

# Auditor General Report on Outstanding Performance Audit Recommendations

May 2024



OFFICE OF THE AUDITOR GENERAL  
NEWFOUNDLAND AND LABRADOR

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# Report Overview



OFFICE OF THE AUDITOR GENERAL  
NEWFOUNDLAND AND LABRADOR

**Why We Did This Report**  
Implementing past Auditor General performance audit recommendations is an important way for government to demonstrate its responsiveness and improve the delivery of programs and services. This report covers audit reports issued from 2016 to 2020 and provides a status update on recommendations and their status.

**Observations**



Recommendations Not Implemented

Analysis of the 69 outstanding recommendations indicates that many government departments and entities have areas where they could improve; where services could be more efficient; and where savings may be realized with more effective program delivery.

As stated in last year's report, four reports continue to have low implementation rates, yet the recommendations remain relevant today.

- Road Ambulance Services (2016): Overall implementation rate of 8%.
- Provincial Home Support Program (2017): Overall implementation rate of 10%.
- Compensation Practices in Government Entities (2017): Overall implementation rate of 27%
- Salaried Physicians (2016): Overall implementation rate of 37%.

Three entities are 100% outstanding for recommendations on a topic - while other entities have fully implemented recommendations for the same topic.

Departments are:

- Tourism, Culture, Arts and Recreation - Oversight of Provincial Wellness Priorities
- Justice and Public Safety - Newfoundland and Labrador Liquor Corporation
- Municipal and Provincial Affairs - Government Preparedness for Changing Demographics

We are no longer monitoring 26 outstanding recommendations from 2014-15.

**Why It Matters**

It is important for government to fully implement or otherwise resolve Auditor General recommendations. The volume of unresolved recommendations - after six years - indicates those topics require additional analysis and there may be gaps that require further attention.

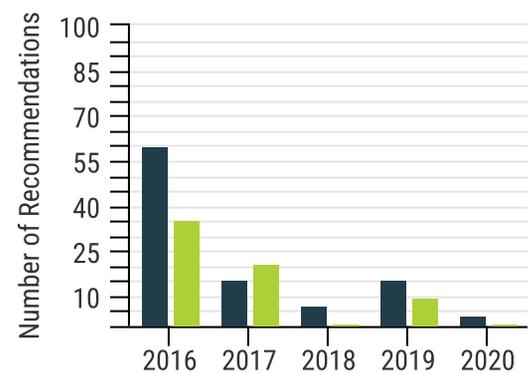
Approximately two of every five recommendations remain outstanding, and particularly concerning is the number of departments and entities with low implementation rates across a number of reports. As a result of recommendations not being fully implemented, risks remain, or further risks may be created.

Recommendations issued up to seven years ago are still not fully resolved and 57 of the 69 outstanding recommendations (83%) are more than five years old; with only 60% (103 of 172) of recommendations from 2016 - 2020 having been fully implemented or otherwise resolved. The remaining 40% outstanding (69 of 172) have been partially implemented.



Of Outstanding Recommendations are from Reports Issued in 2017 or Earlier

**Progress Toward Full Implementation**



● Recommendations Fully Implemented or Otherwise Resolved  
● Outstanding Recommendations



After reading this report, you may want to ask the following questions of government:

1. What action is government taking to resolve the 69 outstanding performance audit recommendations?

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# Background

The Office of the Auditor General undertakes performance audits that examine how well government and its entities manage their resources and operations. A performance audit is an independent assessment of an entity's operations that looks to determine if specific programs or functions are working as intended and offers recommendations for improvement.

Our Office classifies and reports on the status of recommendations in one of three categories:

- Fully Implemented or Otherwise Resolved – the recommendation has been adequately addressed or circumstances have changed so that the recommendation is no longer applicable;
- Partially Implemented – action on the recommendation is in progress, but not complete; or
- No Action – action on the recommendation has not yet started.

Performance audits include recommendations that government is expected to implement or otherwise resolve, generally within three years. We are reporting on recommendations from past performance audit reports delivered between 2016 and 2020. Progress on all outstanding recommendations from our performance audit reports between 2016 and 2020 is reported as of August 31, 2023. We monitor previous performance audit report recommendations over seven years. An initial follow-up is conducted approximately two years after the release of a report, followed by continuous monitoring annually for an additional five years or until recommendations are fully implemented or otherwise resolved.

We expect that it is reasonable for departments to fully implement recommendations within three years of the audit report being issued. We initiate our follow-up after two years in order to gain an understanding of progress toward implementation.

As well, we are no longer actively monitoring 26 outstanding recommendations. Please see the relevant section of this report for further details.

There were 21 entities and departments included in audit reports from 2016 through 2020, resulting in 172 recommendations.

There were 18 subject areas included in the audit reports from 2016 through 2020:

- Acute Care Bed Management
- Child Protection Services
- Climate Change
- Compensation Practices in Government Entities
- Fire and Emergency Services – Newfoundland and Labrador
- Government Preparedness for Changing Demographics
- Healthy Eating in Schools
- Management of Firearms and Ammunition
- Management of the Procurement of Goods and Services
- Newfoundland and Labrador Liquor Corporation
- Oversight of Provincial Wellness Priorities
- Provincial Home Support Program
- Road Ambulance Services
- Road Quality
- Safety and Weight Inspections of Commercial Vehicles
- Salaried Physicians
- Student Transportation
- Teacher Allocation in Schools



## Ongoing Implementation

There were two reports delivered during 2021; the report on Physical Mitigation of Muskrat Falls Reservoir Wetlands, which did not include any recommendations and the report on MV Veteran and MV Legionnaire, which we have completed an initial follow-up on outstanding recommendations.

There were seven reports released between 2022 and 2023, but are not included in this year's monitoring activities because they are within the initial two-year implementation period:

- Nalcor Energy (October 2022)
- Nalcor Energy – Compensation (November 2022)
- Adult Custody and Community Corrections (December 2022)
- Food Premises Inspection and Licensing Program (May 2023)
- Innovation and Business Investment Corporation (June 2023)
- Office of the High Sheriff (September 2023)
- Memorial University (October 2023)

# Summary Status of Recommendations

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Recommendations are a critical part of audit reports and it is important for the departments and entities we audit to fully implement or otherwise resolve our recommendations in order to improve the delivery of the programs and services that are critical to Newfoundlanders and Labradorians.

As we analyzed the outstanding recommendations, we noted concerns regarding entity attention to recommendations, audit subject area and aging of the recommendations. Overall, we are quite concerned that 40 per cent of our recommendations (69 out of 172) since 2016 remain outstanding.

We expect that no recommendation would take seven years to implement or otherwise resolve. This report demonstrates that our recommendations remain relevant and that the issues identified in past performance audits should have been rectified by now.

Table 1 outlines the status of the recommendations.



**Table 1 - Status of Recommendations (2016-2020)**

Entity	Fully Implemented or Otherwise Resolved	Partially Implemented or No Action	Total	% Fully Implemented	% Outstanding
Board of Commissioners of Public Utilities	-	1	1	0%	100%
*Municipal and Provincial Affairs	-	1	1	0%	100%
Newfoundland and Labrador Film Development Corporation	-	1	1	0%	100%
Newfoundland and Labrador Legal Aid Commission	-	1	1	0%	100%
Tourism, Culture, Arts and Recreation	-	4	4	0%	100%
*Newfoundland and Labrador Health Services	17	30	47	36%	64%
*Justice and Public Safety	2	3	5	40%	60%
Health and Community Services	9	11	20	45%	55%
Executive Council	3	3	6	50%	50%
Newfoundland and Labrador English School District	12	7	19	63%	37%
*Transportation and Infrastructure	6	3	9	67%	33%
Newfoundland and Labrador Liquor Corporation	4	1	5	80%	20%
*Education	6	1	7	86%	14%
Children, Seniors and Social Development	26	2	28	93%	7%
*Digital Government and Service NL	6	-	6	100%	0%
Finance	1	-	1	100%	0%
*Fisheries, Forestry and Agriculture	6	-	6	100%	0%
Memorial University of Newfoundland	2	-	2	100%	0%
Municipal Assessment Agency Inc.	1	-	1	100%	0%
Office of the Chief Information Officer	1	-	1	100%	0%
Workplace NL	1	-	1	100%	0%
<b>Total</b>	<b>103</b>	<b>69</b>	<b>172</b>	<b>60%</b>	<b>40%</b>

- Previously Service NL
- Previously Education and Early Childhood Development
- Previously Fisheries and Aquaculture or Fisheries and Land Resources
- Includes recommendations previously issued to Children, Seniors and Social Development
- Includes recommendations previously issued to Municipal Affairs
- Previously Municipal Affairs and Environment
- Newfoundland and Labrador Health Services recommendations were originally issued to all of the former regional health authorities: Central Regional Health Authority, Eastern Health Authority, Labrador-Grenfell Health Authority, and Western Regional Health Authority
- Previously Transportation and Works

Variation in implementation rates warrants further analysis, particularly when approximately two of every five recommendations remain outstanding. Table 2 outlines the implementation status by entity, detailing multiple audit report topics where applicable.

