

## **Agenda – Audit Committee**

**Monday, September 15, 2025 - 5:30 p.m.**

**Limestone Education Centre**

220 Portsmouth Avenue, Kingston, Ontario

**Public Viewing:** <https://bit.ly/LDSBAuditSept152025>

### **Public Meeting**

**Acknowledgement of Territory:** “The Limestone District School Board is situated on the traditional territories of the Anishinaabe and Haudenosaunee. We acknowledge their enduring presence on this land, as well as the presence of Métis, Inuit, and other First Nations from across Turtle Island. We honour their cultures and celebrate their commitment to this land.”

#### **1. CALL TO ORDER**

#### **2. ADOPTION OF THE AGENDA**

#### **3. DECLARATION OF CONFLICT OF INTEREST**

#### **4. ACTION ITEMS**

##### **4.1. Election of Committee Chair – Superintendent Young**

The Chair of the Audit Committee shall be a member of the Committee, elected by the members of the Audit Committee at the first meeting of the committee in each fiscal year – Board Policy 10 section 5.43.

#### **5. REPORTS**

##### **5.1. REPORTS FOR ACTION**

5.1.1. **2025-26 Regional Internal Audit Plan and Appendix**– P. L’orfanio (Pages 3-5)

5.1.2. **2025-26 Annual Report on Internal Audit Activities and Appendices**– G. Segu (Pages 6-30)

##### **5.2. REPORTS FOR INFORMATION**

5.2.1. **KPMG Interim/Year End Audit** – L. Huber (verbal update only)

**Limestone District School Board**

Limestone District School Board is situated on traditional territories of the Anishinaabe and Haudenosaunee.

**6. NEW BUSINESS**

**7. OTHER BUSINESS**

**8. NEXT MEETING DATE** – November 10, 2025

**9. MOTION TO MOVE INTO PRIVATE SESSION**

**Private Session – 6:15 p.m.**

In accordance with the Education Act, Section 207(2) a meeting of a committee of a board including a committee of the whole board, may be closed to the public when the subject under consideration involves,

- a) The security of the property of the board;
- b) The disclosure of intimate, personal or financial information in respect of a meeting of the board or committee, an employee or prospective employee of the board or a pupil or his or her parent or guardian;
- c) The acquisition or disposal of a school site;
- d) Decisions in respect of negotiations with employee of the board; or
- e) Litigation affecting the board

**10. FOR INFORMATION**

- 10.1 Property of the Board, Superintendent Young and Associate Superintendent Hedderson

**11. PRIVATE DISCUSSION BETWEEN AUDITORS AND THE AUDIT COMMITTEE**

The committee will excuse staff to provide for a private conversation with both the external and internal auditors.

**12. ADJOURNMENT AND REPORT TO PUBLIC SESSION** - At the September 17, 2025, Regular Board Meeting

**Limestone District School Board**

Limestone District School Board is situated on traditional territories of the Anishinaabe and Haudenosaunee.

See Yourself in Limestone

<b>Subject:</b>	2025-26 Regional Internal Audit Plan
<b>Presented by:</b>	Geneviève Segu, Sr. Regional Internal Audit Manager Pasquale L'orfono, Internal Auditor
<b>Meeting Date:</b>	September 15 <sup>th</sup> , 2025
<b>Purpose</b>	
<p>To provide the Audit Committee with the 2025-26 Regional Internal Audit Plan for their review and approval.</p> <p>This is in alignment with Ontario Regulation 361/10: Audit Committees (9) Duties of an Audit Committee 3(2&amp;3).</p>	
<b>Content</b>	
<p>As per the Ministry of Education's 2016: B10 memo, dated May 26, 2016, RIAT should conduct a minimum of two engagements at the Board during 2025-26. In addition, RIAT should perform follow-up procedures on outstanding recommendations from previous audits.</p> <p>The RIAM met with Management and discussed changes in the risk environment. The 2025-26 RIAT plan set out in Appendix A is subject to unknown factors that could impact the priorities of the current audit plan.</p> <p>As such, the 2025-26 Internal Audit Plan presents a best-case scenario and proposes:</p> <ul style="list-style-type: none"> <li>• The initiation or completion of work postponed or initiated in 2024-25, if applicable;</li> <li>• Cyclical follow-up procedures, if required;</li> <li>• A placeholder to account for Management's requests and potential changing priorities during the year; and</li> <li>• New engagements, when and if time and situation allows.</li> </ul> <p>The following table summarizes the latest Strategic Risk Assessment (SRA) that RIAT incorporated in the plan:</p>	

**Strategic Risk Assessment Results**

**Risk Register LDSB**

<b>Ranking</b>	<b>Function</b>	<b>Risk</b>
1	Human Resources	Attendance Management
2	Instructions and Schools	Classroom Practices
3	Instructions and Schools	Safe Schools
4	Information Technology	IT Security
5	Instructions and Schools	Pedagogy and Curriculum

**Recommendation**

That the Limestone District School Board Audit Committee: Recommends for approval the 2025-26 Internal Audit Plan as presented in Appendix A.

