

### AGENDA: 6:00pm

1. Call to Order/ Roll Call
2. Land Acknowledgement
3. Approval of the Agenda
4. Election of Chair
5. Review of June 18, 2024, Audit Committee Minutes Reported to Board
6. Declaration of Conflicts of Interest – Sign off on form
7. Action Items
  - a) Motion: Annual Report to the Board of Trustees
  - b) Motion: Annual Report to the Board of Trustees and forwarded to The Ministry for the year ended August 31, 2023
8. Monitoring Items
  - a) Review of Audit Committee Work Plan
  - b) Annual Review of Audit Committee Terms of Reference
9. Update on School Board Sector Issues
10. Update from External Audit Team (KPMG) \* if needed
11. Update from Regional Internal Audit Team (RIAT)
  - a) RIAT Education and Training Plan
  - b) RIAT Mandate (if needed)
12. Resolution into Private Session as per the Education Act, Section 207(2)

A meeting of a committee of a board, including committee of the whole board, may be closed to the public when the subject/matter under consideration involves,

  - a) the security of the property of the board;
  - b) the disclosure of intimate, personal or financial information in respect of a member of the board or committee, an employee or prospective employee of the board or a pupil or his or her parent or guardian;
  - c) the acquisition or disposal of a school site;
  - d) decisions in respect of negotiations with employees of the board; or
  - e) litigation affecting the board. R.S.O. 1990, c.E.2,s.207 (2);2021, c. 4, Sched.11, s. 7 (1)

**COMMITTEE REPORT**

Presented to: Board

Date of Meeting: June 24, 2024

From: Audit Committee

Date of Meeting: June 18, 2024

The committee held a hybrid meeting from 6:10pm to 6:15pm on June 18, 2024, with Trustee Paul Tut presiding.

Participating Members were Trustees Dawn Danko, Paul Tut and Todd White. External Member participating was Divya Iyengar.

Regrets were received from External Member Angela Zehr

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**MONITORING ITEMS:****A. Regional Internal Audit Team (RIAT) Update**

Andrea Eltherington presented the Annual Independence Assertion in compliance with S1110 of the International Standards for the Professional Practice of Internal Auditing.

Respectfully submitted,  
Paul Tut, Chair of the Committee

Reference: [Committee Package](#) and [Recording](#)

**Declaration to the Chair of the Audit Committee of  
the Hamilton-Wentworth District School Board  
by a Member of the Audit Committee  
as to Whether or Not the Member has a Conflict of Interest**

1.) **This Declaration applies to:**  
(check one)

- a) the first Committee meeting of the Audit Committee for the fiscal year 2024-25;
- b) any changes subsequent to the fiscal year declaration.

2.) I \_\_\_\_\_, declare that I do not have a conflict of interest as  
(name of member)  
defined by Subsection 4(2) of O. Reg 361/10, *Education Act*, RSO 1990 C.E-2.  
(strike out if inapplicable)

3.) I \_\_\_\_\_, declare that I have a conflict of interest as defined  
(name of member)  
by Subsection 4(2) of O. Reg 361/10, *Education Act*, RSO 1990 C.E-2  
because one or more of my: parent(s), child(ren) or spouse is/are employed  
by the Board at this time.  
(strike out if inapplicable)

Dated at \_\_\_\_\_, Ontario this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Audit Committee Member

**Note: Subsection 4(2) O. Reg 361/10, *Education Act*, RSO 1990 C.E-2 states:**

**“4(2) For the purposes of clause (1)(c), a person has a conflict of interest if his or her parent, child or spouse is employed by the board”.**

*Written declarations must be submitted to the Chair of the committee at the first meeting of the committee in each fiscal year as per Subsection 14(1) O. Reg 361/10.*

<b>AUDIT COMMITTEE WORK PLAN 2024-2025</b>	
<b>DATE</b>	<b>OPEN</b>
<b>September 17, 2024</b>	Review annual work plan Declarations of Conflicts of Interest - Form Sign Off Annual Report to the Board of Trustees and Ministry of Education on 2023-2024 Annual Review of Audit Committee Terms of Reference Review Regional Internal Audit Mandate Regional Internal Audit Team Update
<b>November 12, 2024</b>	Review compliance report (2023-2024) Regional Internal Audit Team Update
<b>March 18, 2025</b>	Regional Internal Audit Team Update
<b>June 4, 2025</b>	Regional Internal Audit Team Update  Regional Internal Audit Annual Independence Certification

