Canada Border Services Agency

Agence des services frontaliers du Canada

Audit of International Activities

Canada Border Services Agency

March 2021

PROTECTION · SERVICE · INTEGRITY

Canada

Note: [redacted] appears where sensitive information has been removed in accordance with the *Access to Information Act* and the *Privacy Act*.

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1.0 Introduction

1. The Canada Border Services Agency (CBSA or the Agency) operates in a complex and ever-changing global environment within which border management constitutes a shared international responsibility. Improvements to border management worldwide directly benefit the international community through enhanced border security, improved facilitation measures for both travel and trade and strengthening the global supply chain. Fulfilling the Agency's mandate is therefore inherently reliant on the success of our international partners' respective border management efforts, enhancements and achievements.

2. The Agency's international engagement supports the Government of Canada (GoC) priorities and the CBSA strategic direction primarily through developing and strengthening partnerships. This allows the Agency to deliver a smart and secure border of the future and ensure that Canada's border is secure against threats to public safety and security, while simultaneously facilitating the movement of legitimate travel and trade.

3. Historically, the CBSA shared an international network with Immigration, Refugees and Citizenship Canada (IRCC) under a joint management framework. In 2016, the arrangement was terminated and the Agency assumed full management control of its international resources for the first time. Shortly thereafter, the CBSA's international region began shifting away from an HQ-centric management model towards a new matrix management structure devolving line authority to Regional Directors placed at Canadian missions abroad while maintaining a central strategic and functional management authority in HQ, dubbed the Hub and Spoke model. In 2018, the international function was amalgamated under the Strategic Policy Branch (SPB), regrouping units that had previously been housed under the former Programs and Operations

branches, thereby establishing the new International Policy and Partnerships Directorate (IPPD or the Directorate).

4. The IPPD is the CBSA lead on international strategic engagement and international operations, and is responsible for the following:

- overseeing policy integration and multilateral international engagement
- providing strategic guidance on international engagement and the promotion of Canadian interests abroad
- engaging internationally and collaborating horizontally through bilateral and multilateral fora, with the CBSA HQ staff as well as 30+ countries around the world

5. The IPPD consists of three divisions under the oversight of the Director General (DG) of International Policy and Partnerships: the International Operations Division (IOD), the Global Border Management Division (GBMD), and the International Network (the Network), which consists of three Regional Directors (RDs), seven International Network Managers (INMs) and 40+ Liaison Officers (LOs) dispersed around the globe.

6. The Network acts as the operational front line of the CBSA abroad, with a mandate to push the border outward so as to manage risks and threats at the earliest and farthest point from the Canadian border.

2.0 Significance of the audit

7. As the Agency's international activities were never previously audited, and in light of the recent and significant organizational changes undergone by the international function, the Audit of International Activities was included in the 2019-2020 RiskBased Audit and Evaluation Plan.

8. The objective of this audit was to determine whether the international function has an effective management control framework in place to deliver on the CBSA's international priorities.

9. An effective management control framework should result in an international function strategically positioned to support the CBSA's border-related engagement and the development of robust international partnerships, as well as further propel the Agency towards its border-of-the-future objectives.

10. The audit scope encompassed activities of the Directorate from July 2018 onwards, including governance and oversight, roles and responsibilities, priorities-setting and alignment, monitoring and reporting, to support decision-making and risk management. Further information pertaining to the audit scope and criteria can be found in Appendix A.

3.0 Statement of conformance

11. This audit conforms to the Treasury Board's *Policy on Internal Audit* and *Directive on Internal Audit* and the Institute of Internal Auditors' (IIA) *International Professional Practices*

Framework. Sufficient and appropriate evidence was gathered through various procedures to provide an audit level of assurance. The Agency's internal audit function is independent, and internal auditors performed their work with objectivity as defined by the IIA's *International Standards for the Professional Practice of Internal Auditing*.

4.0 Audit opinion

12. The CBSA's international function has undergone significant organizational change in recent years, and continues to establish itself as a valued partner in the delivery of the Agency's mandate. Continued efforts to strengthen collaboration with Agency branches will result in an increasingly cohesive approach to international engagement and encourage greater leveraging of the CBSA's international resources. International Network staffing, training and monitoring processes continue to improve, however there remains an opportunity for greater clarity surrounding roles, responsibilities and priorities, as well as improved access to resources for the effective delivery of the Network's mandate. Financial management of international activities at the CBSA has unique challenges, but risks are generally mitigated. Greater oversight of overtime and increased support and communication on health and wellness will better support a healthy international workforce.

