

ANNUAL REPORT

of the Standing Committee on Audit and Oversight:
Activities and Observations for Fiscal Year 2025-2026



2025

2026



MAY 2026



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The Committee Membership



The Honourable
Marty Klyne
Chair



The Honourable
Colin Deacon
Deputy Chair



The Honourable
Raymonde
Saint-Germain
Deputy Chair



The Honourable
David M. Wells
Deputy Chair

External Members



Hélène
F. Fortin



Robert
Plamondon

Other senators who have participated in the study:

The Honourable Donna Dasko
The Honourable Tony Loffreda

Library and Research Services, Library of Parliament:

Lindsay McGlashan, Analyst
Rosemonde Samedy, Analyst

Senate Committees Directorate:

Joëlle Nadeau, Committee Clerk (since January 2026)
Jodi Turner, Committee Clerk (until January 2026)
Amélie Gélinas, Recording Secretary
Martine Willox, Recording Secretary
Osvaldo Lopes da Silva Jr., Administrative Assistant

Order of Reference

Extract from the *Rules of the Senate*:

12-7. (4) the Standing Committee on Audit and Oversight, which, for the purposes of integrity, independence, transparency and accountability, shall be authorized, on its own initiative, to:

- (a) retain the services of and oversee the external auditors and internal auditors;
- (b) supervise the Senate's internal and external audits;
- (c) report to the Senate regarding the internal and external audits, including audit reports and other matters;
- (d) review the Senate Administration's action plans to ensure:
 - (i) that they adequately address the recommendations and findings arising from internal and external audits, and
 - (ii) that they are effectively implemented;
- (e) review the Senate's quarterly financial reports and the audited financial statements, for information purposes; and
- (f) report at least annually with observations and recommendations to the Senate.

Executive Summary

The Senate of Canada is a vital democratic institution, with senators from across Canada bringing diverse perspectives—examining legislation and policy through in-depth study and debate. To support senators in their parliamentary work, the Senate Administration is responsible for a range of services and initiatives. Clear, objective insights to strengthen operations, improve services, and respond to the evolving needs of senators and the institution are invaluable.

By championing the principles of integrity, independence, transparency, and accountability, the Standing Committee on Audit and Oversight (the committee) supports the Senate through its oversight of internal and external audits. Audits are an important line of defence—protecting the institution, supporting its pursuit of operational excellence, and promoting its stewardship of public resources.

This report summarizes the work of the committee and its observations to the Senate on audit and oversight matters for the 2025–2026 fiscal year.

In fiscal 2025–2026, the committee’s oversight covered:

- **The external audit of the 2025 financial statements, which confirmed that the financial position and results of the Senate are fairly stated.** The Senate publishes its financial statements for accountability purposes. The committee reviewed the external auditor’s plan and audit results. The timeliness of financial reporting was also considered by the committee and reiterated as an area for improvement.
- **The multi-year risk-based internal audit plan, which prioritizes internal audit work in areas where objective assurance and analysis would be most beneficial.** The plan is updated annually by the Senate’s Chief Audit Executive, in consultation with senators and the Senate Administration. It provides an assessment of all 85 auditable units of the Corporate, Legal, Legislative and Human Resource sectors and directorates of the Senate Administration, aligns with institutional priorities and considers emerging risks.
- **The first planned internal audit — an advisory engagement on procurement using data analytics — which found no systemic or significant issues and proposed three opportunities for improvement.** The committee reported to the Senate on this 2025 engagement—noting the value of objective work that confirmed no issues with procurement. It also reviewed the Senate Administration’s response to findings.
- **A high-level comparative analytical review of past Senate expenditures by the Chief Audit Executive to inform audit planning.** The committee’s review

of quarterly financial reports provided additional insights on current spending.

- **The update to the latest multi-year risk-based internal audit plan, which added a series of rapid advisory engagements on services that support senators.** This work relies on the flexibility and expertise of the Senate’s current in-house capacity — the Chief Audit Executive and a senior advisor — to carry out several advisory engagements each year. The work will address areas that senators and the Clerk of the Senate consider high priority, approved by the committee, and completed quickly to deliver timely insights.
- **The first periodic review of the *Senate Audit and Oversight Charter*, with a revised version adopted by the Senate in March 2026.** The updates to the charter enhance transparency and accountability over planned audit work.

