



Agriculture and  
Agri-Food Canada

Agriculture et  
Agroalimentaire Canada



# Agriculture and Agri-Food Canada Three-Year Risk-Based Audit Plan 2008/09 to 2010/11

April 2008

Office of Audit and Evaluation

Canada 

## AAFC Three-Year Risk-Based Audit Plan

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## 1.0 Introduction

The Internal Audit Directorate of the Office of Audit and Evaluation (OAE) is committed to the provision of independent, objective assurance services that will strengthen Agriculture and Agri-Food Canada's (AAFC) operations and help the department achieve its strategic outcomes.

The Internal Audit Directorate supports the Deputy Minister by providing independent and objective assessments of AAFC risk management strategies, management control framework, systems and practices, and governance processes.

The Internal Audit Directorate provides assurance relating to:

- Compliance with legislation, regulations, policies, procedures, and terms and conditions;
- Safeguarding of assets;
- Reliability and integrity of financial and operational information; and
- Effectiveness and efficiency of operations.

### 1.1 Purpose

In accordance with the Treasury Board Secretariat (TBS) *Policy on Internal Audit*, which came into effect on April 1, 2006, this document provides a multi-year risk-based audit plan for AAFC for fiscal years 2008-09 through 2010/11.

The purpose of the plan is to ensure that audit attention is directed to areas of higher risk and significance.

### 1.2 Planning Context

The TBS *Policy on Internal Audit* requires that Chief Audit Executives “provide annual holistic opinions to deputy heads and audit committees on the effectiveness and adequacy of risk management, control, and governance processes in their departments, as well as reporting on individual risk-based audits.” In its planning process, OAE has therefore worked towards breadth as well as depth of coverage of AAFC programs and operations.

In developing a holistic opinion, the CAE will also consider the assurance provided by external auditors, in particular:

- Office of the Comptroller General (OCG) (horizontal audits);
- Office of the Auditor General (OAG);
- Canada Public Service Agency (CPSA);
- Office of the Commissioner of Official Languages (OCOL); and
- Public Service Commission (PSC).

Finally, in developing a holistic opinion, the CAE will review AAFC's most recent Corporate Risk Profile, AAFC's most recent Management Accountability Framework (MAF) assessment from TBS, OAE's most recent risk assessment of AAFC's programs and core controls, and, especially, an OAE control risk assessment, to be done in 2008/09 of a number of AAFC Grant and Contribution (G&C) Programs that will strategically test key areas of interest and/or concern.

## 2.0 Approach

OAE's approach to the development of a risk-based audit plan is consistent with the requirements of the 2006 TBS *Policy on Internal Audit*.

### 2.1 Identification of the AAFC Audit Universe

Auditable units are logical groupings of operations/activities that could be audited; development of the AAFC audit universe required the identification of "auditable units."

The first step of OAE's process was the development of two "audit universes," one of AAFC's G&C programs and the other of its internal services.

OAE arrived at a universe with 185 auditable units -- 108 Grant and Contribution (G&C) units and 77 internal services units. Auditable units were both mapped to AAFC's Program Activity Architecture (explained below) and Treasury Board's Management Accountability Framework (explained below) categories, to gain perspective on their relative risk.

#### Program Activity Architecture

In support of a government-wide approach to the collection, management and reporting of financial and non-financial performance information, AAFC and other federal departments have adopted the Program Activity Architecture (PAA). The purpose of the PAA is to link financial and non-financial information and explain how departments' work and resources will contribute to the achievement of their strategic outcomes. A strategic outcome is defined as a long-term and enduring benefit to Canadians that stems from a department's mandate and vision.

AAFC policies, programs and systems are intended to achieve the following strategic outcomes:

- Security of the Food System;
- Health of the Environment; and
- Innovation for Growth

### Management Accountability Framework

The TBS Management Accountability Framework (MAF) identifies core management controls that can reasonably be expected to be in place in all federal departments. The MAF provides a focused and consistent starting point for internal audit functions to provide broad-scope assurance to DMs in relation to departmental risk management, control and governance processes.

The MAF has 10 elements:

- Governance and strategic direction
- Public service values
- Policy & Programs
- People
- Client-focused service
- Risk management
- Stewardship
- Accountability
- Learning, innovation and change management
- Results and performance

TBS has identified approximately 140 core controls covered by the 10 MAF elements; they have been identified in the document *Core Management Controls: A Guide for Internal Auditors* in November 2007.

