May
2011

Follow-up Implementation Status:
2005, 2006, 2007 and 2008
Audit Recommendations

Office of the Auditor General

Independence • Integrity • Impact

Chapter 2 – Government Financial Reporting – Finance

2.1   We recommend that the development of the economic assumptions and estimated revenues for each line item be completed after the Executive Council has approved planned revenue and spending decisions for the coming year. The impact of those decisions should be specifically incorporated into the development of the economic assumptions and the revenue line items.
Status – Do not intend to implement

2.2   We recommend the effective date of the economic assumptions be the date they are approved by the Executive Council.
Status – Complete

2.3   We recommend all key economic assumptions used in the development of the revenue estimates be approved by the Executive Council.
Status – Complete

2.4   We recommend that, in accordance with GAAP, Federal transfer payments be included in revenue as opposed to being netted against expense appropriations.
Status – Complete

2.5   We recommend the budget process be reviewed and revised to ensure there is proper cut off of information and that the revenue estimates reflect the most current information available.
Status – Complete

2.6   We recommend the budget process be reviewed and revised to ensure Finance is made aware of all potential revenue line items so the Department can assess relevant information when determining the Province's estimated revenues and related disclosures.
Status – Do not intend to implement

2.7   We recommend government take steps to ensure the necessary resources and processes are in place to ensure the Province's annual SEC Form 18K report is filed as required on a timely basis.
Status – Complete

Chapter 3 – Government Systems and Controls – Finance

3.1   We recommend government assess the adequacy of its own control procedures associated with data processing service provider arrangements.
Status – Complete

3.2   We recommend that annual business planning information and accountability reporting on the Industrial Expansion Fund be made available to the House of Assembly on at least the same basis as such information is currently available on other crown entities.
Status – Complete

Chapter 4 – Special Education – Education

4.1   We recommend that all RSBs conduct regular evaluations of Special Education programs with input from all stakeholder groups to serve as a basis for planning and performance reporting.
Status – Annapolis Valley Regional School Board – Work in progress
Status – Chignecto-Central Regional School Board – Complete

4.2   We recommend the Department and RSBs analyze information needs for Special Education and consider the development of a Province-wide student information system to accumulate and report data.
Status – Annapolis Valley Regional School Board – Work in progress
Status – Chignecto-Central Regional School Board – Complete
Status – Department of Education – Work in progress

4.3   We recommend that the Department of Education require RSBs to prepare a comprehensive annual report on the performance of all major Special Education programs. The annual report should be made available to stakeholders including the Department, parents, and members of the House of Assembly.
Status – Department of Education – Planning stage

4.4   We recommend that the Department and RSBs reestablish the practice of conducting peer reviews of RSBs for verification of compliance with legislation, regulations and policies and sharing of best practices.
Status – Annapolis Valley Regional School Board – Work in progress
Status – Chignecto-Central Regional School Board – Do not intend to implement
Status – Department of Education – Do not intend to implement

4.5   We recommend that government review and update the Education Act and related regulations to ensure that they reflect the current funding environment.
Status – Department of Education – Work in progress

4.6   We recommend that the RSBs negotiate with the District Health Authorities to establish a documented protocol with respect to the performance of medical procedures. Where the procedures are to be performed by teacher assistants, related training needs should be addressed.
Status – Annapolis Valley Regional School Board – Complete
Status – Chignecto-Central Regional School Board – Complete

4.7   We recommend that the Department of Education improve its guidance to RSBs regarding accounting for Special Education expenditures to specifically describe which costs can be charged and how they are to be calculated. A direct costing model should be adopted to ensure that all significant Special Education expenditures are being appropriately identified, classified and reported on a consistent basis at all Boards.
Status – Department of Education – Work in progress

Chapter 5 – Pension Administration System (PenFax) – Finance

5.1   We recommend that the PSG establish and test an appropriate disaster recovery plan for the PenFax system. This should include service level agreements with entities external to the PSG.
Status – Work in progress

5.2   We recommend the establishment of a policy requiring departments to have an appropriate business continuity plan, and that this plan be kept up-to-date. Further, we recommend the establishment of an initiative to undertake the development and implementation of a corporate business continuity planning process.
Status – Work in progress

5.3   We recommend that, in conjunction with the development of a corporate business continuity planning process, the Business Technology Advisory Committee (BTAC) examine the needs for a corporate disaster recovery planning process, as it relates to the provision of information technology services.
Status – Work in progress

5.4   We recommend that PSG management enter into appropriate service level agreements with the Resources CSU.
Status – Action no longer required or appropriate

5.5   We recommend that management periodically review security matters surrounding the PenFax system.
Status – Complete

5.6   We recommend that the PSG develop security and privacy policies and communicate these to staff. The signing of a security and confidentiality agreement by employees should be an integral component of these policies.
Status – Complete

5.7   We recommend that a sign-off procedure for file reviews be designed and implemented. A check list could be inserted into the member file noting review procedures with sign-off required when the work is completed.
Status – Complete

5.8   We recommend that PSG management continue with its data integrity initiatives and contact with employers to prevent errors from occurring in the pension source data.
Status – Complete

5.9   We recommend that data transfer procedures between employees and PSG be standardized, to meet the requirements of the PenFax system, and that employers be accountable for data accuracy
Status – Complete

Chapter 6 – Nova Scotia hospital Information System (NShIS) Project – Health

6.1   We recommend the disaster recovery plans and procedures be formalized and tested.
Status – Work in progress

Chapter 8 – Fleet Management – Natural Resources and Transportation and Public Works

8.1(1)   We recommend that Transportation and Public Works and Natural Resources investigate ways of coordinating their fleet management operations in order to promote economy and efficiency.
Status – Department of Transportation and Public Works – Complete
Status – Department of Natural Resources – Work in progress

8.1(2)   In doing so, consideration should be given to including fleet operations of other government departments and agencies.
Status – Department of Transportation and Public Works – Work in progress
Status – Department of Natural Resources – Work in progress

8.2   We recommend that the Department of Natural Resources' fleet management branch review and assess its current information needs and evaluate the ability of current systems to meet them. The Department should also assess the need for additional staff training in fleet management systems and practices.
Status – Department of Natural Resources – Work in progress

8.3   Government should review the policy on acquisition of fleet assets and assess the reasonableness of the $25,000 limit and/or clarify the application of the limit to the different vehicles employed in Provincial fleet operations.
Status – Department of Transportation and Public Works – Complete
Status – Department of Natural Resources – Complete

8.4   We recommend that acquisition and disposal decisions be better documented in both Departments, and be based on analysis of the best means of meeting operational needs.
Status – Department of Transportation and Public Works – Complete
Status – Department of Natural Resources – Complete

8.5(1) We recommend that life-cycle costs,
Status – Department of Transportation and Public Works – Complete

8.5(2) environmental performance,
Status – Department of Transportation and Public Works – Complete
Status – Department of Natural Resources – Complete

8.5(3) and operational performance of similar fleet assets previously acquired be considered in purchase decisions.
Status – Department of Transportation and Public Works – Complete
Status – Department of Natural Resources – Work in progress

8.6   We recommend that the Department of Natural Resources improve safeguarding of its fleet assets, parts and supplies.
Status – Department of Natural Resources – Complete

8.7(1) We recommend that Transportation and Public Works and Natural Resources develop a formal fleet maintenance policy and improve existing systems and practices to ensure vehicles are properly maintained.
Status – Department of Transportation and Public Works – Work in progress
Status – Department of Natural Resources – Work in progress

8.7(2) We further recommend that maintenance activities be adequately supported by appropriate documentation.
Status – Department of Transportation and Public Works – Work in progress
Status – Department of Natural Resources – Complete

8.8   We recommend that Transportation and Public Works and Natural Resources obtain and use information necessary to monitor whether fleet assets are used efficiently and only for authorized purposes.
Status – Department of Transportation and Public Works – Work in progress
Status – Department of Natural Resources – Work in progress

