



Approved Minutes

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Enforcement Hotline:

2020 Audit Committee on November 11, 2020

Meeting Minutes issued:

Minutes of a meeting of the Audit Committee (AUC) held via Zoom on November 11, 2020 commencing at 5:00 pm.

Audit Committee Members:

Chair: Sherlock Sung, BAsC., (Lieutenant Governor-in-Council Appointee)

Vice-Chair: Michael Chan, P.Eng., FEC (Councillor-at-Large)

Luc Roberge, P.Eng., FEC (Northern Region Councillor)

Robert Brunet, P.Eng., (Lieutenant Governor-in-Council Appointee)

Ajai Varma, P.Eng., CPA

Aminul Haque, P.Eng., MBA, CFA

Rene Lafrance, P.Eng., PMP, CPA, CMA

President: Marisa Sterling, P.Eng., FEC, President (Ex-Officio)

Staff: Chetan Mehta, MS, MBA, Director, Finance

Peter Cowherd, CPA, CMA, Manager, Financial Services & Procurement

Lucy Capriotti, Administrative Assistant

Guests: Steve Stewart - Deloitte

Regrets: Johnny Zuccon, P.Eng., CEO/Registrar

Audit Committee Items

1.0 Call to order and welcome

The meeting was called to order at 5:02 p.m. by S. Sung and the draft agenda was presented to the committee members for their review and approval.

2.0 Approval of the meeting draft Agenda

The committee members agreed to proceed with the draft agenda as presented.

MOTION

That the draft agenda be approved as presented.

Moved by M. Chan and seconded by R. Lafrance.

MOTION CARRIED

3.0 Appointment of non-Councillor members

S. Sung welcomed and thanked the three non-councillor members:

- 1) Rene Lafrance
- 2) Aminul Haque
- 3) Ajai Varma

M. Chan asked the new non-councillor members if they were amenable to serve a 2-year term and the new members all agreed to this request.

The President welcomed the new members and for full disclosure she advised the committee members that Council was working on an initiative to enhance PEO's governance practices and as part of that initiative, it was possible that the role and structure of several committees could change. She encouraged the committee to keep abreast of Council's governance renewal work.

The Councillor committee members unanimously agreed to reconfirm the motion passed at the prior AUC meeting on September 15, 2020 to recommend to Council the appointment of the 3 non-Councillor members to the AUC.

4.0 Training session on roles and responsibilities of the AUC by Steve Stewart from Deloitte

S. Stewart commenced with his training session and walked the committee members through the slides he had prepared on key roles and responsibilities of the Audit Committee and answered various questions the committee members had.

5.0 Presentation of 2020 Audit Plan by Steve Stewart from Deloitte

S. Stewart presented the Audit Plan for the 2020 year-end audit during which he clarified that Deloitte would be conducting the audit of PEO's financial statements, the CAM audit for the building common area and the audit for the PEO's pension funds. He mentioned that Deloitte may have to modify the procedures in response to changes that have resulted from COVID due to which the audit will most likely be done remotely. S. Stewart then walked the committee through the key highlights of his presentation and answered various questions by the committee members.

6.0 Approval of AUC Minutes from September 15, 2020

It was agreed that the draft Minutes of September 15, 2020 as presented be approved.

MOTION

That the draft Minutes of the AUC meeting on September 15, 2020 as presented be approved.

Moved by L. Roberge and seconded by M. Chan.

CARRIED

7.0 Business arising from the Minutes

C. Mehta updated the committee members on both action items identified at the AUC meeting on March 3, 2020 and advised that per the inputs provided to him by HR, both items 1 and 2 were a work in process and that any subsequent updates will be provided to the committee.

8.0 AUC Terms of Reference and 2020-2021 Work Plan review

Terms of Reference:

M. Chan requested clarification on the wording for quorum. S. Sung asked if we could request the secretariat's advice on this and change the review date to the current date.

Work Plan:

After a discussion, the committee members requested C. Mehta to send the Work Plan to the AUC members for their inputs and feedback in a redline version, after which a revised draft incorporating the members' feedback be presented to the Board. The President requested that this be included in the November Council package.

9.0 Other Business

There was no other business.

10.0 Next Meeting

Next Meeting will be a joint meeting with the AUC and FIC, a Doodle Poll will be sent out to the committee.

11.0 Adjournment

All were in favour of adjourning the meeting. The meeting adjourned at 7:30 pm.

Status of Action items from the AUC meeting on March 3, 2020

Item	Action	Responsible	Status
1	Set up of pension committee	HR Staff	Work in progress
2	Best practices on pension governance from other regulatory bodies	HR Staff	Work in progress