Report of the Auditor General
to the Nova Scotia
House of Assembly
April 2016

Follow-up of 2012 and 2013 Recommendations

Independence • Integrity • Impact

April 20, 2016

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, CPA, CA

Auditor General of Nova Scotia

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Office of the Auditor General

Our Vision

A relevant, valued and independent audit office serving the public interest as the House of Assembly's primary source of assurance on government performance.

Our Mission

To make a significant contribution to enhanced accountability and performance in the provincial public sector.

Our Priorities

Conduct and report audits that provide information to the House of Assembly to assist it in holding government accountable.

Focus our audit efforts on areas of higher risk that impact on the lives of Nova Scotians.

Contribute to a better performing public service with practical recommendations for significant improvements.

Encourage continual improvement in financial reporting by government.

Promote excellence and a professional and supportive workplace at the Office of the Auditor General.

Who We Are and What We Do

The Auditor General is an independent nonpartisan officer of the Legislature, appointed by the House of Assembly for a ten-year term. He or she is responsible to the House for providing independent and objective assessments of the operations of government, the use of public funds, and the integrity of financial reports. The Auditor General helps the House to hold the government to account for its use and stewardship of public funds.

The Auditor General Act establishes the Auditor General's mandate, responsibilities and powers. The Act provides his or her Office with a modern performance audit mandate to examine entities, processes and programs for economy, efficiency and effectiveness and for appropriate use of public funds. It also clarifies which entities are subject to audit by the Office.

The Act stipulates that the Auditor General shall provide an opinion on government's annual consolidated financial statements; provide an opinion on the revenue estimates in the government's annual budget address; and report to the House at least annually on the results of the Office's work under the Act.

The Act provides the Office a mandate to audit all parts of the provincial public sector, including government departments and all agencies, boards, commissions or other bodies responsible to the crown, such as school boards and the provincial health authority, as well as funding recipients external to the provincial public sector. It provides the Auditor General with the authority to require the provision of any documents needed in the performance of his or her duties.

In its work, the Office of the Auditor General is guided by, and complies with, the professional standards established by CPA Canada. We also seek guidance from other professional bodies and audit-related best practices in other jurisdictions.

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Follow-up of 2012 and 2013 Recommendations

Why we did this work:

- We audit areas of high risk that impact the lives of Nova Scotians
- We make recommendations to promote better government
- Where recommendations are not acted on, risks remain
- This report is a tool for the Public Accounts Committee and the House of Assembly to hold government accountable

Overall conclusions:

- Overall implementation rate of 60% shows little improvement from last year (58%)
- Six organizations had rates above 80%, compared to one last year
- Organizations with low rates need to do better to fix weaknesses
- Significant issues related to health care, child welfare, occupational health and safety, and financial matters continue

What we found:

- Six organizations had success
- 161 of our 400 recommendations are still not complete

Health Care:
- risk of abuse of prescriptions
- weak controls over personal health information at IWK and Nova Scotia Health Authority
- multi-year planning for buildings and infrastructure not done
- no electronic immunization registry or public health surveillance information system

Child Welfare:
- no electronic and user-friendly child protection and foster care manuals
- complaints management process and response times for abuse and neglect need fixing
- Children and Family Services Act not updated

Financial Audits:
- work on internal controls not completed
- lack of a fraud and error risk assessment

Other:
- Transportation's controls over maintenance garage inventory remain weak
- Labour and Advanced Education lacks a system to track occupational health and safety complaints
- Two organizations do not agree that recommendations are still important – we disagree
    - Education: not enough being done to ensure home schooled children are getting a good education
    - Business: Invest Nova Scotia does not plan to implement the 17 recommendations to the former Jobs Fund

Department	Status
Department of Business*	🔴
Department of Communities, Culture and Heritage	🔴
IWK Health Centre	🔴
Department of Transportation and Infrastructure Renewal	🔴
Executive Council Office	🔴
Department of Community Services	🟡
Department of Education and Early Childhood Development	🟡
Department of Finance and Treasury Board	🟡
Department of Health and Wellness	🟡
Nova Scotia Health Authority	🟡
Department of Internal Services	🟡
Department of Labour and Advanced Education	🟡
Nova Scotia Innovation Corporation	🟡
Waterfront Development Corporation Limited	🟡
Department of Justice	🟢
Trade Centre Limited	🟢
Office of the Speaker/House of Assembly	✓
Nova Scotia Business Inc.	✓
Nova Scotia Liquor Corporation	✓
Nova Scotia Primary Forest Products Marketing Board	✓

*   *New department in 2015*

Implementation (%)	Icon
100%	✓
80% – 99%	🟢
50% – 79%	🟡
Less than 50%	🔴

1 Follow-up of 2012 and 2013 Recommendations

1.1   Our Office's strategic priorities include serving the House of Assembly, considering the public interest, and improving government performance. We work toward these priorities by providing legislators with the information they need to hold government accountable. We obtain this information primarily by conducting audits which, over time, will cover major activities of government. The results of our audits are detailed in our Reports to the House of Assembly. Each report contains recommendations which provide practical, constructive advice to address issues raised by these audits and improve operational effectiveness and efficiency.

1.2   Once recommendations have been accepted, it is government's responsibility to regularly monitor to ensure that appropriate action has been taken to implement these recommendations. We initially follow up the implementation status of our recommendations after two years. We believe two years is sufficient time for auditees to substantially address our recommendations.

1.3   This report provides the status of recommendations from performance audits, financial reporting, and other financial management issues for 2012 and 2013. In 2015, our financial follow-up chapter was reported as part of the February 2015 Report to the House of Assembly, with performance audit follow-up reported separately in June 2015. Starting with this Report, the follow-up of financial and performance audit recommendations will be consolidated into one report. This is intended to highlight the importance of follow-up to confirm whether known weaknesses have been addressed.

Review Objective and Scope

1.4   In February 2016, we completed a review of the status of audit recommendations included in the 2012 and 2013 Reports of the Auditor General. Our objective was to provide moderate assurance on the implementation status of those recommendations as of November 1, 2015.

1.5   We obtained government's self-assessment of progress in implementing the 2012 and 2013 recommendations. We asked government to provide supporting information for recommendations assessed as complete. We also performed additional procedures on recommendations which government assessed as do not intend to implement or action no longer applicable. We

focused on the reasons why government chose not to implement these recommendations or why management believes the recommendations are 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.

1.6 Our review focused on whether assessments and information provided by department, agency and board management were accurate, reliable and complete. For those recommendations assessed as complete, we substantiated the assessment through interviews and examination of documentation. We performed sufficient work to satisfy us that the implementation status of complete, as described by management, is plausible in the circumstances. This provides moderate, not high, assurance. Further information on the difference between high and moderate assurance is available in the CPA Canada Handbook – Assurance, Section 5025 – Standards for Assurance Engagements other than Audits of Financial Statements and Other Historical Financial Information.

1.7 Our criteria were based on qualitative characteristics of information as described in the CPA Canada Handbook. We did not perform any procedures, and provide no assurance, on recommendations noted in this report other than those we have reported as complete.

Significant Observations

1.8 *Recommendations in 2012 and 2013* – We made 404 recommendations in our 2012 and 2013 reports. We agree with government management that four of these are no longer applicable. These recommendations have been removed from further analysis and statistics, leaving 400 recommendations for the two years.

▶ **Overall implementation rate of 60% essentially unchanged from prior year**

1.9 *Implementation status* – The following table and chart summarize the implementation status of the 400 recommendations made in our 2012 and 2013 reports.

Implementation Status	2012	2013	Overall
Complete	63%	57%	60%
Not Complete	33%	33%	33%
Do Not Intend to Implement	4%	0%	2%
No Longer Applicable	0%	10%	5%
	100%	100%	100%

Overall Results from 2012 and 2013

Other
7%

Not Complete
33%

Complete
60%
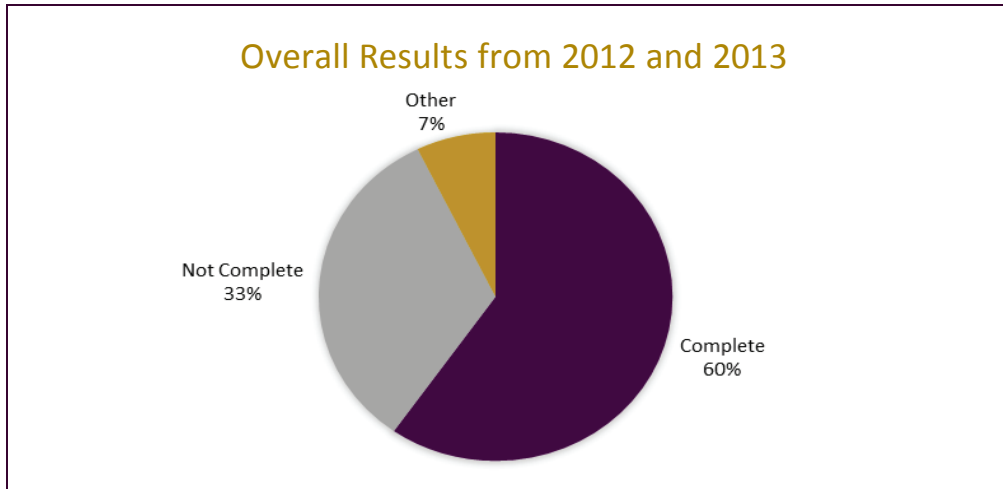
1.10   This year's overall rate of 60% is basically unchanged from the 58% implementation rate last year. Note last year's rate combines the performance audit follow-up from our June 2015 Report and financial reporting follow-up from our February 2015 Report. This report follows up all recommendations from 2012 and 2013 both from financial reporting and performance audit. The response from government in implementing recommendations has not changed and is still too low. S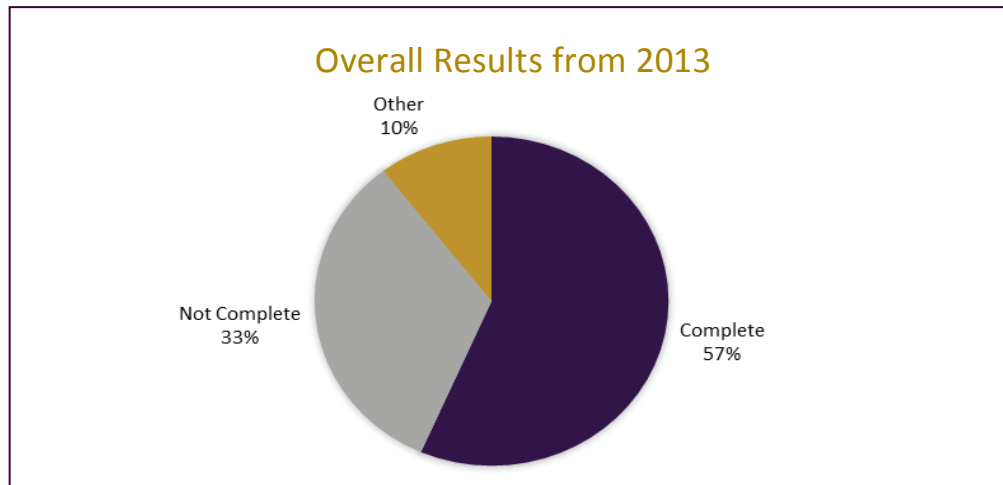ixty-three percent of recommendations from our 2012 and 57% from our 2013 reports have been completed. While some organizations have implemented most or all of their recommendations, certain others need to do better.