5.0 Key findings

13. Key findings of the audit include:

- While the International Policy and Partnerships Directorate participates in discussions held at the executive table, greater collaboration and communication on the new business lines' priorities could encourage more strategic focus and informed decision making. This would in turn support an integrated approach to the delivery of the Agency's international activities.
- Staffing, training, and support for the International Network is generally fulsome. Opportunities exist to strengthen pre-deployment preparation and support to the International Network, including support in the areas of operations, health and wellness, and throughout the reintegration process.
- Roles, responsibilities and accountabilities of the IPPD, including the Network, are generally defined and documented. There remains an opportunity for greater clarity in order to strengthen and support the efficient delivery of their mandate.
- Greater oversight of overtime usage by the International Network could contribute to a healthier workforce, while increased monitoring of travel and hospitality expenditures could provide greater assurance as to the sound management of financial resources by the IPPD.

6.0 Summary of recommendations

14.14. The audit makes four recommendations relating to:

- intra-agency communication and collaboration to support the identification of operational priorities for the Network and an integrated approach to the CBSA's international activities
- ensuring sufficient access to training, tools and resources to enable the Network to deliver its mandate with greater efficiency
- guidance and oversight on expenditures linked to international activities, including overtime, hospitality, and travel expenditures
- the use of an integrated people-strategy to strengthen talent management practices, employee health and wellness and overall workplace culture in the IPPD

7.0 Management response

Management response

The Vice-President of the Strategic Policy Branch (SPB) overall agrees with the findings and recommendations identified in this Audit of International Activities. In line with the recent Renewal Initiative efforts (creation of the SPB and new International Policy and Partnerships Directorate), the VP SPB is committed to ensuring the Canada Border Service Agency's international function is delivering exceptional service with sustained employee engagement for the Government of Canada.

SPB drafted this MRAP with the view to enhancing IPPD's activities in all four recommendations of the Audit of International Activities.

8.0 Audit findings

8.1 Governance

Corporate governance and oversight

15. An effective governance structure plays a key role in providing leadership and oversight for the management of an organization's activities in support of the achievement of departmental objectives and priorities. It should provide mechanisms to support informed, strategic decision-making, and foster cross-functional interaction, coordination and collaboration.

16. In the CBSA's context, the international function participates in a number of governance committees. International-related matters have been presented to the Executive Committee in recent months, such as new developments on the International Travel Plan process and regional plans presented by the three Regional Directors. Senior representatives of the IPPD are engaged in horizontal discussions pertaining to Agency initiatives with an international component or with foreign partner involvement, such as the Canada-United States-Mexico Agreement (CUSMA) negotiations, or the implementation of the Advance Passenger Information and Passenger Name Record (API/PNR) initiative. A bimonthly director-level meeting is also facilitated by the IPPD and offers an opportunity for greater collaboration and communication amongst Agency business lines on shared priorities and files of common interest.

17. As part of corporate planning and risk management exercises, the IPPD participates in the development of both the SPB Integrated Business Plan and the SPB Risk Profile; some of the key risks to the international function are recorded, such as a lack of clarity surrounding roles and responsibilities, challenges in information sharing and an inability to meet engagement demand and address border-related risks.

18. While operational risks and mitigation processes are not formally monitored by the IPPD, they are identified and managed on an ongoing basis. Following the amalgamation of the international function under SPB, the IPPD developed a gap analysis, which identifies the main risks to the Directorate and the Network, as well as related action items. Developing and documenting mitigation strategies to address the risks and mechanisms to monitor risk management progress, would further support the successful delivery of the Agency's international activities.

Priority-setting and alignment

19. The CBSA International Strategic Framework (ISF or the Framework) is the foundation of the CBSA's international strategic engagement efforts, intended to guide all aspects of the Agency's international activities, and further support the GoC international priorities. The ISF prioritizes the Agency's international efforts and guides its response to emerging global issues, opportunities, and challenges by focusing the CBSA's international engagement towards three key thematic issues: irregular migration, contraband, and facilitation.

20. Priorities outlined in the Framework are in alignment with the CBSA's corporate priorities identified in the Departmental Plan 2019-2020 and Strategic Directions 2030, such as working with partners to combat the opioid crisis, contributing to efficient traveller, goods and conveyances processing, developing relationships with international partners, collaborating with border partners to generate innovative approaches to border management.

