



### **BACKGROUND/DISCUSSION**

At the May 18, 2022 meeting of the Audit and Finance Standing Committee, the Committee received a report and presentation from the Auditor General on the 2021-22 Annual Report and 2022-23 Audit Priorities. The Committee considered the matter and approved a motion to forward the report to Regional Council as an information item.

For further information, refer to the 2021-22 Annual Report and 2022-23 Audit Priorities report dated May 16, 2022.

### **FINANCIAL IMPLICATIONS**

There are no financial implications associated with this report.

### **COMMUNITY ENGAGEMENT**

The meeting held on May 18, 2022 was livestreamed and the video recording is available at [Halifax.ca](https://halifax.ca).

The agenda, reports, and minutes of the Audit and Finance Standing Committee are posted on [Halifax.ca](https://halifax.ca).

### **ATTACHMENTS**

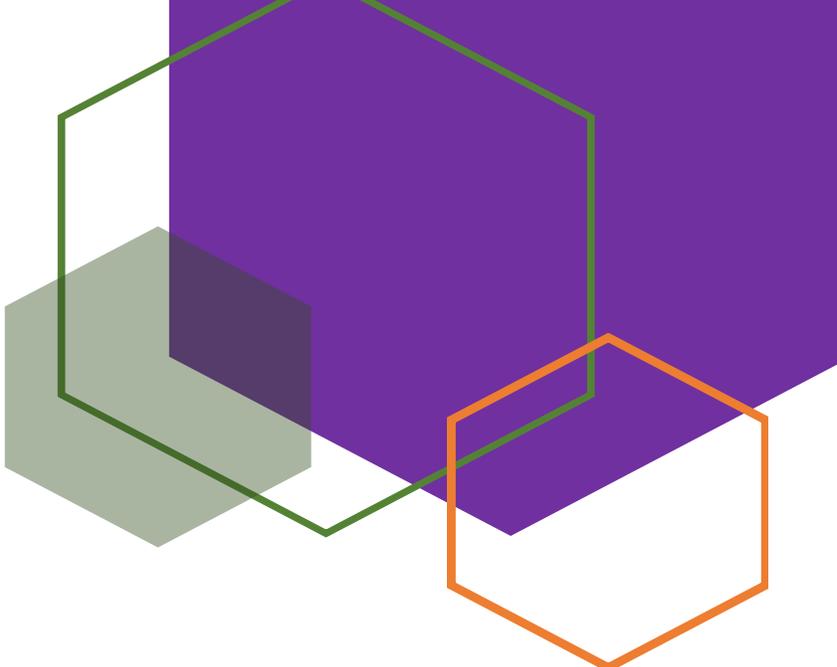
Attachment 1 – Office of the Auditor General 2021-22 Annual Report and 2022-23 Audit Priorities, dated May 16, 2022

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A copy of this report can be obtained online at [halifax.ca](https://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Annie Sherry, Legislative Assistant, Office of the Municipal Clerk. 902.943.8741.

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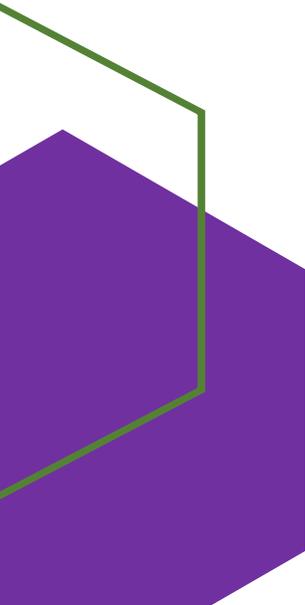


# AUDITOR GENERAL

Halifax Regional Municipality



2021-22 Annual Report  
and  
2022-23 Audit Priorities



## About Our Office

- Halifax Regional Municipality Charter establishes Auditor General's role
- Auditor General is appointed by Regional Council
- Audit programs and accounts of municipality and municipal bodies
- Assist Halifax Regional Council in holding itself and administration accountable for the use of public funds
- Establish annual audit priorities based on our assessment of risks in various program areas
- Current Auditor General, Evangeline Colman-Sadd, began seven-year-term in October 2016