Overall Results from 2012

Other
4%

Not Complete
33%

Complete
63%

Overall Results from 2013
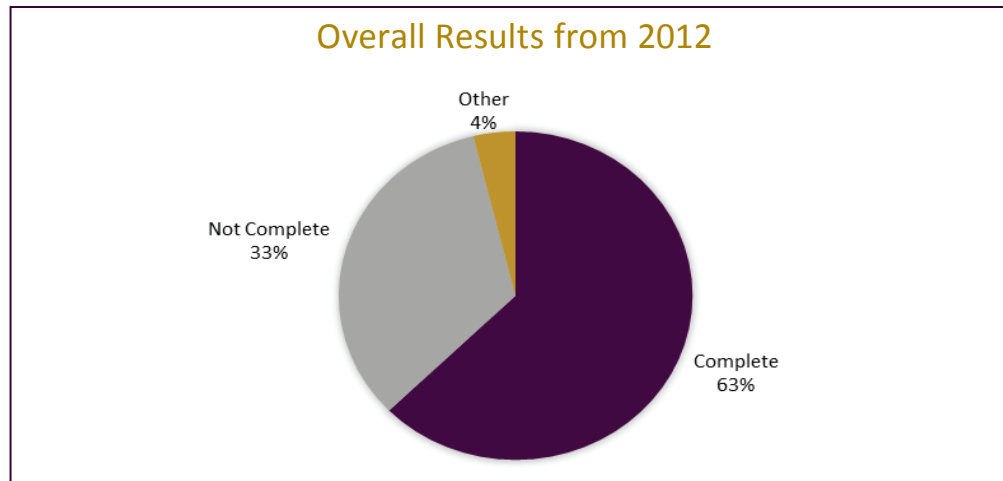
Six government entities had positive results with implementation rates over 80%

1.11   *Government entity analysis* – The results by government entity show which organizations made it a priority to fully correct weaknesses they know exist by successfully completing our recommendations. We audited 20 organizations in 2012 and 2013. After two years, we expected organizations would have implemented at least 80% of their recommendations. We found six had rates of over 80%, including four at 100%. While this is an improvement from last year when only one entity had a rate over 80%, it is disappointing to note that 14 organizations implemented less than 80% of their recommendations.

1.12   Entities that made significant progress in addressing known issues are:

- Office of the Speaker/House of Assembly – 100% of 13 recommendations

- Nova Scotia Liquor Corporation – 100% of 7 recommendations

- Nova Scotia Business Inc. – 100% of 5 recommendations

- Nova Scotia Primary Forest Products Marketing Board – 100% of 4 recommendations

- Department of Justice – 88% of 17 recommendations

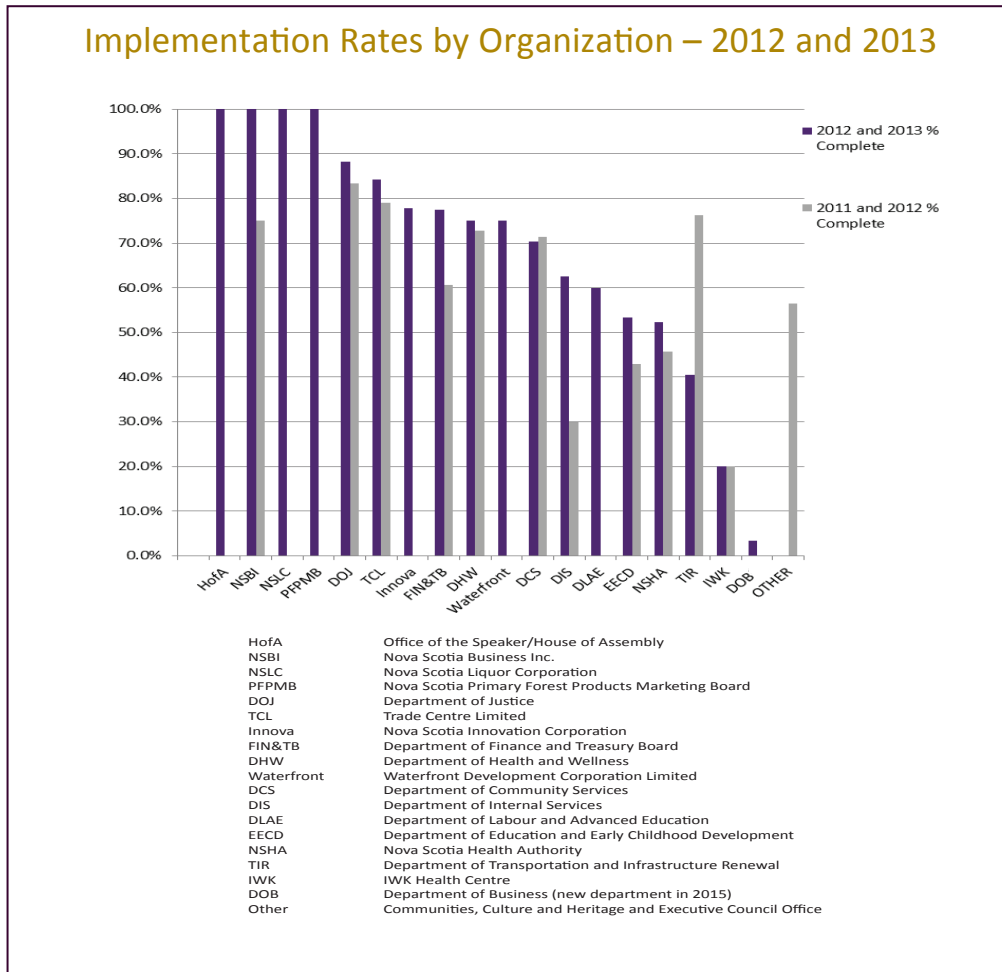- Trade Centre Limited – 84% of 19 recommendations

1.13   Key reasons, identified by government management, which contribute to success in achieving high implementation rates include the following.

- Communication by senior management that implementing the recommendations is a priority.

- Establishing clear objectives and accountability at an appropriate level within the organization.

- Developing action plans and tracking progress.

- Reporting progress to senior management.

1.14 The following graph compares this year's 2012 and 2013 implementation rates with last year's rates for 2011 and 2012 reports, by organization.

Implementation Rates by Organization – 2012 and 2013

HofA	Office of the Speaker/House of Assembly
NSBI	Nova Scotia Business Inc.
NSLC	Nova Scotia Liquor Corporation
PFPMB	Nova Scotia Primary Forest Products Marketing Board
DOJ	Department of Justice
TCL	Trade Centre Limited
Innova	Nova Scotia Innovation Corporation
FIN&TB	Department of Finance and Treasury Board
DHW	Department of Health and Wellness
Waterfront	Waterfront Development Corporation Limited
DCS	Department of Community Services
DIS	Department of Internal Services
DLAE	Department of Labour and Advanced Education
EECD	Department of Education and Early Childhood Development
NSHA	Nova Scotia Health Authority
TIR	Department of Transportation and Infrastructure Renewal
IWK	IWK Health Centre
DOB	Department of Business (new department in 2015)
Other	Communities, Culture and Heritage and Executive Council Office

Some government entities had reasonable explanations for low rates, others did not

1.15 Two government entities had reasonable explanations for their low implementation rates. In both cases, significant organizational restructuring occurred after the audits, as discussed in the following paragraphs.

1.16 *Hospital system capital planning audit* – Our 2012 audit on hospital system capital planning included five recommendations addressed to three former

district health authorities. All former health authorities were merged into a new entity – the Nova Scotia Health Authority – in April 2015. Health Authority management decided to implement the capital planning recommendations province-wide. We agree this is a good decision and believe it is reasonable that the recommendations have not yet been completed since the Health Authority has only been operating for a year.

1.17   *Economic and Rural Development and Tourism funding programs audit* – In early 2015, Economic Development and Tourism stopped operations and its programs were assigned to other entities. Our recommendations from this audit became the responsibility of the Department of Business. Although most of the funding programs were assigned to other entities, responsibility for 11 audit recommendations related to those programs was not transferred and remained with the Department of Business. Department management told us they are in the process of transferring responsibility for the 11 recommendations to other entities where required.

1.18   When programs move to new government departments or entities, responsibility for any outstanding audit recommendations should be clearly established at that time. This would help ensure known deficiencies are addressed in a timely manner.

1.19   *Personal health information systems audit* – Low implementation rates of 20% (5 of 25) for the IWK Health Centre and 24% (8 of 33) for the Nova Scotia Health Authority (former Capital Health) relate to recommendations from our November 2012 audit of personal health information systems. Important system security recommendations to the IWK and Health Authority, such as upgrading and restricting access to protect databases; and strengthening, reviewing and disabling passwords to help reduce the risk of unauthorized access, have not been completed.

1.20   We understand that responsibility for certain recommendations may be transferred to the Department of Internal Services as it is government's central entity responsible for information technology. We are also aware that the Health Authority has just completed its first full year of operations. However, the recommendations from our audit of personal health information systems were outstanding for three years when we completed this follow-up review. Accountability for the protection of the information in these systems remains with the IWK Health Centre and the Nova Scotia Health Authority. We believe more progress could have been made to complete these recommendations.

1.21   *Department of Transportation and Infrastructure Renewal* – The overall implementation rate for the Department of Transportation and Infrastructure Renewal is 41% (17 of 42 recommendations). Thirty-eight of the recommendations related to our mechanical branch management audit, with

only 14 (37%) recommendations completed. Significant recommendations which remain incomplete include: having a process to monitor quality and accuracy of work orders; storing shared tools in a secure area with limited access; recording all parts disbursed to mechanics; and closing work orders once repairs have been completed. When these recommendations have been completed, general management processes and controls will be better structured, and the risk of inventory thefts will be reduced. Implementing the recommendations is within the Department's resources; the solutions to these issues are not difficult. It is not reasonable that the Department has not completed the recommendations within the two years following the audit.

1.22   *Travel and other expenses audit* – Following our 2013 audit of travel and other expenses of agencies, boards and commissions, we recommended Treasury Board Office (now the Department of Finance and Treasury Board) tell all provincial agencies, boards and commissions to use the audit results to evaluate their own processes and make improvements. Treasury Board accepted the recommendation and management told us they would communicate with the entities. Two years later, the recommendation has not been completed. This is not something which would require significant time or resources and it could help identify areas in which controls over expenses could be improved. It is not reasonable that this recommendation has not been completed.

► **Potential consequences when significant weaknesses are not addressed**

1.23   *Prescription monitoring program audit* – Our 2012 audit of the prescription monitoring program resulted in 17 recommendations to the Department of Health and Wellness. Our audit found weaknesses that might expose the system to the potential abuse or misuse in the prescribing of drugs. The Department's review of prescriber reports and follow-up processes was not effective. While the department has completed 76% of the recommendations, three related to reviewing prescribing practices and following up identified concerns, have not been completed over three years after the audit. A recent allegation of drug prescription abuse publicly reported in February 2016 highlights the relevance of our recommendations.

► **Ninety-three percent of our 2012 and 2013 recommendations accepted for implementation**

1.24   *Do not intend to implement or no longer applicable* – While 93% of our recommendations continue to be accepted for implementation, we disagree with government's rationale for not accepting 28 (7%) of our 400 recommendations from the 2012 and 2013 reports. The issues which the recommendations addressed still exist, as noted in the following paragraphs.

1.25 The Department of Health and Wellness does not intend to implement a single, province-wide intake and wait list for withdrawal management programs. The Department disagreed with the recommendation when it was issued in our 2012 audit of addiction services. A single, province-wide wait list could help Nova Scotians by providing consistent intake processes and a more accurate picture of the total number of clients waiting for services.

1.26 The Department of Education and Early Childhood Development does not intend to implement six of the recommendations from our 2012 audit of the home schooling program. These include:

- establishing clear and measureable learning objectives and outcomes;

- requiring periodic, independent assessment of home schooled children; and

- assessing home school programs parents plan to use to see if they are designed to achieve appropriate learning objectives and outcomes.

1.27 Implementing the remaining recommendations would allow the Department to know whether home schooled children are receiving an adequate education.

1.28 Government does not intend to obtain an independent second opinion on market projections for the new convention centre, as we recommended in our 2012 audit of Trade Centre Limited. This would provide it with the best information for planning purposes.

1.29 The Department of Transportation and Infrastructure Renewal considers three recommendations from our 2013 mechanical branch audit no longer applicable. Department management told us they now purchase extended warranties and no longer have total life cycle cost contracts for their equipment. However, there are two valid total life cycle cost contracts covering nine pieces of equipment. For those contracts, the Department should track and properly claim all eligible costs from the manufacturers, as we had recommended. The Department does not maintain adequate records to know whether it could recover eligible costs. While the Department's decision to discontinue the use of these types of contracts may be a good management decision, it does not mean the existing contracts should not be properly monitored and appropriate claims made.

1.30 The Department of Business considers the recommendations from our 2013 audit of funding programs related to the Nova Scotia Jobs Fund no longer applicable. The Jobs Fund was discontinued in April 2014 and replaced by the Invest Nova Scotia Fund. The Department of Business was given responsibility for this new fund when the Department of Economic and Rural Development and Tourism stopped operations in early 2015. Although it is a new program, we determined the 17 recommendations related to Nova

Scotia Jobs Fund not completed should be addressed by the new funding program. The recommendations concern establishing appropriate processes for accepting applicants and monitoring funds given, processes which are essential for any funding program. Since the department is still developing its processes and has not awarded any funds, the recommendations are still relevant.