21. In addition to guiding the Agency's engagement internationally, the ISF serves as a tool in the development and approval of the annual CBSA international travel plan and subsequent ad hoc travel requests. Every proposed non-operational international travel is evaluated by IPPD against the ISF to confirm alignment with the Agency's international priorities.

22. In addition to a number of key corporate documents being reviewed in the development of the ISF, consultations were held with representatives of the CBSA's business lines. Despite the consultations, several business line representatives indicated having limited knowledge and understanding of the mandate and services offered by the IPPD and the International Network, which represents a missed opportunity to leverage the CBSA's international resources in key initiatives.

23. For instance, greater communication of foreign border management best practices observed by members of the Network could fuel border modernization discussions at the CBSA, and an analysis of opioid-related trends encountered by the Network could contribute to informed targeting and intelligence operations in Canada. Similarly, it was noted that keeping members of the Network abreast of Agency engagements and initiatives could encourage greater cross-

functional integration, most notably in the eye of foreign border management partners. As the senior representatives of the CBSA in their respective areas of responsibility (AOR), Network staff are often consulted by local organizations on ongoing Agency initiatives or modernization efforts. If the Network is not actively kept informed of Agency developments, they may not be sufficiently prepared to participate in key discussions with foreign partners. Increased cross-functional communication of business priorities, originating from both the IPPD and the Agency at large, could foster a more cohesive approach to furthering the CBSA's priorities and interests both domestically and abroad.

Monitoring and reporting

24. The International Network is required to produce a multitude of reports intended to provide insight into their daily activities, and provide a source of data for use by various areas of the Agency. All LOs are required to submit a Weekly Operations Report (WOR) to the IPPD, which captures a variety of data points offering insight into their weekly activities. This information is used by the IPPD to develop analytics products, such as migration trends and dashboards monitoring significant international events and key files. The information is also used to support assessments of the Network's performance and global operational pressures, assess adequacy of the International Network footprint, and support other decision making. In addition to reporting through the WOR, LOs maintain ongoing communication with their respective managers through email and regular bilats in order to keep management abreast of developments in their AOR.

25. Reporting is a time-consuming exercise, and members of the Network noted a lack of clarity surrounding the reporting needs and requirements of the IPPD and CBSA business lines. They lack an awareness of the end use of the information, and receive little to no feedback on the perceived value of information disseminated throughout the Agency. Improved clarity would enable the Network to record information of greater strategic value, and enable more informed decision-making across the Agency.

Recommendation 1: The Vice-President of the Strategic Policy Branch, in partnership with the Vice-Presidents of the Commercial and Trade Branch, the Travellers Branch and of the Intelligence and Enforcement Branch, should foster greater collaboration and communication between the Network and the Agency business lines to support an integrated approach to the CBSA's international activities and advancement of the CBSA priorities.

Management response: Agreed. The Vice-President of the Strategic Policy Branch (SPB), working with VP colleagues, agrees to review and identify opportunities for greater collaboration and communication between the International Network and the Agency business lines to support an integrated approach to the CBSA's international activities and advancement of the CBSA priorities.

Completion date: April 2021

8.2 Administrative management of the International Network

Staffing and training

26. The CBSA's International Network team is sourced by the IPPD from within the Agency's workforce. The IPPD is responsible for selecting successful candidates, and coordinating and delivering induction training in preparation for deployment.

27. Recruitment of LO resources by IPPD is cyclical, and selection processes are typically launched annually, contingent upon the Network's operational pressures and requirements. The staffing process is guided by the IPPD Staffing Policy and has been gradually refined in an effort to increase its efficiency.

28. The staffing process for LO positions includes the review of online applications by IPPD management to determine eligibility, and the administration of a written exam and interviews with eligible candidates. The LO selection process is thought to be fair, robust and transparent by those who have participated, and management is confident that the right candidates are selected for assignment. There remain challenges in relation to the timeliness of assignment offers and sequencing of LO training; selected candidates may have limited time to accept an assignment, and be required to attend training within days, which presents both work and family-related challenges. The IPPD is aware of these challenges and has been making efforts to improve staffing timelines with each cycle.

