
Follow-up



5 Follow-up of 2007 Recommendations

Summary

Only 22 of 82 (27%) of the recommendations made in the June 2007 Report of the Auditor General have been implemented. This is the lowest rate found in any year since we began to track implementation.

We noted that neither the Department of Health's Long-Term Care program nor the Department of Justice's Maintenance Enforcement program have completed any of our 2007 recommendations.

Our audit recommendations provide constructive advice to correct weaknesses in systems and controls; they may also address deficiencies in the efficiency or effectiveness in the delivery of government programs and services to Nova Scotians. We strive to ensure our recommendations are practical and implementable. It is evident from the results of our follow-up of 2007 recommendations that these have not been given priority.

During 2008, government decided to take a more direct role in monitoring actions taken on matters reported by the Auditor General. Treasury and Policy Board (now Treasury Board Office) and the Department of Finance developed the Tracking Auditor General Recommendations (TAGR) system to monitor progress on implementing our recommendations. In the fall of 2009 we found that the data in the TAGR system was inaccurate and incomplete. We do not believe that government can rely on the system to provide accurate results to track the status of recommendations made in our Reports. We have recommended government develop a process to monitor the implementation status of our recommendations, including ensuring TAGR is complete and accurate.

All other legislative audit offices in Canada perform follow-up work. We noted the status of implementing recommendations was monitored until it was determined they were fully implemented in 40% of the other jurisdictions. We plan to assess the implementation status of outstanding recommendations in each year from 2005 forward, beginning in 2010.

5 Follow-up of 2007 Recommendations

Introduction

FOLLOW-UP OF 2007 RECOMMENDATIONS

- 5.1 Our Office's strategic priorities include serving the House of Assembly, considering the public interest and improving government performance. We work toward these priorities by providing legislators with the information they need to hold government and the public service accountable. We obtain this information primarily by conducting audits which, over time, will cover major activities of government. The result of each audit is detailed in a Report of the Auditor General. Each report chapter contains recommendations which we believe provide practical constructive advice to address issues raised by the audit.
- 5.2 Our Reports have included formal recommendations since 2002. Our established practice is to follow up on the implementation status of these recommendations after two years. We believe two years is sufficient time for auditees to address our recommendations. This Chapter reports how responsive departments and agencies have been in implementing the recommendations resulting from our 2007 audits.
- 5.3 We requested that government management complete a self-assessment of their progress in implementing each 2007 recommendation, and document the results in the Tracking Auditor General Recommendations (TAGR) system. This system was developed in 2008 as a joint project between the Department of Finance and Treasury and Policy Board (now Treasury Board). We also requested management provide supporting information. Our review process focused on whether self-assessments and supporting information provided by management were accurate, reliable and complete.

Review Objective and Scope

- 5.4 The objective of this assignment was to provide review level or moderate assurance on the implementation status of recommendations from our June 2007 Report of the Auditor General. This level of assurance is less than for an audit because of the type of work performed. An audit would have enabled us to provide high assurance but would have required a significant increase in the resources devoted by the Office of the Auditor General to this follow-up assignment.
- 5.5 In early October 2009 we asked each auditee to document their self-assessment of progress on the implementation of the Office's

recommendations recorded in the TAGR system. We requested each auditee complete the self-assessment by October 31, 2009.

- 5.6 Our review was based on representations by government management which we substantiated through interviews and examination of documentation. Moderate assurance, in the context of this assignment, means performing sufficient work to satisfy us that the implementation status as described by government is plausible in the circumstances. Further information on the difference between high and moderate assurance is available in the *Canadian Institute of Chartered Accountants (CICA) Handbook, Section 5025 – Standards for Assurance Engagements*.
- 5.7 Our criteria were based on qualitative characteristics of information as described in the CICA Handbook. Management representations on implementation status were assessed against three criteria.
- Accurate and neither overstate nor understate progress
 - Reliable and verifiable
 - Complete and adequately disclose progress to date

FOLLOW-UP OF 2007
RECOMMENDATIONS

Significant Observations

Conclusions and summary of observations

We concluded only 27% of our 2007 recommendations have been addressed and implemented to date. After two or more years, 69% of our recommendations are in various stages of implementation, and government will take no action on another 4%. We continue to be concerned with the timeliness of actions taken to address the recommendations in our Reports. We are not aware of any situations in which the recommendations from our 2007 audits are no longer appropriate. Consequently, we have to conclude the outstanding recommendations have not been given priority.

