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For Information Only

Change To Audit Protocol For Audit Follow Up Reporting

Recommendation

For Information Only

Background

The Auditor General's Office has been conducting audit follow up reviews since the office was established. This report is being provided to Council as information to:

- formally document our process within the audit protocol
- increase audit follow up efficiency and,
- increase the focus on action plans, accomplishments, and accountability.

Follow-ups are a necessary process for ensuring that recommendations are addressed and that full value is received from the Auditor General's work. On behalf of Council, the Auditor General's Office will provide follow up through various formats, including requesting management action plans for audit reports, requesting management self-assessments, conducting progress assessments and if prudent, conducting progress audits.

The collection of audit follow up reports for the current period will be provided to Audit Committee by the Auditor General's Office. The Auditor General's collection of management's self assessment comments are expected to be concise, and self explanatory.

Management's Action Plans

Managers will always be asked to provide an action plan describing how and when they will implement recommendations made in audits. Their action plans are captured during the reporting process of the audit and will be included in the published report as part of management's formal response to the report.

1. Self-Assessment Follow up

In most cases, initial follow up will be in the form of a self assessment by program managers. The Auditor General's Office will send a self-assessment form to program managers, in which management will be able to describe the progress that they have made in implementing the Auditor

Signed By

Auditor General

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Auditor General

Digitally Signed Aug 2, 13

General's Office recommendations and your plans going forward. Management's self assessment will then be published unedited and in their entirety.

Most initial follow-ups will be conducted approximately one year after the report is issued although this time frame may be shortened at the discretion of the Auditor General's Office, or the request of Council

The Auditor General's Office expects that most recommendations will be cleared with the first follow-up. However, subsequent follow-ups may be required on outstanding recommendations or certain key recommendations that have not been satisfactorily addressed.

The Auditor General will allow divisional staff two weeks to provide comments on the self assessment form.

2. Subsequent Self-Assessment Follow up

Published within one year of the initial follow-up, subsequent follow-ups will also be unedited self-assessments provided by management. In order to remain relevant, successive follow-ups will be conducted when necessary, generally up to a maximum of two years.

The Auditor General will allow divisional staff two weeks to provide comments on the self assessment form.

3. Progress Assessments

A third form of follow-up will involve the Auditor General's Office assessing the organization's self-assessment of all or certain recommendations to confirm their reliability. The results of progress assessments will be published in the next follow up report.

4. Progress Audits

A fourth form of follow-up will be a progress audit whereby audit level assurance will be provided as to the validity of the entity's self-assessments. This will involve conducting the entire audit again.

Given the resources required to complete this form of assessment, the Office has yet to conduct work of this nature and would do so only when prudent.