

## Comprehensive Auditing

- discussing audit reports and findings and identifying how findings in one area might relate to other areas;
- seeing that corrective or preventive action is taken on audit findings;
- considering matters raised by the Office of the Auditor General;
- assessing the adequacy of resources for the audit activity; and
- advising on the appointment of the head and members of the internal audit group.

This is of particular importance to ensure adequate recognition throughout the organization of the accountability of every manager for the economical, efficient and effective expenditure of public funds. Periodic attendance at audit committee meetings by the Minister or his direct representative, possibly the Parliamentary Secretary, would be a recommended and highly desirable practice. It would help to emphasize the accountability of managers to government, to Parliament and ultimately to the taxpayer for the effective control and good management of public money.

**12.57** Some departments have not yet appointed an audit committee. In some departments that have committees, they are not fulfilling their responsibilities. In other instances, terms of reference for the committees are not well defined.

**12.58** The Department of Transport recently revised the terms of reference for its audit committee to include all appropriate responsibilities. In addition to including the Deputy Minister, as chairman, and other senior departmental managers, a senior official from another department has been appointed to the committee. Representatives from the Office of the Comptroller General and the Audit Office have an open invitation to attend monthly meetings. The Department of National Revenue - Customs and Excise also recently appointed an audit committee with a sound mandate.

### Management Support and Leadership

**12.59** Integrated audit groups and better quality audit practices are essential for effective internal auditing. However, improved organizational arrangements and techniques alone are not enough. Until deputy heads and their senior managers appreciate the benefits to be derived from a properly done comprehensive audit, the value obtained from the substantial effort now devoted to internal audit will continue to be unsatisfactory. Internal audits may be perceived as a threat by poor managers, and that cannot be avoided, but good managers should see internal audit as a means of enhancing their own ability to control performance.