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- 5.8 *Results of review procedures* – The June 2007 Report of the Auditor General includes 82 recommendations (2006 – 146 recommendations in two reports) to government. Government, including management of agencies, departments and service providers, completed a self-assessment of the implementation status of these recommendations. We performed a review of the self-assessments and supporting documentation and provide moderate assurance to readers of this Chapter. Nothing has come to our attention to cause us to believe that the representations made by government management are not complete, accurate and reliable.

- 5.9 The summary results indicate 27% (22) of these recommendations have been implemented; 69% (57) have not been fully implemented; and government does not intend to implement 4% (3) of these recommendations.
- 5.10 Recommendations made as a result of our 2007 audits were intended to improve operations in the programs we examined. They were intended to ensure increased compliance with program legislation, or to strengthen systems and controls so that the programs could be delivered more efficiently and effectively. We noted none of the recommendations made in two audits were implemented, increasing the risk the programs are not operating as intended.
- 5.11 During the audit of the Department of Health's (DOH) Long-Term Care Program, we recommended that nursing home reporting requirements for financial and management information be improved. Financial information submitted by nursing homes was not always comparable and management letters issued by nursing home auditors were not required by DOH. In order for information to be useful to DOH management for analysing and comparing nursing home operating results the information must be timely, complete and comparable. The nursing home external auditors' management letter would detail control weaknesses and other information respecting improvements required in the management of the nursing home. We also recommended improvements be made to ensure the integrity of nursing home placement decisions.
- 5.12 In 2007 we raised several significant concerns regarding internal controls and the administration and enforcement of court orders under the Maintenance Enforcement Program at the Department of Justice. Although Program management indicated significant progress had been made toward the implementation of several recommendations, none of the recommendations have been fully implemented. For example, we recommended that segregation of incompatible duties regarding receipt and handling of funds needed to be improved, and that weaknesses in computer access rights needed to be restricted to only the functions necessary for staff to do their job. Inappropriate access to funds and systems could lead to financial loss or other negative consequences. Management noted duties have been segregated according to job functions and access rights restricted. Management have also noted they are in the process of developing a compliance structure to ensure regular monitoring and have indicated the final processes to ensure full implementation of all recommendations will occur in 2010.
- 5.13 *Implementation results reported since 2002* – A summary of implementation status from our follow-up work on chapters reported from 2002 to 2007 follows.

| Implementation Status | 3rd Year Follow-up | | | 2nd Year Follow-up | | |
|----------------------------|------------------------------|------------------------------|------------------------------|------------------------------|---------------------------|-------------------------|
| | 2002 Follow-up December 2005 | 2003 Follow-up December 2006 | 2004 Follow-up February 2008 | 2005 Follow-up February 2008 | 2006 Follow-up March 2009 | 2007 Follow-up May 2010 |
| Complete | 35% | 48% | 49% | 28% | 39% | 27% |
| Not Complete | 56% | 42% | 47% | 63% | 56% | 69% |
| Do Not Intend to Implement | 5% | 7% | 4% | 8% | 4% | 4% |
| Other | 4% | 3% | - | 1% | 1% | - |
| | 100% | 100% | 100% | 100% | 100% | 100% |