29. Once selected for assignment, LO and INM recruits undergo three weeks of induction training, which includes an overview of international priorities, IT systems training, document examination, information sharing, personal security and operations-specific training, among other topics. While completion of the in-person training is monitored and tracked by IPPD, other compulsory self-paced web-based training is not.

30. Members of the Network reported that while the induction training gave them a strong foundation for their role abroad, there was insufficient scenario-based training, and it did not adequately prepare them for the local operational context of the different AORs. While IPPD encourages recruits to obtain briefings from Agency business lines with a focus on their respective AORs, such briefings are challenging to coordinate due to time constraints ahead of deployment, the recruits' commitment to their substantive positions, and a lack of knowledge as to whom they should speak with. As a result, pre-departure briefings often do not take place. This contributes to the LOs' difficulty in identifying local priorities, as does the lack of overlap between the outgoing and incoming LOs.

31. Two subject matters require greater emphasis in the CBSA's LO and INM induction training agenda:

- Values and ethics: While Global Affairs Canada (GAC) provides general values and ethics training to prepare government employees for their mission abroad, LOs may not be receiving sufficient CBSA-tailored training to prepare them for contending with cases of fraud, corruption, bribery and other similar challenges likely to be encountered while abroad.
- Language training: A lack of foreign language training has been identified by a number of Network employees as a gap resulting in challenges due to their inability to communicate effectively with local contacts and partners.

32. Although there are no training requirements for LOs during their assignments, they have the opportunity to participate in training sessions offered by GAC at mission, and to complete web-based CBSA training. Regional Directors host yearly regional meetings, which offer the opportunity to provide additional training to members of the Network and discuss key priorities or files of interest.

Roles and responsibilities

33. The Network is responsible for the Agency's international operations and strategic engagement, and for contributing to the corporate and ISF priorities. While LO induction training and the ISF provide broad and overarching direction on key corporate engagement, the documents provide little guidance to the LOs in developing individual regional priorities for their respective AORs and in establishing their day-to-day responsibilities. Border-related activities vary greatly across the various AORs and each region requires a unique approach to support Agency priorities. This may result in a lack of focus on key priorities and a loss in productivity due to the amount of time required by members of the Network to familiarize themselves with their new environment and operational context, and to develop an understanding of their role in contributing to the CBSA's international priorities.

34. The recent amalgamation of the international function under the Strategic Policy Branch has brought about an expectation that the Network will increase its strategic contribution. There remains confusion amongst members of the Network as to how this translates to their day-to-day role as they perceive their activities as predominantly operational. An opportunity exists to further clarify how Network staff activities currently contribute to the Agency's strategic engagement.

35. With the implementation of the Hub and Spoke model and the creation of new management positions located abroad to replace positions previously housed at HQ, roles and responsibilities of IPPD employees both at HQ and in the Network were revisited and redefined. Members of the Network reported a lack of clarity as it pertains to the delineation of roles and accountabilities at the management level, which may result in overlapping responsibilities and inefficiencies.

Support, guidance, tools and resources

36. The LOs' primary source of guidance and support resides in their Network colleagues due to their close geographic proximity, neighbouring time zones and shared experience. Support is also available to them through the International Operations Division, responsible for managing the International Network Services (INS) inbox. The inbox is intended to function as a single-window service for the International Network, where queries and requests for support and guidance may be submitted. The Network reported that the INS does not provide sufficiently timely service and that consequently, members of the Network tend to seek assistance from their personal contacts as opposed to using official IPPD support channels.

37. The Network reported a strong working relationship and support from most Agency groups, such as the National Targeting Center, the Border Operations Center (BOC), ports of entry, program areas, Inland Enforcement and Removals, on a case-by-case basis, when their

collaboration is required. Representatives of the Agency's business-lines echoed these comments, reporting that the International Network provides quality services and support when called upon, such as liaising with local authorities, verifying criminal records or coordinating removals itineraries. Continued and improved collaboration can support the effective delivery of the International Network's mandate abroad.

38. Guidance is provided to the Network in a number of ways: email communications, regional conferences, bilats, etc. Members of the Network reported that written communication originating from HQ may not be effective due to high volumes of correspondence received from the CBSA, other government departments (OGD) and foreign partners, as well as due to IT challenges experienced by the Network. These IT challenges are experienced on both CBSA and GAC systems and infrastructure, and have resulted in increased hours of work beyond business-hours, a heavier reliance on BOC for support with system queries and other daily disruptions and inefficiencies.

