District School Board
Ontario North East

Audit Committee

Monday September 29, 2025, at 12:00 p.m.
Microsoft Teams

AGENDA

1. **CALL TO ORDER**

2. **ELECTION OF CHAIR**
   a) Call for Nominations
   b) Election
   c) Remarks

3. **APPROVAL OF THE AGENDA**

4. **CONFLICT OF INTEREST**

   Trustees declaring a conflict of interest must do so in writing, with a log kept on file by the Chair. Trustees declaring a conflict are to leave the meeting space/disconnect from Teams at the time of the discussion and will receive a text/notification from the Superintendent of Business when they are welcome to join.

5. **APPROVAL OF THE MINUTES MAY 12, 2025** **2**

6. **2024-2025 AUDIT PLANNING REPORT** **(Derek D'Angelo) 4**

7. **CYBER SECURITY INCIDENT EXERCISE** **(Melissa Dodge) 24**

8. **SUCCESSION PLANNING** **(Melissa Dodge) 27**

9. **REPORTS** **(Superintendent Edwards) 32**
   a) Compliance Report
   b) Annual Report to the Board of Trustees
   c) Annual Report to the Ministry of Education

10. **SELF-ASSESSMENT OF THE AUDIT COMMITTEE** **(Superintendent Edwards)**

11. **EVALUATION OF THE REGIONAL INTERNAL AUDIT TEAM PERFORMANCE** **(Superintendent Edwards)**

12. **OTHER BUSINESS**
    i.) 2025-2026 AUDIT COMMITTEE MEETING SCHEDULE
    December 08, 2025, at 12:00 pm
    May 11, 2026, at 12:00 pm

13. **ADJOURNMENT**

Audit Committee

Monday May 12, 2025, at 12:00 p.m.
Microsoft Teams

MINUTES

COMMITTEE MEMBERS PRESENT

Bob Brush	Trustee
Jonathan Byer	Trustee-Chair
Brian Peever	Trustee

COMMITTEE MEMBERS ABSENT

Jamie Johnston	External Member
Greg Paquette	External Member

GUESTS

Melissa Dodge	Regional Internal Auditor

ADMINISTRATION PRESENT

Lesleigh Dye	Director of Education
Lisa Edwards	Superintendent of Business

RECORDING SECRETARY

Jessica Hardy	Executive Assistant to the Superintendent of Business/Finance

CALL TO ORDER

Jonathan Byer, Chair of the Audit Committee called the meeting to order at 12:03 pm.

APPROVAL OF THE AGENDA

PEEVER

THAT the agenda for the Audit Committee meeting dated May 12, 2025, be approved.

CARRIED

CONFLICT OF INTEREST

Trustees declaring a conflict of interest must do so in writing, with a log kept on file by the Chair. Trustees declaring a conflict are to leave the meeting space/disconnect from Teams at the time of the discussion and will receive a text/notification from the Superintendent of Business when they are welcome to join.

APPROVAL OF THE MINUTES DECEMBER 09, 2024

BRUSH **THAT** the minutes for the Audit Committee dated December 09, 2024, be approved.

CARRIED

2025-2026 AUDIT PLAN

PEEVER **THAT** this Audit Committee approve the 2025-2026 Audit Plan.

CARRIED

APPOINTMENT OF AUDITORS FOR 2024-2025 FISCAL YEAR

BRUSH **THAT** this Audit Committee recommend the Board reappoint KPMG, LLP Licensed Professional Accountants as auditors for the year ending August 31, 2024.

CARRIED

OTHER BUSINESS

i.) **2025-2026- AUDIT COMMITTEE MEETING SCHEDULE**
September 29, 2025, at 12:00 pm
December 08, 2025, at 12:00 pm
May 11, 2026, at 12:00 pm

ADJOURNMENT

PEEVER **THAT** this Audit Committee now adjourn.

CARRIED

The meeting was adjourned at 12:20 p.m.

KPMG

District School Board Ontario North East

Audit Planning Report for the year ending August 31, 2025

KPMG LLP

Prepared as of September 23, 2025 for presentation to the Audit Committee on September 29, 2025

