

Corporate Accounting System – Contract Management Module Risk and Controls Review

- The purpose of the advisory engagement was to provide a risk and controls review to determine the adequacy of the design of the Contract Management Module – Oracle Financials (CMM) business/financial processes and controls to mitigate business risks.
- Internal Audit & Advisory Services (IAAS) engaged the services of PriceWaterhouseCoopers (PWC) to perform the advisory services. PWC, with the assistance of the Office of the Comptroller General (OCG-IAAS) staff.
- The CMM facilitates contract authoring, interfaces with some of the Oracle Financials core modules to process financial transactions and payments, captures supporting documentation and generates management reporting. CMM also partially supports automated approvals and management of the contracts.
- In accordance with Core Policy and Procedures Manual, when new systems or major system enhancements are planned to be implemented a financial risk and controls review is required to ensure the integrity of the processes and controls for the purposes of government financial reporting.
- The scope focused on the assessment of the control environment and the application controls as they relate specifically to the CAS-CMM business/financial processes and controls. The scope did not include an assessment of the early adopters' business/financial processes and controls. The scope focussed on the application specific areas of the control environment
- The assessment included:
 - identifying the risks associated with the contract management module business/financial processes and system;
 - assessing the existing and planned controls to offset these risks, determining the residual risk after mitigation; and
 - providing recommendations to reduce the residual risk level.
- OCG-IAAS is satisfied that overall, the ministry action plan adequately addresses the recommendations made in the report.