



AUDITOR GENERAL FOR LOCAL GOVERNMENT

Performance Audits in Local
Government

October 12, 2016

ACCESSIBILITY • INDEPENDENCE • TRANSPARENCY • PERFORMANCE

Purpose and Mandate of the AGLG

- Conduct **performance** audits of local government operations
- Provide objective information and relevant advice

Vision:

To be a valuable resource for local governments and other stakeholders.

Adding Value

- Positive feedback from stakeholders on audits
 - 22 reports completed; 18 audits and 4 perspective booklets
 - 83 Recommendations; 81 Accepted
 - Almost all audits have a positive response
 - Several ‘informal’ local government requests for an audit
- Positive feedback from stakeholders on Perspective Series Reports
 - Internal audit shared with Council and Staff
 - Municipal Auditor – shared with clients (government, *et al*)
 - Others building additional “procurement” tools off of the Perspective Series booklet(s)

How a Performance Audit differs from a Financial Audit in Local Government

	Performance Audit	Financial Audit
Purpose	<i>Economy, Efficiency & Effectiveness</i>	Compliance & Accuracy
Focus	<i>Operations, Programs & Projects</i>	Accounting Transactions & Reporting
Base	<i>Research; Best Practices in industry, etc.</i>	PSAB requirements
Approach	<i>May vary for each audit</i>	Standardized
Criteria	<i>Unique to each audit</i>	Standardized
Final Report	<i>Format may vary - Meets Standards</i>	Standardized

Andrew Fox, QFinance (adaptation)

Four (4) Phases of an AGLG Performance Audit

➔ **Initiating the Audit**

➔ **Planning**

➔ **Examination**

➔ **Reporting**

Our Process...

- **Begins with Audit Themes** to be included in Annual Service Plan
- **Comprehensive planning process to solicit input from stakeholders on audit topics – now underway**

Consultation - Interview Questions

Audit Topics

- Over the next three years, what do you believe are the most significant issues/risks/challenges impacting municipalities and regional districts in BC?
- What audit topics do you feel would be the most useful over the next three years?

Feedback

- What are some of the things we've done or are doing that are working well?
- What should we do differently?



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QUESTIONS?

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