kpmg.ca/audit

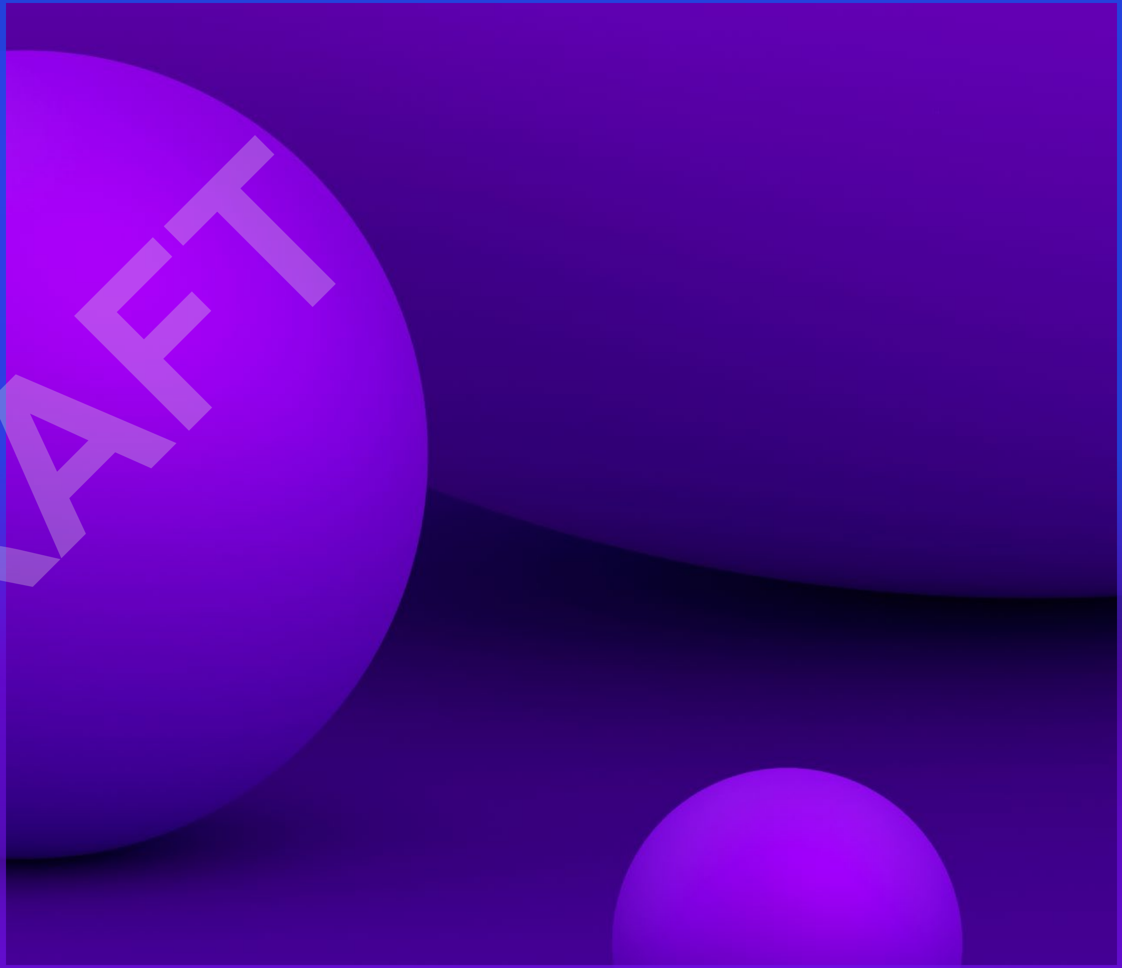


Table of contents

Digital use information

This Audit Planning Report is also available as a "hyper-linked" PDF document.

If you are reading in electronic form (e.g. In "Adobe Reader" or "Board Books"), clicking on the home symbol on the top right corner will bring you back to this slide.

Click on any item in the table of contents to navigate to that section.

Audit highlights

No matters to report

Matters to report – see link for details

Scope

Our audit of the consolidated financial statements ("financial statements") of District School Board Ontario North East("the Board") as of and for the year ending August 31, 2025 will be performed in accordance with Canadian generally accepted auditing standards.

Engagement letter

Audit strategy

Materiality $4.6 million

Involvement of others

Audit strategy - Group audit

Total	Total assets	Total revenue
Total tested	99%	98%

Involvement of non-KPMG firms

Risk assessment

Risk of management override of controls

Other significant risks

Presumed risk of fraudulent revenue recognition

Key milestones

- Planning & Risk Assessment – September 2025
- Risk Assessment & Interim Work – September 2025
- Final Fieldwork & Reporting – November 2025

The purpose of this report is to assist you, as a member of the Audit Committee, in your review of the plan for our audit of the financial statements. This report is intended solely for the information and use of Management, the Audit Committee, and the Board of Directors and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report to the Audit Committee has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

Updates to our prior year audit plan

Auditing Standard Updates

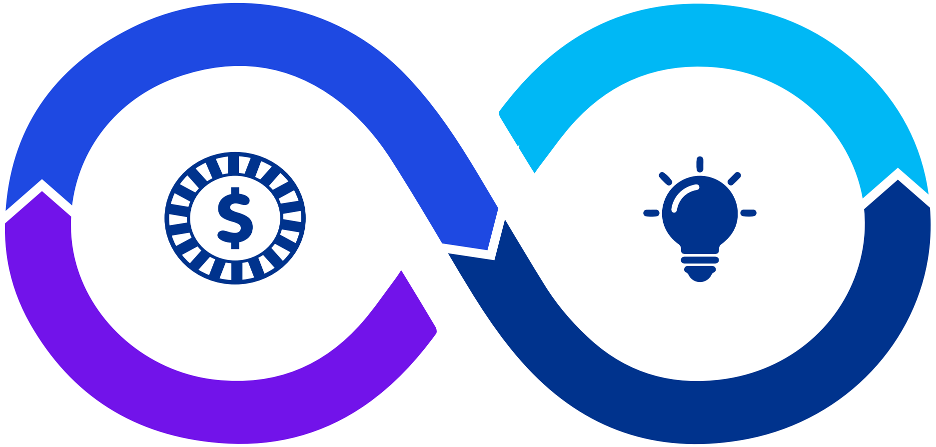
Newly effective auditing standards

Changes to specific auditing standards effective for the 2025 fiscal year include changes to the Group Audit standards (detailed in Appendix D).

The updates to the standard require changes to how Auditor's determine components for which work will be performed, additional risk assessment procedures for select components, and how auditor's assess whether sufficient audit evidence is obtained to conclude on a Group's financial statements.

Newly effective auditing standards

Materiality



We ***initially determine materiality*** at a level at which we consider that misstatements could reasonably be expected to influence the economic decisions of users. Determining materiality is a matter of ***professional judgement***, considering both quantitative and qualitative factors, and is affected by our perception of the common financial information needs of users of the financial statements as a group. We do not consider the possible effect of misstatements on specific individual users, whose needs may vary widely.

We ***reassess materiality*** throughout the audit and revise materiality if we become aware of information that would have caused us to determine a different materiality level initially.

Plan and perform the audit

We ***initially determine materiality*** to provide a basis for:

- Determining the nature, timing and extent of risk assessment procedures;
- Identifying and assessing the risks of material misstatement; and
- Determining the nature, timing, and extent of further audit procedures.

