



March 2019

**Report of the Auditor General
to the Nova Scotia
House of Assembly**



**Follow-up of
2015 and 2016
Recommendations**

Independence • Integrity • Impact



March 26, 2019

Honourable Kevin Murphy
Speaker
House of Assembly
Province of Nova Scotia

Dear Sir:

I have the honour to submit herewith my Report to the House of Assembly under Section 18(2) of the Auditor General Act, to be laid before the House in accordance with Section 18(4) of the Auditor General Act.

Respectfully,

MICHAEL A. PICKUP, FCPA, FCA

Auditor General of Nova Scotia

5161 George Street

Royal Centre, Suite 400

Halifax, NS B3J 1M7

Telephone: (902) 424-5907

Fax: (902) 424-4350

Website: <http://www.oag-ns.ca>

: @OAG_NS

<https://www.facebook.com/Office-of-the-Auditor-General-of-Nova-Scotia-434965506899059/>



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Chapter 1

Follow-up of 2015 and 2016 Recommendations

Overall Results

- 87% of 2015 recommendations completed
- 46% of 2016 recommendations completed
- Nine organizations had completion rates over 80%
- Rates at seven organizations are less than 60%

Why we follow up recommendations

- Risks remain when government does not complete recommendations they committed to
- Our recommendations to promote better government have been agreed to
- This report is a tool for the Public Accounts Committee, the House of Assembly, and the public to hold government accountable

113 recommendations across 18 organizations – 71% complete



Completion Rate	80% to 100% Complete 9 Organizations	Recommendations Completed
100%	Executive Council Office	3
	Finance and Treasury Board	2
	Housing Nova Scotia	1
	Justice	1
	Municipal Affairs	8
	Nova Scotia Gaming Corporation	1
	Transportation and Infrastructure Renewal	1
88%	Internal Services	14 of 16
86%	Labour and Advanced Education	6 of 7

Completion Rate	60% to 79% Complete 2 Organizations	Recommendations Completed
78%	Fisheries and Aquaculture	7 of 9
73%	Education and Early Childhood Development	19 of 26

Completion Rate	Less than 60% Complete 7 Organizations	Recommendations Completed
56%	Health and Wellness	9 of 16
50%	Conseil scolaire acadien provincial	1 of 2
	Emergency Management Office	2 of 4
	Nova Scotia Health Authority	2 of 4
33%	Lands and Forestry	3 of 9
0%	Community Services	0 of 2
	Office of Aboriginal Affairs	0 of 1

Total		80 of 113
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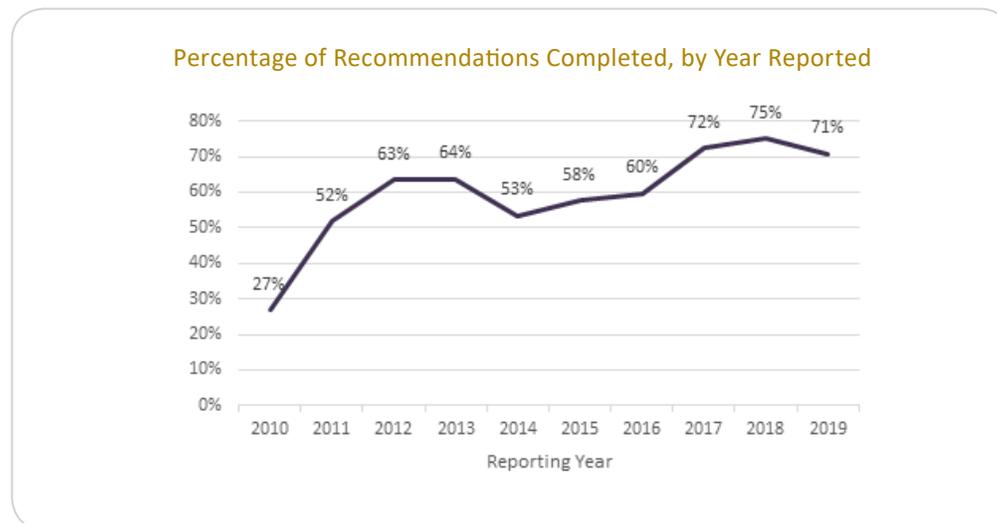
1 Follow-up of 2015 and 2016 Recommendations

Significant Observations

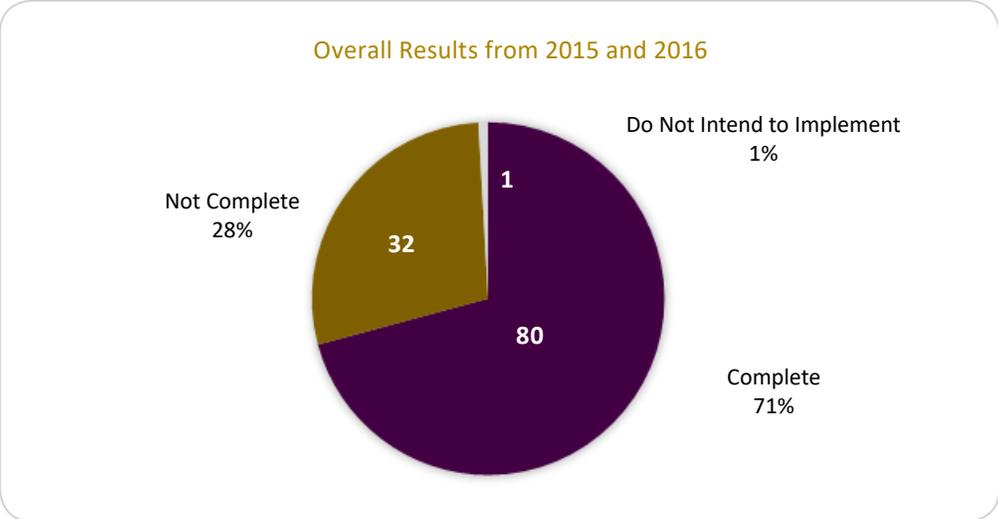
- 1.1 Our Office conducts audits to provide practical and constructive advice to improve government performance. We follow up on government's implementation of our audit recommendations after two years. A description of our engagement and overall conclusion are provided in Appendix IV.