39. Members of the Network rely on a wide array of tools and resources to achieve objectives. Many reported that they have insufficient resources at their disposal to effectively deliver their mandate, such as material to provide presentations and training to foreign partners, or funds to acquire everyday items to support operational activities (batteries for document examination UV lights and projectors to deliver training to airlines, for example). Most notably, a lack of information sharing agreements with foreign entities was raised as a significant impediment by many LOs; their inability to participate in local cultures of "give and take" leads to reduced cooperation from local partners, restricting their ability to push the CBSA's priorities forward. Similar restrictions exist in sharing of information with OGD partners. In addition, Agency business lines occasionally request that information be obtained or shared with foreign partners by the International Network. Business lines may not always be aware of information sharing limitations under which the Network operates, which may place additional pressure on its members and lead to information being shared inappropriately, with both domestic and international partners.

40. Insufficient training, tools, support, guidance and clarity surrounding roles and responsibilities for members of the International Network may result in a limited understanding of the Agency's international vision and priorities and a decrease in organizational performance.

Recommendation 2: The Vice-President of the Strategic Policy Branch should ensure Network training and tools are sufficient to support the effective delivery of the International Network responsibilities abroad.

Management response: Agreed. The Vice-President of the Strategic Policy Branch (SPB) agrees to review International Network training activities and tools, as well as identify opportunities to better support officers deployed abroad.

Completion date: August 2021

Health and wellness

41. While members of the Network expressed remarkable pride in representing the CBSA's interests abroad, several raised the wellness impacts of international deployment. Postings abroad bring about tremendous personal and professional growth, but are also accompanied by significant stressors. The deployment process itself is demanding, including undergoing training, making arrangements to move abroad, selling belongings and houses under tight time limits, arranging dependent children's transition to new schools, etc. At post, stressors include separation and isolation, exposure to challenging work environments and difficult situations, communication barriers, cultural adaptation, and working with new foreign partners. In addition, members of the Network invest many hours of overtime, which may further compound the risk to mental and physical wellness. Some OGDs have utilized psychological assessments and other support mechanisms prior to, during, and post deployment to help support the well-being of staff and pro-actively identify risks to the successful delivery of their international activities. While the CBSA does not currently conduct such assessments, this option could be explored as part of the IPPD's efforts to gain insight into existing risks and provide tailored support to its employees throughout the deployment continuum.

42. The IPPD has limited tools and resources at its disposal to support Network health and wellness due to the geographic separation as well as GAC having primary duty-of-care responsibilities. Nevertheless, IPPD senior management has been actively involved in resolving issues and has sought support from the CBSA Informal Conflict Management Services (ICMS). LOs have been repatriated in some extreme cases due to significant challenges or wellness concerns.

43. A desire for more meaningful communication between the Network and HQ was identified by members of the Network who perceive a divide between the two groups. It was also noted that Network staff may be reticent to openly discuss challenges with colleagues and management, for fear of being deemed unable to fulfill their mandate.

CBSA-GAC working relationship

44. The Agency is a signatory of the GAC MOU on common services abroad, which provides details on the support to be provided by GAC to international networks of all Government of Canada departments. Despite the Agency's heavy reliance on GAC services, there is currently no specific memorandum of understanding between the two departments pertaining to the International Network.

45. As the CBSA disburses significant annual sums to GAC for the provision of services,[Footnote 1] it is important to ensure that the CBSA benefits from the full value of expected services. For instance, challenges were raised by Network members with regards to the international relocation process and assignment of living accommodations, as well as challenges in obtaining guidance on the Foreign Service Directive (FSD). The IPPD also experienced challenges in receiving CBSA financial data, though improvements have been noted in recent months. [redacted]

Cross-postings and reintegration

46. A cross-posting involves awarding a second consecutive posting in a new location to an existing LO. Cross-postings may be assigned by the IPPD to meet operational requirements and recognize and reward strong performance in the Network. While the notion of cross-postings appears in the IPPD Staffing Policy, the selection criteria and process to assign a cross-posting are not detailed. Furthermore, it was noted that members of the Network interested in cross-posting opportunities are unaware of the selection criteria and whether they meet the requirements. This results in the process being perceived as lacking transparency. Additionally, while INMs are consulted throughout the cross-posting assignment process, they are not members of the IPPD Placement Committee. Including INMs in the committee membership could be explored for more fulsome, calibrated discussions, and more informed decision-making. Results of the Placement Committee deliberations and candidate selection rationale are documented, but do not demonstrate an assessment of all eligible candidates.

