



Preparing for the Future of Risk and Compliance – Understanding Your Department Needs

Presented by Brian Philbin, Chief Audit Executive
Canada Revenue Agency

April 2021

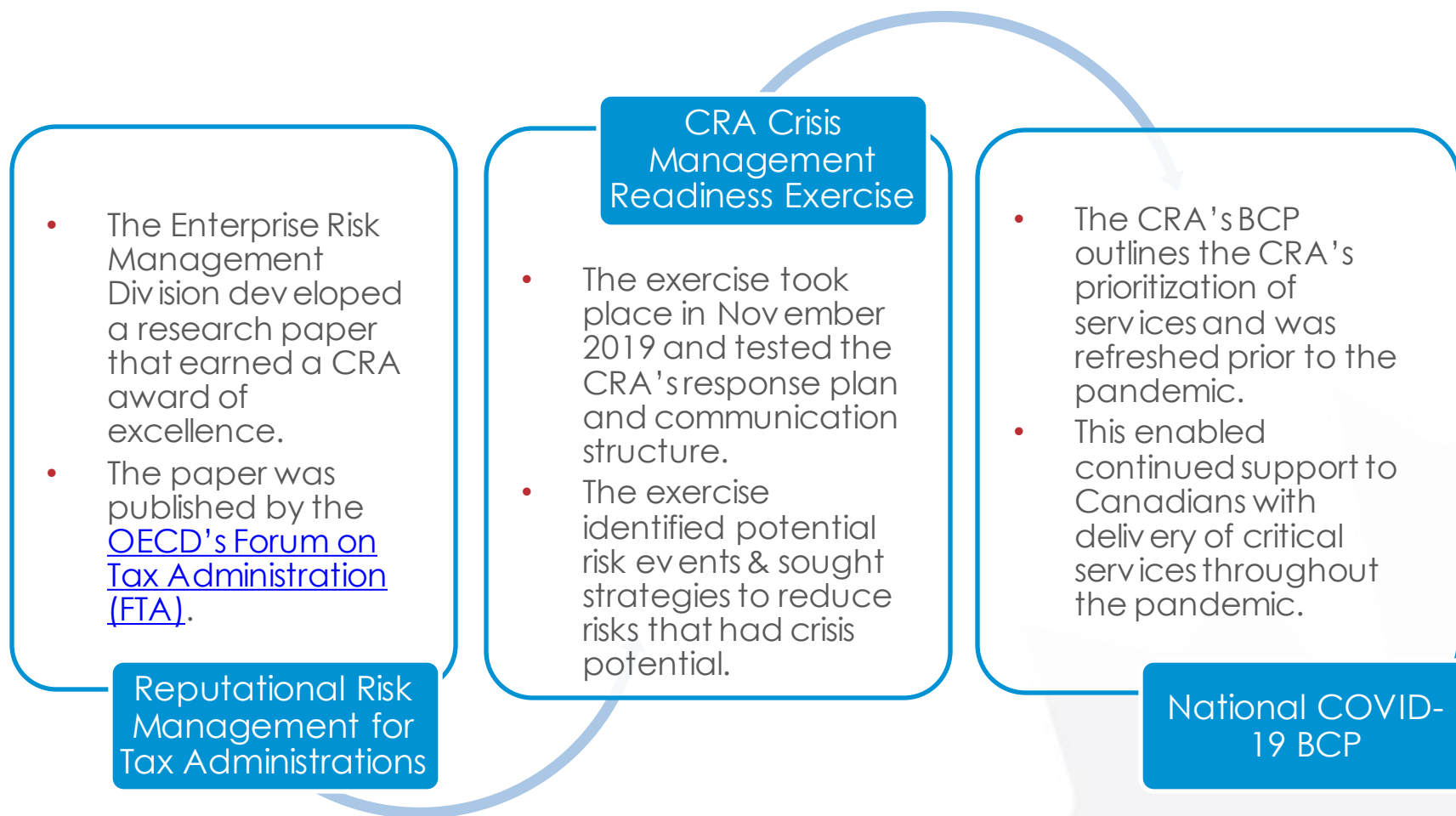
Agenda

- Introduction
- The CRA's Business Continuity Plan
- Value creation and Value Protection
- The CRA's eight new benefit programs
- The Risk Exposure and Tolerance Assessment tool
- Corporate Risk Profile renewal
- Developing the Risk-Based Assurance and Advisory Plan
- Documentary of Events
- Conclusion