The committee’s observations to the Senate for fiscal 2025–2026 relate to:

- Allocating to the internal audit function the resources required to execute the approved multi-year risk-based internal audit plan. Without adequate funding, closer to benchmarks for other relevant internal audit functions, certain audits will need to be delayed.
- Findings from internal audit regarding procurement, notably, positive results and suggestions for strengthening data management, developing baseline measures and performance metrics, and enhancing controls and monitoring.
- Reiterating past comments on timely financial reporting and enhancing accountability and transparency of institutional objectives, risks and performance.

The following internal audit priorities for fiscal 2026–2027 cover operational activities and horizontal frameworks:

- a review of the performance management framework; and
- high-value rapid advisory engagements on services from the Senate Administration that support senators in their work.

To balance institutional priorities, fiscal realities and follow best practices, planned internal audits for fiscal 2027–2028 and 2028–2029, which are dependent on funding, include:

- an audit of Senate governance, completed in two phases;
- an audit of information technology general controls; and

- an audit of stewardship and safeguarding of heritage assets.

Additional high-value rapid advisory engagements on services that support senators will also be completed. Together, these audits can provide assurance and improvements that are pertinent, timely and cost-effective.

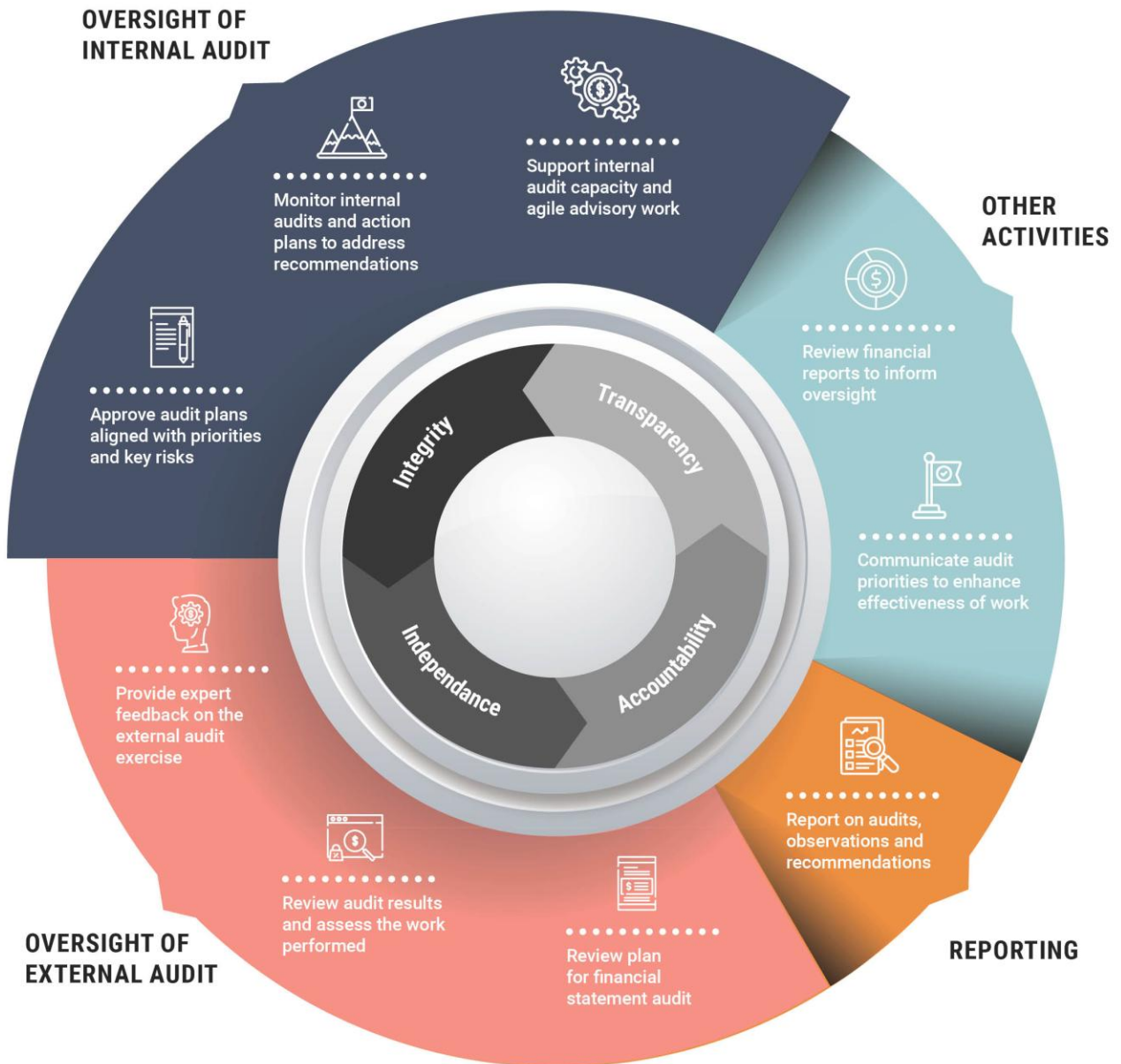
Background

The Standing Committee on Audit and Oversight supervises and reports on the Senate's internal and external audits, for the purposes of integrity, independence, transparency and accountability. The committee's mandate is set out in the *Rules of the Senate*, and its work is guided by the *Senate Audit and Oversight Charter*. The committee's membership includes four senators and two external members, making it the only Senate committee with non-parliamentarians. This external membership provides an independent, expert perspective.

The Senate's governance model separates the role of the committee responsible for managing the financial and administrative matters of the Senate (the Standing Committee on Internal Economy, Budgets and Administration) from the role of the Standing Committee on Audit and Oversight. The Senate Administration, led by the Clerk of the Senate, is responsible for day-to-day management and support functions, while the Chief Audit Executive is responsible for leading an independent internal audit function.

What does the Standing Committee on Audit and Oversight do?

Members of the Standing Committee on Audit and Oversight promote sound financial management practices and work to ensure the effective use of public resources.



Introduction

The Standing Committee on Audit and Oversight (the committee) provides oversight of the Senate's operations and expenditures.¹ The committee is appointed by, and reports to, the Senate.

Acting with integrity, independence, transparency and accountability, the committee is responsible for overseeing and directing the Senate's internal and external audits; reviewing the adequacy and implementation of Senate Administration action plans that address audit findings; and reporting publicly to the Senate on those audits, and annually with its observations and recommendations.² In carrying out this work, the committee is focused on the effectiveness, economy and efficiency of Senate expenditures, and the adequacy of risk management, governance and internal controls. The committee's mandate is focused on the institution's internal operations and therefore plays an important role in the Senate's self-governance.