➡ Overall, 71 percent of recommendations completed

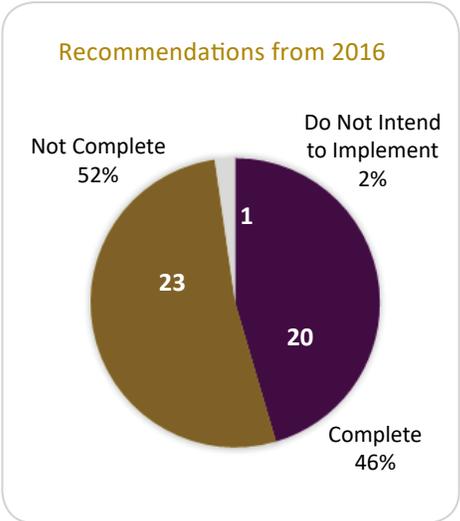
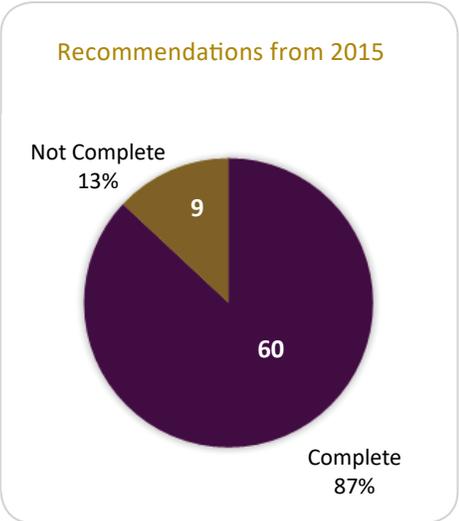
- 1.2 This year's overall completion rate of 71 percent is a decrease from 75 percent last year.



- 1.3 We encourage government, audit committees, and others responsible for oversight to continue addressing our audit recommendations. Key factors that can help to increase completion rates include:
 - communicating that addressing our audit recommendations is important
 - establishing clear objectives and accountability at an appropriate level within the organization
 - developing action plans and tracking progress



1.4 We generally expect it is reasonable for organizations to complete at least 80 percent of our recommendations after two years. Government agreed to our recommendations and made a commitment to complete them. For the 2016 reports, the overall completion rate is 46 percent, which is far below the expected two-year rate. For the 2015 reports, the overall completion rate is 87 percent after three years. Recommendations not complete leave organizations exposed to known risks. We discuss completion rates by organization in the paragraphs below.



Nine organizations had completion rates over 80 percent

1.5 The analysis in Appendix I shows how well the 18 organizations we audited completed our recommendations. Nine had completion rates above 80 percent, including seven at 100 percent.



Completion Rate	80% to 100% Complete 9 Organizations	Recommendations Completed
100%	Executive Council Office	3
	Finance and Treasury Board	2
	Housing Nova Scotia	1
	Justice	1
	Municipal Affairs	8
	Nova Scotia Gaming Corporation	1
	Transportation and Infrastructure Renewal	1
88%	Internal Services	14 of 16
86%	Labour and Advanced Education	6 of 7

➔ **Two organizations had completion rates between 60 percent and 79 percent**

Completion Rate	60% to 79% Complete 2 Organizations	Recommendations Completed
78%	Fisheries and Aquaculture	7 of 9
73%	Education and Early Childhood Development	19 of 26

- 1.6 We encourage these organizations to continue working toward completion. Completing the outstanding recommendations will help improve performance of these organizations and reduce their exposure to known risks.

➔ **Seven organizations had completion rates less than 60 percent**

Completion Rate	Less than 60% Complete 7 Organizations	Recommendations Completed
56%	Health and Wellness	9 of 16
50%	Conseil scolaire acadien provincial	1 of 2
	Emergency Management Office	2 of 4
	Nova Scotia Health Authority	2 of 4
33%	Lands and Forestry	3 of 9
0%	Community Services	0 of 2
	Office of Aboriginal Affairs	0 of 1

- 1.7 Government agreed to our recommendations and made a commitment to complete them. We encourage them to address our recommendations in a timely manner.
- 1.8 We provide additional information in the following paragraphs for the seven organizations which had completion rates lower than 60 percent.
- 1.9 **Department of Lands and Forestry**, formerly known as Department of Natural Resources, has an overall completion rate of 33 percent for two audits.



The Department completed 75 percent (three of four) of the recommendations from our 2015 audit of forest management and protection. The overall low completion rate is a result of zero percent (zero of five) of the recommendations having been completed from our 2016 audit of species at risk.

1.10 The following recommendations from our 2016 species at risk audit have not been completed. The Department of Lands and Forestry needs to

- establish recovery teams, and develop and review recovery and management plans for species at risk, as required under the Endangered Species Act
- implement a process for communicating with recovery teams, including the method of communication and response time. Natural Resources management should tell teams how they plan to address the concerns teams identify or why changes will not be made
- review all species listed in the Endangered Species Regulations and amend or develop appropriate practices, as guided by recovery plans, to protect their habitat
- create a comprehensive monitoring program for all species at risk and ensure monitoring activities are clearly communicated and completed as planned
- establish detailed action plans with measurable outcomes to implement its biodiversity strategy. Plans should specify what needs to be done, when, and expected results

1.11 By not completing these recommendations, there is a risk that endangered species are not being properly monitored and preserved. We encourage the Department of Lands and Forestry to work towards the completion of the recommendations.

1.12 **Emergency Management Office** has an overall completion rate of 50 percent for two audits. The Emergency Management Office completed their only recommendation from our 2015 audit of business continuity management. The low overall rate resulted from completing 33 percent (one of three) of the recommendations from our 2016 audit of critical infrastructure.

