

---

## Update on Prior Years' Report Items

---

### Update

In October 2005, we contacted the Department of Environment and Conservation requesting an update as to the progress made to include previously excluded contaminated sites in the registry and database. The information provided by the Department in response to our request is outlined below.

---

### 2002 Recommendation

*Government should establish a central inventory for contaminated sites which would facilitate the identification of future remediation costs.*

### Action Taken

The Department indicated that the registry and database of contaminated sites maintained by the Waste Management Section continues to be maintained up to date by section staff. It was further indicated that progress has been made in incorporating some information for sites managed by the Government Services Centre on an ongoing basis. As resources permit, the Department hopes to provide greater focus on managing government wide data in the future.

---

### 3.2.3 Newfoundland and Labrador Legacy Nature Trust (2003 Annual Report, Part 2.35)

---

#### Introduction

In 2003, we reviewed the trust agreement between the Newfoundland and Labrador Legacy Nature Trust (the Trust) and the Province. The Trust was established by the then Department of Forest Resources and Agrifoods on 22 March 1999 as an incorporated non-profit agency with a mandate to raise funds nationally and internationally to finance conservation projects in Newfoundland and Labrador. On 7 March 2000, the Province entered into a trust agreement with the Trust and paid the Trust \$1 million in seed funding. The Trust was transferred to the Department of Tourism, Culture and Recreation on 19 June 2001.

The objectives of our review were to determine Government's involvement in establishing the Trust; whether the parties complied with the trust agreement; and whether Trust activities were adequately monitored.

---

---

## Update on Prior Years' Report Items

---

### Conclusions from our 2003 review

As a result of our review, we concluded the following:

- The Department of Forest Resources and Agrifoods contravened the *Financial Administration Act* in providing the \$1 million to the Trust through the use of a special warrant.
- The Trust had not complied with the Trust Agreement because reasonable progress had not been made towards raising matching funds for conservation.
- In June 2003 the Deputy Minister of Tourism, Culture and Recreation wrote the Trust informing them of the Minister's decision to reallocate approximately \$500,000 of the trust to another environmental organization. The matter was still not fully resolved at the time of our review.
- Government had not adequately monitored Trust activities. Government appointed a Board member to represent the Province's interest in the Trust; however, this Board member had attended only six of the seventeen Trust board meetings. As well, the Trust Agreement requires the submission of annual reports to the Minister. At the time of our review in September 2003, the last annual report submitted to the Minister was for the year ended 31 December 2000. Subsequent to our review, on 27 October 2003, the Trust submitted an annual report for 2002. No annual report was provided for 2001.

Subsequent to our 2003 review, responsibility for the Trust was transferred from the Department of Tourism, Culture and Recreation to the Department of Environment and Conservation.

---

### Update

In October 2005, we contacted the Department of Environment and Conservation requesting an update as to the progress on the comments and recommendations included in our 2003 report. The information provided by the Department in response to our request is outlined below.

---

---

## Update on Prior Years' Report Items

---

### 2003 Recommendation

*The Department should strengthen its monitoring of the Trust and take steps to ensure that the Newfoundland and Labrador Legacy Nature Trust fully complies with all the provisions of its Trust Agreement with the Province.*

### Action Taken

The Department indicated that:

- The Trust received \$531,131 in grants and project funding in 2004 and approximately \$368,000 to the date of the Department's response to our October 2005 update request. Total external funding to date has exceeded \$1 million.
  - The now former Deputy Minister of the Department regularly attends Trust Board meetings and serves on the Projects Committee of the Board.
  - Officials of the Department regularly attend meetings and are in frequent contact with the Trust concerning a variety of projects, proposals and initiatives.
  - The Trust regularly posts its annual report on its website, including a description of all of its projects and a financial statement.
  - Government has not reallocated any Trust funding to other organizations. The Trust had drawn down the entire \$1 million by December 2003 and the financial agreement with Government effectively expired in September 2004.
  - The Trust now has charitable status and their money raising efforts have improved considerably since 2002. Since 1999 the Trust has partnered and funded more than 20 conservation projects.
-