Appendix 1 – Summary of Recommendation Status by Department, by Report

Department	Report	Recommendations				
		Total	Complete	Not Complete	Do Not Intend to Implement	No Longer Applicable
Business (new department in 2015)	November 2013 – Chapter 3: Economic and Rural Development and Tourism: Funding Programs	29	1 3%	11 38%	0	17 59%
Communities, Culture and Heritage	November 2013 – Chapter 3: Economic and Rural Development and Tourism: Funding Programs	1	0	1 100%	0	0
Community Services	February 2013 – Chapter 2: Results of Financial Audits and Reviews	2	2 100%	0	0	0
	May 2013 – Chapter 3: Child Welfare – Investigations, Monitoring, and Foster Care	23	16 70%	7 30%	0	0
	November 2013 – Chapter 2: Government-wide Controls Over Disposal of IT Assets	2	1 50%	1 50%	0	0
Education and Early Childhood Development	January 2012 – Chapter 2: Results of Financial Audits and Reviews	1	1 100%	0	0	0
	January 2012 – Chapter 5: Review of Audit Opinions and Management Letters	1	1 100%	0	0	0
	November 2012 – Chapter 2: Home Schooling	12	5 42%	1 8%	6 50%	0
	February 2013 – Chapter 5: Review of Audit Opinions and Management Letters	1	1 100%	0	0	0
Finance and Treasury Board	January 2012 – Chapter 2: Results of Financial Audits and Reviews	18	14 78%	4 22%	0	0

		Recommendations				
Department	Report	Total	Complete	Not Complete	Do Not Intend to Implement	No Longer Applicable
Finance and Treasury Board	January 2012 – Chapter 3: Governance and Control Framework	7	7 100%	0	0	0
	May 2012 – Chapter 2: Follow-up of 2005 to 2009 Performance Audit Recommendations	1	1 100%	0	0	0
	February 2013 – Chapter 2: Results of Financial Audits and Reviews	13	9 69%	4 31%	0	0
	May 2013 – Chapter 5: Agencies, Boards and Commissions: Travel and Other Expenses	1	0	1 100%	0	0
Health and Wellness	May 2012 – Chapter 3: Addiction Services at Annapolis Valley Health	8	4 50%	3 38%	1 12%	0
	May 2012 – Chapter 4: Infection Prevention and Control at Cape Breton District Health Authority and Capital Health	5	5 100%	0	0	0
	May 2012 – Chapter 5: Nova Scotia Prescription Monitoring Program	17	13 76%	4 24%	0	0
	November 2012 – Chapter 4: Hospital System Capital Planning	11	10 91%	1 9%	0	0
	November 2013 – Chapter 2: Government-wide Controls Over Disposal of IT Assets	1	1 100%	0	0	0
	November 2013 – Chapter 4: Public Health Surveillance	10	6 60%	4 40%	0	0

	Recommendations					
Department	Report	Total	Complete	Not Complete	Do Not Intend to Implement	No Longer Applicable
Internal Services	November 2013 – Chapter 2: Government-wide Controls Over Disposal of IT Assets	8	5 63%	3 37%	0	0
Justice	May 2012 – Chapter 6: Office of Public Trustee	16	14 88%	2 12%	0	0
	November 2013 – Chapter 2: Government-wide Controls Over Disposal of IT Assets	1	1 100%	0	0	0
Labour and Advanced Education	November 2013 – Chapter 5: Occupational Health and Safety	15	9 60%	6 40%	0	0
Transportation and Infrastructure Renewal	May 2013 – Chapter 4: Mechanical Branch Management	38	14 37%	21 55%	0	3 8%
	November 2013 – Chapter 2: Government-wide Controls Over Disposal of IT Assets	2	1 50%	1 50%	0	0
	November 2013 – Chapter 3: Economic and Rural Development and Tourism: Funding Programs	2	2 100%	0	0	0
Executive Council Office	November 2012 – Chapter 5: Trade Centre Limited	1	0	0	1 100%	0
IWK Health Centre	November 2012 – Chapter 3: Capital Health and IWK Health Centre Personal Health Information Systems	25	5 20%	20 80%	0	0
Nova Scotia Business Inc.	November 2013 – Chapter 3: Economic and Rural Development and Tourism: Funding Programs	5	5 100%	0	0	0

Department	Report	Recommendations				
		Total	Complete	Not Complete	Do Not Intend to Implement	No Longer Applicable
Nova Scotia Health Authority	May 2012 – Chapter 3: Addiction Services at Annapolis Valley Health	5	4 80%	1 20%	0	0
	May 2012 –Chapter 4: Infection Prevention and Control at Cape Breton District Health Authority and Capital Health	24	23 96%	1 4%	0	0
	November 2012 – Chapter 3: Capital Health and IWK Health Centre Personal Health Information Systems	33	8 24%	25 76%	0	0
	November 2012 – Chapter 4: Hospital System Capital Planning	5	0	5 100%	0	0
Nova Scotia Innovation Corporation	May 2013 – Chapter 5: Agencies, Boards and Commissions: Travel and Other Expenses	9	7 78%	2 22%	0	0
Nova Scotia Liquor Corporation	May 2013 – Chapter 5: Agencies, Boards and Commissions: Travel and Other Expenses	7	7 100%	0	0	0
Nova Scotia Primary Forest Products Marketing Board	May 2013 – Chapter 5: Agencies, Boards and Commissions: Travel and Other Expenses	4	4 100%	0	0	0
Office of the Speaker/House of Assembly	February 2013 – Chapter 3: Follow-up of Recommendations to the Office of the Speaker, and Audit of House of Assembly	7	7 100%	0	0	0
	August 2013 – Chapter 2: Review of MLA Samson's Entitlement to Benefits as an Outside Member	6	6 100%	0	0	0

Department	Report	Recommendations				
		Total	Complete	Not Complete	Do Not Intend to Implement	No Longer Applicable
Trade Centre Limited	November 2012 – Chapter 5: Trade Centre Limited	19	16 84%	3 16%	0	0
Waterfront Development Corporation Limited	May 2013 – Chapter 5: Agencies, Boards and Commissions: Travel and Other Expenses	4	3 75%	1 25%	0	0
Total Recommendations from 2012 and 2013		400 100%	239 60%	133 33%	8 2%	20 5%

Appendix 2 – Summary of Recommendations by Report

January 2012	Complete	Not Complete	Do Not Intend to Implement	No Longer Applicable	Total
Chapter 2 – Results of Financial Audits and Reviews	15	4	0	0	19
Chapter 3 – Governance and Control Framework	7	0	0	0	7
Chapter 5 – Review of Audit Opinions and Management Letters	1	0	0	0	1
Total	23 85%	4 15%	0 0%	0 0%	27 100%

May 2012	Complete	Not Complete	Do Not Intend to Implement	No Longer Applicable	Total
Chapter 2 – Follow-up of 2005 to 2009 Performance Audit Recommendations	1	0	0	0	1
Chapter 3 – Addiction Services at Annapolis Valley Health	8	4	1	0	13
Chapter 4 – Infection Prevention and Control at Cape Breton District Health Authority and Capital Health	28	1	0	0	29
Chapter 5 – Nova Scotia Prescription Monitoring Program	13	4	0	0	17
Chapter 6 – Office of Public Trustee	14	2	0	0	16
Total	64 84%	11 15%	1 1%	0 0%	76 100%

November 2012	Complete	Not Complete	Do Not Intend to Implement	No Longer Applicable	Total
Chapter 2 – Home Schooling	5	1	6	0	12
Chapter 3 – Capital Health and IWK Health Centre Personal Health Information Systems	13	45	0	0	58
Chapter 4 – Hospital System Capital Planning	10	6	0	0	16
Chapter 5 – Trade Centre Limited	16	3	1	0	20
Total	44 41%	55 52%	7 7%	0 0%	106 100%

February 2013	Complete	Not Complete	Do Not Intend to Implement	No Longer Applicable	Total
Chapter 2 – Results of Financial Audits and Reviews	11	4	0	0	15
Chapter 3 – Follow-up of Recommendations to the Office of the Speaker, and Audit of House of Assembly	7	0	0	0	7
Chapter 5 – Review of Audit Opinions and Management Letters	1	0	0	0	1
Total	19 83%	4 17%	0 0%	0 0%	23 100%

May 2013	Complete	Not Complete	Do Not Intend to Implement	No Longer Applicable	Total
Chapter 3 – Child Welfare – Investigations, Monitoring, and Foster Care	16	7	0	0	23
Chapter 4 – Mechanical Branch Management	14	21	0	3	38
Chapter 5 – Agencies, Boards and Commissions: Travel and Other Expenses	21	4	0	0	25
Total	51 59%	32 37%	0 0%	3 4%	86 100%

August 2013	Complete	Not Complete	Do Not Intend to Implement	No Longer Applicable	Total
Chapter 2 – Review of MLA Samson's Entitlement to Benefits as an Outside Member	6	0	0	0	6
Total	6 100%	0 0%	0 0%	0 0%	6 100%

November 2013	Complete	Not Complete	Do Not Intend to Implement	No Longer Applicable	Total
Chapter 2 – Government-wide Controls Over Disposal of IT Assets	9	5	0	0	14
Chapter 3 – Economic and Rural Development and Tourism: Funding Programs	8	12	0	17	37
Chapter 4 – Public Health Surveillance	6	4	0	0	10
Chapter 5 – Occupational Health and Safety	9	6	0	0	15
Total	32 42%	27 36%	0 0%	17 22%	76 100%

Total Recommendations from 2012 and 2013	239 60%	133 33%	8 2%	20 5%	400 100%

Appendix 3 – Implementation Status by Recommendation

January 2012

Chapter 2 – Results of Financial Audits and Reviews

2.1   The Department of Finance should ensure that the revenue estimates for 2012-13 include all revenues of the consolidated entity, including all agencies' third party revenues in a schedule as proposed by Deloitte LLP, to ensure the budget is prepared and presented fully in accordance with Canadian generally accepted accounting principles.
Status – Complete

2.2   The Department of Finance should obtain support for estimates of third-party revenues of government units.
Status – Complete

2.3   The Department of Finance should assign responsibility for an independent review of inputs to, and results of, the models to forecast petroleum royalties.
Status – Not Complete

2.4   Department of Finance staff should review fiscalization formulas for personal income tax and harmonized sales tax revenues and ensure the formulas reflect how these revenues are earned during the year. Any adjustments resulting from the review should be recorded in the general ledger revenue accounts on a timely basis.
Status – Complete

2.5   The Department of Finance's Government Accounting Division should verify the accuracy and completeness of information to support the disclosure of contractual obligations in the consolidated financial statements prior to providing that information to this Office as audit evidence.
Status – Complete

2.6   The Department of Education should expense all grants made to universities unless there are eligibility requirements which the universities must meet in a subsequent period.
Status – Complete

2.7   The Department of Finance's Government Accounting Division should ensure receipt of entity financial statements on time. Progress of the entity audits should be monitored to ensure audits and related auditor communications are completed and available to the Office of the Auditor General based on the predetermined deadline.
Status – Complete

2.8   The Department of Finance's Controller's Office should establish a timeframe for completion of the internal controls and financial reporting project and monitor progress to completion.
Status – Complete

2.9   The Department of Finance should require departments to identify the risks related to financial reporting, especially risks related to fraud and error, and to complete a related risk assessment. This assessment should be updated on a periodic basis.
Status – Complete

2.10   The Department of Finance's Controller's Office should provide guidance to departmental, board and agency management to complete the review and documentation of internal controls.
Status – Not Complete

2.11   The Department of Finance's Controller's Office should provide guidance to departmental, board and agency management to assist in assigning roles and responsibilities to individuals throughout government for the design, implementation, operation and maintenance of internal controls as part of the documentation of internal controls.
Status – Not Complete

2.12   The Department of Finance's Controller's Office should identify how management monitors internal controls over financial reporting and take steps to ensure these processes are operating effectively.
Status – Complete

2.13   The Department of Finance's Taxation and Fiscal Policy Division should assess the design and effectiveness of the controls over model-based revenue processes, including the preparation of journal entries. Improvements should be made as needed and these internal control activities should be monitored on an ongoing basis.
Status – Complete

2.14   The Department of Finance's Capital Markets Administration Division should review the support and calculations of transactions posted to SAP to ensure the accuracy of the account balances it manages. In addition, the Division should regularly assess the control activities over calculations and ensure they are appropriate and are operating effectively.
Status – Complete

