

REPORT OF THE

Auditor General of New Brunswick

Volume II
Performance Audit

2022

AUDITOR GENERAL
OF NEW BRUNSWICK



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DU NOUVEAU-BRUNSWICK

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Speaker of the Legislative Assembly
Province of New Brunswick

Sir

As required under Section 15(1) of the *Auditor General Act* I am submitting Volume II of my Office's 2022 Report to the Legislative Assembly.

Respectfully submitted,

A handwritten signature in black ink that reads "Paul Martin". The signature is written in a cursive, flowing style.

Paul Martin, FCPA, FCA
Auditor General

Fredericton, N. B.
November 2022

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Chapter 1

Performance Audit – Key Messages from the Auditor General

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Performance Audit – Key Messages from the Auditor General

Introduction

1.1 In this Volume of our 2022 Report, we include three performance audit chapters:

- Contaminated Sites;
- Environmental Trust Fund; and
- Follow-up on Recommendations from Prior Years Performance Audit Chapters.

Poor oversight of government programs is a concerning theme in this report

1.2 In this report we note troubling examples of poor oversight of the government programs we examined, resulting in significant unaddressed risks and missed opportunities, such as:

- In our **Contaminated Sites** audit, we pointed out many deficiencies leading to poor oversight of the contaminated sites management process. These included unclear legislative authority, inability to enforce timely remediation of contaminated sites as well as lack of performance monitoring and public reporting. As a result, sites remained contaminated for longer periods which can lead to unmitigated risks to the environment and human health;
- Our audit of the **Environmental Trust Fund** showed a lack of consistent government direction with the first annual mandate letter issued to the Fund in 2021 after the *Accountability and Continuous Improvement Act* came into force in 2013. This resulted in unclear responsibilities for overseeing the Fund and led to deficiencies in other areas such as strategic planning, decision making, performance monitoring and reporting. Because of this, the Department was unable

Environmental stewardship programs we examined lack oversight

to demonstrate how the funding was used to achieve the legislated mandate of the Fund; and

- Our **Follow-up chapter** provides an update on implementation of prior years' recommendations. This year our follow-up work included chapters on Improving Student Performance as well as Addictions and Mental Health Services in Provincial Adult Correctional Institutions from 2018. These chapters are also examples of where departmental oversight of essential programs and services was lacking. Unfortunately, we found recommendations in these chapters remain to be implemented four years later.

1.3 This report details many findings and conclusions on these topics, as well as provides recommendations to ensure the deficiencies identified are remedied for the future. A summary of the key points from each chapter in this Volume follows.

Contaminated Sites

1.4 Chapter 2 of this Volume presents findings and recommendations from our audit of Contaminated Sites at the Department of Environment and Local Government (DELG). We found the Department does not effectively administer the contaminated sites management process. We noted several gaps in the process, including a lack of remediation timelines and poor performance monitoring practices. We believe these gaps collectively led to a backlog of over 1,000 open files spanning more than 35 years.

The Department's contaminated sites management process is not referenced under legislation

1.5 While the Department applies the New Brunswick Guideline for the Management of Contaminated Sites, the contaminated sites remediation program itself is not referenced in legislation or regulation. New Brunswick is the only jurisdiction in Atlantic Canada without such a reference. Without a clear definition of legislative authority, the Department may not be able to enforce the contaminated sites management process in a timely manner. This, in turn, may lead to remediation delays resulting in adverse impacts on the environment and human health.

DELG takes a reactive approach to contaminated sites management

Contamination risk unknown as hundreds of files remained open, some for over 35 years

Fragmented approach to remediating government-owned contaminated sites may result in delays and increased costs

1.6 One of the main gaps we identified is that the Department is not proactive when dealing with external stakeholders. For example, we found the Department does not hold Responsible Parties and Site Professionals to a specific remediation timeline. We also found the Department does not follow up on a contaminated site if, for example, the Site Professional does submit a report. We believe this reactive approach does not result in timely remediation of contaminated sites and has contributed to the backlog of open files.

1.7 We noted that the Department developed a plan in 2020 to prioritize and address the open file backlog, however, this plan does not address how to process all open contaminated site files. At the time of our work, there were over 1,000 open files, some of which remained open for more than 35 years. While some of the sites have already been remediated, it is unknown to the Department whether the contamination remains at the oldest sites, often due to a lack of documentation for older sites. Without a realistic plan with measurable targets to address these files, contaminated sites may remain unremediated with potential risks to the environment and human health.

1.8 We found there is no coordinated approach for managing government-owned contaminated sites. Each department separately budgets for and remediates sites they are responsible for. We believe the Province is not achieving value for money or administrative synergy by following this approach. As each department does its own risk ranking of sites, lower risk sites in one department may end up being addressed ahead of higher risk sites in another department. In contrast, if one entity is responsible for all government-owned sites, risks can be prioritized from a Province-wide perspective. This would result in efficiencies as it will enable resources to be allocated to mitigate the highest contamination risks regardless of which department is the Responsible Party.

1.9 We are concerned if the remediation approach for government-owned sites continues to be fragmented and uncoordinated, these sites will not be closed in a timely manner.

Environmental Trust Fund

DELG does not know what has been achieved with over 30 years of spending

Government direction and oversight responsibility for the Fund are not clear

Lack of defined project evaluation method may lead to subjective or biased spending decisions

1.10 Chapter 3 of this Volume presents findings and recommendations from our audit of the Environmental Trust Fund (ETF), also at the Department of Environment and Local Government. We found the Department is not effectively overseeing the ETF to ensure it is being used to deliver on its mandate. The Department has not established strategic objectives or outcomes for the Fund and, as a result, has not been able to measure its long-term performance and overall impact on the environment.

1.11 We found the Department has not evaluated the overall performance of the Fund since it was established in 1990. The Department could not demonstrate how over 30 years of funding has positively impacted the environment in the Province. The Fund has been managed with a very short-term perspective and is not guided by strategic vision to achieve specific long-term outcomes. Being one of the Province’s largest trust funds, we expected the ETF to have a documented strategy with long-term goals and measurable outcomes aligned with its legislated mandate. We were disappointed that this has never been done despite being raised in previous audit reports of our Office.

1.12 We also found government has not provided clear strategic direction to the Department regarding its oversight responsibilities for the Fund. The first mandate letter was issued to the Fund in 2021, addressed to the chairperson of the ETF Advisory Board. However, the roles and responsibilities of the Advisory Board are not clear. We believe this lack of clarity has contributed to the oversight deficiencies described in our report.

1.13 We found the Department has not developed a standardized approach to evaluate ETF funding requests and make evidence-based funding decisions. The Department has made efforts to improve this process in recent years by establishing funding priority areas in 2019. However, these efforts fell short of defining an objective evaluation method that can be applied to all types of projects and at all stages of funding evaluation. For example, the Advisory Board still relies on members’ own opinions when making funding cuts to fit the annual budget.

Fund surplus almost \$41 million while eligible projects are denied funding

1.14 We also found the ETF has a surplus of almost \$41 million at March 31, 2022. We were surprised to find that projects are being turned down for funding while a surplus continued to accumulate. The Department needs to clarify its position and develop a transparent plan outlining how and in which circumstances it will use the accumulated surplus.

Follow-up on Recommendations from Prior Years' Performance Audit Chapters

1.15 Chapter 4 of this Volume presents our follow-up on recommendations from prior years' performance audit chapters released in 2018 through 2020, as well as selected chapters from 2016. Our follow-up chapter is intended to promote accountability by giving the Legislative Assembly, and the public, information on how government has acted on our performance audit recommendations.

1.16 This year we performed detailed follow-up work on all chapters from 2018 and one chapter from 2016 AGNB reports, as follows:

- WorksafeNB - Phase I Governance (2018)
- Addiction and Mental Health Services in Provincial Adult Correctional Institutions (2018)
- Improving Student Performance: A New Brunswick Challenge (2018)
- WorksafeNB - Phase II Management of Injured Workers' Claims (2018)
- ECO regarding lack of prior year recommendation implementation (2018-Follow Up Chapter)
- Public Trustee Services (2016)

We remain unsatisfied with the implementation rate of our recommendations

1.17 I am disappointed with the low rate of implementation of our past recommendations by some departments, including:

- Education and Early Childhood Development implemented only 50 % of the recommendations from our 2018 "*Improving Student Performance: A New Brunswick Challenge*" chapter; and
- WorkSafeNB implemented only 69 % of the recommendations from our 2018 "*Phase II Management of Injured Workers' Claims*" chapter.

1.18 Overall, from our work this year, entities implemented 60 % of recommendations, including both self-reported and reviewed chapters. We encourage departments, commissions and Crown agencies to implement our recommendations in a timely manner.

1.19 I encourage members of the Public Accounts Committee to discuss and question the status of unimplemented performance audit recommendations with the involved departments, commissions and Crown agencies.

COVID-19 work update

1.20 In spring 2022, our Office was informed that the Legislative Assembly had passed a motion requesting our Office perform audit work regarding government’s response to the COVID-19 pandemic. Our Office was pleased to accept this request.

1.21 At this time, we have completed substantial work to scope the audits we plan to do on government’s response to the COVID-19 pandemic. Once our audit work has been completed and our findings have been determined, we will begin our reporting processes. We plan to release the results of this work in June and December next year in the 2023 Auditor General’s Report. Specific segments of this work will be conducted at key government entities including Executive Council Office, and the Departments of Finance and Treasury Board, Health, Justice and Public Safety, Social Development, and Education and Early Childhood Development.

Acknowledgements

1.22 Staff in my Office worked very hard in carrying out the work reported in this Volume of our Report. The individual chapters of this report are a reflection of their level of commitment, professionalism and diligence. I would like to express my appreciation to each for their contribution and continuing dedication to fulfilling the mandate of the Auditor General of New Brunswick.



Paul Martin, FCPA, FCA
Auditor General



Janice Leahy, CPA, CA, CIA
Deputy Auditor General

Chapter 2

Contaminated Sites - Department of Environment and Local Government

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Contaminated Sites – Department of Environment and Local Government

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Why Is This Important?

- Contaminated sites represent a significant risk to human health and the environment
- Ineffective administration of the contaminated sites management process risks contamination spreading and increased remediation costs to the public and government
- The Province of New Brunswick recorded a liability of \$50.8 million in fiscal 2021-2022 for contaminated sites

Overall Conclusions

- The Department does not ensure timely remediation of contaminated sites;
- The Department's lack of performance monitoring hinders its ability to identify deficiencies and improve their processes; and
- The Department has a backlog of over 1,000 contaminated site files spanning over 35 years

What We Found

Legislative Authority Not Clearly Defined

- Contaminated sites management process is not referenced in the *Clean Environment Act* or its regulations
- New Brunswick is the only jurisdiction in Atlantic Canada with no reference to its contaminated sites remediation program in legislation or regulation
- No contaminated sites information is available to the public on the Department's website

Program Execution Gaps

- Department does not establish and enforce remediation timelines
- Department does not ensure all steps required in the remediation standard operating procedures are followed
- Department does not follow up on contaminated site files if the Site Professional does not submit a report
- Over 75% of currently open contaminated site files have remained open 10 years or longer

Other Findings

- Department lacks program to address orphan contaminated sites
- Province may have a potential liability for orphan sites that will increase the longer remediation is delayed
- No government entity is responsible for coordinating the remediation of government-owned contaminated sites

Lack of Performance Monitoring and Reporting

- Department is non-compliant with *Accountability and Continuous Improvement Act* for aspects of annual planning and annual reporting
- Department does not set performance targets for the contaminated sites management process nor the occurrence process
- Lack of public reporting on the performance of the contaminated sites management process

Key Findings and Observations Table

Contaminated Sites – Department of Environment and Local Government

Paragraph	Key Findings and Observations
	Legislative Authority Not Clearly Defined
2.21	<i>The contaminated sites management process is not referenced in the Clean Environment Act or its regulations</i>
2.25	<i>New Brunswick is the only jurisdiction in Atlantic Canada with no reference to its contaminated sites remediation program in legislation or regulation</i>
2.27	<i>No contaminated sites information is available to the public on the Department's website</i>
	Execution Gaps in Contaminated Sites Management Process
2.32	<i>Department does not ensure all steps required in the remediation standard operating procedures are followed</i>
2.35	<i>Compliance letter not issued in 86% of remediation files tested</i>
2.37	<i>Department unable to explain why 39% of files tested were missing a compliance letter</i>
2.39	<i>Department does not establish and enforce remediation timelines</i>
2.40	<i>Remedial Action Plans do not regularly include remediation timeline</i>
2.44	<i>Department lacks a mechanism to ensure contaminated site files progress through the contaminated sites management process in a timely manner</i>
2.45	<i>Department does not follow up on contaminated site files if the Site Professional does not submit a report</i>
2.46	<i>Seventy-two percent of remediation files tested did not include a processing date for Site Professional reports</i>
2.49	<i>Remediation database includes over 1,000 open contaminated site files, including sites that remained open after 35 years</i>
2.51	<i>Department's plan to address the open site backlog does not address how to process all open contaminated site files</i>
2.53	<i>Over 75% of open contaminated site files have remained open 10 years or longer</i>
2.55	<i>Department does not monitor requirements of conditional closures</i>
2.57	<i>Occurrence data is incomplete for contaminated site files</i>

Key Findings and Observations Table (Continued)

Paragraph	Key Findings and Observations
2.58	<i>Decision to screen contamination as an occurrence or contaminated sites management file and the reasons for that decision are not always documented</i>
2.62	<i>Small Spill Policy never approved and inconsistently applied across regions</i>
	Performance Monitoring and Reporting
2.65	<i>Department does not create and track performance targets for the contaminated sites management process</i>
2.67	<i>Lack of public reporting on the performance of the contaminated sites management process</i>
2.70	<i>Department does not create and track performance measures for the occurrence process</i>
2.71	<i>Department did not have access to the raw data contained in the Occurrence Database</i>
2.73	<i>New Brunswick Guideline for the Management of Contaminated Sites remains unchanged from 2003</i>
2.76	<i>Information on the contaminated sites management process is not clearly and easily accessible from the Department website</i>
2.79	<i>Department non-compliant with the Accountability and Continuous Improvement Act</i>
2.80	<i>Executive Council Office instructions to departments for annual planning are inconsistent with the requirements of the Accountability and Continuous Improvement Act</i>
	Other Findings
2.84	<i>Department lacks program to address orphan sites</i>
2.85	<i>Department no longer tracks orphan sites</i>
2.87	<i>Contaminated sites with property tax arrears are rejected for tax sale by the Department of Finance and Treasury Board</i>
2.89	<i>Province may have a potential liability for orphan sites that will increase the longer remediation is delayed</i>
2.91	<i>No government entity is responsible for co-ordinating the remediation of government-owned contaminated sites</i>

Recommendations and Responses

Recommendation	Department's response	Target date for implementation
We recommend the Department of Environment and Local Government:		
<p>2.26 propose updates to the <i>Clean Environment Act</i> and its regulations to address gaps in authority for the contaminated sites management process and align more closely with other jurisdictions in Atlantic Canada such as:</p> <ul style="list-style-type: none"> • including a reference to the contaminated sites management process; • requiring responsible parties to remediate contamination; and • creating regulations for contaminated sites. 	<p><i>ELG agrees with this recommendation.</i></p> <p><i>The Department will undertake a jurisdictional review to identify gaps and explore options for government consideration.</i></p>	<p><i>Q3 - FY 2024-25</i></p>
<p>2.31 make more contaminated sites information readily available to the public on its website.</p>	<p><i>ELG agrees with this recommendation.</i></p> <p><i>The Department will update its website to ensure specific information pertaining to contaminated sites is available to the public with clear indications of where supplementary information is located.</i></p>	<p><i>Q3 – FY 2023-24</i></p>
<p>2.43 establish and enforce remediation timelines for each contaminated site file in the contaminated sites management process.</p>	<p><i>ELG agrees with this recommendation.</i></p> <p><i>The Department will work to establish regulated timelines for remediating contaminated sites.</i></p>	<p><i>Q3 – FY 2024-25</i></p>

Recommendations and Responses (continued)

Recommendation	Department's response	Target date for implementation
We recommend the Department of Environment and Local Government:		
2.47 ensure contaminated site files proceed through the contaminated sites management process in a timely manner.	<i>ELG agrees with this recommendation.</i> <i>The Department will develop and implement tools to enhance tracking and timely progress of files through the contaminated sites management process.</i>	<i>Q1 – FY 2023-24</i>
2.48 update the remediation standard operating procedures to require Engineers enter the report processing date in the remediation database (to allow the Department to monitor file progress through the contaminated sites management process).	<i>ELG agrees with this recommendation.</i> <i>The Department had already begun updating the remediation standard operating procedures at the time of the report.</i>	<i>Completed in the 3rd quarter of 2022-2023</i>
2.54 <ul style="list-style-type: none"> • create a plan and establish a timeline to process all outstanding open contaminated site files; and • periodically review the plan against actual results to ensure work will be completed according to the timeline. 	<i>ELG agrees with this recommendation.</i> <i>The Department will develop a schedule to address mid to high-risk contaminated site files.</i>	<i>Q4 – FY 2022-2023</i>
2.56 develop and implement a monitoring program for contaminated site files with a conditional closure.	<i>ELG agrees with this recommendation.</i> <i>The Department will develop an auditing program for conditionally closed remediation files.</i>	<i>Q1 – FY 2023-24</i>

Recommendations and Responses (continued)

