

Richmond City School Board
Internal Audit Department Charter
Adopted by Resolution #:
Dated:

Preface

The purpose of internal audit is to provide independent and objective assurance and consulting activity that is guided by a philosophy of adding value to improve the operations of the organization and support the School Board and Senior Management in protecting the assets, reputation and sustainability of the Richmond Public Schools its stakeholders.

The Internal Audit function supports Richmond City Schools in accomplishing its goals and objectives by bringing a professional and constructive approach to evaluate and improve the efficiency and effectiveness of the organization's risk management, control and governance processes and culture including responses to risk across all activities of the organization.

Principles and Governance

Internal Audit is committed to a philosophy of working to the highest ethical and professional standards.

Internal Audit operates within the International Professional Practice Framework (IPPF) established by the Institute of Internal Auditors (IIA). As such, Internal Audit will comply with all relevant IIA Standards and the Code of Ethics, or disclose non-conformance, subject to appropriate proportionality. Furthermore, Internal Audit will comply with all relevant Richmond City Schools policies and procedures and Internal Audit's own Methodology.

Authority and Positioning

The Chief Internal Auditor will report Functionally and Administratively to the Chair of the Richmond City School Audit and Finance Committee. And will only take direction and guidance from the Richmond City School Audit Committee and or the Board Chair. Elected School Board members will work through the Audit Committee Chair and or the Board Chair for all needs, wants and requests.

The Audit Committee will approve the appointment of Chief Internal Auditor. The Audit Committee will perform a yearly performance evaluation of the Chief Internal Auditor as well as their annual compensation. The Chief Internal Auditor can only be removed by a two-thirds majority of the full Richmond City School Board. The Chief Internal Auditor has equivalent authority to senior executives across Richmond City School Board. The Internal Audit management structure is also reflective in terms of remuneration and authority to their equivalent peers. The Chief Internal Auditor and delegates will communicate directly and have full, free, unfettered, unrestricted access to all relevant governing bodies.

The Chief Internal Auditor will not assume any responsibility for any other function or for determining the policy of Richmond City Schools. That responsibility rests solely with the Richmond City School Board and management.

Internal Audit will be objective and independent from all functions and have no direct responsibility or authority over any of the activities audited or subject to audit.

The Internal Audit staff will not audit any activity for which they had authority or responsibility within the past year.

The Internal Audit staff will be impartial and unbiased in thought and attitude and will avoid any, conflict of interest regardless of magnitude.

Internal Audit's scope is unrestricted, and will hold full, free and timely access to any and all of Richmond City Schools functions, records, media of any sort or type, physical properties, and personnel pertinent to carrying out any Richmond City School Board approved engagement.

Internal Audit has the right to meet and communicate directly and freely with, external legal professionals, external auditors or whomever when appropriate and in relation to a duly assigned task. Internal Audit will provide external auditors with access to any relevant internal audit reports at its sole discretion.

Internal Audit may be asked to provide "Advisory or Consultancy" engagements or undertake other similar style services, for example attendance at forums and steering groups. Internal Audit will only undertake such assignments where their independence will not be compromised and where they have adequate knowledge, skills and experience. The scope of Internal Audit's involvement in each assignment must be agreed with all parties.

All Richmond City School employees, consultants, advisors, etc . . . are required to assist Internal Audit in fulfilling its roles and responsibilities through taking ownership of and providing a timely response to information requests, audit findings and actions.

Scope, Role and Responsibility

The scope of Internal Audit's work is all those areas approved by the Richmond City School Board. For example, all academic, non-academic, operational, and non-operational systems, procedures, processes, etc . . .

Internal Audit's vision is to be viewed as a value added and integral part of the Richmond City School system in protecting, assisting, and enhancing the organization.