## 2.2 Preliminary Prioritization of the Audit Universe

The next phase had three steps – a risk assessment planning exercise, a review of planning studies that were carried out by OAE in the last 2-3 years, and a risk assessment of auditable units by Internal Audit staff.

The preliminary risk-based planning process was an exercise to identify areas considered by AAFC Directors General or their designates to be of higher risk and significance. AAFC senior staff were asked to do two risk-ranking exercises, providing their perceptions of risk, materiality and sensitivity of possible audit entities. The exercise required a ranking of each auditable unit in terms of its overall risk exposure. The process was facilitated for the OAE by a company with experience in risk rankings for federal departments.

Results of the ranking exercises were used to generate a tentative list of audit projects; the list was provided to the individuals who had contributed at a follow-up meeting, and there was further discussion about possible issues and priorities.

The five planning studies that were reviewed were: a Financial Control Framework study, a Grants and Contributions study, a Human Resources study, an Information Management/Information Technology Governance study, and a Management Control Framework of the APF Environmental Priority study. Although some of the research was not recent, auditable units identified as high risk (following validation) in the study were also short-listed for the audit plan and mapped to the MAF.

Finally, the significance of short-listed auditable units was scored by Internal Audit staff, based on assessments of their materiality, complexity (of objectives, activities, policies and procedures, controls, etc.) and sensitivity (to the general public, impacted stakeholders, central agencies and/or Parliament).

Materiality of G&C programs was scored Low (1) for programs with funding less than \$100M, Medium (2) for programs with funding from \$100M to \$499M, or High (3) for programs with funding of \$500 M or more.

Complexity and Sensitivity were each scored at Low (1), Medium (2) or High (3).

Materiality of internal services was not scored as funding levels were not seen as reflective of their level of risk. Instead, the risk profile of each Internal Service was scored as Low (1), Medium (2) or High (3).

The preliminary prioritization of the audit universe was thus completed through application of professional judgment by OAE staff. The preliminary project list was mapped against the 10 elements of the MAF to determine whether coverage would be broad enough to support a holistic opinion.

## 2.3 Identification of Audit Projects

The list of possible audit projects was further developed, based on the following additional information.

Management Requests: Responses to an OAE call letter to ADMs requesting input on priority areas for internal audit were considered, as well as information about issues gained from Executive Council, executive committees, board meetings and other departmental meetings.

Planned Office of the Comptroller General (OCG) Audits: The OCG provided an audit plan identifying primary areas of horizontal audit focus. AAFC is required to reserve approximately 10% of its internal audit resources each year to support the OCG horizontal audit plan; it was agreed that OAE will rely on OCG to provide assurance on these auditable units, to avoid duplication and maximize use of its resources.



Planned Office of the Auditor General (OAG) audits: Auditable units that are expected to be audited by the OAG were removed from AAFC's audit plan, again to avoid duplication and maximize use of resources. OAE will rely on the OAG's work for assurance on these auditable units.

Other External Auditors: Planned audits by other external auditors, i.e., the Canada Public Service Agency (CPSA), the Office of the Commissioner of Official Languages (OCOL), and the Public Service Commission (PSC) were also identified, and these auditable units were removed from the AAFC list of possible projects.

Maturity of Program / Process: If short-listed programs or internal service processes were considered mature, they were considered auditable and kept in the audit plan for final prioritization. If they were considered immature or in transition, they were considered not auditable at this time, as any audit findings and recommendations would not be useful to the auditee for follow-up. These projects were deferred to the second or third year of the audit plan.

Last Audited: If short-listed programs or internal service processes had recently been audited by OAE, OCG, OAG, CPSA, OCOL or PSC, their priority was reduced and the projects were deferred or removed from the audit plan.

The above additional information was used to refine the list of proposed audit projects. The number of proposed projects was tightened to take account of audits recently completed and audits planned by external auditors and management priorities for internal audits, and the project list was adjusted to ensure an adequate balance between program audits and audits of core controls, to ensure adequate coverage of all branches, and to ensure sufficient MAF coverage to support a holistic opinion.

The draft plan was presented to ADMs and revised, when ADMs had suggestions that would strengthen the breadth and depth of coverage. This last stage in particular reflected a high degree of professional judgment on the part of the OAE.

