categorized into four groups as described in the report, based on the gravity of deficiencies. Responding to Chair Lawton, Renée Lucas stated that approximately 15 elementary and 2 secondary schools are audited each year, per auditor. She clarified that audits focus on curriculum related purchases, school activity funds and fundraising, as well as grant related enrolment aspects of enrolment reporting submitted to the Ministry of Education, to make sure that grants are not overlooked.

Director of Education, Tony Pontes, stated that with approximately 250 Peel schools and three auditors, about 50 schools are audited every year, and each school is usually audited on a five-year cycle. He noted that audits may be conducted sooner when requested by a principal or superintendent of education. Director Pontes provided information on how audits are conducted, and advised that in case of higher level infractions, corrective action is applied and findings are shared at Audit Committee meetings. He explained that the internal auditors work together with school principals and budget office assistants to schedule audits, which include reviewing budgets, school activity funds and fundraising amounts. In response to a trustee's query regarding recurring infractions in schools, Renée Lucas stated that common audit findings are posted on the Peel DSB website once a year and supports are provided to help staff resolve concerns.

On a request from Chair Lawton, Tania Alatishe-Charles, provided an overview of School Cash Online. She stated that, historically, schools have been collecting fees for activities by cash or cheque, and used Quicken to manage accounts. She advised that school activity funds amount to approximately \$30 million and that the Board has approved the use of School Cash which has an online component and allows electronic payment by e-cheque or credit card. Tania Alatishe-Charles stated that 103 schools are now using this method of payment and, by the end of this school year the system will be opened to another 40 schools. She added that participation by parents is already at 50% and the plan is to have all schools using the online system by end of the next school year. She noted that handling of cash is time consuming and involves risk, while the online system also helps to reduce paper. Responding to a trustee's comment, Tania Alatishe-Charles clarified that online payment is the preferred method but is not mandatory.

(continued overleaf)

7. Internal Audit Services Summary (Continued)

AC-5, moved by Harkirat Singh, that the report re Internal Audit Services Summary for the following schools, be received:

- a) Birchbank Public School
- b) Briarwood Public School
- c) Cashmere Avenue Public School
- d) Churchill Meadows Public School
- e) Claireville Public School
- f) Derry West Village Public School
- g) Edenbrook Hill Public School
- h) Fairview Public School
- i) Floradale Public School
- j) Forest Glen Public School
- k) Garthwood Park Public School
- l) Hawthorn Public School
- m) Hickory Wood Public School
- n) Tecumseh Public School

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8. Question Period

There were no questions.

9. In Committee Session

AC-6, moved by Rick Williams, that the Committee move into In Committee Session (15:00 hours).

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The Committee moved back into Open Session at 15:20 hours, on a motion by Trustee Williams.

10. Adoption of the In Committee Report

AC-7, moved by Pradeep Sinha, that the report of the In Committee Session re PDSB 2017-2019 Risk Assessment Results and Multi-Year Planning Considerations, be received, and that the recommendations contained therein, be approved.

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11. Adjournment

AC-8, moved by Kim Ogryzek, that the meeting adjourn (15:20 hours).

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Note: Following adjournment, Audit Committee held private discussions with the External Auditors and the Regional Internal Auditors.

..... Chair Secretary