8.9   We recommend that government require reimbursements for personal use of government vehicles based on full operating and capital costs.
Status – Department of Transportation and Public Works – Do not intend to implement
Status – Department of Natural Resources – Do not intend to implement

8.10   We recommend that Transportation and Public Works document the value in permitting certain unreimbursed use of vehicles by staff who are on-call or standby. TPW should also submit for expert analysis its practices in this area to ensure full compliance with the Income Tax Act.
Status – Department of Transportation and Public Works – Complete
Status – Department of Natural Resources – Do not intend to implement

8.11   We recommend that the current registration process be reviewed to determine if there is an opportunity to improve the efficiency of registering Provincial vehicles with the Registry of Motor Vehicles.
Status – Department of Transportation and Public Works – No progress to date but plan to take action
Status – Department of Natural Resources – Complete

8.12   We recommend that expenses of the Department of Natural Resources be recorded in appropriate general ledger accounts, and that the Department's budget have no role in how expenses are classified.
Status – Department of Natural Resources – Complete

8.13   We recommend that Transportation and Public Works and Natural Resources ensure that bulk fuel storage for fleet operations complies with Provincial regulations. Documentation for inspection and maintenance of storage tanks should be improved.   Responsibilities for fuel storage should be clearly assigned and communicated.
Status – Department of Transportation and Public Works – Complete
Status – Department of Natural Resources – Complete – air fuel, Work in progress – vehicle fleet

8.14(1) We recommend the preparation and implementation of a government-wide policy for the storage and handling of fuel.
Status – Department of Natural Resources – Complete – air fuel, Planning stage – vehicle fleet

8.14(2) The policy should be adequately communicated and address all requirements of the Petroleum Management Regulations and Dangerous Goods Management Regulations.
Status – Department of Transportation and Public Works – Complete
Status – Department of Natural Resources – Complete – air fuel, Planning stage – vehicle fleet

8.14(3) Environmental site assessments should be performed on all fuel storage sites operated by the Provincial government, and contaminated sites requiring remediation should be remediated in a timely manner.
Status – Department of Transportation and Public Works – Work in progress
Status – Department of Natural Resources – Complete – air fuel, Planning stage – vehicle fleet

8.15   We recommend that the Department of Natural Resources comply with sole-sourcing approval and reporting provisions of the Provincial Procurement Policy.
Status – Department of Natural Resources – Complete

8.16   We recommend measures be taken by Transportation and Public Works and Natural Resources to improve controls over fuel expenses and consumption.
Status – Department of Transportation and Public Works – Work in progress
Status – Department of Natural Resources – Complete

Implementation Status: December 2005 Recommendations

Chapter 2 – Government Financial Reporting

2.1   We recommend steps be taken to ensure the Province complies more fully with generally accepted accounting principles, especially with regard to disclosing GAAP-compliant budget information in the financial statements.
Status – Work in progress

2.2   We recommend internal controls within government, including specifically the positions with roles and responsibilities for control effectiveness, be clearly documented and effectively communicated.
Status – Work in progress

2.3   We recommend a defined plan and schedule be developed to ensure the government management manuals are updated, to include all relevant financial and accounting policies, in a timely manner.
Status – Complete

2.4   We recommend an ongoing process be established to identify the risks to the integrity of the financial statements and ensure the exposure is minimized. This process should be documented.
Status – Work in progress

2.5   We recommend government and departments ensure roles and responsibilities for internal control are being performed effectively and, where appropriate, subject to adequate coverage by internal audit or other audit resources.
Status – Work in progress

2.6   We recommend that government make arrangements to conduct a follow-up audit on the governance and control framework relating to

the Investment, Liability Management and Treasury Services and Capital Markets Administration Divisions of the Department of Finance. This audit should be completed by a private sector firm with the expertise necessary to effectively follow up on the weaknesses identified during the audit.
Status – Do not intend to implement

2.7   We recommend government take steps to ensure weaknesses identified in the first service auditor report for the centralized SAP infrastructure are addressed so that an unqualified opinion may be provided. As well, the next report should be completed and issued so it is available for use in the March 31, 2006 financial statement audits of the Province and entities which use the SAP Customer Competency Centre.
Status – Complete

2.8   We recommend management address the recommendations to improve controls within the Business Registration Unit of SNSMR in a timely manner.
Status – Work in progress

2.9   We recommend that policies and procedures concerning the use of contingencies in the Province's budgets and forecasts be clearly defined and communicated. When contingencies are used, they should be specifically approved by Executive Council and clearly disclosed in the applicable document.
Status – Do not intend to implement

2.10   We recommend adequate disclosure in government's budget documents of the risks in achieving the budget.
Status – Do not intend to implement

Chapter 3 – Consulting Contracts and Service Arrangements

3.1   We recommend that the business need and other planning considerations be adequately documented in the project files to support the initiation and implementation of a project.
Status – Department of Finance – Complete
Status – Office of Economic Development – Work in progress
Status – Public Service Commission – Complete
Status – Treasury and Policy Board – Complete

3.2   We recommend that departments and agencies ensure the Procurement Policy is followed when awarding consulting contracts and that appropriate documentation is prepared on a timely basis.
Status – Department of Finance – Complete
Status – Treasury and Policy Board – Complete

3.3   We recommend that change control procedures be defined and documented to control changes to projects. Change requests should be handled as described in the change control process.
Status – Department of Finance – Complete
Status – Office of Economic Development – Work in progress
Status – Tourism, Culture and Heritage – Planning stage

3.4   We recommend that departments ensure invoices include adequate details to support billings prior to payment. Payments should be in accordance with the terms of the contract.
Status – Department of Finance – Complete
Status – Office of Economic Development – Complete
Status – Treasury and Policy Board – Complete

3.5   We recommend that departments undertake post-completion evaluations to assess project management, consultant performance, and lessons learned to improve future projects. Where the consultants provide a report, the usefulness of the report should be assessed and an action plan documented to address any recommendations.
Status – Department of Finance – Complete
Status – Office of Economic Development – Work in progress

Chapter 4 – Electronic Information Security and Privacy Protection

4.1   We recommend that the government should develop and implement a comprehensive privacy policy.
Status – Complete

4.2   We recommend that all departments develop and implement a departmental privacy policy, consistent with a government-wide policy, to address the protection of personal information for all departmental business processes.
Status – Complete

4.3   We recommend that a government-wide comprehensive security architecture be developed and implemented and that departmental comprehensive security architectures, consistent with the government-wide architecture, be developed and implemented.
Status – Work in progress

4.4   We recommend that a formal security risk analysis be conducted, by department, regarding personal information. This might appropriately be a part of the development of a security architecture as recommended above.
Status – Work in progress

4.5   We recommend that departments, as part of their departmental privacy plan, implement a formal training program.
Status – Complete

4.6   We recommend that all staff with access to personal information be required to read and sign a confidentiality agreement as a condition of employment and that this agreement be renewed annually.
Status – Work in progress

4.7   We recommend that all personal information sent electronically be encrypted and that policies be established to define acceptable transmission methods.
Status – Complete

4.8   The government should continue to monitor the potential implications of the U.S. Patriot Act as it relates to the security and privacy of personal information held by, or on behalf of, the government of Nova Scotia.
Status – Complete

Chapter 6 – Income Assistance and Child Care Centres – Community Services

6.1   We recommend that the Department of Community Services review its processes for issuing licences and examine the costs and benefits of issuing a licence for a full term once a centre is fully compliant with the Act and regulations. The Department should also improve its licensing guidelines and assess the benefits of delegating the administrative responsibility for licensing to the regional offices.
Status – Complete

6.2(1) We recommend that the Department of Community Services develop formal file documentation standards for its child care centre licensing activities. In addition, efficiency of licensing activities should be increased by eliminating duplication of record keeping and more fully utilizing the computerized licensing system. For example, this could be achieved by providing Early Childhood Development Officers with the ability to complete licensing checklists electronically during inspection visits.
Status – Work in progress