Recommendation	Department's response	Target date for implementation
We recommend the Department of Environment and Local Government:		
2.60 ensure the screening decision and reasons for screening spills as an occurrence or contaminated sites management file is documented.	<p><i>ELG agrees with this recommendation.</i></p> <p><i>The Department, as part of ongoing work updating the Remediation Standard Operating Procedures will require the documentation of screening decision and reasons for screening spills as an occurrence or contaminated sites management file.</i></p>	<p><i>In progress</i></p>
2.61 standardize the information recorded in the Occurrence Database by Regional Inspectors across the Province.	<p><i>ELG agrees with this recommendation.</i></p> <p><i>The Department, as part of updating the occurrence database and ongoing work updating the Remediation Standard Operating Procedures will standardize information recorded by Regional Inspectors.</i></p>	<p><i>In progress</i></p>
2.64 <ul style="list-style-type: none"> • update and approve the Small Spill Policy to be consistent with the Remediation Program Standard Operating Procedures; and • update the Remediation Program Standard Operating Procedures to ensure a consistent assessment process is followed by Regional Inspectors across the province when contamination is reported. 	<p><i>ELG agrees with this recommendation.</i></p> <p><i>The Department, as part of ongoing work updating the Remediation Standard Operating Procedures will include a definition of small spills and the procedure for managing them.</i></p>	<p><i>In progress</i></p>

Recommendations and Responses (continued)

Recommendation	Department's response	Target date for implementation
We recommend the Department of Environment and Local Government:		
<p>2.69</p> <ul style="list-style-type: none"> • create performance targets for the contaminated sites management process and compare actual results against targets to measure performance on a regular basis; and • publicly report on the performance metrics of the contaminated sites management process. 	<p><i>ELG agrees with this recommendation.</i></p> <p><i>The Department will develop performance targets for the contaminated sites management process and will regularly measure performance against actuals. Performance outcomes of the contaminated sites management process will be shared publicly through the Department's annual report.</i></p>	<p><i>Q3 - FY 2023-24</i></p>
<p>2.72</p> <ul style="list-style-type: none"> • create performance targets for the occurrence process and compare actual results against performance targets on a regular basis; and • publicly report on the performance metrics of the occurrence process. 	<p><i>ELG agrees with this recommendation.</i></p> <p><i>The Department will develop performance targets for the occurrence process and will regularly measure performance against actuals. Performance outcomes of the occurrence process will be shared publicly through the Department's annual report.</i></p>	<p><i>Q3 – FY 2023-24</i></p>
<p>2.75 update the New Brunswick Guideline for the Management of Contaminated Sites to reflect the changes to the Remediation Program in 2018.</p>	<p><i>ELG agrees with this recommendation.</i></p> <p><i>The Department will update the New Brunswick Guideline for the Management of Contaminated Sites to reflect the changes to the Remediation Program in 2018 and will continue to regularly update the guideline as a result of ongoing work.</i></p>	<p><i>Q4 – FY 2022-23</i></p>

Recommendations and Responses (continued)

Recommendation	Department's response	Target date for implementation
We recommend the Department of Environment and Local Government:		
2.78 ensure all necessary information on the contaminated sites management process is located in one place with clear indications of where supplementary information is located.	<i>ELG agrees with this recommendation.</i> <i>The Department will update its website to ensure specific information pertaining to contaminated sites is available to the public, with clear indications of where supplementary information is located.</i>	<i>Q3 – FY 2023-24</i>
2.90 develop a program to identify and address orphan contaminated sites.	<i>ELG agrees with this recommendation.</i> <i>The Department will explore options for government consideration.</i>	<i>Q1 – FY 2023-24</i>

Recommendations and Responses (continued)

Recommendation	Department's response	Target date for implementation
We recommend Executive Council Office:		
2.83 align its instructions to government departments for annual planning with the requirements of the <i>Accountability and Continuous Improvement Act</i>.	<i>ECO will align its instructions to government departments for annual planning with the requirements of the Accountability and Continuous Improvement Act.</i>	<i>January 31, 2023</i>
2.94 assign responsibility to an oversight body for the co-ordination of all government-owned contaminated sites to ensure sites are remediated in a timely manner to the applicable environmental standard.	<i>ECO will assign responsibility to an oversight body for the co-ordination of all government-owned contaminated sites to ensure sites are remediated in a timely manner to the applicable environmental standard.</i>	<i>January 31, 2023</i>

Audit Introduction

Why we chose this topic

2.1 The Department of Environment and Local Government is responsible for administering the contaminated sites management process. This process is the key control ensuring contamination on properties in New Brunswick is remediated to the appropriate environmental standard.

2.2 We chose to audit the contaminated sites management process for the following reasons:

- Contaminated sites can represent a significant risk to human health and the environment;
- Ineffective administration of the contaminated sites management process risks contamination spreading and increased remediation costs to the public and government; and
- The Province of New Brunswick recorded a liability of \$47.5 million in fiscal 2020-2021 for contaminated sites

Audit Objective

2.3 The objective of this audit was to determine if the Department of Environment and Local Government effectively administers the contaminated sites management process.

Audit Scope

2.4 We focused our audit on the Department's administration of the contaminated sites management process. We also examined how contaminated sites are escalated from an occurrence to a remediation file and transferred to the contaminated sites management process.

2.5 Our primary auditee was the Department of Environment and Local Government. We also made enquiries to and obtained audit evidence from other entities including the Department of Transportation and Infrastructure, Department of Finance and Treasury Board, and Executive Council Office. Our audit period covered fiscal years 2018-2019 to 2020-2021; however, our testing extended outside of the audit period as deemed necessary.

2.6 A glossary of key terms can be found in Appendix I. More details on the audit objectives, criteria, scope and approach we used in completing our audit can be found in Appendix II and Appendix III.

Conclusions

2.7 The Department of Environment and Local Government is not effectively administering the contaminated sites management process. Specifically:

- The Department does not ensure timely remediation of all contaminated sites;
- The Department's lack of performance monitoring hinders their ability to identify deficiencies and improve their processes; and
- The Department has a backlog of over 1,000 contaminated sites spanning over 35 years.

If these issues continue to be unaddressed, there is a risk of contamination spreading, and potential harm to the environment and human health.

Background Information

2.8 The Department of Environment and Local Government (the Department) is responsible for administering the *Clean Environment Act* which prohibits the release of a contaminant into the environment without prior authorization.

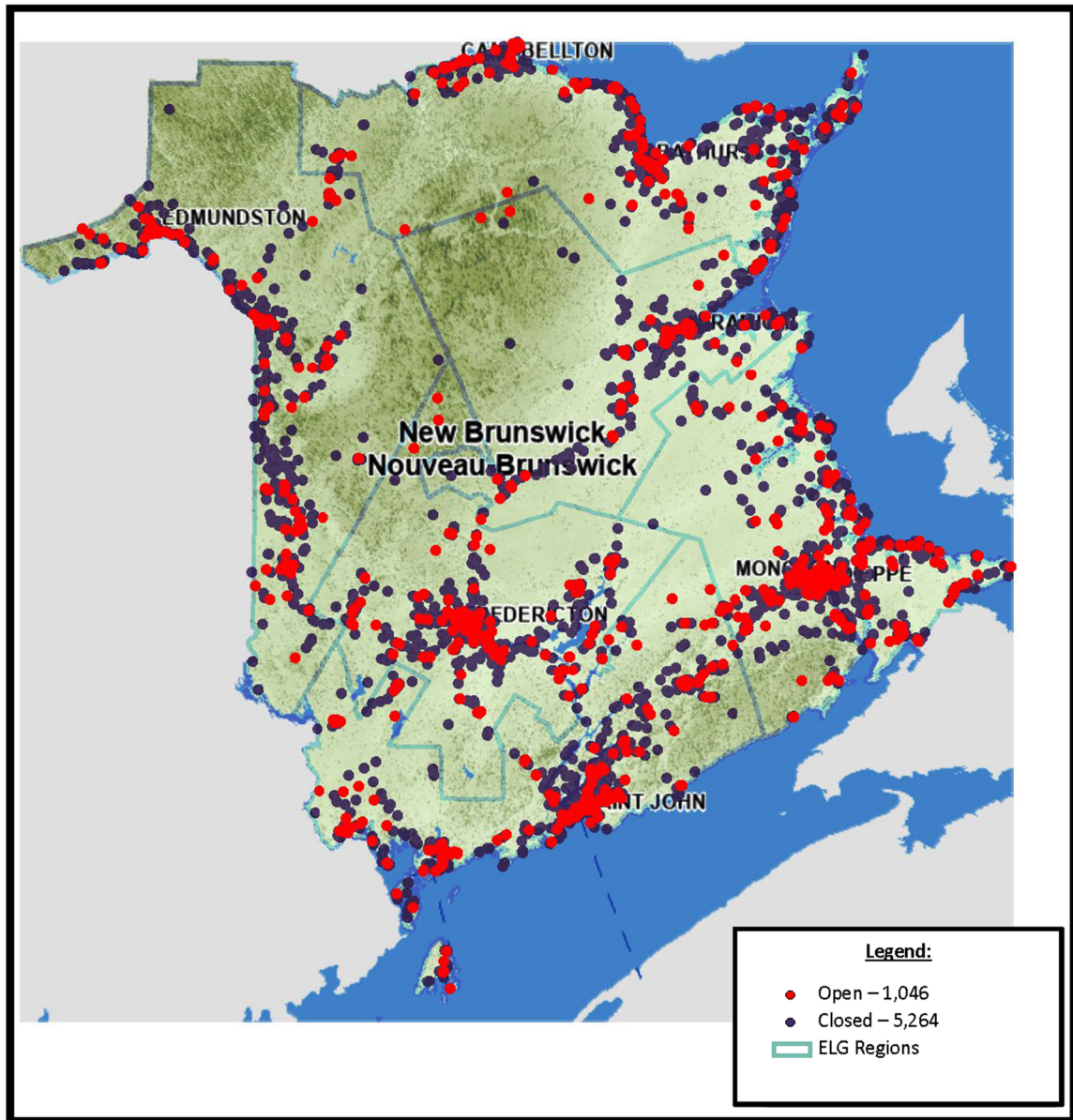
2.9 A contaminant is defined in the Act as any matter or effect foreign to the environment that affects the quality of the environment, endangers human health or plants or animal life, normal conduct of transport or business, the normal enjoyment of life, the enjoyment of property, or that is designated by the Minister as a contaminant under the Act, and includes pesticides and waste. Under the contaminated sites management process, examples include spills of fuel from motor vehicle accidents or home heating oil tanks, and oil from damaged power pole mounted transformers.

2.10 Corporations and individuals can apply for authorization to release a contaminant at specific levels in accordance with the *Clean Environment Act* and its regulations. If the individual or corporation's contaminant levels exceed the levels set out in their permit or authorization, the Department addresses this contamination through its Compliance and Enforcement Policy. The goal in these cases is to have the individual or corporation perform sufficient remediation and mitigation efforts to regain compliance with their permit or authorization.

- 2.11** For tangible contamination released into the environment that is not otherwise covered by an authorization or permit, the Department administers a Remediation Program to ensure the risk to human health and the environment is minimized, and contamination is cleaned up to the applicable environmental standard. The program was created after the *Petroleum Handling and Storage* regulation first came into effect in 1987, which resulted in contamination occurring when many petroleum storage tanks were replaced across the province.
- 2.12** The Province is required to record a liability for the remediation of a contaminated site when it meets certain criteria specified in the Public Sector Accounting Standard 3260 – Liability for Contaminated Sites. For fiscal year 2021-2022, the province recorded a liability of \$50.8 million for 54 of 162 sites within scope of the standard. We included a chapter on this standard in our 2019 Report¹ and more information on the standard can be found in Appendix IV.
- 2.13** In 2021, 1,046 contaminated site files remained open in the contaminated site management process across New Brunswick. Exhibit 2.1 is a map displaying all open and closed files. Exhibit 2.2 shows the open contaminated site files by contaminant type.

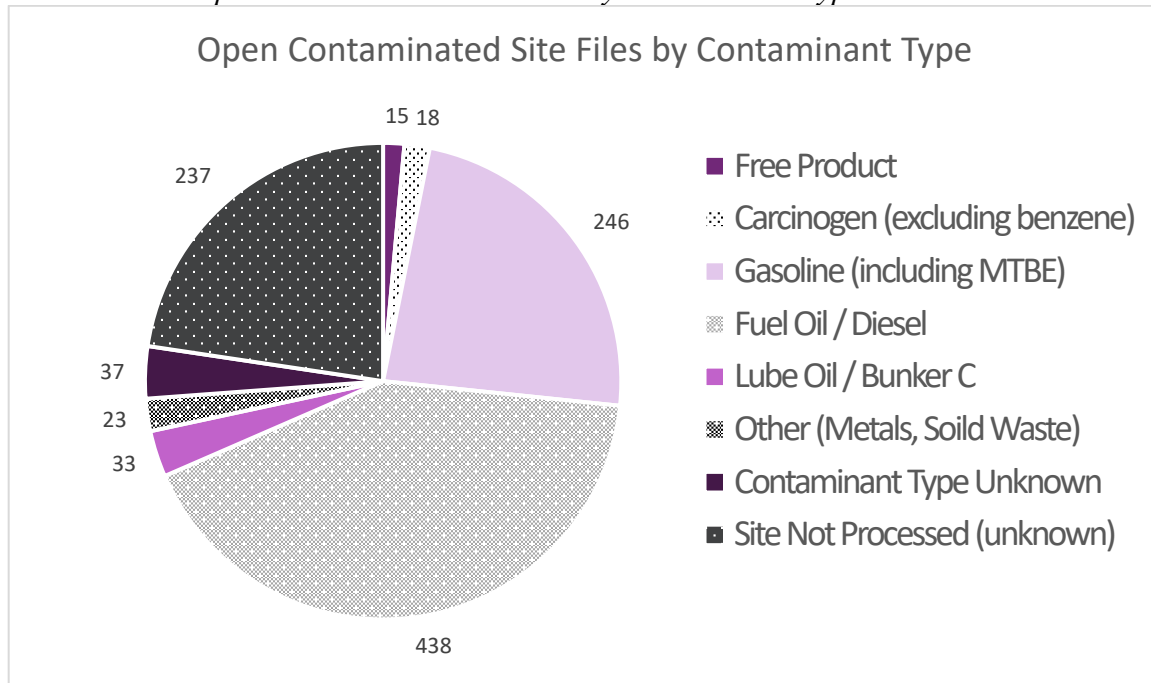
¹ 2019 Report of the Auditor General of New Brunswick, Volume III, Chapter 7,

Exhibit 2.1 - All Open and Closed Contaminated Site Files in New Brunswick as of October 2021



Source: Created by AGNB with information from Department of Environment and Local Government (unaudited)

Exhibit 2.2 - Open Contaminated Site Files by Contaminant Type

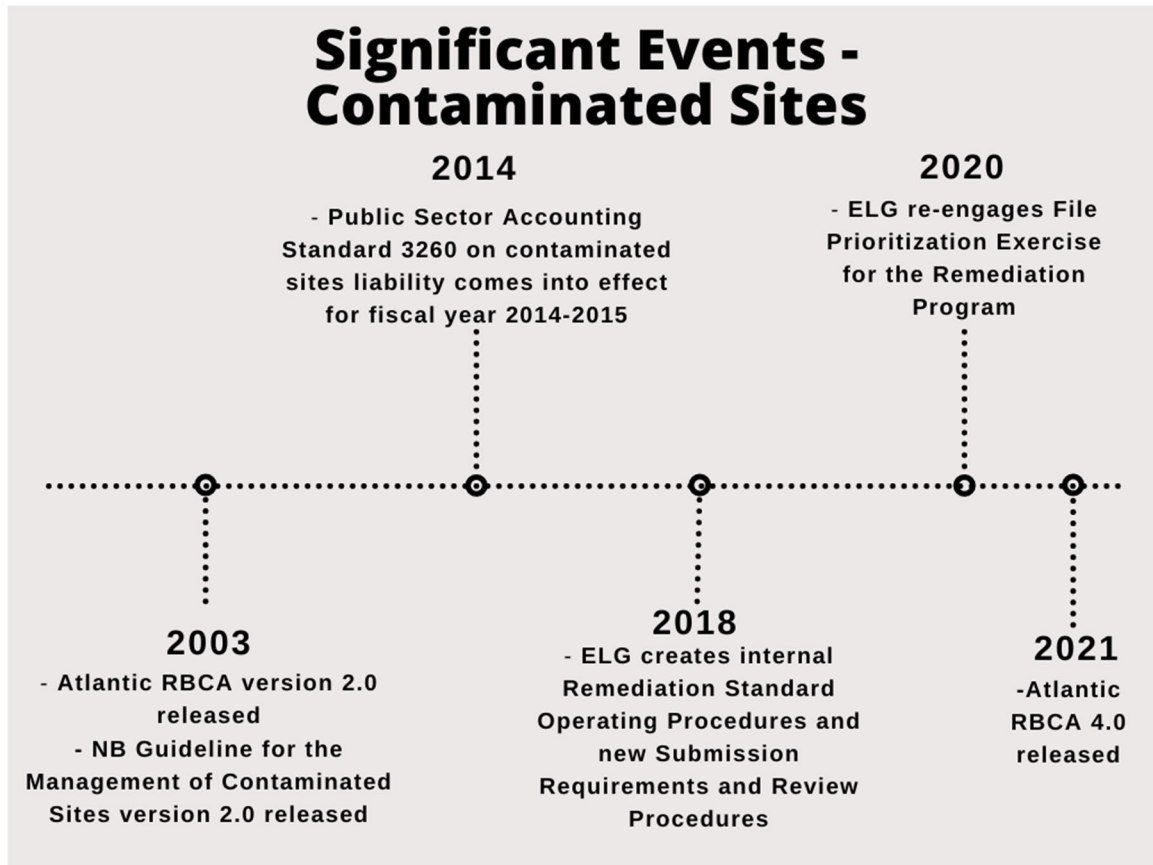


Source: Created by AGNB with information from the Department of Environment and Local Government

2.14 New Brunswick is a member of the Atlantic Partnership in Risk-Based Corrective Action Implementation (Atlantic PIRI), a multi-stakeholder group that maintains the Atlantic Risk-Based Corrective Action (Atlantic RBCA) standards, guidance, and software. Atlantic RBCA is used to remediate petroleum hydrocarbon spills (such as motor vehicle accidents and petroleum storage tank leaks), which are the most common types of contaminated sites in New Brunswick.