The committee and its core principles were established by the Senate in October 2020, following the Auditor General of Canada's 2015 report on the audit of senators' expenses. After study and discussion among senators about the core principles for establishing an effective audit and oversight committee within the Senate, it was agreed that such a committee should be independent and report directly to the Senate. Moreover, it was noted that the committee should be accountable for appointing and overseeing internal and external auditors, have continuous access to Senate Administration management and internal and external auditors, meet regularly and without restriction during intersessional periods, as was the case during this fiscal year, and conduct its work in a transparent manner.³

The committee carries out its audit and oversight mandate, in accordance with the *Rules of the Senate* (the Rules) and the *Senate Audit and Oversight Charter*, ensuring the independence of the committee from those responsible for decisions on the day-to-day management of financial and administrative matters of the Senate Administration. The committee's composition, which includes external members,

¹ Senate, *Journals*, October 1, 2020.

² Senate, *Rules of the Senate of Canada*, November 2025, [Rule 12-7\(4\)](#).

³ The committee's first annual report to the Senate, [Annual Report of the Standing Committee on Audit and Oversight: Activities and Observations, October 1, 2020 to March 31, 2022](#), includes additional details on the history of the committee's creation. See also: Standing Committee on Internal Economy, Budgets and Administration (CIBA), [Audit and Oversight](#), Twenty-first report, November 28, 2017; Subcommittee on the Senate Estimates of the Standing Committee on Internal Economy, Budgets and Administration, [Audit and Oversight](#), Fifth report, October 26, 2017; and Standing Committee on Rules, Procedures and the Rights of Parliament, [Develop and propose amendments to the Rules of the Senate to establish the Standing Committee on Audit and Oversight](#), Tenth report, November 29, 2018.

and its independence from the Standing Committee on Internal Economy, Budgets and Administration (CIBA) are two important aspects of its independence.⁴

This annual report to the Senate covers the 2025–2026 fiscal year, from April 1, 2025, to March 31, 2026, including the work of the committee’s intersessional authority from April 1, 2025, to June 18, 2025.

Audit and Oversight Charter

The *Senate Audit and Oversight Charter* outlines the committee’s purpose, authority and responsibilities, and explains the role of the committee in the context of the Senate’s overall governance framework. It recognizes that the Rules establish the committee’s mandate and set out procedures to be followed; in the case of any discrepancy, the Rules shall take precedence over any practice outlined in the charter.

The current charter in force was adopted by the Senate in March 2026, following its first periodic review in 2025, which incorporated best practices in oversight and input from the Senate Administration.⁵ Previously, the first version of the charter was adopted by the Senate in June 2022.