We design our procedures to detect misstatements at a level less than materiality in individual accounts and disclosures, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Evaluate the effect of misstatements

We also ***use materiality*** to evaluate the effect of:

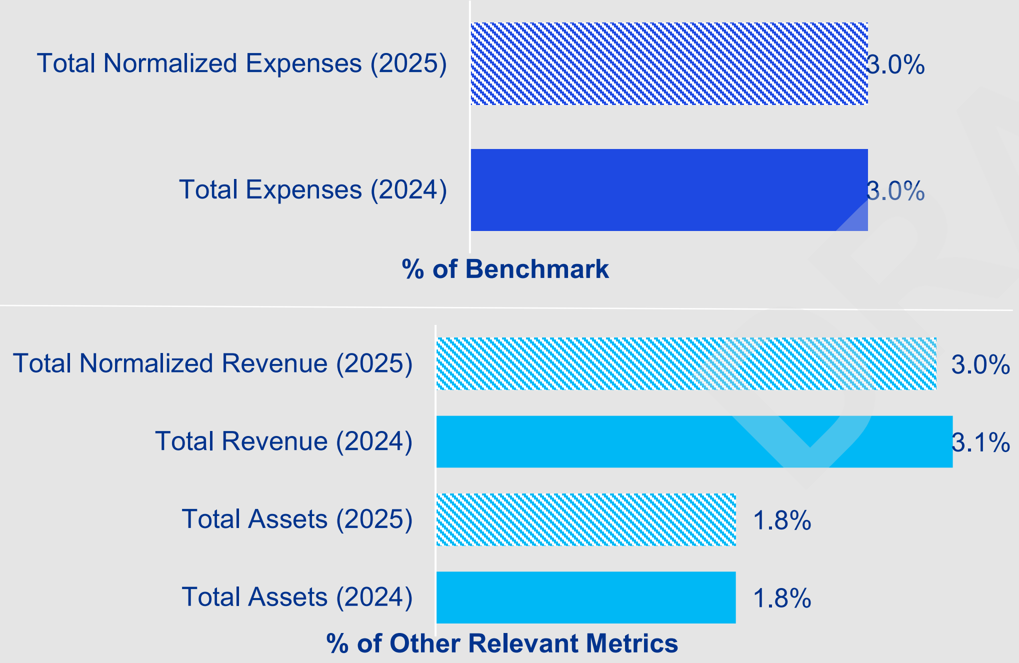
- Identified misstatements on our audit; and
- Uncorrected misstatements, if any, on the financial statements and in forming our opinion.

Initial materiality

Materiality

$4.6 M

(2024: $4.5 M)



Benchmark – 2025 Normalized Expenses

$155.8 million

(2024: $149.6 million)

Other Relevant Benchmark – 2025 Normalized Revenue

$155.8

(2024: $144.1 million)

Other Relevant Benchmark - Total Assets

$251.7 million

(2024: $247.9 million)

Involvement of others

The following parties are involved in the audit of the financial statements:

Involved party	Nature and extent of planned involvement
Management's specialists - Actuary	KPMG relies upon the work completed by School Boards' Co-operative Inc. on an annual basis for the purposes of determining the employee future benefits. School Boards' Co-operative Inc. is involved in the preparation of final post employment benefit expense and liability figures attributable to the District School Board Ontario North East. KPMG will perform the following procedures as they relate to the management expert: • Determine whether the management expert has sufficient knowledge of the subject matter • Assess knowledge, skill and ability of the management expert • Assess the KPMG specialist's objectivity and the management's specialist's relationship to the entity

Group audit - Scoping

We take a risk-based audit approach that requires an understanding of the group, its environment and system of internal control in order to appropriately identify, assess, and plan responses to risks of material misstatement to the group.

We perform group-wide risk assessment procedures, and when sufficient information is not available at the group level, we perform risk assessment procedures at a component level in order to appropriately identify, assess, and plan responses to risks of material misstatement to the group.

We plan to perform risk assessment procedures at a component level for the following components:

Risk assessment procedures performed at a component level	Total assets	Total revenue
Components subject to further audit procedures:		
District School Board Ontario North East	99.0%	98%
Total	**99.0%**	**98%**
Not subject to risk assessment procedures at a component level (North East Tri-Board Student Transportation Services)	1%	2%
Total consolidated	**100%**	**100%**

Risk assessment summary

Our planning begins with an assessment of risks of material misstatement in your financial statements.

We draw upon our understanding of the Board and its environment (e.g. the industry, the wider economic environment in which the business operates, etc.), our understanding of the Board's components of its system of internal control, including our business process understanding.

		Risk of fraud	Risk of error	PY risk rating
●	Management Override of Controls	✓		Significant

● SIGNIFICANT RISK ● PRESUMED RISK OF MATERIAL MISSTATEMENT ● OTHER RISK OF MATERIAL MISTATEMENT

Advanced Technologies

Our **KPMG Clara Dynamic Risk Assessment** tool gives us a more sophisticated, forward-looking and multi-dimensional approach to assessing audit risk. Learn more

Our **KPMG Clara Business Process Mining** provides immediate visualization of how 100% of your transactions are processed to complement your process narratives & flow charts. Learn more

KPMG Clara Account Analysis allows us to analyze the flow of transactions through your business to drive a more meaningful risk assessment. Learn more

KPMG Clara AI allows us to layer AI into our auditing platform, allowing us to scan 100% of your data and pull all of the risky transactions and anomalies out for further analysis. Learn more

The **Clara Asset Impairment Tool** delivers advanced analysis of long-lived assets and goodwill impairment models (based on discounted cash flows) through the use of predictive analytics, enabling a more robust and independent challenge of management's assumptions. Learn more

Required inquiries of the audit committee

Inquiries regarding risk assessment, including fraud risks

- What are the Audit Committee's views about fraud risks, including management override of controls, in the Board? And have you taken any actions to respond to any identified fraud risks?
- Is the Audit Committee aware of, or has the Audit Committee identified, any instances of actual, suspected, or alleged fraud, including misconduct or unethical behavior related to financial reporting or misappropriation of assets?
  - If so, have the instances been appropriately addressed and how have they been addressed?
- How does the Audit Committee exercise oversight of the Board's fraud risks and the establishment of controls to address fraud risks?