## What's New

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### Audit Reports Released

- ◆ Management of Accounts Payable Audit
- ◆ Transit Technology Project Management Audit
- ◆ Management of the Fire Inspection Program Audit
- ◆ Management of Solid Waste Operations Audit

### Follow-up Reviews Released

- ◆ Payroll Management
- ◆ Purchasing Card Program
- ◆ Road and Sidewalk Asset Management
- ◆ LED Streetlight Conversion
- ◆ HRM's New Website Project
- ◆ Fleet Vehicle Use, Car Allowances and Mileage

### Audits In Progress

- ◆ Respectful Workplaces
- ◆ Real Estate
- ◆ Halifax Water Information Technology

## Our Values

### Integrity

We value honesty and accountability, holding ourselves to high professional and ethical standards.

### Objectivity

We are independent from management of the entities we audit and impartial in our assessments.

### Collaboration

We work together to focus on the significant issues and make practical recommendations for improvement.

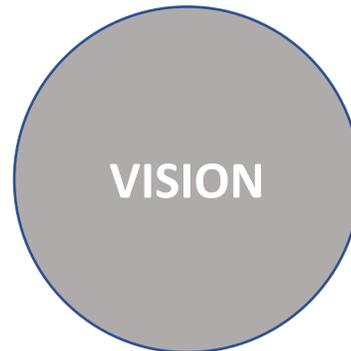
### Excellence

We develop our knowledge and work to improve our processes.



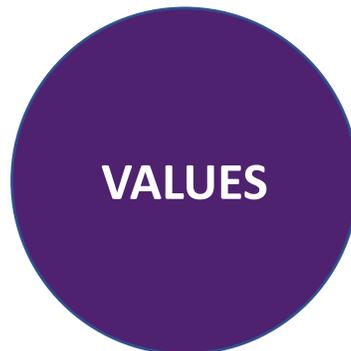
### Our Mission

To deliver independent audits that strengthen accountability and encourage improved efficiency and effectiveness of programs



### Our Vision

A relevant, valued, independent audit office, known for professional excellence



## Performance Information

Performance Measures	Target	2021-22
% staff hours on audit versus non-audit activities	85%	88%
% recommendations accepted and plan to implement	100%	100%
% recommendations implemented after 18 months	80%	63%

See the 2022-23 Follow-up Reviews section below for further details on the percentage of recommendations implemented.

## 2022-23 Planned Work

2022-23 Audit Priorities	
Subject	Business Unit
HRM Information Technology (carry over from 2021-22)	Information Technology
Hiring Practices	Human Resources & Corporate Communications
Management of Cogswell Interchange	Public Works
Diversity and Inclusion	Office of the CAO – Office of Diversity and Inclusion/ ANSAIO

These audits and follow-up reviews will begin in 2022-23; however, some reports may not be issued until 2023-24. The 2021-22 audits of Real Estate and Halifax Water IT were both ongoing when this report was released.

## 2022-23 Follow-up Reviews

Our annual work includes following up recommendations from past audits. During 2022-23, we will follow up the following audits:

- Building Permits and Inspections
- Halifax Regional Police Information Technology
- Management of Accounts Payable
- Transit Technology Project Management

The percentage of recommendations complete after 18 months is down significantly from prior years – now at 63% versus 87% in late 2020. Management told us Covid 19 contributed to challenges implementing recommendations. In addition to our 2022-23 scheduled 18-month follow-up reviews, we will also follow up all outstanding recommendations from 2017 to 2019:

- Halifax Water – Management of Drinking Water Safety
- Management of Surplus Buildings and Land
- Procurement
- Management of Development Approvals
- Halifax Transit Bus Maintenance
- Payroll Management
- Road and Sidewalk Asset Management

## Contact Us

Telephone: 902.490.8407

Email: [auditorgeneral@halifax.ca](mailto:auditorgeneral@halifax.ca)

Fax: 902.490.8421

Mailing Address: 33 Alderney Drive, Suite 620  
Dartmouth, NS B2Y 2N4

Twitter: Follow us [@HalifaxAG](https://twitter.com/HalifaxAG)

Website: <https://hrmauditorgeneral.ca>