## TERMS OF REFERENCE – AUDIT COMMITTEE

**NAME:** The name of the committee shall be The Hamilton-Wentworth District School Board Audit Committee

**MANDATE:** The Audit Committee will report directly to the Board of Trustees. The mandate of the Audit Committee of the Board is to provide oversight to the Board in the areas of:

- Financial Reporting
- Internal Controls
- Internal Auditing
- External Auditing
- Compliance
- Risk Management

The formation of the Audit Committee is a requirement under the Education Act subsection 253.1 (1) which states: *Every district school board shall establish an Audit Committee. 2009, c. 25, s. 32.*

### **COMPOSITION:**

The Audit Committee shall consist of:

- Three HWDSB trustees who are members of the Board
- Two persons who are not trustees
- The non-trustee members shall not receive remuneration for their participation on the Audit Committee

### **Qualifications:**

A non-trustee member of the Audit Committee must have accounting, financial management or legal experience and is not in a conflict of interest, nor is an employee or officer of the Hamilton-Wentworth District School Board or any other school board. Non-trustee members shall be approved by a Selection Committee which includes the Director of Education, the Senior Business Official and the Chair (or trustee designate).

One trustee member of the Audit Committee shall participate in the Regional Conflict Resolution Committee. This committee is responsible for facilitating disputes between the Regional Internal Auditor's office and one or more school board's within the region.

### **TERMS OF OFFICE:**

- The term of office shall not exceed 4 years for a trustee member and 3 years for members who are not trustees.
- The position on the Audit Committee is considered vacant if the member has unauthorized absences for 2 regular consecutive meetings, is convicted of an indictable offence or ceases to hold the qualifications to be an Audit Committee member.

## TERMS OF REFERENCE – AUDIT COMMITTEE

### RESPONSIBILITIES OF THE AUDIT COMMITTEE:

Responsibilities of the Audit Committee include the following oversight duties:

- Ensure that the financial statements are complete and in accordance with the Education Act subsection 230.21(1)(a)
- Review the year end external audit process, including having appropriate discussions with the external auditor and management
- Recommend to the board of trustees approval of the financial statements
- Review the effectiveness of the board's internal controls
- Review the scope of the internal and external auditor's review of the board's internal controls, their findings and responses from the board to those recommendations.
- Meet with the regional internal auditor and/or external auditor privately on matters that may need to be discussed
- Review any changes in the planned scope of the regional internal auditor's plan, significant internal audit findings, recommendations and staff follow-up.
- Review and make recommendations to the board on the external auditor's audit plan and all proposed major changes to the plan
- Review the performance of the external auditor and make recommendations to the board on the appointment, discharge and compensation of the external auditor
- Resolve disagreements between management and the external auditor on financial reporting matters
- Review the findings of any examinations by regulatory agencies
- Review the process for communicating the codes of conduct and the process for monitoring compliance with the codes
- Inquire about significant risks, review the board's policies for risk assessment and risk management, and assess the steps taken to control such risks
- Oversee special investigations where necessary
- Annually report to the board on the committee's discharge of its duties
- Annually report to the Ministry on internal audits and proposed enrolment audits
- Obtain confirmation that the board has met all statutory filings and requirements
- Other activities as requested by the Board

### Conflict of Interest:

- Upon appointment and at the first meeting of each year, every member shall submit a written declaration to the Chair of the Audit Committee whether or not he/she has any conflicts of interest.
- If a member of the Audit Committee declares a conflict of interest on any matter discussed during the meeting, details of the conflict declaration shall be recorded in the minutes of the meeting.

## TERMS OF REFERENCE – AUDIT COMMITTEE

### COMMITTEE MEETINGS:

#### Meeting Dates/Times

- Meetings will be held at least three times per year.
- For openness and transparency, portions of the meeting may be open to the public. However, when issues that include risk, security or control weaknesses are discussed, s. 207(2) of the Education Act allows the committee to close the meeting to the public.
- During the portions of the meeting which are closed, the Audit Committee may invite others to attend the meeting such as senior administration, the internal auditor, the external auditor and other members of the board of trustees.

#### Quorum

- The majority of members of the Audit Committee, including at least 1 non-trustee member, will constitute a quorum for the meeting.

#### Rules of Order

- The appropriate rules of the Board shall govern the order and conduct of the meeting of the Audit Committee, with the exception of those rules prescribed in Ontario Regulation 361/10.

