

**Audit Committee – Open Session**  
Tuesday, September 19, 2023 • 5:00pm  
GBO Boardroom and Virtual

## AGENDA

1. **Call to Order**
2. **Land Acknowledgment**

The Upper Grand District School Board is situated on the ancestral, treaty and title lands of two Anishinaabek Ojibwe Nations: the Michi Saagig of the Credit and the Saugeen Ojibway Nation. This land also includes a specified tract of land granted to the Six Nations of the Grand River. These Nations hold legal and specific rights in their respective territories. This area has been and continues to be home for Indigenous Peoples and non-Indigenous peoples.
3. **Approve Agenda**
4. **Declarations of Conflict of Interest**
5. **Approve Minutes of June 20, 2023 – Open Session (Minutes Attached)**
6. **External Auditors – KPMG (Verbal Update)**
7. **Regional Internal Audit Team Status Update (Materials Attached)**
  - 7.1 Regional Internal Audit Status Report
8. **Draft Report – 2022 2023 Interim Financial Reporting as at August 31, 2023 (Material At Meeting)**
9. **Dates of Future Meetings:**
  - **November 21, 2023**
  - **March 19, 2024**
  - **June 18, 2024**
10. **Other Business**
11. **Move to Audit Committee Meeting Closed Session**
12. **Adjournment**

## **Audit Committee – Open Session Minutes**

Tuesday, June 20, 2023 • 5:00pm

GBO Boardroom and Virtual

Members Present : Ralf Mesenbrink (Chair), Irene Hanenberg, Katherine Hauser, Mark Gilroy  
Staff Present: Peter Sovran, Glen Regier, Rachelle Molnar, Peggy Seifert, Angela Alies  
Guests Present: Stacey Stahlmann (KPMG), Kayla Blake (KPMG), Andrea Eltherington (RIAT)  
Regrets: Debbie Speight, Kenn Manzerolle

### **1. Call to Order**

Meeting was called to order at 5:06 pm.

Quorum as described in Regulation 361 was achieved.

### **2. Land Acknowledgment**

Land Acknowledgement was delivered.

### **3. Approve Agenda**

Trustee Hauser moved that the June 20, 2023 Open Session agenda be approved as amended (renumbered).

**CARRIED**

### **4. Declarations of Conflict of Interest**

None

### **5. Approve Minutes of March 21, 2023 – Open Session**

Trustee Hauser moved that the minutes of March 21, 2023 be approved as written.

**CARRIED**

### **6. External Auditors – KPMG**

S. Stahlmann provided introductions for herself and KPMG colleague K. Blake to those in attendance. S. Stahlmann then reviewed KPMG materials provided in advance, highlighting any process changes from the previous year, fee structure, changes to the KPMG Clara software platform, and changes to industry accounting standards that will impact both the UGDSB and UGDSB Trust Fund audits for the year ending August 31, 2023.

Trustee Hauser moved that the KPMG Audit Planning Report be received. **CARRIED**

**7. Regional Internal Audit Team (RIAT) Status Update**

A. Eltherington, Regional Internal Audit Manager (RIAM), presented a status report as attached to the agenda highlighting changes to the RIAT host Board and the annual independence assertion.

Trustee Hauser moved to receive the report.

**CARRIED**

**8. Interim Financial Position**

G. Regier presented the Interim Financial Position for the Upper Grand District School Board as of April 30, 2023, as attached. The Audit Committee reviewed the report and discussed the information in comparison to Revised Estimates and Prior Year results.

Trustee Hanenberg moved receipt of the report.

**CARRIED**

**9. Other Business**

None

**10. Move to Audit Committee Meeting Closed Session**

Trustee Hauser placed a motion to move to the closed session.

**CARRIED**

**11. Dates of Future Meetings**

Discussion took place regarding the scheduling of the Audit Committee meetings. Four meetings will occur in the 2023/24 school year: September 2023, November 2023, March 2024, June 2024. This schedule is consistent with other school boards and the meetings will begin at 5:00. Agenda planning will consider that attendees will be participating in multiple committee meetings on the same dates.

