ALGOMA DISTRICT SCHOOL BOARD

B.3 **Director's Report to the Board**

Date: **2024 11 26**

Subject: **AUDIT COMMITTEE ANNUAL REPORT 2023-2024**

3.1.0 Background

3.1.1 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.

3.1.2 Trustee and Chair of the Audit Committee, Nick Apostle presented the annual report to the Board of Trustees.

3.1.3 The Audit Committee consists of Trustee member Nick Apostle (Chair of the Audit Committee), Vice Chair of the Board, Elaine Johnston, and Trustee Sheryl Evans. Ex-officio members are Chair of the Board, Jennifer Sarlo and Lucia Reece, the Director of Education. External Audit Committee members are Steve Nott and Lara Stilin. Board staff, who are present as a resource to the committee, are the Associate Director of Corporate Services & Operations, Joe Santa Maria and the Manager of Finance, Marina Tombari.

3.2.0 Information

3.2.1 The Annual Report of the Audit Committee for the Algoma District School Board is attached. (Attachments B.3 #1).

3.3.0 Recommendation

3.3.1 It is recommended that the Board receive the 2023-2024 Annual Report of the Audit Committee as outlined in the Director's Report to the Board of 2024 11 26.

3.4.0 Proposed Resolution

3.4.1 That the Board receive the 2023-2024 Annual Report of the Audit Committee as outlined in the Director's Report to the Board of 2024 11 26.

Annual Report to the Board of Trustees
For the year ended August 31, 2024

This report summarizes the audit committee's actions for the year ending August 31, 2024.

Audit Committee Members

The audit committee consisted of six members, listed below:

Trustee Members:

- Nick Apostle – Chair of the Audit Committee
- Jennifer Sarlo – Chair of the Board (ex officio)
- Elaine Johnston – Vice Chair of the Board
- Sheryl Evans - Trustee

External Members:

- Stephen Nott
- Lara Stilin

In addition, regular attendees at the Committee meetings were:

- Lucia Reece – Director of Education
- Joe Santa Maria – Associate Director of Corporate Services and Operations
- Marina Tombari – Manager of Finance
- Melissa Dodge – Regional Internal Audit Manager
- Tiffany Cecchetto – External Auditor, KPMG
- Eric Pino – External Auditor, KPMG
- Mitch Marinovich – External Auditor, KPMG
- Chris Pomroy – External Auditor, KPMG

Administrative Tasks

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

- Focusing internal audit on key risk areas and the adequacy and effectiveness of the board's risk management and internal control systems.
- Clarifying the audit committee's role in reviewing and overseeing internal and external audit functions and 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

It was agreed to hold three meetings throughout the year, with a fourth meeting if deemed necessary. The minimum required by O.Reg 361/10 is three meetings. Three meetings were held, and the members in attendance at each of these meetings were as follows: (√ = in attendance and blank = not in attendance)

Member	18-Oct-23	22-Nov-23	29-May-24
Sheryl Evans	✔		
Nick Apostle	✔	✔	✔
Jennifer Sarlo	✔	✔	✔
Elaine Johnston	✔	✔	
Stephen Nott	✔		✔
Lara Stilin	✔	✔	✔

Governance

The audit committee operated throughout the fiscal year, which ended on August 31, 2024. All members satisfied the eligibility requirements by Ontario Regulation 361/10 Audit Committees under the Education Act.

External Auditors

There has been a positive relationship with the external auditors 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 18, 2023, meeting. The external auditors confirmed their independence at this meeting and in the letter dated November 28, 2023, appended to the 2022-23 Audited Financial Statements. The audit committee reviewed and recommended the approval of the annual audited financial statements on November 22, 2023.

Internal Auditors

There has been a positive relationship with the internal auditors and private meetings were held during the year. The Committee reviewed the risk assessment results and the risk-based Multi-Year Internal Audit Plan (Exhibit A attached), including audits scheduled for the 2023/24 fiscal year.

The audit committee received reports from the Regional Internal Audit Manager 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 and encouraging renewed efforts on overdue action plans.

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 during their work.
- Reviewed the fees charged by the external auditors in respect of the 2023-24 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 their 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

Nick Apostle, Audit Committee Chair

Nov 20/24
Date

Exhibit A

Multi-Year Internal Audit Plan As at; May 2024

2022/2023

Audit	Manage Communications	Energy Management	Follow Up
Area	IT	Facilities	
Rationale			ongoing
Notes	Draft Report Issued	Carried Forward	

2023/2024

Audit	Attendance Management	Energy Management	Follow Up
Area	Human Resources	Facilities	
Rationale	High risk score High impact on cost and service delivery		ongoing
Notes	Summer Start	Deferred	

2024/2025

Audit	Risk Assessment	TBD	Follow Up
Area	All areas	Based on Risk Assessment	
Rationale			ongoing
Notes			