#### Election of the Chair

- The Chair of the Audit Committee shall be chosen from its members at the first meeting of the year from the members appointed to the committee

#### Voting

- Every member present at the meeting, including the Chair, shall have one vote
- In the case of a tie vote, the Chair will be entitled to cast a second vote

### POWERS OF THE AUDIT COMMITTEE:

- The Audit Committee may meet with the Board's internal or external auditors without the presence of the Board's officers or trustees, other than those who are committee members
- The Audit Committee may require the internal or external auditor to provide reports to the committee
- The Audit Committee may retain counsel, accountants or other professionals to assist in the conduct of an investigation needed to carry out its duties
- Other powers which may be prescribed as per the Audit Committee Mandate from the Ministry of Education.

### REFERENCE MATERIALS:

- Ontario Regulation 361/10
- Audit Committee Mandate, Ministry of Education
- Education Act Section 253.1

## **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 5 members listed below:

- Trustee Paul Tut- Chair
- Trustee Dawn Danko
- Trustee Todd White
- Divya Iyengar - External representative
- Angela Zehr - External representative

In addition, regular attendees at the Committee meetings were:

- Andrea Eltherington – Regional Internal Audit Manager
- David Marks – Partner, Audit, KPMG LLP
- Rodrigo Ruezga Gutierrez, KPMG LLP
- Sheryl Robinson-Petrazzini – Director of Education HWDSB
- Matthew Gerard – Associate Director, Business Services HWDSB
- Denise Dawson – Senior Manager, Financial Services HWDSB

### **Administrative Tasks**

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

- Annual review of the Audit Committee's Terms of Reference
- Developing a work plan
- Developing a meeting schedule and agenda for the year
- Signing off on the Declaration of Conflicts of Interest form

### **Meetings**

It was agreed to hold three meetings throughout the year with a fourth meeting, from September to June, if necessary. All meetings have been held as planned.

The members in attendance at each meeting were as follows:

<i>Member's Name</i>	<i>Sept 26, 2023</i>	<i>Nov 7, 2023</i>	<i>April 4, 2024</i>	<i>June 18, 2024</i>
<i>Paul Tut</i>	<i>Absent</i>	<i>X</i>	<i>X</i>	<i>X</i>
<i>Dawn Danko</i>	<i>X</i>	<i>X</i>	<i>X</i>	<i>X</i>
<i>Todd White</i>	<i>X</i>	<i>X</i>	<i>X</i>	<i>X</i>
<i>Divya Iyengar</i>	<i>X</i>	<i>X</i>	<i>Absent</i>	<i>X</i>
<i>Angela Zehr</i>	<i>Absent</i>	<i>X</i>	<i>X</i>	<i>Absent</i>

## **Governance**

The audit committee operated throughout the fiscal year ending August 31, 2024. All of the members satisfied the eligibility requirements in accordance with Ontario Regulation 361/10.

## **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. The external auditors confirmed their independence in the letter dated November 20, 2023. The audit committee reviewed and recommended the approval of the annual audited financial statements on November 7, 2023. The audit committee supported the reappointment of the external auditors for the next fiscal year as per the result of a competitive process completed with a term of May 1, 2023, to August 31, 2026.

## **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 annual audit plan for the 2023-24 fiscal year.

The internal auditors performed the following work during the year:

### **PLANNED AUDITS:**

- Strategic Risk Assessment

### **FOLLOW UP AUDITS:**

- Sparkrock O365 Logical Security Review (on hold)
- BAS 2000 Data Analytics
- IT Vulnerability
- Health and Safety
- Back-up, Disaster and Recovery

- Capital Projects
- Privacy Audit
- Records Management
- Staff Utilization

For all completed audits, the following is a summary of risks and findings made by the internal auditor:

<b><i>Audit</i></b>	<b><i>Risks</i></b>	<b><i>Findings</i></b>
BAS 2000 Data Analytics	<ul style="list-style-type: none"> <li>• <i>Zero high risk items open</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Three remaining open action items</i></li> </ul>
IT Vulnerability	<ul style="list-style-type: none"> <li>• <i>Five high risk items open</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Eight remaining open action items</i></li> </ul>
Health and Safety	<ul style="list-style-type: none"> <li>• <i>One high risk item open</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Four remaining open action items</i></li> </ul>
Back-up & Disaster Recovery	<ul style="list-style-type: none"> <li>• <i>No rating provided</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Three remaining open action items</i></li> </ul>
Capital Projects	<ul style="list-style-type: none"> <li>• <i>Zero high risk items open</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>One remaining open action items</i></li> </ul>
Privacy Audit	<ul style="list-style-type: none"> <li>• <i>Four high risk items open</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Twelve remaining open action items</i></li> </ul>
Records Management	<ul style="list-style-type: none"> <li>• <i>Three high risk items</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Thirteen remaining open action items</i></li> </ul>

The audit committee endorsed each report, including management's action plan, and advised the board of trustees to accept it. Presentation of all audit reports were discussed in-camera.

