

SUBJECT: Office of the Auditor General (OAG) – Audit Charter

File Number ACS2022-OAG-BVG-0005

Report to Audit Committee on 13 June 2022

and Council 22 June 2022

Submitted on June 2, 2022 by Nathalie Gougeon, Auditor General

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Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE

OBJET : Bureau de la vérificatrice générale (BVG) – Charte de vérification

Dossier : ACS2022-OAG-BVG-0005

Rapport au Comité de la vérification

le 13 juin 2022

et au Conseil le 22 juin 2022

Soumis le 2 juin 2022 par Nathalie Gougeon, Vérificatrice générale

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REPORT RECOMMENDATION

That the Audit Committee recommend Council receive the Office of the Auditor General Audit Charter.

RECOMMANDATION DU RAPPORT

Que le Comité de la vérification recommande au Conseil de prendre connaissance de la Charte de vérification du Bureau de la vérificatrice générale.

BACKGROUND

The [Auditor General By-law No. 2021-5](#) establishes the position and duties of the Auditor General (AG) of the City of Ottawa, including statutory powers. It outlines, at a high level, the responsibilities, accountability and reporting requirements of the OAG.

Section 6, item 5 of the By-law states that “the Auditor General shall establish such protocols and procedures that are necessary for the conduct of such audits, **consistent with the Institute of Internal Auditors' (IIA) *International Standards for the Professional Practice of Auditing*** and changes to these standards from time to time, except requirements applicable to consulting services.” The Standards include principles and requirements for undertaking professional auditing and for evaluating audit performance.

DISCUSSION

As mentioned in the background section of this report, the Auditor General By-Law establishes the position and duties of the AG and further outlines, at a high level, the responsibilities, accountability and reporting requirements of the OAG. However, the By-Law fails to outline more specific requirements regarding independence, conflicts of interest and reporting on the OAG’s effectiveness to the Audit Committee, which are required as part of the IIA Standards. As such, in 2021, the OAG created an audit charter to supplement the By-Law and ensure that all aspects of the IIA Standards were covered and communicated to the Audit Committee. On May 25, 2021, the Audit Committee recommended that Council approve the OAG’s audit charter ([ACS2021-OAG-BVG-005](#)). Council subsequently approved the audit charter on June 9, 2021.

The Auditor General committed to performing an annual review of the Charter to ensure it continuously reflects the IIA Standards. Based on our review, no changes are required to the audit charter at this time.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

LEGAL IMPLICATIONS

There are no legal impediments to the Audit Committee and Council considering this report.

COMMENTS BY THE WARD COUNCILLOR(S)

This is a city-wide issue.

ADVISORY COMMITTEE(S) COMMENTS

This section does not apply, as this is a city-wide administrative report.

CONSULTATION

As this is considered an internal administrative matter, no public consultation was undertaken.

ACCESSIBILITY IMPACTS

There are no accessibility impacts associated with this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with this report.

RURAL IMPLICATIONS

There are no rural implications associated with this report.

TERM OF COUNCIL PRIORITIES

This report supports the Term of Council Priority related to Governance, Planning and Decision Making.

SUPPORTING DOCUMENTATION

There is no supporting documentation associated with this report.

DISPOSITION

The Office of the Auditor General will update the audit charter on an annual basis and communicate any future required changes to the Audit Committee.