FOLLOW-UP OF 2007 RECOMMENDATIONS

- 5.14 Our follow-up work to date has focussed on the implementation status at a point in time. Consequently, we have not reviewed the progress of the recommendations since the year in which the initial review was conducted.
- 5.15 During this year's assignment, we obtained information on the scope of the follow-up work performed in other legislative audit offices. We note that all offices conduct follow-up engagements. Of these 40% (4) continue to review their government's progress in implementing recommendations until they have been fully implemented, and most of the other offices perform follow-up on recommendations for more than one year.
- 5.16 This continuous monitoring of implementation status is consistent with our objective of holding government and the public service accountable. Accordingly, the scope of our follow-up work will increase in 2010. We will extend our review to include the status of recommendations which were reported from 2005 to date as not having been implemented.
- 5.17 *Tracking Auditor General Recommendations system* – The Department of Finance, and Treasury and Policy Board (now Treasury Board Office) assumed responsibility for developing a system to monitor recommendations made by the Auditor General – the Tracking Auditor General Recommendations (TAGR) system. Development of the tracking system began in spring 2008, and in June 2008 testing of the system was completed. Additional improvements were made over the summer and the system was available for use in October 2008. Information sessions on use of the system were held with personnel from all departments.
- 5.18 In the fall of 2009 we initially relied on the TAGR system to conduct our follow-up work on the recommendations included in the June 2007 Report of the Auditor General. When we were ready to begin our review work on November 2, 2009 the TAGR system did not contain the current status for many recommendations made in 2007. In addition, the recommendations for each entity were not clearly distinguished, and for 23 (28%) of 82

recommendations the status recorded in TAGR was incorrect based on our review procedures.

- 5.19 During our review work we also found the information in the TAGR system was neither complete nor correct for some recommendations made in prior years. We found that:
- 2002 and 2003 recommendations were not in the TAGR system;
 - 2004 and 2005 recommendations were in the TAGR system, but there was no indication of status for most recommendations; and
 - 2006 recommendations were in the TAGR system, but 40 recommendations to the Department of Education and five recommendations to Transportation and Infrastructure Renewal did not indicate a status and seven recorded statuses of other departments were incorrect.
- 5.20 Since many recommendations had no status reported in the TAGR system, and due to the high error rate in the recorded status of recommendations reviewed, we determined we cannot rely on the TAGR system during our follow-up assignment. It is also evident from the above errors that government cannot rely on the system to provide accurate results to track the status of prior recommendations made by the Auditor General. Government needs to fully develop the TAGR system to monitor the implementation of our recommendations, and take responsibility for its use and maintenance.

Recommendation 5.1

Government should ensure that the Tracking Auditor General Recommendations (TAGR) database is both accurate for the status level of each recommendation, and complete for all published recommendations.

- 5.21 *Responses to information requests* – We sent a request to each department or entity in early October 2009 asking that a self-assessment of the implementation status be completed in TAGR by October 31, 2009. We encountered significant delays in obtaining the self-assessments, particularly from the Financial Services division of the Department of Health regarding the Long-Term Care report. Our enquiries to Health continued into January 2010. The staff resources required by our Office to follow up the tardy responses would have been better used elsewhere.
- 5.22 *Implementation status* – Exhibit 5.1 at the end of this chapter details the 82 recommendations from our June 2007 Report of the Auditor General along with management’s assessment of implementation status.
- 5.23 The following table summarizes departmental or entity progress. Some departments or entities have made more progress in addressing our recommendations than others. Overall progress in implementing our audit recommendations has been slow.