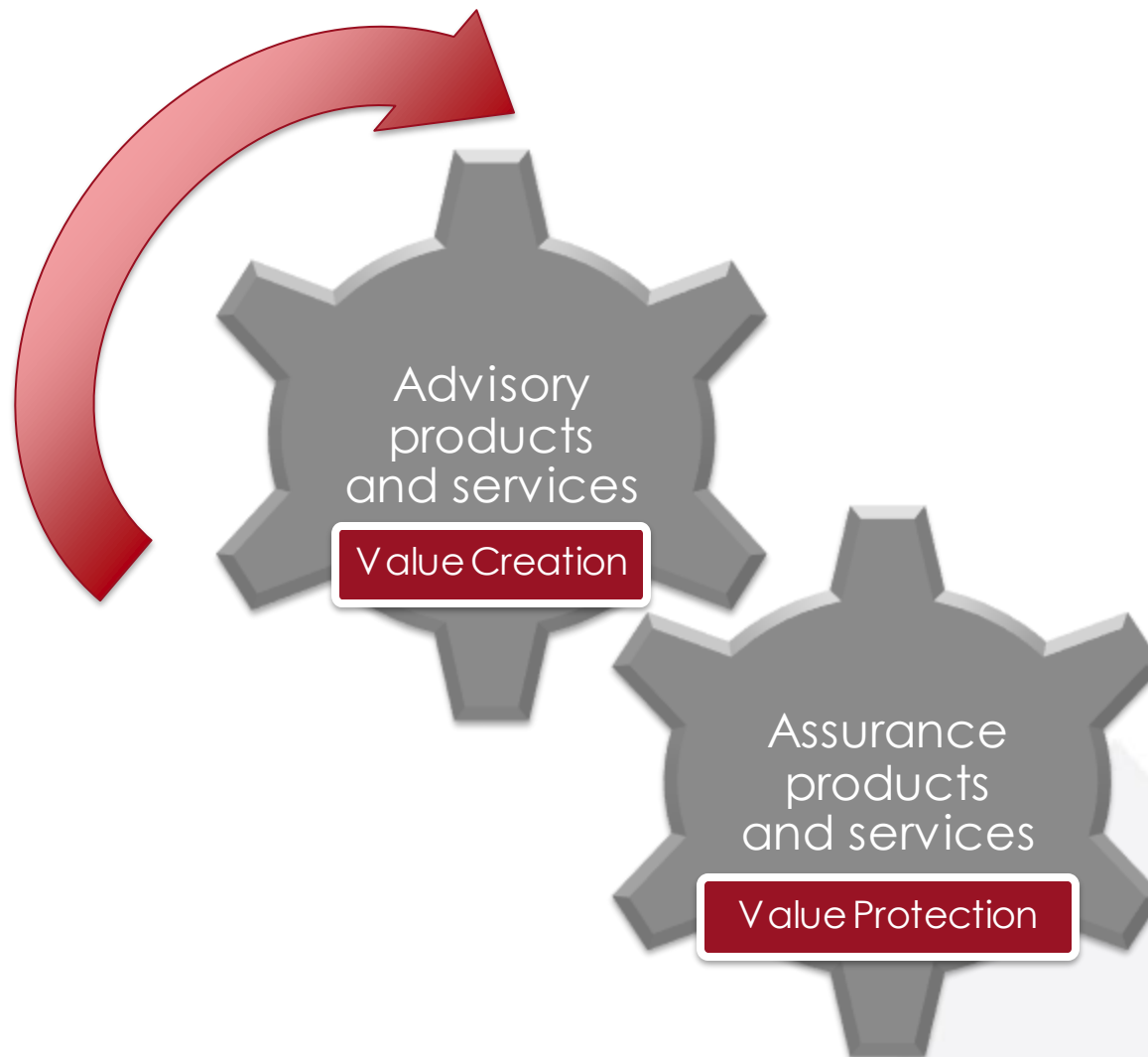
Introduction

- With the COVID-19 pandemic, we have had to deal with several new and often conflicting forces as we continue to work toward fulfilling our mandate of supporting the economic and social well-being of Canadians.
- The creation of the new emergency benefits programs has increased the demand for and urgency of the CRA's services.
- Due to this new environment, the Audit, Evaluation, and Risk Branch (AERB) explored ways to be more innovative, flexible, and dynamic.