2.15   The Department of Finance's Taxation and Fiscal Policy Division should review access to systems on a regular basis and adjust access as required. The access rights of individuals no longer employed by the Taxation and Fiscal Policy Division should be removed immediately.
Status – Not Complete

2.16 The Department of Finance's Corporate Services Unit should perform reconciliations of model-determined revenues and related accounts receivable or payable for all open years. This should be done on at least an annual basis.
Status – Complete

2.17   The Department of Finance's Capital Markets Administration Division should prepare monthly reconciliations to trustee statements and the general ledger should be updated each month to reflect the results of transactions.
Status – Complete

2.18   The Department of Finance's Controller's Office should ensure the province's general ledger is updated on a regular basis throughout the year and that the general ledger supports the forecast updates.
Status – Complete

2.19   The Department of Finance's Controller's Office should provide guidance to those entities forming part of the government reporting entity which will be adopting, for the first time, generally accepted accounting principles for the public sector for the year ended March 31, 2012. The Government Accounting Division should initiate appropriate measures to ensure all these entities will meet the reporting deadlines for next year's audit.
Status – Complete

Chapter 3 – Governance and Control Framework

3.1   The Department of Finance's Capital Markets Administration Division should perform an independent calculation of interest activity in the province's sinking fund accounts and reconcile these calculations to the custodian statements. The Capital Markets Administration Manual should be updated to include accurate reconciliation processes.
Status – Compete

3.2   Management of the Department of Finance's Capital Markets Administration Division should ensure the review of reconciliations is documented.
Status – Complete

3.3   Management of the Department of Finance's Liability Management and Treasury Services, Capital Markets Administration, and Compliance and Reporting Divisions should complete a risk assessment of roles and responsibilities and ensure controls exist to mitigate identified risks.
Status – Complete

3.4   The Department of Finance's Liability Management and Treasury Services Division should verify that changes made to limits and other parameters in the Millennium system are accurate.
Status – Complete

3.5   The Director of the Department of Finance's Capital Markets Administration Division and the Compliance and Reporting Division should have read-only access to the Millennium system.
Status – Complete

3.6   Management of the Department of Finance's Compliance and Reporting Division should update the Compliance Manual to ensure it reflects the complete range of debt and investment policies to be monitored.
Status – Complete

3.7   The Department of Finance's Liability Management and Treasury Services Division should update the Governance Guidelines to indicate the review processes to be conducted by the Debt Management Committee with respect to the reports received from the Compliance and Monitoring Division.
Status – Complete

Chapter 5 – Review of Audit Opinions and Management Letters

5.1   The Department of Education should work with the school boards to implement the recommendations made by their auditors and develop the appropriate controls to ensure the accuracy and completeness of this revenue in boards' accounting records, and to ensure it is properly safeguarded.
Status – Complete

May 2012

Chapter 2 – Follow-up of 2005 to 2009 Performance Audit Recommendations

2.1   Treasury Board Office should update the Tracking Auditor General Recommendations system to ensure it is accurate and complete.
Status – Complete

2.2   Treasury Board Office should implement a quality assurance process to ensure information reported on the implementation status of recommendations in the Tracking Auditor General Recommendations system is accurate and complete.
Status – Action No Longer Required (Office of the Auditor General agrees with this status. This recommendation has been removed from further follow-up assignments.)

Chapter 3 – Health and Wellness – Addiction Services at Annapolis Valley Health

3.1   The Department of Health and Wellness should determine its information requirements to effectively monitor the district health authorities' provision of addiction services and fulfill its legislative requirements. Districts should be required to provide regular reports to the Department.
Status – Not Complete

3.2   The Department of Health and Wellness should determine whether its addiction services standards are mandatory for all district health authorities and if so, communicate this to the districts.
Status – Complete

3.3   The Department of Health and Wellness should revise its addiction services standards so that standards are measurable where possible.
Status – Not Complete

3.4   The Department of Health and Wellness should require district health authorities to collect the data needed to measure standards.
Status – Complete

3.5   The Department of Health and Wellness should revise addiction standards to address the entire population seeking services.
Status – Not Complete

3.6   The Department of Health and Wellness should verify that its wait time calculations for addiction services are accurate.
Status – Complete

3.7   The Department of Health and Wellness should require district health authorities to implement processes to ensure all fields in the ASsist system are completed accurately.
Status – Complete

3.8   The Department of Health and Wellness should implement a single province-wide intake and wait list for withdrawal management programs.
Status – Do Not Intend to Implement

3.9   Annapolis Valley Health should link its assessment of community needs to the addiction services it delivers.
Status – Complete

3.10   Annapolis Valley Health should implement quality assurance processes, such as file checklists, to ensure client files include all necessary information.
Status – Complete

3.11   Annapolis Valley Health should determine whether annual chart audits are required and if so, these audits should be completed on schedule.
Status – Complete

3.12   Annapolis Valley Health should establish processes to ensure improvements identified through chart audits are implemented.
Status – Complete

3.13   Annapolis Valley Health should implement outcome monitoring for all of its addiction services programs.
Status – Not Complete

Chapter 4 – Health and Wellness – Infection Prevention and Control at Cape Breton District Health Authority and Capital Health

4.1   The Department of Health and Wellness should initiate a province-wide surveillance system operated through Infection Prevention and Control Nova Scotia to track key infection rates in all health care facilities in Nova Scotia.
Status – Complete

4.2   The Department of Health and Wellness should review the staffing level at Infection Prevention and Control Nova Scotia and provide adequate staff for this division to fulfill its objectives.
Status – Complete

4.3   The Department of Health and Wellness should give Infection Prevention and Control Nova Scotia the authority and responsibility to implement monitoring and oversight processes on behalf of the Department to ensure district health authorities across the province have adequate infection prevention and control practices. These practices should be consistent with any best practice guidelines identified or prepared by Infection Prevention and Control Nova Scotia.
Status – Complete

4.4   Cape Breton District Health Authority should implement a process to address infection prevention and control in all hospitals throughout its District year round, including regular visits by infection prevention and control practitioners.
Status – Complete

4.5   Cape Breton District Health Authority should prepare a formal report for both C. difficile outbreaks in the District in 2011. The report should consider the problems which contributed to the outbreak and challenges experienced during the response.
Status – Complete

4.6   Cape Breton District Health Authority should prepare after-outbreak reports for any significant outbreaks in the District. The reports should address the cause of the outbreak, any issues or concerns with the response and provide recommendations for improvement where applicable.

Status – Complete

4.7   The Department of Health and Wellness should require district health authorities and other health care organizations to report all outbreaks and health care or hospital acquired infections to Infection Prevention and Control Nova Scotia immediately.

Status – Complete

4.8   Cape Breton District Health Authority should implement all recommendations identified by Infection Prevention and Control Nova Scotia in its report on the C. difficile outbreak.

Status – Complete

4.9   Capital Health should approve and implement necessary changes to discontinue the use of spray wands in all its facilities.

Status – Not Complete

4.10   Capital Health and Cape Breton District Health Authority should reference all infection prevention and control policies to the evidence-based best practices on which they were developed.

Status – Complete

4.11   Capital Health and Cape Breton District Health Authority should implement a process to review all infection prevention and control policies on a regular basis. Policies should be updated based on any changes identified from these reviews.

Status – Complete

4.12   Cape Breton District Health Authority should implement processes to ensure that infection prevention and control staff are involved in all decisions with the potential to impact infection prevention and control in the District. Among other areas, this would include construction projects and all equipment and furniture purchases.

Status – Complete

4.13   Capital Health and Cape Breton District Health Authority should implement a consistent process for all hospitals in the District that ensures:

- all scopes are properly cleaned and disinfected;
- staff verify the cleaning processes were completed; and
- clear and well-documented evidence of the cleaning process.

Status – Complete

4.14   Capital Health and Cape Breton District Health Authority should implement processes to ensure that all aspects of sterilization are consistent with manufacturer's requirements.
Status – Complete

4.15   Capital Health should finalize its flash sterilization policy.
Status – Complete

4.16   Capital Health and Cape Breton District Health Authority should implement processes to ensure flash sterilization is only used in situations which are acceptable based on national best practices.
Status – Complete

4.17   Cape Breton District Health Authority should immediately implement a process to ensure that infection control staff conduct regular audits of all sterile processing units in the District.
Status – Complete

4.18   Capital Health should review sterile processing position descriptions to verify education requirements are accurate.
Status – Complete

4.19   Capital Health should update its processes for annual competency checks of sterile processing staff to ensure these checks are completed as required by District policy.
Status – Complete

4.20   Cape Breton District Health Authority should implement regular competency checks of sterile processing staff.
Status – Complete

4.21   Cape Breton District Health Authority should implement continuing education requirements for sterile processing staff.
Status – Complete

4.22   The Department of Health and Wellness should review single-use device reprocessing and develop a provincial policy which all district health authorities can follow.
Status – Complete

4.23   Cape Breton District Health Authority should have all infection control practitioners conduct hand hygiene audits on the units and facilities for which they are responsible.
Status – Complete

4.24   Cape Breton District Health Authority should implement processes to ensure all hospital units have an initial hand hygiene audit and regular follow-up audits.
Status – Complete

4.25   Cape Breton District Health Authority should implement processes to ensure all hand hygiene audits are of sufficient size to ensure meaningful results.
Status – Complete

4.26   Cape Breton District Health Authority should post the results of its hand hygiene audits in a publicly visible location.
Status – Complete

4.27   Cape Breton District Health Authority should implement a process to ensure the classification of hospital acquired infections is consistent with District policies.
Status – Complete

4.28   Cape Breton District Health Authority should develop a more efficient and timely surveillance approach for hospital acquired infections.
Status – Complete

4.29   Cape Breton District Health Authority should improve its communication of hospital acquired infection rates by posting information in areas which health care workers, patients and families or visitors can easily access.
Status – Complete

Chapter 5 – Health and Wellness – Nova Scotia Prescription Monitoring Program

5.1   The Nova Scotia Prescription Monitoring Board and the Department of Health and Wellness should review and amend the service obligations agreement with Medavie Blue Cross to address any requirements which are no longer relevant.
Status – Complete

5.2   The Department of Health and Wellness should require hospitals in the province to provide regular reports of monitored drugs dispensed to patients when discharged from hospitals or emergency rooms, either directly to the Department or to the Nova Scotia Prescription Monitoring Program.
Status – Complete

5.3   The Nova Scotia Prescription Monitoring Program should monitor and assess action taken based on response codes as a means to identify pharmacies which may require further follow-up.
Status – Complete

5.4   The Nova Scotia Prescription Monitoring Program should monitor the effectiveness of its alerts to physicians and pharmacists and report the results to the Board.
Status – Complete

5.5   The Nova Scotia Prescription Monitoring Program should require pharmacies to enter prescription information for monitored drugs dispensed when the system is not working as soon as the system becomes available.
Status – Complete

5.6   The Nova Scotia Prescription Monitoring Program should conduct audits of all pharmacies registered with the Program at least once every two years.
Status – Complete

5.7   The Nova Scotia Prescription Monitoring Program should change its audit process to base final conclusions on all items tested during the audit period.
Status – Complete

5.8   The Nova Scotia Prescription Monitoring Program should redesign its drug utilization review and multiple prescriber reports to better use technology and reduce the reliance on manual review. The Program should aim to develop reports in which the majority of items flagged require further follow-up.
Status – Not Complete

5.9   The Nova Scotia Prescription Monitoring Program should document support for all decisions made during the review of the drug utilization review and multiple prescriber reports, including decisions regarding whether to follow-up and whether responses are acceptable.
Status – Not Complete

5.10   The Nova Scotia Prescription Monitoring Program should implement a quality assurance process to review the adequacy and appropriateness of the work completed by staff on the drug utilization review and multiple prescriber reports as well as other Program reports.
Status – Not Complete

5.11   The Nova Scotia Prescription Monitoring Program should implement standard timeframes within which cases referred to the medical consultant should be reviewed. Referrals should be monitored to verify these timeframes are met.
Status – Complete

5.12   The Nova Scotia Prescription Monitoring Program's reviews of publicly-funded methadone treatment should identify all prescriptions for monitored drugs, including methadone.
Status – Complete

5.13   The Nova Scotia Prescription Monitoring Program should change the error messages that occur when a program name entered to generate a report is not found to clearly state that fact, rather than simply returning no data.
Status – Complete