## 2.4 Audit Plan Approval

The draft plan is being sent to the Audit Committee for review/discussion at its April 3-4 meeting. Following Audit Committee review and acceptance, it will be provided to the Deputy Minister for approval. A copy of the approved plan will be provided to the OCG.



### 3.0 Audit Plan

The result of the audit planning project is the draft plan in Section 5 of this report: Audit Plan Summary: 3 Years at a Glance.

The plan identifies 25 internal audit projects for the next three years: ten in 2008-09, eight in 2009-10, and seven in 2010-11. It has been structured to provide sufficient assurance to support an annual holistic opinion by the CAE and meet the following goals:

- Address areas of highest risk and significance;
- Provide audit coverage of both G&C Programs and internal services (note that the audit plan will provide approximately 30% coverage of AAFC's G&C Programs, based on approved funding authorities);
- Provide additional assurance on G&C Programs not selected for audit by conducting a control risk assessment and interviews with members of the Executive Committee in 2008/09, followed by two horizontal audits in 2009/10 and 2010/11, focused on key information needs and/or concerns as identified by the Executive Committee;
- Provide coverage of all three AAFC strategic outcomes;
- Provide coverage of core controls identified in the MAF;
- Address specific issues and concerns raised by the executive management team;
- Avoid duplication in areas to be audited by the OAG, OCG and other external auditors; and
- Be realistic and deliverable.

Should future adjustment of the plan be necessary, the DM, Audit Committee and OCG will be advised. Adjustment may be necessary to coordinate AAFC activity with the planned activity of the OAG, whose one-pass planning process is still underway, or to address coverage gaps should OCG not include AAFC in its planned horizontal audits of core controls.

## 4.0 Plan Implementation

### 4.1 Resources

The Internal Audit budget for 2008-09 is approximately \$1,860K: \$1,060K for salaries (for 13 Full-Time Equivalents, including a director and administrative assistant), and \$800K for Non-Pay Operating<sup>1</sup>, which can be used for consulting services.

These resources will be sufficient to:

- Complete the eight carryover audit projects that were started in 2007-08;
- Support an audit of the Community Pastures Program;
- Support AAFC costs for OCG horizontal audits;
- Conduct a control risk assessment of AAFC's G&C programs;
- Develop standardized audit criteria for G&C programs;
- Review the need for a continuous audit program<sup>2</sup> in AAFC;
- Develop tools, quality assurance processes and performance indicators;
- Provide professional training, leading to additional certifications for internal audit staff;
- Otherwise support transition to meet requirements of the TBS *Policy on Internal Audit* and AAFC's *Internal Audit Policy*; and
- Conduct preliminary surveys/planning studies for internal audits on the 2009/10 list.

### 4.2 Capacity Development

The objective of the TBS *Policy on Internal Audit* is to strengthen public sector accountability, risk management, resource stewardship and good governance by reorganizing and bolstering internal audit on a government-wide basis. The TBS policy is expected to lead to:

- The strengthening and professionalization of the internal audit function through the establishment of, and adherence to stringent professional standards and the application of internationally recognized internal auditing practices;
- The recruitment of skilled audit professionals; and
- The certification and/or accreditation of accounting and audit professionals.

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<sup>1</sup> Does not include resources required for the Audit Committee or the professionalization of the internal audit function.

<sup>2</sup> Continuous auditing is a process that tests high-risk transactions on a continuous basis during a fiscal year rather than on a cyclical basis (e.g., once every three to five years). Continuous audit is not intended to provide full audit coverage of a program or process; rather, it is used to test transactions based upon prescribed audit criteria in order to identify anomalies on a timely basis for correction and future prevention.

### 4.3 Delivery Challenges

Capacity development is likely to be OAE's main delivery challenge.

OAE must undergo a significant transition and renewal process to meet requirements of the *TBS Policy on Internal Audit* and the *Federal Accountability Act*. Coverage must be increased, internal audit staff will require professional designations, and additional skill sets and tools will be necessary. A large number of internal audit positions must be filled. Although new hires will meet professional requirements, there will be a learning curve with respect to knowledge of AAFC programs and processes.

The number of internal audits planned for the next three years takes account of this transition. In addition, the audit plan recognizes that OAE needs to focus on capacity development as described in Section 4.2.

The audit plan assumes that OAE's budget will remain stable over the next three years. However, if any new audit priorities are added to the audit plan or if the scope of audits are expanded during the course of the audit, additional resources will have to be sought.

