



Strategic Plan 2021 - 2025

Office of the Auditor General
Prince Edward Island

June 2022

Message from the Auditor General



I am pleased to present the Strategic Plan 2021-2025 for the Office of the Auditor General of Prince Edward Island. It documents our vision and mission and provides future direction for the Office as we continue to serve the Legislative Assembly.

Our core values are the foundation of all our work and are embedded in our standards and work practices. We will be independent, reliable, progressive, and relevant as we carry out our mandate.

Support and Communication to our External Stakeholders

Serving the Legislative Assembly, we will remain focused on providing relevant and clear information and advice to assist in holding government accountable. We will work to meet the expectations of the members of the Legislative Assembly. We will pay particular attention to maximizing the value of our work by focusing our audit resources on matters that are relevant and significant. Our collaboration with the Public Accounts Committee is imperative, and we will continue to maintain and strengthen this relationship. We need to work collaboratively to achieve our common goals.

We will continue to seek opportunities to increase our external stakeholders understanding of our role and support for the implementation of our recommendations.

Rewarding Professional Work Environment

To fulfill our mandate, we must retain high quality personnel that remain motivated in their work and progressive in embracing new methodologies and work practices. We will optimize the competencies of our employees, offer more opportunities for growth and development, and seek improvements in our work environment. We will work towards a more team oriented approach, with opportunities for staff to work on both financial and performance audits.

Audit and Administrative Work Practices

We constantly strive to improve our operations. Balancing efficiency with quality audit products is always a challenge. We will work to strengthen our risk management processes and improve audit efficiencies.

The Office of the Auditor General is committed to achieving these goals, and our team of trained professionals will make sure it happens.



Darren Noonan, CPA, CA
Auditor General

Introduction

In May 2020, Mr. Darren Noonan was appointed Auditor General for the Province of Prince Edward Island to carry out the mandate outlined in the *Audit Act*. The Auditor General has updated the previous strategic plan for the Office of the Auditor General.

This strategic plan will be used to guide the work of the Office and to communicate its results to the Legislature and the public. It will serve as the means for demonstrating how the Office fulfils its mandate on behalf of all Islanders.

The Office of the Auditor General

The Auditor General is accountable to the Legislative Assembly, not Government. The Office of the Auditor General is positioned to offer impartial opinions, observations, and recommendations on government operations and management practices. The *Audit Act* establishes the legal framework for an independent audit office. The key components of that framework are:

- the authority to carry out audits and examinations which the Auditor General deems necessary;
- the right of access to records and information necessary to perform audit functions;
- the power to request and receive required information and explanations;
- a Legislative Audit Committee which reviews the Office's budget; and
- the requirement to report at least annually to the Legislative Assembly.

Under the *Audit Act*, the Office has the authority to conduct audits and examinations of provincial departments, Crown corporations, agencies, and various funds. Financial audits include examinations of financial statements and other financial reports on which we provide assurance that the financial information is presented fairly.

The *Audit Act* also provides authority for the Auditor General to conduct any special audit or examination considered necessary to determine whether any agency of government is achieving its purpose, is doing so economically and efficiently, and is complying with the applicable statutory provisions.

The reports of the Auditor General to the Legislative Assembly:

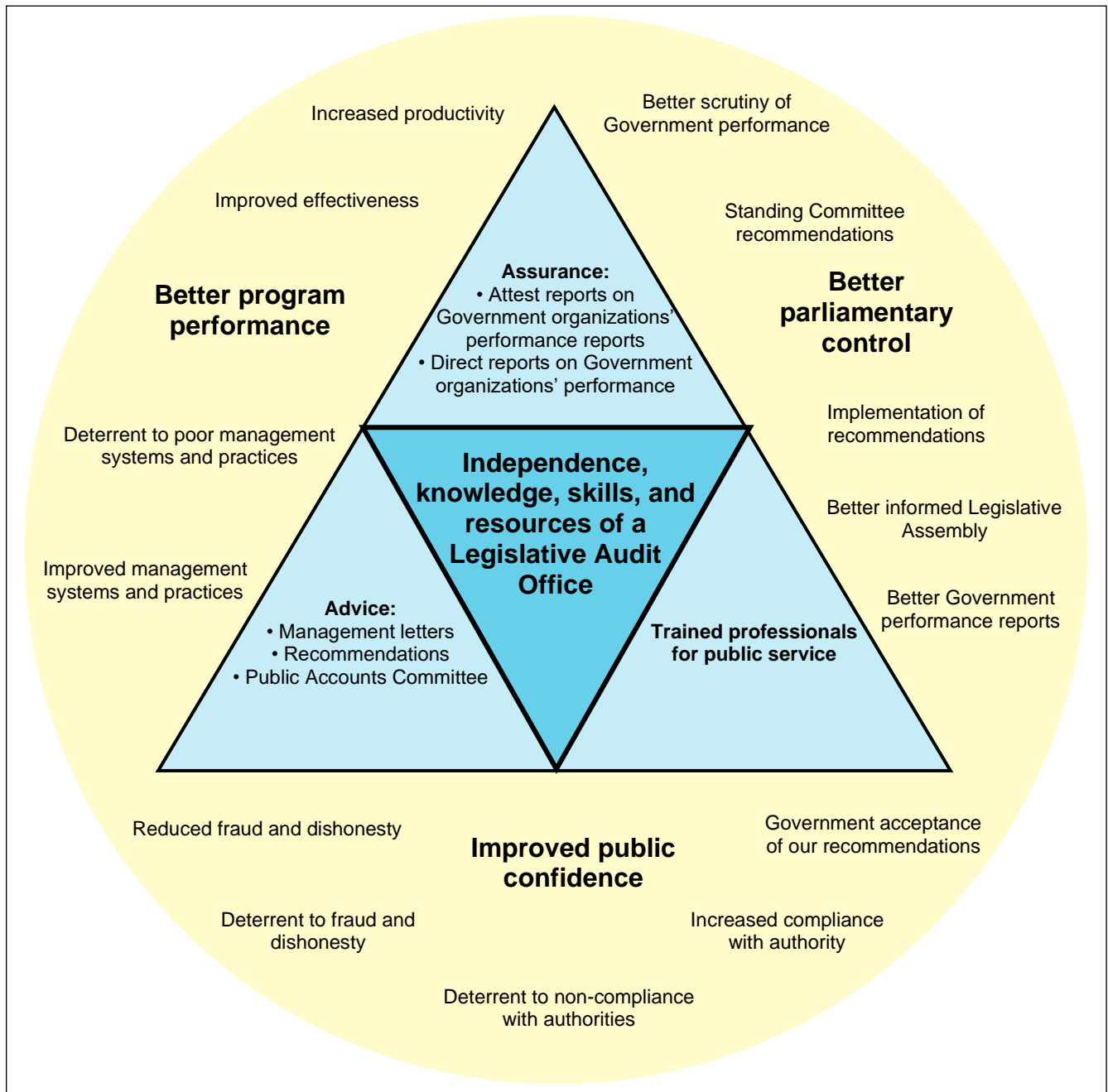
- provide observations, recommendations, and information pertaining to the audits and examinations of government operations conducted by the Office during the year;
- call attention to anything that the Auditor General considers necessary to be brought to the attention of the Legislative Assembly; and
- include other specific reporting requirements pursuant to the *Audit Act*.

Recent changes to the *Audit Act* will allow the Auditor General to report more frequently to the Legislative Assembly and should provide for a more timely release of reports and discussions.

The Office of the Auditor General conducts its work in accordance with professional auditing standards issued by the Chartered Professional Accountants of Canada and abides by the rules of professional conduct and ethics of the Chartered Professional Accountants of Prince Edward Island.

The Office of the Auditor General is a member of the Canadian Council of Legislative Auditors which brings together legislative auditors of the federal government, the provinces, and the territories. The Council provides an opportunity for professional development through information exchange, discussion, development, and enhancement of legislative audit practices. The Office is also a member of the Canadian Audit Accountability Foundation, an organization dedicated to promoting and strengthening public sector performance audit, oversight, and accountability, in Canada and abroad, through research, education, and knowledge sharing.

THE VALUE AND BENEFITS OF A LEGISLATIVE AUDIT OFFICE



Light yellow: Value and benefits of a Legislative Audit Office

Light blue: Key services and products of a Legislative Audit Office

Adapted from a Canadian Legislative Auditors Working Group

Strategic Plan

Our Strategic Plan comprises four components: our vision, mission, values, and strategic objectives. We have identified three strategic objectives as our current priorities and each is supported by actions we will undertake to achieve these objectives.