Like last year, **there were five entities and departments that had a zero per cent implementation rate for the period of our review:**

- Board of Commissioners of Public Utilities
- Department of Municipal and Provincial Affairs
- Newfoundland and Labrador Film Development Corporation
- Newfoundland and Labrador Legal Aid Commission
- Department of Tourism, Culture, Arts and Recreation

Entities with low overall implementation rates included:

- Newfoundland and Labrador Health Services – 36 per cent
- Justice and Public Safety – 40 per cent
- Health and Community Services – 45 per cent
- Executive Council – 50 per cent

We commend the seven entities that fully implemented their recommendations, with a 100 per cent implementation rate:

- Digital Government and Service NL (formally Service NL)
- Department of Finance
- Department of Fisheries, Forestry and Agriculture (formally Fisheries and Land Resources)
- Memorial University of Newfoundland
- Municipal Assessment Agency
- Office of the Chief Information Officer
- Workplace NL

**Table 2 - Status of Recommendations by Entity**

**Board of Commissioners of Public Utilities**

Report Topic	Report Year	Total	Fully Implemented or Otherwise Resolved	Partially Implemented or No Action	% Outstanding
Compensation Practices in Government Entities	2017	1	-	1	100%
<b>Total</b>		<b>1</b>	<b>-</b>	<b>1</b>	<b>100%</b>

**Children, Seniors & Social Development**

Child Protection Services	2016	27	25	2	7%
Government Preparedness for Changing Demographics	2017	1	1	-	0%
<b>Total</b>		<b>6</b>	<b>6</b>	<b>-</b>	<b>7%</b>

**Digital Government & Service NL** <sup>1</sup>

Safety and Weight Inspections of Commercial Vehicles	2016	6	6	-	0%
<b>Total</b>		<b>6</b>	<b>6</b>	<b>-</b>	<b>0%</b>

**Education <sup>2</sup>**

Report Topic	Report Year	Total	Fully Implemented or Otherwise Resolved	Partially Implemented or No Action	% Outstanding
Teacher Allocation in Schools	2016	4	3	1	25%
Government Preparedness for Changing Demographics	2017	2	2	-	0%
Student Transportation	2019	1	1	-	0%
<b>Total</b>		<b>7</b>	<b>6</b>	<b>1</b>	<b>14%</b>

**Executive Council**

Compensation Practices in Government Entities	2017	4	1	3	75%
Climate Change	2017	2	2	-	0%
<b>Total</b>		<b>6</b>	<b>3</b>	<b>3</b>	<b>50%</b>

**Finance**

Government Preparedness for Changing Demographics	2017	1	1	-	0%
<b>Total</b>		<b>1</b>	<b>1</b>	<b>-</b>	<b>0%</b>

**Fisheries, Forestry and Agriculture <sup>3</sup>**

Management of Firearms and Ammunition	2018	6	6	-	0%
<b>Total</b>		<b>6</b>	<b>6</b>	<b>-</b>	<b>0%</b>

**Health & Community Services**

Road Ambulance Services	2016	8	1	7	87%
Salaried Physicians	2016	6	2	4	67%
Government Preparedness for Changing Demographics	2017	1	1	-	0%
Healthy Eating in Schools <sup>4</sup>	2019	1	1	-	0%
Oversight of Provincial Wellness Priorities	2019	4	4	-	0%
<b>Total</b>		<b>20</b>	<b>9</b>	<b>11</b>	<b>55%</b>

**Justice & Public Safety**

Report Topic	Report Year	Total	Fully Implemented or Otherwise Resolved	Partially Implemented or No Action	% Outstanding
Newfoundland and Labrador Liquor Corporation	2020	1	-	1	100%
Fire and Emergency Services – Newfoundland and Labrador 5	2016	4	2	2	50%
<b>Total</b>		<b>5</b>	<b>2</b>	<b>3</b>	<b>60%</b>

**Memorial University of Newfoundland**

Salaried Physicians	2016	2	2	-	0%
<b>Total</b>		<b>2</b>	<b>2</b>	<b>-</b>	<b>0%</b>

**Municipal and Provincial Affairs 6**

Government Preparedness for Changing Demographics	2017	1	-	1	100%
<b>Total</b>		<b>1</b>	<b>-</b>	<b>1</b>	<b>100%</b>

**Municipal Assessment Agency Inc.**

Compensation Practices in Government Entities	2017	1	1	-	0%
<b>Total</b>		<b>1</b>	<b>1</b>	<b>-</b>	<b>0%</b>

**Newfoundland and Labrador English School District**

Healthy Eating in Schools	2019	4	2	2	50%
Management of the Procurement of Goods and Services	2018	2	1	1	50%
Student Transportation	2019	12	8	4	33%
Teacher Allocation in Schools	2016	1	1	-	0%
<b>Total</b>		<b>19</b>	<b>12</b>	<b>7</b>	<b>37%</b>

**Newfoundland and Labrador Film Development Corporation**

Report Topic	Report Year	Total	Fully Implemented or Otherwise Resolved	Partially Implemented or No Action	% Outstanding
Compensation Practices in Government Entities	2017	1	-	1	100%
<b>Total</b>		<b>1</b>	<b>-</b>	<b>1</b>	<b>100%</b>

**Newfoundland and Labrador Health Services**

Compensation Practices in Government Entities <sup>8</sup>	2017	1	-	1	100%
Road Ambulance Services <sup>10</sup>	2016	4	-	4	100%
Provincial Home Support Program <sup>9</sup>	2017	10	1	9	90%
Salaried Physicians <sup>11</sup>	2016	16	5	11	69%
Acute Care Bed Management <sup>7</sup>	2016	16	11	5	31%
<b>Total</b>		<b>47</b>	<b>17</b>	<b>30</b>	<b>64%</b>

**Newfoundland and Labrador Legal Aid Commission**

Compensation Practices in Government Entities	2017	1	-	1	100%
<b>Total</b>		<b>1</b>	<b>-</b>	<b>1</b>	<b>100%</b>

**Newfoundland and Labrador Liquor Corporation**

Compensation Practices in Government Entities	2017	1	-	1	100%
Newfoundland and Labrador Liquor Corporation	2020	4	4	-	0%
<b>Total</b>		<b>5</b>	<b>4</b>	<b>1</b>	<b>20%</b>

**Office of the Chief Information Officer**

Safety and Weight Inspections of Commercial Vehicles	2016	1	1	-	0%
<b>Total</b>		<b>1</b>	<b>1</b>	<b>-</b>	<b>0%</b>

**Tourism, Culture, Arts and Recreation**

Report Topic	Report Year	Total	Fully Implemented or Otherwise Resolved	Partially Implemented or No Action	% Outstanding
Oversight of Provincial Wellness Priorities	2019	4	-	4	100%
<b>Total</b>		<b>4</b>	<b>-</b>	<b>4</b>	<b>100%</b>

**Transportation and Infrastructure** <sup>12</sup>

Road Quality	2017	8	5	3	37%
Safety and Weight Inspections of Commercial Vehicles	2016	1	1	-	0%
<b>Total</b>		<b>9</b>	<b>6</b>	<b>3</b>	<b>33%</b>

**Workplace NL**

Compensation Practices in Government Entities	2017	1	1	-	0%
<b>Total</b>		<b>1</b>	<b>1</b>	<b>-</b>	<b>0%</b>
<b>Total</b>		<b>172</b>	<b>103</b>	<b>69</b>	<b>40%</b>

1. Previously Service NL.
2. Previously Education and Early Childhood Development.
3. Previously Fisheries and Land Resources.
4. Included recommendations previously issued to Children, Seniors and Social Development.
5. Includes recommendations previously issued to Municipal Affairs.
6. Previously Municipal Affairs and Environment.
7. Recommendations originally issued to all four former regional health authorities, Central Regional Health Authority, Eastern Regional Health Authority, Labrador-Grenfell Regional Health Authority, Western Regional Health Authority.
8. Recommendations originally issued to the former Central Regional Health Authority.
9. Recommendations originally issued to two former regional health authorities, Eastern Regional Health Authority, Western Regional Health Authority.
10. Recommendations originally issued to the former Eastern Regional Health Authority.
11. Recommendations originally issued to all four former regional health authorities, Central Regional Health Authority, Eastern Regional Health Authority, Labrador-Grenfell Regional Health Authority, Western Regional Health Authority.
12. Previously Transportation and Works.

Note: government completed the integration of the former Newfoundland and Labrador English School District on January 2, 2024, monitoring in this report was completed prior to that.

Another way to assess recommendation status is by subject area. Again, we are particularly concerned with a number of reports that had low implementation rates. Table 3 displays the outstanding recommendations by report topic and the related accountable department or entity.

**As stated in last year's report, four reports continue to have low implementation rates, yet the recommendations remain relevant today.**

- 1. Road Ambulance Services (2016):** This report had an overall implementation rate of eight per cent, a result of Newfoundland and Labrador Health Services, formerly the Eastern Regional Health Authority, not implementing any of its four recommendations and the Department of Health and Community Services not implementing seven of its eight recommendations. Recommendations from this audit relate to a program that provides an essential service; in many instances, a road ambulance is the first point of contact for an individual in an emergency and the quality of care provided could directly affect the patient's outcome.
- 2. Provincial Home Support Program (2017):** This report had an overall implementation rate of ten per cent. Newfoundland and Labrador Health Services did not implement any of the five recommendations issued to the former Western Regional Health Authority, nor did it implement four of the five recommendations issued to the former Eastern Regional Health Authority. The recommendations in this audit are still relevant given that the demand for home support services will increase as the number of seniors also increases. Newfoundland and Labrador Health Services must have effective assessment and monitoring processes to ensure seniors are provided with timely and safe home support services.
- 3. Compensation Practices in Government Entities (2017):** This report had an overall implementation rate of 27 per cent. While the Municipal Assessment Agency Inc. and Workplace NL fully implemented their respective recommendation, this was offset by Executive Council not implementing three of its four recommendations, as well as five entities not implementing their respective one recommendation. Consistent compensation practices ensure that government costs are adequately managed and controlled.
- 4. Salaried Physicians (2016):** This report had an overall implementation rate of 37 per cent. While Memorial University fully implemented its two recommendations, the Department of Health and Community Services did not implement four of its six recommendations. Newfoundland and Labrador Health Services did not implement three of their four recommendations issued to each of the former Central, Western, and Labrador-Grenfell Regional Health Authorities respectively. Newfoundland and Labrador Health Services also did not implement two of its four recommendations issued to the former Eastern Regional Health Authority. It is important the department and Newfoundland and Labrador Health Services ensure that the hiring of salaried physicians is evidence-based and that salaried physicians' workloads are formally measured. Given the competing demand for healthcare dollars and the significant amount of money spent on salaried physicians, it is important that these entities know whether they are receiving value for money from salaried physicians.

