



**HALIFAX REGIONAL SCHOOL BOARD  
AUDIT COMMITTEE MEETING  
MINUTES  
JUNE 17, 2015  
5:30 p.m.**

An Audit Committee meeting was held this date in  
Meeting Room 202 (2<sup>nd</sup> Floor)  
33 Spectacle Lake Dr., Dartmouth, NS

- PRESENT:** Nancy Jakeman, Chair  
Christy Linders  
Cathie O'Toole  
Bridget Ann Boutilier  
Bruce Densmore
- REGRETS:** Dave Wright
- BOARD MEMBERS:** Cindy Littlefair  
Melinda Daye, Board Chair
- STAFF:** Elwin LeRoux, Superintendent  
Gary Adams, Senior Staff Advisor  
Danielle McNeil-Hessian, Director, School Administration  
Ron Heiman, Director, Operations Services  
Tracy O'Kroneg, Director Human Resource Services  
Terri Thompson, Director, Financial Services  
Kathryn Burlton, Manager, Accounting & Purchasing  
Alison Leverman, Director, Program  
Leah Kutcher, Acting Corporate Secretary  
Karen Tucker, Administrative Assistant, Financial Services
- GUESTS:** James O'Neil, Partner, KPMG  
Laura Noye, Audit Manager, KPMG

**1. CALL TO ORDER**

The Chair called the meeting to order at 5:30 p.m.

**2. APPROVAL OF AGENDA**

It was moved and seconded (Linders/Boutilier) that the agenda be approved.

**(CARRIED)**

**3. APPROVAL OF MINUTES / BUSINESS ARISING FROM MINUTES**

*April 15, 2015*

**It was moved and seconded (Linders/O'Toole) that the minutes of the April 15, 2015 Audit Committee be approved.**

**(CARRIED)**

**4. Report 2015-06-14 - CONSOLIDATED FINANCIAL STATEMENTS – MARCH 31, 2015**

*James O'Neil, CA - Partner, Audit - KPMG  
Terri Thompson, Director, Financial Services*

Ms. Thompson presented and reviewed the Consolidated Financial Statements – March 31, 2015, answering any questions or concerns as they arose.

Mr. O'Neil presented and reviewed the Audit Findings Report for the year ended March 31, 2015 and fielded questions from the Committee.

Mr. O'Neil stated there were no significant changes to audit standards that would affect the audit and that the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the HRSB as at March 31, 2015. KPMG is prepared to sign the report, once it has been accepted and approved by the Board.

In response to a question about payroll testing, Mr. O'Neil remarked that there were no issues during testing. KPMG would report any identified payroll misstatements; however, none were identified in the audit.

Ms. Thompson confirmed, in response to Ms. O'Toole's inquiry, that the 2014-2015 fiscal year is the final year of the four year Supplementary Fund agreement between Halifax Regional Municipality and Halifax Regional School Board. Board staff is presently involved in talks with HRM staff regarding a new agreement.

Mr. Densmore voiced concern that school-based funds continue to grow each year and that it may be time to look at creating a process to respond to these growing funds. Ms. Thompson informed Mr. Densmore and the Audit Committee members that a process has already been started by herself, the Superintendent, and the Director of School Administration to address this concern.

Continuing on the subject of school-based funds, Ms. O'Toole asked if any of these funds were invested. Ms. Burlton and Ms. Thompson informed the group that although these funds are not usually invested in GIC's, the accounts held by schools provide the same rate of return received on the Board accounts.

Mr. O'Neil confirmed that the audit process did not have any issues or concerns regarding the Board's trust funds.

Mr. Densmore inquired about the upcoming transportation contract. Ms. Thompson confirmed that the Student Transportation RFP will be posted sometime in June and that the contract is planned to be awarded in September 2015, to be implemented beginning with the 2016-2017 school year. This will give the successful company approximately a year to prepare and organize for this undertaking.

Mr. O'Neil and Ms. Thompson briefly discussed the Schedule of School Board Salaries and Expenses Report – March 31, 2015. Mr. O'Neil confirmed that the report is tested for accuracy. The report will be posted on the HRSB website by late July, 2015.

Mr. O'Neil, in closing, expressed his thanks for the efficiency and cooperation shown to his staff during the audit process.

The following recommended motions were then presented to the Audit Committee by Ms. Thompson:

**MOTION:**

**It was moved and seconded (Densmore/O'Toole) that the following recommendations be presented to the Board at the Special Board meeting being held following this Audit Committee meeting on 17 June 2015:**

- 1. The Board approve the designation of \$5,058,326 from the General Fund Accumulated Surplus as at March 31, 2015 as General Fund – Capital Amortization to offset future amortization charges for building capital improvements.**
- 2. The Board approve the designation of \$425,373 from the General Fund Accumulated Surplus as at March 31, 2015 as General Fund - Program Resources (schools) to facilitate the on-going management of school instructional supplies and materials budget carry-forwards.**
- 3. The Board approve the designation of \$1,984,537 from the General Fund Accumulated Surplus as at March 31, 2015 as General Fund – Citadel Theatre Amortization to offset future amortization charges for this asset.**
- 4. The Board accept and approve the consolidated financial statements of the Halifax Regional School Board for the fiscal year ended March 31, 2015.**
- 5. The Board accept and approve the audited Annual Report of Salaries and Expenses for the fiscal year ended March 31, 2015.**

**CARRIED**

**5. OTHER BUSINESS**

**6. DATE OF NEXT MEETING**

Ms. Thompson will contact Audit Committee members in September 2015 regarding the next meeting date.

**7. ADJOURNMENT**

**It was moved and seconded (Linders/Daye) that the meeting be adjourned.**

**(CARRIED)**

The meeting adjourned at 6:45 p.m.

  
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Nancy Jakeman  
Chair, Audit Committee

  
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Karen Tucker  
Administrative Assistant, Financial Services

APPROVED