

Report of the Audit Committee of the Office of the Chief Electoral Officer (Elections Canada) for the Fiscal Year 2008–2009

Introduction

The Audit Committee has been established in compliance with provisions of the *Federal Accountability Act*. It is comprised of external members to provide the Chief Electoral Officer with independent advice on matters relating to management controls and reporting of plans and results. This report outlines the activities of the Committee during its initial year, as required by the Committee's Terms of Reference.

Membership and Meetings

The Committee is chaired by Mr. Marc Mayrand, Chief Electoral Officer of Canada, and has as its members: Messrs. W.E.R. Little, J-C. Bouchard and P.G. Boomgaardt. Selectively, members of the Executive Committee of Elections Canada and Internal Audit staff have attended as observers and to respond to questions from members.

The Committee held its orientation and start-up meeting in March 2008 and subsequently met in June, August, and October (by telephone conference), and then in January 2009. There was 100% attendance by all members.

Committee Terms of Reference

The Committee adopted written Terms of Reference, which will be reviewed regularly and updated as the Committee refines its routines and determines how it can effectively serve Elections Canada. The Committee is aware of the Policy on Internal Audit issued by the Treasury Board Secretary and is mindful of the requirement for Elections Canada to be independent from government. In common with the other Officers of Parliament, the Chief Electoral Officer will comply with the principles of the Policy on Internal Audit but adapt specific provisions so that independence is not impaired.

Guidance to Internal Audit

The Committee reviewed the draft risk-based audit plan for 2008–2009 to 2010–2011, provided some suggestions, and recommended the amended plan for approval. The Committee also received briefings on plans to build audit capacity and was presented with regular progress reports on internal audit activities. Interim and final reports on audit work were presented to the Committee, with special emphasis on findings, recommendations and arrangements for follow-up. The Committee recommended approval of the final report of the completed audit.

Liaison with Office of Auditor General (OAG) of Canada and Central Agencies

Representatives of the OAG have attended the Committee meetings and offered advice along with comments on developments at the OAG. The Committee reviewed the results of the audit of financial statements from March 31, 2008.

The Committee was briefed on the findings and reports on the management of identity information and privacy management framework by the OAG and the Office of the Privacy Commissioner, and provided advice on management response and action.

Internal audit staff briefed the Committee concerning developments on the internal audit front by the Office of the Comptroller General.

Monitoring Activities and Accountability

The Committee was briefed on key management issues and how procedures have been adopted to mitigate concerns and produce the desired results. In particular, the Committee was informed of the unique operating and funding issues inherent in Elections Canada, of the highly prescriptive nature and numerous statutes that govern the organization, and of longer term challenges. The Committee notes with concern that the number of general elections in recent years, the ongoing election readiness requirement, and the volume of changes in regulations have resulted in stretching the adaptive capacity of Elections Canada. The Committee was briefed on the *Strategic Plan 2008–2013*, as well as the key initiatives to modernize information technology.

The Committee reviewed the draft 2007–2008 Departmental Performance Report, including the audited financial statements, and offered some suggestions and recommended approval. As well, the Committee reviewed the draft 2008–2009 Report on Planning and Priorities and again offered suggestions and recommended approval.

With Canada's 40th general election held on October 14, 2008, members were briefed on preparations, observed some field activity first-hand, and were informed of the post-election evaluation and reporting framework.

Conclusion

The Committee considers that its first year of activity constitutes a good start. Members were provided with relevant and transparent information responsive to the Committee's mandate. Members are pleased with the candor concerning the challenges facing Elections Canada and the genuine interest that the Chief Electoral Officer shows in the views of Committee members. The Committee notes the professionalism and dedication demonstrated by staff, as well as their openness and willingness to accept and implement suggestions. The Committee acknowledges that it is still at an early stage in the learning curve of Elections Canada's extraordinary environment and faces considerable challenges. However, based on observations over the past year the Committee considers that Elections Canada has adopted a systematic and rational approach to addressing its mandate, to monitoring results and to reporting publicly.

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