The CRA's Business Continuity Plan



Value Creation and Value Protection



The CRA's Business Continuity Plan

The role of the Audit, Evaluation, and Risk Branch (AERB)

- Essential services
 - Internal Disclosures
 - Advisory Services
- Integration into committees and working groups
- Dedicating resources to the CRA's response



Canada Emergency Wage Subsidy (CEWS)
Information Technology Branch (ITB)

The CRA's eight new benefit programs

Canada
Emergency
Response
Benefit (CERB)

Canada
Emergency
Student Benefit
(CESB)

Canada
Recovery
Benefit (CRB)

Canada
Recovery
Sickness Benefit
(CRSB)

Canada
Recovery
Caregiving
Benefit (CRCB)

Canada
Emergency
Rent Subsidy
(CERS)

Canada
Emergency
Wage Subsidy
(CEWS)

Temporary
Wage Subsidy
(TWS)

- Initial development programs were developed very rapidly compared with normal standards.
- Reconfigured IT systems
- The CRA's People First approach was evident as we prioritized Canadians and businesses through times of financial hardship
- Realigned resources to support Canadians as thousands of CRA employees volunteered to work as temporary call centre agents

The CRA's eight new benefit programs

Statistics

Benefit	Total unique applications processed and approved	Total dollar value of payments processed and approved
CERB (closed October 3, 2020)	8.90 million	\$74.08 billion
CESB (closed September 30, 2020)	708,440	\$2.94 billion
CRB (open for application)	1.78 million	\$12 billion
CRSB (open for application)	420,680	\$364 million
CRCB (open for application)	347,450	\$1.65 billion
CERS (open for application)	138,550	\$1.97 billion
CEWS (open for application)	433,950	\$69.31 billion
TOTAL	12.73 million	\$163 billion

Note: The numbers presented reflect the most up-to-date data taken from the Government of Canada website (www.canada.ca) on March 16, 2021.

Corporate Risk Profile renewal

Pre-pandemic, traditional Corporate Risk Profile process, conducted annually

Annual
Corporate
Risk Profile



Ad-hoc creation during the pandemic to immediately identify the impact on our enterprise risks

Risk and
Control
Dashboard



New
Corporate
Risk Profile
process

The Corporate Risk Profile was redesigned to be more timely, relevant, and agile – now presented quarterly

The Risk Exposure and Tolerance Assessment tool

The RETA tool was developed specifically in response to the shift in risk landscape brought on by COVID-19. It helps management evaluate and understand how changes affect risks and the CRA's tolerance. In addition, the tool is being used to evaluate whether changes should remain in place after regular business resumes.



Combines internal auditing and enterprise risk management in one instrument.



Improves effectiveness and efficiency of risk management practices.



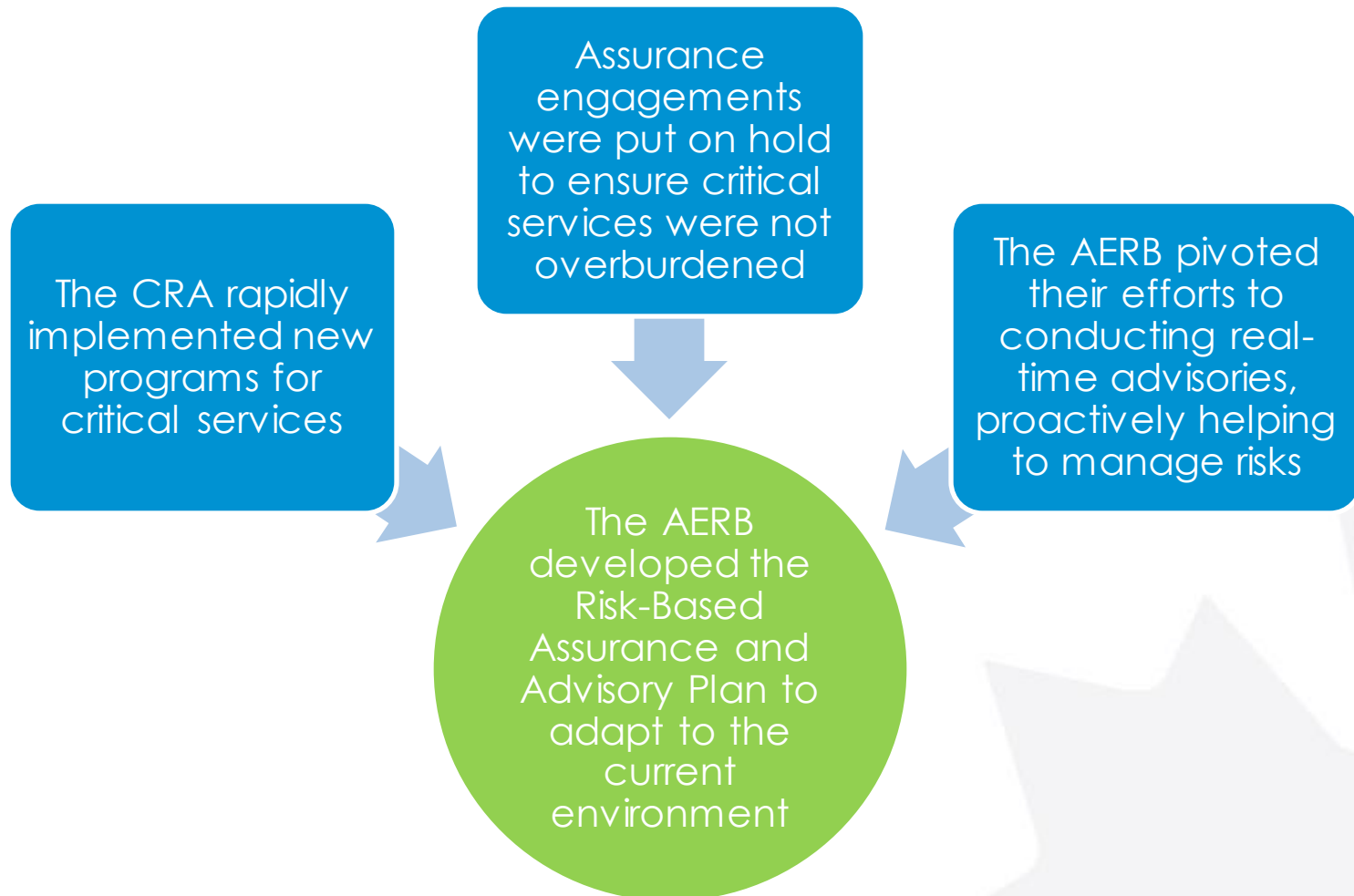
Users input information about risks in 3 scenarios (pre-, during, and post-COVID-19).



