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Canada

Management Response and Action Plan for the Evaluation of the Policy on Internal Audit

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Politique sur la vérification interne



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Management Response and Action Plan for the Evaluation of the Policy on Internal Audit

Recommendations	Action	OPI
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<p>1. It is recommended that the Office of the Comptroller General investigate ways to streamline the Departmental Audit Committee appointment process and reduce its unpredictability in order to attract and retain qualified Departmental Audit Committee members.</p>	<p>We agree. The Office of the Comptroller General is working to streamline the process for Departmental Audit Committee member appointments. The actions undertaken are outlined as follows.</p> <p>Start Date: February 2011</p> <ul style="list-style-type: none"> Options have been identified and analyzed based on an assessment of the timelines and predictability of the process for appointing Departmental Audit Committee members; the ease and speed with which the option can be implemented because of the immediate and ongoing need to appoint or replace Departmental Audit Committee members; and the likelihood of attracting and retaining highly qualified Departmental Audit Committee members; <p>End Date: June 2011</p> <ul style="list-style-type: none"> The proposal will be sent to the President for consideration. 	<p>Director, Internal Audit Sector, Audit Committee Recruitment and Development Secretariat</p>
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<p>2. It is recommended that the Office of the Comptroller General resolve issues regarding the current classification of internal auditors in the federal government and ensure that departments are able to acquire internal audit staff who have a broad range of skills.</p>	<p>We agree. The Office of the Comptroller General is working to determine an appropriate professional classification for internal audit that would help attract and retain highly qualified staff who have a broad range of skills and would minimize the recruitment and retention challenges facing the internal audit community.</p> <p>Start Date: March 2011 End Date: September 2012</p> <ul style="list-style-type: none"> • Work has begun with the Office of the Chief Human Resources Officer to identify such a group. • While this work is ongoing, the Office of the Comptroller General is involved in enabling activities, which are outlined as follows. <p>Generic Work Descriptions</p> <p>Start Date: February 2011 End Date: May 2011</p> <ul style="list-style-type: none"> • Conduct a pilot. To support the broader classification solution, the Office of the Comptroller General will pilot the generic work descriptions and functional models in four departments in spring 2011. <p>Start Date: May 2011 End Date: March 2012</p> <ul style="list-style-type: none"> • Fully implement work descriptions and functional models in staffing actions in departments. <p>Interim Solution</p>	<p>Senior Director, Internal Audit Sector, Capacity Building and Community Development</p>
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Start Date: On request of Chief Audit Executives.

End Date: Once the ongoing solution is determined

The Office of the Comptroller General is providing support to Chief Audit Executives to work with departmental human resources units to develop interim solutions in order to staff the internal audit function with individuals who have a broad range of skills.

<p>3. It is recommended that the Office of the Comptroller General examine alternatives to the current method of dividing federal government departments and agencies into Large Departments and Agencies and Small Departments and Agencies.</p>	<p>We agree. As part of the Policy on Internal Audit renewal process, the Internal Audit Sector of the Office of the Comptroller General is currently examining other approaches to classifying departments that are used across the Treasury Board of Canada Secretariat. The goal is to ensure that the requirements of the policy are commensurate with the need for an internal audit function.</p> <p>Start Date: February 2011 End Date: April 2011</p> <ul style="list-style-type: none"> • Identify and analyze options. <p>Start Date: April 2011 End Date: June 2011</p> <ul style="list-style-type: none"> • Hold consultations with stakeholders (including Chief Audit Executives and deputy heads across the Treasury Board of Canada Secretariat). <p>Start Date: June 2011 End Date: July 2011</p> <ul style="list-style-type: none"> • Draft policy amendments. 	<p>Executive Director, Internal Audit Sector, Policy and Liaison</p>
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<p>4. It is recommended that the Office of the Comptroller General limit the number of former public servants who are external members of Departmental Audit Committees to ensure that these committees are composed of members who have a broad range of skills.</p>	<p>We disagree. Departmental Audit Committees that have a majority of members chosen from outside the federal public administration were established to provide deputy heads with independent and objective advice on matters of governance, risk management and control. We have focused on recruiting competent and diverse committee members. Competency is recognized as the most important factor in selecting Departmental Audit Committee members. We recognize the collective competencies of the committee members as the source of advice of the highest standard. Diversity of experience in membership is desirable but we cannot regulate the nature of diversity. We will continue to promote competency-based committees comprised of members from diverse backgrounds.</p>	<p>Executive Director, Internal Audit Sector, Policy and Liaison</p>
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<p>5. It is recommended that the Office of the Comptroller General investigate how annual overview requirements can be implemented in order to provide guidance to large departments and agencies.</p>	<p>We agree. The Office of the Comptroller General is currently developing a practice advisory on annual overview reporting. It is currently in its final consultation phase. The next steps are outlined as follows.</p> <p>Start Date: March 2011 End Date: March 2011</p> <ul style="list-style-type: none"> • Complete the practice advisory. <p>Start Date: April 2011 End Date: June 2011</p> <ul style="list-style-type: none"> • Develop clearer guidance on the relationship between annual overview reporting, the Chief Audit Executive Annual Report and the Departmental Audit Committee Annual Report to ensure that all reports cover the internal audit landscape clearly without duplicating information or effort. <p>Start Date: June 2011 End Date: July 2011</p> <ul style="list-style-type: none"> • Incorporate proposed amendments into the Policy. 	<p>Executive Director, Internal Audit Sector, Policy & Liaison</p>
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