47. Refresher training is not required or provided by the IPPD to LOs undertaking a second assignment. Though completion of Hazardous Environment Training by LOs selected for cross-postings is required by GAC for specific missions, access to this training may not always be coordinated by the IPPD in a timely manner, which may present added security risks to the LOs.

48. At the end of their term abroad, members of the Network return to Canada, a process known as reintegration. Returning members may experience a variety of challenges throughout the reintegration process, including professional, emotional, psychological and family-related ones.

49. These difficulties are known to the IPPD, and some steps have been taken in recent months to alleviate the pressures; for example, official language training may be provided to LOs to assist them in their professional development, surveys pertaining to job preferences are administered to LOs preparing for reintegration, and a reintegration framework is in development.

50. Actively managing reintegration could become an opportunity for the CBSA: though LOs have a substantive position to return to, these positions may not strategically leverage their newly-acquired experience and expertise. Identifying key vacancies suitable for returning members of the Network would increase the Agency's return on investment and could contribute to a higher retention rate of CBSA employees with international experience.

Culture

51. In 2018-2019, the CBSA's Chief Transformation Officer Branch conducted an assessment of the Agency's current culture, which culminated in the publication of a CBSA Culture Diagnostic. The Diagnostic makes note of three root causes to the Agency's current culture that closely align with the information collected as part of interviews with members of the International Network:

- A lack of shared and meaningful identity: While Network staff expressed remarkable pride in their mandate and contribution to the Agency priorities, several raised a perceived divide between HQ and the Network, and an "us and them" mentality.

- A lack of effective and authentic communication: A need for more meaningful, human interaction between the Network and colleagues in Canada was raised, as opposed to relying on written, electronic communication. A lack of timeliness in information sharing by the Agency with the Network and limited feedback on their work, such as reporting, also contributes to this root cause.
- A lack of courage and empathy: Concerns were raised by members of the Network with regards to speaking up, and a limited ability to "say no" given operational pressures. It was also noted that LOs feel they are not heard or implicated in decision-making that has a direct impact on their work.

52. By working towards an improved culture, the Agency can establish greater credibility and trust, clearer vision and priorities, employees feeling valued, a healthy workplace and, ultimately, greater organizational performance.

Recommendation 3: The Vice-President of the Strategic Policy Branch should develop an integrated people-strategy with sustainable processes to promote and strengthen a healthy workplace culture throughout the deployment and reintegration continuum.

Management response: Agreed. The Vice-President of the Strategic Policy Branch (SPB) agrees to develop an integrated people-strategy to promote and strengthen a healthy workplace culture throughout the deployment and reintegration continuum of members of the Network.

Completion date: August 2021

8.3 Financial management of international activities

53. Funding has been received by the IPPD for the delivery of specific initiatives, such as the Border Engagement Strategy (BES). To date, these funds were primarily invested into the creation of positions within the Network and at HQ, as well as to create a new capacity building program for the CBSA. Mechanisms have been developed by the IPPD to monitor the use of these funds, such as the creation of dedicated cost centers and Work Breakdown Structures (WBS).

54. The creation of five LO positions in 2019 was funded by BES funds; LOs assigned to these positions are expected to focus on BES priorities while also delivering standard LO duties. Like the rest of the Network, their activities are tracked and monitored via the WOR, which enables the IPPD to collect data for reporting on progress made as part of the BES.

Agency international travel

55. A yearly Agency International Travel Plan (ITP) is developed by the IPPD as part of the Travel, Hospitality, Conference and Event Expenditures (THCEE) forecasting exercise. Planned non-operational travel requests, which excludes operational travel such as the Network's travel and removals-related travel, are submitted by units across the Agency for the upcoming fiscal year, and are assessed individually against priorities outlined in the ISF to ensure alignment with corporate and international priorities. The final plan is reviewed and approved by the Executive

Committee. Travel requests not included in the ITP undergo a similar, ad hoc process and obtain approvals from three VPs.

56. A report is produced biannually by the IPPD for the Executive Vice-President (EVP) on Agency international travel trends, which captures information, such as the number of international trips undertaken by the Agency (excluding International Network travel or Agency operational travel, like removals operations), total travel expenditures and variance with forecasts, and alignment with international priorities.