**Of note, three entities are 100 per cent outstanding for recommendations on a topic - while other entities have fully implemented recommendations for the same topic.**

- **The Department of Tourism, Culture, Arts and Recreation - Oversight of Provincial Wellness Priorities**
- **The Department of Justice and Public Safety - Newfoundland and Labrador Liquor Corporation**
- **The Department of Municipal and Provincial Affairs - Government Preparedness for Changing Demographics**

We commend the departments and entities that fully implemented the 16 recommendations on the following report topics:

- Climate Change (2017)
- Management of Firearms and Ammunition (2018)
- Safety and Weight Inspections of Commercial Vehicles (2016)

**Table 3 - Recommendations Outstanding by Audit Topic****Road Ambulance Services - 2016**

<b>Entity</b>	<b>#</b>	<b>%</b>
Newfoundland and Labrador Health Services 8	4	100%
Health and Community Services	7	87%
<b>Total</b>	<b>11</b>	<b>92%</b>

**Provincial Home Support Program - 2017**

Newfoundland and Labrador Health Services 7	9	90%
<b>Total</b>	<b>9</b>	<b>90%</b>

**Compensation Practices in Government Entities - 2017**

Board of Commissioners of Public Utilities	1	100%
Newfoundland and Labrador Film Development Corporation	1	100%
Newfoundland and Labrador Health Services 2	1	100%
Newfoundland and Labrador Legal Aid Commission	1	100%
Newfoundland and Labrador Liquor Corporation	1	100%
Executive Council	3	75%
Municipal Assessment Agency Inc.	-	0%
Workplace NL	-	0%
<b>Total</b>	<b>8</b>	<b>73%</b>

**Salaried Physicians - 2016**

Newfoundland and Labrador Health Services 10	11	69%
Health and Community Services	4	67%
Memorial University of Newfoundland	-	0%
<b>Total</b>	<b>15</b>	<b>63%</b>

**Fire and Emergency Services – Newfoundland and Labrador - 2016**

Justice and Public Safety 3	2	50%
<b>Total</b>	<b>2</b>	<b>50%</b>

**Management of the Procurement of Goods and Services - 2018**

Entity	#	%
Newfoundland and Labrador English School District	1	50%
<b>Total</b>	<b>1</b>	<b>50%</b>

**Oversight of Provincial Wellness Priorities - 2019**

Tourism, Culture, Arts and Recreation	4	100%
Health and Community Services	-	0%
<b>Total</b>	<b>4</b>	<b>50%</b>

**Healthy Eating in Schools - 2019**

Newfoundland and Labrador English School District	2	50%
Health and Community Services 6	-	0%
<b>Total</b>	<b>2</b>	<b>40%</b>

**Road Quality - 2017**

Transportation and Infrastructure 9	3	37%
<b>Total</b>	<b>3</b>	<b>37%</b>

**Acute Care Bed Management - 2016**

Newfoundland and Labrador Health Services 1	5	31%
<b>Total</b>	<b>5</b>	<b>31%</b>

**Student Transportation - 2019**

Newfoundland and Labrador English School District	4	33%
Education 11	-	0%
<b>Total</b>	<b>4</b>	<b>31%</b>

**Newfoundland and Labrador Liquor Corporation - 2020**

Justice and Public Safety	1	100%
Newfoundland and Labrador Liquor Corporation	-	0%
<b>Total</b>	<b>1</b>	<b>20%</b>

**Teacher Allocation in Schools - 2016**

Entity	#	%
Education 12	1	25%
Newfoundland and Labrador English School District	-	0%
<b>Total</b>	<b>1</b>	<b>20%</b>

**Government Preparedness for Changing Demographics - 2017**

Municipal and Provincial Affairs 5	1	100%
Children, Seniors and Social Development	-	0%
Education 4	-	0%
Finance	-	0%
Health and Community Services	-	0%
<b>Total</b>	<b>1</b>	<b>17%</b>

**Child Protection Services - 2016**

Children, Seniors and Social Development	2	7%
<b>Total</b>	<b>2</b>	<b>7%</b>
<b>Total</b>	<b>69</b>	<b>40%</b>

1. Outstanding recommendations originally issued to the former regional health authorities: One recommendation for the former Central Regional Health Authority, one recommendation for the former Eastern Regional Health Authority and three recommendations for the former Labrador-Grenfell Regional Health Authority.
2. Recommendations originally issued to the former Central Regional Health Authority.
3. Previously issued to Municipal Affairs.
4. Previously Education and Early Childhood Development.
5. Previously Municipal Affairs and Environment.
6. Previously Children, Seniors and Social Development.
7. Outstanding recommendations were originally issued to the former Regional Health Authorities. Four were issued to the former Eastern Regional Health Authority, and five were issued to the former Western Regional Health.
8. All four outstanding recommendations were originally issued to the former Eastern Regional Health Authority.
9. Previously Transportation and Works.
10. Outstanding recommendations were originally issued to the former Regional Health Authorities. Three were issued to each of the former Central Regional Health Authority, Labrador-Grenfell Regional Health Authority, and Western Regional Health Authority. Two were issued to the former Eastern Regional Health Authority.
11. Previously Education and Early Childhood Development.
12. Previously Education and Early Childhood Development.

Our final performance audit recommendation analysis relates to progress toward full implementation or resolution. **We are concerned that recommendations issued up to seven years ago are not fully resolved and that 57 of the 69 outstanding recommendations (83 per cent) are more than five years old. Particularly concerning are the subject areas that remain outstanding from the 2016, 2017 and 2019 reports.**

As stated last year, there are 57 recommendations outstanding from the 2016 and 2017 reports, with 70 per cent (40 recommendations) related to the healthcare sector:

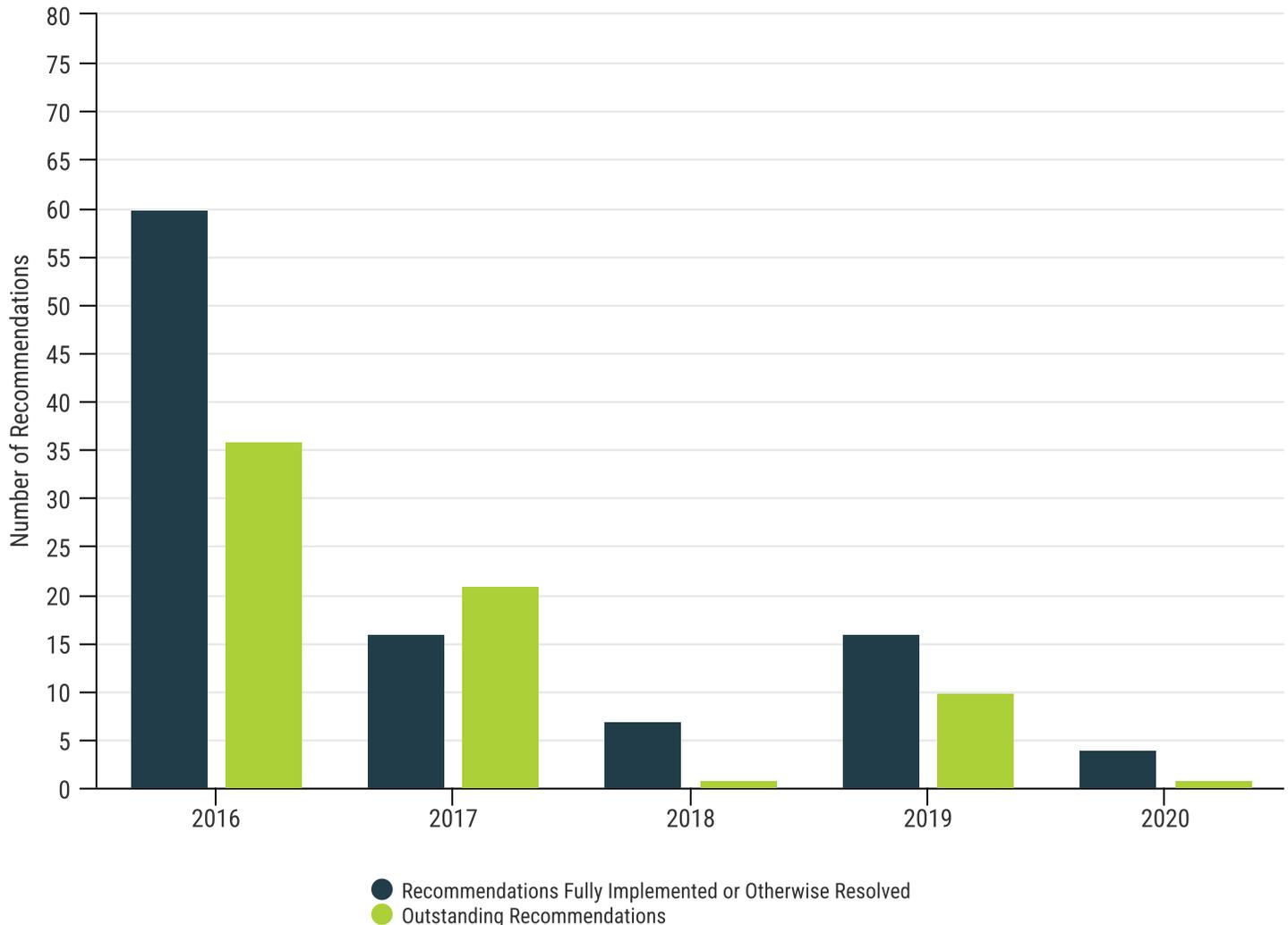
- Road Ambulance Services – 11 outstanding recommendations
- Provincial Home Support Program – nine outstanding recommendations
- Acute Care Bed Management – five outstanding recommendations
- Salaried Physicians – 15 outstanding recommendations