**Appendix A - 2025-26 Internal Audit Plan**

Status	Audit & Scope	Schedule
Cyclical	<p><b>Follow-up Procedures</b></p> <p>This is a recurring item on RIAT's annual plan. RIAT continues to follow-up on the remaining recommendation, as they come due.</p>	Ongoing
As Needed	<p><b>Management Request Engagement</b></p> <p>To cover any important items that may be required to during the school year.</p>	If Requested
Not Initiated	<p><b>EA Deployment</b></p> <p>To determine whether, the EA allocation process is efficient, effective, fair and transparent; and to set criteria used for EA deployment.</p> <p>This directly aligns with the risk assessment findings, which identified Instruction and Schools as high-risk areas. This alignment underscores the importance of ensuring that EA resources are strategically and equitably distributed to mitigate instructional risks and support school-level needs.</p>	TBD
Not Initiated	<p><b>Staffing Benchmarking</b></p> <p>A review to provide management with an assessment of their staffing structures related to school board administration funded departments and provide sector benchmarking insights.</p> <p>This closely aligns with the results of the risk assessment, which identified Human Resources as a high-risk area. By focusing on staffing structures, the review directly addresses key vulnerabilities in HR operations, helping to ensure that workforce planning is both strategically sound and responsive to identified risks.</p>	TBD

<b>Subject:</b>	2025-26 Annual Report on Internal Audit Activities
<b>Presented by:</b>	Geneviève Segu, Sr. Regional Internal Audit Manager  Pasquale L'orfano, Internal Auditor
<b>Meeting Date:</b>	September 15 <sup>th</sup> , 2025

## Introduction

The Ontario East Regional Internal Audit Team (RIAT)'s work is regulated and guided by the following three main documents:

- Ontario Regulation 361/10: Audit Committees<sup>1</sup> (The Regulation);
- The Regional Internal Audit Charter (The Charter); and
- The International Professional Practices Framework (The Framework) from the Institute of Internal Auditors (IIA), including the Global Internal Audit Standards.

In accordance with these documents, the RIAM is pleased to present the Ontario-East RIAT's Annual Activities Report (the Report) to the Audit Committee. The contents of the Report include essential requirements under the Regulation, the Charter and the Framework, such as:

- A confirmation of the independence, organizational position and reporting relationships;
- A description of its function;
- A confirmation of conformance with the Ethics and Professionalism Principles and Standards; and
- A summary of the 2024-25 activities.

The 2025-26 year will be a transition period for the RIAT to conform with the requirements under the new Global Internal Audit Standards. These Standards, issued by the Institute of Internal Auditors have been in place since January 2025. Please see Appendix 1 for an executive summary on the Global IA Standards.

A significant event for the RIAT was the Ministry announcement of additional funding to the RIAT initiative across the province, thus removing uncertainty about the continued operations at the current service levels in the 2025-26 school year.

In alignment with RIAT's commitment to inform AC members of current Internal Audit developments, the following are links to:

- The Auditor General of Ontario's most recent reports from their audits in the school board sector [Toronto District School Board \(TDSB\): Safety, Financial Management and Capital](#) (December 2024)

<sup>1</sup> The full regulation is available at the following link: <https://www.ontario.ca/laws/regulation/100361>

- The [2024-2025 Annual Report - Ombudsman of Ontario](#) (starting on page 50 under the “Education” chapter)

## Charter & Purpose

Audit Committee members reviewed and approved the Ontario East Regional Internal Audit Team (RIAT)’s charter in 2024-25.

With the implementation of the new Global Internal Audit standards, the charter needs to be reviewed, approved and signed, to represent the functional relationship between the Audit Committee and the RIAT.

The charter defines the purpose of the RIAT to “strengthen the ability of the district school boards in the Ontario East Region to create, protect and sustain value by providing the Audit Committee of the Board of Trustees and management with independent, risk-based, and objective assurance, advice, insight, and foresight.” As per Ministry guidelines, Regional Internal Audit Teams across the province have developed an internal audit charter and posted it on their Host Board’s website.

The Internal Audit Charter is appended to this memorandum for your review and approval (see Appendix 3).

## Independence, organizational position and reporting relationships

Independence, organizational position and reporting relationships are essential components to building public trust and preserving objectivity and integrity associated with the internal audit function. To ensure this independence, RIAT reports:

- Functionally to each of the nine Audit Committees of the Boards of Trustees in the Ontario East region<sup>2</sup>; and
- Administratively to the Associate Director of Business Affairs and Assistant Treasurer of the host board, Ottawa Catholic School Board.