## 5.0 Audit Plan Summary: 3 Years at a Glance

The three-year audit plan is provided on the pages that follow.

## 5.0 AUDIT PLAN SUMMARY - 3 YEARS AT A GLANCE (2008/09 TO 2010/11)

Strategic Outcome	Branch	Auditable Unit	Description	Audit Objective
2008/09: Programs (note 1)				
Security of the Food System	Farm Financial Programs	Farm Income Payment Program (FIPP) - General Payment	<u>Carryover audit from 2007/08:</u> FIPP is a federally funded industry support program providing direct support to the cattle sector, as well as general support to the other sectors.	Adequacy and effectiveness of the management control framework.
Security of the Food System	Farm Financial Programs	Farm Income Payment Program (FIPP) - Direct Payment	<u>Carryover audit from 2007/08:</u> FIPP is a federally funded industry support program providing direct support to the cattle sector, as well as general support to the other sectors.	Adequacy and effectiveness of the management control framework.
Security of the Food System	Farm Financial Programs	Grains & Oilseeds Payment Program (GOPP)	<u>Carryover audit from 2007/08:</u> GOPP was announced on Feb. 6, 2006 & provided \$755 million in federal assistance for grain producers to help address their severe economic hardship. Eligible producers received a payment based on average net sales of eligible grains, oilseeds and special crops from 2000 to 2004. Initial payments began in Feb. 2006. Final payments began to flow in July 2006.	Adequacy and effectiveness of the management control framework.
Security of the Food System	Farm Financial Programs & Market & Industry Services	Management of Fed / Prov Agreements for the Delivery of Bovine Spongiform Encephalopathy (BSE)	<u>Carryover audit from 2007/08:</u> During 2003 to 2005, a series of BSE programs were implemented to provide support to cattle producers in response to the BSE crisis. They were: the Fed Cattle Set-Aside Program, the Feeder Calf Set-Aside Program, the Cull Animal Program (CAP) and the BSE Recovery Program. These initiatives were cost shared with the provinces but not all provinces participated in all programs. Provinces also implemented provincially funded programming to deal with specific impacts in their provinces.	Management of Federal / Provincial agreements for the delivery of BSE.
Health of the Environment	Farm Financial Programs & National Land & Water Information System / Environment	Greencover Canada Program	<u>Carryover audit from 2007/08:</u> This five-year, \$110-million Government of Canada initiative helps producers improve grassland-management practices, protect water quality, reduce greenhouse-gas emissions, and enhance biodiversity and wildlife habitat.	Adequacy and effectiveness of the management control framework.

Note 1: For each major G&C Program, a preliminary planning survey will be conducted and the results will be shared with program management in advance of the audit.

**5.0 AUDIT PLAN SUMMARY - 3 YEARS AT A GLANCE (2008/09 TO 2010/11)**

	Strategic Outcome	Branch	Auditable Unit	Description	Audit Objective
6	Health of the Environment	National Land & Water Information Service / Environment	Regional Programs / Community Pasture Program	The mandate of the Community Pasture Program is to conserve the land resource, protect it from future deterioration due to drought while utilizing the land primarily for grazing & breeding of livestock. The program uses cattle grazing as the primary tool, supported by the latest range management science, to maintain a healthy, diverse landscape, representative of natural prairie ecosystems.	Governance audit to assess the adequacy and effectiveness of the management control framework for staffing, financial stewardship & procurement.
7	Innovation for Growth	Market & Industry Services	Promotional Activities - International Trade Shows	<u>Carryover audit from 2007/08:</u> Promotional activities for international trade shows.	Adequacy and effectiveness of the management control framework for producing international trade shows.

**2008/09: Internal Services**

1	Enabler	Communications & Consultations	Promotional Activities - Domestic Exhibits	<u>Carryover audit from 2007/08:</u> Promotional activities for domestic exhibits.	Adequacy and effectiveness of the management control framework for producing domestic exhibits.
2	Enabler	Information Systems & National Land & Water Information Service / Environment	National Land and Water Information System (NLWIS) Systems Under Development (SUD)	<u>Carryover audit from 2007/08:</u> NLWIS is an Internet-based service being developed that will provide a recognized source of information, analysis & interpretation of land, soil, water, climatic & biodiversity data to assist land-use managers in their agri-environmental planning.	Adequacy and effectiveness of the management control framework for systems under development. Adequacy of project management to ensure client-focused services.
3	Enabler	Information Systems	IM / IT Privacy Act Compliance	Security and privacy of organizational data and information. Compliance with the Privacy Act	Adequacy and effectiveness of the management control framework for ensuring compliance with the Privacy Act.

