

AUDITOR GENERAL

Halifax Regional Municipality



***Follow-up Review: Reports Released
from March 2014 – January 2016***

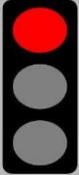
Summary

- Nine reports released between March 2014 & January 2016
 - **26** significant issues identified
- Two to four years later:
 - **14** known issues remain outstanding
 - **3** of these had minimal or no work done
- Management needs to take action to correct known deficiencies

Background

- Previously no follow-up process
- 2009-2013
 - Some reports followed up
 - No further follow up work on 2009-2013
- Current report:
 - Looked at significant themes
- Going forward:
 - Follow up after 18 months
 - Report to AFSC annually

Results by Report

		
<p>Employee Absence Leave • 2 of 2 Outstanding</p> <p>Equipment Fuel Program • 2 of 2 Outstanding</p> <p>Building Standards – Permits and Inspections • 3 of 3 Outstanding</p>	<p>Washmill Lake Court Extension Project • 1 of 3 Addressed</p> <p>Risk Management Fuel Spill at Halifax Transit • 1 of 3 Addressed</p> <p>Expenses: Mayor, Councillors, Senior Management and Staff 2013-14 • 2 of 3 Addressed</p> <p>Management of HRM's Reserve Funds • 1 of 3 Addressed</p>	<p>Administration of Training Expenditures • 3 of 3 Addressed</p> <p>Halifax Regional Fire & Emergency – Nonemergency Fleet Vehicle Allocation • 4 of 4 Addressed</p>

Detailed Results

Administration of Training Expenditures – March 2014

- | | |
|--|-----------|
| • No training strategy to develop courses | Addressed |
| • Confusion around training program | Addressed |
| • Issues with Tuition Reimbursement Policy | Addressed |

Halifax Regional Fire & Emergency – Non-Emergency Fleet Vehicle Allocation – September 2014

- | | |
|--|-----------|
| • No policy to allocate Halifax Fire’s non-emergency vehicles | Addressed |
| • Lack of controls for Halifax Fire’s non-emergency vehicles | Addressed |
| • Management does not have sufficient information to assign vehicles | Addressed |
| • HRM fleet guidelines not followed | Addressed |

Detailed Results

Washmill Lake Court Extension Project – January 2015

- | | |
|--|-------------|
| • HRM could not confirm that Washmill met appropriate construction standards | Addressed |
| • Lack of project management and central responsibility | Outstanding |
| • Lack of appropriate approvals and oversight | Outstanding |

Risk Management: Fuel Spill at Halifax Transit – May 2015

- | | |
|--|-------------|
| • HRM has no corporate-wide risk management | Outstanding |
| • No environmental protection framework | Outstanding |
| • Fuel spill undetected due to incorrect inventory reconciliation procedures | Addressed |

Detailed Results

Expenses: Mayor, Councillors, Senior Management and Staff 2013-14 – May 2015

- | | |
|---|-------------|
| • Issues with expense policy controls | Outstanding |
| • Allowable charges under expense & purchasing card policies need to be updated | Addressed |
| • Less analysis possible with information provided by new credit card provider | Addressed |

Management of HRM's Reserve Funds – January 2016

- | | |
|---|-------------|
| • Lack of compliance with legislation and Administrative Order | Outstanding |
| • Lack of documentation and transparency for reserve funding levels and planned usage | Outstanding |
| • Issues with accounting controls (access to funds) | Addressed |

Detailed Results

Employee Absence Leave – April 2014

- No analysis of absence leaves Outstanding
- Leave entitlements not consistent across business units Outstanding

Equipment Fuel Program – September 2014

- Lack of controls around the use of fuel cards and fobs Outstanding
- Inconsistent controls at fueling locations Outstanding

Building Standards – Permits and Inspections – September 2015

- No procedure manual Outstanding
- Records management issue Outstanding
- One performance indicator not relevant Outstanding

How Can Audit & Finance Standing Committee Help?

- Have management speak to this Committee on how they plan to address known issues
- Ask for action plans with timeline

Questions?