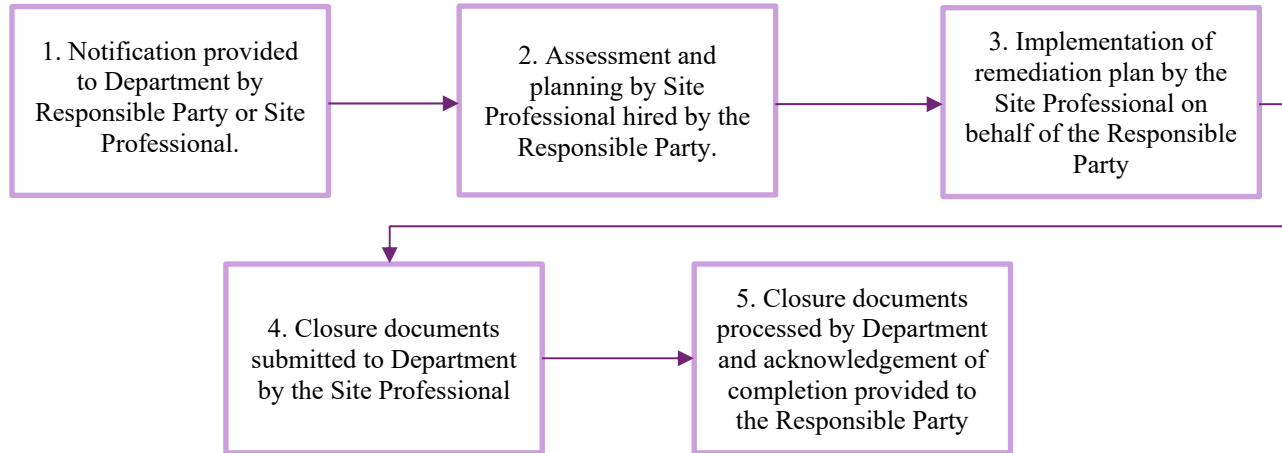
2.15 Exhibit 2.3 provides a timeline of significant events related to the audit.

Exhibit 2.3 - Timeline of Significant Events Related to the Contaminated Sites Management Process



Source: Created by AGNB with information from Department of Environment and Local Government and Atlantic Partnership in Risk-Based Corrective Action Implementation

2.16 The expectations and requirements for individuals responsible for contamination is contained in the New Brunswick Guideline for the Management of Contaminated Sites (Guideline), created in 1999 and updated in 2003 when Atlantic RBCA version 2.0 was released (no other updates have been made to the Guideline since 2003). The Guideline describes the Remediation Program, allowing for the remediation of contaminated sites through a limited remedial action process and the contaminated sites management process. The program consists of five main steps found in the Guideline, outlined in Exhibit 2.4.

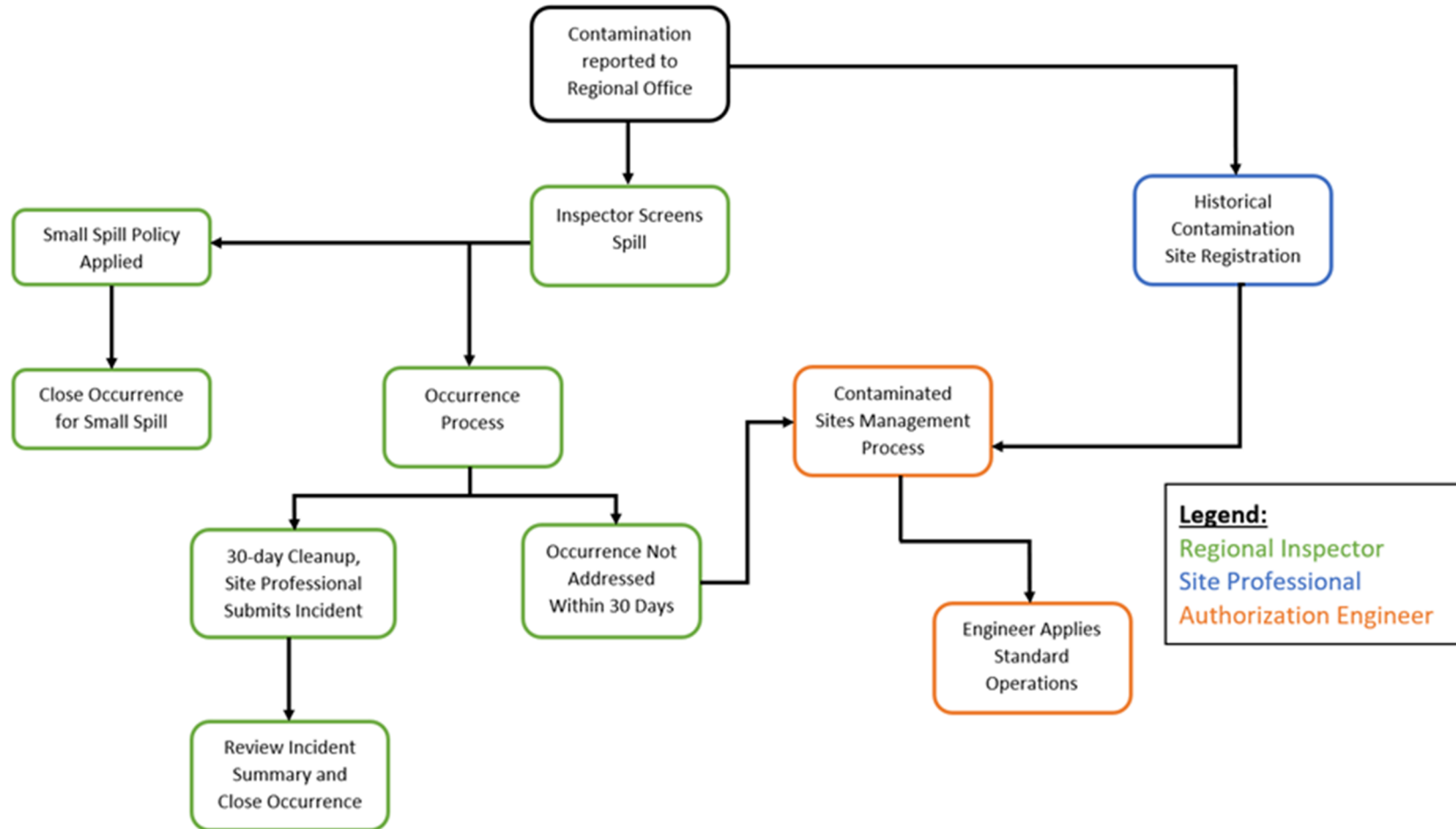
Exhibit 2.4 - Main Steps in the Remediation Program

Source: Adapted from New Brunswick Guideline for the Management of Contaminated Sites

2.17 The Department made significant changes to the Remediation Program in 2018. The Remediation Program is now made up of two parts: the occurrence process managed under the Regional Operations and Compliance Branch; and the contaminated sites management process managed under the Authorizations Branch. This division of responsibilities occurred after the Department's organizational restructuring process in February 2016, and the implementation of an updated version of the Remediation Program by the Authorizations Branch in March 2018.

2.18 The updated Remediation Program generally follows the five steps from the Guideline, but the processing of sites and documents is now split between Regional Inspectors and Engineers depending on whether the contaminated site remains an occurrence or is transferred to the contaminated sites management process. Exhibit 2.5 provides an overview of what happens when contamination is reported to the Department.

Exhibit 2.5 - Simplified Flowchart of Department of Environment and Local Government Response to Reported Contamination



Source: Modified by AGNB from Department of Environment and Local Government Remediation Program Submission Requirements and Review Procedures

2.19 Once a contaminated site enters the contaminated sites management process, the Department assigns a primary and supporting Engineer to the file. The Engineer's responsibility is to follow the Remediation Standard Operating Procedures (SOP) including:

- Sending a compliance letter to Responsible Party;
- Processing Site Professional report submissions and responding within 30 days; and
- Completing a closure package and sending it to the Responsible Party upon file closure.

See Appendix V for a diagram of responsibilities of an Engineer in a contaminated site file.

2.20 Exhibit 2.6 shows photographs of contamination typically encountered by the Department in the contaminated sites management process.

Exhibit 2.6 - Photographs of Contamination Typically Encountered in the Contaminated Sites Management Process

Removal of petroleum storage tank parts



Damaged petroleum storage tank and leak



Damaged fuel tank after motor vehicle accident



Spill from damaged fuel tank after motor vehicle accident



Source: Provided by the Department of Environment and Local Government

Legislative Authority Not Clearly Defined

The contaminated sites management process is not referenced in the Clean Environment Act or its regulations

2.21 We found the contaminated sites management process is not referenced in the *Clean Environment Act* or its regulations. While the New Brunswick Guideline for the Management of Contaminated Sites (Guideline) requires specific steps from the Responsible Party of the contaminated site, it is not always clear where the legislative authority originates.

2.22 The Department considers all petroleum hydrocarbon contamination at risk of polluting water regardless of where the spill occurs, meaning the *Water Quality Regulation – Clean Environment Act* (WQR) applies in all cases of petroleum hydrocarbon contamination. A portion of contaminated sites originate from petroleum storage tank leaks and spills, in which case the *Petroleum Product Storage and Handling Regulation – Clean Environment Act* (PPSHR) applies. Reporting and remediation of all other contaminant types (such as dry-cleaning chemicals, and industrial chemicals like chromium) are not directly addressed by the Act or its regulations.

2.23 The Department does have the option of issuing a Minister's Order under s. 5(1) of the Act compelling a Responsible Party to remediate the contamination if the Responsible Party does not voluntarily comply with the Remediation Program, but delays in remediation can lead to adverse effects to the environment and human health.

2.24 Of the 21 responsibilities listed in the Guideline, only three are linked to the *Clean Environment Act* and its regulations:

- the Responsible party must notify the Department of contamination (WQR and PPSHR);
- the Responsible Party must take action to protect environment and human health (only to limit water pollution – WQR); and
- the Site Professional must notify the Department of contamination (only in cases of petroleum storage tank leaks they observe – PPSHR)

This is not to say the Department cannot provide Responsible Parties and Site Professionals with environmental standards and report submission requirements through their policies, but we expected to see key responsibilities of the contaminated sites management process referenced in the *Clean Environment Act* and its regulations. A full list of the responsibilities outlined in the Guideline can be found in Appendix VI.

New Brunswick is the only jurisdiction in Atlantic Canada with no reference to its contaminated sites remediation program in legislation or regulation

2.25 We found New Brunswick is the only jurisdiction in Atlantic Canada with no references to its contaminated sites remediation program in legislation or regulation. Nova Scotia and Prince Edward Island both have specific regulations detailing their respective contaminated site remediation programs. Nova Scotia, Prince Edward Island, and Newfoundland and Labrador directly reference their contaminated site remediation programs to legislation or regulation. See Appendix VII for a jurisdictional comparison of key aspects of environmental legislation in Atlantic Canada relating to contaminated sites.

Recommendation

2.26 We recommend the Department of Environment and Local Government propose updates to the *Clean Environment Act* and its regulations to address gaps in authority for the contaminated sites management process and align more closely with other jurisdictions in Atlantic Canada such as:

- including a reference to the contaminated sites management process;
- requiring responsible parties to remediate contamination; and
- creating regulations for contaminated sites.

No contaminated sites information is available to the public on the Department's website

2.27 We found no contaminated sites information is available on the Department's website. We compared access to information on contaminated sites across Canadian jurisdictions and found New Brunswick is one of six jurisdictions with no information available on their websites (four of these require a fee for access to information on contaminated sites). The remaining seven jurisdictions have summary or complete information on contaminated sites available to the public on their websites. All seven have at least some information available without a fee. Exhibit 2.7 provides a summary of our jurisdictional comparison of contaminated site information on government websites.

Exhibit 2.7 - Jurisdictional Comparison of Contaminated Site Information Availability and Fees Required Across Provinces and Territories

Jurisdiction	Contaminated Site Information Available Online	Summary or Detailed Contaminated Site Information Provided for Free
Alberta	✓	✓
British Columbia	✗	✗
Manitoba	✓	✓
New Brunswick	✗	✗
Newfoundland and Labrador	✗	✗
Northwest Territories	✗	unknown
Nova Scotia	✗	✗
Nunavut	✗	unknown
Ontario	✓	✓
Prince Edward Island	✓	✓
Quebec	✓	✓
Saskatchewan	✓	✓
Yukon	✓	✓

Source: Created by AGNB with information from websites of provinces and territories.

- 2.28** The Property-Based Environmental Information Program allows an individual or business to request information on a specific property using its unique Parcel Identifier (PID). The cost to search a single PID in New Brunswick under the program is \$55 and returns to the applicant summary information of environmental impacts on the property. For a \$30/hour research fee, an applicant can receive the detailed scientific reports associated with the property such as Environmental Site Assessments and Closure Reports in the remediation database (the research time for most requests is one to three hours).
- 2.29** The fee structure for the Property-Based Environmental Information Program is detailed in the *Fees for the Provision of Environmental Information Regulation – Financial Administration Act*. The wording in section 3 of the regulation is permissive: “The Minister of Environment and Climate Change **may** charge the following fees under this Regulation” (emphasis added). The Department can choose whether to charge for one or all aspects of the Property-Based Environmental Information Program.
- 2.30** Making more information about contaminated sites readily available to the public increases government transparency and accountability. It enables more New Brunswickers the ability to know and understand the extent of contamination in the province and could also reduce administrative burdens for the Department.

Recommendation

- 2.31 We recommend the Department of Environment and Local Government make more contaminated sites information readily available to the public on its website.**

Execution Gaps in Contaminated Sites Management Process

Department does not ensure all steps required in the remediation standard operating procedures are followed

2.32 We found Department staff frequently missed steps in the remediation Standard Operating Procedures (SOP) and did not consistently document file progress in the remediation database. We tested contaminated site files from the audit period to determine the Department's compliance with the remediation SOP and found instances of:

- missing SOP steps such as issuing compliance letters;
- no processing date for site closure reports. This date is important for tracking the progress of file processing to ensure contamination risks are mitigated in a timely manner; and
- missing site closure checklists that document actions taken before a site is considered closed.

While many of these files were eventually closed, gaps exist in the process that could lead to delays in remediation and difficulties in having Responsible Parties meet their obligations.

2.33 In response to the missing information identified in our testing, the Department stated:

The SOP is a fairly lengthy document and staff are only working on remediation files from a few times a month to only a few times a year (as this is one of many sectors they work with). Without having to read the SOP from start to finish to re-familiarize themselves each time, some steps likely were unintentionally omitted.

Department Engineers only interact with a contaminated site file according to the SOP, meaning the SOP is a key control to ensuring contaminated sites are remediated in a timely manner.

Compliance letter not issued in 86% of remediation files tested

2.34 The Department created a site closure checklist to aid Department staff in processing contaminated site file closure and continues to update the checklist as deficiencies are found. We do not consider this to be a sufficient control as the checklist does not address issues occurring throughout the contaminated site file’s lifecycle, and no review is performed by management to determine if checklists are complete in files that are closed.

2.35 The Remediation SOP requires the primary engineer assigned to the remediation file send a compliance letter to the Responsible Party informing them to hire a Site Professional and contact the Department within 15 days. In 86% of remediation files tested (31 of 36 files), no compliance letter was sent to the Responsible Party.

2.36 The Department informed us staff may not send a compliance letter where a Historical Contamination Site Registration form is submitted because a Site Professional is already involved. The Department also informed us staff are reluctant to send a compliance letter when the Responsible Party is a government entity either because of a close working relationship between the two government entities, or because staff assume the government entity understands their remediation responsibilities.

Department unable to explain why 39% of files tested were missing a compliance letter

2.37 The Department was unable to explain why 39% (14 of 36) of files tested were missing a compliance letter. These files have an individual or business as the Responsible Party and were not historical contamination files.

2.38 The compliance letter is used as an administrative tool to ensure compliance with the Remediation Program and is the first step the Department takes to enforce compliance. A compliance letter and follow-up with the Responsible Party are the steps normally taken before issuing a Minister’s Order to compel a Responsible Party to remediate contamination. Not sending a compliance letter could lead to delays in remediation of the contamination. This is concerning as petroleum hydrocarbon contamination can end up in groundwater, which could result in contamination spreading and the potential for harm to human health or the environment. The Department informed us 30 days is used as a critical date by which contamination should be addressed to prevent further spread into groundwater.

Department does not establish and enforce remediation timelines

2.39 We found the Department is not holding Responsible Parties and Site Professionals to a remediation timeline. The Guideline requires the Responsible Party complete the contaminated site management process in a timely manner and states the Department will establish a remediation timeline and communicate this to the Responsible Party. Not establishing and enforcing a remediation timeline may prevent timely remediation, leading to risks of contamination spreading and increased remediation costs.