Note 1: For each major G&C Program, a preliminary planning survey will be conducted and the results will be shared with program management in advance of the audit.

**5.0 AUDIT PLAN SUMMARY - 3 YEARS AT A GLANCE (2008/09 TO 2010/11)**

Strategic Outcome	Branch	Auditable Unit	Description	Audit Objective
<b>2009/10: Programs (note 1)</b>				
1 Security of the Food System	Farm Financial Programs	Advancing Canadian Agriculture and Agri-Food (ACAAF) Program	The Advancing Canadian Agriculture and Agri-Food (ACAAF) Program is a 5-year, \$240 million program aimed at positioning Canada's agriculture & agri-food sector at the leading edge to seize new opportunities. ACAAF was launched in April 2004 as a successor to the Canadian Adaptation and Rural Development (CARD) Fund, & will continue CARD's innovative & cooperative approach to funding projects at the national, multi-regional & regional level.	Adequacy and effectiveness of the management control framework.
2 Security of the Food System	Market & Industry Services	Canadian Agriculture and Food International (CAFI)	The Canadian Agriculture and Food International (CAFI) Program is a key element of Canada's international strategy. The CAFI Program matches industry funds dollar for dollar to support activities that enhance and promote Canada's reputation as the world leader in supplying safe, high-quality agriculture, agri-food, beverage, and seafood products that meet the changing demands of world markets.	Adequacy and effectiveness of the management control framework.
3 Security of the Food System	All operating branches with Gs & Cs	Grants & Contributions Horizontal Audit	Pending the outcome of Internal Audit's 2008/09 control risk assessment of Grant & Contribution programs, a number of G&C programs will be selected for a horizontal audit in 2009/10 and 2010/11. The strategic audit will focus on senior management's key information needs and concerns. G&C programs to include in the horizontal audit will be selected with input from management.	Adequacy and effectiveness of the management control framework.
4 Innovation for Growth	Farm Financial Programs	ecoAgriculture Biofuels Capital initiative (ecoABC)	<u>Client Request:</u> ecoABC is a four year, \$200 million federal program that provides repayable contributions of up to \$25 million per project for the construction or expansion of transportation biofuel production facilities. Funding is provided for projects that use agricultural feedstocks to produce biofuels & that have new agricultural producer equity investments in the projects equal to, at minimum, five percent (5%) of the total eligible project costs. Corporations (including co-operatives), individuals & partnerships are eligible to apply for ecoABC funding.	Adequacy and effectiveness of the management control framework.

Note 1: For each major G&C Program, a preliminary planning survey will be conducted and the results will be shared with program management in advance of the audit.

**5.0 AUDIT PLAN SUMMARY - 3 YEARS AT A GLANCE (2008/09 TO 2010/11)**

Strategic Outcome	Branch	Auditable Unit	Description	Audit Objective
2009/10: Internal Services				
Enabler	Corporate Management	Acquisition Cards	Acquisition cards are essentially credit cards that enable departments to purchase and pay for goods and services. Acquisition cards can be a convenient and efficient way to obtain and pay for goods and services, if the associated risks are properly managed. Periodically some misuse of acquisition or travel cards does occur, raising doubt about the adequacy of the controls in place.	Provide assurance as to the adequacy and effectiveness of controls over acquisition cards.
Enabler	Corporate Management (and will provide audit coverage across all operating branches with SPAs)	Specified Purpose Accounts (SPA)	A SPA is the recorded value of the financial obligations of the Government of Canada in its role as administrator of certain public monies received or collected for specified purposes, under or pursuant to a legislation, trust, treaty, undertaking or contract. These public monies may be paid out only for the purposes specified.	Determine extent to which Specified Purpose Accounts are managed in accordance with sound comptrollership practices and comply with legislative and regulatory requirements.
Enabler	Deputy Minister / Human Resources / MISB	Values and Ethics Framework (including Conflict of Interest)	A values and ethics framework should include documented corporate values and ethics, a code of conduct and supporting policies and guidelines. In addition, the values and ethics framework, including conflict of interest and conflict resolution practices, should be well communicated and understood.	Adequacy and effectiveness of the department's documented corporate values and ethics, code of conduct, policies and/or guidelines. Includes communication of values & ethics expectations & conflict resolution practices.
Enabler	Information Systems	Information Management	The information systems function should create and regularly update a business information model and define the appropriate systems to optimize the use of this information. Concerns have been raised in the past with respect to data management and data requirements related to poor IS planning or communication. Since then, data standards have been developed and maintained. There has been considerable improvement but better coordination is needed to ensure gaps and overlaps in roles and procedures are not propagated.	Provide assurance that: 1) a clear & functional information architecture has been developed; 2) responsibilities have been defined for the management of information; and 3) appropriate IM processes & guidelines have been implemented.