57. The travel approval process requires the manual issuance by the IPPD of a Request Authority to Travel Outside Canada (RATOC) number, which travellers must include in the electronic travel approval request form. System limitations result in a significant control gap allowing for non-compliance or potential fraud, such as making travel arrangements using an illegitimate RATOC number. This non-compliance may not be discovered until such time as the IPPD cross-references international travel actual expenditures with RATOC numbers that were issued.

International Network travel expenditures

58. Travel approval processes in place differ for Agency employees in Canada and those in the Network. Travel is an important component of the LO role, due to the large geographic areas under their responsibility and the need to develop partnerships with local entities, deliver training at international airports, and other operational requirements. To carry out these responsibilities, members of the Network receive an annual travel fund allocation. International Network travel is approved by the DG of the IPPD via an annual travel plan and through adhoc travel requests, and by respective HOMs, who have delegated authority over the Network's funds once allocations are transferred to the various missions.

59. Travel expenditures are disbursed by the LOs and claims are submitted for reimbursement through GAC. The CBSA has limited to no access to itemized expense claims, but receives reports outlining total actual expenditures by trip, which are reconciled against the DG-approved travel requests by the RDs and IPPD. This limits the IPPD's ability to assess how the funds were expended; the Agency relies on GAC's review and monitoring at the transactional level to ensure compliance with policies.

60. The IPPD has mechanisms in place to facilitate access to additional funds if in-year pressures are identified. Members of the Network can request additional resources for the delivery of their activities, and travel and hospitality funds may also be moved between Missions. There may be a need for increased communication or understanding of these mechanisms, as a number of Network members indicated having insufficient funds to effectively carry out their mandate.

International Network hospitality expenditures

61. Members of the Network receive a small, yearly fund allocation for the purpose of providing courtesy meals and refreshments to local contacts and partners, in support of the effective delivery of their responsibilities.[Footnote 2] In many cultures, demonstrations of hospitality pave the way to local collaboration, upon which the International Network is dependent to conduct much

of its work. LOs are responsible for effectively managing these limited funds, and must submit expense claims accompanied by a rationale in order to be reimbursed. In some cases, it was noted that LOs absorb hospitality expenditures to further stretch their budget.

International Network overtime

62. At the time of writing this report, 25% of Network overtime claimants had incurred overtime costs in excess of $20,000 in the fiscal year 2019-2020.[Footnote 3] Due to the nature of their role, many LOs conduct CBSA activities beyond their regular hours of work, such as flight monitoring or responding to after-hours enquiries from airlines. Much of the overtime cannot be pre-approved by management as it cannot be foreseen; management is mostly informed of the overtime after-the-fact, when overtime hours have been entered by the LOs in the CBSA's timesheet recording system.

63. There are inconsistencies in the way overtime claims are submitted by LOs, stemming from inadequate guidance. While some LOs claim all of their overtime as per their collective agreement, others only claim some of their overtime hours in order to reduce the financial burden on their respective regional budgets. This can contribute to variances in overtime expenditures amongst the LOs, and inhibits the IPPD's ability to determine the exact number of overtime hours incurred by members of the Network.

64. There are limited formal mechanisms and controls in place to monitor the use of overtime in the Network. While the IPPD monitors overtime expenditures on a monthly basis, there appears to be limited trend analysis. In addition to the risk of inappropriate claiming of overtime, excessive hours of work by members of the Network may hint at health and wellness risks and, consequently, risks to the Network's operations.

Recommendation 4: The Vice-President of the Strategic Policy Branch, in partnership with the Vice-President of the Finance and Corporate Management Branch, should review guidance on international expenditures and oversight mechanisms to ensure sound financial management practices are in place, including increased monitoring of Network overtime, hospitality and travel.

Management response: Agreed. The Vice-President of the Strategic Policy Branch (SPB) agrees to review guidance on international expenditures and oversight mechanisms to ensure sound financial management practices are in place, including increased monitoring of Network overtime, hospitality and travel.

Completion date: March 2021

8.4 Overall conclusion

65. Since the amalgamation of the international function under the Strategic Policy Branch, improvements have been made to international activities, including the development of the ISF, establishment of working-level committees, and streamlining of the LO staffing process. As the management control framework for the CBSA's international activities continues to mature,

opportunities exist for strengthened cross-functional collaboration and integration, enhanced oversight of financial activities and improved mechanisms to better support the Agency's international resources. The development of an integrated people strategy would assist with talent management and foster a healthy workplace culture to support the successful delivery of the CBSA's mandate abroad.

