**How This Affects YOU:**

**For audit teams where audit work is currently underway, continue using your current TeamMate file, but update it using the following *Table of Changes*,as soon as possible, to incorporate changes that are effective immediately.**

**Special examination teams that need assistance with determining what TeamMate changes apply to their current audit should validate this with the Direct Engagement Practice Team (using the** **DEPT** **mailbox).**

* Import relevant audit procedures as needed using “Get Programs”, and replace sub-folders and/or audit procedures where work has not yet started.
* **Do not make changes to audit procedures that are completed.**
* **Save this document in your TeamMate file** under the “**Significant Judgment” subfolder** and link to it as necessary.

For **special examination teams** **that have not yet created their TeamMate file (Spring 2019 or later)**, changes are already incorporated into the new TeamStore for Special Examinations that is now available.

**If you have questions or need assistance, please contact the Direct Engagement Practice Team, using the** DEPT mailbox.

**Table of Changes to Special Examination Audit Procedures (including related templates, guidance, and sections of the DE Manual) – November 2017**

Changes identified in **“bold”** are considered more significant.

| **#** | **Current TM Procedures** **(Nov. 2016)** | **Updated TM Procedures** **(Nov. 2017)** |  | **Type of Change**  |  |
| --- | --- | --- | --- | --- | --- |
|
| **Audit Procedures** | **Related Templates/ Guidance****(for a comprehensive list of updates to templates and guidance, refer to Updates to templates and guidance)** | **Related Audit Manual****(for a comprehensive list of updates to the DE Manual, refer to Updates to the Direct Engagement Manual)** |
|  | A.1.PRG – Causing an SE to be carried out (Nov-2015) | N/A | Updated for new roles and responsibilities | None | None |
|  | A.1.PRG – Carrying out an SE (Nov-2015) | N/A | Updated for new roles and responsibilities | None | None |
| 1. **2**
 | A.1.PRG – Open File and Create Project Codes (Nov-2015)  | A.1.PRG – Open File and Create Project Codes (Nov-2017) | Updated for new roles and responsibilities | None | None |
|  | A.1.PRG - Budget (Nov-2015) | A.1.PRG - Budget (Nov-2017) | Updated for new roles and responsibilities | None | None |
| 1. **4**
 | A.1.PRG - Key Steps & Dates (Nov-2015) | A.1.PRG - Key Steps & Dates (Nov-2017) | **Clarification of guidance for obtaining the entity’s language preference for the audit.****Reminder to teams that T-minus production dates should be set after the entity confirms its language preference.** | None | *2010 Project Management* – updated |
|  | A.1.PRG – IF APPLICABLE – Cancellation of an Audit (Nov-2016) | A.1.PRG – IF APPLICABLE – Cancellation of an Audit (Nov-2017) | Updated for new roles and responsibilities | None | None |
|  | A.2.PRG - Ethical and Independence Requirements (Nov-2015) | A.2.PRG - Ethical and Independence Requirements (Nov-2016) | Updatedthe guidance on the jurisdiction and location of the report. | None | *7030 Drafting the audit report* - updated |
|  | A.2.PRG – Team Meetings (Nov-2016) | A.2.PRG – Team Meetings (Nov-2017) | N/A | *Kick-off Meeting Checklist* - updated | None |
|  | A.3.PRG - Engagement and Solicitor-Client Privilege Letter (Nov-20176) | A.3.PRG - Engagement and Solicitor-Client Privilege Letter (Nov-2017) | **Added note that audit team needs to ensure response letter is signed by the head of the corporation or, if not, evidence of delegated authority is needed.**Updated for new roles and responsibilities | *Engagement and Solicitor-Client Privilege letter* - updated | None |
| 1. **9**
 | A.3.PRG – Introductory Meeting with Entity (Nov-2016) | A.3.PRG – Introductory Meeting with Entity (Nov-2017) | **Added an item to discuss with the entity. If letters are not signed by the appropriate official, the audit team will request documented evidence of delegation of authority.** **Updated to clarify that the entity is to inform the OAG audit team by email of its language preference for the Audit Plan Summary, PX draft, and Transmission draft.**  | *What to Expect—A Crown Corporation’s Guide to a Special Examination* – updated | None |
| 1. **1**
