

The purpose of these reviews is to establish agreement, with each Department, on the specific actions which are considered appropriate to accomplish improvements across the spectrum of financial administrative and related operational planning and control practices, wherever the need for such improvements is identified. Such agreements on actions will then be reflected in appropriate plans and timetables for the execution of the necessary work.

In the area of the practices and procedures used for the measurement of efficiency and effectiveness, which has been a major focus of the SPICE Study conducted by your Office, the reviews will result in the establishment of plans with each Department that will provide a detailed understanding for the ultimate extension of such procedures to all those operations and programs of Government where they may appropriately and reasonably be applied. The priorities for this work will be established by application of the following four criteria:

- (1) importance in terms of departmental or ministerial priorities;
- (2) the relative ease of conducting the evaluations, - the easiest programs will be evaluated first;
- (3) the size of the program, - larger value ones will be considered first; and
- (4) the expected cost of the evaluation in relation to the size of the program.

These plans and their timetables, when completed, will be made available to you, and thus to Parliament, as evidence of actions that are responsive to the type of problems in economy, efficiency and effectiveness evaluations that will be identified in your Report. In accordance with the Comptroller General's mandate and responsibility for the further development and maintenance of existing Treasury Board policies and directives in this complex area, his Office will also use these plans and timetables to monitor the improvements that will be accomplished by Departments and Agencies over time.

These reviews will also enable the Treasury Board to approve plans established within each Department for the development of their internal audit capabilities. This planning process will begin in the 1979-80 fiscal year. Such plans will not be restricted solely to the development of internal financial audit capability, but will also include the internal audit coverage of other equally important management functions such as "operational" or "managerial" audit activities and of course, departmental adherence to all Treasury Board policies and guidelines. The adequacy of the total internal audit function will be assessed in terms of its scope, the appropriateness of skills and staff resources available, the professional conduct of such staff, the independence of the audit function and the priorities established in internal audit work programs by Departments. Such plans will be made available to your Office, in the knowledge that they will be of assistance to you in the future planning and scheduling of your audit activities.