Users receive:

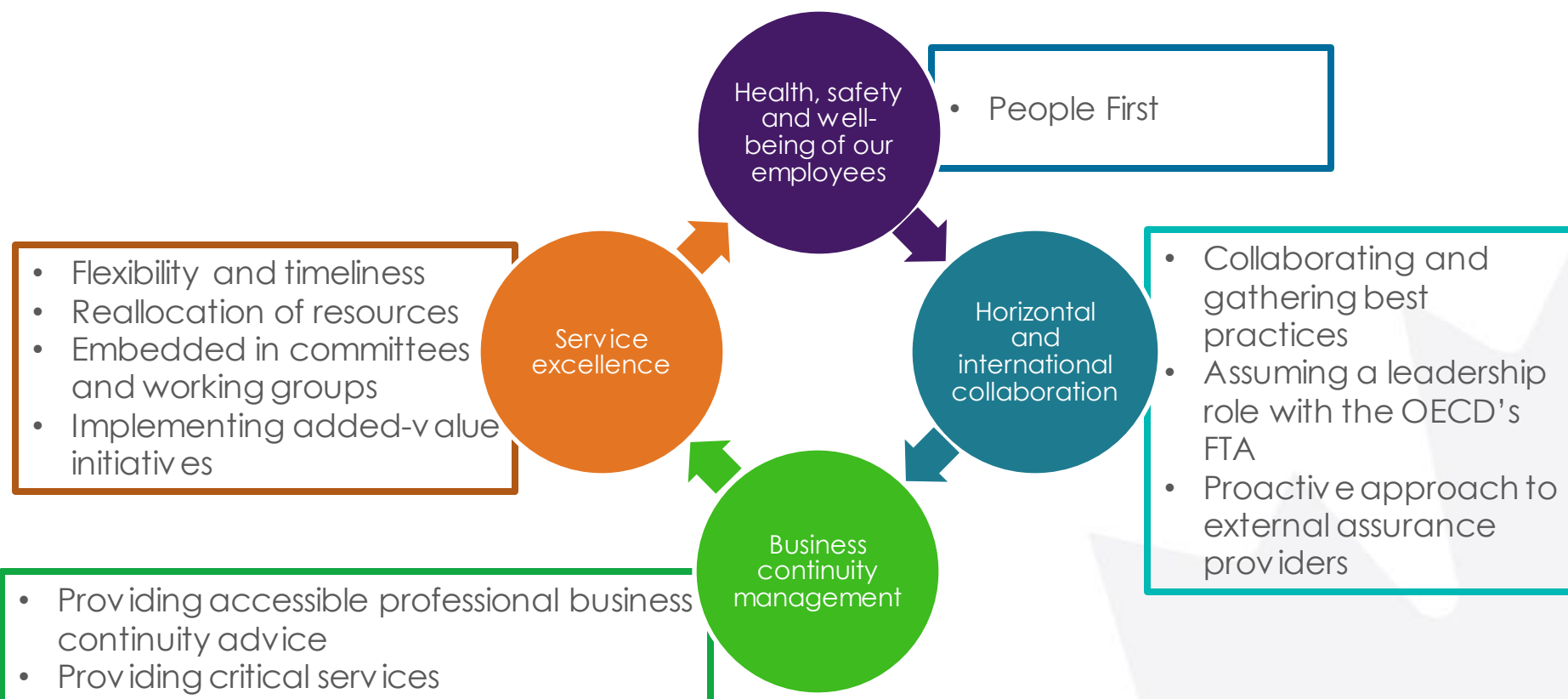
- objective and quantitative information
- recommendation on sufficiency of controls