6.2(2) We further recommend that the Department review and update its information system controls to prevent a licence from being renewed when there are outstanding compliance violations.
Status – Complete

6.3   We recommend that the Department of Community Services investigate enhancements to the computer system used for licensing child care centre so that timely summary compliance reports are readily available for management use.
Status – Complete

6.4   We recommend the Department of Community Services review and update its Employment Support and Income Assistance policy manual to provide detailed procedures and guidance to assist staff in the interpretation and administration of ESIA legislation and regulations. We further recommend that the Department regularly review and update the policy manual.
Status – Complete

6.5   We recommend the Department of Community Services develop and implement more comprehensive documentation standards for its Employment Support and Income Assistance Program to ensure sufficient and appropriate documentation is maintained to support client eligibility decisions and the amount of assistance provided, and to provide evidence of the monitoring process. In addition, a process should be established to ensure documentation standards are consistently followed.
Status – Complete

6.6   We recommend that the Department of Community Services review its current staff roles, responsibilities and authorities to ensure adequate segregation of incompatible duties and/or appropriate compensating controls are in place and functioning as intended.
Status – Complete

6.7   We recommend that all Department of Community Services district offices have processes to review receipts associated with financial assistance purchase orders. Inappropriate purchases should be addressed with clients. We further recommend the development of guidelines to assist staff in this assessment and to indicate appropriate actions to be taken if acquired items are deemed inappropriate.
Status – Complete

6.8   We recommend the Department of Community Services review its maximum disbursement limit for the Employment Support and Income Assistance Program and assess whether or not such a high limit is required for the efficient operation of the Program. We further recommend that the Department implement controls over the disbursement process, such as disbursement review and approval procedures.
Status – Complete

6.9(1) We recommend that the Department of Community Services implement a training program to ensure staff has the skills needed to identify high risk Employment Support and Income Assistance applicants and circumstances. We further recommend that the Department evaluate the benefits of providing all staff that assess client eligibility with training, resources and tools similar to those used in the Eligibility Review and Early Detection Programs.
Status – Complete

6.9(2) The Department should also review the cost and benefits of the Early Detection Program to determine whether or not the program should be expanded to all regions.
Status – No progress to date but plan to take action

Chapter 7 – Student Assistance – Education

7.1   We recommend that the Student Assistance Division prepare a long-term operational plan for the Student Assistance program.
Status – Complete

7.2   (repeated from 2002 audit) We recommend that the Student Assistance Division prepare an annual operational plan to provide a clear link between the overall Departmental goals and priorities and the more specific goals, priorities, and activities of the Branch and Division. The plan should include measurable performance indicators and targets. The Student Assistance Division should report performance in relation to the plan.
Status – Work in progress

7.3   We recommend that the Student Assistance Division prepare business continuity and disaster recovery plans.
Status – Complete

7.4   (repeated from 2002 audit) We recommend that the Department perform an analysis of risks affecting the Student Assistance program, and implement appropriate preventive and detective controls. The Department should consider either verifying the income of Student Assistance applicants and supporting persons through electronic comparisons with CRA data and/or establishing a formal, comprehensive audit regime.
Status – Work in progress

7.5   We recommend that the Student Assistance Division improve its internal quality control process by implementing risk assessment and internal audit.
Status – Work in progress

7.6   We recommend that the Student Assistance Division establish a formal target for application turnaround time and report achievement.
Status – Work in progress

7.7   We recommend that the Department of Education seek legal advice to determine whether Section 23(1) of the Provincial Finance Act applies to guaranteed student loans in default.
Status – Complete

7.8   (repeated from 2002 audit)   We recommend that the Student Assistance Division continue to improve its electronic edit processes related to interest charges billed by the Bank to the Province.
Status – Do not intend to implement

7.9   (repeated from 2002 audit) We recommend that the Department of Education continue to pursue a Designation Policy for the Student Assistance program.
Status – Work in progress
Chapter 8 – Sport and Recreation Program Area – Office of Health Promotion

8.1   We recommend OHP release annual or biennial progress reports on the implementation of the strategic plan.
Status – Complete

8.2   We recommend that the Sport and Recreation program area establish measurable performance targets for each program. The performance in comparison to targets should be reported to senior management of the program area and OHP.
Status – Complete

8.3   We recommend that government include all grants for recreation facilities in the Estimates process to provide for approval by the House rather than Executive Council.
Status – Complete

8.4   We recommend that government review the funding process for construction of major recreation facilities to ensure adequate accountability, a transparent awards process, and an appropriate policy framework. We also recommend that the timing of distribution of funds be linked to the incurrence of construction costs.
Status – Complete

8.5   We recommend that the Sport and Recreation program area continue to document and formally approve its policies and procedures for the grant process, and that these be made available to all program area staff.
Status – Complete

8.6   We recommend that OHP and financial support staff at DOH develop policies which require analysis of all advance grant payments before they are made to determine (1.) whether the advance is necessary, and (2.) the appropriate fiscal year for recording of the related expenditure in accordance with generally accepted accounting principles.
Status – Complete

8.7   We recommend that OHP and financial support staff at DOH develop policies which require analysis of all unpaid final grant instalments at year end and recording of accounts payable when appropriate according to generally accepted accounting principles.
Status – Complete

8.8   We recommend that the Memorandum of Agreement between the Office of Health Promotion and Sport Nova Scotia include accountability requirements. The Agreement should require Sport Nova Scotia to submit audited financial statements.
Status – Complete

8.9   We recommend the Sport and Recreation program area continue to implement the CIMS system for all grant programs.
Status – Complete

Implementation Status: June 2006 Recommendations

Chapter 2 – Government Financial Reporting – Finance

2.1   We recommend that the revenue estimates included in the budget be prepared and presented in full accordance with generally accepted accounting principles.
Status – Do not intend to implement

2.2   We recommend that the consolidated financial statements be prepared and presented on a basis fully compliant with generally accepted accounting principles.
Status – Complete

Chapter 3 – Government Systems and Controls – Finance

3.1   We recommend that management implement industry-recognized control best practices for SAP applications to address the weaknesses reported.
Status – Work in progress

3.2   We recommend that management implement additional control techniques to remediate the identified weaknesses in the control standards adopted by management.
Status – Complete

3.3   We recommend that management provide information relative to these additional observations to all parties who were provided copies of the Section 5900 Report.
Status – Do not intend to implement

3.4   We recommend management implement controls to address reported weaknesses. Further, and as previously recommended in 2003, this process should include the implementation and regular monitoring of control best practices for all aspects of the SAP applications.
Status – Complete

Chapter 4 – Information Technology and Financial Controls – Community Services

4.1   We recommend the Department formally document signficant policies and procedures relating to the use of information technology within the Department.
Status – Complete

4.2   We recommend the Department review and update its information technology strategic plan to ensure it reflects changes in information technology and continues to meet Department and user needs. We also recommend an annual business or operational plan be prepared for the Information Technology Services section.
Status – Work in progress

4.3   We recommend the Department develop performance outcomes, measures and targets for its Information Technology Services section and assess the performance of the section against these targets on a regular and timely basis.
Status – Complete

4.4   We recommend the Department review user access rights to ensure they are limited to those necessary to effectively fulfill assigned job responsibilities. The Department should also ensure documentation related to access rights changes is completed and submitted to the Information Technology Services section on a timely basis. We further recommend that the Department monitor user activity on critical computer systems.
Status – Complete

4.5   We recommend the Department implement computerized edit checks of electronic funds transfer data and a process to ensure reconciliations occur before the bank makes income assistance payments.
Status – Complete

4.6   We recommend the Department modify its electronic funds transfer systems to set a limit on the size of individual electronic funds transfer payments.
Status – Complete

4.7   We recommend the Department ensure the bank account is fully reconciled. In addition, reconciliations should be reviewed and approved and there should be documented evidence of the review and approval.
Status – Complete

