



# Auditing Risks and Opportunities - three case studies

Auditing Association of Canada Conference 2018

our people | our clients | our business

# Agenda

- Managing risks and creating opportunities
- Three case studies:
  - Industry
  - Public Institution
  - Municipality



# Industry

- Regulatory permit condition requires independent, third party audit
- Objectives, scope and criteria determined by stakeholder committee consisting of regulators, First Nations, scientists, industry

# Industry

- Objective
  - Quality assurance and quality control of environmental data
- Scope
  - Sampling, lab, reporting
- Criteria
  - Prescribed questions
- Methods
  - External audit team with subject matter experts
  - CSA Z773 vs. ISO 19011
  - Interviews, records
  - Reporting to auditee, committee and regulator



# Industry

- Opportunities

- Knowledge transfer
- Internal efficiencies
- Relationships
  - First Nations
  - Regulators
  - Employees
  - Local residents
  - Environmental organizations

- Risks

- Stakeholder relations
- Audit process definition
- Long timeline required for committee involvement with planning and review

# Public Institution

- Objective
  - Assess compliance with EHS requirements
  - Pilot audit
- Scope
  - Facility with an approval
- Criteria
  - EHS compliance
- Methods
  - CSA Z773
  - Internal and external audit team



# Public Institution



- Opportunities
  - Learning opportunities and better understanding of the issues
  - Relationships
    - Senior leadership (formal support obtained)
    - Employees
- Risks
  - Institutional knowledge
  - Public safety
  - Changing legislation – air, OHS



# Municipality

- Objectives
  - Assess compliance with environmental requirements
- Scope
  - Selection of facilities, sites and operations
- Criteria
  - Compliance
- Methods
  - CSA Z773
  - External audit team (with internal observers)
  - Subject matter experts



# Municipality



- Opportunities
  - Audit program efficiencies
  - Potential for efficiencies through recommendations and opportunities for improvement
  - Knowledge sharing
  - Relationships
    - Elected officials
    - Citizens / tax payers
    - Employees
- Risks
  - Neighbours
  - Geography

# Food for thought

- Structured audit process facilitated stakeholder input
  - objectives
  - scope
  - criteria
  - audit team
- Code of ethics
  - Competency
  - Integrity
  - Confidentiality
  - Conflict of interest



# Food for thought

- Flexibility
- Transparency
- Opportunities for improvement
- Recommendations
- Assessment of risk
- Involving key stakeholders and subject matter experts
- Audit program efficiencies (e.g., program and outcome)
- Alignment with budget cycle



# Questions?

- Betsy Evans

- [bevans@matrix-solutions.com](mailto:bevans@matrix-solutions.com)
- 403-206-0491

- Beth Michener

- [bmichener@matrix-solutions.com](mailto:bmichener@matrix-solutions.com)
- 403-206-0484