Remedial Action Plans do not regularly include remediation timeline

2.40 We found Remedial Action Plans (RAP) did not regularly include a remediation timeline detailing how long it would take to clean up the contamination. The Guideline states a timeline and reporting schedule is considered by the Department as a fundamental and essential component of any RAP submitted by the Site Professional. Of the RAPs we reviewed, only one included a timeline or reporting schedule. The Department informed us they only require RAPs for complex files whereas RAPs are not required for simple files such as a motor vehicle accident where a fuel tank spilled onto the highway to groundwater (rather than impacts related to the release of chemicals from dry cleaning operations). The Department also informed us they do not require a remediation timeline from the Site Professional because there is no legislative requirement to do so.

2.41 As the Department does not require remediation on a specific timeline (except in the case where a Ministerial Order has been issued and it is part of the Order given), and RAPs are not frequently submitted, the Department does not have a way of knowing when remediation will be completed. This prevents the Department from holding the Responsible Party accountable for the timely remediation of their contaminated site.

2.42 Amongst jurisdictions in Atlantic Canada, New Brunswick and Newfoundland and Labrador do not require timelines in their legislation or regulations. Nova Scotia requires remediation be completed within two years unless otherwise permitted due to site complexity. Prince Edward Island requires remediation within a specified timeline that is set for each individual contaminated site.

Recommendation

2.43 We recommend the Department of Environment and Local Government establish and enforce remediation timelines for each contaminated site file in the contaminated sites management process.

Department lacks a mechanism to ensure contaminated site files progress through the contaminated sites management process in a timely manner

2.44 We found the Department has no mechanism to prompt staff or inform management when a remediation file is not progressing through the contaminated sites management process in a timely manner. Timely remediation is a requirement of the Guideline. If contaminated sites are not remediated in a timely manner the Department risks the contamination spreading and potential harm to the environment and human health.

Department does not follow up on contaminated site files if the Site Professional does not submit a report

2.45 Department staff interact with a remediation file at specific points in a remediation file's lifecycle. Department Engineers are responsible to identify the Responsible Party, send out the compliance letter, and respond to the Site Professional within 30 days when a report is submitted to the Department. No other requirements to interact with a remediation file exist for Engineers. If the Site Professional does not submit a report, years could go by, and it is likely no Department staff would interact with the file as there are no timelines set by the Department. Over time, this has led to a backlog of open contaminated site files. At the time of the audit, this list contained 1,046 open contaminated site files.

Seventy-two percent of remediation files tested did not include a processing date for Site Professional reports

2.46 We found 72% of remediation files tested did not include the date the responsible Engineer processed (reviewed against submission requirements and responded to) the Site Professional's submitted reports. These dates are important to inform management whether files are progressing in a timely manner. We found Engineers do not record these dates because there is no requirement to do so in the SOP. By not tracking and reviewing processing dates of contaminated site files, the Department cannot determine if sites are being remediated in a timely manner. As a result, some sites may continue unremediated for longer periods of time leading to increased risks to the environment and human health.

Recommendations

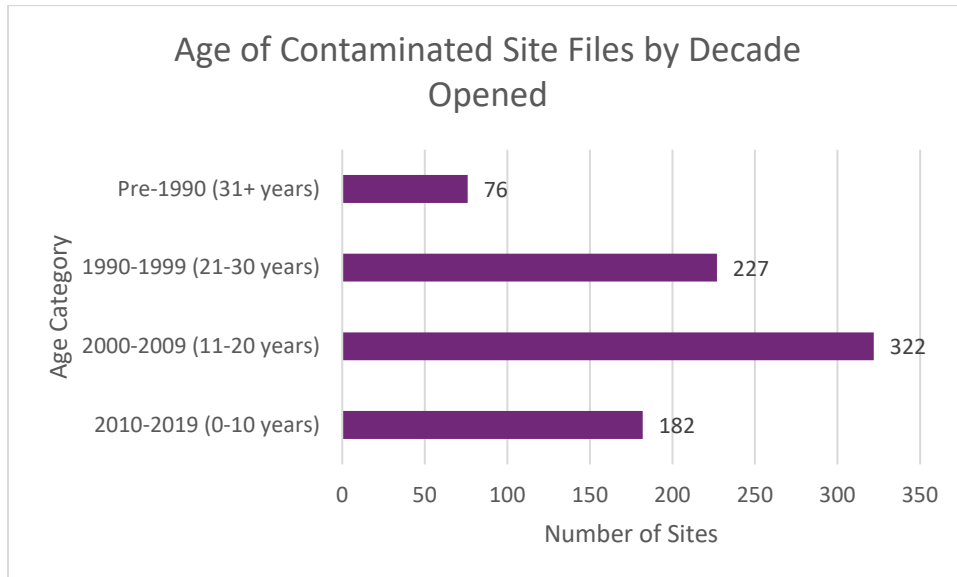
2.47 We recommend the Department of Environment and Local Government ensure contaminated site files proceed through the contaminated sites management process in a timely manner.

2.48 We recommend the Department of Environment and Local Government update the remediation standard operating procedures to require Engineers enter the report processing date in the remediation database (to allow the Department to monitor file progress through the contaminated sites management process).

Remediation database includes over 1,000 open contaminated site files, including sites that remained open after 35 years

2.49 We found the remediation database included 1,046 open contaminated site files at the time of our audit. These sites range from a few months to over 35 years old. The status of open sites ranges from: remediation completed but file not closed to remediation ongoing, or unknown. Exhibit 2.8 shows the age of open sites in the remediation database.

Exhibit 2.8 - Age of Open Contaminated Site Files by Decade Opened



Note: Data includes 809 contaminated site files (including two files of unknown age) that have been evaluated and prioritized by the Department of the 1,046 total open contaminated site files

Source: Created by AGNB with information from the Department of Environment and Local Government

2.50 The Department stated some of the long-open files are due to a resource issue that existed in the past. We believe several problems likely contributed to this result:

- **No remediation timelines:** not setting and enforcing timelines allows files to remain open indefinitely;
- **No performance monitoring:** without tracking and reviewing performance data, Department is unaware of sites that are not remediated year-to-year; and
- **Orphan sites:** sites where the Responsible Party cannot be determined or sites where the Responsible Party claims financial hardship remain contaminated. This issue is discussed later in the chapter.

Department's plan to address the open site backlog does not address how to process all open contaminated site files

2.51 The Department informed us of a file prioritization exercise they started in 2020, which was designed to address the over 1,000 open contaminated site files that have not been brought to closure over the past 35 years. A similar exercise was conducted by the Department in 2010 but did not result in closure of the significant backlog of contaminated site files. The 2020 exercise includes two phases:

- Phase I: develop a plan and prioritize all open contaminated site files; and
- Phase II: review each file to determine steps required for closure, address highest risk sites and sites with closure reports on file.

As of the writing of this report, the Department is still working on phase I and phase II. We reviewed documentation on the file prioritization exercise indicating a third phase is required to process the files that remain open. This documentation indicated the Department anticipates this work continuing into at least 2030.

2.52 While some of the sites have already been remediated, it is unknown to the Department whether the contamination remains at some of the oldest sites, often due to a lack of documentation for older sites. The Department informed us they do not have the human resources available to commit to a short timeline while also maintaining regular operations at the Authorizations Branch (such as processing permits and authorizations and performing inspections at approved facilities). Without a plan to complete the file closure process, contaminated sites may remain unremediated with potential unaddressed risks to the environment and human health.

Over 75% of open contaminated site files have remained open 10 years or longer

2.53 At the time of our audit, Department staff had processed 77% (809 of 1046) of open contaminated site files and assigned priority scores for each. Of these 809 sites, over 75% (624) had been open for more than 10 years at the beginning of the audit period.

Recommendation

2.54 We recommend the Department of Environment and Local Government:

- **create a plan and establish a timeline to process all outstanding open contaminated site files; and**
- **periodically review the plan against actual results to ensure work will be completed according to the timeline.**

Department does not monitor requirements of conditional closures

2.55 We found the Department does not monitor whether Responsible Parties fulfill the requirements of a conditional closure after acknowledgement of site closure is provided. For some contaminated site files, conditions must be put in place by the Responsible Party prior to the closure being acknowledged by the Department. However, there is no follow-up by Department staff to monitor whether conditions continue to be met over time. Examples of conditions include maintaining a layer of topsoil on the site, not placing buildings on the site, and not installing drinking wells on the site. If conditions are not monitored, there is a risk responsible parties may not maintain the conditions as required.

Recommendation

2.56 We recommend the Department of Environment and Local Government develop and implement a monitoring program for contaminated site files with a conditional closure.

Occurrence data is incomplete for contaminated site files

2.57 We found the data contained in the Occurrence Database was incomplete for contaminated site files we reviewed (such as missing information of remediation steps taken, documentation of consultation with Authorizations Engineer when needed, reasons for screening a spill as an occurrence or remediation file). The Department stated there is no standard method for data entry in the Occurrence Database. Data entry uses free text, so anything can be entered and can vary by Regional Inspector, leading to lower quality or incomplete data. The Department informed us they are currently undergoing a review of the Occurrence Database to understand what could be changed to improve Department processes. We encourage the Department to standardize the data input methods for the Occurrence Database.

Decision to screen contamination as an occurrence or contaminated sites management file and the reasons for that decision are not always documented

2.58 We found the decision whether a contaminated site is screened as an occurrence or contaminated sites management process file, and the reasons for that decision are not always documented by the Department. The Department informed us Regional Inspectors discuss individual spills with Authorization Branch Engineers in person or by telephone, but these discussions and the resulting decision are not documented as the SOP does not explicitly require it.

2.59 Regional Inspectors process occurrence files and the Site Professional directs the remediation of the site. When a site is classified as a contaminated sites management process file, the Site Professional conducts more testing and analysis and writes larger reports due to the increased complexity of the contamination, which are reviewed by a Department Engineer. Without documenting the decision of the Regional Inspectors and the reasons for that decision, it is difficult for the Department to determine whether contaminated sites are being screened and remediated appropriately.

Recommendations

2.60 We recommend the Department of Environment and Local Government ensure the screening decision and reasons for screening spills as an occurrence or contaminated sites management file is documented.

2.61 We recommend Department of Environment and Local Government standardize the information recorded in the Occurrence Database by Regional Inspectors across the province.

Small Spill Policy never approved and inconsistently applied across regions

2.62 We found the Small Spill Policy was never approved as an official policy and is not applied consistently across all regions. The Small Spill Policy was intended to apply to spills up to 50 litres in volume to enable the Responsible Party to clean up the spill without hiring a Site Professional where there is little risk to the environment or human health.

2.63 The Department informed us this has led to various interpretations of the policy across the regions, and some regions do not use it at all. The remediation SOP provides each Regional Office with the discretion whether they use the Small Spill Policy. If a standardized approach to processing small spills is not used by all regions, there is a risk contaminated sites may not be processed under the appropriate process in every region. As a result, contamination may not be remediated to the RBCA standards.

Recommendation

2.64 We recommend the Department of Environment and Local Government:

- **update and approve the Small Spill Policy to be consistent with the Remediation Program Standard Operating Procedures; and**
- **update the Remediation Program Standard Operating Procedures to ensure a consistent assessment process is followed by Regional Inspectors across the province when contamination is reported.**

Performance Monitoring and Reporting

Department does not create and track performance targets for the contaminated sites management process

2.65 We found the Department does not create and track performance targets for the contaminated sites management process (such as turnaround times for Site Professional report submissions, data entry in remediation database, compliance letter sent to Responsible Party, percentage of open sites closed each year). As a result, the Department is unable to measure actual performance of the contaminated sites management process and make evidence-based improvements.

2.66 We observed that the remediation database has the potential to generate and email reports to management showing the progress of open files and the completeness of closed files but it is not currently enabled to do so. This will require a focus on quality data entry on the part of Department staff and the regular comparison of actual performance against established targets.

Lack of public reporting on the performance of the contaminated sites management process

2.67 We found there is little information available to the public on the performance of the contaminated sites management process. The number of contaminated site files opened, and the number of files closed is included in the Department's annual report for some, but not all, fiscal years. This information does little to describe the performance of the program as remediation does not always occur within the same fiscal year the contamination is discovered.

2.68 To increase accountability and transparency, program performance information should be made publicly available. Many methods exist to achieve this including: quarterly or annual reporting on performance, or a web-based dashboard displaying real-time or time-delayed performance metrics. The Department could report on information such as the number of sites opened, number of sites closed, average time from file open to closure, and average processing time of report submissions.

Recommendation**2.69 We recommend the Department of Environment and Local Government:**

- **create performance targets for the contaminated sites management process and compare actual results against targets to measure performance on a regular basis; and**
- **publicly report on the performance metrics of the contaminated sites management process.**

Department does not create and track performance measures for the occurrence process

2.70 We found the Department does not create and track performance measures for the occurrence process (such as staff response times, length of time files remain open, application of specific policies for contaminated site files, and whether a contaminated site is escalated to the contaminated sites management process). Without this information, it is difficult for the Department to measure performance and make evidence-based improvements to the occurrence process.

Department did not have access to the raw data contained in the Occurrence Database

2.71 We found the Department did not have access to the raw data contained in the Occurrence Database, which is maintained by Service New Brunswick. The Department informed us their lack of ability to search and display all data in the occurrence database makes the creation and tracking of performance targets for the occurrence process a difficult task as the raw data needs to be extracted and analyzed. Department staff have not historically had direct access to this raw data and only gained access to it for the first time during our audit. This lack of access to raw data resulted in the Department's inability to assess the performance of programs that use the Occurrence Database.

Recommendation**2.72 We recommend the Department of Environment and Local Government:**

- **create performance targets for the occurrence process and compare actual results against performance targets on a regular basis; and**
- **publicly report on the performance metrics of the occurrence process.**

***New Brunswick
Guideline for the
Management of
Contaminated Sites
remains unchanged
from 2003***

2.73 We found the Department has not updated the Guideline since the changes made to it when Atlantic RBCA version 2 was implemented in 2003. Since that time, Atlantic RBCA has seen two version updates, the Department underwent an organizational restructuring, and the Remediation Program changed significantly in 2018. As a result, some aspects of the Guideline are out of date such as:

- hyperlinks point to websites that no longer exist;
- Limited Remedial Action process was replaced by Occurrence process; and
- Site Professional submission requirements have changed.

Without clear information provided to the public, individuals may not be able to understand their responsibilities, or hold the Department to account for its role in the Remediation Program. The Department informed site professionals of the changes when they occurred.

2.74 The Guideline states:

Amendments to this Guideline document are anticipated as opportunities for improvement arise. Users should ensure they are using the most recent version.

The Department has not made any updates because the Guideline refers the user to the current version of Atlantic RBCA for petroleum hydrocarbon contamination. The Department did inform us an updated Guideline document is planned for the fiscal year 2022-2023.

Recommendation

2.75 We recommend the Department of Environment and Local Government update the New Brunswick Guideline for the Management of Contaminated Sites to reflect the changes to the Remediation Program in 2018.

Information on the contaminated sites management process is not clearly and easily accessible from the Department website

2.76 We found relevant information on contaminated sites was difficult to find or was not located on the Department’s website. Several Department policies and guidance documents are housed on a third-party website belonging to the Atlantic Partnership in Risk-Based Corrective Action Implementation (Atlantic PIRI) such as:

- Submission Requirements and Review Procedures;
- New Brunswick Advisory and Implementation Plan for Atlantic RBCA Version 4; and
- Notification and Submission Forms.

While there was a hyperlink to Atlantic PIRI on the Department’s website, there was no indication the contaminated sites management process information is hosted on this third-party website.

2.77 The Department’s website represents an opportunity to provide the public with relevant information on Department programs and activities. Making information readily available to the public can increase transparency, and reduce the need for members of the public to call the Department to request information on program requirements.

Recommendation

2.78 We recommend the Department of Environment and Local Government ensure all necessary information on the contaminated sites management process is located in one place with clear indications of where supplementary information is located.

Department non-compliant with the Accountability and Continuous Improvement Act

2.79 We found the Department was not aware of its responsibilities under the *Accountability and Continuous Improvement Act*, resulting in the Department being non-compliant with sections relating to annual planning and annual reporting, including:

- section 4(1) preparing an annual plan document: while the Department provided documents including aspects of annual planning, the Department could not provide an annual plan document;
- section 4(2)(a)(i) including in goals set the strategic direction provided to the Department by the Minister responsible: the Department could not provide evidence the Minister provided strategic direction to the Department to include in annual plan goals during the audit period;
- section 4(3) and 4(5) Submitting the completed annual plan to the responsible Minister for approval, signature, and publishing: of the planning documents provided by the Department, none were signed by the responsible Minister, nor were they published on the Department's website; and
- section 5(3) explaining variances between actual and projected results presented in the annual report: while the Department identified the variance between budgeted and actual expenditures, explanations for the variances were not provided in the annual reports during the audit period except for one line item in two of three fiscal years.

Executive Council Office instructions to departments for annual planning are inconsistent with the requirements of the Accountability and Continuous Improvement Act

2.80 The Department follows the processes for annual planning as instructed by Executive Council Office (ECO), however these instructions are not compliant with the Act. ECO informed us they consider the instructions for annual planning to address the intent of the Act, and recognize departments have difficulty complying with some areas of the Act. A summary of the inconsistencies we found is presented in Exhibit 2.9.