 | A.4.PRG – Management of Controlled Documents (Nov-2016) | A.4.PRG – Management of Controlled Documents (Nov-2017) | **New OAG Policy – at request of entity, team may provide a maximum of two (2) hard copies of OAG controlled documents.****Non-entity officials may obtain OAG controlled documents through CODI but only if confirmed by the entity.****Updated guidance – controlled documents sent to OAG external parties should be through CODI, and hard copies only under exceptional circumstances.** | *CODI Instructions for Entity Officials* – updated*CODI Guidance for OAG Employees* - updated | *9020 – Management of controlled documents* - updated |
| 1. **1**
 | A.5.PRG – Engagement Risk (and Team Competency) Assessment (Nov-2015) | A.5.PRG – Engagement Risk (and Team Competency) Assessment (Nov-2016) | Audit teams to submit the completed ERAT to DEPT for QR assessment.Updated for new roles and responsibilities  | *Engagement Risk Assessment template* - updated | *4010 Understanding the subject matter in planning an audit* – updated*4020 Risk Assessment* – updated  |
| 1. **1**
 | B.1.PRG – Documentation of Significant Judgements (Nov-2015) | B.1.PRG – Documentation of Significant Judgements (Nov-2017) | Clarification of engagement leader responsibilities for review of substantiation. | *Checklist for Sign-offs in TeamMate* - updated | None |
| 1. **1**
 | C.1.PRG – INSTRUCTIONS – Knowledge of the Subject Matter (Nov-2015) | C.1.PRG – INSTRUCTIONS – Knowledge of the Subject Matter (Nov-2017) | Additional guidance for team to ask entity PX if Departmental Audit Committee has recently produced information that could impact the audit | None | 4010 *Understanding the subject matter in planning an audit* – updated  |
| 1. **1**
 | C.1.PRG – Additional Considerations to Understand the Subject Matter (Nov-2015) | C.1.PRG – Additional Considerations to Understand the Subject Matter (Nov-2017) | Clarification to teams on how to ask entities the three inquires as required by standards. Additional guidance for audit team to consider annual attest audit team work. | None | *2070 Use of Experts* – updated *4042 Audit scope and approach* – updated |
|  | C.2.PRG – Functional Risk Identification (Nov-2016) | C.2.PRG – Functional Risk Identification (Nov-2017) | Added clarification that E&SD specialist team may request access to TeamMate audit file. | *Functional Risk Identification* template – updated  | 4020 *Risk Assessment* – updated  |
| 1. **1**
 | C.2.PRG – Subject Matter Assessment of Risk and Preliminary Scoping Decisions (Nov-2016) | C.2.PRG – Subject Matter Assessment of Risk and Preliminary Scoping Decisions (Nov-2017) | Updated for new roles and responsibilities  | *Subject Matter Assessment of Risks (SMART) template –* updated  | *4020 – Risk Assessment -* updated*4042 Audit scope and approach* – updated |
| 1. **2**
 | C.2.PRG – Understanding Controls and Updating Scoping Decisions (Nov-2016) | C.2.PRG – Understanding Controls and Updating Scoping Decisions (Nov-2017) | None | *Controls Assessment Template (CAT)* - updated | *4025 Internal Controls* – updated |
| 1. **2**
 | C.2.PRG – Audit Logic Matrix (Nov-2016) | C.2.PRG – Audit Logic Matrix (Nov-2017) | **Added guidance on “core” systems & practices for special examinations and the NEW template, Special Examination Audit Approach.**Updated for new roles and responsibilities | Special Examination Audit Approach – NEW template | *4042 Audit scope and approach* – updated*4043 Audit Criteria* – updated4044 *Developing the audit strategy: audit logic matrix* – updated |
| 1. **2**
 | C.2.PRG – Draft the Special Examination Plan (Nov-2016) | C.2.PRG – Draft the Special Examination Plan (Nov-2017) | Added guidance regarding ensuring the Crown corporation has a clear understanding of the basis upon which they will be examined.**Added guidance on “core” systems & practices for special examinations.**Updated for new roles and responsibilities | *Special Examination Plan* - updated | 4100 *Special examination plan* - updated |
| 1. **2**
 | C.2.PRG – IF APPLICABLE – Planning Phase Advisory Committee Meeting (Nov-2016) | C.2.PRG – IF APPLICABLE – Planning Phase Advisory Committee Meeting (Nov-2017) | **Updated guidance – controlled documents sent to OAG external parties should be through CODI, and hard copies only under exceptional circumstances.** | None | *2050 Advisory committee meetings* – updated |
| 1. **2**
