[Date]

Entity PX Draft Audit Report Letter (for performance audits)

Dec-2022

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[Civil title, Name and Surname of the recipient—usually ADM level or the head of the entity’s internal audit function]

[Title]

[Entity name]

[Building name]

[Street number and name, Floor, Tower, Suite]

[City, Province/Territory]  [Postal code]

Dear [Civil title and surname of the recipient]:

We are providing you and the persons identified by your organization with electronic access to the principal’s draft report on our [performance audit / follow‑up audit] of [subject of the audit]. The final version of this document will be published in the [Season 20XX] Report[s] of the [Auditor General of Canada / Commissioner of the Environment and Sustainable Development].

[*Select from the following as agreed with the audited entity:*] As agreed, we are providing the draft in [English / French / both official languages].

We are satisfied that the evidence we have on file supports the contents of this draft audit report. At this stage, we are providing you with the draft audit report so that you may validate the facts that underpin our findings. We would appreciate obtaining comments on

* the validity and completeness of the facts as expressed, and
* any facts pertinent to a finding not noted in the draft that should be brought to our attention.

In about two weeks, we would welcome a meeting with the appropriate officials in your organization to discuss any factual errors, omissions, context changes, or new information. At the same time, we would like to discuss our proposed recommendations and your organization’s likely responses. We can also plan additional meetings, if necessary.

We also ask that you provide us with a written confirmation that your organization has provided us with all information of which you are aware that has been requested or that could significantly affect the findings or the conclusion of the audit report. We expect that your organization has informed us of all Cabinet confidences relevant to the audit of which you are aware, and that the information includes those Cabinet confidences to which we are entitled and that are within your authority to provide to us.

A suggested standard confirmation letter is enclosed. Please provide the written confirmation and comments on the draft audit report **no later than** [**day month year**][*three weeks from the date of receipt of this letter by the entity; check the T-minus schedule for the date this written representation is needed*]**.**

Please also provide by this date any supplementary evidence required to support your proposed changes to the facts presented in the audit report. We also ask that you inform us of any developments that are material to the content of the audit report that have arisen up to this date (either during or since the examination period), if you have not already done so. In order to prepare the audit report for publication and meet the requirements of auditing standards, we will not be able to consider any new evidence after this date.

In addition, we ask that you provide draft responses to our recommendations by [**day month year**][*check the T-minus schedule for the date the responses are needed*]. If we revise our recommendations before that date, we will promptly provide you with any changes. The attached Appendix outlines our Office’s expectations regarding entity responses to recommendations.

Further details about the reporting phase of a performance audit, including guidance on developing and responding to recommendations, are available in [[*What to Expect—An Auditee’s Guide to the Performance Audit Process*](http://www.oag-bvg.gc.ca/internet/English/meth_lp_e_30860.html) or [*What to Expect—An Auditee’s Guide to the Performance Audit Process in the Territories*](http://www.oag-bvg.gc.ca/Internet/English/meth_gde_e_43186.html)] on our website.

The draft audit report is a controlled document and must be kept confidential. It is labelled “NOT TO BE COPIED, Property of the Office of the Auditor General of Canada, Protected A.” Therefore, until the final report is tabled in the [House of Commons / Legislative Assembly], please treat this draft report accordingly.

We plan to issue the transmission draft audit report to the [Deputy Minister or its equivalent] by [**day month year**] [*check the T-minus schedule for the submission date of the transmission draft*] for final review and sign-off. The transmission draft will contain any modifications arising from the fact validation process. It will include our recommendations and your organization’s responses. It may also include changes proposed by our Office’s audit advisers and senior management. The audit report, including entity responses to recommendations, may also be edited for clarity.

If you have any questions, please contact [Name of the director] or me at 613‑995‑3708.

Yours sincerely,

[Name]
Principal (responsible for the audit)
240 Sparks Street
Ottawa, Ontario  K1A 0G6

Attachments (2): Appendix—Office of the Auditor General’s Expectations for Entity Responses to Recommendations
Confirmation letter template

c.c.: [Name of OAG Principal with responsibilities for the entity], Principal (responsible for [name of the entity])

## Appendix—Office of the Auditor General’s Expectations Regarding Entity Responses to Recommendations

By publishing the responses to our recommendations, we give the audited entity the opportunity to let [Parliament / the Legislative Assembly] know whether it agrees with the recommendations, and to briefly describe the actions it intends to take and when it intends to take them.

The response must clearly indicate, in no more than 200 words, whether the entity agrees or disagrees with the recommendation.

* If the entity agrees with the recommendation, it should describe the specific actions it intends to take in response, and their timing.
* If the entity does not agree with the recommendation, it should state the reasons.
* The response must be specific to the recommendation.

Responses to recommendations should not be used to disagree with the audit findings. Any disagreements must either be resolved or, according to auditing standards, be described by the auditors in the main text of the audit report.

We reserve the right to edit responses for clarity, and we will not publish material that does not respond to a specific recommendation, that repeats material that is already in the main text, or that we believe to be false or misleading.

If for any reason we do not receive your final responses by the deadline provided, we could print the following text at each point in the report where your response to our recommendation would normally appear:

[*Name of the entity*] *did not confirm the facts in this report or provide a response to this recommendation in time to meet our publication deadline.*

[*The next sentence is not required for territorial audits*] Note that your organization is responsible for providing the responses in both official languages.

We expect that any concerns you may have about anything in the report will have been brought to our attention well in advance of the stated deadline. Therefore, we fully expect to publish your responses and not the above text.

### [*This section is required for reports referred to the Public Accounts Committee—usually all federal AG reports but not territorial and CESD reports. Some CESD or territorial audits might be referred to other parliamentary committees that require entities to provide action plans. Teams should contact Parliamentary Liaison for further information and to adapt the following paragraphs to their context*]

### [Post‑tabling Action Plans

All departments and agencies of the federal government that have been subject to a performance audit by the Office of the Auditor General of Canada must provide a detailed action plan to address the audit recommendations that have been agreed to—including specific actions, timelines for their completion, and responsible individuals—to the Public Accounts Committee and the Office of the Auditor General of Canada **within six months of the audit being tabled** in the House of Commons.

Organizations and agencies invited to appear before the Public Accounts Committee to discuss the findings of an audit should, when feasible, provide an action plan to the Committee prior to the hearing and to the OAG.

Departmental action plans and progress reports received by the Public Accounts Committee are published on the Committee**’**s website.]

### CONFIRMATION LETTER

[Date]

[Civil title, Name and Surname of the recipient—Audit Principal]

[Title]

Office of the Auditor General of Canada

240 Sparks Street

Ottawa, Ontario  K1A 0G6

Dear [Civil title and surname of the recipient]:

This is in response to your letter dated [day month year], regarding your [performance audit / follow‑up audit] of [subject of the audit / entity’s name], which will be published in the [Season 20XX] Report[s] of the [Auditor General of Canada / Commissioner of the Environment and Sustainable Development].

I have reviewed the principal’s draft report of this audit. In my capacity as [Assistant Deputy Minister /Deputy Minister or its equivalent] of [entity’s name], I confirm that [entity’s name] has provided the audit team with all information of which I am aware that has been requested or that could significantly affect the findings or the conclusion of the audit report. This assertion includes informing you of all Cabinet confidences relevant to the audit of which we are aware and providing copies of those to which you are entitled and that are within our authority to share with you.

Yours sincerely,

[Name]
[Title of Assistant Deputy Minister or its equivalent]