5.14   The Nova Scotia Prescription Monitoring Program should comply with their policy and send notification letters to all prescribers when instances of patient noncompliance are identified.
Status – Complete

5.15   The Nova Scotia Prescription Monitoring Program should establish a process to ensure all prescription pads reported as lost, stolen or forged are cancelled immediately.
Status – Complete

5.16   The Nova Scotia Prescription Monitoring Program should not issue duplicate prescription pads to prescribers who are leaving the Program unless these prescribers can demonstrate the need for additional duplicate pads during their remaining time with the Program.
Status – Complete

5.17   The Nova Scotia Prescription Monitoring Program, Board, and the Department of Health and Wellness should work together to determine the most efficient and cost-effective means of applying the recommendations in this Chapter.
Status – Not Complete

Chapter 6 – Justice – Office of Public Trustee

6.1   The Office of Public Trustee should assign staff to supervise the initial identification, assessment and collection of client assets to ensure all assets are properly accounted for and collected.
Status – Not Complete

6.2   The Office of Public Trustee should verify auctioneers have sufficient insurance coverage to protect client assets prior to authorizing the auctioneers to take the assets into their possession for sale.
Status – Complete

6.3   The Office of Public Trustee should review its policies on real and personal property to include a general direction to staff to consider and address risks to all property.
Status – Complete

6.4   The Office of Public Trustee should develop a checklist or document procedures as a guide for the review of files managed by staff lawyers.
Status – Complete

6.5   The Office of Public Trustee should include client files managed by the Public Trustee and those of the senior trust officer as part of the yearly file review process to ensure consistency and compliance with policies.
Status – Complete

6.6   The Office of Public Trustee should complete annual performance evaluations for all staff.
Status – Complete

6.7   The Office of Public Trustee should establish and monitor performance standards to ensure staff are meeting performance expectations.
Status – Complete

6.8   The Office of Public Trustee should restrict and track staff access to the secure storage cabinet in the vault.
Status – Complete

6.9   The Office of Public Trustee should carry out inventory counts on the assets stored in the vault on a regular basis. Management should review and retain inventory count records.
Status – Complete

6.10   The Office of Public Trustee should have two persons carry out the inventory counts. This should preferably include someone who does not have access to client records.
Status – Complete

6.11   The Office of Public Trustee should carry out periodic verification of client assets held long-term in offsite storage.
Status – Complete

6.12   Office of Public Trustee staff should include evidence in client files that client financial summary reports are reviewed monthly.
Status – Complete

6.13   The Office of Public Trustee should update the health care decisions complaints policy to include guidance on when to request a complaint be submitted in writing.
Status – Complete

6.14   The Office of Public Trustee should log and track complaints received to ensure timely disposition.
Status – Complete

6.15   The Office of Public Trustee should obtain sufficient IT services to upgrade the current information system to meet the needs of the Health Care Decisions Division.
Status – Complete

6.16   The Office of Public Trustee should obtain a recognized and comprehensive financial accounting and reporting system.
Status – Not Complete

November 2012

Chapter 2 – Education – Home Schooling

2.1   The Department of Education should establish clear and measurable learning objectives and outcomes for the home schooling program.
Status – Do Not Intend to Implement

2.2   The Department of Education should require periodic, independent assessment of home schooled children against learning objectives and outcomes.
Status – Do Not Intend to Implement

2.3   The Department of Education should revise its home schooling material to provide clear information and guidance to parents on how to outline the program plan and the type of information to provide, including examples of the child's work, in the yearly progress report.
Status – Not Complete

2.4   The Department of Education should assess the programs proposed by parents to determine if they are designed to achieve appropriate learning objectives and outcomes for home schooled children.
Status – Do Not Intend to Implement

2.5   The Department of Education should document its assessment of proposed home schooling programs in its files, through use of a checklist or other suitable form.
Status – Do Not Intend to Implement

2.6   The Department of Education should obtain information on learning outcomes of home schooled children to determine if they are making reasonable educational progress.
Status – Do Not Intend to Implement

2.7   The Department of Education should document in its files its assessment of the learning outcomes of home schooled children. Any action taken as a result of the assessment should also be documented.
Status – Do Not Intend to Implement

2.8   The Department of Education should track home school registration using its computerized database to determine which children are not registered for the current year and whether follow up is needed.
Status – Complete

2.9   The Department of Education should track receipt of progress reports using the computerized database to determine which children progress reports have not been received and whether follow up is needed.
Status – Complete

2.10   The Department of Education should verify whether children no longer registered for home schooling are registered in the public school system.
Status – Complete

2.11   The Department of Education should track children leaving public school for home schooling to ensure they are properly registered for home schooling.
Status – Complete

2.12   The Department of Education should explore the possibility of establishing an information sharing protocol with the Department of Health and Wellness to enable tracking of all school-aged children in the province to determine whether they are registered for school.
Status – Complete

Chapter 3 – Health and Wellness – Capital Health and IWK Health Centre Personal Health Information Systems

3.1   Capital Health should document its data backup and restoration procedures.
Status – Complete

3.2   Capital Health should consult with all relevant departments when prioritizing systems for recovery after a disaster.
Status – Complete

3.3   Capital Health should provide adequate testing and training for all significant processes described in its disaster recovery plan.
Status – Not Complete

3.4   Capital Health should have a secondary site at which to restore its systems in the event a disaster damages its data centre.
Status – Not Complete

3.5   The IWK Health Centre should update its disaster recovery plan.
Status – Not Complete

3.6   The IWK Health Centre should test its disaster recovery plan and ensure IT employees have been trained on their roles and responsibilities.
Status – Not Complete

3.7   The IWK Health Centre should have a secondary site in which to restore its systems if a disaster damages its data centre.
Status – Not Complete

3.8   Capital Health should re-evaluate its network controls to restrict harmful traffic between systems and mitigate against identified risks.
Status – Not Complete

3.9   The IWK Health Centre should implement network security measures to monitor and restrict malicious network traffic.
Status – Not Complete

3.10   Capital Health should better secure its servers and databases by:
- increasing the strength of acceptable passwords;
- reviewing for the use of weak or blank passwords;
- disabling, or at least changing the default passwords, for user accounts no longer required; and
- encrypting all sensitive information that is sent between systems if there is risk that it may be viewed in transit by persons not authorized to see it.

Status – Not Complete

3.11   IWK Health Centre should better secure its systems by adding additional controls or processes to protect databases including:
- upgrading or replacing databases that are no longer supported by vendors;
- ensuring only authorized users can copy or move databases; and
- restricting end users from directly querying backend databases.

Status – Not Complete

3.12   IWK Health Centre should better secure its systems by increasing password and account controls which include:
- requiring users to use complex passwords;
- preventing users from reusing previous passwords; and
- locking accounts after a number of failed login attempts.

Status – Not Complete

3.13   IWK Health Centre should better secure its systems by restricting access to shared folders to authorized individuals only and reviewing active employee accounts and their permissions on a periodic basis to determine if they are still required.
Status – Not Complete

3.14   Capital Health should evaluate, test and install vendor-recommended security patches on a timely basis.
Status – Not Complete

3.15   Capital Health should upgrade or replace end-of-life systems to ensure all systems are fully supported by their vendors.
Status – Not Complete

3.16   IWK Health Centre should assess, test and install vendor-recommended security patches.
Status – Not Complete

3.17   Capital Health should enable auditing on all patient-related applications that have the ability to do so.
Status – Not Complete

3.18   Capital Health should set a requirement that all new patient-related applications implemented within the organization have the ability to audit user actions, including viewing, modifying and deleting of data.
Status – Complete

3.19   Capital Health should, on a sample basis, periodically audit patient-related application logs to determine if users are accessing information that is not required as part of their job responsibilities.
Status – Not Complete

3.20   IWK Health Centre should enable auditing on all systems that have the ability to do so.
Status – Not Complete

3.21   IWK Health Centre should ensure that all new vendor-supplied applications implemented within the organization have the ability to audit users' actions, including the viewing, modifying and deleting of data.
Status – Complete

3.22   IWK Health Centre should, on a sample basis, periodically audit application logs to determine if users are accessing information that is not required as part of their job responsibilities.
Status – Not Complete

3.23   Capital Health should strengthen the security over its IT infrastructure by creating physical security policies, better controlling access to the data centre, and addressing structural issues such as mitigating water hazards and documenting equipment maintenance.
Status – Not Complete

3.24   Capital Health should have a vulnerability assessment completed on its data centre and related infrastructure.
Status – Not Complete

3.25   IWK Health Centre should strengthen the security over its IT infrastructure by improving controls over physical access to the data centre including:

- regular review of updated access lists for proper approvals;
- implementation of logging procedures for all guests;
- regular review of visitor logs; and,
- updating emergency procedures.

Status – Not Complete

3.26   IWK Health Centre should have a vulnerability assessment completed on its data centre and related infrastructure.

Status – Not Complete

3.27   Capital Health should establish a process for every system containing personal health information that ensures all requests to grant, modify, and terminate access are consistent and traceable.

Status – Complete

3.28   Capital Health should use unique temporary passwords when resetting locked-out accounts or creating new accounts.

Status – Complete

3.29   Capital Health should ensure that all systems access is only approved by individuals authorized to do so.

Status – Complete

3.30   IWK Health Centre should ensure that access to all systems is only approved by individuals authorized to do so.

Status – Complete

3.31   IWK Health Centre should enhance its processes to ensure that all users' access is removed once their employment has ended.

Status – Complete

3.32   Capital Health should have a process that ensures all new systems are capable of recording when user accounts are set up.

Status – Complete

3.33   Capital Health should have a process for the regular review of systems for dormant accounts. All unnecessary dormant accounts should be deactivated.

Status – Not Complete

3.34   IWK Health Centre should have a process for the regular review of systems for dormant accounts, and all unnecessary dormant accounts should be deactivated.

Status – Not Complete

3.35   Capital Health should provide guidance for prioritization of IT service requests.
Status – Not Complete

3.36   Capital Health should document incident response procedures and ensure its eHealth staff members are trained to use them.
Status – Not Complete

3.37   Capital Health should monitor the nature of service desk calls and the resources used to resolve them to ensure the help desk is functioning effectively and efficiently and to ensure significant problems resulting in repeat incidents are being analyzed and fixed.
Status – Not Complete

3.38   IWK Health Centre should document incident response procedures.
Status – Not Complete

3.39   IWK Health Centre should implement a problem management process to document the identification, classification, investigation and resolution of IT problems.
Status – Not Complete

3.40   Capital Health should record proper dates for each ticket produced by the system used to track and manage changes.
Status – Not Complete

3.41   Capital Health should configure its help desk system so that it blocks unauthorized editing of its data.
Status – Not Complete

3.42   Capital Health should implement a process to detect and deter employees from making unauthorized changes.
Status – Not Complete

3.43   IWK Health Centre should document its change management process.
Status – Not Complete

3.44   Capital Health should follow eHealth's project management processes for all significant IT projects throughout the organization.
Status – Not Complete

3.45   IWK Health Centre should maintain a central list of ongoing projects and their status.
Status – Not Complete

3.46   Capital Health should implement a data classification policy.
Status – Not Complete

3.47   Capital Health should implement a process to ensure operational procedure documents contain sufficient information to guide operations staff in their responsibilities. Operational procedure documents should be kept current.
Status – Not Complete

3.48   Capital Health should ensure all servers are being monitored for hard drive capacity.
Status – Not Complete

3.49   Capital Health should implement processes to monitor existing human resources levels and forecast future capacity requirements for providing IT services.
Status – Not Complete

3.50   Capital Health should require employees to periodically refresh their acknowledgement of confidentiality policies, especially when there are significant changes.
Status – Complete

3.51   Capital Health should ensure the requirements of its policy exception policy are being met.
Status – Not Complete

3.52   IWK Health Centre should develop a current, comprehensive set of policies to guide its use and control of information technology.
Status – Not Complete

3.53   IWK Health Centre should develop a process to keep its policies up-to-date.
Status – Not Complete

3.54   IWK Health Centre should require employees to provide documented acknowledgement of their understanding of confidentiality and IT security policies at the time of hire and periodically during their employment term.
Status – Complete

3.55   Capital Health's IT control framework should include a process for monitoring and assessing IT controls.
Status – Not Complete

3.56   IWK Health Centre's IT control framework should include a process for monitoring and assessing IT controls.
Status – Not Complete

3.57   Capital Health should implement an IT risk assessment framework that includes determining and documenting IT risks, related mitigation strategies and the acceptability of its residual risks.
Status – Not Complete

3.58   IWK Health Centre should include residual risks as part of the maintenance of its risk register.
Status – Complete

Chapter 4 – Health and Wellness - Hospital System Capital Planning

4.1   The Department of Health and Wellness should implement multi-year capital planning for the hospital system.
Status – Not Complete

4.2   The Department of Health and Wellness should collect utilization data for major medical equipment and hospital infrastructure.
Status – Complete

4.3   The Department of Health and Wellness should consider utilization data when making funding allocation decisions.
Status – Complete

4.4   The Department of Health and Wellness should include representation from all district health authorities and the IWK Health Centre on the Infrastructure Management Repair and Renewal Committee.
Status – Complete

4.5   The Department of Health and Wellness should assign sufficient staff resources to review hospital system equipment funding requests.
Status – Action No Longer Required (Office of the Auditor General agrees with this status. This recommendation has been removed from further follow-up assignments.)