As required under the Charter, and in alignment with the Framework, the RIAT staff henceforth confirm that they are not aware of any relationships with the School Board that may be perceived to bear on their independence.

<sup>2</sup> The nine school boards in the Ontario East region are: Algonquin and Lakeshore Catholic DSB, Catholic DSB of Eastern Ontario, Hastings and Prince Edward DSB, Limestone DSB, Ottawa Catholic SB, Ottawa-Carleton DSB, Renfrew County Catholic DSB, Renfrew County DSB, Upper Canada DSB.

## **Organizational Structure, Staffing and Professional Development**

The RIAT consists of a team of two Internal Auditors, one Sr Internal Auditor and one Sr Internal Audit Manager. All Auditors report directly to the Sr Regional Internal Audit Manager.

Each Auditor is responsible for audits at three of the nine school boards, as follows:

- Gord Champagne, Sr. Auditor: Hastings and Prince Edward DSB, Ottawa-Carleton DSB, Renfrew County DSB;
- Pasquale L'orfanio, Auditor: Limestone DSB, Ottawa Catholic SB, Upper Canada DSB; and
- Portia Marcaida, Auditor: Algonquin and Lakeshore Catholic DSB, Catholic DSB of Eastern Ontario, Renfrew County Catholic DSB.

We are pleased to report that all positions within the team are currently filled with qualified staff. The professional designations held by the RIAT include:

- Chartered Professional Accountant (CPA, CMA and CGA);
- Certified Internal Auditor (CIA);
- Certified Information System Auditor (CISA); and
- Certification in Risk Management Assurance (CRMA).

The governing bodies issuing the professional designations require that members complete continuing professional development/education on an annual basis to upkeep their proficiency and knowledge. This also includes an annual ethics training requirement. Each member of the RIAT received 5 days of training, leveraging associations within the K-12 sector, the Public Sector as well as professional organizations.

In addition to full time staff, RIAT, resorts to co-sourcing when a specialist is required or resources are limited in the performance of an engagement. In 2024-25, RIAT engaged MNP to assist with the periodic Strategic Risk Assessment (SRA).



## Quality Assurance (QA) and Improvement Program

Standard 8.3 of the Global IA Standards requires that both internal and external quality assessments be conducted to ensure RIAT work conforms with the Standards.

The following provides further details on how the Sr. RIAM ensures quality and continuity in the RIAT's activities:

### **Internally:**

- The Sr. RIAM continuously ensures QA by performing activities such as ongoing monitoring, reviewing of working papers and being present at debriefs;
- The RIAT use audit program templates based on the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework <sup>3</sup>;
- Documents such as the Charter and the Manual have been reviewed and updated to conform with the new Global IA Standards by the collective of RIAMs in Ontario; and
- The Sr. Internal Auditor performed a gap assessment with the new Global IA Standards. There results, including a plan to address the gaps are presented in Appendix 1.

### **Externally:**

- The Sr. RIAM engaged the Institute of Internal Auditors<sup>4</sup> to evaluate and review the RIAT's Quality Self Assessment in the spring of 2021. The conclusion was that "It is the overall opinion of the IIA that RIAT generally conforms with the Standards and the Code of Ethics";
- The charter requires that RIAT performs its function and operations in accordance with the Framework. Until that time that RIAT undergoes another external QA using the new Global Internal Audit Standards, they will use the sentence "*This engagement was conducted in conformance with the International Standards for Professional Practice of Internal Auditing*" in their reports; and
- In accordance with Standard 8.4 of the Global IA Standards, the collaborative of RIATs across the province is planning a session in the fall of 2025-26 to train staff to perform external QAs in accordance with the new Global IA Standards. As such, RIATs will start implementing external QAs shortly thereafter, within the five years timeline required under the Standard.

## 2024-25 RIAT Annual Plan Activities

As per the Ministry of Education's 2016: B10 memo<sup>5</sup>, each Board should receive a minimum of two engagements a year, in addition to follow-up procedures on recommendations issued for previous audits (where necessary).

<sup>3</sup> See the following link for further information about COSO: <https://www.coso.org/Pages/default.aspx>

<sup>4</sup> See the following link for the North America Chapter of the IIA: <https://na.theiia.org/Pages/IIAHome.aspx>

<sup>5</sup> The complete list of B and SB memos can be found at this link: <https://efis.fma.csc.gov.on.ca/faab/Memos.htm>

The Sr. RIAM prepares an annual plan based on periodic strategic risk assessments and input from Audit Committee Members and Management. The Sr. RIAM then provides the plan to the audit committee, for their approval and to make recommendations to the board of trustees.

