

Audit Committee

Draft Minutes

December 9, 2019

A meeting of the Audit Committee was convened at 4:03 p.m. on Monday, December 9, 2019, in the Committee Room A, 5050 Yonge Street, Toronto, Ontario, with James Li presiding.

The following committee members were present: Trustees James Li (Chair), Christopher Mammoliti, and Robin Pilkey.

The following external members were present: Denise Arsenault, Mark Hughes, and Ian MacKay.

Mark Hughes and Trustee Mammoliti participated by electronic means.

Regrets were received from Trustee Michelle Aarts.

The following individuals were present in the audience: Daniel Nortes. Craig Snider, Wasif Hussain, Erin Pallett, Steve Shaw, Paula Hatt, Lilian Cheung, Pina Colavecchia, Carlene Jackson Ted Libera, Leola Pan, Patrick Mohammed, Marisa Chiu, Angela Nardi-Addesa, Sabrina Wang Andrew Gold

1. Approval of the Agenda

Ian MacKay moved and seconded by Denise Arsenault: **That the agenda be approved**

The motion was carried.

2. Declarations of Possible Conflict of Interest

No conflicts were declared.

3. Approval of Meeting Minutes

Mark Hughes moved and seconded by Denise Arsenault approval of the meeting minutes of **September 23, 2019.**

The motion was carried.

4. Addressing Violence in Schools: Program Update [3803]

The Committee considered a report from staff (see AC:052A, page 7) presenting to the committee the Addressing Violence in Schools: Program Update. This item was presented to the committee by the following staff: Steve Shaw. The Committee heard and discussed:

- Staff was asked if data is showing that incident numbers are consistent. In response staff indicating that reporting under PPM128; that the numbers the TDSB is tracking has been very consistent year over year.
- Staff was also asked to what extent are violence related to social media being tracked and observed; and will this now be reported through the tracking system now in place. Staff commented that data can be tracked and reported by school location; if required. What is not being reported to staff is most difficult to ascertain. Principals have a duty to investigate when something is brought to their attention. The annual safe school incident report is generated in February providing incident type, demographic datasets, etc.
- The committee asked to comment upon what communications plan exist when incidents become public and known in the community at large. Staff stated that they do not

necessarily believe a policy exists that maps this; but that the TDSB communications unit engages with relevant internal staff that are required to respond to matters like this;

Ian MacKay moved and seconded by Mark Hughes: **That the Addressing Violence in Schools: Program Update be received.**

The motion was carried.

5. Update on External Member Recruitment

The Committee received an oral update from staff related to External Member recruitment for the Audit Committee. This item was presented to the committee by the following staff: Carlene Jackson. The Committee heard and discussed:

- The committee thanked Denise Arsenault for her service to the Audit Committee as she leaves the committee after this meeting.
- Phelps group conducted a search; and 3 candidates were interviewed.
- One individual has been selected; who will be presented to the full board of Trustees at its next board meeting.

6. 2018-19 Audited Financial Statements [3793]

The Committee considered a report from staff (see AC:052A, page 39) presenting the 2018-19 Audited Financial Statements. This item was presented to the committee by the following staff: Craig Snider and Marisa Chiu. The Committee heard and discussed:

- Staff was asked about the size of the HST rebate shown in Appendix “A”. Staff remarked that as a result of the introduction of School Cash Online this is anticipated to continue to be mitigated further.
- The committee asked staff to outline WSIB as a percentage represent as an overage. Staff responded by explaining that WISB is claims based and the figures shown represent an approximate 50% increase.
- The committee asked staff to explain what type of investments is staff using to realize the gains shown. In response staff explained that CIBC is the banker of record and that funds are on ‘Bankers Acceptance’ to realize a superior rate of return.
- The committee asked the category ‘future employee benefits’ noting it appears to remain at a high level. Staff was asked why the level doesn’t appear to have declined. Staff replied by indicating that the level is declining as surpluses from legacy plans are continuing to be moved to the employee trust for benefits. It was also noted that the OMERS deficit is not a liability to the board.
- Staff was asked whether the board submits an annual capital plan project report to Ministry. Staff commented that the board is obliged to follow a Ministry established process that permits submission of ten projects of a capital nature for Ministry review and approval. Other boards are also permitted to submit ten projects of their own to the Ministry.

Denise Arsenault moved and seconded by Trustee Pilkey:

- 1) That the Audit Committee recommend to the Board that the audited Financial Statements of the Toronto District School Board for its fiscal year ending 31 August 2019, be approved;**

- 2) **That the Audit Committee recommend to the Board that the audited Trust Financial Statements of the Toronto District School Board for its fiscal year ending 31 August 2019, be approved;**
- 3) **That the Audit Committee recommend to the Board that the internally restricted funds be applied as reported in the Appendix B, be approved.**

The motion was carried.

7. Internal Audit Department Status and Engagement Update: December, 2019 [3794]

The Committee considered a report from staff (see AC:052A, page 65) presenting an Internal Audit Department Status and Engagement Update as of December 2019. This item was presented to the committee by the following staff: Wasif Hussain. The Committee heard and discussed:

- There was no direct discussion of this item.

Ian MacKay moved and seconded by Denise Arsenault; **That the Internal Audit Department Update – December 2019 be received**

The motion was carried.

8. Summary of Feedback Requested by the Committee [3795]

The Committee considered a report from staff (see AC:052A, page 83) presenting a summary of feedback requested by the Committee. This item was presented to the committee by the following staff: Paula Hatt. The Committee heard and discussed:

- There was no direct discussion of this item.

Trustee Pilkey moved and seconded by Denise Arsenault; **That the Summary of Feedback Requested by the Committee be received.**

The motion was carried.

9. Regional Internal Audit Team (RIAT) Engagement and Status Update [3796]

The Committee considered a report from staff (see AC:052A, page 111) presenting status updates to scheduled engagements and follow-up reports as of December 2019. This item was presented to the committee by the following staff: Paula Hatt. The Committee heard and discussed:

- There was no direct discussion of this item.

Ian MacKay moved and seconded by Denise Arsenault; **That the Regional Internal Audit Team Engagement and Status Update be received.**

The motion was carried.

10. Audit Committee O. Reg 361/10 Requirements – Work Tracker [3797]

The Committee considered a report (see AC:052A, page 115) presenting the work tracker checklist of the O. Reg. 361/10 requirements, to assist with the planning of Audit Committee activities and meeting agendas. This item was presented to the committee by the following staff: Wasif Hussain. The Committee heard and discussed:

- There was no direct discussion of this matter

Trustee Pilkey moved and seconded by Ian MacKay: **That the Audit Committee RECOMMENDS that the Audit Committee O.Reg 361/10 Requirements – Work Tracker report be received.**

The motion was carried.

11. Consideration of Private Items

At 6:12 p.m. Denise Arsenault moved and seconded by Trustee Pilkey: **That the meeting be moved into PRIVATE.**

The motion was carried.

James Li
Chair