Internal Audit will:

- Apply strict accountability for the confidentiality and safeguarding of records and information, and the accuracy of outputs.
- Comply with regulation, internal policies, laws and risk management requirements across the Richmond City Schools and the regions in which it operates. Where necessary inform relevant audit committees and governance boards prior to notifying local regulatory authorities of any relevant matters.
- Give honest, independent, strategically minded and constructive feedback based on facts determined through thorough and professional research, analysis and testing.
- Support the organization through the provision of independent and risk focused expertise to identify solutions and drive improvements for the benefit of all.
- Assess the controls in place to safeguard assets on a risk assessed basis.
- Provide oversight and opinion on the organization's culture and conduct and strive to protect the Richmond City Schools.
- reputation through risk assessed review performed by the respective function.
- Continually assess the capability of their function and, where gaps are identified, act to address these through education, recruitment or use of co-source partners.

Planning, Oversight and Quality Principles

Internal Audit will:

- Maintain a view of the organization through business intelligence gathering and relationship management activities to ensure an informed and risk assessed Internal Audit plan is maintained at all times to decide priorities.

- Develop a risk based annual audit plan, subject to reaffirmation after 6 months following a formal half year refresh of the audit plan that is supplemented by quarterly monitoring and amendments.
- Manage and monitor their use of resource at all times and continue to develop their people as a valued resource to the Richmond Public Schools. The Chief Internal Auditor may utilize internal and external resources to complete the audit work and will alert the Audit Committee and the Richmond City School Board immediately if they feel there are inadequate resources to fulfil Internal Audit's obligations to the Board.
- Take full responsibility for the "Whistle Blower – Fraud - Waste and Abuse Hot Line". All complaints will be documented, triaged, assessed, investigated if warranted, concluded upon, and reported to the pertinent stakeholder(s). Annually, issues will be summarized and reported to the Richmond City School Board. Matters of significance, those which are material in nature, are to be immediately reported to the Richmond City School Board via the Audit Committee and or the Chief Audit Executive.
- Conduct an annual effectiveness review and instruct an external, independent body to conduct this review at least once in every 5-year period and to report those results to the AC. This quality assurance review over the Internal Audit activity will be in line with the International Standards for the Professional Practice of Internal Auditing to ensure consistent quality and adherence to methodology. This five-year review may be deferred only with a two-thirds majority vote of the Richmond City School Board.

Review Principles

Internal Audit's review process will:

- Apply appropriate rationale and intelligence gathering when determining coverage and areas of scope.
- Adopt a constructive and collaborative approach at all times.
- Obtain input to and share outputs of work performed with management in a timely manner to allow appropriate opportunity for engagement and response.
- Seek to identify commercially focused, value adding improvement opportunities and support the business with risk and control expertise throughout their implementation.
- Internal will value, integrity, objectivity, confidentiality and competence while executing assignments and responsibilities.

Reporting Principles

Internal Audit will be present at all Audit Committee meetings and report its activity to the Audit Committee.

Internal Audit reporting will include:

- Performance of the approved Internal Audit plan and other performance measures as directed.
- Work performed and concerns identified and examples of strong performance and best practice where they are identified.
- Findings not being addressed in a timely manner and management's response to this as an indicator of risk culture.
- Industry and regulatory context to allow the Board to assess content in relation to the current environment.
- Relevant information of interest such as emerging trends and themes, root cause analysis, issues of group consistency and examples of poor culture.

- Keeping the Audit Committee informed of key personnel, adequacy of resources, structural or methodological changes to Internal Audit's approach and seeking approval for these where appropriate
- All further required submissions (provided at least annually) such as the Internal Audit plan, control environment assessment, QA update, submission of the charter for approval, effectiveness assessment and confirmation of independence.
- Corrections of any significant errors or omissions in reporting made in previous periods.

Internal Audit Charter Approval

This charter is reviewed and approved by the Audit Committee each year. It will be made available on the Richmond City School external website.

Approval

This charter is approved and in effect from 01 January 2024 through 31 December 2024

/s/ _____
Audit Committee Chair

Date: _____

Record of Edits, Changes and Amendments

Document # / Date	New Number	Change made by	Brief description of changes made
20240101 / 01 January, 2024	None -Initial Document	N/A	N/A