Inquiries regarding Board processes

- Is the Audit Committee aware of tips or complaints regarding the Board's financial reporting (including those received through the Audit Committee's internal whistleblower program, if such programs exist)? If so, the Audit Committee's responses to such tips and complaints?

Inquires regarding related parties and significant unusual transactions

- Is the Audit Committee aware of any instances where the Board entered into any significant unusual transactions?
- What is the Audit Committee's understanding of the Board's relationships and transactions with related parties that are significant to the Board?
- Is the Audit Committee concerned about those relationships or transactions with related parties? If so, the substance of those concerns?

Key milestones and deliverables

July – Sept 2025
Planning & Risk Assessment

- Debrief prior year with management
- Kick-off with management
- Planning and initial risk assessment procedures, including:
  - Involvement of others
  - Identification and assessment of risks of misstatements and planned audit response for certain processes
- Obtain and update an understanding of the Board and its environment
- Inquire of the Audit Committee, management and others within the about risks of material misstatement

Sept – Oct 2025
Risk assessment & Interim work

- Evaluate the Entity's components of internal control, other than the control activities component
- Complete group audit scoping
- Perform process walkthroughs for certain business processes
- Complete interim data extraction and processing activities
- Complete initial risk assessment
- Communicate audit plan
- Identify IT applications and environments
- Evaluate D&I of controls for certain business processes (control activity component)
- Evaluate D&I of general IT controls

Oct 2025
Interim work

- Perform process walkthroughs for remaining business processes
- Evaluate D&I of controls for remaining business processes (control activity component)
- Perform interim substantive audit procedures
- Provide update on audit progress

Nov 2025
Final Fieldwork & Reporting

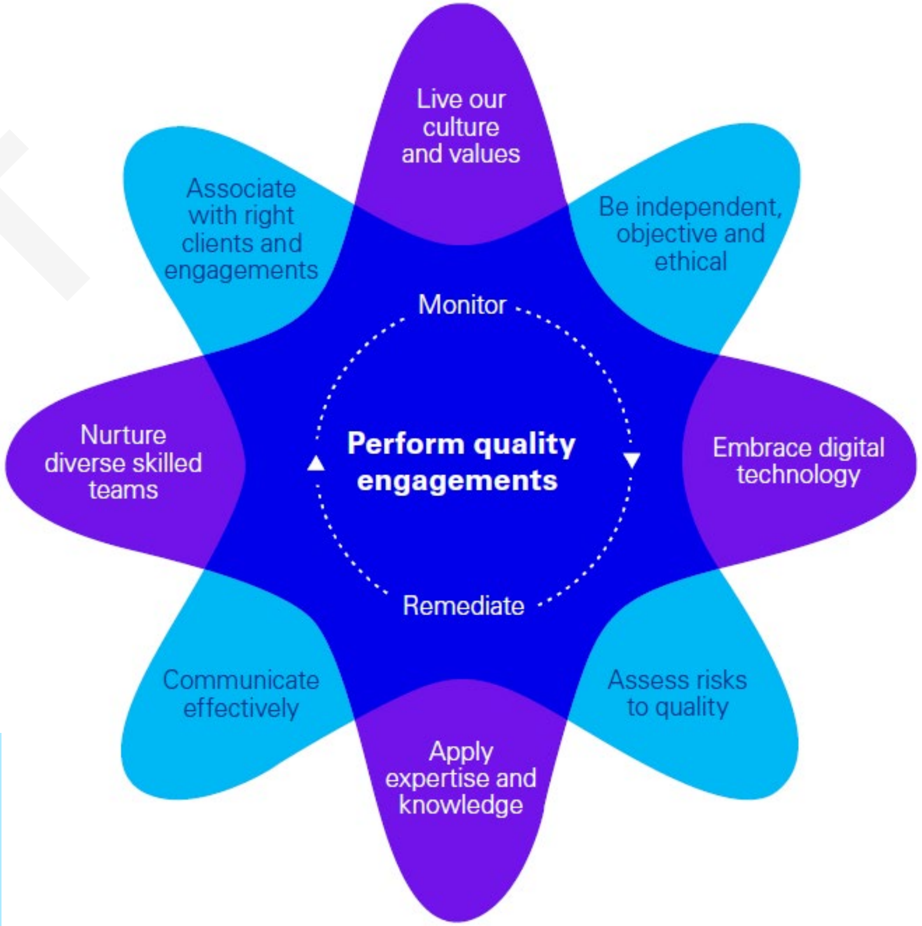
- Complete year-end data extraction and processing activities
- Perform remaining substantive audit procedures
- Evaluate results of audit procedures, including control deficiencies and audit misstatements identified
- Review financial statement disclosures
- Present audit results to the Audit Committee and perform required communications
- Issue audit report on financial statements
- Closing meeting with management
- Filing date: Issue audit reports on financial statements

Audit quality - How do we deliver audit quality?

Quality essentially means doing the right thing and remains our highest priority. Our Global Quality Framework outlines how we deliver quality and how every partner and staff member contributes to its delivery.

The drivers outlined in the framework are the ten components of the KPMG System of Quality Management (SoQM). Aligned with ISQM 1/CSQM 1, our SoQM components also meet the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting in Canada, which apply to professional services firms that perform audits of financial statements. Learn more about our system of quality management and our firm's statement on the effectiveness of our SoQM:

KPMG Canada Transparency Report



We define 'audit quality' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality management;** and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics** and **integrity.**

Doing the right thing. Always.