As a result of these recommendations not being fully implemented, risks continue to remain:

- an appropriate standard of care may not be met if road ambulance service providers' skill levels do not meet requirements;
- seniors may not be provided with timely and safe home support services without effective assessment and monitoring processes;
- ineffective and inefficient admitting and discharging processes for acute care patients could lead to increased or unnecessary stays, unnecessary wait times, and increased costs, and
- if an accountability system does not exist to track workloads, it may be difficult to determine whether workload expectations are being met for salaried physicians.

The table below demonstrates the progress towards full implementation or resolution by the year the report was issued.

### Progress Toward Full Implementation



# Detailed Status of Recommendations (2016-2020)

The following details the 172 recommendations related to our 2016 to 2020 audit reports, sorted in order of department or entity, noting the 69 recommendations that remain outstanding .

## Board of Commissioners of Public Utilities

### Compensation Practices in Government Entities - 2017

Outstanding Recommendations	Partially Implemented	No Action
The Board of Commissioners of Public Utilities should work with the Treasury Board Secretariat (formerly the Human Resource Secretariat) to determine whether their compensation policies and practices should be consistent with Government policy, and where deemed appropriate, identified inconsistencies should be assessed.	●	

## Children, Seniors and Social Development

### Child Protection Services - 2016

Outstanding Recommendations	Partially Implemented	No Action
The department should establish results-oriented goals and performance expectations to address program and service delivery system performance.	●	
The department should identify and monitor performance indicators to measure the performance of the Protective Intervention and In-Care Programs.	●	

### Completed Recommendations

- The department's social workers' decisions in response to allegations of child maltreatment should be reviewed and approved by supervisors in accordance with the Risk Management Decision-Making Model.
- The department's social workers should complete and supervisors should review and approve safety assessments, safety plans and protection investigations in accordance with the Risk Management Decision Making Model.
- The department's social workers should complete and supervisors should approve Risk Assessment Instruments and Family Centered Action Plans for children in the Protective Intervention Program in accordance with the Risk Management Decision Making Model.
- The department should ensure that risks to children included in Family Centered Action Plans are clearly linked to the activities required to reduce those risks.
- The department should ensure that activities included in Family Centered Action Plans to reduce risks to children are measurable.
- The department's social workers should document on the Family Centered Action Plan whether activities were achieved by the completion dates set and whether risks to children were reduced.
- The department's social workers should visit higher-risk family homes more frequently than lower-risk family homes. The results of these visits should be documented in a timely manner.
- The department's social workers should complete and regional managers should approve Kinship Home Assessments prior to placing children in kinship homes in accordance with the Protection and In-Care Policy and Procedure Manual.



- The department should consider reassessing kinship homes that were approved under the previous Child Welfare Allowance Program.
- The department should address the risks to children when they are placed in kinship homes prior to receipt of criminal records and vulnerable sector check documentation from the police.
- The department's Kinship Home Assessment Form should be revised to clearly indicate all of the people residing in kinship homes.
- The department's social workers should assess whether parents can financially support their children in kinship homes in accordance with the Protection and In-Care Policy and Procedure Manual.
- The department's social workers should prepare and review Kinship Care Agreements in accordance with the Protection and In-Care Policy and Procedure Manual.
- The department should review the level of financial support and social worker monitoring provided to children in kinship homes.
- The department's social workers should place children In-Care with placement resources in accordance with the Protection and In-Care Policy and Procedure Manual.
- The department's social workers should complete In-Care Progress Reports for children in accordance with the Protection and In-Care Policy and Procedure Manual.
- The Department's goals and tasks in the In-Care Progress Report work plans should be measurable and specific timeframes for completion should be set.
- The department's social workers should document on the In-Care Progress Report work plan whether goals and tasks were achieved and the service needs of children were met.
- The department should establish time to permanency expectations for children In-Care.
- The department's social workers should visit with children In-Care and placement resources once a month in accordance with the Protection and In-Care Policy and Procedure Manual. The results of these visits should be documented in a timely manner.
- The department's social workers should complete annual reviews of regular foster homes in accordance with the Protection and In-Care Policy and Procedure Manual.
- The department's Quality Assurance Division should develop policies and procedures and annual work plans to support and guide its activities, including the investigation of irregular statistical results in referral screen out rates.
- The department should provide the Quality Assurance Division with the accessible data necessary to monitor whether programs are delivered in accordance with Department policies and procedures.
- The department should report program performance results to the public.
- The department should consider implementing annual reviews for relative foster homes.

## **Government Preparedness for Changing Demographics – 2017**

### **Completed Recommendations**

- The department should ensure that an assessment of future impacts of an aging population is completed on its operations related directly to seniors and related to its role in providing expertise and knowledge to departments on seniors and aging.

## **Digital Government and Service NL (formerly Service NL)**

### **Safety and Weight Inspections of Commercial Vehicles – 2016**

#### **Completed Recommendations**

- The department should monitor violation statistics, collision information, and other enforcement data and use this information to direct enforcement operations.
- The department should confirm inspectors receive required training prior to conducting inspections and that annual and other training recertification requirements are met.
- The department, in conjunction with the Office of the Chief Information Officer, should determine the cause of the problems identified with the information systems and resolve the issues identified.
- The department should develop a policies and procedures manual for the safety and weight inspections and enforcement of commercial vehicles.
- The department, in conjunction with the Department of Transportation and Infrastructure, should ensure that it utilizes a life cycle management plan to ensure complete and accurate systems are in place to facilitate the Department's ability to effectively monitor and maintain Provincial weigh scales.
- The department should establish a process to evaluate the effectiveness of highway enforcement and weigh scales for the commercial vehicles program.

## Education and Early Childhood Development

### Government Preparedness for Changing Demographics – 2017

#### Completed Recommendations

- The department should ensure that changing demographics are considered, impacts have been assessed, long-term plans are created, and costs related to changing demographics are integrated into the financial forecast.
- The department should consider whether a change in legislation is required to allow the department to provide oversight of the two school districts as it relates to the K-12 school system.

### Student Transportation – 2019

#### Completed Recommendations

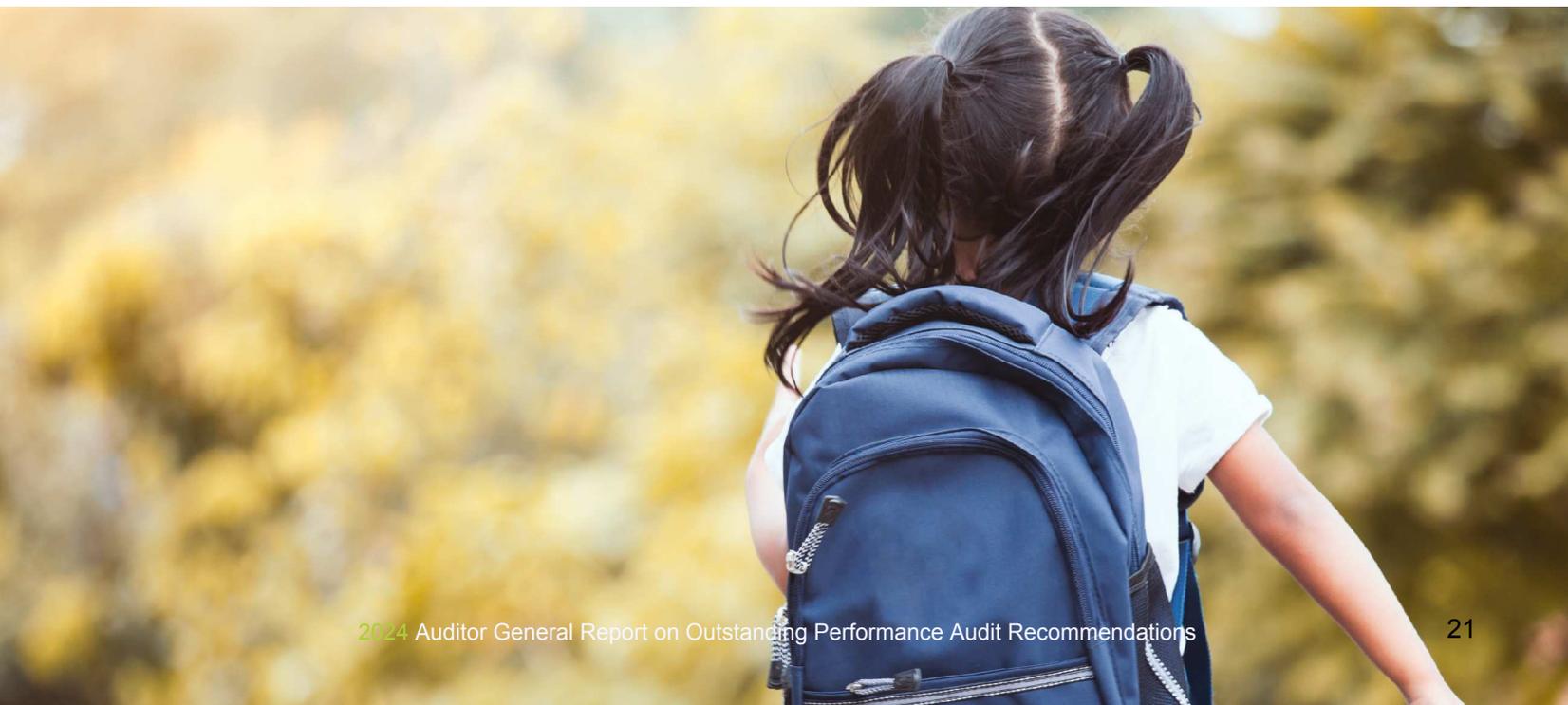
- The department should require the districts to establish and report on key performance indicators and targets for student transportation safety and efficiency.