1.13 The Emergency Management Office has not yet completed recommendations to

- develop and execute a strategy for implementing the National Strategy and Action Plan for Critical Infrastructure in the province
- ensure all critical infrastructure owned by the Province is identified and have documented all-hazards risk assessments which consider interdependencies on other critical infrastructure and mitigation strategies



- 1.14 By not completing these recommendations, there is a risk that the Emergency Management Office is not adequately identifying and mitigating risks to critical infrastructure within the province.
- 1.15 **Nova Scotia Health Authority** has an overall completion rate of 50 percent, having completed 50 percent (two of four) of the recommendations from our 2016 audit of management of Nova Scotia's hospital system capacity.
- 1.16 The recommendations were addressed to both the Department of Health and Wellness and the Nova Scotia Health Authority. The Health Authority has not yet completed recommendations to
- tell Nova Scotians what they should expect from their health care system. This includes determining and communicating which services will be delivered in hospital and in other locations, and what level of service to expect in communities across the province
 - quickly determine how services at the VG site can be effectively provided through new or existing sites by preparing a detailed plan for how and where services will be offered and communicating this to Nova Scotians
- 1.17 **Department of Health and Wellness** has an overall completion rate of 56 percent for four audits. The Department completed 80 percent (four of five) of the recommendations from our 2015 audit of responsible gambling and their only recommendation from our 2015 audit of procurement and management of professional services contracts. The overall rate was a result of low completion rates on two audits. The Department completed 25 percent (one of four) of the recommendations from our 2016 audit of management of Nova Scotia's hospital capacity and 50 percent (three of six) of the recommendations from our 2016 audit of homes for special care.
- 1.18 In addition to the two recommendations from our 2016 audit of management of Nova Scotia's hospital system capacity discussed earlier with the Nova Scotia Health Authority's recommendations, the Department of Health and Wellness has not yet completed the recommendation to
- review hospitals located close to each other to assess whether this is the most efficient and effective approach to providing health care for Nova Scotians
- 1.19 The Department of Health and Wellness and the Nova Scotia Health Authority should work together to complete these recommendations to ensure Nova Scotians know what to expect from their health care system.



- 1.20 From our 2016 audit of homes for special care, the Department of Health and Wellness has not yet completed recommendations to
- have a management information system to efficiently and effectively manage its responsibilities for licensing and inspections of homes for special care
 - establish clear responsibilities and accountability for service provider performance and related reporting requirements and ensure these activities are carried out
 - work with Department of Community Services, and complete their planned projects related to future demand for services and establish an ongoing process for monitoring and evaluating long-term sustainability of funding for homes for special care
- 1.21 There is a risk that by not completing these recommendations, the Department of Health and Wellness may not be adequately monitoring and managing homes for special care.
- 1.22 **Department of Community Services** has an overall completion rate of zero percent, having completed none of the two recommendations from our 2016 audit of homes for special care. In addition to the recommendation discussed earlier with the Department of Health and Wellness' recommendations, Community Services has not completed the recommendation to
- sign agreements with all service providers which clearly establish performance expectations and reporting requirements
- 1.23 There is a risk that by not completing these recommendations, the Department of Community Services may not be monitoring service providers' performance and long-term sustainability of funding for homes for special care.
- 1.24 **Office of Aboriginal Affairs** has an overall completion rate of zero percent, having not completed the one recommendation from our 2015 audit of responsible gambling. The Office has not completed the recommendation to
- work with First Nations Bands to see the objectives of responsible gambling are reflected in the operation of First Nations gambling venues. In addition, the negotiation of the new First Nations gaming agreements should include all relevant provincial government stakeholders and clearly outline a process to monitor compliance with agreement terms and conditions. This should include clarifying the role of Service Nova Scotia's Alcohol and Gambling Division in monitoring compliance with provincial gambling laws on First Nations reserves



- 1.25 There is a risk that by not completing this recommendation, the objectives of responsible gambling may not be reflected in First Nations gambling venues.
- 1.26 **Conseil scolaire acadien provincial** has an overall completion rate of 50 percent, having completed one of two recommendations from our 2015 audit of business continuity management. Conseil scolaire acadien provincial has not completed the recommendation to
- develop comprehensive business continuity management programs. These programs, and documented plans within them, should be evaluated and tested on a periodic basis
- 1.27 There is a risk that by not completing this recommendation, Conseil scolaire acadien provincial may not be prepared in the event of a prolonged service disruption.

 **Government accepted all but one of our 2015 and 2016 recommendations**

- 1.28 Government accepted all but one recommendation issued in our 2015 and 2016 audit reports. The Department of Education and Early Childhood Development did not agree with one recommendation from the 2016 audit of school capital planning.
- 1.29 At the time of the audit, the Department of Education and Early Childhood Development did not agree with our recommendation to review the decision to build a new high school in Eastern Passage and its impact on the surrounding schools. The Department did not complete a review and the new high school opened in September 2018.

 **Continued public reporting may improve accountability**

- 1.30 Our Office does not regularly report on recommendations after we complete two years of follow up. This year is the last time we will regularly report on the organizations that have not yet completed nine recommendations (13%) from our 2015 audits. We encourage all organizations with recommendations not complete to continue to publicly report on their progress in completing them. Regular public reporting will assist the Public Accounts Committee, the House of Assembly, and the public to hold government accountable for the timely completion of our recommendations.