### **2024-25 Region-Wide Plan**

By August 31<sup>st</sup>, 2025, 29 of 36 projects (81%) were either presented to AC or in the report process, to be presented to AC September 2025.

In addition, RIAT staff participated in 30 Audit Committee meetings, including three for this school board.

The following table presents a summary of the status of all RIAT engagements in the Ontario East Region:

	Complete <sup>6</sup>		Work In Progress <sup>7</sup>		Postponed/ Removed		TOTAL	
	24-25	23-24	24-25	23-24	24-25	23-24	24-25	23-24
Assurance and Consulting	9	17	13	9	2	-	24	26
Follow-up	4	4	-	-	-	-	4	4
Strategic Risk Assessment	8	-	-	8			8	8
<b>TOTAL</b>	<b>21</b>	<b>21</b>	<b>13</b>	<b>17</b>	<b>2</b>	<b>-</b>	<b>36</b>	<b>38</b>

### **2024-25 School Board Plan**

For this school board, RIAT completed and reported to AC all the items on the 2024-25 plan, see Appendix 4.

<sup>6</sup> Presented to AC during the 2024-25 School Year

<sup>7</sup> Includes engagements in the planning, fieldwork or report phase

**Recommendations**

That the Limestone District School Board Audit Committee:

1. Receives for information the 2025-26 Annual Report on Internal Audit Activities; and
2. Approves the 2025-26 Regional Internal Audit Team Charter (Appendix 3).

**Appendices**

1. 2025-26 Global IA Standards Executive Summary;
2. 2025-26 Charter Summary;
3. 2025-26 Regional Internal Audit Team Charter (UNSIGNED); and
4. 2024-25 RIAT Plan update LDSB - September 15 (Information).

# Global Internal Audit Standards

September 2025



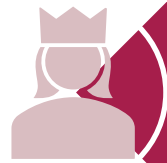
**INTERNAL  
AUDIT TEAM**  
**Ontario East**

**2025-26 AUDIT COMMITTEE MEETING**

# GLOBAL INTERNAL AUDIT STANDARDS



New Global Internal Audit Standards came into effect January 9, 2025



Developed by the Institute of Internal Auditors (“IIA”)



The new standards are more specific than the previous ones

# GLOBAL INTERNAL AUDIT STANDARDS

## Ethics and Professionalism;

- P#1 – Demonstrate Integrity
- P#2 – Maintain Objectivity
- P#3 – Demonstrate Competency
- P#4 – Exercise Due Professional Care
- P#5 – Maintain Confidentiality

## Governing the Internal Audit Function;

- P#6 – Authorized by the Board
- P#7 – Positioned Independently
- P#8 – Overseen by the Board;

## Managing the Internal Audit Function

- P#9 – Plan Strategically
- P#10 – Manage Resources
- P#11 – Communicate Effectively
- P#12 – Enhance Quality

## Performing Internal Audit Services

- P#13 – Plan Engagements Effectively
- P#14 – Conduct Engagement Work
- P#15 – Communicate Engagement Results and Monitor Action Plans

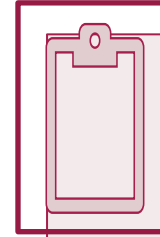
# ADDRESSING THE CHANGES



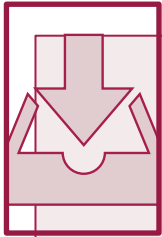
- New Audit Charter
- **Status:** in-progress



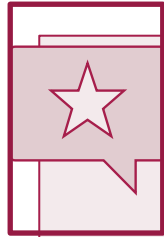
- New Audit Manual
- **Status:** in-progress



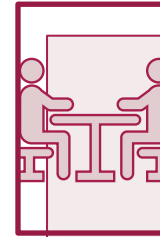
- Feedback Surveys
- **Status:** in-progress



- New job descriptions
- **Status:** implemented



- External Quality Assurance
- **Status:** in-progress



- Meeting between AC and RIAT
- **Status:** in-progress



- Develop formal purpose, vision, mission
- **Status:** in-progress

# Thank you







## **Regional Internal Audit Charter Summary**

### **PURPOSE**

The purpose of the regional internal audit team (RIAT) is to strengthen the ability of the district school boards in the Ontario East Region to create, protect, and sustain value by providing the Audit Committee of the Board of Trustees (Audit Committee) and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

### **MANDATE**

#### ***Authority***

- Establishment of RIAT, oversight role of the Audit Committee; and
- RIAT to have full and unrestricted access to personnel and information systems to conduct their work.

