

NICOLA VALLEY INSTITUTE of TECHNOLOGY

Board of Governors

MINUTES

Audit & Risk Management Meeting #2018/02 – May 14, 2018

Teleconference Call, 4:00pm

[1-877-385-4099, passcode: 3990546#]

A/RM MEMBERS: Paul Donald [A/RM Chair]
Lindsay Borrows
Melissa Louie
Maynard McRae
Tessa Quewezance

BOARD MEMBERS: Jamie Sterritt [Board Chair]
Faye Ahdemar
Terena Hunt
Nicasio Campos
Sashia Leung

STAFF: Ken Tourand [President]
Diane Black [Associate Vice President, Finance & Administration]
Marlie Worrin, [Manager, Budgets & Financial Reporting]
Pat Brown [Recorder]

GUESTS: Brent Ashby, Lead Audit Engagement Partner, KPMG
Stuart Newton, Assistant Auditor General, Office of the Auditor General of BC

1. Call to Order

1.1 Call to Order

Paul called the meeting to order at 4:04 pm.

1.2 Adoption of Agenda

It was moved and seconded that

the A/RM Committee meeting agenda be adopted as presented. *Motion Carried.*

1.3 Review and Adoption of Minutes

It was moved and seconded that

the January 29, 2018 A/RM Committee meeting minutes be adopted as amended. *Motion Carried.*

Amendment: Change Paul's title from Vice Chair to Chair of ARM Committee.

2.1 2017/18 Audited Financial Statements

It was moved and seconded that

the ARM committee recommends approval of the 2017/18 Audited Financial Statements. ***Motion Carried***

Mr. Ashby reviewed the KPMG 360 Review and presented the 2017/18 Audited Financial Statements and Audit findings. The financial statements are in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Discussion:

- Audit Findings – Two significant audit, accounting and reporting matters were identified:
 - a) NVIT adopted PS 2200 Related Party Disclosures & PS 3420 Related Party Transactions and Inter-Entity Transaction effective April 1, 2017.
 - b) NVIT adopted PS3210 Assets, PS3320 Contingent Assets & PS 3380 Contractual Rights, effective April 1, 2017.
- KPMG evaluated Management’s adoption of these new accounting standards & did not note any required disclosure in the financial statements.
- The significant accounting policies, critical accounting estimates & the significant disclosures are all consistent with the prior year.
- The new Asset Retirement Obligations standard comes into effect in 2021 and Management will need to determine the impact this will have on NVIT in the future.
- Mr. Donald raised, for future consideration, the potential need to assess whether additional reserves should be set aside for self-funded building maintenance given current and potential future expansions. Management agreed this is a necessary consideration, and provided some context around reserves and annual facilities funding. The Ministry is signalling potential of future limited access to reserves which may be relevant to this discussion.
- Mr. Ashby highlighted that Mr Newton was attending in representation of the Office of the Auditor General as discussed during audit planning. KPMG will be responding to the OAG’s requests for information as they review the audit file in the coming weeks.
- KPMG found no misstatements or matters to give rise to a Management Letter and Mr Ashby thanked Management for the preparation done for the audit.
- Management and the ARM Chair thanked KPMG and Finance.

2.2 2017 / 18 Appointee Remuneration Committee [ARC] Board Remuneration

The 2017 / 18 Appointee Remuneration Committee [ARC] Board Remuneration was presented for review. The 2017/18 [ARC] Board Remuneration will be brought to the June 2018 Board meeting.

The ARC report is submitted annually to the Ministry and records the actuals paid to Board members. Board members are asked to report any errors to Pat. Subsequent to this meeting it was noted that Tessa Quewezance’s name was missing from the list.

2.3 2017 / 18 Final FTE Report

NVIT achieved 95.3% (512.56) of its 538 AEST FTE for 2017/18 and 59.3% (15.42) of its 26 ITA FTE for 2017/18, for a total achievement of 93.6% (527.98) of its 564 FTE for 2017/18.

2.4 2018 / 19 Interim Operating Grant & Student FTE Report

The interim budget letter was provided for information.

7. Adjournment

7.1 It was moved and seconded that

the ARM Committee meeting adjourn at 4:49 pm. *Motion Carried.*

NEXT MEETING: To Be Determined.