Invitations for the 2023/24 meetings will be sent to members in the days ahead to provide calendar placeholders.

**12. Adjournment**

M. Gilroy moved that the meeting be adjourned at 5:55 p.m.



**MEMO**

TO: Upper Grand District School Board Audit Committee  
 FROM: Andrea Eltherington, Regional Internal Audit Manager  
 DATE: September 19, 2023  
 SUBJECT: Regional Internal Audit Status Report – Open Committee Session

This memorandum will serve to update the Audit Committee of the Regional Internal Audit Team’s (RIAT) work since June 20, 2023.

**A. RIAT Training Plan**

**Objective:**

1. To report on RIAT compliance to International Standards for the Professional Practice of Internal Auditing standard #1230-Continuing Development.
2. To define training plans to develop and maintain professional competencies.

**Completed 2022-23**

<b>Auditor</b>	<b>Training Focus</b>	<b>Date</b>
All Auditors	1. OASBO Internal Audit 2. Relevant seminars/websites on fraud, ethics, privacy and IT Security offered by the various institutes.	On-going and when relevant throughout the year
Andrea Eltherington	1. Cyber Insurance Summit 2. Ethics in a changing world 3. Enterprise Security & Compliance Overview 4. Attack Simulation – Real-Time Cyber Simulation to assist in the assessment of Cyber Security Posture 5. OASBO Finance Conference 6. Hearts and Minds Conference  Andrea confirms that she has met the annual continuing education requirements of the IIA and ISACA	October 19, 2022 December 1, 2022 February 15, 2023  February 16, 2023  March 2-3, 2023 April 27-28, 2023
Dondon Luce	1. Whistleblowers and Retaliation – What Internal Auditors Need to Know	October 10, 2022



	<ol style="list-style-type: none"> <li>2. A Guide to Cybersecurity for Internal Auditing</li> <li>3. Internal Control and Transformation of Entities</li> <li>4. Modernize your SOC for the Future</li> <li>5. 2022 Cybersecurity Virtual Conference</li> <li>6. 4 Pillars that Will Form the Future of Internal Audit</li> <li>7. Privacy Program Management</li> <li>8. Accounting Ethics (Ethics for Accountant (Code of Conduct)</li> <li>9. Primetime Cybercrime</li> <li>10. IIA Toronto Chapter Symposium – The Evolution of the Internal Auditor</li> <li>11. ChatGPT and Generative AI - Risks and Ethical Concerns</li> <li>12. Debunking the Myths About the Cyber Risk</li> <li>13. Breaking Down Silos: 3 Steps to Build a Resilient IT</li> </ol> <p>Don confirms that he has met the annual continuing education requirements of the IIA and ISACA.</p>	<p>October 17, 2022 October 19, 2022</p> <p>October 26, 2022 October 26, 2022 November 1, 2022 November 15, 2022 November 29, 2022</p> <p>November 30, 2022 May 9, 2023</p> <p>May 30, 2023 July 26, 2023</p> <p>July 26, 2023</p>
Mohamad Alkhen	<ol style="list-style-type: none"> <li>1. 2022 MIAA Fall Conference</li> <li>2. OASBO Finance and Internal Audit Committee Workshop</li> <li>3. 2023 MIAA Spring Workshop</li> <li>4. Passed final CIA exam</li> </ol> <p>Mohamad confirms that he has met the annual continuing education requirements of the CPA, AICPA, IMA, ACFE and IIA.</p>	<p>October 27-28, 2022 March 2-3, 2023 May 1, 2023 July 22, 2023</p>

**Planned 2023-24**

<b>Auditor</b>	<b>Training Focus</b>	<b>Date</b>
All Auditors	<ol style="list-style-type: none"> <li>1. OASBO Internal Audit</li> <li>2. Relevant seminars/webinar on fraud, ethics, privacy and IT Security offered by the various institutes.</li> <li>3. MIAA fall training</li> </ol>	On-going and when relevant throughout the year