Appendix I

Summary of Recommendations by Organization, by Report

Organization	Report	Complete	Not Complete	Do Not Intend to Implement	Total
Community Services	June 2016 – Chapter 1: Homes for Special Care: Identification and Management of Health and Safety Risks	0	2 100%	0	2
Conseil scolaire acadien provincial	November 2015 – Chapter 3: Business Continuity Management	1 50%	1 50%	0	2
Education and Early Childhood Development	November 2015 – Chapter 2: Regional School Board Governance and Oversight	9 90%	1 10%	0	10
	November 2015 – Chapter 3: Business Continuity Management	3 100%	0	0	3
	November 2016 – Chapter 1: Licensed Child Care	5 63%	3 37%	0	8
	November 2016 – Chapter 2: School Capital Planning	2 40%	2 40%	1 20%	5
Emergency Management Office	November 2015 – Chapter 3: Business Continuity Management	1 100%	0	0	1
	November 2016 – Chapter 4: Critical Infrastructure Resiliency	1 33%	2 67%	0	3
Executive Council Office	November 2015 – Chapter 3: Business Continuity Management	2 100%	0	0	2
	November 2016 – Chapter 4: Critical Infrastructure Resiliency	1 100%	0	0	1
Finance and Treasury Board	January 2015 – Bluenose II Restoration Project	2 100%	0	0	2
Fisheries and Aquaculture	June 2015 – Chapter 3: Aquaculture Monitoring	7 78%	2 22%	0	9
Health and Wellness	June 2015 – Chapter 4: Procurement and Management of Professional Services Contracts	1 100%	0	0	1
	June 2015 – Chapter 5: Responsible Gambling and the Prevention and Treatment of Problem Gambling	4 80%	1 20%	0	5
	June 2016 – Chapter 1: Homes for Special Care: Identification and Management of Health and Safety Risks	3 50%	3 50%	0	6
	June 2016 – Chapter 2: Management of Nova Scotia's Hospital System Capacity	1 25%	3 75%	0	4
Housing Nova Scotia	November 2015 – Chapter 3: Business Continuity Management	1 100%	0	0	1



Summary of Recommendations by Organization, by Report (continued)

Organization	Report	Complete	Not Complete	Do Not Intend to Implement	Total
Internal Services	June 2015 – Chapter 4: Procurement and Management of Professional Services Contracts	8 89%	1 11%	0	9
	November 2015 – Chapter 3: Business Continuity Management	1 100%	0	0	1
	November 2016 – Chapter 3: AMANDA Case Management and Compliance System	5 83%	1 17%	0	6
Justice	November 2015 – Chapter 3: Business Continuity Management	1 100%	0	0	1
Labour and Advanced Education	November 2015 – Chapter 4: Funding to Universities	6 86%	1 14%	0	7
Lands and Forestry	November 2015 – Chapter 6: Forest Management and Protection	3 75%	1 25%	0	4
	June 2016 – Chapter 3: Species at Risk: Management of Conservation and Recovery	0	5 100%	0	5
Municipal Affairs	November 2015 – Chapter 5: Monitoring and Funding Municipalities	8 100%	0	0	8
Nova Scotia Gaming Corporation	June 2015 – Chapter 5: Responsible Gambling and the Prevention and Treatment of Problem Gambling	1 100%	0	0	1
Nova Scotia Health Authority	June 2016 – Chapter 2: Management of Nova Scotia's Hospital System Capacity	2 50%	2 50%	0	4
Office of Aboriginal Affairs	June 2015 – Chapter 5: Responsible Gambling and the Prevention and Treatment of Problem Gambling	0	1 100%	0	1
Transportation and Infrastructure Renewal	June 2015 – Chapter 4: Procurement and Management of Professional Services Contracts	1 100%	0	0	1
Total Recommendations		80 71%	32 28%	1 1%	113 100%



Appendix II

Summary of Recommendations by Report

January 2015	Complete	Not Complete	Do Not Intend to Implement	Total
Bluenose II Restoration Project	2	0	0	2
Total	2 100%	0 0%	0 0%	2 100%

June 2015	Complete	Not Complete	Do Not Intend to Implement	Total
Chapter 3: Aquaculture Monitoring	7	2	0	9
Chapter 4: Procurement and Management of Professional Services Contracts	10	1	0	11
Chapter 5: Responsible Gambling and the Prevention and Treatment of Problem Gambling	5	2	0	7
Total	22 81%	5 19%	0 0%	27 100%

November 2015	Complete	Not Complete	Do Not Intend to Implement	Total
Chapter 2: Regional School Board Governance and Oversight	9	1	0	10
Chapter 3: Business Continuity Management	10	1	0	11
Chapter 4: Funding to Universities	6	1	0	7
Chapter 5: Monitoring and Funding Municipalities	8	0	0	8
Chapter 6: Forest Management and Protection	3	1	0	4
Total	36 90%	4 10%	0 0%	40 100%

June 2016	Complete	Not Complete	Do Not Intend to Implement	Total
Chapter 1: Homes for Special Care: Identification and Management of Health and Safety Risks	3	5	0	8
Chapter 2: Management of Nova Scotia's Hospital System Capacity	3	5	0	8
Chapter 3: Species at Risk: Management of Conservation and Recovery	0	5	0	5
Total	6 29%	15 71%	0 0%	21 100%



Summary of Recommendations by Report (continued)

November 2016	Complete	Not Complete	Do Not Intend to Implement	Total
Chapter 1: Licensed Child Care	5	3	0	8
Chapter 2: School Capital Planning	2	2	1	5
Chapter 3: AMANDA Case Management and Compliance System	5	1	0	6
Chapter 4: Critical Infrastructure Resiliency	2	2	0	4
Total	14	8	1	23
	61%	35%	4%	100%

Total Recommendations from 2015 and 2016	80	32	1	113
	71%	28%	1%	100%



Implementation Status by Recommendation

January 2015 Bluenose II Restoration Project		
Recommendation	Organization	Status
1.1 Finance and Treasury Board should assign responsibility for all significant construction projects to a government department with the necessary expertise to oversee them.	Finance and Treasury Board	Complete
1.2 Finance and Treasury Board should put in place a mandatory approach to managing significant projects in government. This should include strong project management practices with essentials such as: outlining goals and risks, timelines for project budgets and schedules, assigning responsibility for key decisions, and project oversight.		Complete