Exhibit 2.9 - Inconsistencies between Accountability and Continuous Improvement Act and Executive Council Office instructions to departments for annual planning

Act Section	Act Requirements	Executive Council Office Instructions	Instructions Match Act Requirements
4(1)	Prepare annual plan document	Department budget in Main Estimates, Strategic Objective Measure Initiative and Actions (SOMIA) documentation, balanced scorecards	Partially*
4(2)(c)	Include in annual plan statement indicating Minister is accountable for the preparation of the plan and achieving the goals and objectives of the plan	Statement made by Minister to the Legislature during Main Estimates presentation	✘
4(3)	Plan submitted to and signed by Minister	Main Estimates MEC signed by Minister	✘
4(5)	Following approval of plan, Minister publishes plan on the department's website	Main Estimates filed with the Clerk of the Legislature and published on the Government of New Brunswick website	✘

**Note: Main Estimates annual budget for the Department is a component of annual planning, SOMIA documentation included some Department goals and objectives.*

Source: Created by AGNB from the Accountability and Continuous Improvement Act and information provided by Executive Council Office

2.81 We do not consider an annual budget a sufficient substitute for an annual plan for the Department to satisfy its obligations under the Act, and none of the products of the Department’s planning activities are published on the Department’s website as required by the Act.

2.82 Our Office previously commented on risks in ECO’s oversight of Crown Agencies in our 2021 Report – Volume 1, Chapter 4. Our overall conclusion in the report was, “the Executive Council Office and most Crown agencies did not comply with all of the requirements of the *Accountability and Continuous Improvement Act* when preparing critical documents needed for oversight.”² This is also consistent with our findings related to the Act involving government departments.

Recommendation

2.83 We recommend Executive Council Office align its instructions to government departments for annual planning with the requirements of the *Accountability and Continuous Improvement Act*.

² Risks Exist in Government’s Oversight of Crown Agencies – Executive Council Office, Report of the Auditor General of New Brunswick – Volume I, Chapter 4, October 2021, page 129

Other Findings

Department lacks program to address orphan sites

2.84 We found there is currently no program in place to resolve orphan contaminated sites (to determine who is responsible for remediation and clean up the site). Orphan sites are contaminated sites where no Responsible Party can be determined or where the Responsible Party is unable to afford remediation. This presents a significant challenge to the Department's file prioritization exercise as orphan sites are part of the open contaminated site listing and there is currently no one responsible for monitoring or remediating these sites.

Department no longer tracks orphan sites

2.85 We found the Department stopped tracking orphan sites when the Orphan Site Program was terminated in 2009. The Orphan Site Program began in 1990 with joint funding from the Federal and Provincial Governments intended to remediate orphan sites. The Federal Government funding ended in 1995, and from that time Provincial Government funding was reduced every few years until the program's end in 2009. Since 2009, there has been no action by the Department on known orphan sites, and no new contaminated sites have been designated by the Department as orphan sites. The Department informed us they were unable to identify which sites that opened after 2009 would be considered orphan sites.

2.86 In some cases, the Responsible Party of a contaminated site that cannot afford to remediate contamination will stop paying property taxes (these are known at the Department as hardship cases). There are also cases where a company that is a Responsible Party of a contaminated site ceases to operate or flees the jurisdiction, also resulting in property tax arrears. These properties remain contaminated, the cost of remediation will increase over time, and the property will eventually need to be addressed by the Province either through tax sale or remediation.

Contaminated sites with property tax arrears are rejected for tax sale by the Department of Finance and Treasury Board

2.87 We found the Department of Finance and Treasury Board (FTB) rejects contaminated sites for tax sale if the Department of Transportation and Infrastructure (DTI) will not accept the transfer of the site when the property fails to be sold, resulting in no department becoming responsible for these sites and contamination not being remediated. This leads to risks of contamination increasing or spreading, and over time the cost to remediate increasing.

2.88 Department of Finance and Treasury Board staff informed us they consult with staff at the Department of Transportation and Infrastructure on tax sale candidate properties with potential environmental liabilities. DTI staff confirmed this to us, describing an informal process where FTB staff call DTI staff to discuss a problem property. If DTI staff believe the property will have significant remediation costs, they inform FTB that DTI will reject the transfer to DTI's land surplus, which would leave FTB with a contaminated site to remediate. FTB informed us that as a result, the property will not be put up for tax sale. We also noted this process is not formally documented by either of the two departments.

Province may have a potential liability for orphan sites that will increase the longer remediation is delayed

2.89 We found the Province may have a potential liability for orphan contaminated sites that will increase the longer remediation is delayed. If no one takes ownership of a contaminated site property, the property reverts to the Province regardless of whether a tax sale occurs (through the dissolution of a Responsible Party corporation with no shareholder accepting title for the property³, or the death of an individual Responsible Party with no inheritor accepting title for the property⁴). Once the Province takes ownership of the property, they will become liable for the contamination, meaning any delays in remediation may result in increased costs to the Province due to inflation on the cost to remediate year-to-year.

Recommendation

2.90 We recommend the Department of Environment and Local Government develop a program to identify and address orphan contaminated sites.

³ *New Brunswick Business Corporations Act*, RSA 2000, c B-9, at ss. 153(1) and 154(1)

⁴ *New Brunswick Escheats and Forfeitures Act*, RSNB c 107, at s. 1(1)

No government entity is responsible for co-ordinating the remediation of government-owned contaminated sites

2.91 We found no single government entity is responsible for coordinating the remediation of government owned sites. Departments separately budget for and remediate sites they are responsible for. The Department informed us they act as the regulator, and do not play such a co-ordinating role. By not using a whole-of-government approach there is no government-wide plan to assess risks and prioritize remediation work to ensure the timely remediation of contaminated sites where a government department is the Responsible Party.

2.92 We are concerned with this siloed approach for the remediation of government owned sites, contamination risks may not be prioritized from a province-wide perspective. This could lead to inefficient allocation of resources to mitigate those risks. We believe a more coordinated approach would allow the Province to allocate remediation resources in an efficient manner to address sites with the highest contamination risks regardless of which department is the Responsible Party.

2.93 In reviewing other jurisdictions in Atlantic Canada, we observed the Province of Nova Scotia is developing an oversight function for its contaminated site inventory.

Recommendation

2.94 We recommend Executive Council Office assign responsibility to an oversight body for the co-ordination of all government-owned contaminated sites to ensure sites are remediated in a timely manner to the applicable environmental standard.

Appendix I – Glossary of Terms

Atlantic PIRI⁵	A collaborative group of provincial environment regulators, industry representatives, and regional environmental consultants from Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland and Labrador. This group identifies and discusses issues, develops standards and processes, provides recommendations for continued technical and regulatory harmonization, and oversees the implementation of Atlantic Risk Based Corrective Action in New Brunswick, Newfoundland and Labrador, Nova Scotia, and Prince Edward Island.
Atlantic RBCA⁶	A process to assess and manage the remediation and redevelopment of sites impacted by petroleum hydrocarbons and other contaminants. Centred around risk to human health and the environment, Atlantic Risk Based Corrective Action is specific to Atlantic Canada's needs and equals or exceeds Canada-wide Standards (CWS) developed by the Canadian Council of Ministers of the Environment (CCME). Atlantic RBCA is based on the scientific standards, principles, and processes developed by US environmental professionals and ASTM International (the American equivalent to the Canadian Standards Association).
Closure Report⁷	A final report prepared by the Site Professional and provided to the Department of Environment and Local Government following successful implementation of the Remedial Action Plan including all required monitoring which substantiates the statements in the Record of Site Condition.
Contaminated Site⁸	A property or collection of properties where the concentration of specified chemicals in air, soil, or groundwater exceed levels considered acceptable by the Department of Environment and Local Government. The contaminated site may consist of a property or properties where the contamination originated (Source Property) and

⁵ Atlantic PIRI website atlanticrbca.com/about-atlantic-rbca/

⁶ *ibid*

⁷ Guideline for the Management of Contaminated Sites, Version 2 – Definitions, New Brunswick Department of Environment and Local Government, 2003, at page 1

⁸ *ibid*, at page 1

other properties which have been chemically altered by the source property (Third Party properties).

Contaminant⁹

means any solid, liquid, gas, microorganism, odour, heat, sound, vibration, radiation or combination of any of them, present in the environment,

- a) that is foreign to or in excess of the natural constituents of the environment,
- b) that affects the natural, physical, chemical or biological quality or constitution of the environment,
- c) that endangers the health, safety or comfort of a person or the health of animal life, that causes damage to property or to plant life or that interferes with visibility, the normal conduct of transport or business or the normal enjoyment of life or use or enjoyment of property, or
- d) that is designated by the Minister as a contaminant under section 4.2,

and includes a pesticide or waste.

Limited Remedial Action¹⁰

The remediation of soil impacts at a site under the direction of a Site Professional, or Department of Environment and Local Government personnel in exceptional circumstances. The Department of Environment and Local Government shall determine, during completion of a site inspection questionnaire, if it is appropriate to attempt to use limited remedial action measures at a site.

Petroleum Hydrocarbon Compound (PHC)¹¹

mixtures of organic compounds found in or derived from geological substances such as oil, bitumen and coal. Petroleum products released to the environment typically contain thousands of compounds, in varying proportions, composed predominantly of carbon and hydrogen, with minor amounts of nitrogen, sulphur and oxygen.

⁹ *Clean Environment Act*, RSNB 1973, c C-6, at page 5

¹⁰ *Guideline for the Management of Contaminated Sites, Version 2 – Definitions*, New Brunswick Department of Environment and Local Government, 2003, at page 1

¹¹ *Canada-Wide Standards for Petroleum Hydrocarbons (PHC) in Soil*, Canadian Council of Ministers of the Environment, 2001, at page 3

Phase I Environmental Site Assessment (ESA) ¹²	A systematic process to review all available information relating to the site. The objective of a Phase I ESA is to assess whether current and/or past practices on the site may have resulted in environmental contamination or unsafe conditions. A Phase I ESA does not involve the intrusive investigative procedures of sampling, analyzing and measuring.
Phase II Environmental Site Assessment (ESA) ¹³	A more extensive evaluation, including intrusive investigation, to confirm and delineate, or demonstrate, the absence of contamination in the various media on a site identified through the Phase I procedure. This information will indicate whether more detailed testing is required in specific areas and will provide the inputs required to develop appropriate site cleanup criteria. It is not essential that a Phase I ESA be completed prior to conducting a Phase II ESA. In some instances, sufficient information exists regarding potential contamination to proceed directly to a Phase II ESA.
Phase III Environmental Site Assessment (ESA) ¹⁴	A complete evaluation (including further intrusive investigation if necessary), sufficient to fully characterize the extent and degree of contamination. The data collected should be sufficiently representative of the site condition to provide further assessment of site specific remedial objectives using a risk assessment approach, to investigate the feasibility of various cleanup options and to input to the development of the various components of the Remedial Action Plan.
Record of Site Condition ¹⁵	A document prepared by the Site Professional and provided to the Department of Environment and Local Government in a prescribed format confirming that the Management Process has been followed and the remedial objectives for the site have been met.
Remedial Action Plan ¹⁶	A report which provides the rationale for the selected remedial criteria and includes risk assessment and

¹² Guideline for the Management of Contaminated Sites, Version 2 - Definitions, New Brunswick Department of Environment and Local Government, 2003, at page 2

¹³ *ibid*, at page 2

¹⁴ *ibid*, at page 2

¹⁵ *ibid*, at page 2

¹⁶ *ibid*, at page 2

management documentation, identifies remedial options and objectives with a conceptual remediation plan, identifies the feasibility of the remedial options, including a monitoring plan and if required, a plan for managing engineered or institutional controls.

Remediation¹⁷

The improvement of a contaminated site to prevent, minimize, or mitigate damage to the environment and human health.

Responsible Party¹⁸

In most cases, the Responsible Party is a person whose conduct or failure to act has caused or contributed to the contamination of property and who, in the opinion of the Minister, is responsible for remediation of a contaminated site. However, in some cases, the persons among whom the Minister may choose to remediate the site are specifically listed in an Act or regulation and may include, for example, the owners or the person having the charge of a storage tank system.

Site Professional¹⁹

A person of appropriate qualifications as per the requirements of the Association of Professional Engineers and Geoscientists of New Brunswick (APEGNB). The Site Professional manages the assessment and remediation of contaminated sites on behalf of the Responsible Party.

¹⁷ *ibid*, at page 2

¹⁸ *ibid*, at page 3

¹⁹ Guideline for the Management of Contaminated Sites, Version 2, New Brunswick Department of Environment and Local Government, 2003, at page 10

Appendix II – Audit Objectives and Criteria

The objective and criteria for our audit of the Department of Environment and Local Government contaminated sites management process are presented below. The Department of Environment and Local Government and senior management reviewed and agreed with the objective and associated criteria.

Objective 1	To determine if the Department of Environment and Local Government effectively administers the contaminated sites management process.
Criterion 1	The Department of Environment and Local Government should have clearly defined processes, authorities, and responsibilities related to the contaminated sites management process that are readily available to the public and industry.
Criterion 2	The Department of Environment and Local Government should have strategic and operational plans for the contaminated sites management process, including performance measures and targets, and compare actual results against performance targets to foster continuous improvement.
Criterion 3	The Department of Environment and Local Government should follow established procedures to ensure contaminated sites are effectively remediated.
Criterion 4	The Department of Environment and Local Government should ensure information on contaminated sites and their impacts are made readily available to the public.

Source of Criteria: Developed by AGNB based on:

- Canadian Audit and Accountability Foundation’s Practice Guide to Auditing Efficiency
- Practice Guide to Auditing Efficiency of a Regulatory Inspection and Enforcement Function
- New Brunswick Guideline for the Management of Contaminated Sites
- Relevant audit reports of other Canadian Legislative Audit Offices

Appendix III – About the Audit

This independent assurance report was prepared by the Office of the Auditor General of New Brunswick on the Department of Environment and Local Government on the contaminated sites management process. Our responsibility was to provide objective information, advice, and assurance to assist the Legislative Assembly in its scrutiny of the Department of Environment and Local Government on its administration of the contaminated sites management process.

All work in this audit was performed to a reasonable level of assurance in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001 – Direct Engagements set out by the Chartered Professional Accountants of Canada (CPA Canada) in the CPA Canada Handbook – Assurance.

AGNB applies Canadian Standard on Quality Control 1 and, accordingly, maintains a comprehensive system of quality control, including documented 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 Chartered Professional Accountants of New Brunswick and the Code Professional Conduct of the Office of the Auditor General of New Brunswick. Both the Rules of Professional Conduct and the Code are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

In accordance with our regular audit process, we obtained the following from management:

- confirmation of management’s responsibility for the subject under audit;
- acknowledgement of the suitability of the criteria used in the audit;
- confirmation that all known information that has been requested, or that could affect the findings or audit conclusion, has been provided; and
- confirmation that the findings in this report are factually based.

Period covered by the audit:

The audit covered the period between April 1, 2018 and March 31, 2021. This is the period to which the audit conclusion applies. However, to gain a more complete understanding of the subject matter of the audit, we also examined certain matters that preceded and proceeded the starting date of the audit.

Date of the report:

We obtained sufficient and appropriate audit evidence on which to base our conclusion on November 2, 2022, in Fredericton, New Brunswick.

Appendix IV – Contaminated Sites Liability under Public Sector Accounting Standard 3260 – Liability for Contaminated Sites

Public Sector Accounting Standard 3260 – Liability for Contaminated Sites requires the accounting for and recording of liabilities for the remediation of contaminated sites. The standard specifically:

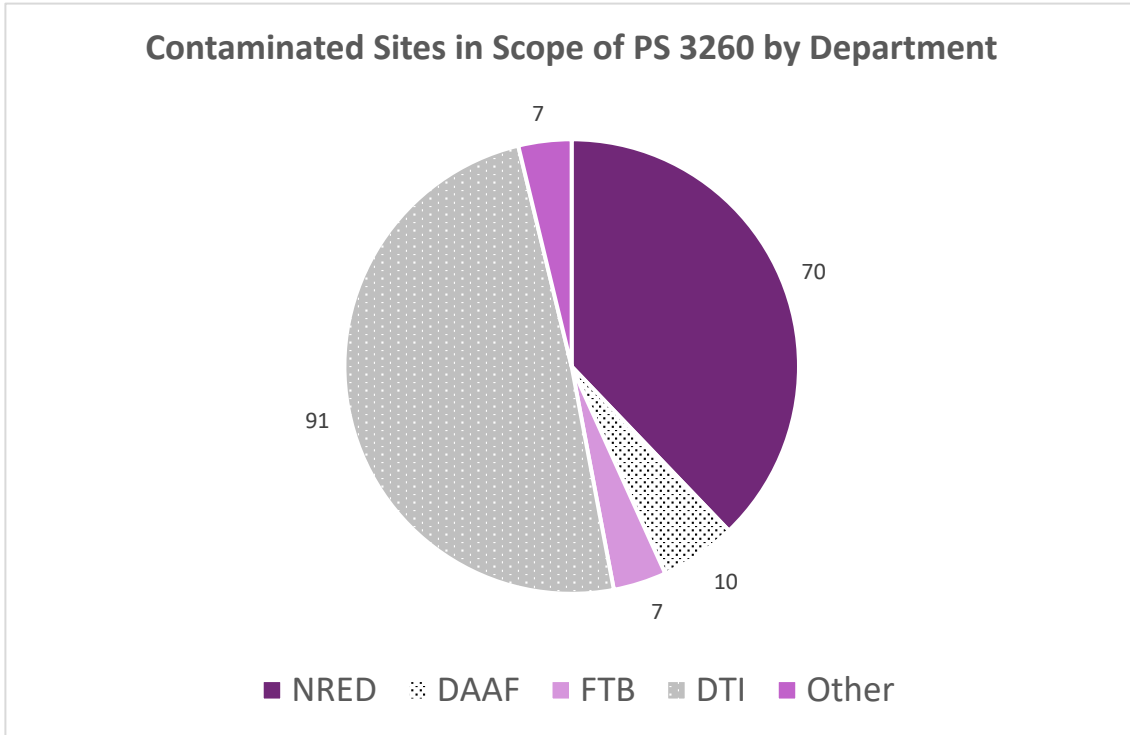
- a) defines the activities that would be included in a liability for remediation;
- b) establishes the requirements for recognizing and measuring the liability; and
- c) provides the presentation and disclosure requirements to include in financial statements.