 | C.3.PRG – Special Examination Plan to Management (Nov-2016) | C.3.PRG – Special Examination Plan to Management (Nov-2017) | **REVISED REQUIREMENT – SE plan may be treated as a controlled document, if the engagement leader deems it necessary. It is no longer mandatory that the plan be controlled.** | *Special examination plan letter to the Head of the Crown corporation* - updated*CODI Instructions for Entity Officials* - updated | *4100 Special Examination Plan* - updated *9020 Management of controlled documents* – updated |
| 1. **2**
 | C.3.PRG – Final SE Plan (Nov-2016) | C.3.PRG – Final SE Plan (Nov-2017) | REVISED REQUIREMENT – SE plan may be treated as a controlled document, if the engagement leader deems it necessary. It is no longer mandatory that the plan be controlled | *Special Examination Plan* - updated *SE Plan Letter to the Audit Committee of the Board of Directors* - updated | None |
| 1.
 | C.4.PRG – Audit Programs (Nov-2015) | C.4.PRG – Audit Programs (Nov-2017) | **Added guidance on “core” systems & practices for special examinations and the NEW template, Special Examination Audit Approach.** | Special Examination Audit Approach – NEW template | None |
| 1. **2**
 | C.5.PRG – Engagement Leader – Examination Approval (Nov-2016) | C.5.PRG – Engagement Leader – Examination Approval (Nov-2017) | Updated for new roles and responsibilities. | None | None |
| 1. **3**
 | D.1.PRG – INSTRUCTIONS – Work on Audit Programs (Nov-2016) | D.1.PRG – INSTRUCTIONS – Work on Audit Programs (Nov-2017) | Minor editorial changes | *Finding blocks for the special examination report* – updated*Writing an Audit Report –* deleted | *7030 Drafting the Audit Report* - updated |
| 1. **3**
 | D.2.PRG – Report Mapping Session (Nov-2015) | D.2.PRG – Report Mapping Session (Nov-2016) | Updated to clarify that audit teams are not responsible for the 200 word message. | *Finding blocks for the special examination report* – updated | 7030 *Drafting the audit report* – updated |
|  | D.2.PRG – Finding Blocks Discussion with the AG (Nov-2015) | D.2.PRG – Finding Blocks Discussion with the AG (Nov-2017) | None | None | *2040 Discussions with the Auditor General* – updated |
|  | D.2.PRG – Prepare Internal Draft and Consult Internally (Nov-2016) | D.2.PRG – Prepare Internal Draft and Consult Internally (Nov-2017) | Updated for new roles and responsibilities. | *Special Examination Report* – updated*Instructions for completing the report template of the special examination* - updated | 7030 *Drafting the audit report* – updated*7040 Audit Conclusions* - updated8020 *Recommendations and entity responses* – updated  |
|  | D.2.PRG – OPTIONAL – Examination Phase Advisory Committee Meeting (Nov-2016) | D.2.PRG – IF APPLICABLE – Examination Phase Advisory Committee Meeting (Nov-2017) | **Updated guidance – controlled documents sent to OAG external parties should be through CODI, and hard copies only under exceptional circumstances.** | None | 2050 *Advisory committee meetings* – updated |
|  | E.1.PRG – Prepare PX Draft (Nov-2016) | E.1.PRG – Prepare PX Draft (Nov-2017)  | **Added steps to clarify the review and sign off of high risk substantiation and source documents.****Clarification of guidance for when bilingual drafts are requested.** | *Checklist for Preparing the PX Draft* – updated*PX Draft External Advisers Clearance Letter* - updated | 8019 *Submitting the principal’s (PX) draft and transmission draft* – updated2040 *Discussions with the Auditor General* – updated  |
|  | E.1.PRG – PX Draft to Entity (Nov-2016) | E.1.PRG – PX Draft to Entity (Nov-2017) | Reminder to teams that they need to save an unprotected version of the PDF in Teammate. | [*Entity PX Draft Audit Report Letter*](http://localhost/intranet/performance-audits/templates/OAG-PX_Draft_Entity_Letter_PA_15555E.docx)– updated*CODI Instructions for Entity Officials* – updated*CODI Guidance for OAG Employees* – updated  | *9020 Management of Controlled Documents* – updated |
|  | E.1.PRG – IF APPLICABLE - PX Draft Excerpts to Third Parties (Nov-2016) | E.1.PRG – IF APPLICABLE – PX Draft Excerpts to Third Parties (Nov-2017) | **Updated guidance – controlled documents sent to OAG external parties should be through CODI, and hard copies only under exceptional circumstances.** | *Third Party Letter* – updated  | *9020 Management of Controlled Documents* – updated |
