

Audit Committee – Open Session
Tuesday, June 18, 2024 • 5:00pm
GBO Room 7 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 March 19, 2024 – Open Session (Minutes Attached)**
6. **Regional Internal Audit Team Status Update (Materials Attached)**
 - 6.1 Regional Internal Audit Status Report
 - 6.2 2024-2025 Audit Plan
7. **Interim Financial Position (Material at Meeting)**
8. **Other Business**
9. **Dates of Future Meetings**
10. **Move to Audit Committee Meeting Closed Session**
11. **Adjournment**

Audit Committee – Open Session
Tuesday, March 19, 2024 • 5:00pm
GBO Boardroom and Virtual

MINUTES

Members Present: Ralf Mesenbrink (Chair), Irene Hanenberg, Katherine Hauser, Mark Gilroy, Debbie Speight

Staff Present: Peter Sovran, Glen Regier, Rachelle Molnar, Peggy Siefert, Angela Alies

Guests Present: Andrea Eltherington (RIAT)

1. Call to Order

Meeting was called to order at 5:02 pm

Quorum as described in Regulation 361 was achieved.

2. Land Acknowledgment

Land Acknowledgement was delivered by Katherine Hauser.

3. Approve Agenda

Debbie Speight moved that the agenda be approved as written.

CARRIED

4. Declarations of Conflict of Interest

None

5. Approve Minutes of November 21, 2023 – Open Session

Mark Gilroy moved that the minutes of November 21, 2023 be approved as written.

CARRIED

6. Risk Management Policy Discussion

Discussion took place regarding Risk Management Policy development and potential information that staff could gather that would support additional Audit Committee discussions.

D. Speight supported the importance of Risk Management from a policy and procedures perspective. Cyber-risk and third-party risk are examples of key areas to examine as we move forward with policy development.

A. Eltherington noted similar discussions are occurring across the 10 boards the RIAT works with, and some have developed their own policies. Strategic Risk Management Audits are underway at several boards currently. The resulting policies and frameworks will be used to identify risks and to develop audit plans moving forward.

R. Mesenbrink feels this would be a positive direction to move towards. Access to existing policies/background on the subject area, and how other organizations define risk would be helpful background information for the Audit Committee.

D. Speight moved to receive the Risk Management Policy Discussion information.

CARRIED

7. Interim Financial Position

G. Regier presented the Interim Financial Position for the Upper Grand District School Board as of February 29, 2024. The Audit Committee reviewed the report and discussed the information in comparison to prior year results.

Debbie Speight moved receipt of the report.

8. Dates of Future Meetings: June 18, 2024

9. Other Business

None

10. Move to Audit Committee Meeting Closed Session

Mark Gilroy placed a motion to move to Closed Session.

CARRIED

11. Adjournment

Irene Hanenberg moved that the meeting be adjourned. The Audit Committee meeting adjourned at 5:59 pm.

CARRIED



**INTERNAL
AUDIT TEAM**
West of Central Region

MEMO

TO: Upper Grand District School Board Audit Committee
FROM: Andrea Eltherington, Regional Internal Audit Manager
DATE: June 18, 2024
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 March 19, 2024.

A. Annual Independence Assertion

In compliance with S1110 of the International Standards for the Professional Practice of Internal Auditing, I am confirming that the regional internal audit team is organizationally independent and has been allowed to carry out its' responsibilities in an unbiased manner, free from interference in determining the scope of internal audit projects, performing work, and communicating results.

B. 2024-2025 Audit Plan Proposal

Attached for your consideration is the proposed 2024-2025 regional internal audit plan for your approval and recommendation to the Board of Trustees.



**INTERNAL
AUDIT TEAM**
West of Central Region

MEMO

TO: Upper Grand District School Board (UGDSB) Audit Committee
FROM: Andrea Eltherington, Regional Internal Audit Manager
DATE: June 18, 2024
SUBJECT: 2024-25 Internal Audit Plan

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 2024-2025 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 approximately 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.

On April 25, 2024, The Regional Internal Audit Manager met with the Chief Financial Officer to discuss the risk assessment process in preparation for the 2024-2025 Audit Planning process. Subsequently on May 3, 2024, a slide deck was provided to the Chief Financial Officer which outlined the audits that had been conducted for UGDSB, across the West of Central Region and across the Province for the Chief Financial Officer to discuss with Executive Council. The Regional Internal Audit Manager met with the Chief Financial Officer on June 12, 2024 to finalize the audit project for 2024-2025.

Audit proposed for 2024-25

1. Review of Environmental, Social and Governance (ESG) Best Practices

Environmental, Social and Governance (ESG) is a framework used to evaluate sustainability and ethical impact. One of the pillars of UGDSB's multi-year plan is 'Lead Through Sustainability'¹. This review will gather best practices within the public and school board sectors for UGDSB to evaluate potential ESG metrics and processes for capturing ESG information.

This audit is entity wide and addresses strategic risk.

2. Audit Follow-up Reviews

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.

¹ [UGDSB Multi-Year Plan \(Upper Grand District School Board\)](#), accessed June 12, 2024



- 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
- vii. Procurement