Intersessional Authority

Pursuant to the *Senate Audit and Oversight Charter*, the committee has intersessional authority allowing it to continue to carry out its oversight work during a period of prorogation or dissolution of Parliament and up until the Senate appoints senators to be members of a successor committee. At the end of the session, the senator and external members of the committee become the members of the Intersessional Authority on Audit and Oversight.

There was an intersessional period following prorogation on January 6, 2025, and dissolution of the 44th Parliament on March 23, 2025. During that time, and until members were appointed to the successor committee in the 45th Parliament on June 18, 2025, the work of the committee was carried out by the Intersessional Authority on Audit and Oversight.

⁴ CIBA is responsible for providing strategic direction, recommending administrative rules and policies for adoption by the Senate, exercising its governance functions and ordering, delegating and supervising management functions.

⁵ Senate, *Senate Audit and Oversight Charter*, November 2025.

Membership

The committee is composed of four senators, representing each of the Senate's recognized parties or parliamentary groups, and two independent external members.⁶ This composition leverages institutional knowledge of the Senate and external perspectives on best practices and standards. As well, external membership is considered an important aspect of an audit and oversight committee.

The Rules stipulate that external members may participate in all proceedings but shall not vote on any motion put before the committee. However, all members may include observations and dissenting opinions in any report of the committee.

The Rules also set out restrictions on cross membership. To ensure proper governance and separation of authorities, no senator shall be a member of both the Standing Committee on Audit and Oversight and CIBA, the latter being the committee charged with all matters of a financial or administrative nature relating to the internal management of the Senate. As well, the chair of the Standing Committee on Audit and Oversight must not be a member of the recognized party or recognized parliamentary group to which the chair of CIBA belongs.

Currently, the committee is chaired by Senator Marty Klyne, joined by deputy chairs, Senator Colin Deacon, Senator David M. Wells and Senator Raymonde Saint-Germain, the latter joining the committee in December 2025. During the year, Senator Tony Loffreda was deputy chair from June 18, 2025, to December 10, 2025. Senator Donna Dasko was a member of the committee from December 5, 2024, to January 6, 2025, and continued as a member of the intersessional authority until June 18, 2025.

The committee's two external members, Robert Plamondon and H  l  ne F. Fortin, joined the committee as of June 8, 2021.⁷ So that the terms do not expire at the same time Robert Plamondon, was initially appointed to serve for a period of four years and H  l  ne F. Fortin, was appointed to serve for a period of five years. Thereafter, all terms for external members should not exceed five years and should be staggered to ensure continuity. External members are limited to serving a maximum of two terms. In June 2025, the Senate adopted the committee's nomination report reappointing the external members in the 45th Parliament, with

⁶ While the Rules state that the Standing Committee on Audit and Oversight (AOVS) will include three senators, the Senate adopted a sessional order that AOVS be composed of four senators and that it be authorized to elect three deputy chairs; refer to Senate, *Journals*, June 17, 2025. A similar sessional order was previously adopted; refer to Senate, *Journals*, November 25, 2021.

⁷ Senate, AOVS, *Nomination of External Members*, Fifth report, June 8, 2021. See also the report on the external member renomination at the start of the first session of the 44th Parliament, AOVS, *Nomination of External Members*, First report, December 9, 2021.

Robert Plamondon being reappointed for a second term of up to five years from June 8, 2025, and H el ene F. Fortin for the continuation of the first term.⁸

Committee Activities

In fiscal 2025–2026, the committee oversaw internal and external audits and reported on related matters to the Senate in line with its mandate under the Rules and the *Senate Audit and Oversight Charter*. This work follows the priorities set out in its annual work plan, guided by leading practices.

Notably, under the direction of the committee, the Chief Audit Executive revised the multi-year risk-based internal audit plan, with new rapid advisory engagements on services that support senators. The committee also oversaw the first internal audit engagement on procurement, a review of contracting using data analytics, and an advisory project on trends in Senate expenditures to inform audit planning. The timing of certain audits, however, was delayed due to funding constraints.

The committee acknowledges the Senate Administration for sharing information in support of the committee’s oversight responsibilities and for providing input on audit matters to the committee and the Chief Audit Executive. The committee encourages this continued collaboration to enable internal audit work that is supportive and value-added, and distinct from other initiatives.

Member attendance at meetings of the committee or its intersessional authority is presented in Appendix A.

The committee’s approved budget and actual expenditures for fiscal 2025–2026 are presented in Appendix B.

