Business Plan 2015-16
Introduction
The Auditor General of New Brunswick (AGNB) is an independent office that serves the New Brunswick Legislative Assembly.

The Auditor General assists the Legislative Assembly in holding the government accountable by reporting on its performance and stewardship of public funds and resources. This is accomplished by providing opinions on financial statements and reporting on performance audits. The findings of AGNB are issued in the Auditor General's annual report to the Legislative Assembly and through appearances before the Standing Committees on Public Accounts and Crown Corporations.

As a result of Auditor General Act update completed in May 2014, our office is now required to submit annually to the Clerk of the Legislative Assembly a business plan and a performance report for the office.

This document presents the Office’s 2015-16 business plan. The Office’s performance report is also available on our website www.agnb-vgnb.ca

What we do
Our office generally performs two kinds of audits: financial and performance (value for money) audits:

- Our financial audit work includes auditing the Province of New Brunswick’s financial statements as well as auditing the financial statements of various Crown agencies and auditing federal cost shared claims.
- Our performance (value for money) audit work targets government programs, services, processes or functions and may cover items such as: governance, economy, efficiency, effectiveness, performance reporting, internal controls, compliance, management of public funds and resources.

Also, under the Auditor General Act Section 12(1), on request of the Legislative Assembly or certain others we may audit and report on any matter related to the financial affairs of the Province.

A recent example of this type of request is our 2015 Report Volume I regarding Financial Assistance to Atcon Holdings Inc. and Industry.

Guiding principles
In performing our work we are guided by our vision, our mission and our values:

Our Vision
An independent audit office serving New Brunswick by promoting accountable and sustainable government.

Our Mission
To provide objective, reliable, and timely information to the Legislative Assembly on government’s performance in its delivery of programs and services to the people of New Brunswick.

Our Values
Our values guide us in achieving our mission and vision. They guide our day-to-day actions and serve as constant reminders of our commitments. They are a statement of the high standards we hold in conducting our work and guiding our behavior, and of the results we strive to achieve.

- Team
  We believe our strength comes from the knowledge, experience, and professionalism of our team.

- Impact
  We select our audits for their relevance, significance, and risk with the goal of making a positive difference for the Province of New Brunswick.

- Integrity
  We work together and with others in an open, honest, and trustworthy manner while respecting the confidentiality of the information we obtain. We strive to meet the highest standards of professional and ethical conduct.
Guiding principles – continued

Strategic Plan
Our office has a new seven year strategic plan finalized in December 2014 with the following strategic objectives:

• select a mix of performance and financial audits that deliver greatest value to our stakeholders;
• provide a rewarding work environment for our team;
• enhance our support to the Public Accounts and Crown Corporation Committees;
• increase public awareness of AGNB’s role and reports;
• pilot AGNB independent expert advisory committee; and
• implement the amended Auditor General Act 2014.

2015-16 Priorities

Our 2015-16 priorities reflect our vision, mission and values as well as our strategic objectives. Our 2015-16 priorities are:

Overall
AGNB’s overall priority is to issue at least two volumes of our 2015 Report by the legislated deadline of December 31, 2015 covering both financial and performance audits.

Performance audit
Performance audit priorities relate to work required to complete and report on performance audits by our legislated deadline of December 31, 2015. Audits that will be published in spring 2015 include:

• Financial Assistance to Atcon Holdings Inc. and Industry
• Infection Prevention and Control in Hospitals
• Silviculture
• Private Wood Supply

Follow up work on prior year AGNB report recommendations will be also done in accordance with our follow up cycle and is targeted for reporting in December 2015.

As well, the performance audit team will begin work on new performance audits including work on the following topics:

• Public Debt
• Centennial Building
• Atlantic Lottery Corporation (joint audit with other Atlantic Canada Auditors General)
• Utilization of Care Beds
• Meat Inspections
• Office of the Public Trustee
• Exhibition Associations

These items will be scoped during 2015-16 to begin performance audit work. At present, we anticipate the Public Debt and Centennial Building work will be completed with our follow up work and published in December 2015.

Financial audit
The audit of the Province of New Brunswick’s financial statements is the largest and most significant financial audit completed by our office. Its completion is dependent on many factors, some of which are outside of our control. Past years have seen fall completion dates for this work given significant accounting and audit issues encountered. We have targeted late July 2015 for completion.