4.6   The Department of Health and Wellness should include the district health authorities and the IWK Health Centre in its criteria selection and scoring processes for equipment allocation.
Status – Complete

4.7   The Department of Health and Wellness should review its use of the Pairwise scoring system and ensure that criteria are weighted in a consistent and appropriate manner.
Status – Complete

4.8   The Department of Health and Wellness should revise the scoring approach for its equipment group to ensure that final scoring is consistent with funding criteria.
Status – Complete

4.9   The Department of Health and Wellness should develop a process to ensure information to support equipment scores assigned during capital funding is adequately documented.
Status – Complete

4.10   The Department of Health and Wellness should examine its process for requesting equipment funding submissions to ensure it considers the relative size of each district and the mix of services offered.
Status – Complete

4.11   The Department of Health and Wellness should revise the approach used to score infrastructure and equipment needs to include specific consideration of future cost savings.
Status – Complete

4.12   The Department of Health and Wellness should examine the risks and rewards of energy savings contracts. The results of this analysis should be used to determine whether to pursue these contracts in the province's hospital system.
Status – Complete

4.13   Guysborough Antigonish Strait Health Authority and South Shore Health should prepare multi-year capital plans.
Status – Not Complete

4.14   Capital Health and Guysborough Antigonish Strait Health Authority should develop an objective ranking system for all capital project priorities.
Status – Not Complete

4.15   Guysborough Antigonish Strait Health Authority should prepare an objective district-wide capital project priorities list.
Status – Not Complete

4.16   Capital Health, Guysborough Antigonish Strait Health Authority, and South Shore Health should track the current condition of significant medical equipment assets and infrastructure.
Status – Not Complete

4.17   Capital Health, Guysborough Antigonish Strait Health Authority and South Shore Health should ensure preventative maintenance activities are completed as scheduled.
Status – Not Complete

Chapter 5 – Trade Centre Limited

5.1   Trade Centre Limited should implement a process to review and approve the accuracy of information reported in the Annual Report.
Status – Complete

5.2   Trade Centre Limited should conduct a comprehensive assessment of its internal control systems including the identification and analysis of financial and operational risks, controls necessary to mitigate residual risks and the design of an effective monitoring process.
Status – Not Complete

5.3   Trade Centre Limited should document the internal control framework resulting from the assessment of its internal control systems. The framework should be implemented and monitored for compliance.
Status – Not Complete

5.4   Trade Centre Limited should have an adequate analysis to support the allocation of expenses between Trade Centre Limited and Halifax Metro Centre, as well as internally among Trade Centre Limited business units. This analysis should be documented.
Status – Complete

5.5   Trade Centre Limited should ensure actual salary allocations agree with the approved allocations in the budget effective April 1 each year.
Status – Complete

5.6   Trade Centre Limited should clearly document the rationale for changes to Halifax Metro Centre salary allocations. The changes should be approved by the Chief Financial Officer.
Status – Complete

5.7   Trade Centre Limited should establish event pricing guidelines for sales staff.
Status – Complete

5.8   Trade Centre Limited should complete a profit/loss analysis for significant events and take action as appropriate.
Status – Not Complete

5.9   Trade Centre Limited should analyze and document the rationale for the Ticket Atlantic base service charge.
Status – Complete

5.10   Trade Centre Limited should formalize, with the Halifax Regional Municipality, the Ticket Atlantic per ticket commission to be paid to the Halifax Metro Centre.
Status – Complete

5.11   Trade Centre Limited should follow its policy on advances to promoters.
Status – Complete

5.12   Trade Centre Limited should allocate operating costs to tenants based on the lease terms. All new leases should define total rentable square footage.
Status – Complete

5.13   Trade Centre Limited should conduct regular performance assessments on senior management and staff which include measurable performance targets and goals.
Status – Complete

5.14 Trade Centre Limited should update its business travel and expense policy to be consistent with the government travel policy as required. The policy should also be updated to include appropriate documentation requirements and approvals.
Status – Complete

5.15   Trade Centre Limited's updated business and travel expense policy should be approved by its Board and implemented.
Status – Complete

5.16   Trade Centre Limited should comply with its business travel and expense policy and develop a process to monitor compliance.
Status – Complete

5.17   Trade Centre Limited CEO travel expense claims should be reviewed and approved by the Board Chair.
Status – Complete

5.18   Trade Centre Limited should update its procurement policy to include requirements for the use of alternative procurement practices.
Status – Complete

5.19   Trade Centre Limited should comply with its procurement policy and develop a process to monitor compliance.
Status – Complete

5.20   The Executive Council Office should obtain an independent second opinion on the 10-year market projections for the new convention centre.
Status – Do Not Intend to Implement

February 2013

Chapter 2 – Results of Financial Audits and Reviews

2.1   The Department of Finance should include all revenues of the consolidated entity, including all agencies' third party revenues, for the 2013-14 budget.
Status – Complete

2.2   The Department of Finance should establish a date during the revenue estimates process before which all known non-trivial errors are corrected.
Status – Complete

2.3   The Controller's Office should establish a process to ensure Government Accounting is included in change management processes to systems producing amounts and disclosures for the Public Accounts.
Status – Complete

2.4   The Department of Community Services should only estimate and account for its share of expenses of the Nova Scotia Housing Development Corporation.
Status – Complete

2.5   The Department of Community Services should account for the Nova Scotia Housing Development Corporation as a separate agency of government.
Status – Complete

2.6   The Controller's Office should update the description of the variance analysis process conducted on major line items of the consolidated financial statements, including determining the thresholds to be used, and assigning roles and responsibilities for preparation and approval.
Status – Complete

2.7   The Controller's Office should direct the Department of Education to cooperate fully with the audit and provide requested information accurately and on a timely basis.
Status – Complete

2.8   The Controller's Office should oversee the preparation of departmental risk assessments of material misstatement to the consolidated financial statements due to fraud and error.
Status – Not Complete

2.9   The Controller's Office should prepare a description of the process for monitoring of internal controls and include this in the Management Manuals. The description should assign responsibility for the process, provide an overview of how to determine which controls are to be monitored, and guidelines as to the frequency of the process.
Status – Not Complete

2.10   The Controller's Office should assign and communicate responsibility for ensuring account balances and disclosures are in compliance with public sector accounting standards. If this responsibility is assigned to departments, as a requirement for audit support, each should be required to acknowledge that the information provided to support balances and disclosures complies with standards. Control descriptions should be updated to reflect this process.
Status – Complete

2.11   The Controller's Office should develop a process to identify, evaluate and monitor complementary user entity controls in government departments using external service organizations.
Status – Not Complete

2.12   The Controller's Office should prepare policies and procedures for determining tax revenues, including establishing the cut-off timeframe for updating assumptions and models. This policy should be included in the province's Management Manuals.
Status – Not Complete

2.13   Government Accounting should record all accumulated sick leave benefits liabilities for the March 31, 2013 consolidated financial statements.
Status – Complete

2.14   The Minister of Finance should directly communicate all significant proposed changes to the Public Service Superannuation Plan to its members.
Status – Complete

2.15   The Controller's Office should provide guidance to governmental units reflecting the government's position on the application of PS 3410 - Government Transfers for the year ended March 31, 2013.
Status – Complete

Chapter 3 – Follow-up of Recommendations to the Office of the Speaker, and Audit of the House of Assembly

3.1   The House of Assembly Management Commission should revise the House of Assembly Management Commission Regulations to require advertisements be reviewed.
Status – Complete

3.2   Management of the House of Assembly should perform periodic reconciliations of inventory listings to the system used to record capital assets, and should also conduct periodic physical inspections.
Status – Complete

3.3   House of Assembly management should update the House of Assembly Management Commission Regulations to specify that late fees and other expenses of this nature are not claimable.
Status – Complete

3.4   Management of the House of Assembly should analyze expense accounts to ensure expenses included in the financial statements of the House of Assembly are accurate and complete.
Status – Action No Longer Applicable (Office of the Auditor General agrees with this status. This recommendation has been removed from further follow-up assignments.)

3.5   The House of Assembly Management Commission should revise House of Assembly Management Commission Regulations to allow Members to submit claims for year end expenses in a reasonable period subsequent to March 31. Management will need to adjust procedures for determining year end accruals to ensure expenses are reasonably stated.
Status – Complete

3.6   The Chief Clerk's assessment of internal controls should refer to the effectiveness of internal controls.
Status – Complete

3.7   Management of the House of Assembly operations should ensure consultant's recommendations for improvements to internal controls are implemented by March 31, 2013.
Status – Complete

3.8   The House of Assembly Management Commission should prepare a comprehensive risk assessment.
Status – Complete

Chapter 5 – Review of Audit Opinions and Management Letters

5.1   The Department of Education should work with school boards to implement recommendations made by their auditors and develop appropriate controls to ensure the accuracy and completeness of school-based funds in board's accounting records, and to ensure these funds are properly safeguarded.
Status – Complete

May 2013

Chapter 3 – Community Services – Child Welfare – Investigations, Monitoring, and Foster Care

3.1   The Department of Community Services should update the Child Protection Services Policy Manual to ensure it clearly describes current processes and required documentation. The manual should also be provided in a user-friendly, electronic format.
Status – Not Complete

3.2   The Department of Community Services should update the Foster Care Manual to ensure it clearly describes current processes and required documentation. The manual should also be provided in a user-friendly electronic format.
Status – Not Complete

3.3   The Department of Community Services should establish a regular review schedule for its child protection, children in care and foster care manuals. As sections are reviewed, any changes identified should be implemented promptly.
Status – Complete

3.4   The Department of Community Services, in partnership with Executive Council, should update the Children and Family Services Act to ensure it adequately addresses modern practices related to age groups covered by child welfare and includes a modern definition of harm due to neglect.
Status – Not Complete

3.5   The Department of Community Services should record and track all complaints, including any investigation carried out and the resolution.
Status – Not Complete

3.6   The Department of Community Services should extend its file audits to cover all aspects of foster care, including screening and approval of foster families.
Status – Not Complete

3.7   The Department of Community Services should clarify the priority response times for commencing child abuse or neglect investigations.
Status – Not Complete

3.8   The Department of Community Services should commence all investigations within the assigned priority response times.
Status – Complete

3.9   The Department of Community Services should document supervisor approval and rationale for all investigations exceeding six weeks.
Status – Not Complete

3.10   The Department of Community Services should require case checklists be completed on every file closed at intake or opened for ongoing child protection services as evidence the supervisor completed the required case audit.
Status – Complete

3.11   The Department of Community Services should track and monitor the length of time it takes to approve all foster families.
Status – Complete

3.12   The Department of Community Services should update the foster care manual to include clear, well-defined kinship foster family policies and procedures.
Status – Complete

3.13   The Department of Community Services should prepare, and monitor compliance with, Comprehensive Plans of Care for all children in care according to policy requirements.
Status – Complete

3.14   The Department of Community Services should conduct all initial contact meetings within seven days following a child's placement in care as required by policy. Meetings should be documented in case files.
Status – Complete

3.15   The Department of Community Services should comply with the 30-day contact requirement for all children in care.
Status – Complete

3.16   The Department of Community Services should clarify dental standards for children to address the age at which visits are first required.
Status – Complete

3.17   The Department of Community Services should comply with health and dental standards for all children in care.
Status – Complete

3.18   The Department of Community Services should establish monitoring standards for families under court-ordered supervision.
Status – Complete

3.19   The Department of Community Services should prepare complete case plans within 30 days as prescribed by standards.
Status – Complete