June 2015 Chapter 3: Aquaculture Monitoring		
Recommendation	Organization	Status
3.1 The Department of Fisheries and Aquaculture should determine why application process delays are occurring and correct them. The Department should establish and monitor processing target time frames.	Fisheries and Aquaculture	Complete
3.2 The Department of Fisheries and Aquaculture should examine its information systems to ensure information collected is readily available to management and staff and integrated with other activities.		Complete
3.3 The Department of Fisheries and Aquaculture should develop and implement detailed written guidelines for assessing aquaculture applications, including the requirement for staff to fully document their decisions.		Complete
3.4 The Department of Fisheries and Aquaculture should follow up as necessary and document that all network partner consultations have occurred, all necessary comments to applicants have been communicated, and all renewal plan information received, to fully support its aquaculture application decisions.		Complete
3.5 The Department of Fisheries and Aquaculture should develop guidance and methods for ensuring operator compliance with environmental monitoring program requirements and determining when files should be transferred to the Department of Environment for enforcement action.		Complete



Implementation Status by Recommendation (continued)

June 2015		
Chapter 3: Aquaculture Monitoring		
Recommendation	Organization	Status
3.6 The Department of Fisheries and Aquaculture should establish specific procedures and guidelines for conducting audits under the environmental monitoring program, including time frames, documentation, and communication of results.	Fisheries and Aquaculture	Complete
3.7 The Department of Fisheries and Aquaculture should establish appropriate processes to record and investigate complaints, including response time frames.		Complete
3.8 The Department of Fisheries and Aquaculture should determine which fish diseases it needs to monitor and establish an appropriate reporting process to obtain the information from aquaculture operators.		Not Complete
3.9 The Department of Fisheries and Aquaculture should develop and implement policies and procedures respecting the various aspects of the fish health program, including any regulatory requirements.		Not Complete

June 2015		
Chapter 4: Procurement and Management of Professional Services Contracts		
Recommendation	Organization	Status
4.1 Departments should establish processes to ensure appropriate approvals for expenses are functioning properly. To verify this, Procurement Services (division of the Department of Internal Services) should address appropriate approvals through its procurement monitoring.	Health and Wellness	Complete
	Internal Services	Complete
	Transportation and Infrastructure Renewal	Complete
4.2 Procurement Services (division of the Department of Internal Services) should obtain detailed information on the types of professional services procured and use that information to identify possible cost savings.	Internal Services	Complete
4.3 The Department of Internal Services should complete a comprehensive risk assessment of government procurement processes and implement a risk-based approach to compliance testing, follow up deficiencies, and take action when issues are identified.		Complete
4.4 Procurement Services (division of the Department of Internal Services) should establish and report on performance targets related to the effectiveness of its procurement processes.		Complete



Implementation Status by Recommendation (continued)

June 2015		
Chapter 4: Procurement and Management of Professional Services Contracts		
Recommendation	Organization	Status
4.5 Procurement Services (division of Department of Internal Services) should require vendor evaluations be completed at the end of contracts and this information should be available as a resource for future procurement decisions.	Internal Services	Not Complete
4.6 Procurement Services (division of Department of Internal Services) should establish processes, such as educating departments, to reduce the risk that professional services contracts are signed and dated prior to the service start date and test to verify compliance.		Complete
4.7 Procurement Services (division of Department of Internal Services) should require government departments to sign project-specific contracts with standing offer service providers.		Complete
4.8 Procurement Services (division of Department of Internal Services) should implement standard contract terms covering key clauses for larger and smaller projects. The Division should also guide departments in selecting the appropriate template.		Complete
4.9 The Department of Internal Services should determine whether certain contractors may be considered employees by Canada Revenue Agency and obtain legal advice. Additionally, Procurement Services should work with the Public Service Commission, Finance, Treasury Board, and Justice to review the risk of employee-employer relationships across government and take action if needed.		Complete

June 2015		
Chapter 5: Responsible Gambling and the Prevention and Treatment of Problem Gambling		
Recommendation	Organization	Status
5.1 The Department of Health and Wellness should approve and implement its addictions standards and determine whether gambling-specific standards should be included in the concurrent disorders standards. Processes should also be developed and implemented to monitor gambling prevention and treatment work at health authorities, including measuring compliance with all standards.	Health and Wellness	Complete
5.2 The Department of Health and Wellness should obtain accurate and current gambling prevalence rates for both youths and adults and use this information to guide and evaluate gambling prevention and treatment work.		Complete



Implementation Status by Recommendation (continued)

June 2015		
Chapter 5: Responsible Gambling and the Prevention and Treatment of Problem Gambling		
Recommendation	Organization	Status
5.3 The Department of Health and Wellness should ensure the gambling support network is meeting the needs of Nova Scotians. This should include monitoring the service provider to ensure callers are getting the help they need and the Department is receiving the services it is paying for.	Health and Wellness	Complete
5.4 The Nova Scotia Provincial Lotteries and Casino Corporation should determine appropriate targets for its responsible gambling programming and establish strategies to achieve these targets.	Nova Scotia Gaming Corporation	Complete
5.5 The Department of Health and Wellness should establish goals to determine if gambling prevention and treatment efforts are effectively reducing the number of Nova Scotians experiencing gambling harms, including those receiving treatment through the Gambling Support Network. The Department should evaluate progress against goals on an annual basis.	Health and Wellness	Not Complete
5.6 The Department of Health and Wellness should work with the health authorities to determine why so few people experiencing gambling harms are accessing treatment services. The results of this work should be used to develop strategies for improvement.		Complete
5.7 The province should work with First Nations Bands to see the objectives of responsible gambling are reflected in the operation of First Nations gambling venues. In addition, the negotiation of the new First Nations gaming agreements should include all relevant provincial government stakeholders and clearly outline a process to monitor compliance with agreement terms and conditions. This should include clarifying the role of Service Nova Scotia's Alcohol and Gambling Division in monitoring compliance with provincial gambling laws on First Nations reserves.	Office of Aboriginal Affairs	Not Complete

November 2015		
Chapter 2: Regional School Board Governance and Oversight		
Recommendation	Organization	Status
2.1 The Department of Education and Early Childhood Development should establish performance standards for school boards to monitor and evaluate student educational achievement.	Education and Early Childhood Development	Complete



