

Office of the Auditor General of Canada

Practice Review Report
Performance Audit Product Line
Audits Reported in 2004

September 2005



Strategic Planning and Professional Practices
Planification stratégique et méthodes professionnelles

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Executive Summary

Introduction

In accordance with the Office's Long-term Practice Review Plan that was approved by the Audit Committee and the Auditor General, the Strategic Planning and Professional Practices Group conducts practice reviews of selected Performance Audits. This Summary Practice Review Report consolidates the practice reviews of four 2004 Performance Audits.

Conclusion

We found that the four audits that were practiced reviewed were in compliance with the Performance Audit Quality Management Framework elements under review. The Quality Management Framework ensures that quality is built into the audit process. It guides auditors through a set of required steps to ensure that performance audits are conducted in accordance with professional standards and Office policies.

Background

Every year the Office of the Auditor General conducts a structured review of the practices followed in its Performance Audits. The Internal Audit and Practice Review Team of the Strategic Planning and Professional Practices Group coordinates these yearly reviews. Experienced Performance Audit practitioners reviewed the selected 2004 Performance Audits. This report describes the results of these practice reviews.

Practice Review Objectives and Scope

After devoting much effort in the previous years to the preparation for an External Peer Review and to the implementation of the new Performance Audit Quality Management Framework, the new version of the *Performance Audit Manual*, the new mandate of the Performance Audit Management Committee and the enhanced Quality Reviewer function, we have now moved to a "steady-state" level of practice review work.

Our focus is to review only selected elements of the Quality Management Framework with the objective of determining compliance and identifying opportunities to improve Performance Audit polices and practices.

We practice reviewed four Performance Audits reported in 2004 - one each from the March and September reports and two from the November 2004 report.

Opportunity for Improvement

We identified that the documentation of the work of Performance Audit Quality Reviewers could be improved. The Strategic Planning and Professional Practices Group will develop enhanced guidance in this area.

Follow-up of Prior Year's Recommendations

The practice review recommendations relating to performance audits reported in 2003 have been addressed satisfactorily.

Product Leader's Response

I am pleased that the report concluded that the audits reviewed are in accordance with the Office's Performance Audit Quality Management Framework. I am also satisfied that previous Practice Review recommendations have been implemented in a timely fashion.

I agree with the suggestion for additional guidance for Quality Reviewers, and am pleased to note that the Strategic Planning and Professional Practices Group will be developing enhanced guidance in this area, for ultimate approval by the Practice Development Committee.