4.8   We recommend the Department formally document all policies and procedures related to its electronic funds transfers.
Status – Complete
4.9   We recommend the Department or government enter into a formal agreement with the bank respecting the control the bank is expected to apply to electronic funds transfer data for income assistance recipients.
Status – Complete

4.10   We recommend the Department examine its information technology purchase approval process and evaluate the necessity of having the current number of approvals.
Status – Do not intend to implement

Chapter 5 – Nova Scotia Research and Innovation Trust – Economic Development

5.1   We recommend that the Office of Economic Development ensure there is adequate accountability to NSRIT and the Province for project funding provided, whether the funds are disbursed by NSRIT or by OED directly. Improved accountability would be achieved by requiring funding recipients to sign agreements with specific requirements regarding use of funds, periodic reporting on project status at least annually, preparation of final project reports to show whether project outcomes were achieved, and review of project files by NSRIT or the Province to ensure compliance with the agreements. NSRIT should provide OED with annual audited financial statements for the Trust and annually report results of projects funded.
Status – Complete

5.2   We recommend that recipients be required to provide proof of project expenses to verify expenses were within NSRIT approved parameters and that all funds received were expended on that project.
Status – Complete

5.3   We recommend that NSRIT develop an investment policy to ensure appropriate management of NSRIT's funds.
Status – Complete

Chapter 6 – Atlantic Provinces Special Education Authority – Education

6.1   We recommend that the Nova Scotia Department of Education pursue changes to both the Handicapped Persons' Education Act and the related inter-provincial agreement to ensure they reflect current APSEA operations.
Status – Work in progress

6.2   We recommend that the APSEA Board improve its governance practices as follows:
-      more frequent Board meetings; and
-      cyclical review of policies to ensure they are current and include important areas such as conflict of interest and a code of conduct.
Status – Work in progress

6.3   We recommend that the Board establish an annual performance evaluation process for the Superintendent which includes an assessment of performance against Board-approved performance targets and goals.
Status – Complete

6.4   We recommend that the Board update the strategic plan for APSEA.
Status – Complete

6.5   We recommend that the role and responsibilities of the Financial Advisory Committee be reviewed and clarified.
Status – Complete

6.6   We recommend Trust Fund Committee members assess their information needs and obtain the required information from management. The APSEA Board should formally consider the current Trust Fund governance structure to determine whether alternate governance arrangements would improve the accountability to donors.
Status – Work in progress

6.7   We recommend that APSEA's legislation be modified to include a requirement to report annually to the House of Assembly.
Status – Action no longer required or appropriate

6.8   We recommend that APSEA management and the Board develop performance indicators and measures which include student outcomes, and establish an annual process for reporting progress.
Status – Work in progress

6.9   We recommend that the BVI program model for reporting student outcomes, currently under development, be adopted where appropriate in other areas of APSEA operations.
Status – Complete

6.10   We recommend that management address the weaknesses in the student information system to ensure that requirements of users are met.
Status – Complete

6.11   We recommend that APSEA management prepare an annual business plan for approval by the Board.
Status – Work in progress

6.12   We recommend that APSEA management submit written support for all key budget assumptions and line items to the Board as part of the budget package.
Status – Complete

6.13   We recommend that Provincial Supervisors approve itinerant teacher travel claims and that a process be established to assess the reasonableness of claims paid.
Status – Complete

6.14   We recommend that APSEA determine its financial and operational information needs and ensure appropriate systems are put in place to meet those needs.
Status – Complete

6.15   We recommend that APSEA conduct a detailed review of its existing service delivery model to examine opportunities for cost savings and more efficient allocation of resources.
Status – Work in progress

Chapter 7 – Conseil scolaire acadien provincial – Education

7.1   We recommend the Conseil implement a formal, documented process for self evaluation.
Status – Complete

7.2   We recommend that CSAP and DOE ensure signed, approved personal services contracts are in place before the employee begins work in the position.
Status – Complete

7.3   (same as Recommendation 8.4)   We recommend that the Department of Education seek Executive Council approval for school board commercial activites as required under Section 64 (A) of the Education Act.
Status – Department of Education – Work in progress

7.4   We recommend that CSAP establish a policy for school-based funds which applies to all schools. This policy should include requirements for appropriate internal controls and monitoring by CSAP's central office.
Status – Work in progress

7.5   We recommend that CSAP require the contractor to provide proof that all contracted drivers have undergone criminal record and child abuse record checks prior to driving. CSAP should also review driver record abstracts for all drivers of contracted buses prior to driving.
Status – Complete

7.6   We recommend that CSAP include the details for acquisition of taxi services in its future contracts for student transportation.
Status – Action no longer required or appropriate

7.7   We recommend that CSAP require the contracted transportation service provider to provide an annual report on operations and copies of all safety-related reports relating to the contracted operations. CSAP should review this information for evidence of compliance with the contract, CSAP policies and legislation.
Status – Work in progress

7.8   We recommend that the DOE, CSAP and RSBs make a concerted effort to consider shared services in order to achieve due regard for economy and efficiency while maintaining the importance of the cultural mandate. CSAP should formally analyze both the cultural factors and costs of sharing versus stand-alone options and attempt to minimize costs when making decisions.
Status – Work in progress

Chapter 8 – Strait Regional School Board – Education

8.1   We recommend that the Board ensure that management regularly reports progress against all goals, priorities and performance measures detailed in the annual educational business plan.
Status – Strait Regional School Board – Complete

8.2   We recommend that important information such as budget assumptions and calculations as well as the link between the business plan and the budget be formally documented and provided to the Board.
Status – Strait Regional School Board – Complete

8.3   We recommend that the Department of Education and RSBs establish salary guidance for all non-union staff at Regional School Boards.
Status – Strait Regional School Board – Complete
Status – Department of Education – Do not intend to implement

8.4   We recommend that the Department of Education seek Executive Council approval for school board commercial activities as required under Section 64 (A) of the Education Act.
Status – Department of Education – Work in progress

8.5   We recommend that annual performance expectations for the Superintendent should be clearly defined and include measurable performance targets.
Status – Strait Regional School Board – Complete

8.6   We recommend that the SRSB update its travel policy to improve documentation supporting expense claims.
Status – Strait Regional School Board – Complete

8.7   We recommend the Board update its policy on performance of child abuse and criminal record checks to clearly state action to be taken if risks are identified.
Status – Strait Regional School Board – Complete

8.8   We recommend that SRSB establish a process to ensure that all required documents supporting the use of private conveyors are received and appropriately reviewed.
Status – Strait Regional School Board – Complete

8.9   We recommend that the Board, in cooperation with DOE and other Regional School Boards, establish a formal process to monitor garage and body shop operations against approved efficiency standards.
Status – Strait Regional School Board – Complete
Status – Department of Education – Do not intend to implement

8.10   We recommend that SRSB develop and implement a policy with respect to fuel storage tanks and ensure current practices comply with legislation.
Status – Strait Regional School Board – Complete

8.11   We recommend that SRSB and DOE continue to investigate opportunities for the purchase of fuel from DTPW facilities.
Status – Strait Regional School Board – Work in progress

8.12   We recommend that SRSB strengthen its procedures for monitoring fuel consumption and use.
Status – Strait Regional School Board – Complete

Chapter 9 – District Health Authorities – Colchester East Hants, Cumberland and Pictou County – Health

9.1   (repeated from June 2004 Report) We recommend that business plans should receive Governor in Council and Department of Health approval prior to commencement of the fiscal year.
Status – Department of Health – No progress to date but plan to take action

9.2   (repeated from 2002 Report) We recommend that the Department of Health establish and implement a funding formula to rationalize funding allocations to DHAs.
Status – Department of Health – Work in progress

9.3   We recommend that CHA and PCHA develop written policies and procedures requiring periodic monitoring and forecasting. We also recommend that CHA and PCHA financial reports be modified to include a comparison between budget for the year and a current forecast of results to year end, and written analysis of variances.
Status – Cumberland – Work in progress
Status – Pictou County – Work in progress