### Teacher Allocation in Schools - 2016

Outstanding Recommendation	Partially Implemented	No Action
<p>The department should, with the assistance of the Newfoundland and Labrador English School District, establish a formal evaluation framework that includes documented goals, specific objectives, performance indicators, expected outputs and expected outcomes. The department should use this framework to periodically evaluate the Teacher Allocation Model to determine whether intended results are being achieved.</p>	●	

#### Completed Recommendations

- The department should determine whether an evaluation of the Teacher Allocation Model as directed by Cabinet is still required.
- The department should ensure that the Teacher Allocation Model reflects the teaching needs of Kindergarten classes.
- The department should ensure that the deployment for all Component 2 - needs-based teachers are supported, consistently applied amongst all Newfoundland and Labrador English School District regions and based upon the special needs of students each year.



## Executive Council

### Climate Change – 2017

#### Completed Recommendations

- Executive Council should ensure that when designing a plan to meet greenhouse gas emissions reduction targets, the expected impact of the actions set out is sufficient to achieve the targets.
- Executive Council should consider whether additional items could be designed which would result in measurable greenhouse gas emissions reductions that contribute to the Province reaching its overall greenhouse gas emissions reduction targets.

### Compensation Practices in Government Entities - 2017

Outstanding Recommendations	Partially Implemented	No Action
The Treasury Board Secretariat (formerly the Human Resource Secretariat) should complete its review of Government compensation policies, as directed by Cabinet.	●	
The Treasury Board Secretariat should determine which Government entities should comply with existing and revised compensation policies.	●	
The Treasury Board Secretariat should consider whether legislative change is necessary to clarify the role of boards of directors of Government entities in following Government compensation policies.	●	

#### Completed Recommendations

- The Treasury Board Secretariat should work with the departments to ensure they effectively communicate Government compensation policies to their respective entities.

## Finance

### Government Preparedness for Changing Demographics – 2017

#### Completed Recommendations

- The Department of Finance should ensure that all departments are including costs associated with the changing demographics in their expense forecasts.

## Fisheries, Forestry and Agriculture (formerly Fisheries and Land Resources)

### Management of Firearms and Ammunition – 2018

#### Completed Recommendations

- The department should establish and communicate comprehensive policies and procedures to guide staff in the acquisition, disposition, recording, storage, use, movement and monitoring of firearms and ammunition.
- The department should ensure the inventory system is complete and accurate including:
  - updating the system on a timely basis for each acquisition, disposition and transfer of firearms and ammunition;
  - maintaining transaction history, supporting documentation, and relevant information for each inventory item; and
  - reconciling the inventory system and the Federal firearms registry on a periodic basis with inventory counts and investigating any discrepancies.
- The department should ensure the Federal firearms registry is updated on a timely basis for firearms that are acquired, lost, stolen or disposed of as required by legislation.
- The department should ensure secure access to, and storage of, firearms and ammunition at all storage locations throughout the province.
- The department should consider segregating the custody and record-keeping duties of staff involved with the firearms inventory, and if not practical to do so, ensure mitigating controls are in place.
- The department should develop an oversight framework for monitoring inventory management processes including establishing policies that:
  - outline the content and frequency of inventory reports to be reviewed by senior management for monitoring changes to inventory, inventory usage and inventory levels in relation to the delivery of its programs and staffing levels;
  - require annual and periodic inventory counts, including surprise counts; and
  - require the periodic review of the effectiveness of inventory controls and an assessment of any risks identified.



## Health and Community Services

### Government Preparedness for Changing Demographics – 2017

#### Completed Recommendations

- The department should ensure that its assessments and long-term plans consider all impacts of changing demographics, and costs are integrated into the financial forecast.

### Oversight of Provincial Wellness Priorities - 2019

#### Completed Recommendations

- The Department of Health and Community Services should continue to develop an action plan for healthy active living to support government's health outcome targets and bring indicators in line with the Canadian average by 2025.
- The department should continue to develop a monitoring/evaluation framework for overall healthy active living programming and ongoing assessment of progress against targets and desired outcomes.
- The department should develop a reporting framework for partnering departments on the information required to monitor, evaluate and report on the progress of healthy active living priorities.
- The department should work with partnering departments to improve the effectiveness of oversight of provincial healthy active living priorities across government.

### Road Ambulance Services - 2016

Outstanding Recommendations	Partially Implemented	No Action
The department should evaluate its basis for road ambulance attendant skill level policy, which is below Canadian industry best practice, and determine whether it is sufficient to ensure quality care.	●	
The department should ensure there is adequate documentation for relief under the "Best Efforts" policy in instances in which operators demonstrate that they must temporarily employ attendants with less than the required skill levels.	●	
The department should ensure that its policies and procedures and the Ambulance Operations Standards Manual are up to date and reflect all requirements of the road ambulance program; are being enforced; and, are conveyed in an easy-to-follow format.	●	
The department should evaluate its basis for dispatcher training, and determine whether it is sufficient to ensure quality care.	●	
The department should set ambulance response time targets, giving consideration to Canadian industry best practices for response times.	●	
The department should ensure it is providing effective oversight of the road ambulance program, through the establishment and communication of clearly defined performance objectives and its information needs to the Regional Health Authorities and the Provincial Medical Oversight Program.	●	
The department should monitor the road ambulance program to ensure the intended results are achieved.	●	

**Completed Recommendations**

- The department should ensure that contracts with the private and community operators are negotiated and renewed in a timely manner and ensure that it seeks the advice of the Regional Health Authorities when negotiating the contracts.

**Salaried Physicians - 2016**

Outstanding Recommendations	Partially Implemented	No Action
The department should consider the development of Province-wide performance appraisal standards specifying how often physicians employed at the Regional Health Authorities and Memorial University of Newfoundland are to be formally assessed.	●	
The department should develop an accountability system to track the level of service provided by salaried physicians.	●	
The department should ensure they comply with the Salaried Physicians Quick Reference Guidelines when hiring salaried physicians.	●	
The department should update the Salaried Physicians Quick Reference Guidelines to reflect the current hiring processes in place at the Regional Health Authorities and the Department.	●	

**Completed Recommendations**

- The department should assess the remuneration policy of salaried physicians working in both a clinical and academic capacity to ensure it reflects appropriate value.
- The department should require the Regional Health Authorities and Memorial University of Newfoundland to provide well-documented, needs-based justifications for each salaried physician hiring request and the Department should base their approval decision on this needs-based information.

**Healthy Eating in Schools – 2019****Completed Recommendations**

- The Department of Health and Community Services (formerly Children, Seniors and Social Development), in conjunction with other departments, should consider updating the School Food Guidelines to meet best practices.

## Justice and Public Safety

### Newfoundland and Labrador Liquor Corporation - 2020

Outstanding Recommendations	Partially Implemented	No Action
The department should adequately address conflicts of interest within the public service and Crown entities, including consideration of any legislative amendments required to improve accountability and transparency.	●	

### Fire and Emergency Services – Newfoundland and Labrador – 2016 (was issued to Municipal Affairs)

Outstanding Recommendations	Partially Implemented	No Action
The department should monitor and encourage that all department Business Continuity Plans are updated in accordance with Fire and Emergency Services – Newfoundland and Labrador guidance.	●	
The department should ensure that the Government Business Continuity Plan is maintained in accordance with the Emergency Services Act.	●	

#### Completed Recommendations

- The department should ensure that municipalities are contacted and encouraged to finalize any Municipal Emergency Management Plans that are not yet in place and to update their Municipal Emergency Management Plans in accordance with Fire and Emergency Services - Newfoundland and Labrador guidance. Fire and Emergency Services – Newfoundland and Labrador should ensure that this contact is documented.
- The department should ensure that all municipalities are encouraged to perform tests and debrief on their Municipal Emergency Management Plans in accordance with Fire and Emergency Services – Newfoundland and Labrador guidance.



## Memorial University of Newfoundland

### Salaried Physicians - 2016

#### Completed Recommendations

- Memorial University should develop an accountability system to track the level of service provided by salaried physicians.
- Memorial University should ensure they comply with the Salaried Physicians Quick Reference Guidelines when hiring salaried physicians.