Indicators of audit quality (AQIs)

The objective of these measures is to provide more in-depth information about factors that influence audit quality within an audit process. Below are the AQIs that we have agreed with management are relevant for the audit. We would like to obtain agreement of the Audit Committee that these are the relevant AQIs.

We will communicate the status of the below AQIs on an annual basis.

Team composition

Experience of the team

- Role – number of years experience in the industry, number of years on this engagement

Technology in the audit

Implementation of Technology in the Audit

- Increase in use of technology in the audit year over year

Engagement focus

Time as a percentage of total time spent by level and phase of the audit

- Proportion of Partner, Senior Manager and Manager time as a percentage by significant risk or key audit matter.
- Proportion of Staff and Seniors time as a percentage of total time by significant risk or key audit matter.
- Proportion of Professionals time as a percentage of total time with specialized skills and knowledge hours by significant risk or key audit matter.

Timing of prepared by client (PBC) items

Timeliness of PBC items

- Number of timely and overdue items received by the audit team.

Quality reviews

Results of internal and external reviews

- Number and nature of findings specific to the audit engagement

Independence: Request for pre-approval of services

We are submitting the following service(s) for pre-approval by the Audit Committee.

The services are not prohibited, and threats to our independence, if any, resulting from the provision of the services will be eliminated or reduced to an acceptable level. Further details on the services and the assessment of the potential effects on our independence are included on the slides that follow.

Audit services	Legal entity	Fee: CDN (estimated)	Fee structure
Audit of the annual consolidated financial statements of the District School Board Ontario North East	District School Board Ontario North East	$34,360	Based on hours incurred
Audit of the Specified Procedures Report (7 month March Report)	District School Board Ontario North East	$7, 870	Based on hours incurred
Additional procedures as required by the Ministry of Education for the 7 month March report	District School Board Ontario North East	TBD	Based on hours incurred
Adoption of the CAS 600 Group Auditing Standard	District School Board Ontario North East	TBD	Based on hours incurred

Independence: Pre-approval of services – Additional detail

Audit services

Detailed description of service	Potential effects of the proposed service on independence
Audit of the consolidated financial statements of District School Board Ontario North East as of August 31, 2025 in accordance Financial Administration Act supplemented by Ontario Ministry of Education memorandum 2004:B2 and Ontario Regulation 395/11 of the Financial Administration Act.	• Such services are provided by the auditor pursuant to statutory or regulatory requirements and are permitted under CPA Code and IESBA independence rules.

Appendices

A — Engagement letter

B — New auditing standards

C — Technology

Appendix: Engagement letter

KPMG

KPMG LLP
Times Square
1760 Regent Street, Unit 4
Sudbury, ON P3E 3Z8
Canada
Telephone 705 675 8500
Fax 705 675 7586

Lisa Edwards, CPA, CMA
Superintendent of Business and Treasurer
District School Board Ontario North East ("The Engaging Party")
P.O. Box 1020
Timmins, ON P4N 7H7

May 6, 2024

You have requested that we perform an agreed-upon procedure engagement. This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services that we will provide.

This letter supersedes our previous letter dated April 28,2023.

The terms of the engagement outlined in this letter will continue in effect from period to period, unless amended or terminated in writing.

The attached Non-Assurance Terms and Conditions and any exhibits, attachments and appendices hereto and subsequent amendments form an integral part of the terms of this engagement and are incorporated herein by reference (collectively the "Engagement Letter").

Purpose and Scope of the Engagement

You have advised us that the agreed-upon procedures report we prepare is solely for the purpose of assisting the Engaging Party in assessing their compliance of the information included within Schedules 19, 20, 22A, 22ARO, 27, 29, 30, 31, and 32 of the EFIS for the period from September 1, 2023 to March 31, 2024 with the Ministry of Education Instructions for Reporting March 31, 2024 Balances for Provincial Consolidation Reporting Purposes ("Purpose").

Accordingly, our report may not be suitable for another purpose.

You have also identified the following intended users (within the meaning of CSRS 4400) of our agreed-upon procedures report: Ministry of Education.

Notwithstanding the potential use of our report by any intended users within the meaning of CSRS 4400, we do not accept any liability to any such intended users and, for certainty, any intended users shall be considered "third parties" for purposes of section 9(b) of the attached Non-Assurance Terms and Conditions.

We have agreed to perform the procedures as included in Appendix – Agreed-Upon Procedures and report to you the findings resulting from our work.

The Engaging Party may not distribute our agreed-upon procedures report without our written consent. We hereby consent to the Engaging Party distributing our agreed-upon procedures report to the intended users identified for the purpose stated above.

A copy of the full engagement letter is available upon request.

Appendix: Newly effective and upcoming changes to auditing standards

For more information on newly effective and upcoming changes to auditing standards - see Current Developments

Effective for periods beginning on or after December 15, 2023

ISA 600/CAS 600

Revised special considerations – Audits of group financial statements

Effective for periods beginning on or after December 15, 2024

ISA 260/CAS 260

Communications with those charged with governance

ISA 700/CAS 700

Forming an opinion and reporting on the financial statements

Appendix: Expanding the use of audit technology

Analytics

- AI Transaction Scoring
- Audit Routine Catalogue
- Data Visualization
- Group Scoping Tool
- Matching Routines
- Process Mining Analytics
- KPMG Forecast Analytics Suite

Automation

- Automated Industry Routines
- Confirmation
- Data Extraction Scripts
- DataShare
- DataSnipper
- Inventory Counter App
- iRadar and iNav
- Offset Remover