9.4   We recommend that the Finance/Audit Committee for each DHA include at least one professional accountant or person with recognized financial expertise.
Status – Colchester East Hants – Complete
Status – Cumberland – Complete
Status – Pictou County – Complete

9.5   We recommend performance standards be included in the agreements for all shared services. Performance standards and reporting on achievement should also be required for financial services divisions.
Status – Colchester East Hants – Work in progress
Status – Cumberland – Action no longer required or appropriate
Status – Pictou County – Work in progress

9.6   We recommend the DHAs address the recommendations made by the external auditors and the external consultant concerning information systems security.
Status – Colchester East Hants – Complete
Status – Cumberland – Complete
Status – Pictou County – Work in progress

9.7   We recommend that DHAs clarify and strengthen travel policies by requiring:
-       submission of original supporting invoices rather than signed credit card vouchers;
-       identification of the people for whom meals are claimed;
-       review and approval of CEOs' travel expenses by the Chair of the Board; and
-       signature of the claimant on all travel claim forms.
Status – Colchester East Hants – Complete
Status – Cumberland – Complete
Status – Pictou County – Complete

9.8   We recommend compliance with the requirements of the ASH Sector Procurement Policy including competitive processes for all procurements. All exemptions should be appropriately approved and documented.
Status – Colchester East Hants – Complete
Status – Cumberland – Complete
Status – Pictou County – Complete

9.9   We recommend implementation of workload measurement systems for better scheduling of nursing resources. We also recommend improvement in the information systems relating to the summary reporting of causes for overtime.
Status – Colchester East Hants – Work in progress
Status – Cumberland – Work in progress
Status – Pictou County – Work in progress

Chapter 10 – Payments to Physicians – Health

10.1   We recommend that the Department of Health revise its policies for physician alternative funding arrangements to reflect current practice.
Status – Do not intend to implement

10.2   We recommend that all alternative funding agreements be approved as required by Section 59 of the Provincial Finance Act and that the Department of Health retain documentation relating to such approvals.
Status – Complete

10.3   We recommend that the Department of Health proceed with its plans to implement a new framework for alternative funding arrangements. The agreements should include specific deliverables and accountability provisions for measuring whether deliverables have been achieved.
Status – Complete

10.4   (repeated from 2003) We recommend that the Department of Health conduct a detailed analysis of the risks and benefits associated with the payment of claims for expired health cards and that appropriate controls and procedures be implemented.
Status – Work in progress

10.5   We recommend that the Department of Health and Medavie monitor the gap between the number of registered beneficiaries and the Province's population and provide an explanation of variances.
Status – Work in progress

10.6   We recommend that the Department of Health update its provider registration policies and communicate them to Medavie.
Status – Work in progress

Chapter 11 – Sustainable Timber Supply – Natural Resources

11.1   We recommend the Department prepare and issue a state of the forests report as soon as practical. The report should address progress relating to the purposes noted in the Forests Act.
Status – Complete

11.2   We recommend the Department include long-term comparative and trend information in its proposed state of the forest report and/or on its website.
Status – Complete

11.3   We recommend the Department regularly report on progress toward significant sustainable forestry goals and objectives.
Status – Complete

11.4   We recommend the Department prepare and publicly report formal responses to significant studies performed on its behalf, indicating whether recommendations are accepted or rejected. Further, progress in implementing accepted recommendations should be reported.
Status – Complete

11.5   We recommend the Department regularly report progress towards each of its significant integrated resource management goals and objectives.
Status – No progress to date but plan to take action

11.6   We recommend the Department establish performance measures relating to sustainable forestry on both private and crown land, and report progress towards forest sustainability on a regular basis.
Status – Work in progress

11.7   We recommend the Department check all silviculture claims for mathematical accuracy.
Status – Complete

11.8   We recommend that the Department analyze activity in its special funds, project future fund cash flows, and advise the Department of Finance to invest the funds accordingly.
Status – Complete

11.9   We recommend the Department annually report balances and financial activity in the special funds its administers.
Status – No progress to date but plan to take action

11.10 We recommend the Department monitor harvesters' stumpage remittances to ensure they are received on a timely basis.
Status – Complete

Implementation Status: December 2006 Recommendations

Chapter 2 – Government Financial Reporting – Finance

2.1   We recommend that government complete a detailed analysis of the appropriate accounting treatment for the WCB, and ensure full compliance with GAAP in the 2006-07 and future financial statements.
Status – Complete

2.2   We recommend that the Provincial Finance Act be amended to eliminate the existing inconsistency related to additional appropriations and steps be taken to ensure all actions taken by government are in compliance with the requirements of the Act.
Status – Complete

2.3   We recommend that Treasury and Policy Board and the Department of Finance work with the Office of the Auditor General to clarify the boundaries, both in substance and form, of the access to information allowed under the Auditor General Act.
Status – Complete

Chapter 3 – Audit of HR Application Controls in SAP R/3 System – Public Service Commission

3.1   We recommend that management implement appropriate controls to resolve the reported weaknesses in HR application controls in the SAP R/3 system.
Status – Work in progress

Chapter 4 – Review of Systems to Collect Wait Time Information – Department of Health and District Health Authorities

4.1   We recommend that the use of all OPIS fields be standardized.
Status – Department of Health – Complete

4.2   We recommend that the reporting capabilities of OPIS be communicated to all those responsible for preparation of wait time reports which use the system for source data.
Status – Department of Health – Complete

4.3   We recommend that the reporting of wait times for referrals to radiation cancer specialists reflect more comprehensive information such as the cumulative distributions by type of cancer.
Status – Department of Health – Work in progress

4.4   We recommend that the Department of Health modify the definition of MRI wait times used on the website to ensure it is consistent with the information calculated and provided by the District Health Authorities.
Status – Department of Health – Complete

4.5   We recommend that the Department of Health's website disclosure of the wait time for MRIs reflect more comprehensive information such as the specific wait times for major types of MRI examinations rather than just a single data point such as the average for all types.
Status – Department of Health – No progress to date but plan to take action

4.6   We recommend that the Department of Health continue to monitor submission dates for physician claims to ensure that the quarterly data downloaded from the MSI billing system is substantially complete for purposes of the specific wait time calculation.
Status – Department of Health – Complete

4.7   We recommend that, to the extent possible, the physician billing system and related billing codes be modified to increase the accuracy and efficiency of wait time calculations.
Status – Department of Health – Action no longer required or appropriate

4.8   We recommend that the Department of Health consider building the requirement for wait time information and reports into automated systems.
Status – Department of Health – Work in progress

4.9   We recommend implementation of a formal quality control process for wait time data at both the District Health Authorities where the reports originate and the Department of Health.
Status – DHAs – Action no longer required or appropriate
Status – Department of Health – Work in progress

4.10   We recommend that the Department of Health formally document policy guidance for how each wait time is to be calculated.
Status – Department of Health – Complete

4.11   We recommend that all District Health Authorities retain, for at least one year, the support for all wait times reported to the Department of Health.
Status – DHAs – Action no longer required or appropriate
Status – Department of Health – Complete

4.12   We recommend the Department of Health develop a centrally stored user manual explaining the process and logic for each automated wait time calculation.
Status – Department of Health – Complete

4.13   We recommend that all programming changes related to electronic wait time information be subject to appropriate testing and review. In addition, we recommend that the code be locked as read only between iterations.
Status – Department of Health – Other

Chapter 5 – Correctional Services – Justice

5.1   We recommend Correctional Services develop, implement and report performance measures, indicators and targets for all key programs and services to enable an assessment of the efficiency and effectiveness of the Division.
Status – Work in progress

5.2   We recommend Correctional Services clearly define, assign and communicate staff roles and responsibilities for performance information and reporting.
Status – Complete

5.3   We recommend Correctional Services modify its policies and procedures to include a requirement for formal, documented review and approval of pre-sentence reports. We further recommend that a scheduling and tracking system be implemented to ensure reports are prepared and submitted to the courts in accordance with policy.
Status – Complete