The definitions contained in the standard sometimes differ from those used by the Department of Environment and Local Government's Remediation Program. This results in contaminated sites being recorded as liabilities by the Government of New Brunswick that are not contained in the Remediation Program.

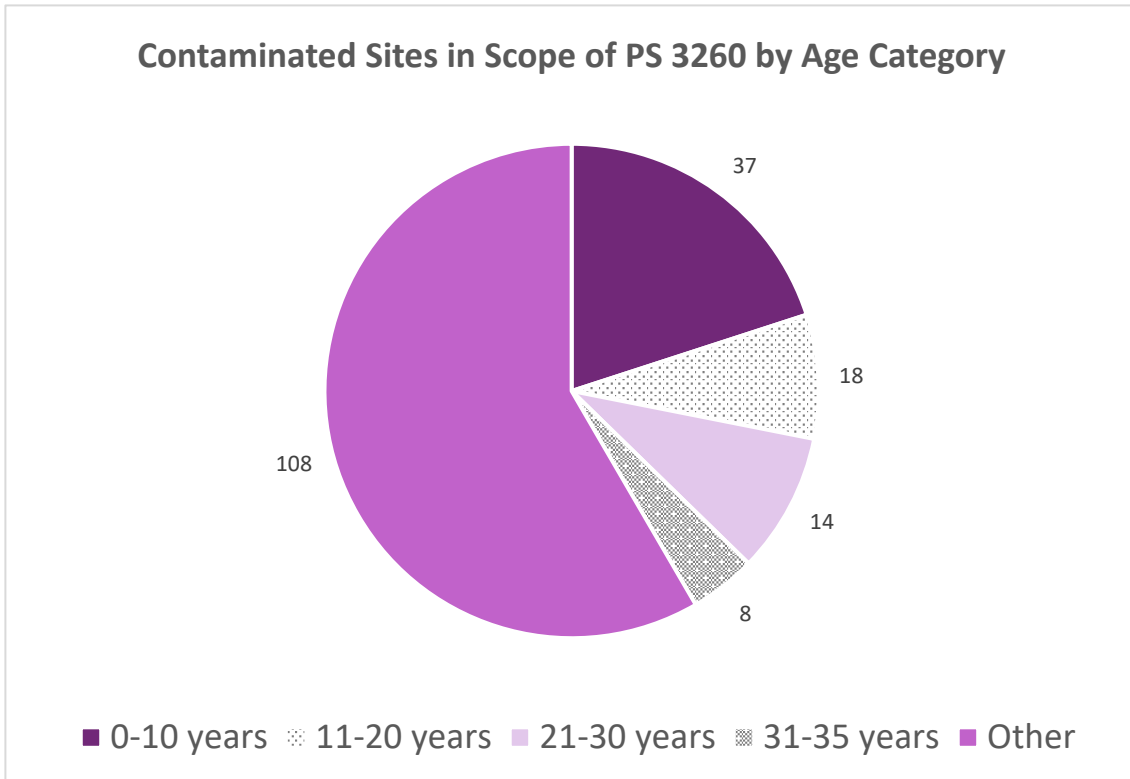
Each department provides the Office of the Comptroller information on the contaminated sites it owns, including:

- number of owned sites remediating;
- number of owned sites not remediating;
- number of owned sites outside the scope of the standard;
- total estimated liability;
- source and nature of contamination; and
- comments on sites, including reasons for not recognizing a liability

The breakdown of contaminated sites under the standard for fiscal 2020-2021 is presented below by department and by age category.



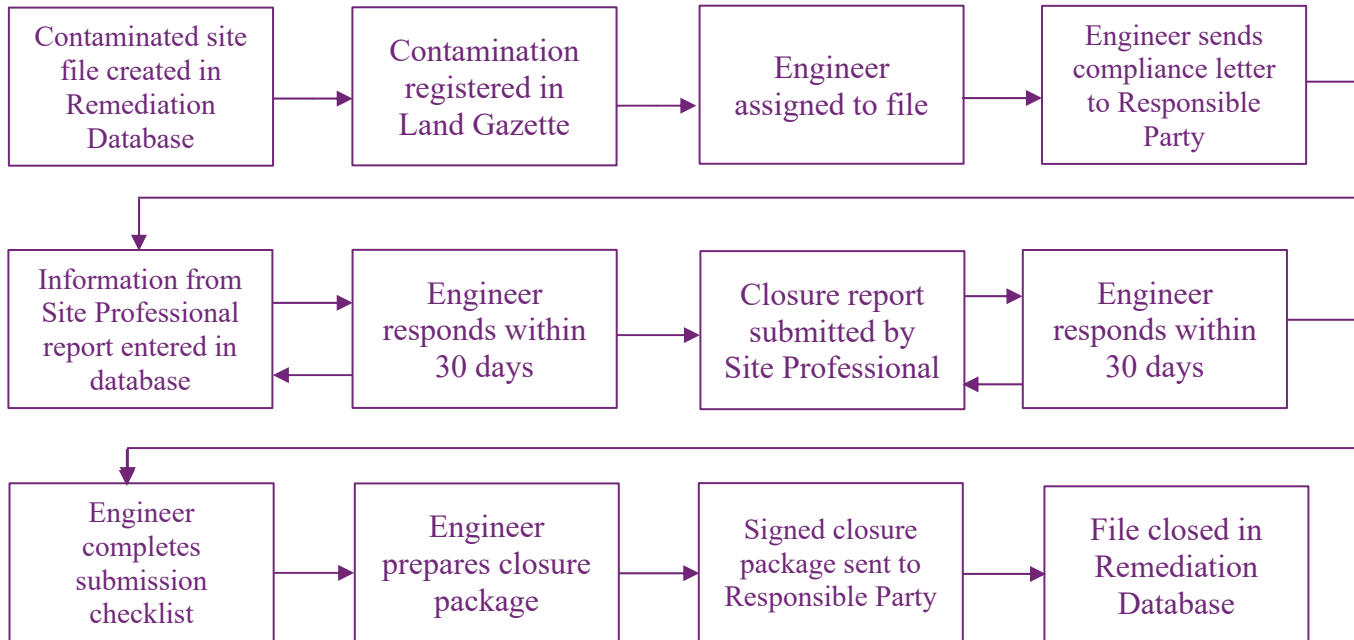
Note: Other contains 1 ELG site, 1 PHL site, and 5 SD sites



Note: Other contains 75 sites of unknown age and 33 sites marked as closed

Source: Created by AGNB with information from the Office of the Comptroller

Appendix V – Engineer Responsibilities in the Contaminated Sites Management Process



Source: Created by AGNB with information from the Department of Environment and Local Government

Appendix VI- Responsibilities of Parties in the Contaminated Sites Management Process

Responsible Party

RP1 compliance with Guideline
 RP2 notify Department
 RP3 notify impacted third parties
 RP4 hire Site Professional
 RP5 take action to protect environment and human health
 RP6 stay informed of process
 RP7 forward Site Professional documents to Department
 RP8 timely completion of CSM process

Site Professional

SP1 ensure professional competence of all work
 SP2 notify Department and Responsible Party of contamination
 SP3 review contents of all reports in part 2a of Record of Site Condition
 SP4 complete reports in part 2b of Record of Site Condition
 SP5 determine if Remedial Action Plan has been completed
 SP6 deliver all documents to Responsible Party
 SP7 complete Record of Site Condition and provided to Responsible Party

Department

D1 supporting and promoting the protection, restoration, enhancement, and wise use of environment
 D2 identifying the Responsible Party
 D3 ensure CSM process followed and regulatory response provided in a timely manner
 D4 auditing the CSM process
 D5 ensure compliance with the Guideline by the Responsible Party
 D6 acknowledge conclusion of the CSM process when remediation of the contaminated site is complete

Source: Created by AGNB with information from the Department of Environment and Local Government

Appendix VII – Jurisdiction Comparison of Contaminated Sites Management Processes in Atlantic Canada

	Legislation includes contaminated site regulation	Unauthorized contaminant release prohibited by legislation /regulation	Contaminated site remediation process referenced by legislation /regulation	Remediation required by legislation /regulation	Notification required by legislation /regulation	Insurance or security requirement in legislation /regulation for polluting activities	Orphan sites addressed in legislation /regulation	Remediation timeline required by legislation /regulation	Liability apportionment for contaminated sites addressed in legislation /regulation
New Brunswick	N	Y	N	N	Y	N	N	N	N
Nova Scotia	Y	Y	Y	Y	Y	Y	Y	Y	Y
Prince Edward Island	Y	Y	Y	Y	Y	N	N	Y	N
Newfoundland and Labrador	N	Y	Y	Y	Y	Y	N	N	Y

Source: Created by AGNB with information from the legislation of New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador

Chapter 3

Environmental Trust Fund – Department of Environment and Local Government

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Environmental Trust Fund – Department of Environment and Local Government

Report of the Auditor General – Volume II, Chapter 3 - November 2022

Why Is This Important?

- The environment is a significant source of concern for New Brunswickers and one of government's priority areas
- The Environmental Trust Fund had expenditures of over \$77 million during the past 10 years, and an accumulated Fund surplus of almost \$41 million as of March 31, 2022
- A lack of oversight in the Environmental Trust Fund would leave the legislature and the public without enough information to determine if the Fund mandate is being achieved

Overall Conclusions

- The Department is not effectively overseeing the Environmental Trust Fund to ensure it is being used to deliver on its mandate
- The Department has not evaluated all of the project results to see how they have contributed to the achievement of the Fund mandate or what has been accomplished with 30 years of expenditures
- The Fund's accumulated surplus grew to almost \$41 million by 2022, without a plan to use it

What We Found

Roles and Responsibilities Are Not Clear

- Mandate letters not provided regularly
- Advisory Board roles, responsibilities and expectations not defined
- No single role specifically tasked to oversee Fund administration

Lack of Planning

- The Department has no documented strategic or annual plans for the Environmental Trust Fund
- Over \$77 million has been spent over the past 10 years without strategic or annual plans

Evaluation and Decision-making are Not Evidence-based

- The rationale for why some projects and expenses are ineligible is unclear
- There is no standardized method for evaluating project funding
- Eligibility criteria are not clearly defined

Inadequate Performance Evaluation and Reporting

- Information on past project results has not been evaluated
- Only selected project results are reported annually
- There is no explanation provided for variances between budget and actual expenditures

Key Findings and Observations Table

Environmental Trust Fund – Department of Environment and Local Government (DELG)

Paragraph	Key Findings and Observations
	Roles and Responsibilities Not Clear
3.27	<i>Mandate letters have not been provided regularly</i>
3.29	<i>No single role is specifically tasked to oversee the administration of the Fund</i>
3.33	<i>There are no formal documents that define the purpose, expectations, roles or responsibilities of the Advisory Board</i>
	Lack of Planning
3.36	<i>The Department has no documented strategic or annual plans for the Environmental Trust Fund (ETF), despite legislated obligations</i>
3.37	<i>The budget is not based on using Fund assets to achieve any specific plans or objectives for achieving the mandate</i>
3.41	<i>The Advisory Board was directed to focus on current government priorities</i>
3.43	<i>The priorities set by DELG for the Fund do not clearly align with the ETF categories or government priorities</i>
3.46	<i>The Fund's accumulated surplus grew to almost \$41 million by 2022, without a plan to use it</i>
	Evaluation and Decision-making Not Evidence Based
3.50	<i>No standardized, defined method for evaluating projects</i>
3.52	<i>Eligibility criteria lack definition</i>
3.56	<i>The ETF Advisory Board has no defined basis for evaluating Funding recommendations</i>
3.58	<i>There is no defined evaluation method for government priority projects</i>
3.59	<i>No weight or relative importance is assigned to evaluation criteria</i>
3.63	<i>Application does not identify information to be assessed for eligibility</i>

Paragraph	Key Findings and Observations
	Inadequate Performance Evaluation and Reporting
3.65	<i>The Department has not evaluated the Fund performance since it was established in 1990</i>
3.66	<i>Past projects data has not been analysed or reported</i>
3.67	<i>Environmental results achieved through the projects funded are not reported in a common location</i>
3.68	<i>Departmental reporting contains no information on expected results for the ETF</i>
3.69	<i>There is no information provided on variances between budget and actual expenditures</i>
3.70	<i>No prior year comparison is provided for context</i>
3.71	<i>Environmental results achieved through annual project funding are not summarized</i>
3.75	<i>Not all project outcomes were reported</i>
3.77	<i>There is no way to tell which geographic locations have benefited from the ETF</i>

Recommendations and Responses

Recommendation	Department’s response	Target date for implementation
We recommend the Department of Environment and Local Government:		
<p>3.35</p> <ul style="list-style-type: none"> • identify a single authority with the responsibility for overseeing the administration of the Environmental Trust Fund (ETF); and • develop Terms of Reference document to clarify and define the roles, responsibilities and expectations of the Advisory Board. 	<p><i>ELG agrees with this recommendation.</i></p> <p><i>While ELG has employees dedicated to the oversight and administration of the ETF, it will identify a single authority with the responsibility for overseeing the administration of the ETF.</i></p> <p><i>ELG commits to develop a Terms of Reference document to clarify and define the roles, responsibilities, and expectations of the ETF Advisory Board.</i></p>	<p><i>Fiscal year (FY) 2023-24</i></p>
<p>3.40</p> <ul style="list-style-type: none"> • develop a strategy and annual plans for the ETF, with clearly defined objectives, performance measures and targets; and • link the annual budget to program objectives as part of ongoing annual planning. 	<p><i>ELG agrees with this recommendation.</i></p> <p><i>While ELG currently has defined priorities identified for the ETF as well as measures and an annual impact report, it will develop a strategy and annual plans with clearly defined objectives, performance measures and targets. The annual plan will link the annual budget to program objectives.</i></p>	<p><i>FY 2023-24</i></p>
<p>3.45 map the priority areas to the uses of the fund established in the <i>Environmental Trust Fund Act</i> to ensure project and funding decisions contribute directly to achieving the ETF mandate.</p>	<p><i>ELG agrees with this recommendation.</i></p> <p><i>While ELG currently outlines priority areas that are aligned with the ETF mandate, it will explicitly communicate that link in the aforementioned annual plan.</i></p>	<p><i>FY 2023-24</i></p>

Recommendation	Department's response	Target date for implementation
We recommend the Department of Environment and Local Government:		
3.49 develop a plan outlining how and under what circumstances the Department will use the accumulated surplus of the ETF.	<i>ELG agrees with this recommendation and has been preparing a recommended plan outlining how and under what circumstances it will use the accumulated surplus of the ETF to bring forward to government.</i>	<i>In progress and targeting an implementation in FY 2023-24</i>
3.62 develop: <ul style="list-style-type: none"> • an evidence-based, standard evaluation method for all project and funding decisions; • detailed definitions for eligibility criteria, linked to program objectives; and • guidance for how the criteria should be interpreted and evaluated. 	<i>ELG agrees with this recommendation and has been reviewing its evaluation method. As such, ELG continues to improve and is committed to develop an evidence-based, standard evaluation method for all project and funding decisions; detailed definitions for eligibility criteria, linked to program objectives; and guidance for how the criteria should be interpreted and evaluated.</i>	<i>In progress and targeting an implementation in FY 2023-24</i>
3.64 <ul style="list-style-type: none"> • provide sufficient guidance to applicants to complete the online funding application; and • identify information that will be assessed to determine eligibility. 	<i>ELG agrees with this recommendation.</i> <i>While ELG currently provides guidance to applicants to complete the online funding application and specifies what information will be evaluated in the technical review process, a more comprehensive list of eligibility criteria will be developed and communicated with applicants. In the last five years, ELG has created an online portal for applicants to apply for ETF funding, guiding them through the process, allowing them to provide additional information when it becomes available, as well as submit invoices and interim reports.</i>	<i>FY 2023-24</i>

Recommendation	Department’s response	Target date for implementation
We recommend the Department of Environment and Local Government:		
<p>3.74 review and evaluate what has been achieved with the ETF and make this information available to the public such that:</p> <ul style="list-style-type: none"> • environmental results of past projects are summarized and reported; • comparative information and explanations for variances are presented; and • ETF reporting provided by the Department is consolidated in a central, easy to access location. 	<p><i>ELG agrees with this recommendation.</i></p> <p><i>While ELG publishes an Impact Report located in a central location on the ETF website, highlighting a sample of projects from each priority area, it will consider summarizing and reporting on the 200+ projects it funds including comparative information and explanations for variances.</i></p>	<p><i>FY 2023-24</i></p>
<p>3.76 measure and report the expected and actual results for all projects funded by the ETF.</p>	<p><i>ELG agrees with this recommendation.</i></p> <p><i>While ELG currently measures and evaluates the expected and actual results for all projects funded by ETF, it will present the information in the annual report.</i></p>	<p><i>FY 2023-24</i></p>
<p>3.80 expand ETF reporting and include geographic information in order to increase transparency.</p>	<p><i>ELG acknowledges this recommendation and will consider the benefit of adding the impacted geographic location to reporting. Other than requiring the project to benefit New Brunswick, the geographic location is not a determining factor in eligibility.</i></p>	<p><i>FY 2023-24</i></p>

Audit Introduction

3.1 According to the Department of Environment and Local Government, the Environmental Trust Fund (ETF) provides “assistance for action-oriented projects with tangible, measurable results, aimed at protecting, preserving and enhancing the Province's natural environment.”¹ As of March 31, 2022, an average of \$7.7 million has been spent each year over the last ten years.