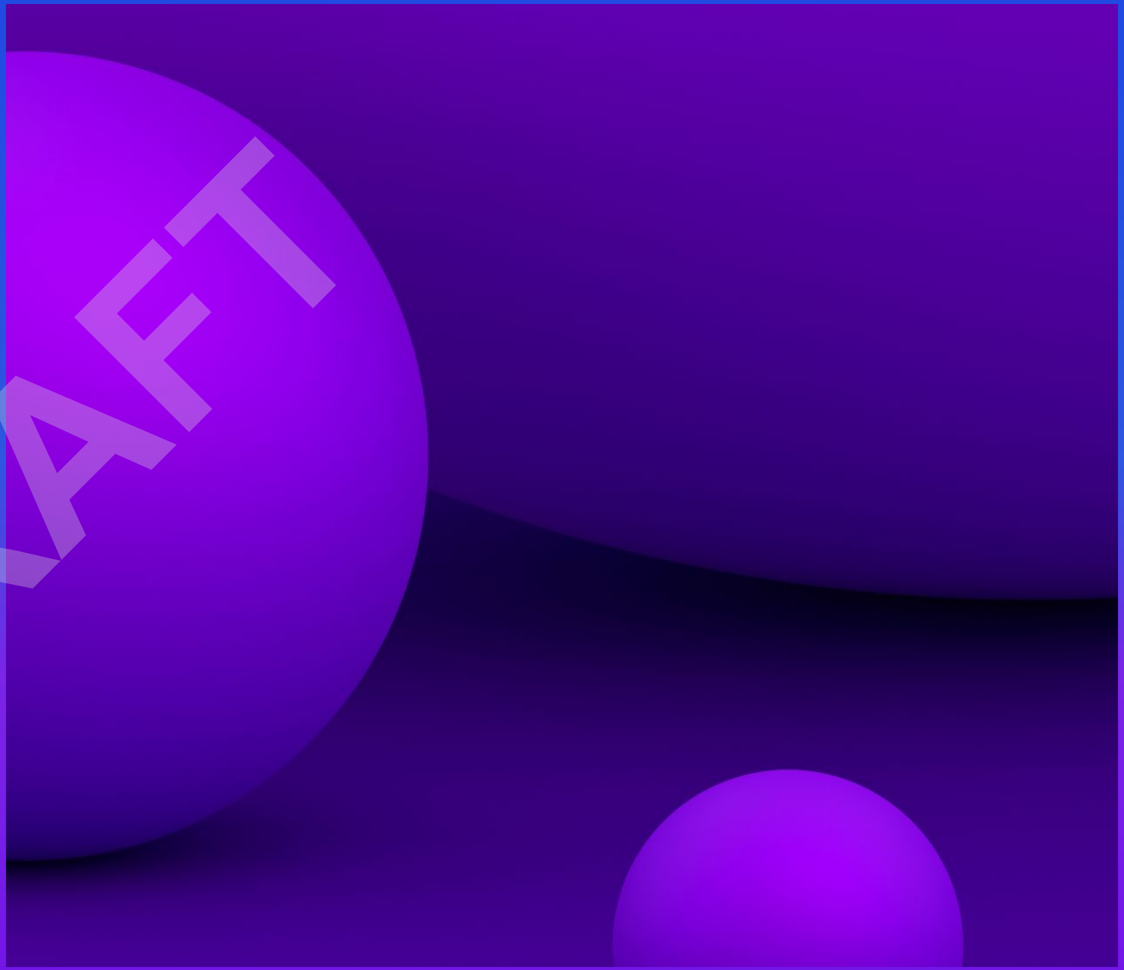
Collaboration

- DocuSign™
- KPMG Clara for Clients

Workflow

- KPMG Clara Workflow
- Account Analysis
- Journal Entry Analysis
- Planning Analytics

KPMG



kpmg.ca

INTERNAL
AUDIT TEAM
Northeastern Ontario

CYBER SECURITY INCIDENT EXERCISE

District School Board Ontario North East

August 26th, 2025

Regional Internal Audit Manager- Melissa Dodge

Distribution:
Lesleigh Dye, Director of Education
Adam Kemp, Information Services Manager
Lisa Edwards, Superintendent of Business and Treasurer
DSBONE, Audit Committee

Introduction

IT Security was included in the 2024/2025 audit plan. Following discussions with the Board and the IT Department, it was agreed that a consultative approach would provide greater value for this engagement, utilizing services offered by MNP. In June 2025, a Cyber Security Incident Tabletop Exercise was conducted at the Board in collaboration with MNP.

Objective and Scope

The objective of the Cyber Security Incident Tabletop Exercise was to assess and enhance the Board's cyber security preparedness by reviewing current IT resiliency plans, facilitating a targeted tabletop exercise, and providing actionable recommendations to strengthen incident response capabilities and overall organizational readiness. Participants included the Director, Superintendents, school principals and managers of administration services – approximately 55-60 people. The session took place on June 11th, 2025, at DSB1's board office.

Conclusion

The review completed was not an assurance engagement and did not focus on IT Security controls and/or audit testing, therefore a rating can not be assigned.

Limitations on Use of Audit Report

Our report is confidential and intended for the use of the persons and entities indicated on the cover page of this report. We do not assume any responsibility or liability for losses incurred by the school Board, directors, officers, employees or by any other parties as a result of the circulation, publication, reproduction or use of this report.

Summary

The engagement followed a three-phase approach:

Phase 1: Project Initiation and Management focused on establishing clear expectations, defining project objectives, and setting the foundation for a successful engagement. This included a kick-off meeting to review goals, scope, and timelines, discussions to understand the Board's current IT resiliency and planning status, and regular bi-weekly status meetings to monitor progress and ensure alignment. Deliverables for this phase included the kick-off agenda, a detailed project plan, and ongoing status updates.