5.4   We recommend Correctional Services develop and implement controls to ensure compliance with policies and procedures related to community-based sentences.
Status – Complete

5.5   We recommend Correctional Services complete its update of intermittent sentence policies and procedures on a timely basis. We further recommend Correctional Services develop and implement controls to ensure compliance with intermittent sentence policies and procedures.
Status – Complete

5.6   We recommend Correctional Services develop controls to ensure there is appropriate compliance with its conditional release policies and procedures, and adequate documentation is maintained to support compliance. We further recommend that policies and procedures be updated to address all types of conditional releases and staff authorities.
Status – Complete

Chapter 6 – Planning and Management of Highway Projects – Transportation

6.1   We recommend that processes be established for the review and updating of long-range and shorter-term highway plans on a timely basis to provide for use of current information in the prioritization of road projects.
Status – Work in progress

6.2   We recommend the Department establish criteria for determining which repaving projects should undergo a rehabilitation review and have such projects reviewed prior to tendering to ensure the most appropriate and economical rehabilitation measures are used.
Status – Complete

6.3   We recommend that the Department work toward fully implementing the bridge management system on a timely basis. In addition, the Department should adequately address similar information needs for its management of pavement.
Status – Work in progress

6.4   We recommend that the Department work toward fully implementing the highway capital management information system on a timely basis.
Status – Complete

6.5   We recommend that the Department reestablish its project reviews as a means of providing assurance that management of highway projects is consistent throughout the Province and in accordance with the Department's policies. Further, the reviews should ensure complete and consistent file documentation is maintained for highway projects.
Status – Complete

Implementation Status: 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 – Complete
Status – Capital District Health Authority – Complete

2.3   We recommend that CDHA and CBDHA actively monitor manufactors' 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 – Work in progress
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 – Work in progress
Status – Cape Breton District Health Authority – Work in progress
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 – Health

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 – Complete

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

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 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 – Justice

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 – Complete

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 – Complete

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 – Complete

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 – Complete

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 – Complete

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 – Complete

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 – Complete

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 – Complete

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 – Complete

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

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

Chapter 6 – Regional Housing Authorities – Community Services

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

Implementation Status: February 2008 Recommendations

Chapter 2 – Education: South Shore Regional School Board

2.1 SSRSB should ensure compliance with the Governor in Council Public Passenger Motor Carrier Act Regulations or obtain Board approval where routes do not comply.
Status – Work in progress

2.2 SSRSB should assess the risk of not completing criminal record and child abuse registry checks on employees hired prior to implementation of the Board policy and take corrective action as required. SSRSB should assess the appropriate frequency of record checks subsequent to hiring and update employees' checks accordingly. The Board should also provide management with guidance on required actions when issues are identified.
Status – Complete

2.3 SSRSB should ensure bus drivers have valid first aid/CPR certificates and school bus evacuation drills are completed as required.
Status – Complete

2.4 SSRSB should complete preventive maintenance inspections on schedule.
Status – Complete

2.5 SSRSB should comply with the Commercial Vehicle Maintenance Standards Regulations requirements.
Status – Complete

2.6   SSRSB should comply with all requirements of the Fire Safety Act including conducting and documenting the required system of inspections, and addressing deficiencies identified in a timely manner.
Status – Complete

2.7   The Compliance and Training Officer should document school inspection procedures and results to help ensure compliance with the Fire Safety Act. Deficiencies noted should be followed up to ensure corrective action has been taken.
Status – Complete

2.8   SSRSB should ensure full compliance with the CSA standard for children's play spaces and equipment as planned.
Status – Complete

2.9   SSRSB should establish a process to prioritize and track deferred maintenance projects. The prioritization process should include an assessment of risk to the health and safety of students.
Status – Complete

2.10   The Board should implement a formal risk management process.
Status – Work in progress

2.11   The Board should define and communicate all of its regular information needs to senior management.
Status – Complete

2.12   The Board should perform an annual self-evaluation of its effectiveness.
Status – Complete

2.13   The Board should define measurable performance targets for the annual performance of the Superintendent.
Status – Complete

2.14   The Board should require management regularly report progress against all goals, priorities and performance measures detailed in the annual business plan. As well, the Board should report complete performance information.
Status – Complete

2.15   The Board should ensure personal service contracts are submitted for approval to the Minister of Education in a timely manner.
Status – Complete

2.16   SSRSB should develop a formal maintenance program for school property with regular status reporting.
Status – Work in progress

2.17   Board should revise its procurement policy to provide clear guidance on the use of alternative procurement practices. SSRSB should also ensure all aspects of the procurement policy are followed.
Status – Work in progress

2.18   SSRSB should strengthen controls over fuel inventory through monitoring fuel usage and reconciling month-end inventory levels with purchases and usage information.
Status – Complete

Chapter 3 – Environment and Labour: Environmental Monitoring and Compliance

3.1   The Division should ensure that proof of ownership or right to use a site and all other documents are obtained, required financial security is in place, and all requirements are met before an approval is issued.
Status – Complete

3.2   The Division should establish procedures to obtain objective evidence to validate the accuracy of monitoring reports received from approval holders.
Status – Planning stage

3.3   The Division should ensure risk assessments are completed and inspections carried out as frequently as required. Further, the Division should completely document inspections, including obtaining signatures or providing an explanation why they were not obtained.
Status – Complete

3.4   The Division should implement the quality assurance process across all its compliance programs as soon as possible.
Status – Work in progress

3.5   District management should monitor the work of the inspectors to ensure they follow up on noncompliance in a timely manner and use appropriate enforcement measures.
Status – Complete

3.6   Management should ensure that information entered into the complaints tracking systems is complete and accurate and that policies and procedures for handling complaints are followed.
Status – Complete

3.7   The Division should ensure compliance activities and other data are consistently and accurately captured in the information management system.
Status – Complete

Chapter 4 – Health Promotion and Protection: Communicable Disease Prevention and Control

4.1   The Department of Health Promotion and Protection should draft new legislation to clearly identify the mandate, authorities and accountabilities for the public health system.
Status – Planning stage

4.2   The Department of Health Promotion and Protection should identify and define the accountability relationships necessary to deliver public health in Nova Scotia. These relationships should be formalized, including direct reporting from the District Health Authorities to the Department of Health Promotion and Protection.
Status – Work in progress

4.3   The Department of Health Promotion and Protection should develop a strategic plan, including key targets and goals for the Department.
Status – Complete

4.4   The Department of Health Promotion and Protection should prepare a plan to address vacancies.
Status – Work in progress

4.5   The Department of Health Promotion and Protection should implement an electronic immunization registry for Nova Scotia.
Status – Work in progress

4.6   The Department of Health Promotion and Protection should develop a solution to ensure all immunization information is reported to public health on a timely basis.
Status – Planning stage

4.7   The Department of Health Promotion and Protection should develop and implement a consistent, province-wide immunization record retention policy.
Status – Work in progress

4.8   The Department of Health Promotion and Protection should update its outbreak planning to provide an adequate framework to respond to outbreaks.
Status – Work in progress

4.9   The Department of Health Promotion and Protection should take a leadership role to ensure all required reports are prepared following outbreaks.
Status – Complete

4.10   The Department of Health Promotion and Protection should review recommendations from all outbreak reports and update related outbreak management policies as necessary.
Status – Complete

4.11   The Department of Health Promotion and Protection should ensure adequate information is maintained to allow the Department to formally evaluate its response to an outbreak.
Status – Complete

4.12   The Department of Health Promotion and Protection should prepare appropriate vaccine protocols that are consistent with national guidelines established by the Public Health Agency of Canada.
Status – Complete

4.13   The Department of Health Promotion and Protection should develop standard requirements for storage, handling and distribution of vaccines. These requirements should be communicated to district health authorities and physician offices.
Status – Complete

