



B.2 Director's Report to the Board

Date: 2021 11 30

Subject: AUDIT COMMITTEE ANNUAL REPORT 2020-2021

2.1.0 Background

2.1.1 Ontario Regulation 361/10 s.15 – “Audit Committees” requires Audit Committees to present an Annual Report with specific reporting categories to the Board of Trustees.

2.1.2 Trustee and Chair of the Audit Committee, Sheryl Evans presented the annual report to the Board of Trustees.

2.1.3 The Audit Committee consists of Trustee members Sheryl Evans, (Chair of the Committee), Brent Rankin and Susan Thayer. Ex-officio members are Board Chair, Jennifer Sarlo and Lucia Reece, the Director of Education. External Audit Committee members are Steve Nott and new member Lara Stilin. Board staff, who are present as a resource to the committee, are the Executive Superintendent of Business & Operations, Joe Santa Maria and the Manager of Finance, Christine Evoy.

2.2.0 Information

2.2.1 The Annual Report of the Audit Committee for the Algoma District School Board is attached. (Attachments B.2 #1).

2.3.0 Recommendation

2.3.1 It is recommended that the Board receive the 2020-2021 Annual Report of the Audit Committee as outlined in the Director's Report to the Board of 2021 11 30.

2.4.0 Proposed Resolution

2.4.1 That the Board receive the 2020-2021 Annual Report of the Audit Committee as outlined in the Director's Report to the Board of 2021 11 30.



Annual Report to the Board of Trustees For the year ended August 31, 2021

This report summarizes the audit committee's actions for the year ending August 31, 2021.

Audit Committee Members

The audit committee consisted of the four (4) members listed below plus ex-officio member, Jennifer Sarlo.

- Sheryl Evans – Chair
- Susan Thayer, Brent Rankin – Trustee representatives
- Stephen Nott, (*Vacancy TBD*) – External members

In addition, regular attendees at the Committee meetings were:

- Lucia Reece – Director of Education
- Joe Santa Maria – Executive Superintendent of Business & Operations
- Christine Evoy – Manager of Finance
- Melissa Dodge – Regional Internal Audit Manager
- Mike Marinovich – External Auditor, KPMG
- Eric Pino – External Auditor, KPMG

Administrative Tasks

At the beginning of the year and in accordance with recommended good practice various administrative tasks were completed. These included:

- Adopting and/or modifying the following protocols:
 - o focusing internal audit on key areas of risk, and the adequacy and effectiveness of the board's risk management and internal control systems; and
 - o clarifying the audit committee's role in review and oversight of internal audit and external audit functions, as well as financial reporting processes (through Audit Committee Self-Assessment).
- Developing an internal audit work plan; and
- Developing a meeting schedule and agenda for the year.

Meetings

November 24, 2021

It was agreed to hold three meetings throughout the year with a fourth meeting, from December to May, if deemed necessary. Three meetings were held and the members in attendance at each of these meetings were as follows:

Member	21-Oct-20	19-Nov-20	7-Jun-21
Susan Thayer	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sheryl Evans	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Brent Rankin	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Stephen Nott	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Vacancy (External)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Governance

The audit committee operated throughout the fiscal year, which ended August 31, 2021. All members satisfied the eligibility requirements in accordance with Ontario Regulation 361/10 Audit Committees under the Education Act.

External Auditors

The relationship with the external auditors has been satisfactory and private meetings were held during the year. The external auditors, *KPMG*, presented the scope and extent of their work to the committee, which the committee reviewed and recommended for approval at the October 21, 2020 meeting. The external auditors confirmed their independence at this meeting and in the letter dated December 10, 2020 appended to the 2019-20 Audited Financial Statements. The audit committee reviewed and recommended the approval of the annual audited financial statements on November 19, 2020.

Internal Auditors

The relationship with the internal auditors has been satisfactory and private meetings were held during the year. The Committee reviewed the results of the risk assessment, as well as the risk-based Multi-Year Internal Audit Plan (Exhibit A attached), including audits scheduled for the 2020/21 fiscal year.

The audit committee received reports from internal audit that assessed the progress toward management's implementation of action plans developed in response to previous audit findings. This enabled the audit committee to engage management in a discussion regarding findings not satisfactorily actioned, as well as encouraging renewed efforts on overdue action plans.

November 24, 2021

Summary of the work performed

In addition to the items noted above, the following outlines further work performed by the audit committee in the last 12 months:

- Received a report from the internal auditors to confirm the effectiveness of controls across the school board;
- Confirmed that the external and internal auditors did not encounter any difficulties in the course of their work;
- Recommended the fees charged by the external auditors in respect of the 2020-21 audit;
- Reviewed the fees paid to the external auditors in respect of other audit work undertaken during the year;
- Reviewed and evaluated the external auditors' performance;
- Reviewed and evaluated the effectiveness of the internal audit function, including the performance of the regional internal audit manager and his / her team;
- Queried management on their approach to risk management as well as their strategy to manage such risks; and
- Performed a self-assessment.

By the signature noted below, we attest that we have discharged our duties and responsibilities under Ontario Regulation 361/10.

On behalf of the audit committee

Sheryl Evans

Sheryl Evans, Audit Committee Chair

November 24, 2021

Date

November 24, 2021

Exhibit A

Multi-Year Internal Audit Plan

As at; June 2021

2020/2021

Audit	Privacy; educational applications	Payroll	Follow Up
Area	TBD	Business	
Rationale	Horizontal audit, relevant	Lean audit Process efficiency and review	ongoing
Notes	In progress	Start date confirmed, August 2021	

2021/2022

Audit	Attendance Management	AP and Procurement	Follow Up
Area	Human Resources	Business	
Rationale	High risk score High impact on cost and service delivery	Lean audit Process efficiency and review	ongoing
Notes	Carried forward 19/20; deferred due to pandemic	AP and Procurement	

2022/2023

Audit	Manage Communications	Energy Management	Follow Up
Area	IT	Facilities	
Rationale			ongoing
Notes			

November 24, 2021