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.

### **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 on their review of 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;
- Undertook a review of the external auditors' performance;
- Obtained confirmation from the Director of Education that the school board was compliant with all current federal and provincial Acts, Regulations and Statutes.
- Undertook an evaluation of the effectiveness of the internal audit function, including the performance of the regional internal audit manager and her team;
- Queried management on their approach to risk management as well as their strategy to manage such risks; and

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,

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Audit Committee Chair

**Annual Report to the Board of Trustees and Forwarded  
To the Ministry of Education  
For the year ended August 31, 2024**

**District School Board Name:** Hamilton-Wentworth District School Board

**Fiscal Year:** 2023-2024

**Re:** Annual audit committee report to the Ministry of Education as per Ontario Regulation 361/10

During the 2023-2024 fiscal year, the following internal audits or other engagements were started by the regional internal audit team but not completed by August 31st:

- *Strategic Risk Assessment*

In addition to those listed above, the following audits were completed in the 2023-2024 fiscal year:

- *Nil*

**AND**

Based on the internal audit plan, we are not expecting any enrolment audits to be performed.

\_\_\_\_\_

Date

\_\_\_\_\_

Signature

Audit Committee Chair

Title



## MEMO

TO: Hamilton-Wentworth District School Board Audit Committee  
 FROM: Andrea Eltherington, Regional Internal Audit Manager  
 DATE: September 17, 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 June 18, 2024.

### A. RIAT Training Plan

#### Completed 2023-24

Auditor	Training Focus	Date
All Auditors	<ol style="list-style-type: none"> <li>OASBO Internal Audit</li> <li>Relevant seminars/websites on fraud, ethics, privacy and IT Security offered by the various institutes.</li> </ol>	On-going and when relevant throughout the year
Andrea Eltherington	<ol style="list-style-type: none"> <li>Decoding the new SEC Cybersecurity Rules</li> <li>Data Privacy and AI: Four Pillars that will form the Future</li> <li>Safeguarding your digital transformation</li> <li>Uncovering authenticity: Trust, inclusion and psychological safety</li> <li>MIAA Fall Conference</li> <li>Doing More with Less: Introduction to Lean and Applicability to Public Sector Auditors</li> <li>Get to Know the New Global Internal Audit Standards</li> <li>OASBO Finance Conference</li> <li>Securing the Future of Cybersecurity</li> <li>Hearts and Minds Conference</li> <li>Internal Audit's Role in Cyber Resilience</li> <li>MIAA Spring Workshop</li> </ol> <p>Andrea confirms that she has met the annual continuing education requirements of the IIA and ISACA</p>	September 14, 2023 September 19, 2023 September 27, 2023 October 17, 2023 October 26 & 27, 2023 December 6, 2023 January 24, 2024 Feb. 15 & 16, 2024 March 27, 2024 April 23-24, 2024 April 30, 2024 May 5, 2024