Implementation Status by Recommendation (continued)

November 2015		
Chapter 2: Regional School Board Governance and Oversight		
Recommendation	Organization	Status
2.2 The Department of Education and Early Childhood Development should clearly define and communicate responsibilities of board management, governing boards, and the Department (including regional education officers).	Education and Early Childhood Development	Complete
2.3 The Department of Education and Early Childhood Development should establish clear direction on when school board management cannot provide information to governing boards. This should include defining the time period when information will be embargoed, ensuring that period is as short as possible, and considering whether it would be appropriate to share the information in-camera with governing boards when it is released to management.		Complete
2.4 Management at Chignecto-Central and Strait Regional School Boards should require annual reporting to include data sufficient to identify how schools are progressing against goals.		Complete
2.5 Management at Chignecto-Central, Halifax and Strait Regional School Boards should ensure sufficient data is collected to assess student progress in both numeracy and literacy.		Not Complete
2.6 The governing boards of the Chignecto-Central, Halifax and Strait Regional School Boards should ensure they receive and review reports on student progress including reports on provincial, board or school-based assessment results, and students on individual program plans.		Complete
2.7 The governing boards of Chignecto-Central, Halifax and Strait Regional School Boards should require management to provide appropriate information to allow the boards to understand whether goals outlined in the continuous school improvement process have been achieved.		Complete
2.8 The governing boards of Chignecto-Central, Halifax and Strait Regional School Boards should obtain and review information on whether teacher and principal evaluations are completed according to board policy, including summary results; and whether staff development needs are met.		Complete
2.9 The governing boards of Chignecto-Central, Halifax and Strait Regional School Boards should complete annual self-assessments to measure performance against all key areas of responsibility, including those identified in the Education Act.		Complete



Implementation Status by Recommendation (continued)

November 2015		
Chapter 2: Regional School Board Governance and Oversight		
Recommendation	Organization	Status
2.10 The governing boards of Chignecto-Central and Halifax Regional School Boards should ensure the superintendent evaluation process includes all key areas of responsibility, including those identified in the Education Act.	Education and Early Childhood Development	Complete

November 2015		
Chapter 3: Business Continuity Management		
Recommendation	Organization	Status
3.1 The government should assign responsibility for government-wide business continuity management to a single entity. This entity should prioritize government programs and services and efficiently allocate resources.	Executive Council Office	Complete
3.2 The Department of Internal Services should complete its business continuity management program templates for use by departments and entities of the provincial government.	Internal Services	Complete
3.3 The government should assign responsibility for evaluating departmental business continuity management program documents to a single entity.	Executive Council Office	Complete
3.4 The Correctional Services Division of the Department of Justice should ensure correctional facilities have current, completed business continuity management program documents.	Justice	Complete
3.5 Housing Nova Scotia should ensure housing offices have complete business continuity management programs.	Housing Nova Scotia	Complete
3.6 Conseil scolaire acadien provincial and the Halifax Regional School Board should develop comprehensive business continuity management programs. These programs, and documented plans within them, should be evaluated and tested on a periodic basis.	Conseil scolaire acadien provincial	Not Complete
	Education and Early Childhood Development	Complete
3.7 Conseil scolaire acadien provincial and the Halifax Regional School Board should ensure that schools are conducting all required emergency drills.	Conseil scolaire acadien provincial	Complete
	Education and Early Childhood Development	Complete
3.8 The Department of Education and Early Childhood Development should ensure that school boards are ensuring schools conduct all required emergency drills.	Education and Early Childhood Development	Complete
3.9 The Emergency Management Office should update its business continuity program and documents to reflect best practices.	Emergency Management Office	Complete



Implementation Status by Recommendation (continued)

November 2015		
Chapter 4: Funding to Universities		
Recommendation	Organization	Status
4.1 The Department of Labour and Advanced Education, in consultation with stakeholders, should put in place a strategic direction for Nova Scotia's university system which addresses its sustainability concerns.	Labour and Advanced Education	Complete
4.2 The Department of Labour and Advanced Education should put in place specific, measurable, achievable, relevant, and time-bound goals for improvements in efficiency and financial sustainability of the university system.		Complete
4.3 The Department of Labour and Advanced Education should, in consultation with partners, develop financial health and performance measures for universities. Results and trends should be analyzed in an effective and timely manner, with appropriate action taken when necessary.		Complete
4.4 The Department of Labour and Advanced Education should include reporting requirements in special-purpose funding agreements. Monitoring should be completed to ensure the objectives of these agreements are met.		Complete
4.5 The Department of Labour and Advanced Education should develop and implement a new funding allocation method without further delay.		Not Complete
4.6 The Department of Labour and Advanced Education should establish reasonable expectations for future memorandum of understanding working groups and ensure goals are specific, measurable, attainable, realistic, and time-bound.		Complete
4.7 The Department of Labour and Advanced Education should identify specific outcomes, including timeframes and reporting processes, in future agreements with universities.		Complete

November 2015		
Chapter 5: Monitoring and Funding Municipalities		
Recommendation	Organization	Status
5.1 The Department of Municipal Affairs should monitor municipalities' financial information in a timely manner and publish relevant municipal financial reports and indicators promptly.	Municipal Affairs	Complete
5.2 The Department of Municipal Affairs should develop processes to monitor negative financial indicators and follow up with municipalities to determine underlying causes and verify that action plans are developed.		Complete



Implementation Status by Recommendation (continued)