Phase 2: Planning ensured the exercise was carefully tailored and effective. MNP worked with the Board's project team to confirm the current state of planning and develop a realistic scenario for the tabletop exercise. This phase included creating session materials, awareness information, and exercise content specific to the education sector. All materials were reviewed and finalized with the Board to ensure relevance and alignment with objectives. Deliverables included planning meeting notes and finalized awareness and exercise session materials.

Phase 3: Session Facilitation and Reporting involved conducting the on-site exercise, which was designed to engage participants, encourage discussion, and achieve the Board's objectives. MNP facilitated the session with a focus on practical application and interaction. Following the exercise, a detailed post-session report was prepared, highlighting strengths, identifying opportunities for improvement, and providing actionable recommendations to enhance the Board's cyber security readiness.

Conclusion

Strengths Identified

1. Proactive Leadership Engagement: The leadership team recognized the importance of consistent communication and engaged in detailed discussions about when and how to inform staff, students, families, and external stakeholders (unions, police, media).
2. Identification of Key Administrative Processes: The Board staff that attended this session from the administration teams quickly identified their key processes and came up with solutions to ensure these processes could continue, even at a reduced level, during a cyber incident.
3. Collaboration Amongst School Administrators: There was robust discussion amongst School Administrators on how to continue school operations and good work done by this group to document their response strategies and workarounds.

Opportunities for Improvement

1. Document a Crisis Management Plan for the Senior Administration Team
2. Develop a Ransomware Decision-Making Framework
3. Document departmental-level Business Continuity Plans
4. Analyze and Update School-level Cyber Response Plans

INTERNAL AUDIT TEAM
Northeastern Ontario

SUCCESSION PLANNING

District School Board Ontario North East

September 2nd, 2025

Internal Audit Manager- Melissa Dodge
Internal Auditor- Eric St. Denis

Distribution:
Lisa Edwards, Superintendent of Business and Finance
Lesleigh Dye, Director of Education
District School Board Ontario North East, Audit Committee

INTERNAL AUDIT TEAM
Northeastern Ontario

Introduction

This consultation was performed in accordance with the 2024/2025 audit plan as presented to the audit committee.

Scope and Approach

A succession planning toolkit was used to guide a conversation with management from various departments including Finance, Human resources, Information Technology and Facilities. The toolkit was provided to each manager to expand and use in departmental succession planning on an on-going basis. The toolkit covers the following areas:

1. Identifying critical positions within each department
2. Determining the risk of vacancy
3. Management provided the key competency profile for each critical position
4. Management identified potential successors within the Board to assume these roles
5. Conducting a Competency Gap Analysis on identified successors
6. Succession planning, including strategies to manage gaps

A high-level summary of the critical position analysis by department and risk of vacancy is provided below in the 'Summary of Departments' section.

Conclusion

The RIAT would like to thank the management for their time and cooperation during the succession planning review. The review was not an assurance engagement and did not focus on current succession planning and audit testing. Therefore, a rating was not assigned.

Limitations on Use of Report

Our report is confidential and intended for the use of the persons and entities indicated on the cover page of this report. We do not assume any responsibility or liability for losses incurred by the school Board, directors, officers, employees or by any other parties as a result of the circulation, publication, reproduction or use of this report.

INTERNAL AUDIT TEAM
Northeastern Ontario

SUMMARY OF DEPARTMENTS

IDENTIFYING CRITICAL POSITIONS

RIAT met with managers from various departments to gain an understanding on their current succession management and any practices they have within their departments. The first step was a critical position analysis, which involved applying a score to various questions to rate positions within each department and identify the position as critical, key or a support role. The questions included what board priorities the position delivers, meeting legislative requirements, specialised expertise and the departments' ability to meet objectives if it were vacant. The critical positions identified can be seen in the table below included in the "risk of vacancy" section of this report. The manager of each department was automatically identified as critical, regardless of the ratings from the analysis.

RISK OF VACANCY

For the critical positions identified, a risk of vacancy was completed. RIAT met with each department manager and scored each position's likelihood of vacancy based on the opportunity for advancement within the board, the current demand for the skillset and the salary grid compared to market average. Additionally, expected retirement date was identified, any individual with under 5 years until expected retirement was automatically scored as a high regardless of the other factors. A summary of critical positions and the likelihood of vacancy is summarised below.

Department	Total positions	Critical positions identified	Critical positions with high vacancy risk	Risk % due to retirement	Risk % due to Competitive Marketplace
Finance	7	2	2	0%	100%
Payroll	4.5	1	1	100%	0%
HR	6	3	0	0%	0%
IT	6	3	3	0%	100%
Facilities/Capital	6	1	3	67%	33%

INTERNAL AUDIT TEAM
Northeastern Ontario

Succession planning – Gap Analysis

Process Documentation/Cross Training

Recording and maintaining standard operating procedures is inconsistent between departments. There is also inconsistent cross training for critical tasks within departments.

Leading Practice	Recommendation	Management action plan / due date
Standard operating procedures should be recorded within departments for the various roles of critical positions to ensure that their duties can be completed, should the position be vacant. Cross training of employees to complete tasks, especially critical tasks (ie: processing payroll) should be completed.	Processes should be maintained to ensure they are accurate to actual operational practices, as well as appropriately detailed so that an individual performing the task is familiar with all aspects of what needs to be completed. Use the toolkit and discussions with employees to identify tasks completed that only the individual performing the task is familiar with completing. Provide employees the appropriate time and support to cross train with other roles within the department.	

INTERNAL AUDIT TEAM
Northeastern Ontario

Competency Profiles

During the consultation a competency profile for each position within the department was completed. It included potential successors and gaps in the potential successor's skills. This information was summarised in the toolkit and provided to the manager of each department.