3.20   The Department of Community Services should conduct supervisory reviews to assess progress implementing case plans every 90 days, or sooner if defined in the plan. These reviews should be documented in the case file.
Status – Complete

3.21   The Department of Community Services should meet with all foster families every three months in the foster home as required by standards.
Status – Complete

3.22   The Department of Community Services should have initial contact with all foster families within five working days of each child's placement as required by standards.
Status – Complete

3.23   The Department of Community Services should conduct annual reviews of each foster family as required by standards.
Status – Complete

Chapter 4 – Transportation and Infrastructure Renewal - Mechanical Branch Management

4.1   The Department should assess all mechanical branch operations and implement the recommendations in this chapter where similar conditions exist.
Status – Not Complete

4.2   The Department should update its policies and procedures to reflect operational practices and the recommendations in this chapter.
Status – Not Complete

4.3   The Department should implement a quality assurance process to regularly monitor operational activities and controls.
Status – Not Complete

4.4   The Department should approve tool purchases and retain documented support for the approval.
Status – Complete

4.5   The Department should deactivate all inventory stockroom electronic key-cards issued to former employees at Miller Lake and moving forward, should deactivate key cards when employees leave.
Status – Complete

4.6   The Department should change stockroom door locks and store keys in a secure location at Miller Lake.
Status – Complete

4.7   The Department should evaluate which staff require access to parts and tool inventories at Miller Lake. Only those with an operational need should have access.
Status – Complete

4.8   The Department should implement the recommendations from its December 2012 crime prevention review at Miller Lake.
Status – Complete

4.9   The Department should restrict inventory access to authorized personnel at the Truro mechanical branch.
Status – Complete

4.10   The Department should store shared tools and supplies in a secure area with limited access. The Department should also maintain an inventory of shared tools and supplies and require staff to sign tools out for use.
Status – Not Complete

4.11   The Department should track and maintain inventory distribution forms.
Status – Not Complete

4.12   The Department should update parts inventory within one week of distributing the part.
Status – Not Complete

4.13   The Department should record all parts distributed on a distribution form.
Status – Not Complete

4.14   The Department should implement a process to ensure all parts inventory distribution forms identify the specific repair job and are signed by the mechanic receiving the part.
Status – Not Complete

4.15   The Department should approve all inventory adjustments. Additionally, adjustments should be reviewed periodically by someone independent of the inventory adjustment process.
Status – Complete

4.16   The Department should implement a process to ensure inventory write-offs are properly approved as required by Department policy.
Status – Not Complete

4.17   The Department should change system access so that supervisors with responsibility for inventory counts cannot also change inventory records.
Status – Complete

4.18   The Department should establish criteria to investigate inventory count variances.
Status – Not Complete

4.19   The Department should establish a process to investigate variances which includes action required, documentation and approvals.
Status – Not Complete

4.20   The Department should establish standards detailing the nature and type of information to be documented on paper work orders, including dates work was completed and timelines for retention of the work orders.
Status – Complete

4.21   The Department should implement a process to ensure electronic work orders include accurate and complete information which is updated in a timely manner.
Status – Not Complete

4.22   The Department should implement a process to ensure parts and labour hours are charged to specific repair jobs.
Status – Not Complete

4.23   The Department should implement a process to ensure only the actual parts and shop supplies used for a repair are recorded to the job.
Status – Not Complete

4.24   The Department should close electronic work orders once repair jobs are complete so that no additional postings can be made.
Status – Not Complete

4.25   The Department should require management to perform a periodic reasonableness review of the hours and parts charged to jobs.
Status – Complete

4.26   The Department should require mechanics to sign off on the final work orders for which they are responsible.
Status – Complete

4.27   The Department should revise approval policies and practices to purchase parts for repair jobs so they are consistent among districts. Approval should be documented.
Status – Not Complete

4.28   The Department should require staff to sign indicating receipt of parts used for specific repair jobs.
Status – Not Complete

4.29   The Department should implement and monitor time standards for repair activities.
Status – Not Complete

4.30   The Department should establish a policy outlining when it is appropriate to purchase outside repair work, including requirements for documented rationale.
Status – Not Complete

4.31   The Department should revise its policies and practices for outsourced repair approvals so they are consistent among districts. This should include a requirement for documented approval.
Status – Not Complete

4.32   The Department should track mechanics' licenses to ensure they remain valid.
Status – Complete

4.33   The Department should revise mechanical branch preventative maintenance practices so that they accurately reflect manufacturers' maintenance requirements.
Status – Complete

4.34   The Department should implement a process to ensure required preventative maintenance is completed, including maintaining proper documentation supporting the maintenance performed.
Status – Not Complete

4.35   The Department should make detailed vehicle warranty information readily available to staff.
Status – Complete

4.36   The Department should submit annual total life cycle cost claims and final payment claims to manufacturers within 30 days of the contracted timeframe of vehicles as required.
Status – Action No Longer Required or Appropriate (Office of the Auditor General does not agree with this assessment.)

4.37   The Department should implement a process to ensure guarantee details per total life cycle cost agreements are accurately reflected in the tracking spreadsheet.
Status – Action No Longer Required or Appropriate (Office of the Auditor General does not agree with this assessment.)

4.38   The Department should include all eligible costs under total life cycle cost agreements in claims to manufacturers.
Status – Action No Longer Required or Appropriate (Office of the Auditor General does not agree with this assessment.)

Chapter 5 – Agencies, Boards and Commissions – Travel and Other Expenses

5.1   Complete documentation, including detailed receipts, evidence of payment and purpose for the expenditure, should be provided to support claims for reimbursement. Claims without complete support should not be processed for payment. [This recommendation applies to all entities tested.]
Status – Nova Scotia Liquor Corporation – Complete
Innovacorp (Nova Scotia Innovation Corporation) – Complete
Waterfront Development Corporation – Complete
Nova Scotia Primary Forest Products Marketing Board – Complete

5.2   Waterfront Development Corporation should develop a process to ensure all expense claims, including claims through corporate credit cards, are signed by an approver as indication of approval for the expense.
Status – Complete

5.3   Nova Scotia Primary Forest Products Marketing Board should implement a process whereby per diem claims for board members are reviewed and approved by the board chair prior to submission for payment.
Status – Primary Forest Products Marketing Board – Complete

5.4   Appropriate approval processes should be established in approving expense claims. [This recommendation applies to Film Nova Scotia, Hants Regional Development Authority, Nova Scotia Innovation Corporation, Nova Scotia Liquor Corporation.]
Status – Nova Scotia Liquor Corporation – Complete
Innovacorp (Nova Scotia Innovation Corporation) – Complete

5.5   Expenses incurred by other individuals on behalf of senior management should be approved by a person other than the senior manager for whom the expenditure was made. [This recommendation applies to Nova Scotia Innovation Corporation, Nova Scotia Liquor Corporation.]
Status – Nova Scotia Liquor Corporation – Complete
Innovacorp (Nova Scotia Innovation Corporation) – Complete

5.6   Senior management expense claims should be reviewed together with related expenses incurred by other individuals on their behalf prior to making payments. [This recommendation applies to Nova Scotia Innovation Corporation, Nova Scotia Liquor Corporation.]
Status – Nova Scotia Liquor Corporation – Complete
Innovacorp (Nova Scotia Innovation Corporation) – Complete

5.7   The Nova Scotia Liquor Corporation should establish rules, guidelines and processes for identifying and deducting non-eligible travel expenses from employee and board member claims.
Status – Nova Scotia Liquor Corporation – Complete

5.8   Claims for mileage should be submitted with related expenses in a timely manner. [This recommendation applies to Nova Scotia Innovation Corporation, Nova Scotia Liquor Corporation.]
Status – Nova Scotia Liquor Corporation – Complete
Innovacorp (Nova Scotia Innovation Corporation) – Complete

5.9   Credit card expense claims should be submitted in a timely manner. [This recommendation applies to Waterfront Development Corporation.]
Status – Complete

5.10   Payments made for ineligible expenses or expenses already claimed should be recovered. [This recommendation applies to Nova Scotia Innovation Corporation, Nova Scotia Primary Forest Products Marketing Board, Strait-Highlands Regional Development Agency, Sydney Tar Ponds Agency.]
Status – Innovacorp (Nova Scotia Innovation Corporation) – Complete
Nova Scotia Primary Forest Products Marketing Board – Complete

5.11   Late fees and other such avoidable expenses should not be eligible for reimbursement. [This recommendation applies to Nova Scotia Innovation Corporation.]
Status – Innovacorp (Nova Scotia Innovation Corporation) – Not Complete

5.12   Senior Management should consider coordinating travel arrangements to reduce unnecessary mileage claims. [This recommendation applies to Sydney Tar Ponds Agency]
Status – Agency no longer exists, therefore recommendation not included in statistics

5.13   Policies should be reviewed and updated, including guidance on minimum travel distances and claiming staff meal expenses, standard class for airfare, approval process for board member claims, and requirement for itemized receipts. [This recommendation applies to Hants Regional Development Authority, Nova Scotia Innovation Corporation, Nova Scotia Liquor Corporation, Strait-Highlands Regional Development Agency.]
Status – Nova Scotia Liquor Corporation – Complete
Innovacorp (Nova Scotia Innovation Corporation) – Not Complete

5.14   Policies should be communicated in sufficient detail to staff and board members to provide guidance on eligible travel and other expenses. [This recommendation applies to Nova Scotia Innovation Corporation, Nova Scotia Primary Forest Products Marketing Board, Waterfront Development Corporation.]
Status – Innovacorp (Nova Scotia Innovation Corporation) – Complete
Waterfront Development Corporation – Not Complete
Nova Scotia Primary Forest Products Marketing Board – Complete

5.15   Treasury Board Office should communicate to all provincial agencies, boards and commissions that they use the observations and recommendations in this chapter to evaluate their own systems and processes for travel and other expenses, by and on behalf of, senior management and board members, and make improvements as required.
Status – Not Complete

August 2013

Review of MLA Samson's Entitlement to Benefits as an Outside Member

2.1   The House of Assembly Management Commission should conduct a thorough review of allowances and benefits allowed to members to service their constituents and attend House business in Halifax, describe what is fair and appropriate reimbursement, and revise the Regulations accordingly.
Status – Complete

2.2   The House of Assembly Management Commission should review the definition of an outside member, determine if it needs to be updated, and amend the House of Assembly Act and the House of Assembly Management Commission Act and Regulations to include the definition.
Status – Complete

2.3   The House of Assembly Management Commission should review the intent of the accommodation allowance, and update the definition of leased premises in the House of Assembly Management Commission Regulations to reflect this purpose.
Status – Complete

2.4   The House of Assembly Management Commission should review the purpose of constituency travel and update the Regulations to ensure the purpose is fully described and specifies the nature of travel to be reimbursed.
Status – Complete

2.5   The House of Assembly Management Commission should review the purpose of per diem claims and update its Regulations to ensure the purpose is fully described and specifies the nature of per diem amounts to be reimbursed.
Status – Complete

2.6   The Office of the Speaker should seek repayment from Mr. Samson for inappropriate claims listed in this report.
Status – Complete

November 2013

Chapter 2 – Government-wide – Controls over Disposal of IT Assets

2.1   The Chief Information Office should ensure all computers issued to government employees are configured to encrypt their data.
Status – Not Complete

2.2   The Department of Health and Wellness should develop and implement a process to ensure its information technology asset inventory records are complete and accurate.
Status – Complete

2.3   The Department of Justice should develop and implement a process to ensure its information technology asset inventory records are complete and accurate.
Status – Complete

2.4   The Department of Community Services should develop and implement a process to ensure its information technology asset inventory records are complete and accurate.
Status – Not Complete

2.5   The Department of Community Services should utilize an inventory management application that prevents unauthorized access through strong password control; prevents authorized users from performing unauthorized transactions; logs all user activity; and disables accounts when they become dormant.
Status – Complete

2.6   The Department of Transportation and Infrastructure Renewal should administer a central inventory management application that prevents unauthorized access through strong password control; prevents authorized users from performing unauthorized transactions; logs all user activity; and disables accounts when they become dormant.
Status – Not Complete

2.7   The Chief Information Office should modify the standards that support the Wide Area Network Security Policy to indicate the categories of information technology assets covered by the policy and to reference its relationship to government's Information Management Policy.
Status – Complete

2.8   The Chief Information Office should document its information technology asset disposal process indicating the procedures, responsibilities and service contacts involved. This documentation or a summary of it should be provided to departments that use the Office's disposal service.
Status – Complete

2.9   The Chief Information Office should use sanitization (secure wiping) software that records and reports information on wipe processes and results.
Status – Not Complete

2.10   The Chief Information Office should implement a standard procedure that provides a visual identification of whether information technology assets have been wiped.
Status – Complete

2.11   The Chief Information Office should periodically verify that computers sent for disposal were wiped.
Status – Complete

2.12   The Chief Information Office should develop a process to ensure all the information technology asset disposals it performs are recorded in a centralized tracking system.
Status – Not Complete

2.13   The Chief Information Office should retain specific disposal details for each asset it services such as sanitization (secure wipe) status, date of disposal, the individual who performed the disposal procedures, and current location.
Status – Complete

2.14   The Department of Transportation and Infrastructure Renewal should work with Treasury Board Office to update the Inventory Control Policy to reflect the current inventory management structure and processes. The policy should contain a definition of which assets to list and control; assignment of responsibilities to control inventories; a requirement to maintain accurate and complete inventory records which are reconciled to physical assets on a regular basis; processes for secure disposal of replaced assets; and responsibilities for enforcement of the requirements of the updated policy.
Status – Complete

Chapter 3 – Economic and Rural Development and Tourism – Funding Programs

3.1   The Department of Economic and Rural Development and Tourism should require all Jobs Fund applicants to submit formal applications.
Status – Complete

3.2   The Department of Economic and Rural Development and Tourism should require all Jobs Fund applicants that have audited financial statements to include these with their applications.
Status – Action no longer required or appropriate (Office of the Auditor General does not agree with this assessment.)