Following best practice, each year members complete a self-assessment questionnaire covering the activities of the committee. This self-assessment for the 2025–2026 fiscal year, completed in April 2026, helps members reflect on the work of the committee and their individual and collective strengths, as well as areas where the committee could be more effective in fulfilling its mandate.

External Audit

The Senate’s financial statements are audited each year by an independent external auditor and represent an important accountability document for the Senate. With responsibility for the Senate’s internal management, CIBA approves the annual financial statements which are prepared by the Senate Administration and oversees

⁸ AOVS, *Nomination of External Members*, First report, June 25, 2025.

financial policies, such as the *Senators' Office Management Policy* and the *Senate's Procurement Policy*.⁹

Distinctly, the committee is responsible for engaging the Senate's external auditor; overseeing and supervising the external audit of the Senate's financial statements by reviewing the audit plan, monitoring the progress of audit work and reviewing the audit results report; reviewing the adequacy and implementation of any Senate Administration management action plans that address audit findings; and reporting to the Senate regarding the external audit and related matters.

During fiscal 2025–2026, the committee oversaw the financial statement audit for the 2024–2025 fiscal year. The engagement was conducted in accordance with the 2025 audit plan, which the committee's intersessional authority reviewed with the external auditor in March 2025. The committee received updates from the Chief Financial Officer and the external auditor in July 2025, after the year-end audit work was substantially complete, and met with the auditor to discuss the preliminary audit results in early October 2025.¹⁰ Following CIBA's review of the financial statements,¹¹ the committee met again with the external auditor at the end of October 2025 to review the final audit results report and the independent auditor's opinion on the financial statements.¹²

As is the usual practice, the committee also reserved a part of each meeting with the external auditor to discuss other matters without the presence of Senate Administration management or committee staff.

The Senate's financial statements for fiscal 2024–2025 received an unqualified audit opinion that the financial statements are fairly presented in all material respects in accordance with Canadian public sector accounting standards.¹³ The 2025 audit results report communicates to those charged with governance matters that must be addressed under professional standards, including areas of audit emphasis, fraud considerations and audit procedures, as well as any corrected or uncorrected audit differences, of which there were none for fiscal 2024–2025. As in prior years, there were no audit observations for fiscal 2024–2025, which, if any, would typically be communicated by the auditor in a letter to management and those charged with governance.

The chair of the Standing Committee on Audit and Oversight communicates in writing with the chair of CIBA on matters that are relevant to both committees like the financial statement audit. Reflecting the committee's observations on the fiscal

⁹ Senate, *Senate Administrative Rules*, April 2026.

¹⁰ AOVS, *Evidence*, October 8, 2025.

¹¹ CIBA, *Minutes*, October 23, 2025.

¹² AOVS, *Evidence*, October 29, 2025.

¹³ Senate, *Financial Statements of the Senate of Canada for the year ended March 31, 2025*.

2024–2025 audit, the committee advised CIBA in writing that it had completed its review of the financial statements and the audit results report.¹⁴ As well, the committee reiterated that the financial statements should be approved and made public in a timelier manner; noting the financial statements for fiscal 2024–2025 were published 7 months after year end.

Finally, the committee completed its annual assessment of the external auditor and shared the results with the auditor in December 2025.¹⁵ As part of the assessment, the committee considers various aspects of audit quality and reviews the Senate Administration Finance and Procurement Directorate’s evaluation of the external auditor. As well, annually, the external auditor confirms its independence to the Senate and as part of the committee’s annual evaluation, it did not identify any concerns related to the auditor’s independence.

Internal Audit

The Senate’s internal audit engagements are prioritized through a multi-year risk-based internal audit plan overseen by the Chief Audit Executive. These engagements provide independent advice and assurance, and support improvement in the effectiveness of the Senate’s activities, systems, processes and controls.

The committee is responsible for hiring internal auditors; approving the internal audit plan and mandates; monitoring the progress of ongoing internal audits; approving internal audit reports and reviewing the Senate Administration’s accompanying action plans to ensure they are adequate and properly implemented; and reporting to the Senate on these audits and related matters.

Internal Audit Function

The Senate’s internal audit function is limited and relies on in-house capacity and outsourced work. The Chief Audit Executive, Amipal Manchanda, who has held this position since October 2023, is responsible for the internal audit function under the direction of the committee.