|  | E.1.PRG – Subsequent Events Before the Date of the Report (Nov-2016)  | N/A  | None | None | *8030 Subsequent events* – updated  |
|  | E.1.PRG – Revised PX Draft as Result of Comments Received (Nov-2015) | E.1.PRG – Revised PX Draft as Result of Comments Received (Nov-2017) | Updated for new roles and responsibilitiesAlso highlight need for documented evidence of delegation of authority if the letters are not signed by the appropriate official. | *Checklist—Assurance on the application of reporting standards and policies* - updated | None |
|  | E.2.PRG – INSTRUCTIONS – Substantiation (Nov-2016) | E.2.PRG – INSTRUCTIONS – Substantiation (Nov-2017) | **Added steps to clarify the review and sign-off of high risk substantiation and source documents.**Clarified explanation of what represents higher risk paragraphs or sections. | None | None |
|  | E.3.PRG – 1. Internal Specialist - Report Content Approval (Nov-2015) | N/A | None | None | 8017 *Report content approval and date of the report* – updated |
|  | E.4.PRG – Prepare Transmission (AC) Draft for Production (Nov-2016) | E.4.PRG – Prepare Audit Committee Transmission Draft for Production (Nov-2017) | Clarified guidance for official language translation of draft. | None | *8019 Submitting the principal’s (PX) draft and transmission draft* - updated*8030 Subsequent Events* – updated  |
|  | E.4.PRG – Audit Committee Transmission Draft Discussion with AG (Nov-2016) | N/A  | None | *Auditor General`s involvement and Advisory Committee Meetings (for special examinations)* guidance – updated  | *2040 Discussions with the Auditor General* - updated |
|  | E.4.PRG – Audit Committee Transmission Draft to Entity (Nov-2016) | E.4.PRG – Audit Committee Transmission Draft to Entity (Nov-2017) | **New OAG Policy – at request of entity, team may provide a maximum of two (2) hard copies of OAG controlled documents.****Deleted guidance step for sending translated DM draft later when entity requested bilingual drafts since draft is to be sent in both languages simultaneously.**Reminder to teams that they need to save an unprotected version of the PDF in Teammate. | [*Entity Transmission Draft Audit Report Letter*](http://localhost/intranet/performance-audits/templates/OAG-Entity_DM_Draft_Letter_15557E.docx)- updated[*Entity Hard Copy Transmission Draft Audit Report Letter*](http://localhost/intranet/performance-audits/templates/OAG-Entity_Hardcopy_DM_Draft_Ltr_16109E.docx)– updated*CODI Instructions for Entity Officials* – updated*CODI Guidance for OAG Employees* – updated  | *9020 Management of controlled documents* – updated |
|  | E.4.PRG – Subsequent Events After the Date of the Report (Nov-2015) | E.4.PRG – Subsequent Events After the Date of the Report (Nov-2017) | Updated for new roles and responsibilities | None | *8030 Subsequent Events* - updated |
|  | E.4.PRG – Revised Transmission (AC) Draft as a result of Comments Received (Nov-2016) | E.4.PRG – Revised Audit Committee Transmission Draft as a Result of Comments Received (Nov-2017) | Highlighted need for documented evidence of delegation of authority if the letters are not signed by the appropriate official.Updated for new roles and responsibilities | None | None |
|  | E.4.PRG – Consider Communication with the Minister and/or Parliament (Nov-2015) | E.4.PRG – Consider Communication with the Minister and/or Parliament (Nov-2017) | Updated for new roles and responsibilities  | None | None |
|  | E.5.PRG – 2. Engagement Leader – Approval for Submission to Board (Nov-2015) |  E.5.PRG – 2. Engagement Leader – Approval for Submission to Board (Nov-2017) | Updated for new roles and responsibilities  | None | None |
|  | E.7.PRG – IF APPLICABLE – Additional Issues for the Entity (Nov-2016) | E.7.PRG – IF APPLICABLE – Additional Issues for the Entity (Nov-2017) | Updated for new roles and responsibilities | *Management Letter* – updated  | 8020 *Recommendations and entity responses* – updated  |
|  | E.8.PRG – Preparation for Tabling (Nov-2016) | N/A | None | *Auditor General involvement and Advisory Committee Meetings (for special examinations)* guidance – updated  | 8090 *Preparation for tabling of performance audit reports* – updated  |
|  | F.1.PRG – Assembly of the Final Audit File (Nov-2016) | N/A | Updated for new roles and responsibilities | None | 9020 *Management of controlled documents* – updated |