

CENTRAL OKANAGAN PUBLIC SCHOOLS – BOARD COMMITTEE REPORT

COMMITTEE: Finance and Audit Committee Meeting DATE: September 18, 2019

CHAIRPERSON: Trustee C. Cacchioni STAFF CONTACT: D. Carmichael, Assistant Secretary-Treasurer

*The Committee Chairperson acknowledged that the meeting was being held
on the Traditional Territory of the Okanagan People.*

In attendance:

Board of Education:

Trustee R. Cacchioni (Chairperson)
Trustee J. Fraser (Committee Member)
Trustee L. Tiede (Committee Member) – *arrived at 4:07 pm*
Trustee M. Baxter

In attendance:

Staff:

K. Kaardal, Superintendent of Schools/CEO
R. Stierman, Secretary-Treasurer/CFO
T. Beaudry, Deputy Superintendent of Schools
D. Carmichael, Assistant Secretary-Treasurer
V. Dougans, Finance Manager
M. DesRochers, Executive Assistant (*Recorder*)

Partner Group Representation:

COTA Susan Bauhart, President
COPAC Cherylee Morrison, Co-President (*arrived at 4:07 pm*)
COPVPA Des Sjoquist, Vice-President
CUPE Dave Tether, President
DSC No Representative

Agenda/Additions/Amendments/Deletions

Trustee Baxter was appointed Acting Committee Member in the absence of Trustee Tiede.

September 18, 2019 Agenda – approved as presented.

Reports/Matters Arising

June 19, 2019 Committee Report – received as presented.

4:07 pm: Trustee Tiede joined the meeting and assumed her role as Committee Member.

4:07 pm: The COPAC Co-President joined the meeting.

Presentation

1. Presentation: Report to the Finance and Audit Committee – Communication of Audit Results and Audited Financial Statements Fiscal Year 2018/2019

Tyler Neels and Kate Cumming of Grant Thornton LLP presented the Communication of Audit Results and Audited Financial Statement Fiscal Year 2018/2019. The audit of the Central Okanagan Public Schools 2018/2019 has been substantially completed and the final audited financial statements must be provided electronically to the Ministry of Education by September 30, 2019.

The Grant Thornton LLP representatives advised full cooperation had been received from the District's management staff during the audit process, no illegal or fraudulent acts were identified during the comprehensive audit, and there are no adjustments or internal controls to report.

The Grant Thornton LLP representatives stated that a third party expert was relied upon to evaluate the employee future benefits. The Independent Auditor's Report was outlined as well as the draft Management Representation letter.

Discussion/Action Items

1. Audited Financial Statements Fiscal Year 2018/2019

The Assistant Secretary-Treasurer outlined the Audited Financial Statements for the 2018/2019 fiscal year, which include a Statement of Financial Position, Statement of Operations, Statement of Remeasurement Gains and Losses, Statement of Changes in Net Financial Assets (Debt), and Statement of Cash Flows.

The Grant Thornton LLP representatives reviewed the Notes to the financial statements. District staff and the Grant Thornton representatives responded to questions.

Outcomes

The Committee received the Audited Financial Statements Fiscal Year 2018/2019, as attached to the agenda and as presented at the September 18, 2019 Finance and Audit Committee Public Meeting.

The Committee recommended that the Board of Education receive and approve the Audited Financial Statements Fiscal Year 2018/2019.

2. Renewal of External Auditors, Grant Thornton LLP

The Assistant Secretary-Treasurer stated that five years ago a tender went out for external auditors. Grant Thornton LLP was awarded the contract for five years with an option (for the Board) to renew a further five years. The Assistant Secretary-Treasurer advised that at the end of the additional five years (June 2024), a formal Request for Proposals will be sent to audit firms.

Outcomes

The Committee recommended that the Board of Education renew the appointment of Grant Thornton LLP as the auditors for the Central Okanagan School District for a period of five years beginning with the audit of the 2019/2020 fiscal year.

Discussion/Information Items

1. Financial Statement Discussion and Analysis the Year Ending June 30, 2019

The Assistant Secretary-Treasurer stated that the Ministry of Education requires schools district's to provide a Financial Statement Discussion and Analysis report to accompany the annual Audited Financial Statements.

The Assistant Secretary-Treasurer reviewed the *Financial Statement Discussion and Analysis the Year Ending June 30, 2019* report and responded to questions. A few housekeeping items were recommended prior to the report going forward to the Board. The Assistant Secretary-Treasurer will make the amendments prior to forwarding to the Board. The *Financial Statement Discussion and Analysis the Year Ending June 30, 2019* will be included as an appendix when the *Audited Financial Statements Fiscal Year 2018/2019* goes forward to the Board of Education.

2. Funding Formula Update

The Superintendent of Schools/CEO stated that provincial committees are still meeting regarding the Funding Formula Review. Additional information is expected to be received sometime in the Fall of 2019.

Recommendations/Referrals to the Board/Coordinating Committee/Other Committees

Future Public Board Meeting:

- *Audited Financial Statements Fiscal Year 2018/2019 (Action Item)*
- *Renewal of External Auditors, Grant Thornton LLP (Action Item)*

Items for Future Finance and Audit Committee Meetings

Future Public Finance and Audit Committee Meetings

- *Young Parent Program Report*
- *Rental Program Report (Profitability)*
- *Review of all Joint Use Agreements*

September	October	November
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- Presentation: Audited Financial Statements for the Fiscal Year - Audited Financial Statements for the Fiscal Year (<i>Action Item</i>)	- Financial Update at September 30th - School Based Meals Program Update	- Budget Development Principles - School District No. 23 (Central Okanagan) Budget Development Timeline
January	February	April (1st meeting)
- Amended Annual Budget for the Fiscal Year - Ministry Recalculation Allocation – School District No. 23 and Provincial - Financial Update at December 31st - Budget Survey development - Annual Review of Committee's Mandate, Purpose and Function	- Budget Presentation	- Overview of Budget Allocation - Budget Consultation Input Received - Trustee Indemnity for the 2019/2020 Fiscal Year
April (2nd meeting)	May	June
- Central Okanagan School District Preliminary Budget Proposal – Superintendent's Budget Recommendations - Financial Update at March 31st	- Auditor's Report to the Finance and Audit Committee – Initial Communication on Audit Planning for the Year - Annual CommunityLINK Allocations - Financial Update – International Education Program	- School District No. 23 (Central Okanagan) Annual Budget for the Fiscal Year

Meeting Schedule

October 16, 2019 at 4:00 pm November 20, 2019 at 4:00 pm

Questions – Please Contact:

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Rolli Cacchioni, Chairperson