#### ***Independence, Organizational Position, and Reporting Relationships***

- A description of the regional model is provided distinguishing between the functional relationship with the Audit Committee and the administrative support provided by the host board;
- Examples are provided where the Sr. Regional Internal Audit Manager demonstrates the functional reporting relationship with the Audit Committee; and
- The Sr. Regional Internal Audit Manager will confirm to the Audit Committee, at least annually, the organizational independence of the regional internal audit team.

#### ***Changes to the Mandate and Charter***

- May occur where there is a change in Sr. Regional Internal Audit Manager, Audit Committee and or Director of Education.

### **Audit Committee Oversight**

The Audit Committee's oversight role over the internal audit function is outlined in Ontario Regulation 361/10.

### **Sr. Regional Internal Audit Manager Roles and Responsibilities**

- Sets out the Sr. Regional Internal Auditor's role in and responsibility for the following Global Internal Audit principals and Standards:
  - Ethics and Professionalism;
  - Objectivity;
  - Managing the Internal Audit function;
  - Communication with the Audit Committee and Senior Management; and
  - Quality Assurance and Improvement Program.

### **Scope and Types of Internal Audit Services**

- Provides examples where it is appropriate for Internal audit to provide services;
- The regional internal audit function cannot assume management responsibility; and
- The Sr. Regional Internal Audit Manager or any of his or her team may initiate and conduct any other audit or review deemed necessary for potential illegal acts, fraud, abuse, or misuse of funds.



## **Regional Internal Audit Charter**

### **PURPOSE**

The purpose of the Regional Internal Audit Team (RIAT) is to strengthen the ability of the district school boards in the Ontario East Region to create, protect, and sustain value by providing the Audit Committee of the Board of Trustees (Audit Committee) and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

The regional internal audit function enhances the district school board's:

- Successful achievement of its objectives;
- Governance, risk management, and control processes;
- Decision-making and oversight;
- Reputation and credibility with its stakeholders; and
- Ability to serve the public interest.

The regional internal audit function is most effective when:

- Internal auditing is performed by competent professionals in conformance with The IIA's Global Internal Audit Standards™, which are set in the public interest;
- The Regional Internal Audit Team is independently positioned with direct accountability to the Audit Committee; and
- Regional Internal Auditors are free from undue influence and committed to making objective assessments.

### **COMMITMENT TO ADHERING TO THE GLOBAL INTERNAL AUDIT STANDARDS**

The Regional Internal Audit Team will adhere to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements. The Sr. Regional Internal Audit Manager will report annually to the Audit Committee and Senior Management regarding the Regional Internal Audit Team's conformance with the Standards, which will be assessed through a quality assurance and improvement program.

### **MANDATE**

#### ***Authority***

The regional internal audit function is established by the Ministry of Education through the annual Core Education Funding. The oversight role of the Audit Committee over the regional internal audit function is established by Ontario Regulation 361/10, "Audit Committees", subsection 9(3).

The Regional Internal Audit Team 's authority is created by its direct reporting relationship to the Audit Committee. Such authority allows for unrestricted access to the Audit committee.

The Audit Committee authorizes the Regional Internal Audit Team to:

- Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities. Regional Internal Auditors are accountable for confidentiality and safeguarding records and information;
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the Regional Internal Audit function's objectives; and
- Obtain assurance from the necessary personnel of the district school board and other specialized services from within or outside the district school board to complete internal audit services.

### ***Independence, Organizational Position, and Reporting Relationships***

The Internal Audit function follows a regional model. The function consists of a Sr. Regional Internal Audit Manager responsible to district school boards in one of the eight regions in the province of Ontario as identified by the Ministry of Education.

The Sr. Regional Internal Audit Manager will be positioned at a level in the school board that enables internal audit services and responsibilities to be performed without interference from management, thereby establishing the independence of the Regional Internal Audit Team. (See "Mandate" section.) The Sr. Regional Internal Audit Manager will (i) report functionally to each audit committees of the Boards of Trustees and (ii) be administratively (for example, day-to-day operations) supported by a host school board's Senior Business Official. This positioning provides the organizational authority and status to bring matters directly to Senior Management and escalate matters to the Audit Committee, when necessary, without interference and supports the Regional Internal Auditors' ability to maintain objectivity.

The functional reporting relationship between the Sr. Regional Internal Audit Manager and each Audit Committee will be further demonstrated by each Audit Committee performing the following functions for their Board:

- Approve the regional internal audit charter;
- Recommend for approval the risk based internal audit plan;
- Receive information from the Sr. Regional Internal Audit Manager about the internal audit activity performance to plan and other relevant matters;
- Inquire of the Sr. Regional Internal Audit Manager whether there are resource or scoping limitations; and

- Review annually the performance of the Regional Internal Audit Team activity and provide the Board of Trustees with their comments regarding the performance of the Sr. Regional Internal Audit Manager.