| Status of Recommendations | | | | |
|---|-------------------|-------------------|----------------------------|-----------------------|
| | Complete | Not Complete | Do not intend to implement | Total Recommendations |
| June 2007 Report of the Auditor General | | | | |
| Community Services | | | | |
| Chapter 6 – Regional Housing Authorities | | | | |
| Community Services | 3 | 3 | | 6 |
| Cape Breton Island Housing Authority | 3 | 1 | | 4 |
| Metropolitan Regional Housing Authority | 3 | 1 | | 4 |
| Subtotal | 9 64% | 5 36% | | 14 100% |
| Finance | | | | |
| Chapter 7 – Government Financial Reporting | | | 1 100% | 1 100% |
| Health | | | | |
| Chapter 2 – Management of Diagnostic Imaging Equipment | | | | |
| Health | | 5 | | 5 |
| Cape Breton District Health Authority | 4 | 8 | | 12 |
| Capital District Health Authority | 6 | 7 | | 13 |
| Chapter 3 – Emergency Health Services | 3 | 6 | 1 | 10 |
| Chapter 4 – Long-Term Care – Nursing Homes and Homes for the Aged | | 8 | | 8 |
| Subtotal | 13 27% | 34 71% | 1 2% | 48 100% |
| Justice | | | | |
| Chapter 5 – Maintenance Enforcement Program | | 18 95% | 1 5% | 19 100% |
| Total 2007 Recommendations | 22 27% | 57 69% | 3 4% | 82 100% |

FOLLOW-UP OF 2007 RECOMMENDATIONS

Exhibit 6.1 – Implementation Status of June 2007 Recommendations

Chapter 2 – Management of Diagnostic Imaging Equipment - Capital District Health Authority and Cape Breton District Health Authority

2.1 We recommend that DOH, in conjunction with the District Health Authorities, develop a long-term Provincial medical equipment capital plan including criteria for assessing competing DHA needs on a Province-wide basis.

Status – Department of Health – Planning stage

Status – Cape Breton District Health Authority – Work in progress

Status – Capital District Health Authority – Complete

2.2 We recommend the procurement processes at DOH and the DHAs be improved to include:

- identification of all needs prior to issuing the Request for Proposals;
- inclusion of the present value of lifecycle costs in the quantitative analysis; and
- documentation of the entire procurement process including a detailed comparison of bids received according to criteria in the RFP document.

Status – Department of Health – Work in progress

Status – Cape Breton District Health Authority – Work in progress

Status – Capital District Health Authority – Complete

2.3 We recommend that CDHA and CBDHA actively monitor manufacturers' equipment up-time guarantees.

Status – Cape Breton District Health Authority – Work in progress

Status – Capital District Health Authority – Complete

2.4 We recommend that CBDHA establish a process to track and monitor required maintenance and repairs to its MRI and CT scanners.

Status – Cape Breton District Health Authority – Complete

2.5 We recommend that CDHA and CBDHA implement formal capital asset ledgers to control all medical equipment.

Status – Cape Breton District Health Authority – Complete

Status – Capital District Health Authority – Work in progress

2.6 We recommend that the Department of Health, in conjunction with radiologists, establish and implement clinical practice guidelines for use of MRIs and CT scans in the Province.

Status – Department of Health – Work in progress

2.7 We recommend that CDHA implement centralized booking for all CDHA's CT scanners.

Status – Capital District Health Authority – Work in progress

2.8 We recommend that CDHA and CBDHA establish utilization standards for each MRI and CT scanner and monitor performance in achieving the standard.

Status – Cape Breton District Health Authority – Planning stage

Status – Capital District Health Authority – Work in progress

2.9.1 We recommend that CBDHA set standard times for reporting of diagnostic imaging examination results and monitor progress in achieving the standard.

Status – Cape Breton District Health Authority – Complete

2.9.2 CBDHA and CDHA should take action to ensure standard turnaround times are achieved.

Status – Cape Breton District Health Authority – Planning stage

Status – Capital District Health Authority – Complete

2.10.1 We recommend that CDHA and CBDHA examine the computerized diagnostic imaging systems in use to determine whether they can produce additional statistical information, such as wait times and utilization indicators, which are currently manually produced.

Status – Cape Breton District Health Authority – Complete

Status – Capital District Health Authority – Work in progress

2.10.2 We also recommend that requirements for statistical reports be included in future information system procurements.