Appendix A: About the audit

Audit objectives and scope

The audit objective was to determine whether the international function has an effective management control framework in place to deliver on the Agency's International priorities.

The audit scope included an assessment of the governance and oversight, priority alignment, and monitoring and reporting mechanisms in place for international activities to support decision-making. It focused on the role of the IPPD and the International Network as well as the controls in place to ensure the collaboration and coordination of international activities across the Agency.

The audit scope excluded the following:

- International activity decisions made by other government departments (GAC, IRCC, RCMP); however, they may be referenced to provide context
- Performance measures and outcomes related to the Performance Management Framework and International Logic Model. The program evaluation division assisted in the development of IPPD's performance information profile.

The Audit of International Activities was included in the Agency's 2018 Risk-Based Audit and Evaluation Plan.

Risk assessment

A preliminary risk assessment was conducted to identify areas of risk and audit priorities. This assessment was based on interviews with various stakeholders involved in international activities at headquarters and a review of documentation related to international activities. The following key risk areas were identified:

1. The Agency's international operations/ and activities may not be aligned with the Agency's international strategy and priorities.
2. IPPD priorities, roles, responsibilities, accountabilities and business processes may not be defined, documented and communicated to allow for consistency and oversight.
3. Business processes for the operations of the International Network through the Hub and Spoke model may not be established to facilitate the flow of information within the Agency and the consistent application of processes across the CBSA's International Network.
4. Risk areas, as they relate to the IPPD, may not be identified and sufficiently mitigated.

5. The Agency may be limited in its ability to collect, monitor and report on information related to international activities in a timely and accurate manner to support program management and decision making throughout the Agency.
6. IPPD's staffing and training process may not be effective in maintaining sufficient personnel to carry out their operational and strategic duties.

Approach and methodology

The audit was conducted in accordance with the Treasury Board Secretariat's *Policy on Internal Audit* and *Directive on Internal Audit* as well as the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

In order to conclude on the audit objective, the following methods were used to gather evidence:

- review of applicable policies, directives and procedures governing the management of International Activities
- review of frameworks
- review of performance data and activity reports used in decision-making
- interviews with representatives of the IPPD and Agency business lines, both at the executive and working levels

Audit criteria

Given the preliminary findings from the planning phase, the following audit criteria were selected:

Line of enquiry 1: Governance, accountability and priority setting

Audit criteria:

- 1.1 Governance and oversight bodies are established to ensure effective management over international investments and activities
- 1.2 Accountabilities and roles and responsibilities for international activities are documented, communicated and adhered to
- 1.3 International activities are aligned with the Agency's mandate and priorities
- 1.4 Monitoring and reporting mechanisms are in place to provide oversight bodies with information for decision making

Line of enquiry 2: Risk management

Audit criteria:

- 2.1 A risk management framework is in place for IPPD that identifies and addresses strategic and operational risks related to international activities.

Line of enquiry 3: International Network

Audit criteria:

- 3.1 Processes and controls for staffing, training and support for the International Network are in place and functioning as intended.
- 3.2 Oversight for the International Network's travel, overtime and hospitality transactions is in place to ensure compliance with policy and processes.

Appendix B: List of acronyms

AOR
  Area of Responsibility
CBSA
  Canada Border Services Agency
DG
  Director General
FSD
  Foreign Service Directive
GAC
  Global Affairs Canada
GBMD
  Global Border Management Division
GoC
  Government of Canada
INM
  International Network Manager
IOD
  International Operations Division
ITP
  International Travel Plan
IPPD
  International Policy and Partnerships Directorate
ISF
  International Strategic Framework
IRCC
  Immigration, Refugees and Citizenship Canada
LO
  Liaison Officer
MOU
  Memorandum of Understanding
RD
  Regional Director
SPB
  Strategic Policy Branch
WOR
  Weekly Operations Report

Footnotes

Footnote 1

These sums total approximately $26M annually, and are known as platform costs. Platform costs fund Network positions, living accommodations, LO Assistant salaries, access to IT infrastructure and services, etc.

Return to footnote 1 referrer

Footnote 2

Definition based on TBS: https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=27228&section=glossary.

Return to footnote 2 referrer

Footnote 3

Based on CAS data extracted on and as at January 23, 2020, including paid overtime and compensatory time taken as leave.