Our Vision

An independent audit office highly valued by Islanders for the integrity and excellence of its work in advancing accountability for government's administration of public resources.

Our Mission

The Office of the Auditor General conducts independent audits and examinations that provide objective information, advice, and assurance to the Legislative Assembly. The Office promotes accountability and best practices in government operations.

Our Values

Independence

Reliability

Progressive

Relevance

Our values guide us in achieving our vision and mission. They guide our day-to-day actions and serve as constant reminders of our commitments. They are a statement of the high standards we apply to ourselves and our work.

Independence

We report to the Legislative Assembly and are fair, objective, and non-partisan in our approach. We adhere to our independence standards and professional codes of ethics, avoiding real and perceived conflicts in our relationships and in the conduct of our work.

Reliability

We work together and with others in an open, honest, and trustworthy manner. We strive every day to meet the highest standards of professional conduct and to produce work of consistent high quality.

Progressive

We seek opportunities for positive change and innovation in our operations. We promote improvements in public sector management through our work and recommendations.

Relevance

We select our audits on the basis of significance and risk with the goal of making a positive difference for Islanders. Our reports present findings on matters of importance to the Legislature and the public.

Our Strategic Objectives

The following three strategic objectives support the realization of our vision. A number of planned actions have been identified for each strategic objective.

Our strategic objectives and planned actions are:

1. Increase support and communication to our external stakeholders.

Actions:

- Deliver the best mix of audit products consistent with our mandate that maximizes the impact and value of our audit work.
- Seek opportunities to enhance understanding of our role and responsibilities with:
 - Members of the Legislative Assembly;
 - Public Accounts Committee;
 - Management;
 - Governing bodies; and
 - Islanders.
- Improve communication with our external stakeholders.
- Commence post audit surveys with auditees to help assess the effectiveness of the Office.
- Increase the number of performance audits completed annually.

2. Provide a more rewarding professional work environment.

Actions:

- Increase opportunities to challenge and reward employees.
- Increase professional development and training opportunities for staff.
- Improve internal office communication and the office work environment.
- Implement working from home opportunities for staff.

- Increase the number of staff to allow the Office to perform additional performance audits annually.
- Create a more team oriented collaborative environment.
- Increase the number of staff social events.

3. Improve our audit and administrative work practices.

Actions:

