

Audit Committee Meeting Report No. 5

June 6, 2011

A regular meeting was convened at 5:00 pm, Monday, June 6, 2011, at 43 Millwood Road, 3rd Floor, Toronto, Ontario, with Chair Jane Marshall presiding.

The following members were in attendance: J. Chadwick and D. Crombie.

Director C. Glover was also in attendance.

Also in attendance: P. Jesty and M. Colley, Deloitte Chartered Accountants, and T. Ellis, TDSB.

1. Call to Order

The meeting was called to order by Jane Marshall, Chair, presiding.

2. Approval of the Agenda

D. Crombie, seconded by J. Chadwick, moved: **That the agenda be approved as distributed.**

3. Declarations of Possible Conflict of Interest

There were no declarations of possible conflict of interest.

4. Audit Committee – Terms of Reference

The Chair noted that the *Terms of Reference* for the Audit Committee were adopted on November 12, 2010. Committee members had no questions in relation to the *Terms of Reference* at this time.

**5. 2010-2011 Audit Plan
Presentation by Paula Jesty, Deloitte Chartered Accountants**

Committee members had for their consideration the report titled, *2010-2011 Audit Plan*.

S. Hoy invited Paula Jesty, Deloitte Chartered Accountants, to present the 2010-11 Audit Plan to Committee Members. P. Jesty, along with M. Colley, spoke to the plan as included in the agenda package. A focus was placed on the changes to accounting standards for public institutions, highlighted in the Executive Summary of the 2010-11 Audit Plan.

Committee members had no follow-up questions pertaining to the intended audit plan for 2010-11.

D. Crombie, seconded by J. Chadwick, moved:

- a) **That Deloitte Chartered Accountants be reaffirmed as the audit firm for the TLC for the financial year of the Corporation ending August 31, 2011;**
- b) **That an approximate fee of \$20,000 for this audit be approved; and**
- c) **That the proposed Audit Plan for 2010-11, as presented by Deloitte Chartered Accountants (Appendix 1), be approved.**

The motion was carried.

6. Lease Revenue Receivables – Expanded Audit: Update at May 2011

Committee members had for their consideration a report titled *Lease Revenue Receivables – Expanded Audit: Update at May 2011*. S. Hoy noted that this report is in response to recommendations by Deloitte, put to the TLC after the completion of an expanded audit on Lease Revenue Receivables in 2010. This expanded audit was commissioned at the request of the TLC Audit Committee earlier in 2010.

Although staff responded to the Auditor's recommendations in 2010, TLC staff presented this update in order to show the progress achieved to date, in the direction recommended by the Audit firm.

In regard to Item 3, Appendix 1, Chair Jane Marshall noted that in some situations, 'over-holdings' can be positive for the corporation. Following the Chair's comments, the Committee acknowledged the benefits of 'over-holding' in some instances. S. Hoy noted that all leases, including over-holdings, have now been documented by TLC staff. Where over-holding is beneficial for the TLC, staff will continue with this approach in order to maximize revenues and meet commitments on behalf of the TDSB.

7. Private Matters

There were no private matters for discussion.

8. New Business

Nil

9. Adjournment

At 5:14 p.m., on a motion of D. Crombie, seconded by J. Chadwick, the meeting adjourned.