Dondon Luce	<ol style="list-style-type: none"> <li>1. How to Automate Testing, Monitoring, and Reporting for IT General Controls</li> <li>2. A Week in the Life of an Agile Auditor</li> <li>3. Decoding the New SEC Cybersecurity Rules</li> <li>4. ISACA Virtual Summit 2023: Building a Viable Cybersecurity Program</li> <li>5. ISACA Virtual Summit 2023: Risk Techniques to Build &amp; Maintain Digital Trust</li> <li>6. Data Privacy + AI: 4 Pillars that will Form the Future of Internal Audit</li> <li>7. Risk in Focus 2024 - Hot Topics for Internal Auditors</li> <li>8. Securing our digital identity: Harnessing hybrid Active Directory security for maximum defense</li> <li>9. Establishing a Privacy Framework and Monitoring With Metrics</li> <li>10. Leading with Emotional Fluency</li> <li>11. Supply Chain Risk: Reduce Your Exposure</li> <li>12. Sprinting Ahead with Agile Auditing</li> <li>13. State of Cybersecurity 2023</li> <li>14. How Audit Leaders are Preparing for Digital Risk</li> <li>15. The Evolution of SOX: Tech Adoption and Cost Focus Amid Business Changes, Cyber and ESG Mandates</li> <li>16. Ontario's 2023 Cyber Security Conference</li> <li>17. Uncovering Authenticity: Trust, Inclusion, and Psychological Safety</li> <li>18. The Emerging Trends Powering Connected Risk Teams</li> <li>19. The Promise and Perils of AI</li> <li>20. Risk and Audit Transformation in the Era of Permacrisis</li> <li>21. Confronting the Next Phase of Cyber Risk as a Connected Organizations</li> <li>22. How to Use Technology to Grow your Value as an Internal Auditor</li> <li>23. Securing Application Access and Why Auditors Love GRC</li> <li>24. 2023 MIAA Fall Conference</li> <li>25. Get to Know the New Global Internal Audit Standards</li> <li>26. Navigating the New Era of AI: A Guide to Responsible Implementation and Risk Management</li> <li>27. How AI is Radically Reshaping Compliance, Cybersecurity and Business Strategy</li> <li>28. Compliant by Design: Automation and the Future of IT Security, Compliance, and Software Development</li> </ol>	<p>September 7, 2023</p> <p>September 12, 2023 September 14, 2023</p> <p>September 17, 2023</p> <p>September 18, 2023</p> <p>September 19, 2023</p> <p>September 20, 2023</p> <p>September 20, 2023</p> <p>September 21, 2023</p> <p>September 25, 2023 September 27, 2023 September 28, 2023</p> <p>October 2, 2023 October 5, 2023</p> <p>October 5, 2023</p> <p>October 11, 2023 October 17, 2023</p> <p>October 18, 2023</p> <p>October 18, 2023 October 19, 2023</p> <p>October 19, 2023</p> <p>October 24, 2023</p> <p>October 25, 2023</p> <p>October 27, 2023 January 24, 2024</p> <p>February 8, 2024</p> <p>February 22, 2024</p> <p>February 22, 2024</p>



**INTERNAL  
AUDIT TEAM**

	<p>29. Overview of the Global Internal Audit Standards 2024</p> <p>30. Risk Management in the Age of AI: Essential Frameworks for IT Risk and Compliance Professionals</p> <p>31. An Enterprise Approach to Implementing GenAI</p> <p>32. How to Build Your Analytics and AI Strategy</p> <p>33. Do Generative AI and Audit Analytics Intersect?</p> <p>34. Adopting the IIA's New Global Internal Audit Standards</p> <p>35. Analytics and the Public Sector</p> <p>Don confirms that he has met the annual continuing education requirements of the IIA and ISACA.</p>	<p>March 26, 2024</p> <p>June 27, 2024</p> <p>June 27, 2024</p> <p>July 11, 2024</p> <p>July 30, 2024</p> <p>August 6, 2024</p> <p>August 16, 2024</p>
Cathy DeLuca	<p>1. MIAA Fall Conference</p> <p>2. Modern Government: Artificial Intelligence in the Public Sector</p> <p>3. Get to Know the New Global Internal Audit Standards</p> <p>4. Shaping the Future Workforce with AI and Intelligent Technology</p> <p>5. Overview of the Global Internal Audit Standards</p> <p>6. Internal Audit's AI Journey in the Public Sector</p> <p>7. Hearts and Minds Conference</p> <p>8. Detect and Defend: Gen AI's Strategies for Combatting Fraud</p> <p>9. MIAA Spring Workshop</p> <p>10. Do Gen AI and Audit Analytics Intersect?</p> <p>11. Analytics and the Public Sector</p> <p>Cathy confirms that she has met the annual continuing education requirements of the CPA.</p>	<p>October 26-27, 2023</p> <p>January 24, 2024</p> <p>January 24, 2024</p> <p>January 25, 2024</p> <p>March 26, 2024</p> <p>April 2, 2024</p> <p>April 23-24, 2024</p> <p>May 2, 2024</p> <p>May 6, 2024</p> <p>July 30, 2024</p> <p>August 15, 2024</p>
Mohamad Alkhen	<p>1. OSBIE's Risk Management Seminar-South</p> <p>2. OASBO Finance &amp; Internal Audit Workshop</p> <p>3. Internal Auditor's Journey Through Disruption - Part I</p> <p>4. Minds and Hearts Conference</p> <p>5. Internal Auditor's Journey Through Disruption - Part II</p>	<p>October 20, 2023</p> <p>February 15-16, 2024</p> <p>April 17, 2024</p> <p>April 23-24, 2024</p> <p>May 2, 2024</p>



INTERNAL  
AUDIT TEAM

	6. MIAA Spring Workshop  Mohamad confirms that he has met the annual continuing education requirements of the CPA, AICPA, IMA, ACFE and IIA.	May 6, 2024
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