Leading Practice	Recommendation	Management action plan / due date
Maintaining a competency profile and up to date job description. A competency profile should include the following items: - Education - Year of experience - Position knowledge - Skills - Behaviours	Maintain the analysis completed with each manager and for each critical position identified, outline the current and future-requirements such as knowledge, skills, abilities, qualifications and personal qualities based on the current job description as well as any anticipated changes. Job descriptions and postings should be updated to reflect any new requirements identified.	

Employee Surveys/Exit Interviews

One section of the toolkit included looking at retention strategies, such as conducting retention interviews, exit interviews, employee engagement surveys and departmental roadblocks. Currently the various interviews and employee engagement surveys are not being completed or analysed for results.

Leading Practice	Recommendation	Management action plan / due date
Completing these types of employee engagement surveys noted above can help the board better understand their employees and reduce the risk of vacancy.	Management should consider which tools would be useful in a future succession planning process.	

District School Board
Ontario North East

District School Board Ontario North East

Compliance Report

September 2025
District School Board Ontario North East
153 Croatia Avenue
Schumacher, ON
P0N 1G0

TO: Audit Committee of the District School Board Ontario North East

RE: School Board Compliance Report

During the 2024/25 fiscal year, nothing has come to our attention that would lead us to believe that District School Board Ontario North East was not compliant with the current federal and provincial Acts, Regulations and Statutes.

Date: ____________________ ______________________________
Month, Day, Year Director of Education

District School Board
Ontario North East

Schumacher Board Office
Street Address
153 Croatia Avenue, Schumacher, ON P0N 1G0
Mailing Address
P.O. Box 1020, Timmins, ON P4N 7H7
705-360-1151

New Liskeard Board Office
198022 River Road
New Liskeard, ON P0J 1P0
705-647-7394

Annual Report to the Board of Trustees for the year ended August 31, 2025

This report summarizes the audit committee's actions for the year ending August 31, 2025.

Audit Committee Members

Following the recruitment and selection process indicated in Regulation 361/10, the following audit committee members were (re)appointed to serve during the next term as follows:

- Jonathan Byer-Trustee-Chair
- Bob Brush-Trustee
- Brian Peever-Trustee
- Ken Ryan-External Member-Outgoing
- Cheryl St. Amour-External Member-Outgoing
- Jamie Johnston-External Member-Incoming
- Greg Paquette-External Member-Incoming

In addition, regular attendees at committee meetings were:

- Lesleigh Dye-Director of Education
- Lisa Edwards- Superintendent of Business
- Melissa Dodge- Regional Internal Audit Manager
- Derek D'Angelo- KPMG- External Auditor

Assessment

At the beginning of the year and in accordance with recommended good practice various administrative tasks were completed. These included*:*

- developing a work plan
- developing a meeting schedule and agenda for the year

It was agreed to hold 3 meetings throughout the year with a fourth meeting, from December to May, if necessary. All meetings have been held as planned.

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The members in attendance at each meeting were as follows:

Member's Name	Sept 26, 2024	Dec 09, 2024	May 13, 2025
Jonathan Byer-Chair	X	X	X
Bob Brush	X	X	X
Brian Peever	X	X	X
Ken Ryan	X	NA	NA
Cheryl St. Amour		NA	NA
Jamie Johnston	NA	X	
Greg Paquette	NA	X	

Governance

The audit committee operated throughout the fiscal year ending August 31, 2025. All members were independent in accordance with provision 3. (1) and 3. (2) of the regulation.

Internal / External Audit

Relationships with both internal and external auditors were satisfactory and private meetings were held with each.

External Auditors
The external auditors, ***KPMG, LLP*** presented the scope and extent of their work to the committee for review and approval on **December 09, 2024**. The external auditors have confirmed their independence in the letter dated **December 09, 2024**. The audit committee reviewed and recommended approval of the annual audited financial statements presented on **December 09, 2024**. The audit committee recommended the reappointment of the external auditors for the next fiscal year during the meeting held **May 12, 2025**.

Internal Auditors
The Committee reviewed the results of the risk assessment, as well as the risk-based internal audit plan prepared for the 2024-2025 fiscal year.

The internal auditors performed the following work during the year:

Planned Audits: IT Security-Final, Succession Planning-Draft

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The audit committee received reports from internal audit that assessed the progress towards management's implementation of action plans developed in response to previous audits. This enabled the audit committee to engage management in a discussion regarding findings not satisfactorily actioned, as well as encouraging renewed efforts on overdue action plans.

Audit Committee Training

No training sessions were held during the fiscal year 2024-2025.

Summary of the work performed

In addition to the items noted above, the following outlines further work performed by the audit committee in the last 12 months:

- received a report from the internal auditors on their review of the effectiveness of controls across the school board
- confirmed that the external and internal auditors did not encounter any difficulties in the course of their work
- recommended the fees charged by the external auditors in respect of the 2024 audit
- reviewed the financial statements and received a report from the external auditors on the statements
- obtained confirmation from the Director of Education that the school board was compliant with all current federal and provincial Acts, Regulations and Statutes.
- undertook an evaluation of the effectiveness of the internal audit function, including the performance of the regional internal audit manager and their team
- queried management on their approach to risk management as well as their strategy to manage such risks

By the signature noted below, we attest that we have discharged our duties and responsibilities respecting Ontario Regulation # 361/10.

On behalf of the audit committee

____

Jonathan Byer, Trustee
2024-2025 Audit Committee Chair

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Annual Report to the Ministry of Education For the year ended August 31, 2025

District School Board Name: District School Board Ontario North East

Fiscal Year: 2024/2025

Re: Annual audit committee report to the Ministry of Education as per Ontario Regulation 361/10

During the 2024/2025 fiscal year, the following internal audits or other engagements were started and completed by August 31st:

IT Security-Final
Succession Planning-Draft

Based on the internal audit plan, we are not expecting any enrolment audits to be performed.

____________	________________	______________________
Date	Signature	Jonathan Byer Audit Committee Chair