A. TDSB Internal Audit Management

The Board and Internal Audit Management (IAM) experienced several challenges in the past fiscal year, including labour actions and school closures. Although we were planning on conducting 22 school audits per semester, we were able to complete the fieldwork for 16 schools (7 reports issued in final, 3 draft reports issued for Management responses and 6 draft reports to be issued for Management responses) with 6 internal audits being postponed. School audits scheduled for the second semester were not conducted due to province wide school closures. IAM will not be physically attending schools until Stage 3 restrictions are lifted and school operations have returned to normal, timing TBD.

Internal Audit has updated FY2020-21 TDSB Internal Audit Plan to reflect proposed engagements to address emerging risks and is reflected in Appendix B – 2020-2021 TDSB Internal Audit Plan. Key items to be addressed include assessing the Boards adherence to the COVID-19 re-opening checklist developed by Toronto Public Health for elementary and secondary schools in addition to documenting attendance and enrolment reporting for remote schools.

B. Items External to TDSB Internal Audit (OAGO, RIAT, Ministry etc.)

Office of the Auditor General of Ontario
OAGO IT Value For Money Audit
- In December 2018, the Office of the Auditor General of Ontario issued a Value for Money audit report relating to information technology at the school level. Internal Audit worked with ITS and relevant stakeholders throughout the Board to deliver the action plans committed to and also assisted in the OAGO follow up exercise. We are awaiting any final reporting from the OAGO.

OAGO Curriculum Value For Money Audit
- In February 2020, TDSB was alerted that the OAGO would be conducting a value-for-money audit of the Ministry of Education on curriculum. The TDSB was selected as one of the school boards to be visited, beginning in March 2020. The Associate Director of Leadership, Learning & School Improvement is the OAGOs main contact for this engagement and will provide an update in the December Committee meeting.

GTA Regional Internal Audit Team Update:
- The RIAT, had the following engagements conducted for the prior fiscal year (FY2018/19):
  - Professional Development Audit – in reporting phase
  - Programming & Staff Utilization (Benchmarking) – in reporting phase

- The RIAT has planned the following engagements over the next three fiscal years:
    - Transportation Audit – FY19/20
    - Construction Management – FY 20/21
    - AP & Expenses – FY 20/21
    - Strategic Work Force, phase 1 – FY21/22
    - Strategic Work Force, phase 2 – FY21/22

C. Committee Requests

The Committee Chair requested that additional information surrounding the on-going data costs of LTE iPads to students in need as well as controls over usage. It was agreed that the requested information be posted on Trustee Weekly to ensure availability to all Trustees. The information was posted in the September 4th edition of Trustee Weekly where device controls were provided along with usage costs, expected to range from $107k to $337k per month depending on usage and the number devices not returned (continued to be used for remote learning).

D. September 2019 to August 2020 TDSB internal audits in process, completed & planned

Engagement	Description	File Status
Principal and Vice Principal Training	Requested by Academic Leadership to participate in the Committee refreshing P & VP training.	**On-Going:** Training module with Legal Services and Risk Management to increase awareness around risk management, the legislative environment and school audits. Training has now shifted to live online webinars and is in the process of being scheduled.
School Operational Assurance Reports	School level operational audits focus on: - Health & Safety including Facility Management; - Financial Controls (Board and Non-Board); - Enrolment Reporting; and - Laptop and Tablet Management;	**FY2019-2020:** 22 schools were selected for the first semester (began September 23rd, 2019). As of January 2020, fieldwork for 16 schools has been completed (6 schools were not audited due to labour actions). Improvements were noted in operational, financial and enrolment reporting controls as summarized in the June 2020 meeting.
Off Peak School PCard Supporting Documentation Review	Purchase Cards (PCards) are issued to certain staff for the procurement of low value items for Board use. This engagement focused on school issued PCard usage during 'off-peak' times, specifically, charges incurred during Spring, Summer and Winter Breaks.	**Completed:** IAM sampled 252 transactions from 136 School based Cardholders totaling $44.5k for the off-peak periods under review. Of the 136 Cardholders, 112 ($40.8k) responded with copies of supporting documentation, 9 ($1.9k) provided explanations but no receipts, 3 ($0.5k) are no longer at the Board and 12 ($1.3k) did not respond. Based on the results,

		no significant errors or anomalies were noted. Management requested that another PCard audit be conducted with a broader scope (full fiscal year) and include all PCard holders and not just school issued PCards.
Mobile Device Usage Monitoring Process Review	With 4,100+ mobile devices being owned by the Board, the review will focus on procedures, monitoring and oversight	**Status Update:** IAM completed the draft report in 2019 and submitted it to Management for responses. Several opportunities for improvement were recommended including consolidation and updating of usage guidelines and system monitoring reports. Management initially indicated responses would be provided in Summer 2020 after the RFP process for a new provider was completed. As of August 2020, Management has indicated that additional time is required as many devices have yet to switched to the new provider.
One Time Vendor Audit	Engagement will focus on all "one time vendor" categories including process and controls in place to ensure this class of vendor is being used as intended.	**Status Update:** Fieldwork has been completed and a report is being drafted. Post-Closing meeting held in September 2020 with final report issuance with Management responses anticipated in Spring 2021.
FY2019-20 PCard Usage	As indicated above Management requested a broader scope PCard audit to capture all cardholders for FY2019-20	**Status Update:** Downloaded all cardholder statements from September 2019 to May 2020 and in the process of normalizing data to facilitate analysis (approx. 40k lines of data). There has been an overall decrease in PCard usage from $7.5M in 2017/18 to $3M in 2019/20 (YTD Mar 2020). School (52%) and Facility (39%) issued PCards account for over 90% of total PCard spend. Engagement is anticipated to be completed in Winter 2020.
Contractor Spend Analysis	As a result a special request, IAM noted a risk indicator relating to a specific set of vendors and large increases in vendor spend year over year. The aim of this engagement is to determine key drivers of the increased spend.	**Completed:** IAM downloaded Approved Contractor spend from FY2013 to YTD May 2020, identifying 125 vendors with a total spend of $1.1B over approximately 8 years. It was noted that 10% of the vendors accounted for 50% of the spend. IAM shared the results with Legal Services & Purchasing Services for feedback and were asked to look into specific vendors, resulting in a separate engagement.