3.3   The Department of Economic and Rural Development and Tourism should complete a financial analysis of all applicants to the Jobs Fund. The analysis should be in compliance with the Jobs Fund Process Guide and documented in the file.
Status – Action no longer required or appropriate (Office of the Auditor General does not agree with this assessment.)

3.4   The Department of Economic and Rural Development and Tourism should document and assess the reasonableness of Jobs Fund applicant financial projections.
Status – Action no longer required or appropriate (Office of the Auditor General does not agree with this assessment.)

3.5   The Department of Economic and Rural Development and Tourism should complete an economic analysis for all Jobs Fund applicants.
Status – Action no longer required or appropriate (Office of the Auditor General does not agree with this assessment.)

3.6   The Department of Economic and Rural Development and Tourism should immediately develop, implement and consistently use a standard checklist to ensure the compliance with the Jobs Fund Process Guide.
Status – Action no longer required or appropriate (Office of the Auditor General does not agree with this assessment.)

3.7   The Department of Economic and Rural Development and Tourism should implement management review of all transactions once the investment manager has completed the assessment. Evidence of management review should be documented in the file.
Status – Action no longer required or appropriate (Office of the Auditor General does not agree with this assessment.)

3.8   The Department of Economic and Rural Development and Tourism should establish a requirement that all proposals be presented to the Nova Scotia Jobs Fund Board prior to being submitted to Cabinet.
Status – Action no longer required or appropriate (Office of the Auditor General does not agree with this assessment.)

3.9   The Department of Economic and Rural Development and Tourism should implement a process to ensure information submitted to Cabinet is complete and accurate.
Status – Action no longer required or appropriate (Office of the Auditor General does not agree with this assessment.)

3.10   The Department of Economic and Rural Development and Tourism should only disburse financial assistance based on expenses incurred and paid. Disbursements should be supported by original receipted invoices and cancelled cheques or equivalent documentation to prove the company has paid the related expenses.
Status – Nova Scotia Business Inc. – Complete
Status – Department of Business – Action no longer required or appropriate
(Office of the Auditor General does not agree with this assessment.)

3.11   The Department of Economic and Rural Development and Tourism should use the most current version of standard terms and conditions when signing agreements for financial assistance.
Status – Action no longer required or appropriate (Office of the Auditor General does not agree with this assessment.)

3.12   The Department of Economic and Rural Development and Tourism should immediately develop, implement and consistently use a checklist to ensure required information has been submitted. Funding should not be disbursed until all information has been received and all conditions have been met.
Status – Nova Scotia Business Inc. – Complete
Status – Department of Business – Action no longer required or appropriate
(Office of the Auditor General does not agree with this assessment.)

3.13   The Department of Economic and Rural Development and Tourism should develop a disbursement memo or similar document and require the solicitor or investment manager to complete this memo confirming all conditions have been met prior to releasing funding.

Status – Nova Scotia Business Inc. – Complete

Status – Department of Business – Action no longer required or appropriate
(Office of the Auditor General does not agree with this assessment.)

3.14   The Department of Economic and Rural Development and Tourism should ensure criteria for the receipt of financial assistance and loan forgiveness are consistent with the information used to assess and approve the initial request.

Status – Transportation and Infrastructure Renewal – Complete

Status – Department of Business – Action no longer required or appropriate
(Office of the Auditor General does not agree with this assessment.)

3.15   The Department of Economic and Rural Development and Tourism should require an independent third party to confirm that criteria have been met prior to forgiving a loan.

Status – Transportation and Infrastructure Renewal – Complete

Status – Department of Business – Action no longer required or appropriate
(Office of the Auditor General does not agree with this assessment.)

3.16   The Department of Economic and Rural Development and Tourism should immediately develop and implement a process to track and document the annual monitoring of Jobs Fund clients.

Status – Nova Scotia Business Inc. – Complete

Status – Department of Business – Action no longer required or appropriate
(Office of the Auditor General does not agree with this assessment.)

3.17   The Department of Economic and Rural Development and Tourism should include consequences for failure to comply with terms and conditions in all letters of offer. In the event of noncompliance, the Department should take appropriate action.

Status – Nova Scotia Business Inc. – Complete

Status – Department of Business – Action no longer required or appropriate
(Office of the Auditor General does not agree with this assessment.)

3.18   The Department of Economic and Rural Development and Tourism should update the Nova Scotia Jobs Fund Process Guide to address the recommendations in this chapter. The Department should require all staff to follow the Process Guide for all transactions.

Status – Action no longer required or appropriate (Office of the Auditor General does not agree with this assessment.)

3.19   Before continuing with the Strategic Funding Initiatives program, the Department of Communities, Culture and Heritage should develop and implement appropriate program policies. In doing so, the Department should consider the issues identified during our audit and develop policies which address these concerns.
Status – Communities, Culture and Heritage – Not Complete

3.20   The Department and Economic and Rural Development and Tourism should comply with program guidelines to collect and assess consistent information for each applicant before providing financial assistance.
Status – Not Complete

3.21   The Department of Economic and Rural Development and Tourism should develop and document evaluation processes for funding applications. These should clearly outline evaluation criteria as well as provide guidance on how criteria should be assessed.
Status – Not Complete

3.22   The Department of Economic and Rural Development and Tourism should document its evaluation of funding program applications. Documentation should include rationale to support the assessment of program criteria for approved and rejected applications.
Status – Not Complete

3.23   The Department of Economic and Rural Development and Tourism should follow its document retention policy for rejected applications.
Status – Not Complete

3.24   The Department of Economic and Rural Development and Tourism should comply with Capital Investment Incentive program guidelines.
Status – Not Complete

3.25   The Department of Economic and Rural Development and Tourism should follow its process guidelines and ensure companies submit support for full project costs.
Status – Not Complete

3.26   The Department of Economic and Rural Development and Tourism should require Workplace Innovation and Productivity Skill Incentive program recipients to provide documentation confirming that training has started prior to receipt of funding.
Status – Not Complete

3.27   The Department of Economic and Rural Development and Tourism should develop a monitoring framework for all funding programs that utilizes site visits and third party corroboration to confirm projects are occurring as intended.
Status – Not Complete

3.28   The Department of Economic and Rural Development and Tourism should develop and implement a funding program review process. The review should be conducted by staff external to the funding program and focus on determining whether application assessment and funding disbursement are in compliance with program guidelines.
Status – Not Complete

3.29   The Department of Economic and Rural Development should develop specific and measurable goals and objectives for each funding program.
Status – Not Complete

3.30   The Department of Economic and Rural Development and Tourism should develop and implement a regular performance review process for all funding programs, including the Jobs Fund. The process should outline the frequency of review and document the measures to be used in assessing program goals and objectives.
Status – Not Complete

Chapter 4 – Health and Wellness – Public Health Surveillance

4.1   The Department of Health and Wellness should expedite the approval process and move forward with the public health protocols in a timely manner.
Status – Complete

4.2   The Department of Health and Wellness should develop a plan to implement its public health protocols following approval. The plan should include detailed timelines and involve input from stakeholders impacted by the new protocols.
Status – Not Complete

4.3   The Department of Health and Wellness should clearly define and communicate goals and objectives for surveillance of non-notifiable disease indicators.
Status – Not Complete

4.4   The Department of Health and Wellness should identify an appropriate information system for public health surveillance and work with Treasury Board Office to implement the system in a timely manner.
Status – Not Complete

4.5   The Department of Health and Wellness should implement recommendation 4.5 from our February 2008 Report to develop an electronic immunization registry.
Status – Not Complete

4.6   The Department of Health and Wellness should require district health authority staff to implement a quality check to ensure completeness and accuracy of ANDS data fields.
Status – Complete

4.7   The Department of Health and Wellness should periodically review notifiable disease and condition reporting to ensure reports continue to meet user needs.
Status – Complete

4.8   The Department of Health and Wellness should work with the Public Health Agency of Canada to fill the field surveillance officer position under the terms of its memorandum of agreement with the Agency.
Status – Complete

4.9   The Department of Health and Wellness should implement its plans to collect and report non-notifiable disease indicators and work toward obtaining the more detailed data needed to analyze indicators.
Status – Complete

4.10   The Department of Health and Wellness should require that all data held in, or accessible by, the Department be available to the Population Health Assessment and Surveillance team as required.
Status – Complete

Chapter 5 – Labour and Advanced Education – Occupational Health and Safety

5.1   The Department of Labour and Advanced Education should establish inspection targets for the Occupational Health and Safety Division and its regions to ensure inspection staff focus their efforts on the higher-risk industries identified by the Department. Inspection targets should be documented in an annual plan and monitored.
Status – Complete

5.2   The Department of Labour and Advanced Education should evaluate inspection results against the annual plans to determine if targets were met and where adjustments need to be made.
Status – Complete

5.3   The Department of Labour and Advanced Education should communicate with the Nova Scotia Business Registry and Workers' Compensation Board to establish a process to obtain information on registered new businesses on a regular basis.
Status – Not Complete

5.4   The Department of Labour and Advanced Education should develop and implement inspection checklists.
Status – Not Complete

5.5   The Department of Labour and Advanced Education should request that recipients sign inspection reports as acknowledgement of receipt of the reports and related orders.
Status – Complete

5.6   The Department of Labour and Advanced Education should require evidence of compliance with orders be obtained for violations that pose serious health and safety risks.
Status – Complete

5.7   The Department of Labour and Advanced Education should monitor to ensure approval is obtained and documented in the files for extensions to compliance order dates greater than 60 days.
Status – Complete

5.8   The Department of Labour and Advanced Education should comply with its policy concerning manager review of investigations.
Status – Complete

5.9   The Department of Labour and Advanced Education should comply with its policy concerning two officers attending at the preliminary investigation of a workplace fatality.
Status – Complete

5.10   The Department of Labour and Advanced Education should develop and implement policies and procedures that provide guidance to inspectors on follow up and enforcement of outstanding orders.
Status – Not Complete

5.11   The Department of Labour and Advanced Education should establish a complaint logging and tracking system to ensure all complaints received are recorded in the activity information system and investigated in a timely manner.
Status – Not Complete

5.12   The Department of Labour and Advanced Education should develop and implement performance standards for response times to incidents and complaints.
Status – Not Complete

5.13   The Department of Labour and Advanced Education should monitor whether inspectors are updating the activity information system as frequently as required.
Status – Complete

5.14   The Department of Labour and Advanced Education should utilize a time tracking system to develop performance standards for planning and monitoring.
Status – Action no longer required (Office of the Auditor General agrees with this status. This recommendation has been removed from further follow-up assignments.)

5.15   The Department of Labour and Advanced Education should review system information capabilities to determine what information should be collected in order to fully utilize the system for analysis and decision making.
Status – Not Complete

5.16   The Department of Labour and Advanced Education should implement a file review process for inspection and investigation files that includes documentation of the review and sign off by the manager.
Status – Complete

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