The Sr. Regional Internal Audit Manager will interact directly with the Audit Committee of the Board of Trustees, including in-camera sessions and between audit committee meetings as appropriate.

The Sr. Regional Internal Audit Manager will confirm to the Audit Committee, at least annually, the organizational independence of the Regional Internal Audit Team. If the governance structure does not support organizational independence, the Sr. Regional Internal Audit Manager will document the characteristics of the governance structure limiting independence and any safeguards employed to achieve the principle of independence. The Sr. Regional Internal Audit Manager will disclose to the Audit Committee any interference Regional Internal Auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the Regional Internal Audit Team's effectiveness and ability to fulfill its mandate.

### ***Changes to the Mandate and Charter***

Circumstances may justify a follow-up discussion between the Sr. Regional Internal Audit Manager, Audit Committee, and Senior Management on the regional internal audit mandate or other aspects of the regional internal audit charter. Such circumstances may include but are not limited to:

- A significant change in the Global Internal Audit Standards;
- A significant reorganization within the district school board;
- Significant changes in the Sr. Regional Internal Audit Manager, Audit Committee, and/or Senior Management;
- Significant changes to the district school board's strategies, objectives, risk profile, or the environment in which it operates; and
- New laws or regulations that may affect the nature and/or scope of internal audit services.

## **Audit Committee Oversight**

To establish, maintain, and ensure that the regional internal audit function has sufficient authority to fulfill its duties, the oversight role of the Audit Committee over the Regional Internal Audit Team is outlined in Ontario Regulation 361/10, "Audit Committees", subsection 9(3).

Further, subsection 10(c) of the regulation allows private meetings between the Regional Internal Audit Team and the Audit Committee members without Senior Management present. Note: Funding for the regional internal audit function is determined by the Ministry of Education annually through the Core Education Funding.

## **Sr. Regional Internal Audit Manager Roles and Responsibilities**

### ***Ethics and Professionalism***

The Sr. Regional Internal Audit Manager will ensure that Regional Internal Auditors:

- Conform with the Global Internal Audit Standards, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality;
- Understand, respect, meet, and contribute to the legitimate and ethical expectations of the organization and be able to recognize conduct that is contrary to those expectations;
- Encourage and promote an ethics-based culture in the organization; and
- Report organizational behavior that is inconsistent with the organization's ethical expectations, as described in applicable policies and procedures.

### ***Objectivity***

The Sr. Regional Internal Audit Manager will ensure that the regional internal audit function remains free from all conditions that threaten the ability of Regional Internal Auditors to carry out their responsibilities in an unbiased manner, including matters of engagements' selection, scope, procedures, frequency, timing, and communication. If the Sr. Regional Internal Audit Manager determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Regional Internal Auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others, either in fact or appearance.

Regional Internal Auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, Regional Internal Auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year;
- Performing operational duties for the district school board or its affiliates;
- Initiating or approving transactions external to the regional internal audit function; and
- Directing the activities of any district school board employee that is not employed by the regional internal audit function, except to the extent that such employees have been appropriately assigned to the Regional Internal Audit Team or to assist Regional Internal Auditors.

### ***Regional Internal Auditors will:***

- Disclose impairments of independence or objectivity, in fact or appearance, to appropriate parties and at least annually, such as the Sr. Regional Internal Audit Manager, Audit Committee, management, or others.
- Exhibit professional objectivity in gathering, evaluating, and communicating information;
- Make balanced assessments of all available and relevant facts and circumstances; and
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

### ***Managing the Regional Internal Audit Function***

The Sr. Regional Internal Audit Manager has the responsibility to:

- At least annually, develop a risk-based regional internal audit plan that considers the input of the Audit Committee and Senior Management. Discuss the plan with the Audit Committee and Senior Management and submit the plan to the Audit Committee for recommendation to their Board of Trustees for approval.
- Communicate the impact of resource limitations on the regional internal audit plan to the Audit Committee and Senior Management.
- Review and adjust the regional internal audit plan, as necessary, in response to changes in the district school board's business, risks, operations, programs, systems, and controls.
- Communicate with the Audit Committee and Senior Management if there are significant interim changes to the regional internal audit plan. Submit all proposed major changes to the regional internal audit plan to the Audit Committee for recommendation to their Board of Trustees for approval.
- Ensure internal audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards.
- Follow up on engagement findings and confirm the implementation of recommendations or action plans and communicate the results of internal audit services to the Audit Committee and Senior Management as available.
- Ensure the regional internal audit function collectively possesses or obtains the knowledge, skills, and other competencies and qualifications needed to meet the requirements of the Global Internal Audit Standards and fulfill the regional internal audit mandate.
- Identify and consider trends and emerging issues that could impact the district school board and communicate to the Audit Committee and Senior Management as appropriate.
- Consider emerging trends and successful practices in internal auditing.
- Establish and ensure adherence to methodologies designed to guide the regional internal audit function.
- Ensure adherence to the district school boards' relevant policies and procedures unless such policies and procedures conflict with the regional internal audit charter or the Global Internal Audit Standards. Any such conflicts will be resolved or documented and communicated to the Audit Committee and Senior Management.

