



## MINUTES OF A MEETING OF THE AUDIT COMMITTEE

Thursday, May 17, 2018

School Board Office – 8:00 a.m.

Present: P. Dorsman (in the Chair); S. Donahue, Trustee; C. Kennedy, Superintendent of Schools; J. Leiterman, Secretary Treasurer; K. Johnson, Assistant Secretary Treasurer; J. Brown, Manager of Finance ; Cathy Imrie, Senior Vice President, Business and CFO (Vancouver Aquarium); Carol Chiang, Lead Engagement Partner (KPMG); Aanu Adeleye, Audit Senior Manager (KPMG)

### **1. KPMG review of 2017/18 Audit Planning report**

The meeting was called to order and the Committee Chair welcomed everyone before passing the floor to Carol Chiang, lead audit engagement partner with KPMG.

Ms Chiang then led a review of the KPMG School District No. 45 (West Vancouver) Audit Planning Report for the period ending June 30, 2018. This report provides a summary of the audit and highlights salient features. The KPMG team remains unchanged and will continue to be supported by Quality Review Partner Lenora Lee who deals with the education sector in BC as a whole.

Auditors met recently with management regarding any updates on significant issues and how the year is going. There were no issues or concerns. The audit will start in late July / early August and KPMG will report back to this committee at the early September 2018 meeting.

The key areas of focus were reviewed and it was noted that materiality is set at \$1.6 million for the year ending June 30, 2018 and the Audit Misstatement Posting Threshold is \$80,000. Ms Chiang asked Committee Chair Dorsman and Trustee Donahue if they were aware of any concerns or instances of actual or suspected fraud or misconduct and they replied that they were not.

Ms Adeleye briefly reviewed each page of the document, with additional information provided by Ms Chiang or the Secretary Treasurer as appropriate. There was an extended discussion around employee future benefits and the difficulties associated with paying both the new payroll tax and the MSP rates, despite the latter being reduced by 50%. It was agreed that a provision for the transition year would be helpful and it was noted that everyone affected is lobbying for that.

When reviewing the Appendices, there was some discussion around conflict of interest and it was noted that West Vancouver Schools has an administrative procedure around the issue – [AP 406](#). The Secretary Treasurer noted that we are particularly careful with regard to Related Party Transactions and Inter-Entity Transactions with our facilities department and any personal connections. Ms Chiang reported that they are looking into standards regarding obligations connected to any environmental liabilities. The Secretary Treasurer said that asbestos and lead paint are a concern at all sites when construction/repairs are undertaken, but there is nothing sizeable and a liability accrual

is not considered necessary. As well, we have no liability regarding environmental issues with unused sites, as we have none.

The meeting concluded with Ms Chiang noting that all KPMG teams working with school districts have a meeting regarding trends and topical issues, but nothing out of the norm is anticipated.

2. **Adjourn**

**8:30 a.m.**

*The next meeting is set for Monday, September 10, 2018 at 9:00am.*

---

Julia Leiterman, Secretary Treasurer