Why we chose this topic

3.2 We chose to audit the ETF for the following reasons:

- The environment is a significant source of concern for New Brunswickers and one of government’s priority areas;
- The ETF had expenditures of over \$77 million during the past 10 years, and an accumulated Fund surplus of almost \$41 million as of March 31, 2022;
- A lack of oversight of the ETF would leave the legislature and the public without sufficient information to determine if the Fund’s mandate is being achieved; and
- The ETF has been the subject of previous audit work, in 1994, and again in 2009, with follow up in 2013. Recommendations from those reports remain unimplemented and the impact of the program remains unreported after more than 30 years. We determined it is timely to revisit the topic with a focus on oversight.

Audit Objective

3.3 The objective of this audit was to determine whether the Department of Environment and Local Government (DELG, the Department) is effectively overseeing the Environmental Trust Fund.

Audit Scope

3.4 We examined the Department’s oversight of the ETF, one of the largest of the Province’s trust funds.

3.5 The audit covered the period between April 1, 2020, and March 31, 2022. This is the period to which our audit conclusions apply. However, to gain a more complete understanding of the subject matter of our audit, we also examined certain matters that preceded the starting date of our audit.

¹ ETF Overview https://www2.gnb.ca/content/gnb/en/departments/elg/environment/content/environmental_trustfund/overview.html

3.6 The auditee was the Department of Environment and Local Government (DELG), which is mandated to oversee the administration of the ETF. We also collected audit evidence from the Department of Finance and Treasury Board (FTB), which is mandated to serve as the Fund custodian.

3.7 More details on the audit objectives, criteria, scope and approach we used in completing our audit can be found in Appendix I and Appendix II.

Streambank stabilization using natural vegetation and planted by hand



Source: DELG, reproduced by AGNB with permission

Conclusions

3.8 Based on our audit findings, we concluded, overall, the Department is not effectively overseeing the Environmental Trust Fund to ensure it is being used to deliver on its mandate. Specifically:

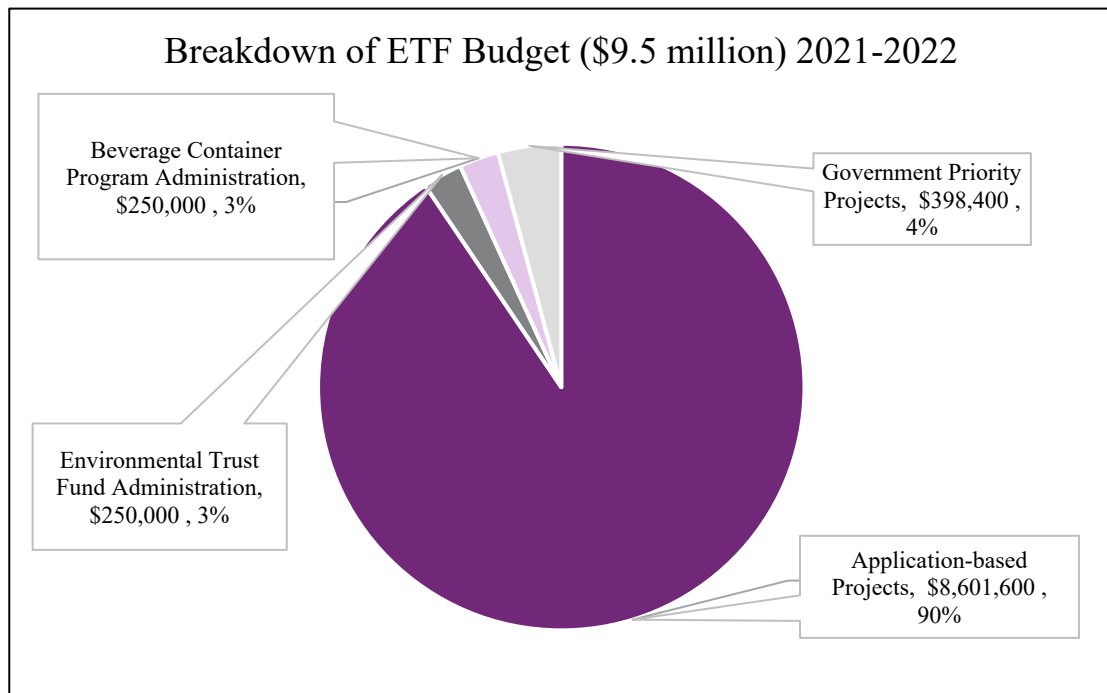
- No single role is specifically tasked with the responsibility and authority to ensure that plans are prepared and executed, objectives and performance measures are established, and reported, in accordance with the legislation and government's direction.
- The *Accountability and Continuous Improvement Act* requires annual mandate letters that include strategic and operational direction, the first mandate letter since the Act came into effect in 2013 was issued to the Chairperson of the Advisory Board in 2021;
- The roles and responsibilities of the Advisory Board are not clearly defined or documented;
- The Department has not developed strategic or annual plans for the Fund;
- The project and funding evaluation criteria are not clearly defined, explained and disclosed;
- The current approach to evaluating project selection and funding lacks a clearly defined method to support evidence-based decision making and the achievement of measurable results; and
- Departmental reports do not explain what was achieved with the funding; only selected results are reported. The Department has never reported on how 30 years of past project results have contributed to the achievement of the Fund mandate.

Background Information

3.9 The Environmental Trust Fund (ETF) is one of the largest of the Province's approximately 30 trust funds, which together had accumulated surpluses of about \$170 million by 2022. The ETF, at almost \$41 million, represented almost 25% of the total accumulated surplus in 2022.

3.10 The Fund, established in 1990, is governed by the *Environmental Trust Fund Act*. The annual expenditure is used mainly to provide single year grants for small projects focused on the environment and natural resources. Grants are provided for example to community groups, municipalities, First Nations, and non-profit organizations. The rest is spent on program administration and selected internal projects, known as government priority projects, within DELG. For illustration, a breakdown of budgeted Fund expenditures (\$9.5 million) in 2021-2022 is shown in Exhibit 3.1.

Exhibit 3.1: Breakdown of ETF Budget 2021-2022



Note: Information on the Beverage Container Program is presented in Paragraph 3.18 and Exhibit 3.4

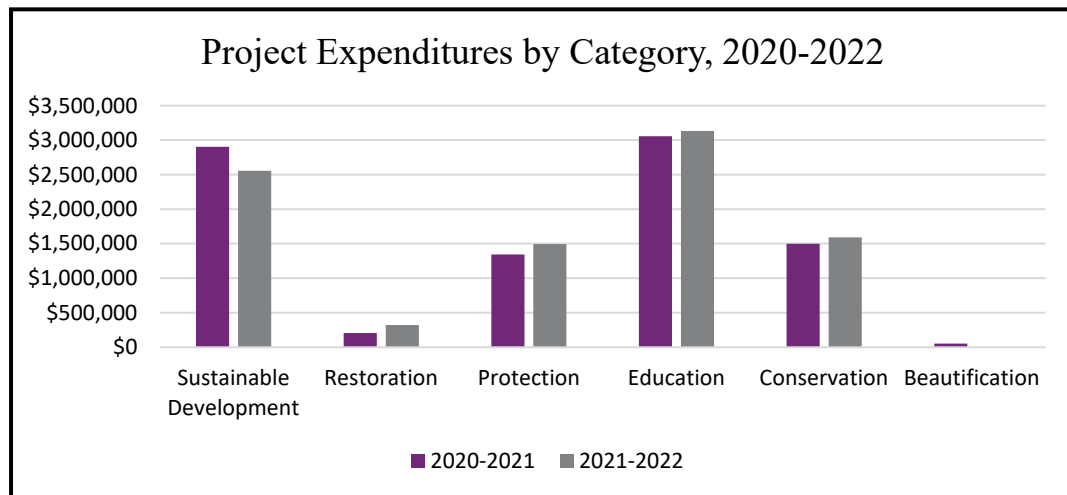
Source: Prepared by AGNB with information from DELG (unaudited)

3.11 DELG is mandated to administer the ETF program by using Fund assets for expenditures under six categories, as noted below:

- Sustainable Development: promote sustainable development of natural resources;
- Restoration: provide environmental restoration;
- Protection: provide environmental protection;
- Education: educate regarding environmental issues and sustainable development of natural resources;
- Conservation: conserve natural resources within the province; and
- Beautification: maintain and enhance the visual environment.

Information on Fund expenditures from 2020 through 2022 is presented in Exhibit 3.2 for each of the six categories.

Exhibit 3.2: Project Expenditures by ETF category, 2020 - 2022



Source: Created by AGNB with information from DELG (unaudited)

3.12 Examples of projects accepted during 2021-2022 for each of the six categories are shown in Exhibit 3.3 for illustrative purposes.

Exhibit 3.3: Examples of projects accepted during 2021-2022 for each category

Category	Project Title	Recipient	Funding Requested	Funding Awarded
Sustainable Development	Public Transit and Fleet Low Carbon Migration Strategy	City of Saint John	\$174,923	\$90,000
	Market Gardeners	Atelier R.A.D.O.	\$46,500	\$5,000
Restoration	Eel River Atlantic Salmon Habitat Recovery Project	Eel River Bar First Nation Band	\$65,500	\$60,000
	Control of Invasive Plants on the Banks of the Madawaska River	La Société du Jardin Botanique du Nouveau-Brunswick	\$18,460	\$3,500
Protection	Water management in the Shediac Bay watershed	Association du bassin versant de la baie de Shediac	\$67,180	\$67,100
	Sustainable Agricultural Management for the Conservation of Atlantic Salmon, American Eel on the Restigouche River	Conseil de Gestion du Bassin Versant de la Rivière Restigouche	\$6,000	\$6,000
Education	DUC's NB Wetland Education Program	Ducks Unlimited Canada	\$130,000	\$100,000
	The Nature of Gardening	Réseau d'inclusion communautaire de Kent	\$16,650	\$5,000
Conservation	Non-Deposit Glass Containers	Eastern Recyclers Association	\$250,000	\$181,000
	Putting Bank Swallows on the Map in Southeastern New Brunswick	Birds Studies Canada	\$8,733	\$8,700
Beautification	Under this category, in 2021-2022, four applications were received; none were approved.			

Source: Prepared by AGNB with data from DELG (unaudited)

3.13 In addition to complying with the *Environmental Trust Fund Act*, DELG must also comply with the *Accountability and Continuous Improvement Act*.

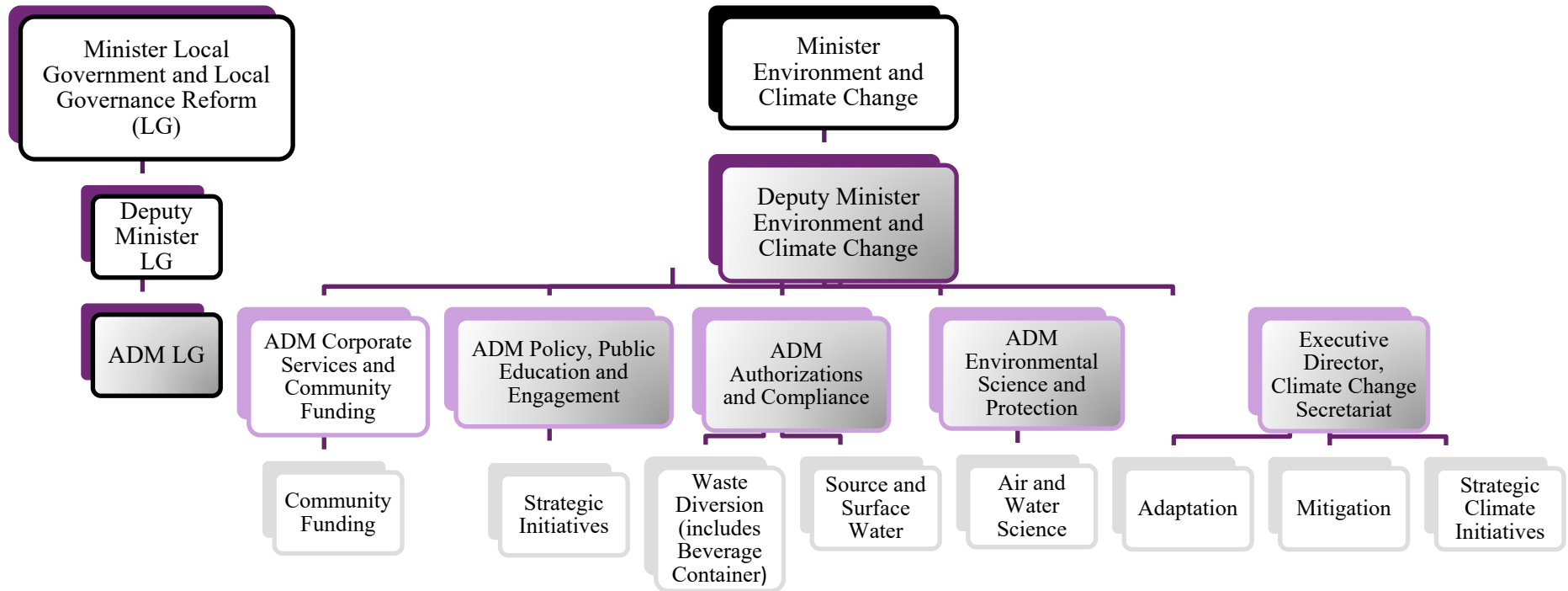
3.14 The *Accountability and Continuous Improvement Act* (2013) identifies the Environmental Trust Fund as a Crown body and defines the administrative requirements for Crown bodies. The Act requires:

- the Minister responsible for the Crown body, the ETF, to prepare annually a mandate letter that includes strategic and operational direction and performance expectations;
- the Crown body, the ETF, to prepare an annual plan to set out the goals and objectives to be met during the period, taking into account the financial resources of the Fund, and to identify objective performance measures, specific to the goals and objectives set out in the plan. This plan is to be made public within three months of the beginning of the fiscal year of the period covered by the plan; and
- the Crown body, the ETF, to produce an annual report which includes the financial results, a comparison of actual to projected results set out in the plan, and an explanation for any variance between the actual and projected results. This annual report is to be made public.

3.15 The *Environmental Trust Fund Act* states that the Minister is to appoint an Advisory Board, consisting of a chair and not less than four members, to provide advice on Fund expenditures. The Act does not stipulate any requirements for board membership. The mandate letter issued under the *Accountability and Continuous Improvement Act*, was directed to the Chairperson of the ETF Advisory Board.

3.16 The current six-member ETF Advisory Board is chaired by the Deputy Minister of Environment and Climate Change. The other five members are four of the Department's Assistant Deputy Ministers and the Executive Director of Climate Change, as shown in Exhibit 3.4.

Exhibit 3.4: Selected Divisions and Branches of the Department, with members of the Advisory Board shaded in gray.



Source: Prepared by AGNB using information from DELG [Organization Chart \(gncb.ca\)](http://gncb.ca)

3.17 Certain aspects of the program are managed by the Community Funding branch, within the Corporate Services and Community Funding Division of DELG, such as:

- maintain the information management system;
- receive, screen, and distribute the projects for evaluation;
- collect and compile project evaluation and Funding recommendations for the board;
- collect and compile government priority project proposals for board review;
- receive, evaluate, track and pay project expense claims;
- receive final reports and distribute them for evaluation; and
- perform selected site visits.

3.18 Revenue for the Fund, since 2001, has come from the proceeds of environmental fees from the beverage container program, managed by the Waste Diversion branch of the Department, which provides revenue projections for the annual budget. According to the *Beverage Containers Act*, when a deposit is paid by a consumer in New Brunswick on an eligible beverage container, a certain amount goes to the Environmental Trust Fund. Prior to 2001, Fund revenue came from proceeds of Provincial video lottery terminal revenue.

3.19 The Department of Finance and Treasury Board (FTB) is mandated to act as the Fund custodian. FTB handles Fund investments which generate interest revenue and ensures there is sufficient cash available to cover DELG's forecasted needs each year.

3.20 Each year, the public call for applications results in approximately 350-400 project requests, totalling approximately \$18 million, received during a 30-day window. This project intake undergoes technical review by internal subject matter experts, located throughout the Department, who make project selection and Funding recommendations to the Advisory Board. The Advisory Board further reduces the project and Funding recommendation to fit that year's budget, which over the last 10 years has averaged \$7.9 million. The Minister reviews the recommendation, which usually includes 250-300 projects, grants approval, and the project awards are publicly released. All projects recommended by the Advisory Board were approved by the Minister during the period we examined. The average application-based project award in 2021-2022 was about \$32,000, while the largest was just over \$180,000. The typical annual program flow is illustrated below in Exhibit 3.5.

Exhibit 3.5: Typical Annual Program Flow (2022)



Priorities set at Advisory Board meeting in October 2021



Call for applications online November 1-30, 2021



Information collected and summaries prepared for Advisory Board



Technical Reviews completed by Feb 11, 2022



Recommendations to Advisory Board Feb 21, 2022



Recommendations to Minister 1st week March, 2022



Awards announced in April, 2022

Source: Created by AGNB with information from DELG

3.21 Not all project applications are approved, and approved projects typically receive lower amounts of Funding than requested. In these cases, the project work might be reduced, or the project might receive funding from other sources, such as the New Brunswick Wildlife Trust Fund². For 2021-2022, numbers of applications received, approved and amounts of Funding requested and approved are shown in Exhibit 3.6, by category.