Status – Cape Breton District Health Authority – No progress to date but plan to take action

Status – Capital District Health Authority – Work in progress

2.11 We recommend that CDHA and CBDHA document policies and procedures relating to the quality assurance processes, including patient safety, for diagnostic imaging equipment and related testing of MRIs and CT scanners.

Status – Cape Breton District Health Authority – Planning stage

Status – Capital District Health Authority – Complete

2.12 We recommend that CDHA ensure patient safety questionnaires are completed for all MRI patients and retained in the patients' files.

Status – Capital District Health Authority – Complete

2.13 We recommend that the Department of Health and the DHAs establish and implement a quality assurance program for all MRIs and CT scanners in the Province.

Status – Department of Health – Planning stage

Status – Cape Breton District Health Authority – Planning stage

Status – Capital District Health Authority – Work in progress

2.14 We recommend that CDHA and DOH establish conflict of interest guidelines for medical staff including policies on relationships with private facilities.

Status – Department of Health – No progress to date but plan to take action

Status – Capital District Health Authority – Work in progress

Chapter 3 – Emergency Health Services

3.1 We recommend requirements for accountability information, including requirements for submission of detailed financial information at specified intervals, be included in contracts to ensure information required for appropriate monitoring is received on a regular basis.

Status – Complete

3.2 We recommend that DOH exercise its right to audit financial records under the ground ambulance contract to monitor EMC's performance and gain assurance that EMC's expenditures were incurred with due regard for economy and efficiency.

Status – No progress to date but plan to take action

3.3 We recommend that any new contracts negotiated for provision of ground ambulance services or any other significant contracts between government and service providers include provision for audits by the Office of the Auditor General.

Status – Complete

3.4 We recommend that EHS review risk sharing when negotiating contracts to ensure there is an appropriate balance between risks transferred to the contractor, risks retained by the Province and cost of the contract.

Status – Complete

3.5 We recommend that EHS verify the completeness and accuracy of user fee revenues submitted by EMC.

Status – No progress to date but plan to take action

3.6 We recommend that EHS establish write-off policies for ambulance user fee accounts receivable and review receivables annually to identify and write off uncollectible amounts.

Status – No progress to date but plan to take action

3.7 We recommend that EHS record ambulance user fee revenue and receivables to provide better control over uncollected amounts and ensure compliance with generally accepted accounting principles.

Status – No progress to date but plan to take action

3.8 We recommend government follow up the Fitch Report and review deployment of all ground ambulance resources prior to the next ground ambulance contract to ensure optimal deployment of ambulances and due regard for economy and efficiency.

Status – No progress to date but plan to take action

3.9 We encourage EHS, EMC and Capital Health to continue to work together to resolve ambulance turnaround delays on a timely basis.

Status – Work in progress

3.10 We recommend that EMC clarify and strengthen meal and travel policies by:

- requiring submission of original supporting invoices rather than signed credit card vouchers;
- providing more detail regarding acceptable dollar guidelines for meals and specifying circumstances under which alcohol is claimable;
- requiring the people for whom meals are claimed to be identified;
- requiring documentation of the purpose of meetings or events for which meals are claimed; and
- requiring review and approval of the CEO's travel expenses by the Chair of the Board.

Status – Do not intend to implement

Chapter 4 – Long-Term Care – Nursing Homes and Homes for the Aged

4.1 We recommend that DOH establish service agreements with all nursing homes which include performance expectations and reporting requirements.

Status – Work in progress

4.2 We recommend DOH ensure reporting requirements for all nursing homes are practical, and establish a process to ensure requirements are met and appropriate action taken if inconsistencies are identified. DOH

FOLLOW-UP OF 2007
AUDITS:
IMPLEMENTATION
STATUS

should also require nursing homes to submit auditors' management letters for review.