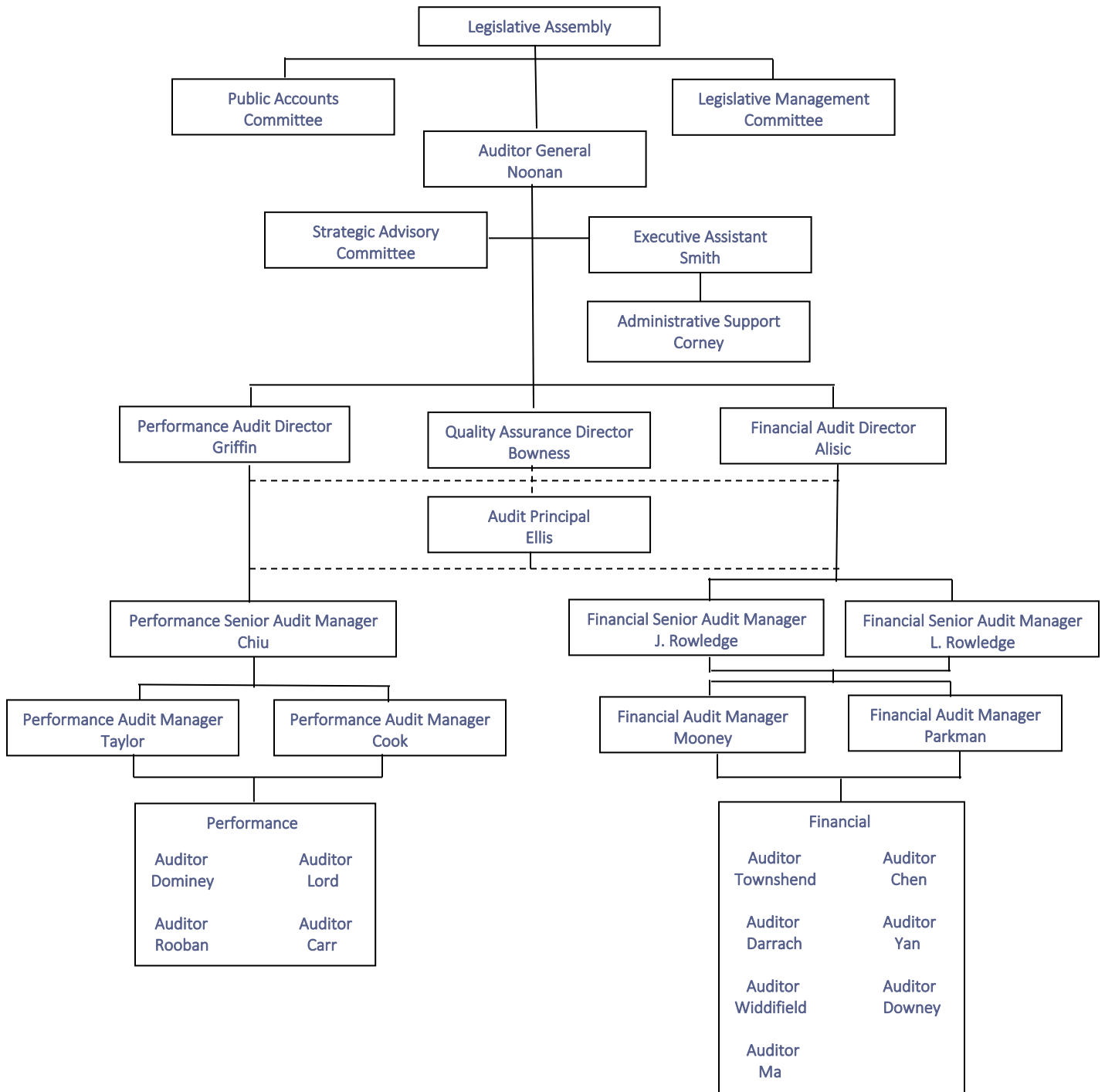
- Continually monitor our risk management program.
- Improve audit efficiency while continuing to meet professional standards.
- Enhance our internal Quality Assurance Review practices.
- Explore partnering opportunities within the legislative audit community in Canada.
- Continually monitor advances in Artificial Intelligence (AI) software and other audit software advances.
- Ensure all staff have laptops, that are to be replaced at the appropriate intervals.
- Ensure all staff are prepared with the necessary equipment to be able to work from home, should the need arise.

Our strategic objectives and planned actions set the framework for directing our efforts. We will continue to measure our performance. We will report annually on our progress.

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**OFFICE OF THE AUDITOR GENERAL
ORGANIZATION CHART**



Performance Audit Work Plan - Office of the Auditor General of PEI

2022/2023

- 1) Annual Report;
- 2) Environment, Energy and Climate Action - Forestry Management;
- 3) Environment, Energy and Climate Action - Performance Goals versus Results;
- 4) Executive Council - COVID-19 Phase II and Phase III;
- 5) Finance - Future Sustainability;
- 6) Follow-up on Previous Audits;
- 7) Health PEI - Wait Times; and
- 8) Treasury Board Secretariat - Government Performance Reporting

Future Possible Topic Areas

- Governance - Finance PEI & IIDI Monitoring Activities, Decision Making
- PEILCC - Agency Liquor Stores, Awarding of Contracts
- Access to Internet
- PEI Housing Corp - Access to Affordable Housing, Tenants Eligibility
- Access to Mental Health Professionals - Youth & Adults
- Supreme Court Trust Funds / Victims of Crime
- Cannabis PEI
- Long-term Care Beds
- Correctional Centres - Capacity, Training, etc.
- Island Waste Management - Governance
- Pharma Care Program - Drug Stores
- Addiction Facilities
- Transportation - Road Replacement, Vehicles & Inventory Maintenance
- Aquaculture Monitoring
- PEI Grain Elevators - Governance
- Procurement Services
- Doctor's Billings
- UN Sustainable Development Goals
- Mental Health Review Board