

Officials at INTRD have determined that repayment of the \$300,000 loan is doubtful and accordingly a provision for this expected loss has been recorded in the Province's financial statements for the year ended 31 March 2005.

At the time of our review in November 2005, the company was not in compliance with two conditions relating to the \$300,000 loan:

- The company had not maintained the required employment level of 30 full-time equivalent employees in the Province. In December 2004, when the company had 22 full-time equivalents, it formally requested the required employment level be reduced. Although the 30 full-time employees is still a requirement of the loan, as of November 2005, the company only employed 17 full-time equivalents.
- The company had not provided Government with the required audited financial statements for the year ended 31 July 2005 and were a year late in providing the financial statements for the year ended 31 July 2004.

2.18 Royal Newfoundland Constabulary

The Royal Newfoundland Constabulary (RNC) operates under the authority of the *Royal Newfoundland Constabulary Act, 1992* and *Regulations*. The Chief of Police, appointed by the Lieutenant-Governor in Council, is responsible for the RNC's general control and administration, and reports to the Minister of Justice and Attorney General. The RNC's mission is to work with the people of Newfoundland and Labrador to foster safe communities by providing quality, professional, assessable, timely and fair police services to all. At 31 March 2005, there were 309 RNC members and 76 civilian staff at the RNC. The RNC polices three regions of the Province - the Northeast Avalon, Corner Brook, and Labrador West. The population of these regions is approximately 201,000 (2001 Census).

Planning and reporting

We found weaknesses in planning and reporting practices. This was evident in that:

- the long-term strategic plan expired in 2004 and has not been updated;
- a system to report on plan objectives has not been implemented;
- operational plans have not been developed for any of the 14 divisions;
- a multi-year training plan has not been developed and approved; and
- all quarterly quality reviews were not submitted by 7 of 14 divisions for 2004.

Human resource management

The RNC does not have a system in place to monitor the amount of time members spend on administrative tasks. Using fewer police resources to perform administrative tasks would free up members to perform core police functions. The RNC had hoped to achieve this objective by introducing the Integrated Constabulary Automated Network (ICAN) system; however, we found that the ICAN system is not being used to generate reports to determine if the objective is being met.

In 2002, the RNC purchased a Mobile Report Entry module, four lap top computers and related software for a total cost in excess of \$52,000. These computers were to be used in police cars to allow members to save time by entering investigative information and preparing police reports directly. However, the computers were never installed in the police cars. Furthermore, the computers are still in storage and the RNC continues to pay annual software maintenance and support service fees of \$3,600.

Two staffing areas need attention within the RNC: the ratio of members to civilian employees and the lack of performance evaluation systems. Currently, the RNC is using members to perform tasks that could be done by civilians.

Overtime costs continue to increase and represent a significant cost to the RNC. Overtime paid in the past three years and projected for 2005-06 is as follows: 2005-06 -\$2,784,508 (projected by RNC); 2004-05 -\$2,129,600 (plus \$743,200 for April 2004 strike); 2003-04 -\$1,132,350; and 2002-03 -\$1,007,102.

Over 7,500 individual entries were not keyed into the RNC's Resource Utilization System (RUS) during 2004-05 and, as a result, employee detail reports from the system do not reflect all the overtime paid during 2004-05. In addition, Divisional or District Commanders are not submitting monthly summaries of their overtime expenditures to the Director of Finance and General Operations, as required. The RUS was expected to provide all necessary information for the RNC Executive to monitor and control overtime. However, RNC officials indicated that the RUS is unable to produce the required detailed reports to adequately monitor overtime. Therefore, overtime cannot be reviewed, monitored and controlled without the monthly summaries from the Divisional or District Commanders.

The issues of significant sick leave among members and the link between sick leave and overtime, both of which were identified as issues by the Department of Justice in March 2004, continue to be a concern. The average number of sick leave days used by members in 2004-05 was approximately 13 days (central Government average was 11.57 days for full-time permanent staff) and in that year sick leave costs totaled in excess of \$800,000.

Purchasing and tendering

We found weaknesses in the RNC's purchasing and instances of non-compliance with legislation regarding financial controls and tendering. The following issues were identified:

- Contravention of the *Public Tender Act* in that it does not always call public tenders for purchases greater than \$10,000 and does not always obtain either three quotes or establish a fair and reasonable price for purchases \$10,000 and less.
- Contravention of the *Financial Administration Act* in 15 instances by ordering goods and services without encumbering funds.
- Purchase orders, providing the required authorization, are not being prepared until after the receipt of goods and services and related invoices.
- Examples where documentation to support payments was inadequate.

Information technology

The RNC is not complying with its own rules regarding information systems management. While there are clearly established policies and procedures in place to ensure the security of automated systems, these policies and procedures are not being followed.

Information management

Police investigation files are not being reviewed in a timely manner to ensure that all tasks associated with investigating and concluding files are carried out. At the time of our review, there were over 21,000 overdue diary dates (dates assigned to police investigation files to ensure that all tasks associated with investigating and concluding files are carried out as promptly as possible) on the Integrated Constabulary Automated Network system for the period January 1999 to December 2002.

The records sign-out database is used by the Information Management Division to record files removed from and returned to the Division. The database system is not accurate. For example, of the 40 files indicated as “overdue”, we reviewed 20 and found that 12 were not with the member to whom the file was signed out and could

not be located. Furthermore, 6 of the 20 files were located in the Division; however, the database had not been updated.

Inventory

There are significant weaknesses over inventory of computers, quartermaster store items, and office furniture and equipment at the RNC. Although there are inventory control procedures to record acquisition, disposals and transfers, these procedures were not always complied with. For example, assets were not tagged, inventory counts were not performed, and inventory listings were either not maintained or inaccurate. During our testing the RNC could not account for all assets and in other instances assets were found in locations other than that indicated on the system.

There is no tracking and reporting of vehicle mileage, fuel consumption and maintenance for the 118 police vehicles. Furthermore, there are no policies covering preventive maintenance and replacement.

The Property Control Centre is used to store evidence which is found, seized or confiscated. We found that systems and controls at the Property Control Centre were not adequate. There were items on the inventory listing which could not be located, items examined which were not recorded on the inventory listings, and access to the area was not adequately restricted. Furthermore, although there are processes in place to ensure that evidence no longer required is disposed of, we found that this did not always occur and as a result, the area was unnecessarily cluttered. These significant weaknesses at the Property Control Centre could result in exposure to the RNC in that evidence is not properly safeguarded.

2.19 "911" Emergency Response Service

In 1972, Canada recognized the three-digit telephone number "911" as the "Universal Emergency Number" for citizens to request emergency assistance. The number is a nationwide telephone number that gives the public fast and easy access to a Public Safety Answering Point (PSAP) where the PSAP answers and routes the callers to the appropriate emergency responders.