**Acronyms**

- ACFE – Association of Certified Fraud Examiners
- IIA – Institute of Internal Auditors
- ISACA – Information System Audit and Control Association
- CIA – Certified Internal Auditor
- CPA – Chartered Professional Accountant
- CISA – Certified Information Systems Auditor
- MIAA – Municipal Internal Auditors Association



INTERNAL  
AUDIT TEAM

AICPA – Association of International Certified Professional Accountants  
IMA – Institute of Management Accountants



# INTERNAL AUDIT TEAM

**West of Central Region**

MEMO

TO: Upper Grand District School Board Audit Committee  
FROM: Andrea Eltherington, Regional Internal Audit Manager  
DATE: September 19, 2023  
SUBJECT: 2023-24 Internal Audit Plan

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## **Background**

The following sections of Ontario Regulation 361/10: Audit Committees informs the Audit Committee of its' oversight responsibilities with respect to the identification and management of the significant risks of the Board.

S.9.(2) An audit committee of a board has the following duties related to the board's internal controls:

3. To discuss with the board's officials the board's significant financial risks and the measures the officials have taken to monitor and manage these risks; and

S.9.(6) An audit committee of a board has the following duties related to the board's risk management:

1. To ask the board's director of education, a senior business official, the internal auditor and the external auditor about significant risks, to review the board's policies for risk assessment and risk management and to assess the steps the director of education and a senior business official have taken to manage such risks, including the adequacy of insurance for those risks.

This report is to inform you of the process to determine the audit projects proposed for the 2023-2024 internal audit plan.

School Boards routinely manage risks that present themselves from a variety of sources, potential examples include:

- A hacker gains access to confidential employee and/or student data;
- Pandemic response and readiness;
- EQAO scores are dropping sharply year over year; and
- Cash is misplaced from a fundraising event.

Through funding provided by the Ministry of Education, internal audit resources have been made available to school boards to complete at least two audits each year to independently

assess the quality of risk mitigation strategies that school boards have implemented to manage the keys risks they face. To aid in developing an appropriate audit plan, a strategic risk assessment process was introduced several years ago by the regional internal audit manager to:

- Identify and categorize key threats/risks to the Board that need to be managed;
- Prioritize them by assigning a risk rating using a scale to assess the likelihood of occurrence and impact on the Board operations giving consideration to the perceived effectiveness of internal controls.

Ideally, the output from the risk assessment identifies audit topics to inform a two-year plan.

The Regional Internal Audit Manager met with the Executive Superintendent – Business Services on July 4, 2023 to discuss the potential audit topics. Subsequently on July 5, 2023, a list of audits conducted at UGDSB, at the West of Central Boards and the audits conducted across the Province was provided to the Executive Superintendent – Business Services for discussion with Senior Management.

The Executive Superintendent – Business Services and the Director of Education confirm that the audits identified during this assessment remain relevant and therefore propose the following audit plan for approval by the Audit Committee.

#### **For 2023-24**

### **1. Review of the French Immersion (FI) Program**

The objective of this audit will be to review the operational aspects of the FI program within the UGDSB catchment area. The audit will explore the registration process, staffing requirements and accommodation aspects of the current FI program. The exact scope of this review will be identified in the Terms of Reference and presented to the Audit Committee.

This audit in the Programs area addresses financial and reputational risks.

### **2. Continuation of 2022-2023 Audits**

The RIAT will continue to work on the Anti-Racism and Anti-Oppression audit and the Recruitment, Retention and Development Audit started in the 2022-2023 school year.

### **3. Audit Follow-up Reviews**





## INTERNAL AUDIT TEAM

Audit testing occurs throughout the year when Management identifies that action plans developed to address audit observations and internal control risks reported in previous audits have been implemented. The status of open audit observations by audit is reported at each Audit Committee meeting.

- i. Information Technology Program Change Controls
- ii. Attendance Data and Visualization
- iii. Access to School and Board Premises
- iv. Privacy
- v. IT Vulnerability
- vi. Post Implementation Privacy Impact Assessment of the Broadband Modernization Project