**5.0 AUDIT PLAN SUMMARY - 3 YEARS AT A GLANCE (2008/09 TO 2010/11)**

Strategic Outcome	Branch	Auditable Unit	Description	Audit Objective
<b>2010/11: Programs (note 1)</b>				
1 Security of the Food System	Farm Financial Programs	Production Insurance Program	The objective of the Production Insurance program is to ensure that producers in the agriculture and agri-food industry across Canada have access to affordable insurance program, by funding a portion of producers' premiums and provincial administrative expenses and by offering reinsurance.	Adequacy and effectiveness of the management control framework.
2 Security of the Food System	All operating branches with Gs & Cs	Grants & Contributions Horizontal Audit	Pending the outcome of Internal Audit's 2008/09 control risk assessment of Grant & Contribution programs, a number of G&C programs will be selected for a horizontal audit in 2009/10 and 2010/11. The strategic audit will focus on senior management's key information needs and concerns. G&C programs to include in the horizontal audit will be selected with input from management.	Adequacy and effectiveness of the management control framework.
3 Innovation for Growth	Farm Financial Programs	Agri-Opportunities Program	Launched in January 2007, this five-year program aims to accelerate the commercialization of new agricultural products, processes or services that are currently not produced or commercially available in Canada, and are ready to be introduced to the marketplace. Funding is provided to projects that focus on new agri-food, agriculture or bioproducts, that can be expected to increase market opportunities for the Canadian agricultural industry across the value chain and generate demand for primary agricultural products. The Program provides a maximum repayable contribution of \$10 million per project and per recipient regardless of the number of projects, over the life of the program, ending in March 2011.	Adequacy and effectiveness of the management control framework.
4 Innovation for Growth	Research	Agriculture Bioproducts Innovation Program (ABIP)	ABIP is a \$145 million, multi-year program that seeks to mobilize Canada's creative talent in academia and in the private and public sectors and to integrate resources to build greater research capacity in agricultural bioproducts and bioprocesses. Through supporting networks and clusters, the program promotes research, development, technology transfer and commercialization activities in areas such as biofuels, other forms of bioenergy, biochemicals, biopharmaceuticals, etc.	Adequacy and effectiveness of the management control framework.

Note 1: For each major G&C Program, a preliminary planning survey will be conducted and the results will be shared with program management in advance of the audit.

**5.0 AUDIT PLAN SUMMARY - 3 YEARS AT A GLANCE (2008/09 TO 2010/11)**

	Strategic Outcome	Branch	Auditable Unit	Description	Audit Objective
<b>2010/11: Internal Services</b>					
1	Enabler	Corporate Management	Budgetary Control Process	Sound financial management and controls require an adequate and effective budgetary control process to produce accurate forecasts and monitor expenditures and commitments throughout the year.	Adequacy and effectiveness of planning and budgeting controls, including monitoring of expenditures against forecasts. Compliance with Section 32 of the FAA re: Control of Commitments.
2	Enabler	Corporate Management	Business Continuity Planning Process (for critical information systems)	<u>Client Request:</u> Business Continuity planning and risk management is essential for ensuring the security of critical information systems.	Efficiency and effectiveness of Business Continuity planning and risk management planning for ensuring the security of critical information systems.
3	All Strategic Outcomes	Operating Branches with regional operations	Regional Operations	Governance is one of the 10 elements of the Management Accountability Framework. It considers the appropriateness of governance processes, specifically, the degree to which management and oversight bodies are in place.	Adequacy and effectiveness of the management control framework for delivering regional operations (e.g., staffing, financial stewardship, procurement, etc.).

Note 1: For each major G&C Program, a preliminary planning survey will be conducted and the results will be shared with program management in advance of the audit.