## Municipal and Provincial Affairs (formerly Municipal Affairs and Environment)

### Government Preparedness for Changing Demographics – 2017

Outstanding Recommendations	Partially Implemented	No Action
<p>The department should ensure that changing demographics are considered, impacts have been assessed, long-term plans are created, and costs related to changing demographics are integrated into the financial forecast.</p>	●	

## Municipal Assessment Agency Inc.

### Compensation Practices in Government Entities - 2017

#### Completed Recommendations

- Municipal Assessment Agency Inc. should work with the Treasury Board Secretariat (formerly the Human Resource Secretariat) to determine whether their compensation policies and practices should be consistent with Government policy, and where deemed appropriate, identified inconsistencies should be assessed.



## Newfoundland and Labrador English School District

### Healthy Eating in Schools - 2019

Outstanding Recommendations	Partially Implemented	No Action
The Newfoundland and Labrador English School District should develop and communicate a nutrition policy which applies to all regions.	●	
The School District should identify information needed from schools to assist its ongoing oversight of healthy eating policies.	●	

#### Completed Recommendations

- The School District should work with schools and providers to ensure that foods and beverages meet the School Food Guidelines.
- The Newfoundland and Labrador English School District should work with schools to promote and make nutritional information available to assist healthy food choices.

### Management of the Procurement of Goods and Services - 2018

Outstanding Recommendations	Partially Implemented	No Action
<p>The School District's Board of Trustees and senior management should provide effective oversight on the development and performance of Newfoundland and Labrador English School District's internal controls. This should include:</p> <ul style="list-style-type: none"> <li>• Developing a fraud risk management program that includes a fraud risk assessment to identify specific fraud risks, assess their likelihood and significance and implement and monitor appropriate controls to mitigate risks to an acceptable level.</li> <li>• Establishing a policy requiring a separate periodic evaluation of the effectiveness of the District's internal control environment with associated evaluation results and recommendations to be provided to the Board.</li> <li>• Implementing measures on a timely basis to address the significant internal control deficiencies outlined in this report and any other deficiencies identified through the recommended fraud risk management program and periodic evaluation of internal controls.</li> <li>• Conducting Board meetings with both the Internal and External auditors at least annually to discuss, for example, internal audit planning and any concerns identified with respect to internal controls or other financial matters.</li> </ul>	●	

**Completed Recommendation**

The School District's Board of Trustees and senior management should set clear expectations for ethical organizational behaviour. This should include:

- Establishing and communicating a written code of ethics and conduct that integrates conflict of interest prevention and management to all staff, including consequences of non-compliance with these standards.
- Providing training to employees to promote an understanding of their role and responsibility for ethical organizational behaviour, including compliance with legislation and Newfoundland and Labrador English School District policies and procedures.
- Monitoring adherence to the standards of conduct, including establishing a reporting mechanism by which employees may report suspected violations of the standards.
- Investigating allegations of violations of the standards on a timely basis and taking appropriate actions when allegations are substantiated.

**Student Transportation - 2019**

Outstanding Recommendations	Partially Implemented	No Action
The Newfoundland and Labrador English School District should improve its monitoring and enforcement of driver training.	●	
The School District should develop a training requirements policy for District-owned bus drivers.	●	
The School District should review its practice of accepting CPR Level A for drivers used in student transportation.	●	
The School District should conduct regular route audits and evaluate the findings from the pilot of the GPS technologies.	●	

**Completed Recommendation**

- The School District should improve its monitoring of vehicle inspection processes.
- The School District should develop staff guidance on assessing and meeting District expectations for qualified drivers.
- The School District should ensure approval of contracted vehicles and drivers occur prior to the start of the school year.
- The School District should reiterate its expectations of and require confirmation from schools on the required components of bus safety training for students.
- The School District should continue efforts to fully implement its risk management program, including the risks related to the safe transportation of students.
- The School District should continue efforts to improve its complaints and accident/incident system and provide guidance on it.
- The School District should continue efforts to fully implement the routing software.
- The School District should ensure schools are complying with Department policy for student transportation eligibility.

**Teacher Allocation in Schools - 2016****Completed Recommendations**

- The School District should ensure that the deployment of all needs-based teachers is supported and communicated to the Department of Education.

**Newfoundland and Labrador Film Development Corporation**  
**Compensation Practices in Government Entities - 2017**

Outstanding Recommendations	Partially Implemented	No Action
<p>The Corporation should work with the Treasury Board Secretariat (formerly the Human Resource Secretariat) to determine whether their compensation policies and practices should be consistent with Government policy, and where deemed appropriate, identified inconsistencies should be assessed.</p>	●	



## Newfoundland and Labrador Health Services

### Acute Care Bed Management - 2016

Outstanding Recommendations	Partially Implemented	No Action
Newfoundland and Labrador Health Services (formerly the Labrador-Grenfell Regional Health Authority) should identify and/or establish performance indicators related to acute care bed management and ensure national benchmarks are identified or hospital targets are established for each performance indicator.	●	
Newfoundland and Labrador Health Services (formerly the Central Regional, Eastern Regional and Labrador-Grenfell Regional Health Authorities) should establish bed management processes and systems which include daily multidisciplinary meetings, daily bed huddles, electronic bed boards, posted and informative whiteboards in units and patient rooms, early discharge times, patient transfer/repatriation protocols, and information systems that promote good planning and monitoring of acute care bed usage/availability.	●	
Newfoundland and Labrador Health Services (formerly the Labrador-Grenfell Regional Health Authority) should compare actual results to established benchmarks and targets for key performance indicators, in order to identify variances that require follow-up and action. Statistical and performance indicator reports should be provided to senior staff, bed managers and other interdisciplinary team members for effective planning and resource decisions.	●	

#### Completed Recommendations

- Newfoundland and Labrador Health Services (formerly the Central Regional Health Authority, Eastern Regional Health Authority, and Western Regional Health Authority) should identify and/or establish performance indicators related to acute care bed management and ensure national benchmarks are identified or hospital targets are established for each performance indicator.
- Newfoundland and Labrador Health Services (formerly the Central Regional Health Authority, Eastern Regional Health Authority, Labrador-Grenfell Regional Health Authority, and Western Regional Health Authority) should develop acute care bed management policies and procedures which encompass admission and discharge processes that are complete and comprehensive.
- Newfoundland and Labrador Health Services (formerly the Western Regional Health Authority) should establish bed management processes and systems which include daily multidisciplinary meetings, daily bed huddles, electronic bed boards, posted and informative whiteboards in units and patient rooms, early discharge times, patient transfer/repatriation protocols, and information systems that promote good planning and monitoring of acute care bed usage/availability.
- Newfoundland and Labrador Health Services (formerly the Central Regional Health Authority, Eastern Regional Health Authority, and Western Regional Health Authority) should compare actual results to established benchmarks and targets for key performance indicators, in order to identify variances that require follow-up and action. Statistical and performance indicator reports should be provided to senior staff, bed managers and other interdisciplinary team members for effective planning and resource decisions.

**Compensation Practices in Government Entities - 2017**

Outstanding Recommendations	Partially Implemented	No Action
Newfoundland and Labrador Health Services (formerly the Central Regional Health Authority) should work with the Treasury Board Secretariat (formerly the Human Resource Secretariat) to determine whether their compensation policies and practices should be consistent with Government policy, and where deemed appropriate, identified inconsistencies should be assessed.	●	

**Provincial Home Support Program - 2017**

Outstanding Recommendations	Partially Implemented	No Action
Newfoundland and Labrador Health Services (formerly the Eastern Regional Health Authority and Western Regional Health Authority) should complete clinical and financial assessments within established timeframes and should assess home support services for seniors at least annually.	●	
Newfoundland and Labrador Health Services (formerly the Eastern Regional Health Authority and Western Regional Health Authority) should ensure that they contact seniors in accordance with established timeframes.	●	
Newfoundland and Labrador Health Services (formerly the Eastern Regional Health Authority and Western Regional Health Authority) should ensure that they receive required financial reports and records annually from seniors that self-manage their home support services. Western Regional Health Authority should review these reports and any financial records in the initial year as required and establish a process to review financial records on a more frequent basis beyond the initial year.	●	
Newfoundland and Labrador Health Services (formerly the Western Regional Health Authority) should ensure that recurring issues identified in annual agency audits are adequately resolved prior to approving agencies to operate.	●	
Newfoundland and Labrador Health Services (formerly the Eastern Regional Health Authority and Western Regional Health Authority) should monitor the home support hours received by seniors and follow up on instances in which seniors were not provided with the home support hours they had been approved to receive.	●	

**Completed Recommendations**

- Newfoundland and Labrador Health Services (formerly the Eastern Regional Health Authority) should ensure that recurring issues identified in annual agency audits are adequately resolved prior to approving agencies to operate.

