



REPORT

To: ONE Joint Investment Board
From: Donna Herridge, Co-President/Co-CEO, ONE Investment
Date: September 4, 2024
Re: Audit Committee Update – Q3 2024
Report: ONE JIB 2024-040

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report.

2. SUMMARY

This report provides a summary of the ONE Investment Audit Committee meeting held on May 22, 2024. Updates on the following topics were provided:

- Approval of 2023 Draft Financial Statements for ONE Investment (“ONE”)
- The Outsourced Chief Investment Officer (OICO) Offering.
- A review of the performance of ONE’s two auditors and recommendations for their reappointment – PriceWaterhouse Cooper and BDO audit the Financial Statements of ONE’s Pooled Funds and ONE’s Financial Statements, respectively.
- Management update on cyber security assessment, enterprise-wide risk assessment and compliance task list
- ONE JIB and ONE Investment Board Reports
- Quarterly report on CIBC Mellon that noted all variances were within industry standards.

3. BACKGROUND

The Audit Committee is a Committee of the ONE Investment Board and is comprised of five representatives as follows:

- James (Jim) Giles (Chair), ONE JIB,
- Heidi Franken, ONE JIB,
- Sandra Zwiers (Vice Chair), ONE Investment Board,
- Duane Ramkisson, Manager, Investment Portfolio with Durham Region, and,
- Anna Lisa Barbon, Deputy City Manager, Finance Supports with the City of London

ONE Investment Audit Committee’s next meeting is scheduled on September 11, 2024.

4. ANALYSIS

The Audit Committee received the audit report for ONE Investment and recommended approval of the 2023 draft Financial Statements to the ONE Investment Board

Melanie Borho-Persechini, Partner from BDO Canada, reported on the overall status of the audit, findings, internal control matters, adjusted/unadjusted errors and other communications/ resources. The draft 2023 Financial Statements were reviewed and recommended for approval by the ONE Investment Board. BDO provided an unqualified audit opinion. ONE's 2023 Financial Statements are included in the annual report, which will be posted on [ONE's website](#) once approved by the members in September.

Staff provided an OCIO update

The OCIO Offering is currently in the development phase, with the goal of enrolling the first investor by Q3 2024. The New Products Committee of ONE JIB and ONE will collaborate on the creation of the funds included in the OCIO Offering. Staff have begun to consider the strategy for shifting the current 11 Participating Municipalities to the OCIO Offering. As the transition plan is being created, staff will bring additional considerations to the Audit Committee's attention in addition to the examination of policies and procedures.

The Audit Committee recommended that the Board reappoint PriceWaterhouse Coopers (PwC) and BDO Canada as the auditors for the 2024 fiscal year for the ONE Investment Annual Statement of Pooled Funds and ONE Investment, respectively.

Staff presented reports regarding the performance of PwC and BDO for the ONE Investment Annual Statement of Pooled Funds and ONE Investment, respectively. Both audits went very smoothly and the Audit Committee is recommending that the ONE Investment Board appoint PwC and BDO Canada for the 2024 fiscal year.

Staff provided the Audit Committee with an update on the cybersecurity assessment, the compliance task list and risk assessment

Management provided an update on the cyber security assessment, compliance task list and risk assessment, which were unchanged from the previous Audit Committee meeting.

Staff gave an update on ONE JIB meeting on April 22, 2024 as well as the ONE Investment Board meetings on February 20, 2024 and April 12, 2024

The reports from the most recent ONE JIB Board meeting, which was held on April 22, 2024, as well as the decisions made by the ONE Investment Board at its meetings on February 20, 2024 and April 12, 2024 are summarized in this report.

CIBC Mellon quarterly key performance report was reviewed with all variances within industry standards

The key performance report is issued on a quarterly basis summarizing key service delivery metrics by CIBC Mellon for their custody and fund administration servicing. All

variances were within industry standards. ONE's CCO will continue to meet with CIBC Mellon monthly.

5. CONCLUSION

The Audit Committee provides oversight and recommendations to ONE Investment Board and staff. ONE JIB is provided updates on the Audit Committee as a mechanism of transparency for ONE JIB on the work its agent is doing.

Drafted by: Donna Herridge, Co-President/Co-CEO, ONE Investment

Approved by: Judy Dezell and Donna Herridge, Co-President/Co-CEO, ONE Investment