November 2015		
Chapter 5: Monitoring and Funding Municipalities		
Recommendation	Organization	Status
5.3 The Department of Municipal Affairs should document meetings, discussions and issues in the municipal files to support advice provided and actions taken and for future decision making.	Municipal Affairs	Complete
5.4 The Department of Municipal Affairs should follow up with municipalities that exceed their thresholds for uncollected taxes and monitor that the municipalities are taking reasonable measures to collect unpaid amounts in compliance with legislation.		Complete
5.5 The Department of Municipal Affairs should use relevant and timely financial information to make decisions about municipal borrowing approvals.		Complete
5.6 The Department of Municipal Affairs should determine a municipality's ability to finance a project within the useful life of the asset prior to borrowing approval.		Complete
5.7 The Department of Municipal Affairs should review the status of temporary borrowing approvals annually to ensure they have been renewed or transferred to long-term borrowing, as required.		Complete
5.8 The Department of Municipal Affairs should follow program guidelines for the funding application and claims processes. The guidelines should be updated to address project funding for work not completed within the funding year.		Complete

November 2015		
Chapter 6: Forest Management and Protection		
Recommendation	Organization	Status
6.1 The Department of Natural Resources should establish performance measures to accurately conclude on the status of action item implementation.	Lands and Forestry	Not Complete
6.2 The Department of Natural Resources should report the status of all 21 action items including the original wording for each.		Complete
6.3 The Department of Natural Resources should complete a comprehensive assessment of the risks associated with harvesting and licensing operations and design monitoring processes to adequately address identified risks.		Complete
6.4 The Department of Natural Resources should implement a process to ensure Crown land silviculture has been completed to Departmental requirements.		Complete



Implementation Status by Recommendation (continued)

June 2016		
Chapter 1: Homes for Special Care: Identification and Management of Health and Safety Risks		
Recommendation	Organization	Status
1.1 The Department of Health and Wellness should have a management information system to efficiently and effectively manage its responsibilities for licensing and inspections of homes for special care.	Health and Wellness	Not Complete
1.2 The Department of Health and Wellness should establish a licensing and inspection quality review process that includes written guidance on frequency, information to be reviewed, and documentation of completion.		Complete
1.3 The Department of Community Services should sign agreements with all service providers which clearly establish performance expectations and reporting requirements.	Community Services	Not Complete
1.4 The Department of Health and Wellness should establish clear responsibilities and accountability for service provider performance and related reporting requirements and ensure these activities are carried out.	Health and Wellness	Not Complete
1.5 The Department of Health and Wellness should complete and implement its new checklist and policies and procedures on inspection and enforcement processes.		Complete
1.6 The Department of Health and Wellness should follow up in a timely manner to make sure more serious deficiencies at homes for special care have been corrected. This could be done by obtaining information to show that deficiencies were fixed and may not require another visit to the home shortly after the inspection.		Complete
1.7 The Department of Health and Wellness and the Department of Community Services should complete their planned projects related to future demand for services and establish an ongoing process for monitoring and evaluating long-term sustainability of funding for homes for special care.	Health and Wellness	Not Complete
	Community Services	Not Complete

June 2016		
Chapter 2: Management of Nova Scotia's Hospital System Capacity		
Recommendation	Organization	Status
2.1 The Department of Health and Wellness and the Nova Scotia Health Authority should tell Nova Scotians what they should expect from their health care system. This includes determining and communicating which services will be delivered in hospital and in other locations, and what level of service to expect in communities across the province.	Health and Wellness	Not Complete
	Nova Scotia Health Authority	Not Complete



Implementation Status by Recommendation (continued)

June 2016		
Chapter 2: Management of Nova Scotia's Hospital System Capacity		
Recommendation	Organization	Status
2.2 The Department of Health and Wellness and the Nova Scotia Health Authority should review hospitals located close to each other to assess whether this is the most efficient and effective approach to providing health care for Nova Scotians.	Health and Wellness	Not Complete
	Nova Scotia Health Authority	Complete
2.3 The Department of Health and Wellness and the Nova Scotia Health Authority should quickly determine how services at the VG site can be effectively provided through new or existing sites by preparing a detailed plan for how and where services will be offered and communicating this to Nova Scotians.	Health and Wellness	Not Complete
	Nova Scotia Health Authority	Not Complete
2.4 The Department of Health and Wellness and the Nova Scotia Health Authority should work with their partner agencies or departments to determine the most effective and efficient means to provide care to mental health patients and adult protection clients.	Health and Wellness	Complete
	Nova Scotia Health Authority	Complete

June 2016		
Chapter 3: Species at Risk: Management of Conservation and Recovery		
Recommendation	Organization	Status
3.1 The Department of Natural Resources should establish recovery teams, and develop and review recovery and management plans for species at risk, as required under the Endangered Species Act.	Lands and Forestry	Not Complete
3.2 The Department of Natural Resources should implement a process for communicating with recovery teams, including the method of communication and response time. Natural Resources management should tell teams how they plan to address the concerns teams identify or why changes will not be made.		Not Complete
3.3 The Department of Natural Resources should review all species listed in the Endangered Species Regulations and amend or develop appropriate practices, as guided by recovery plans, to protect their habitat.		Not Complete
3.4 The Department of Natural Resources should create a comprehensive monitoring program for all species at risk and ensure monitoring activities are clearly communicated and completed as planned.		Not Complete
3.5 The Department of Natural Resources should establish detailed action plans with measurable outcomes to implement its biodiversity strategy. Plans should specify what needs to be done, when, and expected results.		Not Complete



Implementation Status by Recommendation (continued)

November 2016		
Chapter 1: Licensed Child Care		
Recommendation	Organization	Status
1.1 The Department of Education and Early Childhood Development should clarify its policy on higher-priority violations, including defining direct contact with children.	Education and Early Childhood Development	Complete
1.2 The Department of Education and Early Childhood Development should develop and implement a quality assurance process to review inspectors' work.		Complete
1.3 The Department of Education and Early Childhood Development should update and follow its licensed family home day care inspection policy. This should include mechanisms for the Department to verify the inspection information reported by family home day care agencies.		Not Complete
1.4 The Department of Education and Early Childhood Development should develop and implement a policy outlining how complaints against child care providers and agencies are to be investigated.		Complete
1.5 The Department of Education and Early Childhood Development should develop relevant performance measures to assess the effectiveness of its affordability and accessibility initiatives.		Complete
1.6 The Department of Education and Early Childhood Development should use project management structures to plan, oversee the work, and monitor results of the Affordable, Quality Child Care: A Great Place to Grow action plan. Work plans should be detailed and specify what needs to be done, when, and expected results.		Complete
1.7 The Department of Education and Early Childhood Development should review its policy for determining the status of subsidy claimants and conduct status reviews as required.		Not Complete
1.8 The Department of Education and Early Childhood Development should implement review processes to help verify grant and subsidy claims.		Not Complete