The primary responsibilities of the Chief Audit Executive and the internal audit function are set out in the *Senate Audit and Oversight Charter* and the *Senate Internal Audit Charter*. The latter was approved by the committee in September 2024 and is available internally to senators and the Senate Administration. It outlines the purpose of the Senate’s internal audit function, along with its authority and responsibilities. It also defines the scope of internal audit activities in accordance with best practices and guidance from the Institute of Internal Auditors.

¹⁴ AOVS, *Minutes*, October 29, 2025.

¹⁵ AOVS, *Minutes*, December 3, 2025.

The internal audit charter will be reviewed at least every three years from its effective date, or as required, with the first periodic review, planned for the next fiscal year.

The Chief Audit Executive is responsible for developing and executing the activities set out in the multi-year risk-based internal audit plan; assessing the adequacy of risk management, control and governance processes; overseeing and conducting internal audits; and ensuring the necessary degree of independence. Internal audits may be carried out in-house, including by the Chief Audit Executive and their staff, or by contractors, depending on operational needs, the technical expertise required and the capacity of staff to effectively perform internal audit work.

The Global Internal Audit Standards of the Institute of Internal Auditors include both mandatory requirements and guidance on the work of the internal audit function and on governing the internal audit function. They also emphasize the role of governance committees and senior management in supporting and promoting internal audit within the organization. The committee and the Chief Audit Executive will continue to review its conformance with the mandatory elements of the relevant standards. In September 2025, the Chief Audit Executive presented a performance measurement plan for the internal audit function and outlined future considerations as it matures.

During the year, the Chief Audit Executive regularly briefed the committee or its intersessional authority on the activities of the Office of the Chief Audit Executive, including periodic strategic and operational updates and briefings on resourcing needs. As well, the committee reviewed the Chief Audit Executive's annual report for 2024–2025 in August 2025.¹⁶

Multi-Year Risk-Based Internal Audit Plan

The Risk-Based Internal Audit Plan 2026–2029 was adopted by the committee in March 2026. It outlines a series of internal audit engagements for the next three fiscal years, from 2026–2027 through 2028–2029, comprising a combination of advisory, audit and review engagements.¹⁷

The priority internal audit engagements were selected following an assessment of risks and the Senate's many activities, with a focus on areas with higher risk and significance. The internal audit engagements planned for the 2026–2027 to 2028–2029 fiscal years will focus on assessing the maturity of the performance measurement framework, auditing Senate governance, auditing general information technology controls and auditing the stewardship and safeguarding of heritage

¹⁶ AOVs, *Minutes*, August 27, 2025.

¹⁷ AOVs, *Minutes*, March 11, 2026.

assets. The completion of these engagements will depend on the availability of internal and external resources as well as the funds allocated to internal audit.

In addition, at the request of the committee and new to the plan, the Office of the Chief Audit Executive will undertake several high-value rapid advisory engagements. These engagements will primarily focus on enabling services that support senators in the performance of their duties and will be selected following consultation with senators and the Clerk of the Senate. They will assess compliance with policies, validate actual service levels against established standards and identify opportunities to improve policies and processes and enhance their effectiveness. For future fiscal years, additional high-value rapid advisory engagements will be selected based on emerging risks and opportunities.

Following the adoption of the Risk-Based Internal Audit Plan 2026–2029, the committee shared the list of proposed audits with CIBA. Furthermore, the committee will table a report in the Senate on the planned internal audit engagements and related resources considerations. This is a new practice that follows the recent update of the *Senate Audit and Oversight Charter*. Previously, the AOVS committee communicated this information only in its annual report to the Senate. As well, internal communications materials for senators, staff and the Senate Administration will provide additional guidance and information on the risk-based internal audit plan and internal audit work.

During the 2025–2026 fiscal year, the Chief Audit Executive presented updates to the committee on the multi-year risk-based internal audit plan. To inform the audit planning exercise, the committee’s intersessional authority authorized the Chief Audit Executive to consult with a working group of the committee to undertake a high-level comparative analysis of Senate expenditures. This analytical review considered Senate expenditures over eight years for fiscal 2017–2018 to 2024–2025. The committee noted that Senate expenditures were below budget each year, and growth was below inflation and lower compared to other selected parliamentary entities. The findings support the risk assessment completed as part of the internal audit planning process and inform the proposed internal audit engagements for current and future years.

In August 2025, at the start of the 45th Parliament, the committee adopted the Senate’s multi-year risk-based internal audit plan for fiscal years 2025–2026 through 2027–2028, the Risk-Based Internal Audit Plan 2025–2028.¹⁸ The committee also oversaw updates to, and internal audit activities arising from, the previous 2024–2027 plan. It should be noted that, for fiscal year 2025–2026, funds for the internal audit function were allocated from the committee’s existing budget.