Status – Work in progress

4.3 We recommend DOH continue its efforts to implement a funding formula for the long-term care program.

Status – Work in progress

4.4 We recommend that DOH perform quarterly reconciliations and collect funding overpayments in a timely manner.

Status – Work in progress

4.5 We recommend that DOH work towards having the House of Assembly update the Homes for Special Care Act and Regulations to ensure the legislative framework reflects current long-term care operations and standards.

Status – Planning stage

4.6 We recommend that DOH review and improve the licensing and inspection process to address deficiencies noted in paragraph 4.40.

Status – Work in progress

4.7 We recommend DOH develop and implement a quality assurance process to help ensure compliance with policies and accuracy of SEAscape information.

Status – Planning stage

4.8 We recommend DOH establish a process to review placement decisions made by staff. Management should specifically approve all cases where exceptions are made to the policy and clearly document the rationale for the action taken.

Status – Work in progress

Chapter 5 – Maintenance Enforcement Program

5.1 We recommend the Maintenance Enforcement Program develop and report performance measures and targets for all key aspects of its operations to enable assessment of the efficiency and effectiveness of the Program.

Status – Work in progress

5.2 We recommend the Maintenance Enforcement Program clearly define, assign and communicate staff roles and responsibilities for performance information and reporting.

Status – Work in progress

5.3 We recommend the Department of Justice prepare annual financial statements for the Maintenance Enforcement trust account. We further recommend that the financial statements be audited and publicly reported.

Status – Planning stage

5.4 We recommend the Maintenance Enforcement Program develop and implement processes to improve upon compliance with its policies and procedures. We further recommend a review and update of the policies and procedures manual to ensure staff is provided with appropriate guidance to adequately administer and enforce maintenance orders.

Status – Work in progress

5.5 We recommend the Maintenance Enforcement Program update formal case documentation standards to ensure support for key decisions is adequately documented.

Status – Work in progress

5.6 We recommend the Maintenance Enforcement Program identify information which could help facilitate the effective administration and enforcement of maintenance orders, and initiate discussions with the courts to have such information incorporated into future maintenance orders.

Status – Work in progress

5.7 We recommend the Maintenance Enforcement Program develop, document and implement formal review and approval procedures for all significant processes. We further recommend a formal requirement to adequately document reviews and approvals.

Status – Work in progress

5.8 We recommend the Maintenance Enforcement Program review staff information needs and update system reporting capabilities to ensure timely and relevant information is available to assist staff in administration and enforcement activities.

Status – Work in progress

5.9 We recommend the Maintenance Enforcement Program implement processes to correct inaccurate information in its computer system and ensure ongoing data integrity.

Status – Work in progress

5.10 We recommend the Departments of Justice and Service Nova Scotia and Municipal Relations investigate the potential to share

collection training and best practices, and examine the potential costs and benefits of further cooperation.

Status – Work in progress

5.11 We recommend the Maintenance Enforcement Program review its current staff roles and reassign responsibilities or implement adequate compensating controls to address the segregation of duties weaknesses.

Status – Work in progress

5.12 We recommend the Maintenance Enforcement Program review all computer access rights and ensure staff members only have access rights necessary to fulfill position responsibilities. We further recommend regular monitoring of access rights and review and approval of changes.

Status – Work in progress

5.13 We recommend the Maintenance Enforcement Program formally document computer software program change procedures. We further recommend independent review and approval of program changes prior to implementation and monitoring of program change logs to ensure all changes are authorized and properly completed.

Status – Work in progress

5.14 We recommend the Maintenance Enforcement Program formally define critical case master data and ensure the ability to change such data is limited to appropriate, authorized staff. We further recommend logs of master data changes be maintained and independently monitored to ensure all changes are authorized and appropriate.

Status – Work in progress

5.15 We recommend the Maintenance Enforcement Program develop and implement adequate control over electronic funds transfer files and blank cheques.

Status – Work in progress

5.16.1 We recommend the Maintenance Enforcement Program implement programmed dollar limits for individual cheques and electronic funds transfers.