- Coordinate activities and consider relying upon the work of other internal and external providers of assurance and advisory services. If the Sr. Regional Internal Audit Manager cannot achieve an appropriate level of coordination, the issue must be communicated to Senior Management and if necessary escalated to the Audit Committee.

### ***Communication with the Audit Committee and Senior Management***

The Sr. Regional Internal Audit Manager will report annually to the Audit Committee and Senior Management regarding:

- The regional internal audit function's mandate.
- The regional internal audit plan and performance relative to its plan.
- Regional internal audit budget.
- Significant revisions to the regional internal audit plan and budget.
- Potential impairments to independence, including relevant disclosures as applicable.
- Results from the quality assurance and improvement program, which include the regional internal audit function's conformance with The IIA's Global Internal Audit Standards and action plans to address the regional internal audit function's deficiencies and opportunities for improvement.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the Audit Committee that could interfere with the achievement of the district school board's strategic objectives.
- Results of assurance and advisory services.
- Resource requirements.
- Management's responses to risk that the regional internal audit function determines may be unacceptable or acceptance of a risk that is beyond the district school board's risk appetite.

### ***Quality Assurance and Improvement Program***

The Sr. Regional Internal Audit Manager will develop, implement, and maintain a quality assurance and improvement program that covers all aspects of the regional internal audit function. The program will include external and internal assessments of the regional internal audit function's conformance with the Global Internal Audit Standards, as well as performance measurement to assess the regional internal audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The program also will assess, if applicable, compliance with laws and/or regulations relevant to internal auditing. Also, if applicable, the assessment will include plans to address the regional internal audit function's deficiencies and opportunities for improvement.

Annually, the Sr. Regional Internal Audit Manager will communicate with the Audit Committee and Senior Management about the regional internal audit function's quality assurance and improvement program, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments. External assessments will be conducted at least once every

five years by a qualified, independent assessor or assessment team from outside the district school boards served by the Regional Internal Audit Team; qualifications must include at least one assessor holding an active Certified Internal Auditor® credential.

## **Scope and Types of Internal Audit Services**

The scope of internal audit services covers the entire breadth of the district school board, including all the district school board's activities, assets, and personnel. The activities and processes within the scope are captured in the audit universe. The scope of internal audit activities also encompasses but is not limited to objective examinations of evidence to provide independent assurance and advisory services to the Audit Committee and management on the adequacy and effectiveness of governance, risk management, and control processes for the district school board.

The nature and scope of advisory services may be agreed with the party requesting the service, provided the regional internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.

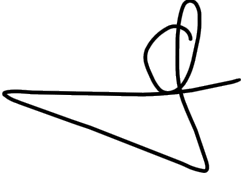
Internal audit engagements may include evaluating whether:

- Risks relating to the achievement of the district school board's strategic objectives are appropriately identified and managed.
- The actions of the district school board's trustees, directors, management, employees, and contractors or other relevant parties comply with the district school board's policies, procedures, and applicable laws, regulations, and governance standards.
- The results of operations and programs are consistent with established goals and objectives.
- Operations and programs are being carried out effectively, efficiently, ethically, and equitably.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact the district school board.
- The integrity of information and the means used to identify, measure, analyze, classify, and report such information is reliable.
- Resources and assets are acquired economically, used efficiently and sustainably, and protected adequately.

The Sr. Regional Internal Audit Manager or any of his or her team may initiate and conduct any other audit or review deemed necessary for potential illegal acts, fraud, abuse, or misuse of funds. Reasonable notice shall be given to appropriate personnel of intent to audit in their areas except when conditions warrant an unannounced audit.



Approved by the Audit Committee of the Limestone District School Board at its meeting on September 15<sup>th</sup>, 2025.

