

AUDITOR GENERAL

Halifax Regional Municipality



Follow-up Review of Outstanding Recommendations – 2021 Audits

Management of Accounts Payable
Transit Technology Project Management

November 2025

November 24, 2025

This ***Follow-up Review of Outstanding Recommendations – 2021 Audits***, completed under section 50(2) of the Halifax Regional Municipality Charter, is hereby submitted to the Audit and Finance Standing Committee of Regional Council.

Respectfully,

Original signed by

Andrew Atherton, CPA, CA
Auditor General
Halifax Regional Municipality

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Follow-up Review of Outstanding Recommendations – 2021 Audits

Management of Accounts Payable
Transit Technology Project Management



1 of 3

Outstanding recommendations completed

0 of 1 Management of Accounts Payable

1 of 2 Transit Technology Project Management

2021
Original audits completed



Initial follow-up



in
2023

Accounts Payable



- Management has not addressed the gap identified and has not developed KPIs with targets to measure against.

Transit Technology



- Has established a cost-benefit analysis process for use of internal or external project management
- Needs to have adequate supporting documentation for budget estimates

Auditor General Halifax Regional Municipality
November 2025

Management of Accounts Payable – April 2021

Implementation Status by Recommendation

Recommendation	Business Unit	Status
4. Finance, Asset Management, and Information, Communication and Technology should develop accounts payable performance measures and targets and regularly monitor and report results.	Finance & Asset Management	×

*Legend: ✓ = Completed ✕ = Incomplete

Transit Technology Project Management – April 2021

Implementation Status by Recommendation

Recommendation	Business Unit	Status
1. Halifax Transit should develop Transit Technology project forecasts that support annual capital project budget requests and ensure overall Transit Technology program budget estimates have adequate supporting documentation.	Halifax Transit	×
4. HRM should establish a cost-benefit analysis process that considers relevant costs and qualitative factors when deciding between internal and external project management resources for capital projects.	Finance & Asset Management	✓

*Legend: ✓ = Completed ✕ = Incomplete

Background

The Office of the Auditor General, Halifax Regional Municipality, follows up on audits previously reported by the office after 18 months. We have established an additional process to follow up on outstanding audit recommendations from the initial follow-up after 18 months. These follow-up reviews report the progress management had made in implementing pending changes recommended by the Auditor General when the initial follow-up was carried out.

Objective and Scope

We completed the review of the outstanding recommendations from the 2023 follow-up review. The audit reports followed up were released in 2021.

- Management of Accounts Payable
- Transit Technology Project Management

Our objective was to provide review level, or limited assurance, on HRM management's implementation of the pending recommendations from the initial follow-up report. A limited assurance engagement provides a lower level of assurance than an audit. Conclusions are based on reasonability of what management tells us, and limited testing, rather than detailed testing, as would be found in an audit. This allows us to focus limited resources on new audits, while still providing assurance that management is addressing the issues we identified in past audits.

Our approach included discussing implementation with staff; reviewing policies, guidelines and processes; and other procedures we considered necessary.

This limited assurance engagement was conducted in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001 Direct Engagements published by the Chartered Professional Accountants of Canada.

We apply CPA Canada's Canadian Standard on Quality Management 1. Our staff comply with the independence and ethical requirements of the Chartered Professional Accountants of Nova Scotia Code of Conduct.

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