4.14   The Department of Health Promotion and Protection should use temperature-monitoring devices when shipping vaccines requiring refrigeration.
Status – Complete

4.15   The Department of Health Promotion and Protection should monitor vaccine distribution, storage and usage processes throughout the public health system.
Status – Complete

4.16   The Department of Health Promotion and Protection should formalize the process to allocate vaccines in a shortage or crisis situation.
Status – Complete

4.17   The Department of Health Promotion and Protection should clearly define, assign, and communicate roles and responsibilities for performance information and reporting.
Status – Complete

4.18   The Department of Health Promotion and Protection should develop and report performance measures and targets for key aspects of its operations.
Status – Complete

4.19   The Department of Health Promotion and Protection should provide an annual report to the House of Assembly in accordance with Health Protection Act requirements.
Status – Work in progress

Chapter 5 – Government-wide: Governance of Information Technology Operations

5.1   Treasury and Policy Board should create an IT governance framework, based on a generally recognized framework such as COBIT, to plan, direct and control IT in government.
Status – Complete

5.2(1) In preparing an IT governance framework, Treasury and Policy Board should establish a strategic planning process to guide the development of a corporate IT strategic plan.
Status – Complete

5.2(2) Additionally, Corporate Service Units should be required to prepare their own IT strategic plans with direct linkage to the corporate IT strategic plan. This should be based on the principles expressed in COBIT or a similar authoritative framework.
Status – Planning stage

5.3   In preparing an IT governance framework, Treasury and Policy Board should develop and implement a policy and process ensuring value delivery for major IT projects. This should be based on the principles expressed in COBIT or a similar authoritative framework and should include determining value measurement standards, developing systems and procedures for obtaining value measures, assigning responsibility for assessing value delivery and taking remedial measures to resolve value deficiencies.
Status – Planning stage

5.4   In preparing an IT governance framework, Treasury and Policy Board should develop and implement risk management policies and processes specific to IT. This should include a standard planning template for new projects, as well as an overall methodology for managing risks for all aspects of IT, such as provided in COBIT or a similar authoritative framework.
Status – Work in progress

5.5   In preparing an IT governance framework, Treasury and Policy Board should establish an appropriate governance structure to manage IT resources. This should be based on the principles expressed in COBIT or a similar authoritative framework.
Status – Planning stage

5.6   In preparing an IT governance framework, Treasury and Policy Board should establish an appropriate governance structure to manage IT performance. This should be based on the principles expressed in COBIT or a similar authoritative framework.
Status – Planning stage

Chapter 6 – Government Financial Reporting

6.1   The Government Accounting Division should ensure that all but trivial known and possible errors identified during the audit be corrected.
Status – Complete

6.2   The Division should ensure that adjustments to the general ledger be made as part of the year-end financial statement preparation process only, and not subsequently. In addition, the ability to post these entries should be limited to selected senior individuals.
Status – Complete

6.3   Management should obtain an independent audit opinion on the governance and control framework of the Investments, Liability Management and Treasury Services and Capital Markets Administration Divisions. This should be conducted by a private sector firm.
Status – Do not intend to implement

6.4   Department of Finance management should ensure that the Provincial Finance Act is amended to eliminate the existing inconsistency with respect to additional appropriations. Management should also ensure the Act is clarified regarding its applicability to certain entities with respect to the process to write off recorded amounts.
Status – Complete

Implementation Status: November 2008 Recommendations

Chapter 2 – Government-Wide: Payments to Vendors

2.1   The identified instances of incompatible access privileges should be investigated to determine if all or some are necessary. If they are necessary, compensating controls should be put in place to mitigate the higher risk these situations cause.
Status – Work in progress

2.2 The government's SAP Customer Competency Centre should perform periodic analysis to identify where incompatible system access privileges have been assigned to government employees so that these situations can be reviewed for necessity, and compensating controls implemented where appropriate.
Status – Work in progress

2.3 CSU's should not process payments without evidence of proper departmental approval.
Status – Complete

2.4 CSU's should verify the mathematical accuracy of documents supporting payments if there is a risk of errors occurring in the documentation. CSU employees should provide evidence of this process by signing or initialing the documents checked.
Status – Complete

2.5 Payments should not be processed by CSU's without all required posting and payment information being recorded by departments on the supporting documentation.
Status – Complete

2.6 Payment transactions should be checked by CSU's to ensure they were processed and posted correctly.
Status – Complete

2.7 Payments should not be processed by CSU's unless all relevant supporting documentation is provided.
Status – Complete

2.8 The balancing of electronic payments to bank records should be performed and documented by the Government Accounting Division of the Department of Finance before payments are made.
Status – Complete

2.9 The Department of Finance should implement lower or multiple levels of electronic payment limits to prevent a very large, unauthorized electronic payment from being processed.
Status – Do not intend to implement

2.10 The Department of Community Services should provide Government Accounting with a listing of all employees authorized to approve income assistance payments and ensure that the listing is promptly updated when changes occur.
Status – Do not intend to implement

2.11   Government Accounting should not create or change vendor master file records unless the request is fully supported by required documentation.
Status – Complete

2.12   CSU's should ensure there is sufficient information presented with journal vouchers to identify any related transactions.
Status – Complete

2.13   The Department of Finance should oversee a project to document and communicate responsibility for internal control throughout government, as well as to have all significant control systems in government documented. Once documented, control systems should be analyzed for weakness, deficiencies corrected, and a system to periodically monitor compliance with government control standards should be implemented.
Status – Work in progress
Chapter 3 – Government-Wide: Internal Audit

3.1   An entity with audit oversight responsibility should assess the extent of internal audit activity within the government reporting entity. The assessment should identify the gaps between what is currently provided by existing internal audit and the audit needs of the government reporting entity. The results of the assessment should be used to develop a plan to address deficiencies, including an implementation schedule.
Status – Internal Audit Centre – Do not intend to implement

3.2   Senior management of the Internal Audit Centre should prepare IAC's audit plan based on an enterprise-wide audit risk analysis, and considering consultation with deputy ministers. The results of this consultative and evaluative process should be documented. The Audit Committee should formally approve the plan.
Status – Internal Audit Centre – Complete

3.3   The Internal Audit Charter should be periodically reviewed, and updated as needed, by the Audit Committee. The Charter should be formally approved by the Audit Committee.
Status – Internal Audit Centre – Complete

3.4   The scope, nature and quality of internal audit activity throughout core government should be evaluated by an entity responsible for audit oversight. The results should be used to determine whether departments are receiving sufficient and appropriate internal audit services, and a plan should be developed to address the deficiencies.
Status – Internal Audit Centre – Complete

3.5   The IAC should ensure it obtains an external assessment of its activities in the timeframe required by IIA Standards.
Status – Internal Audit Centre – Complete

3.6   The Finance and Audit Committee of the College should approve the annual audit plan.
Status – Nova Scotia Community College – Complete

3.7   The Internal Audit Charter should be approved by the Finance and Audit Committee of the College.
Status – Nova Scotia Community College – Complete

3.8   The policy and procedure manual should be revised by the College to indicate how the internal audit function will evaluate its results and improve its performance. An external assessment to ensure compliance with IIA Standards should be performed.
Status – Nova Scotia Community College – Work in progress

3.9   The Internal Audit Charter should be revised by the College to remove discretion in the reporting of audit results by the Director of Internal Audit to the Finance and Audit Committee.
Status – Nova Scotia Community College – Complete

3.10   The Corporation's Internal Audit Charter and the Terms of Reference for the Audit Committee should be revised to indicate the Committee is to approve the audit plan.
Status – Nova Scotia Liquor Corporation – Complete

3.11   The Internal Audit Charter should be reviewed by the Corporation and updated to ensure it complies with IIA Standards. The Charter should be approved by the Audit Committee.
Status – Nova Scotia Liquor Corporation – Complete