Implementation Status by Recommendation (continued)

November 2016		
Chapter 2: School Capital Planning		
Recommendation	Organization	Status
2.1 The Department of Education and Early Childhood Development should work with school boards to have a coordinated and comprehensive long-term capital plan for schools considering all relevant factors.	Education and Early Childhood Development	Complete
2.2 The Department of Education and Early Childhood Development should work with Department of Finance and Treasury Board to develop a school-specific form for tangible capital asset requests which captures the relevant information needed for analysis.		Not Complete
2.3 The Department of Education and Early Childhood Development should review the decision to build a new high school in Eastern Passage and its impact on the surrounding schools.		Do Not Intend to Implement
2.4 The Department of Education and Early Childhood Development should establish and follow a consistent and clear process for evaluating capital project requests to support long-term capital planning. All new school and renovation projects should follow this process.		Not Complete
2.5 The Department of Education and Early Childhood Development should immediately develop and implement a process to assess future P3 decisions that provides sufficient time for all parties to make decisions and incorporates a full assessment of factors including: <ul style="list-style-type: none"> • the cost of operating and maintaining schools; • projected enrollment in the school area to assess the length of time a school will be needed; and, • actual future lease rates provided by the developer 		Complete

November 2016		
Chapter 3: AMANDA Case Management and Compliance System		
Recommendation	Organization	Status
3.1 The Department of Internal Services should apply security configuration standards for AMANDA and its related infrastructure to protect the confidentiality, integrity, and availability of information. Configuration standards should include: <ul style="list-style-type: none"> • password standards • Linux operating system configuration standards • Oracle database configuration standards 	Internal Services	Not Complete



Implementation Status by Recommendation (continued)

November 2016		
Chapter 3: AMANDA Case Management and Compliance System		
Recommendation	Organization	Status
3.2 The Department of Internal Services should develop and communicate a policy requiring departments to periodically assess their employees' AMANDA access permissions.	Internal Services	Complete
3.3 The Department of Internal Services should better manage the Unisys contract to ensure it meets program needs and should reassess the contract terms before the 2018 renewal to ensure they meet the requirements of the Province.		Complete
3.4 The Department of Internal Services should assess the value for money of AMANDA before the June 2018 Unisys contract-end date.		Complete
3.5 The Department of Internal Services should develop and use a process to prioritize department change requests.		Complete
3.6 The Department of Internal Services should develop and use a process to periodically obtain and assess feedback from client departments on whether AMANDA and related services meet their needs.		Complete

November 2016		
Chapter 4: Critical Infrastructure Resiliency		
Recommendation	Organization	Status
4.1 Executive Council should clearly define if the Emergency Management Office is responsible for establishing a critical infrastructure program, and if not, assign responsibility to another department.	Executive Council Office	Complete
4.2 The Emergency Management Office should develop and execute a strategy for implementing the National Strategy and Action Plan for Critical Infrastructure in the province.	Emergency Management Office	Not Complete
4.3 The Emergency Management Office should identify critical infrastructure owners and operators having an impact on the Province, ensuring all ten sectors are addressed.		Complete
4.4 The Emergency Management Office should ensure all critical infrastructure owned by the Province is identified and have documented all-hazards risk assessments which consider interdependencies on other critical infrastructure and mitigation strategies.		Not Complete



Appendix IV

Limited Assurance Attestation Engagement Description and Conclusion

In February 2019, we completed an independent limited assurance attestation engagement on the status of certain audit recommendations included in the 2015 and 2016 Reports of the Auditor General. Our objective was to provide limited assurance, as of October 19, 2018, on those recommendations assessed as complete, do not intend to implement, or action no longer required, to determine if government's assessment was free from material misstatement. We did not perform any procedures, and provide no assurance, on recommendations noted in this report as not complete.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Government organizations (departments, agencies, and boards) are responsible for assessing their status of implementing recommendations of the Auditor General. For recommendations they assessed as complete, we substantiated the assessment through interviews and examination of documentation. We evaluated the implementation status using criteria based on whether the supporting information provided by the organization addressed the audit recommendation (see Appendix III), and whether the information was relevant, complete, reliable, neutral, and understandable. Our work was based on qualitative characteristics of information as described in the CPA Canada Handbook.

For a recommendation assessed as do not intend to implement or action no longer required, we focused on the reasons why government chose not to implement the recommendation or why management believes it is no longer applicable. If the rationale appeared reasonable, we removed the recommendation from our statistics and will not conduct further follow-up work on it.

We conducted our work in accordance with the Canadian Standard for Assurance Engagements (CSAE) 3000 – Attestation Engagements Other than Audits or Reviews of Historical Financial Information set out by the Chartered Professional Accountants of Canada; and Sections 18 and 21 of the Auditor General Act. We obtained sufficient and appropriate evidence on which to base our conclusion on February 25, 2019, in Halifax, Nova Scotia.

We apply Canadian Standard on Quality Control 1 and, accordingly, maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

In conducting our work, we complied with the independence and other ethical requirements of the Code of Professional Conduct of Chartered Professional Accountants of Nova Scotia and Nova Scotia's Code of Conduct for Public Servants.

Conclusion on complete recommendations – Based on the limited assurance procedures performed and evidence obtained, no matters have come to our attention to cause us to believe the status of the recommendations reported as complete have been materially misstated. Additional information provided in this report is not intended to take away from our overall conclusion.

• • • **Office of the Auditor General** • • •

5161 George Street, Royal Centre, Suite 400

Halifax, Nova Scotia

B3J 1M7

www.oag-ns.ca

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