Developing the Risk-Based Assurance and Advisory Plan

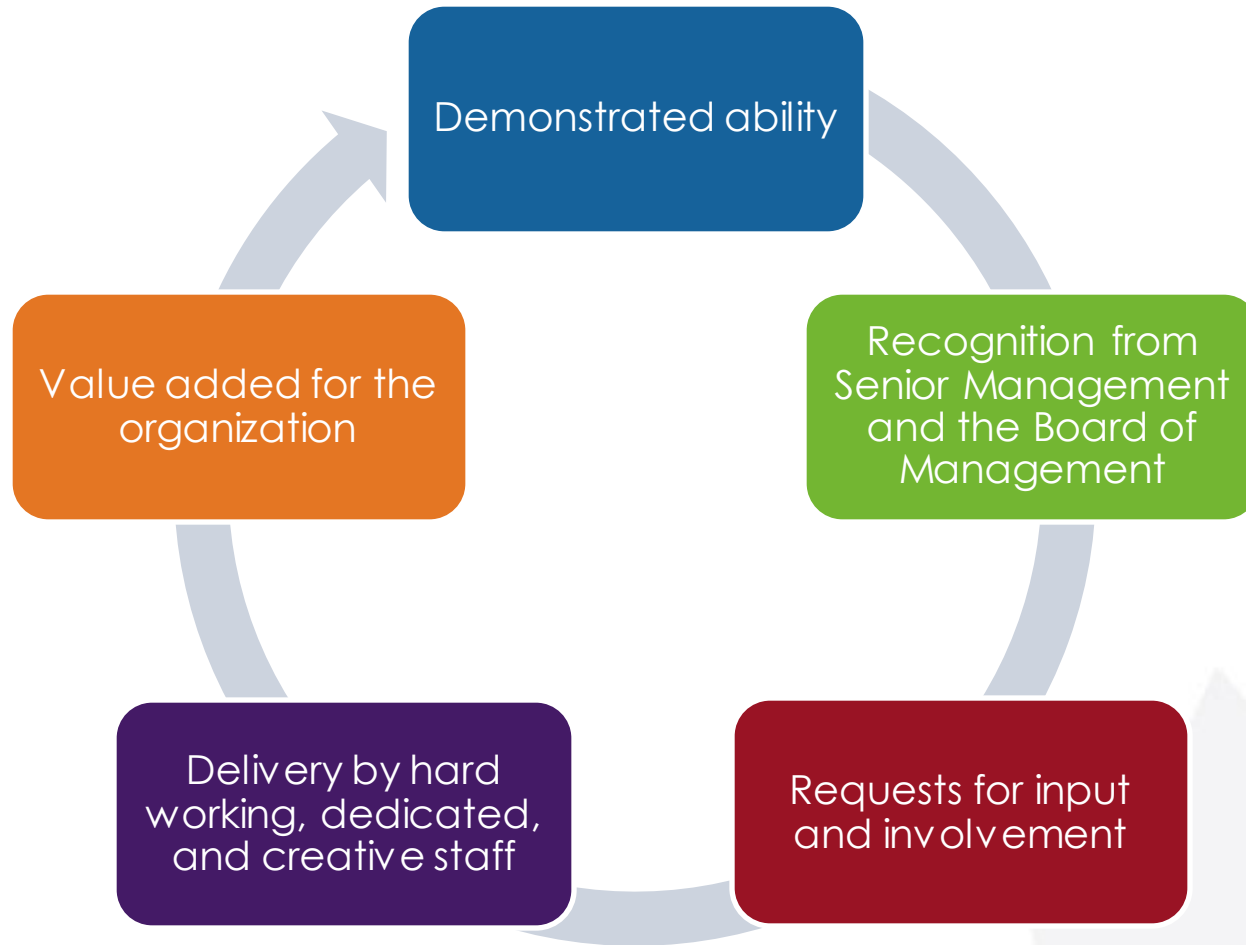


Documentary of Events

The Documentary of Events looked inward to chronicle the AERB's response during the pandemic.



Conclusion



Questions?