

- A Financial Analysis Unit has been established to improve the quality of financial due diligence
- A financial risk assessment process occurs at missions
- A guide on budget management has been created to standardize processes across the Department
- Channels of communication exist to report suspected improprieties
- There is a segregation of duties in sensitive areas
- Internal and external Audit Committee plans are in place

Potential Impacts

If this risk were to materialize, it could result in a reduced ability to make relevant projections and conduct financial management, which would hinder decision-making.

A reduction in program delivery effectiveness, inappropriate expenditures, misdirection of funds, significant financial losses, or a lapse of funds are other potential consequences of this risk, which compounds Risk 4: Resource Alignment.

A general perception of misuse of taxpayers' dollars, or errors in reporting to Parliament can erode DFAIT's and the Government's reputation, bringing about a loss of confidence from Central Agencies and other stakeholders leading to increased oversight and approval requirements.