¹⁸ AOVS, *Minutes*, August 27, 2025.

Internal Audit Engagements

The first internal audit engagement approved by the committee focused on reviewing the Senate’s contracting activities from 2019 to 2024 using data analytics, with an emphasis on identifying high-risk or unusual transactions and assessing the effectiveness of contracting activities. This engagement was outsourced in 2025 to Samson, a firm with expertise in audit and evaluation.

The committee’s intersessional authority approved the terms of reference and the engagement approach and methodology, with planning and execution in February and March 2025. In October 2025, the committee and the Senate’s Chief Audit Executive met with Samson and Senate Administration management to review Samson’s final report on the review of Senate contracting using data analytics¹⁹. The Samson report concluded that overall, the results of the review were positive. However, it identified three opportunities for improvement: strengthening data management, developing a contracting dashboard and enhancing controls over financial data. The Chief Audit Executive provided additional insights to the committee and discussed the areas for improvement highlighted in the Samson report.

In November 2025, Samson’s internal audit report on the review of Senate contracting using data analytics was approved by the committee.²⁰ In December 2025, the findings and the committee’s observations were shared with CIBA. Finally, the committee’s report on the review of contracting using data analytics was tabled in the Senate in February 2026.²¹

Monitoring Internal Audit Reports and Action Plans

During fiscal 2025–2026, as part of the follow-up on action plans from internal audits, the committee monitored the Senate Administration’s progress on outstanding recommendations related to an independent joint Senate and House of Commons cybersecurity review from 2022. Prior to the establishment of the committee and the Senate’s internal audit function, the review had been outsourced to a professional services firm. One recommendation was resolved during the year, while the implementation of the remaining recommendation is in progress.

Following the first internal audit engagement conducted in 2025—a review of Senate contracting using data analytics—the Senate Administration provided additional responses and action plans in March 2026 for each recommendation,

¹⁹ AOVS, *Minutes*, October 29, 2025.

²⁰ AOVS, *Minutes*, November 5, 2025.

²¹ AOVS, *Report to the Senate on Internal Audit: The Review of Senate Contracting using Data Analytics*, Fourth Report, February 3, 2026.

with implementation scheduled by the end of the 2026–2027 fiscal year. The Chief Audit Executive, under the committee’s direction, will be responsible for monitoring the implementation of these action plans and reporting back to the committee.²²

Risk Management

The Senate Administration’s institutional risk management framework establishes that the institutional risk register be updated annually, or as required, and approved by the Clerk of the Senate. The institutional risk register, updated as of June 2025, was shared with the committee and the Chief Audit Executive at the end of September 2025. The committee is satisfied that there is a clear segregation between the risk management function, led by the Chief Financial Officer, and the independent internal audit function, led by the Chief Audit Executive.

Review of Financial Reports

Regular and timely preparation of internal quarterly financial reports is part of the Senate’s internal control framework. The reports are prepared by Senate Administration management and reviewed by CIBA’s Subcommittee on Senate Estimates and Committee Budgets. The reports provide actual spending to date as of the end of the quarter, compared both to the same period for the prior year and to the budget, and include a summary of budgetary authorities and an analysis of current expenditures and forecasted expenditures.

The committee’s review of the quarterly financial reports, for information, is part of its own audit planning process and its process for identifying items that might require further review. This past fiscal year, the committee also considered the timing of the quarterly financial reports, which for the first two quarters were generally prepared within two months of quarter end, following best practices.

In April 2025, the committee’s intersessional authority received the Senate’s quarterly financial report for the third-quarter report (Q3) of the prior year for the period ending December 31, 2024 (fiscal 2024–2025). During the 2025–2026 fiscal year, the committee also reviewed the quarterly financial report for the first quarter (Q1), covering the period from April 1, 2025, to June 30, 2025, in October 2025; and for the second quarter (Q2), covering the period ending September 30, 2025, in January 2026.

Moreover, the committee reviewed the Senate’s audited financial statements for fiscal year 2024–2025, including the accounting policies disclosed in the notes to the statements, as well as management’s annual financial highlights, covering the period

²² AOVs, *Minutes*, November 5, 2025.

from April 1, 2024, to March 31, 2025. As noted in past years, the audited financial statements should be more timely.

Committee Observations

In carrying out its mandate, the committee reports to the Senate with the following observations.