**Road Ambulance Services - 2016**

Outstanding Recommendations	Partially Implemented	No Action
Newfoundland and Labrador Health Services (formerly the Eastern Regional Health Authority) ensure that the road ambulance services provided by private and community-based operators for Newfoundland and Labrador Health Services meet the skill levels required by the Department of Health and Community Services. In instances in which operators demonstrate that they must temporarily employ attendants with less than the required skill levels, the Newfoundland and Labrador Health Services and the Department of Health and Community Services should ensure there is adequate documentation for relief under the "Best Efforts" policy.	●	
Newfoundland and Labrador Health Services (formerly the Eastern Regional Health Authority) should ensure targets that the Department of Health and Community Services sets are being monitored for the eastern region of the Province.	●	
Newfoundland and Labrador Health Services (formerly the Eastern Regional Health Authority) should ensure that Patient Care Reports are included in a patient's medical records and that the Patient Care Reports are not altered after the patient transports are completed.	●	
Newfoundland and Labrador Health Services (formerly the Eastern Regional Health Authority) should have systems and processes in place to effectively monitor the day-to-day operations of road ambulance services provided by base hospitals and private and community operators, and their compliance with Department of Health and Community Services policy.	●	

**Salaried Physicians - 2016**

Outstanding Recommendations	Partially Implemented	No Action
Newfoundland and Labrador Health Services (formerly the Labrador-Grenfell Regional Health Authority and Western Regional Health Authority) should conduct performance appraisals in accordance with its internal policies.	●	
Newfoundland and Labrador Health Services (formerly the Central Regional Health Authority, Eastern Regional Health Authority and Western Regional Health Authority) should develop and implement detailed workload requirements for salaried physicians.	●	
Newfoundland and Labrador Health Services (formerly the Central Regional Health Authority, Eastern Regional Health Authority, Labrador-Grenfell Regional Health Authority, and Western Regional Health Authority) should develop an accountability system to track the level of service provided by salaried physicians.	●	
Newfoundland and Labrador Health Services (formerly the Central Regional Health Authority and Labrador-Grenfell Regional Health Authority) should ensure they comply with the Salaried Physicians Quick Reference Guidelines when hiring salaried physicians.	●	

**Completed Recommendations**

- Newfoundland and Labrador Health Services (formerly the Central Regional Health Authority, and Eastern Regional Health Authority) should conduct performance appraisals in accordance with its internal policies.
- Newfoundland and Labrador Health Services (formerly the Labrador-Grenfell Regional Health Authority) should develop and implement detailed workload requirements for salaried physicians.
- Newfoundland and Labrador Health Services (formerly the Eastern Regional Health Authority and Western Regional Health Authority) should ensure they comply with the Salaried Physicians Quick Reference Guidelines when hiring salaried physicians.

**Newfoundland and Labrador Legal Aid Commission**

**Compensation Practices in Government Entities - 2017**

Outstanding Recommendations	Partially Implemented	No Action
<p>The Newfoundland and Labrador Legal Aid Commission should work with the Treasury Board Secretariat (formerly the Human Resource Secretariat) to determine whether their compensation policies and practices should be consistent with Government policy, and where deemed appropriate, identified inconsistencies should be assessed.</p>	●	

**Newfoundland and Labrador Liquor Corporation**

**Compensation Practices in Government Entities - 2017**

Outstanding Recommendations	Partially Implemented	No Action
<p>The Liquor Corporation should work with the Treasury Board Secretariat (formerly the Human Resource Secretariat) to determine whether their compensation policies and practices should be consistent with Government policy, and where deemed appropriate, identified inconsistencies should be assessed.</p>	●	

**Newfoundland and Labrador Liquor Corporation - 2020**

**Completed Recommendation**

- The Liquor Corporation should ensure that the introduction of new sales programs is supported by an approved business case.
- The Liquor Corporation should ensure that the acquisition of specialty wines follows a well-documented process with procurement transparency and accountability.
- The Liquor Corporation should ensure prescribed guidance for the pricing of all products, pricing exceptions, and transparency in pricing.
- The Liquor Corporation should ensure that all staff are aware of travel, entertainment and board expense policies, and that expense reimbursement is supported by adequate documentation to reduce the risk of overpayment related to travel, entertainment and board expenses.

## Office of the Chief Information Officer

### Safety and Weight Inspections of Commercial Vehicles - 2016

#### Completed Recommendations

- The Office of the Chief Information Officer should determine the cause of the problems within the information system and resolve the issues identified.

## Tourism, Culture, Arts and Recreation

### Oversight of Provincial Wellness Priorities - 2019

Outstanding Recommendations	Partially Implemented	No Action
The Department of Tourism, Culture, Arts and Recreation should continue to develop an action plan for healthy active living to support government's health outcome targets and bring indicators in line with the Canadian average by 2025.	●	
The department should develop a monitoring/evaluation framework for overall healthy active living programming and ongoing assessment of progress against established targets and desired outcomes.	●	
The Department of Tourism, Culture, Arts and Recreation should develop a reporting framework for partnering departments on the information required to monitor, evaluate and report on the progress of healthy active living priorities.	●	
The Department of Tourism, Culture, Arts and Recreation should work with partnering departments to improve the effectiveness of oversight of provincial healthy active living priorities across government.	●	

## Transportation and Infrastructure (formerly Transportation and Works)

### Road Quality – 2017

Outstanding Recommendations	Partially Implemented	No Action
The department should implement a system to track road conditions, identify maintenance priorities and support roadwork decisions. The department should also evaluate how to objectively assess road conditions.	●	
The department should develop a structured maintenance program that considers the pavement lifecycle and includes information on the type of maintenance required, maintenance schedules and frequency.	●	
The department should establish a centralized location for receiving road complaints and document complaint information and action taken.	●	

### **Completed Recommendations**

- The department should ensure that roadwork performed meets Department standards.
- The department should evaluate site conditions to determine whether it should customize project specifications.
- The department should choose roadwork projects based on an objective evaluation process that is consistently applied.
- The department should ensure that roadwork is tendered on time, extension requests are received, and eligible liquidated damages are collected.
- The department should improve its monitoring of roadwork progress and completion by:
  - ensuring that all quality control and quality assurance testing is complete and clearly documented.
  - evaluating deficiencies identified and documenting the action taken,
  - performing contractor evaluations and taking action when contractor issues are identified,
  - ensuring that cost increases beyond an original tender estimate have approved contract extensions,
  - evaluate the benefit of performing inter-laboratory testing and laboratory audits, and
  - updating the numbering system used for samples.

### **Safety and Weight Inspections of Commercial Vehicles - 2016**

#### **Completed Recommendation**

- The Department of Transportation and Infrastructure (formerly Transportation and Works) should ensure that it utilizes a life-cycle management plan to ensure complete and accurate systems are in place to facilitate the Department's ability to effectively monitor and maintain Provincial weigh scales.

### **Workplace NL**

### **Compensation Practices in Government Entities - 2017**

#### **Completed Recommendations**

- The Workplace NL should work with the Treasury Board Secretariat (formerly the Human Resource Secretariat) to determine whether their compensation policies and practices should be consistent with Government policy, and where deemed appropriate, identified inconsistencies should be assessed.



# Ongoing Implementation

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There were two reports delivered during 2021, the MV Veteran and MV Legionnaire and the Physical Mitigation of Muskrat Falls Reservoir Wetlands.

## **MV Veteran and MV Legionnaire - August 2021**

This report involved the Department of Transportation and Infrastructure and covered the audit period from April 2009 to March 2019; its objective was to determine whether the department effectively managed the construction, operationalization, and initial operations of the MV Veteran and MV Legionnaire, including the terms of the shipbuilding contract.

The report found that there was no established project management process to guide construction; the project did not follow expected project management planning processes; and there was inadequate information and documentation management. Findings also highlighted there was little work done regarding a risk profile or risk management prior to project execution. We noted there was inadequate onsite oversight during vessel production, construction, and inspections. Finally, we also noted there were no final performance runs completed when the vessels arrived in the province; training aspects of the project were not sufficiently or effectively managed; and forms and manuals intended to support vessel operationalization were incomplete.

We concluded that the department did not effectively manage the construction, operationalization, or initial operations of the MV Veteran and MV Legionnaire. We found a number of concerns relating to the department's management of the project that may have contributed to significant operational delays, service disruptions, and unplanned costs.

The Public Accounts Committee held public hearings on the following dates:

- Monday, March 21, 2022
- Tuesday, March 22, 2022, and
- Wednesday, November 9, 2022

The Committee reported back to the House of Assembly on April 25, 2023.

## **Status of Recommendations**

We expect that it is reasonable for departments to fully implement recommendations within three years of the audit report being issued. We initiate our follow-up after two years in order to gain an understanding of progress toward implementation.

The progress on outstanding recommendations for the MV Veteran and MV Legionnaire is reported as of August 31, 2023



Preliminary Status	Status		
	Fully Implemented or Otherwise Resolved	Partially Implemented	No Action
The Department of Transportation and Infrastructure should establish and follow a project management process for the procurement of vessels that follows leading practice, with particular attention paid to risk management, onsite supervision, document management and training.		●	
The Department of Transportation and Infrastructure should ensure root causes for significant mechanical issues and recurring mechanical issues of vessels are identified and addressed in a timely manner.		●	
The Department of Transportation and Infrastructure, with cooperation from other departments, should ensure that all opportunities for potential industrial benefits are identified, pursued and documented.	●		

Since the purchase of the MV Legionnaire and MV Veteran, the department has undergone some organizational changes; the Marine Services Division, responsible for the provision, maintenance, and management of provincial marine services, is now a part of the department's Air and Marine branch, and the Infrastructure Branch has divisions responsible for planning and procurement of government's annual infrastructure budget, as well as analysis and assessment of major infrastructure projects.

After two years, the department had partially implemented 2 of the three recommendations. While the department provided evidence that they did have a project management process for other types of infrastructure, there was nothing marine or vessel-specific. The government's fleet of vessels is aging and an effective project management process that is marine and vessel-specific will help facilitate procuring new vessels in the future. The department provided evidence of planned, preventative and predictive maintenance scheduling, and samples of vessel inspections; however, no evidence was provided to identify the root cause for any significant and/or recurring issues.

**Physical Mitigation of Muskrat Falls Reservoir Wetlands - August 2021**

The Physical Mitigation of Muskrat Falls Reservoir Wetlands did not contain any recommendations.