3.12   The Finance Management manual should be revised by the Corporation to indicate how the internal audit function will evaluate its results and improve its performance. An external assessment to ensure compliance with IIA Standards should be performed.
Status – Nova Scotia Liquor Corporation – Work in progress

Chapter 4 – Health: Home Care

4.1   The home care program should not be devolved to the DHAs/IWK until an action plan has been prepared to address the recommendations made in this chapter and prior audits by our Office.
Status – Complete

4.2   The Department of Health, in partnership with Executive Council, should update and consolidate the Coordinated Home Care Act and Homemaker's Services Act.
Status – No progress to date but plan to take action

4.3   The Department of Health should review arrangements for the acquisition of nursing and home support services. The Department should comply with the Province of Nova Scotia Procurement Policy and either subject these services to a competitive process or seek required approval for an exemption.
Status – Work in progress

4.4   The Department of Health should sign contracts with all home care service providers. Contracts should include key provisions such as adherence to standards, audit access for the Auditor General, dispute resolution mechanisms or termination clauses, and performance reporting requirements.
Status – Work in progress

4.5   The Department of Health should develop a formal, written policy regarding the treatment of surpluses and deficits by service providers. This policy should be included in any contracts negotiated with service providers.
Status – Work in progress

4.6   All service providers should be required to submit similar monthly reports.
Status – Work in progress

4.7   The Department of Health should have written agreements with service providers stating how costs are to be allocated between DOH and other clients, and requiring an audited statement of allocated costs.
Status – Work in progress

4.8   The Department should prepare an overall status report on progress towards implementing the continuing care strategy.
Status – Work in progress

4.9   The Department should identify the future demand for home care services and determine the level of various home care staff required to provide these services.
Status – No progress to date but plan to take action

4.10   The Continuing Care Division should either obtain or develop, and monitor province-wide wait time reports.
Status – Work in progress

4.11   The Department should revise the hiring practice requirements service providers must follow. Appropriate processes should be developed to monitor these requirements.
Status – Work in progress

4.12   The Department should require service providers to complete criminal record checks on all successful job applicants. The Department should work with the service providers to assess the risk of not completing periodic record checks subsequent to hiring and use the results of the risk assessment to determine the frequency of rechecks.
Status – Work in progress

4.13   The Continuing Care Division should update and consolidate all home care policies and procedures into one document. This document should distinguish between guidelines and required policies.
Status – Work in progress

4.14   The Department should update documents detailing standards of care service providers must follow.
Status – Work in progress

4.15   The Department of Health should formally document the policy detailing when professional judgment may be substituted for priority assessment tool completion or response time standards. The reasons for any deviations from the priority assessment tool should be documented in the client's file.
Status – Work in progress

4.16   A signed client consent form should be obtained from clients when they are initially approved for service.
Status – Complete

4.17   The Department should record the service start date for new clients in SEAscape. Reasons for any delay in service start dates should be documented.
Status – Work in progress

4.18   The Department and service providers should define what records must be maintained by service providers to document services provided to home care clients.
Status – Work in progress

4.19   The Continuing Care Division should implement a quality assurance process to ensure appropriate assessment decisions are made, policies and procedures followed, and appropriately documented.
Status – Work in progress

4.20   The Department of Health should maintain a centralized record of complaints received and their disposition.
Status – Work in progress

4.21 The Department of Health should develop written policies concerning the complaints process for home care clients to ensure complaints are appropriately resolved. The role of the Department and its service providers in complaint investigation and resolution should be clearly documented.
Status – Work in progress

4.22 The Department should implement a formal appeals process regarding decisions made in the investigation of complaints.
Status – Work in progress

4.23 Senior management of the Division should ensure the proposed statistical and performance reports from SEAscape are appropriate for their needs and implement necessary changes so these reports can be generated.
Status – Work in progress

4.24 The Department should develop a system to generate and monitor quality indicators using either the existing assessment tool, or another method.
Status – Complete

4.25 The Department should develop additional performance indicators, with established targets, to measure all aspects of the home care program.
Status – Work in progress

4.26 The Department of Health should update guidelines for time required to complete home care services. This update should include a review of whether it is feasible to establish such guidelines for nursing care delivered to home care clients.
Status – Work in progress

4.27 The Department of Health should move forward with a system to allow effective reporting of actual hours of service by home care service providers.
Status – No progress to date but plan to take action

4.28 The Department of Health should review and improve the inspection process by developing an audit plan, assessing the objectives, risks and resources required for these audits, providing guidelines for the number of client and personnel files to be examined; requiring documentation be examined for completeness, and require an examination as to whether services provided were appropriate.
Status – Work in progress

Chapter 5 – Labour and Workforce Development: Pension Regulations

5.1   The Pension Regulation Division should periodically validate information on annual information returns to supporting, external documentation.
Status – Work in progress

5.2   The Pension Regulation Division should implement a process to periodically verify that pension plan assets are prudently invested. The Division should also verify assets are invested in accordance with legislation and the plan statement of investment policies and procedures.
Status – Do not intend to implement

5.3   Pension Benefit Act regulations should be amended to provide penalties for late actuarial valuation reports.
Status – Work in progress

5.4   The Superintendent's annual report should be released to the public within six months of fiscal year-end.
Status – Complete

5.5   Performance measures should be developed related to the Division's supervision of defined contribution plans.
Status – Complete

Chapter 6 – Nova Scotia Utility and Review Board: Public Passenger Vehicle Safety

6.1   The Division should assess its operational information needs for inspection and enforcement activities and make the implementation of a new management information system a priority.
Status – Work in progress

6.2   The Division should establish a process to identify, track and analyze public passenger vehicle accidents and take corrective action where required.
Status – Work in progress

6.3   The Division should develop a comprehensive process for documenting and reporting on its performance which includes measures of the effectiveness of its activities.
Status – Work in progress

6.4   The Division should carry out a formal, facilitated risk assessment of its operations. An action plan to address recommendations from the assessment should be developed and carried out.
Status – Planning stage

6.5   The Division should establish regularly scheduled maintenance and recalibration of its brake meters, in accordance with the recommendations of the brake meter manufacturer.
Status – Complete

6.6   The Division should establish formal enforcement criteria and guidelines to assist inspectors in their enforcement activities. Procedures should be established to ensure the criteria are followed.
Status – Work in progress

6.7   The Division should establish a formal complaint tracking and monitoring system.
Status – Work in progress

Chapter 7 – Government Financial Reporting

7.1   The Department of Finance should ensure the Provincial budget includes all revenues of the consolidated entity in order to comply with Canadian generally accepted accounting principles.
Status – Do not intend to implement

7.2   Revenues from offshore forfeitures should be estimated by the Department of Energy and included in the revenue estimates of the Province.
Status – Do not intend to implement

7.3   The Department of Finance should take the necessary steps to ensure it is provided with the appropriate authority for completion of the revenue estimates.
Status – Complete

7.4   Management should ensure internal controls within government are clearly documented and effectively communicated.
Status – Work in progress

7.5   Management should ensure roles and responsibilities for the design, implementation, operation and maintenance of internal controls are formally assigned.
Status – Work in progress

7.6   The Department of Finance should obtain an independent audit opinion on the governance and control framework of the Liability Management and Treasury Services, and Capital Markets Administration divisions. This should be conducted by a private sector firm.
Status – Do not intend to implement

7.7   The Government Accounting Division should analyze inactive financial asset and liability accounts to ensure they should be maintained in the general ledger. Accounts which do not meet the definition of a financial asset or liability should be removed and the result recognized in operations.
Status – Work in progress

7.8   The Government Accounting Division should ensure the general ledger accounts related to Sydney Steel Corporation are revised to reflect the results of Sysco as a consolidated entity.
Status – Complete

7.9   The Government Accounting Division should ensure all but trivial known and possible errors identified during the audit are corrected.
Status – Work in progress

7.10   Department of Finance management in conjunction with Executive Council, should ensure the Provincial Finance Act is amended to eliminate the existing inconsistency with respect to additional appropriations.
Status – Complete