Status – Work in progress

5.16.2 We further recommend bank processing of electronic funds transfers be delayed to allow for timely reconciliation processes to be completed.

Status – Do not intend to implement recommendation

5.17 We recommend the Maintenance Enforcement Program complete reconciliations for each of its bank accounts on a timely basis. Unreconciled differences should be investigated and resolved, and reconciliations should be independently reviewed and approved.

Status – Work in progress

5.18 We recommend the Department of Justice review and assess the managerial needs of the Maintenance Enforcement Program and apply sufficient resources and expertise to effectively manage the Program and adequately fulfill its fiduciary responsibility.

Status – Work in progress

FOLLOW-UP OF 2007
AUDITS:
IMPLEMENTATION
STATUS

Chapter 6 – Regional Housing Authorities

6.1 We recommend that performance outcomes, measures and targets be developed for the Housing Authorities and that performance against these targets be assessed on a regular and timely basis.

Status – Department of Community Services – Work in progress

6.2 We recommend that job descriptions, and policy and procedures manuals, including financial and system training manuals, be reviewed and updated in a timely manner.

Status – Department of Community Services – Work in progress

Status – Cape Breton Island Housing Authority – Work in progress

Status – Metro Regional Housing Authority – Work in progress

6.3 We recommend that financial system access logs and access rights be reviewed on a regular basis to ensure that only authorized users are accessing the system and that access rights assigned are appropriate for assigned responsibilities and functions.

Status – Department of Community Services – Complete

6.4 We recommend that the Housing Authorities and the Department of Community Services consider options available to obtain assurance on the adequacy of controls surrounding the information systems which the Authorities use.

Status – Department of Community Services – Complete

6.5 We recommend that all changes to rental charges be fully supported and reviewed for accuracy and appropriateness by the property managers. Completion of the review should be documented.

Status – Cape Breton Island Housing Authority – Complete

Status – Metro Regional Housing Authority – Complete

6.6 We recommend that the Housing Authorities review their internal control procedures to ensure proper support and authorization are obtained prior to making payments and to ensure review procedures are properly carried out and documented. In addition, Cape Breton Island Housing Authority should ensure incompatible responsibilities are not assigned to its accounts payable staff.

Status – Cape Breton Island Housing Authority – Complete

Status – Metro Regional Housing Authority – Complete

6.7.1 We recommend that the Public Housing Operations Manual be reviewed and updated to ensure it is consistent with the Government Procurement Policy

Status – Department of Community Services – Work in progress

6.7.2 and to provide clear guidance on using alternative procurement methods.

Status – Department of Community Services – Complete

Status – Cape Breton Island Housing Authority – Complete

Status – Metro Regional Housing Authority – Complete

Chapter 7 – Government Financial Reporting

7.1 We recommend further steps be taken to move towards preparing and presenting the revenue estimates included in the budget in full accordance with generally accepted accounting principles.

Status – Do not intend to implement recommendation

Response: TAGR Steering Committee

Recommendation 5.1

Government should ensure that the Tracking Auditor General Recommendations (TAGR) database is both accurate for the status level of each recommendation, and complete for all published recommendations.

November 2009 was the first time departments were required to respond to the Auditor General Recommendations using only the TAGR system. Overall most of the departments responded appropriately and within the allotted timelines.

The Committee feels there is no value added as a management tool to track older recommendations when the recommendations are either complete, or there are no plans to implement. Management is focusing on more current recommendations that will provide positive operational benefits. Management agrees the responses to the recommendations should be accurate in the system and will instruct departments to review and update prior year recommendations in the near future.

To facilitate a timely review of the recommendations the TAGR system went through system enhancements in Spring 2010 and training sessions for users is planned in the near future. The processes and business practices are also currently being reviewed by the Committee and any further enhancements to this new system and its new business practices will be addressed.

RESPONSE:
TAGR STEERING
COMMITTEE