In connection with the financial statement audit of the Province, several provincial information systems are examined and tested. A rotation schedule assists in determining which information systems are examined. Some information systems are examined every year due to their significance. This year we are examining ten information systems and plan to have this work completed prior to signing the Province’s financial statement audit opinion.

As well, the financial audit team will audit 14 Crown agency financial statements and three federal cost shared claims. The financial audit team is also responsible for preparing recommendations to the entities they audit when significant deficiencies are observed. The key findings and themes from our financial audit recommendations will be included in the financial audit volume of our Report expected to be published in December 2015.
Quality assurance
Quality is essential to the work of our Office. We believe the public, the government and our stakeholders demand the highest quality in our work. In response, we have processes in place to assess and monitor our quality assurance practices. For 2015-16 our key priorities in this area include: maintaining, monitoring and reporting on our office quality control systems as well as participating in peer professional reviews and implementing any related recommendations.

Human resources and administration
Our human resources and administration practices support the vision, mission and strategic objectives for the Office. Human resource and administration priorities for 2015-16 include:

- provide all staff with adequate professional development opportunities to support and complement their work assignments and meet professional development requirements;
- continue to support our CPA students in their training and new CPA education program as they gain professional experience in our office;
- recruit for a communications officer to support the work of our office;
- continue our AGNB rebranding work;
- table our performance report and business plan as separate documents not included in our annual report as required under our new Act;
- continue to work with the Clerk of the Legislative Assembly and other legislative officers regarding the Bernard Richard report recommendations (as applicable to AGNB);
- build on the orientation workshop presentation to the Public Accounts and Crown Corporation Committee and further foster a positive working relationship;
- receive an unqualified audit opinion on our office’s financial statement audit and publish the audited financial statements in our performance report; and
- implement our new seven year strategic plan.

Performance measures
The Office has used performance measures for many years to assess its performance. We have assessed our office performance in our 2013-14 performance report which is available on our website. Our March 31, 2015 financial statements, for which we received an unqualified audit opinion dated June 17, 2015 are also available on our website.

Given the implementation of our new strategic plan we are in the process of updating our performance measures. However, for information purposes, we are providing our current performance measures and related targets below:

<table>
<thead>
<tr>
<th>Performance measure*</th>
<th>Office target 2015-16*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. MLA perception, as determined by survey</td>
<td>80% or higher</td>
</tr>
<tr>
<td>2. Auditee perception, as determined by survey</td>
<td>80% or higher</td>
</tr>
<tr>
<td>3. Percentage of recommendations accepted and 4. Percentage of recommendations implemented</td>
<td>Overall 100% of our recommendations implemented for our follow up period</td>
</tr>
<tr>
<td>5. Employee perception, as determined by survey</td>
<td>80% or higher</td>
</tr>
<tr>
<td>6. Completion of audits on time</td>
<td>All target dates met</td>
</tr>
<tr>
<td>7. Use of our time, focusing on the percentage of time spent on audit work</td>
<td>Allocation of working hours as follows:</td>
</tr>
<tr>
<td>8. Staff cost of our audits</td>
<td>$1,380,000 represents the approximate annual staff cost of significant audit projects split as follows:</td>
</tr>
</tbody>
</table>

*Note: office performance measures are being updated as part of our strategic plan implementation and measures/targets may change.
The Office’s approved budget for 2015-16 is $2,078,000 which has been allocated as follows:

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>Personnel services</td>
<td>$ 1,972,720</td>
</tr>
<tr>
<td>Other services</td>
<td>280,330</td>
</tr>
<tr>
<td>Materials and supplies</td>
<td>9,450</td>
</tr>
<tr>
<td>Property and equipment</td>
<td>15,500</td>
</tr>
<tr>
<td>Less: recoveries</td>
<td>(200,000)</td>
</tr>
<tr>
<td><strong>Total budget 2015-16</strong></td>
<td><strong>$ 2,078,000</strong></td>
</tr>
</tbody>
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The majority of the Office’s funding is through an annual appropriation of the Legislative Assembly. Of this amount, approximately 95% of the Office’s budget represents salaries and benefits. All but three staff members are involved in providing audit services.

The Office has cost recoveries in relation to certain financial audits. This represented approximately 10% of the Office overall budget. The recoveries amount has grown as more audits have been added to the Office’s work without additional budget funds being provided.

Additional information

Additional information about AGNB is available on our website at [www.agnb-vgnb.ca](http://www.agnb-vgnb.ca) or by contacting us at:

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Fax: 506-453-3067
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