Supporting Internal Audit Priorities

For the upcoming fiscal year, the committee will continue to oversee the implementation of the multi-year risk-based internal audit plan; high-value rapid advisory engagements; and the related internal audit resource needs. The committee is recommending the following new internal audit engagements as a priority for the next fiscal years: assessing the maturity of the performance measurement framework, auditing Senate governance, auditing general information technology controls, auditing the stewardship and safeguarding of heritage assets, and conducting advisory engagements. The availability of in-house and outsourced internal audit resources may impact the timing of planned internal audit engagements.

The committee recognizes the importance of taking a collaborative and supportive approach when dealing with audit and oversight matters. The work of the Chief Audit Executive and the contributions of Senate Administration management permit improvements that are pertinent, timely and cost-effective. Their collaboration, along with input from members of the committee and CIBA, will add value for the Senate.

The committee will continue to work with the Senate Administration, through the work of the Chief Audit Executive and the internal audit function, focusing on areas where risks have been identified or where practices, processes or controls can be strengthened. The committee will communicate the impact of any resource limitations on internal audit coverage or restrictions on access to information to the Senate.

Internal Audit Insights

Following internal audit findings, the committee encourages Senate Administration management to explore how contracting data can be leveraged to identify key trends, support better decision-making and foster continuous improvement.

Enhancing Accountability and Transparency

The committee reiterates that transparent and timely reporting are fundamental to effective accountability. Many of the Senate's current practices support this, like public quarterly disclosure reports on senators' expenditures and on the Administration's expenses and contracts, and an annual report on the activities and expenditures of Senate committees. As well, the annual financial statements are published after they have been audited by an independent external auditor, though their timeliness needs to be improved.

Building on those important accountability reports, the Senate could increase its transparency of strategic objectives and institutional priorities, significant risks facing the institution, key performance indicators and results, accomplishments, and discussion and analysis on financial information. Ensuring that information is available in a timely manner is also important.

Some of this information is already reflected in internal documents, like the Senate Administration's institutional priorities and its annual report on the accomplishments of the Administration towards institutional priorities and commitments. As well, internal quarterly financial reports and internal annual financial highlights present additional information and analysis on the Senate's operations and spending.

The committee encourages the Senate to consider how the information in these internal and public reports can enhance transparency and accountability of its operations. Other parliamentary institutions and legislatures that publish quarterly reports and annual highlights provide models for such practices. While the committee has previously considered best practices in these areas, greater insights and opportunities for improvement could be gained through the internal audit function's work on the performance measurement framework, and through collaboration with the Clerk of the Senate and the Senate Administration.

Appendix A – Meetings

The Standing Committee on Audit and Oversight met regularly in fiscal 2025–2026. The notices of meetings and the proceedings, including minutes and transcripts of public meetings, are published on the Senate’s website.

Attendance at those meetings of the committee or its intersessional authority was as follows:

Member	Affiliation	Attendance
Senator Marty Klyne	Progressive Senate Group	11/11
Senator Colin Deacon	Canadian Senators Group	10/11
Senator Raymonde Saint-Germain	Independent Senators Group	2/3
Senator David M. Wells	Conservative Party of Canada	7/11
Senator Donna Dasko	Independent Senators Group	1/1
Senator Tony Loffreda	Independent Senators Group	7/7
Hélène F. Fortin, FCPA	External Member	10/10
Robert Plamondon, FCPA	External Member	10/10

Note: For the official attendance record, consult the minutes of proceedings.

Appendix B – Expenditure Report

The Standing Committee on Audit and Oversight’s approved budget and actual expenditures for the 2025–2026 fiscal year were as follows:

	2025–2026	
	Budget (\$)	Expenditures (\$)
Audit and Oversight Committee Budget	203,797	
Audit Services		49,000
Training and Membership Fees		1,305
External Members		81,992
Transfer to Office of the Chief Audit Executive	109,327	
Transfer – Audit Services		40,000
Transfer – Contracted Resources		69,327
Total	313,124	241,624

Note: The funds allocated to the committee as part of the Senate’s estimates process for fiscal 2025-2026 total \$313,124.

The Senate’s internal and external audits, as well as certain internal audit function costs, are funded through the committee’s budget, either directly or through transfers to the Office of the Chief Audit Executive. The budget also includes remuneration of the committee’s external members, in line with the terms and conditions set out in their appointments and as approved by the Senate.

The external members are remunerated for their work through an annual fee of \$15,000. In addition, they are eligible to be paid \$1,000 per meeting attended and \$250 per briefing session attended. The total of all payments shall not exceed \$60,000 per annum per member. External members are also reimbursed for travel expenses, subject to guidelines established by the Senate.



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