<b>Senior Regional Internal Audit Manager</b>	<b>Audit Committee Chair</b>	<b>Director of Education</b>
Genevieve Segu		
		

## Appendix A: DEFINITION OF SELECTED TERMS

Add Value	Value is provided by improving opportunities to achieve organizational objectives, identifying operational improvement, and/or reducing risk exposure through both assurance and consulting services.
Advisory/Consulting Services/Review	<p>Advisory and related client service activities, the nature and scope of which are agreed to with the client and which are intended to add value and improve a school board's governance, risk management and control processes without the regional internal auditor assuming management responsibility. Examples include counsel, advice, facilitation and training.</p> <p>These activities can also be described as "review", interchangeably with "consulting".</p>
Assurance	An objective examination of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the organization. Results can be relied upon for supporting informed decision making.
Board of Trustees	A legislative body that that has overall responsibility and accountability for the district school board. For purposes of this Charter, this also includes committees that support the Board of Trustees including the audit committee.
Compliance	Conformity and adherence to policies, plans, procedures, laws, regulations, contracts or other requirements.
Control Environment	<p>The attitude and actions of the Board of Trustees and district board management regarding the significance of control within the organization. The control environment provides the discipline and structure for the achievement of the primary objectives of the system of internal control. The control environment includes the following elements:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Integrity and ethical values.</li> <li><input type="checkbox"/> Management's philosophy and operating style.</li> <li><input type="checkbox"/> Organizational structure.</li> <li><input type="checkbox"/> Assignment of authority and responsibility.</li> <li><input type="checkbox"/> Human resource policies and practices.</li> <li><input type="checkbox"/> Competence of personnel.</li> </ul>
Controls/	Any action taken by district board management and other parties to enhance risk management and increase the likelihood that established objectives and

Internal Controls	<p>goals will be achieved. Management plans, organizes and directs the performance of sufficient actions to provide reasonable assurance that objectives and goals will be achieved.</p> <p>The system of management controls (business plans, capturing and analyzing data, performance reporting, code of conduct, etc.) that are implemented within a school board to ensure that assets (human, physical and information) are protected and to provide reasonable assurance that its objectives can be achieved.</p>
Control Processes	The policies, procedures and activities that are part of a control framework, designed to ensure that risks are contained within the risk tolerances established by the risk management process.
Fraud	Any illegal acts characterized by deceit, concealment or violation of trust. These acts are not dependent upon the application of threat of violence or of physical force. Frauds are perpetrated by parties and organizations to obtain money, property or services; to avoid payment or loss of services; or to secure personal or business advantage.
Governance	<p>The combination of processes and structures implemented by the</p> <p>Board of Trustees in order to inform, direct, manage and monitor the activities of the organization toward the achievement of its objectives.</p>
In-camera	A separate discussion between members of the Audit Committee and the Regional Internal Audit Manager promoting open communication and discussion of any sensitive issues or problems.
Independence	The freedom from conditions that threaten objectivity or the appearance of objectivity. Such threats to objectivity must be managed at the individual auditor, engagement, functional and organizational levels.
Objectivity	An unbiased mental attitude that allows Regional Internal Auditors to perform engagements in such a manner that they have an honest belief in their work product and that no significant quality compromises are made. Objectivity requires Regional Internal Auditors to not subordinate their judgment on audit matters to that of others.
Risk	Effect of uncertainty on objectives or outcomes.
Risk	A structured and disciplined approach aligning strategy, processes, people, technology and knowledge with the purpose of evaluating and managing the

Management	risks an organization faces. Overall, it is about choices made under conditions of uncertainty, balanced by acceptable levels of risk.
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<b>Subject:</b>	2024-25 Regional Internal Audit Plan
<b>Presented by:</b>	Genevieve Segu, Sr. Regional Internal Audit Manager Pasquale L'orfano, Internal Auditor
<b>Meeting Date:</b>	September 15 <sup>th</sup> , 2025

### Purpose

To provide the Audit Committee with an update from the Senior Regional Internal Audit Manager (RIAM) on the progress of the 2024-25 RIAT work.

This is in alignment with Ontario Regulation 361/10: Audit Committees (9) Duties of an Audit Committee 3(2&3).

### Content

#### 2024 – 25 Regional Internal Audit Plan Update

The Audit Committee approved the 2024-25 Audit Plan at the September 9, 2024 meeting. The following presents an update on the engagements:

Status	Audit & Scope	Schedule
Complete	<b>2023-24 Special Education Benchmarking</b>  Management and AC at each board often ask how they perform or compare to others in the province. The purpose of this project is to share comparative metrics with participating Boards to highlight potential differences and outliers that could be used to investigate and report on.	Reported
Cyclical	<b>Follow-up Procedures</b>  This is a recurring item on RIAT's annual plan.	Not needed at this time.



		RIAT continues to follow-up on the remaining recommendation, as they come due.		
	As Needed	<b>Management Request Engagement</b>  To cover any important items that may be required to during the school year.	None Requested to-date	
<b>Recommendation</b>				
That the Limestone District School Board Audit Committee receives for information the September 15 <sup>th</sup> , 2024-25 Regional Internal Audit Plan.				