**2022-2023 Reports**

There were seven reports released between 2022 and 2023 by our office that are not included in this year's monitoring report because they are within the initial two-year implementation period:

- Nalcor Energy (October 2022)
- Nalcor Energy – Compensation (November 2022)
- Adult Custody and Community Corrections (December 2022)
- Food Premises Inspection and Licensing Program (May 2023)
- Innovation and Business Investment Corporation (June 2023)
- Office of the High Sheriff (September 2023)
- Memorial University October 2023)

# Unresolved Recommendations

The outstanding recommendations from 2014-15 are not included in this report and are no longer monitored by our office, as they fall outside our seven-year continuous monitoring framework. **There were 26 recommendations from those reports that had not been fully implemented or otherwise resolved at the time of our April 2023 report - however, they remain relevant and should be considered.**

Entity	Report Name	Report Year	Status of Recommendation	Recommendation
Digital Government and Service NL (was Service NL)	Pension Plan Regulation	2015	Partially Implemented	The department should implement processes that would enable them to complete reviews of registrations, amendments, annual information returns and actuarial valuations, in a timely manner.
	Personal Care Home Regulation	2015	Partially Implemented	The department's Government Service Centres should consider reporting the results of inspections of Personal Care Homes to the public.
Education (was Advanced Education and Skills)	Memorial University of Newfoundland	2014	Partially Implemented	The department should review the Provincial funding model to determine if it is efficient and effective and includes such factors as the capacity of the University to deliver programs, program costs per student, enrolment and output results.
			Partially Implemented	The department should consider a long-term plan to address the University's ageing infrastructure and maintenance needs.
Education (was Education and Early Childhood Development)	Teacher Professional Development	2015	Partially Implemented	The School District, in consultation with the Department of Education, should establish a professional development policy on the recording and monitoring of attendance, and the training of absent teachers.
			Partially Implemented	The School District, in consultation with the Department of Education, should establish a policy on evaluation processes to be used to evaluate the quality and effectiveness of professional development sessions.



Unresolved Recommendations

Entity	Report Name	Report Year	Status of Recommendation	Recommendation(s)
<b>Health and Community Services</b>	Nutrition in Long-Term Care Facilities	2015	Partially Implemented	The department should conduct a formal review of the Operational Standards for Long-Term Care Facilities in Newfoundland and Labrador as required.
			Partially Implemented	The Department of Health and Community Services should establish benchmarks for performance indicators, review and monitor actual financial and statistical data, including performance indicators, against these benchmarks and follow up on significant variances.
	Personal Care Home Regulation	2015	Partially Implemented	The department should complete a comprehensive review of the Personal Care Homes Operating Standards and regional health authority monitoring methods, every two years as required.
			Partially Implemented	The department should consider reporting the results of regional health authority monitoring of Personal Care Homes to the public.
<b>Industry, Energy and Technology (was Natural Resources previously issued to Business, Tourism, Culture and Rural Development)</b>	Financial Assistance to Business	2015	Partially Implemented	The department should set performance targets for all Government financial assistance to Business programs and monitor and evaluate their effectiveness.
			Partially Implemented	The department should address whether program changes are required where programs are not meeting performance targets.
			Partially Implemented	The department should report on program performance and this information should be periodically reported to the House of Assembly.
<b>Memorial University of Newfoundland</b>	Memorial University of Newfoundland	2014	Partially Implemented	Memorial University should ensure audits and inspections of infrastructure are completed to identify maintenance requirements, and that critical maintenance work is actioned in a timely manner.
<b>Newfoundland and Labrador English School District</b>	Teacher Professional Development	2015	Partially Implemented	The School District should consider reviewing and revising their professional learning models to include the characteristics of effective professional development and agree on the best models to consistently implement professional development across the District.
			Partially Implemented	The School District's overall professional development and individual session goals should be specific and communicated consistently across all regions of the District, with established targets linked back to student outcomes, where possible.
			Partially Implemented	The School District, in consultation with the Department of Education (formerly Education and Early Childhood Development), should establish a professional development policy on the recording and monitoring of attendance, and the training of absent teachers.

Unresolved Recommendations

Entity	Report Name	Report Year	Status of Recommendation	Recommendation(s)
<b>Newfoundland and Labrador English School District</b>	Teacher Professional Development	2015	Partially Implemented	The School District, in consultation with the Department of Education (formerly Education and Early Childhood Development), should establish a policy on evaluation processes to be used to evaluate the quality and effectiveness of professional development sessions.
			Partially Implemented	The School District, in consultation with the Department of Education (formerly Education and Early Childhood Development), should maintain an information system to record professional development sessions and teacher training.
			Partially Implemented	The School District should monitor and report on the overall effectiveness of teacher professional development toward maintaining a highly qualified workforce and achieving desired student outcomes.
<b>Newfoundland and Labrador Health Services</b>	Nutrition in Long-Term Care Facilities	2015	Partially Implemented	The Eastern Regional Health Authority should establish benchmarks for performance indicators, review and monitor actual financial and statistical data, including performance indicators, against these benchmarks and follow up on significant variances.
			Partially Implemented	The Health Authority should establish benchmarks for performance indicators, review and monitor actual financial and statistical data, including performance indicators, against these benchmarks and follow up on significant variances.
			Partially Implemented	The Eastern Regional Health Authority should carry out resident care reassessments annually as required.
			Partially Implemented	The Health Authority should carry out resident care reassessments annually as required.
			Partially Implemented	The Central Regional Health Authority should carry out resident care reassessments annually as required.
<b>Transportation and Infrastructure (was issued to Municipal and Intergovernmental Affairs)</b>	Municipal Infrastructure	2015	Partially Implemented	The Department of Transportation and Infrastructure should consider developing a municipal infrastructure system which captures relevant information on the inventory and state of municipal infrastructure assets in the Province.

# Conclusion

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Recommendations are an essential part of audit reports and it is important for the departments and entities to fully implement or otherwise resolve our recommendations to improve program and service delivery. Approximately two out of every five recommendations remain outstanding, and we are particularly concerned with the number of departments and entities that had overall low implementation rates across a number of reports, some of which date back to 2016. As a result of recommendations not being fully implemented, risks remain, or further risks may be created.

Our continuous monitoring of outstanding recommendations has an overall implementation rate of 60 per cent, which indicates consideration has been given to recommendations. However, for every five recommendations provided over a five-year period (2016-2020), two have not been fully implemented or otherwise resolved. A deeper analysis of the 69 outstanding recommendations from this period indicates that many government departments and entities have areas where they could improve; where services could be more efficient; and where savings may be realized with more effective program delivery. Eighty-three per cent of these 69 recommendations relate to audit reports that were issued in 2017 and earlier. That volume of unresolved recommendations - after six years - indicates that the issues we identified in our performance audits remain relevant.

# Appendix I - About the Report

## Objectives

This information report was conducted in accordance with Section 21 of the Auditor General Act, 2021. The objective was to assess the status of outstanding performance audit recommendations from 2016 to 2020. The report also satisfies questions from the Public Accounts Committee regarding the government's response to past Auditor General performance audits.

## Level of Assurance & Audit Procedures

For each recommendation, entity officials self-report whether the recommendation has been fully implemented or otherwise resolved, partially implemented, or if no action has been taken.

Progress on these recommendations is reported as of August 31, 2023, and responses were received and assessed between September 2023 and November 2023.

The limited assurance engagement was completed on the outstanding recommendations originating from reports on Performance Audits of Departments and Crown Agencies between 2016 and 2020. We provide limited assurance as of August 31, 2023, on recommendations assessed as fully implemented or otherwise resolved, partially implemented or no action, to determine if departments' and agencies' assessments were free from material misstatement. For recommendations assessed as fully implemented or otherwise resolved and partially implemented, our work consists primarily of enquiry and discussion with management officials at government departments and Crown agencies, and an examination of selected supporting documentation. No procedures were performed, and therefore no assurance is provided, where the status of recommendations is noted as no action.

Occasionally, our Office will disagree with an entity's assessment of the extent of implementation of a recommendation. In all cases, the status of a recommendation is reported based on our Office's assessment of implementation.

The Office applies the Canadian Standard on Quality Management 1. This standard requires our Office to design, implement, and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

In conducting the audit work, we have complied with the independence and other ethical requirements of the Rules of Professional Conduct of the Association of Chartered Professional Accountants of Newfoundland and Labrador.

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# Appendix II - About Us

## Vision

Promoting positive change and accountability in the public sector through impactful audits.

## Mission

To promote accountability in government's management and use of public resources and encourage positive change in its delivery of programs and services.

## Values

Above all else, the Office of the Auditor General must have independence, credibility and integrity. These are essential to everything we do and critical to our success. The Office of the Auditor General complies with professional and office standards to produce relevant and reliable audit reports. The Office of the Auditor General's independence of government, in fact, and in appearance, provides objective conclusions, opinions and recommendations on the operations of government and crown agencies. Our staff work in a professional and ethical manner, ensuring respect, objectivity, trust, honesty and fairness.

## OAG Team

The Auditor General extends sincere thanks to her Performance Audit Team for their dedication, diligence, and patience over the past year. In addition to the Auditor General, Denise Hanrahan, and Deputy Auditor General, Sandra Russell, the personnel involved in the planning, coordination and direction of the Office's performance audit program are led by two outstanding Assistant Auditor Generals, Lindy Stanley and Dianna McGrath. The Office is able to fulfill its mission due to the consummate commitment and professionalism of a dynamic team of professional auditors, including:

- Adam Lippa, Audit Principal
- Sarah Reynolds, Audit Manager
- Chrysta Collins, Manager of Communications and Stakeholder Engagement
- Andrea Gunn, Audit Senior
- Sujin Gu, Audit Senior

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