Exhibit 3.6: Applications and Funding Awarded in 2021-2022 by Category

Category	Applications Received	Applications Approved (#)	Applications Approved (%)	Funding Requested (\$)	Funding Approved (\$)	Funding Approved (%)
Beautification	4	0	0%	0	0	0%
Conservation	68	49	72%	2,459,308	1,590,900	65%
Education	102	87	85%	4,835,525	3,131,500	65%
Protection	72	53	74%	2,309,051	1,493,750	65%
Restoration	24	11	46%	433,190	320,700	74%
Sustainable Development	94	83	88%	4,135,549	2,554,690	62%
Total	364	283		14,172,623	9,091,540	
Average			78%			64%

Funding requested and funding approved relates to the approved applications only

Source: Prepared by AGNB with information from DELG (unaudited)

² [NB Wildlife Trust Fund - Fonds de Fiducie de la Faune du Nouveau-Brunswick - Home \(nbwtf.ca\)](https://www.nbwtf.ca)

3.22 Project expenses are incurred by the applicant and reimbursed by the Department upon submission of a supported claim. The final claim is subject to a 10% holdback until the final report has been received and approved.

3.23 For the 10 years between 2013 and 2022, an average of \$7.7 million was spent from the ETF annually, for a total of \$77 million over that ten-year period, as shown in Exhibit 3.7 below.

Exhibit 3.7: Budget versus Actual and Variance for ETF from 2013 through 2022

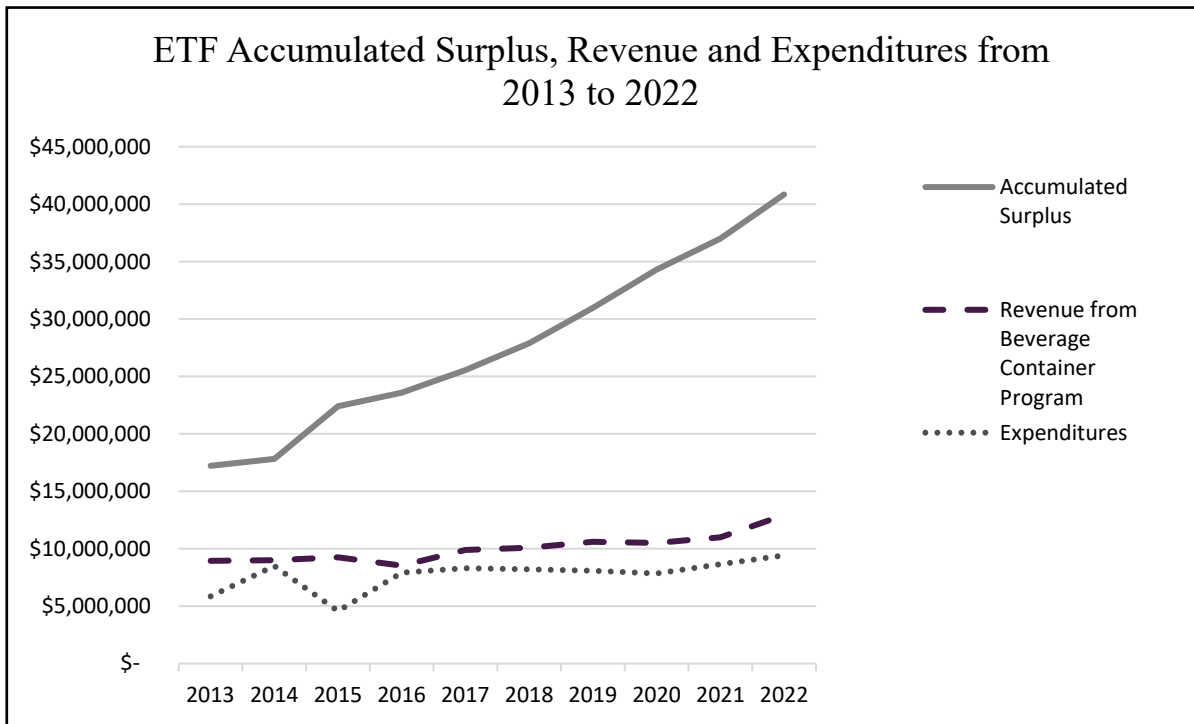
Fiscal Year	Budget	Actual	Variance
2013	\$4,500,000	\$5,847,300	-\$1,347,300
2014	\$8,500,000	\$8,493,000	\$7,000
2015	\$4,500,000	\$4,578,200	-\$78,200
2016	\$8,500,000	\$7,910,905	\$589,095
2017	\$8,500,000	\$8,297,632	\$202,368
2018	\$8,371,000	\$8,196,558	\$174,442
2019	\$8,430,000	\$8,080,398	\$349,602
2020	\$8,430,000	\$7,847,946	\$582,054
2021	\$9,500,000	\$8,652,617	\$847,383
2022	\$9,500,000	\$9,416,750	\$83,250
Total	\$78,731,000	\$77,321,306	\$1,409,694
Average	\$7,873,100	\$7,732,131	\$140,969

Source: Prepared by AGNB with data from Public Accounts, Main Estimates and DELG Annual Reports (unaudited)

3.24 In 2021-2022, the budget for the ETF was \$9.5 million, which was equivalent to 59% of the Department's regular overall environmental budget of just over \$16 million (excluding local government).

3.25 The accumulated surplus increased by more than \$20 million between 2012-2013 and 2021-2022, as revenue outpaced expenditures year after year, as shown in Exhibit 3.8. The Fund had an accumulated surplus as of March 31, 2022, of almost \$41 million. The amount available for spending each year includes the accumulated surplus and the Fund revenue.

Exhibit 3.8: ETF Accumulated Surplus, Revenue and Expenditures from 2013 to 2022



Source: Prepared by AGNB using information from DELG Annual Reports (unaudited)

Roles and Responsibilities Not Clear

Mandate letters have not been provided regularly

3.26 The *Accountability and Continuous Improvement Act*, enacted in 2013, defines the Environmental Trust Fund as a Crown body and requires the Minister to provide a mandate letter annually to the Chair of the Crown body.

3.27 At the time of this work, however, only one mandate letter, dated 2021-2022, had been provided and it was addressed to the Chair of the Advisory Board. No mandate letters were provided to the Board for preceding years since the *Accountability and Continuous Improvement Act* came into effect in 2013. A mandate letter provides government direction and expectations, normally to a governing body, and without this letter, the Department had to make decisions for years without this information.

3.28 We found that the Advisory Board is providing advice to the Minister on Fund expenditures, in keeping with the *Environmental Trust Fund Act*, but we could not find evidence to support that the responsibility for oversight has been clearly documented or assigned to the Advisory Board.

No single role is specifically tasked to oversee the administration of the Fund

3.29 There is no single role that is specifically tasked with the responsibility and authority to ensure that plans are prepared and executed, objectives and performance measures are established, and results are reported, in accordance with the legislation and government direction.

3.30 While most of the administration is handled by the Community Funding Branch, it has not been tasked with planning, performance measurement and reporting responsibilities.

3.31 The Department could not provide evidence to demonstrate key responsibilities are fulfilled. The Department has not developed strategic or annual plans with appropriate performance measures linked to objectives. We also found that there is a lack of performance reporting, with explanations for results that differ from objectives. The Department provided no explanation for this lack of planning and reporting.

There are no formal documents that define the purpose, expectations, roles or responsibilities of the Advisory Board

3.32 The Advisory Board's role is currently limited to the annual review of funding recommendations made by the project reviewers and submitting a final list of the projects to the Minister for approval. While this process is necessary to ensure funding meets eligibility criteria in the short term, it does not contribute to the oversight required to ensure the long-term achievement of the fund mandate.

3.33 There are no terms of reference or defining documents for the ETF Advisory Board. Terms of reference provide standards and definitions for the purpose, principles, requirements or expectations of trust Fund Advisory Boards. We noted that terms of reference were established for committees and boards of other trust funds, such as the NB Wildlife Trust Fund, the NB Trail Management Fund and the NB Proceeds of Crime Trust Fund.

3.34 Clearly defined roles and responsibilities support sound governance, which is highlighted as an expectation in the mandate letter, addressed to the Chair of the Advisory Board. Without a clear explanation and documentation of roles and responsibilities of the Advisory Board, expectations of the Advisory Board may not be clearly established and understood.

Recommendation

3.35 We recommend the Department:

- **identify a single authority with the responsibility for overseeing the administration of the Environmental Trust Fund (ETF); and**
- **develop a Terms of Reference document to define the roles, responsibilities and expectations of the Advisory Board.**

Lack of Planning

The Department has no documented strategic or annual plans for the Environmental Trust Fund (ETF), despite legislated obligations

3.36 We found the Department has never established strategic or annual plans for the Environmental Trust Fund to deliver on the Fund’s mandate. The mandate letter includes the expectation that the Advisory Board will apply sound governance principles guided by effective strategy to deliver on the Fund’s mandate. The letter also expected the Board to deliver upon specific priority areas for the year 2021-2022 and prepare an annual plan for 2022-2023. Neither a strategy nor an annual plan have been developed. There was no explanation provided by the Department for why they have not developed these plans.

The budget is not based on using Fund assets to achieve any specific plans or objectives for achieving the mandate

3.37 We also found the annual budget is not based on any specific plans or a strategy for achieving the mandate. It is developed primarily based on the projected Fund revenue and does not include any targets. The budget for 2022-2023 was set for \$9 million. The use of the Fund assets, including the revenue and the surplus, are not linked to any plans or objectives. This is the way DELG has set the budget since the Fund was started. Without the context provided by plans, it cannot be determined if the current level of project funding is sufficient to achieve the mandate or to achieve good value for the funds spent.

3.38 In 2009, we recommended “the Department establish clearer objectives for the Environmental Trust Fund”. This has not been done as of the date of this report.

3.39 Without plans that link priorities with objectives aimed at achieving the mandate, the Department will not be able to effectively measure the Fund’s results in relation to its mandate. In our view, properly documented strategic and annual plans with defined objectives and performance targets are essential for effective oversight of the Fund. We expected the Department to have a formal planning process to ensure this money is spent in a manner that would achieve the Fund’s mandate.

Recommendation**3.40 We recommend the Department:**

- **develop a strategy and annual plans for the ETF, with clearly defined objectives, performance measures and targets; and**
- **link the annual budget to program objectives as part of ongoing annual planning.**

The Advisory Board was directed to focus on current government priorities

3.41 The mandate letter directed the Advisory Board to focus on current government priorities and certain expectations such as:

- Including government's environmental priorities;
- Addressing climate change as a specific priority area of the ETF;
- Priority areas are reviewed and updated annually, and the Board is to submit a recommended project list to the Minister for approval; and
- An annual report, including an update on the status of recommendations from the reports of the Auditor General is to be developed according to legislative requirements and submitted to the Minister for approval.

3.42 The Department engaged stakeholders for feedback and input into program reporting in 2019. Five priority areas were established for the Fund, implemented in 2020 and reported in the first Impact Report in 2021. Appendix III provides a more detailed description of each of the priority areas and results for 2021-2022.

The priorities set by DELG for the Fund do not clearly align with the ETF categories or government priorities

3.43 The Department is tasked with achieving the mandate of the Fund and supporting the priorities set by government, yet the priorities it established do not clearly align with the uses of the Fund assets established in the *Environmental Trust Fund Act* and the government priorities set out in the mandate letter, as shown in Exhibit 3.9.

Exhibit 3.9: The priorities established by DELG do not align clearly with Fund categories and government priorities

Fund Categories	Government Priorities	DELG Priorities
<ul style="list-style-type: none"> • Sustainable Development; • Restoration; • Protection; • Education; • Conservation; and • Beautification. 	<ul style="list-style-type: none"> • Energizing the private sector; • Vibrant and sustainable communities; • Dependable public health care; • World-class education; • Affordable, responsive and high-performing government; and • Environment. 	<ul style="list-style-type: none"> • Protecting our Environment; • Increasing Environmental Awareness; • Managing our Waste; • Addressing Climate Change; and • Building Sustainable Communities.

Source: Prepared by AGNB with Information from DELG

3.44 The 2019 stakeholder consultation helped to inform DELG’s priorities, but the exercise stopped short of linking Departmental priorities clearly with objectives that will demonstrate the achievement of the Fund mandate and support for government priorities.

Recommendation

3.45 We recommend DELG map the priority areas to the uses of the fund established in the *Environmental Trust Fund Act* to ensure project and funding decisions contribute directly to achieving the ETF mandate.

The Fund’s accumulated surplus grew to almost \$41 million by 2022, without a plan to use it

3.46 By March 31, 2022, the Fund’s accumulated surplus had grown to almost \$41 million, with no documented plans for how this money should be spent. The Department did not provide any documented justification for allowing the surplus to accumulate. We noted in our 2009 audit of the Fund that expenditures from the Fund are considered to be statutory and do not require a vote by the Legislature, yet the Department did not use the accumulated surplus.

3.47 While the money in the accumulated surplus remains unused, each year, projects and funding recommended by technical reviewers are reduced and rejected by the Advisory Board because of budget constraints. For 2021-2022, 258 out of 283 (91%) of the approved projects were only partially funded compared to the requested amount. Some applications, 81 out of 364 (22%), were not selected for funding at all.

3.48 We noted the budget for the Fund for 2022-2023 was set at \$9 million, based on \$7 million in projected revenue from the beverage container program, \$0.4 million in projected Fund interest revenue and a \$1.6 million drawdown of the surplus to make up the balance. Without a transparent and well-planned approach to using the Fund's surplus, the money may remain idle and not contribute to the achievement of the Fund's mandate.

Recommendation

3.49 We recommend the Department develop a plan outlining how and under what circumstances the Department will use the accumulated surplus of the ETF.

Culvert assessment to determine its capacity to provide fish passage



Source: DELG, reproduced with permission by AGNB

Evaluation and Decision-making Not Evidence Based

No standardized, defined method for evaluating projects

3.50 We found no standardized, defined method for project evaluation to support evidence-based decision making that would achieve specific objectives for the Fund. Technical reviewers noted that they are challenged by lack of more objective methods to use for evaluating funding applications. Advisory Board members noted the difficulty in comparing and deciding between projects in different priority areas without a defined basis for comparison.

3.51 Project applications are evaluated by technical reviewers based on the eligibility criteria in the technical evaluation form (Appendix IV). Certain types of projects and funding requests, according to information on the website, are considered eligible, while others are ineligible (e.g., septic upgrades, park / trail maintenance, infrastructure, capital assets, land acquisition).

Eligibility criteria lack definition

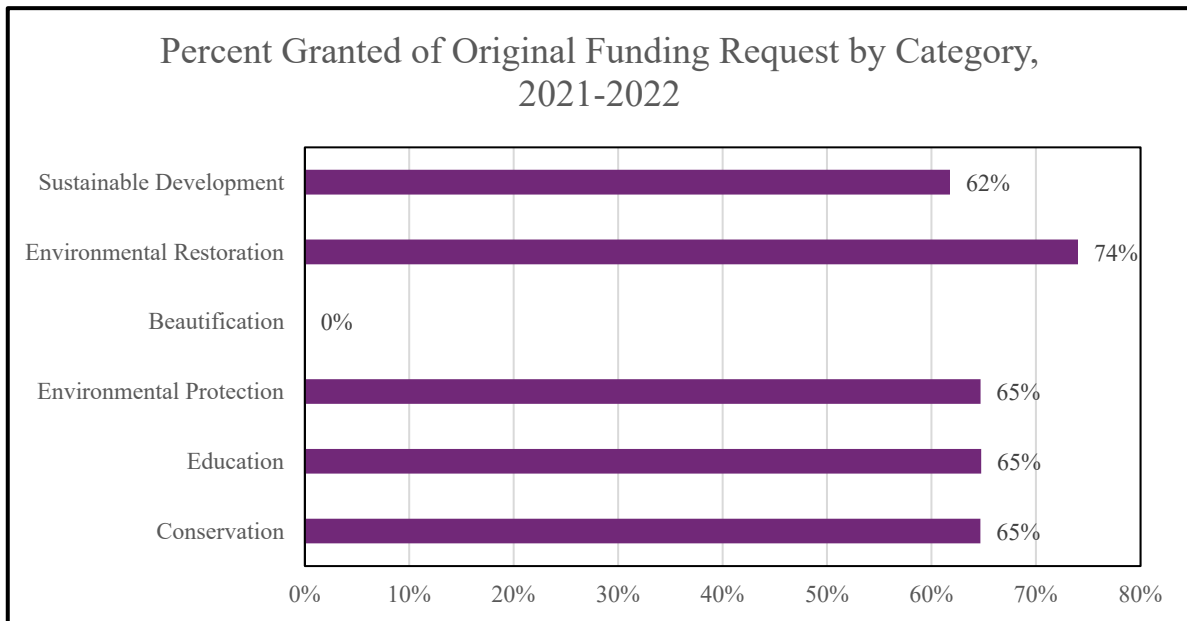
3.52 Some of the eligibility criteria in the technical review form (Appendix IV) and in the application (Appendix V) lack definition, which makes evaluation more subjective and less consistent. For example:

- ‘innovative approach’ is not defined and there is no explanation of how it will be evaluated;
- ‘relevance’ of environmental outcomes is not explained or defined;
- ‘instances where the recipient would gain an advantage over entrepreneurs in the same sector or a related sector of the economy’ is not explained and ‘sectors’ are not defined; and
- activities where more appropriate funding source can be used. It is not clear how this is evaluated.

3.53 In 2009, we recommended the program eligibility and assessment criteria should indicate how other sources of funding are to be assessed. The application asks if the organization has received previous funding from the ETF, and if so, for the applicant to please specify. (Refer also to Appendix V). It is not clear how the presence or absence of previous funding might impact an applicant.

3.54 We noted that certain funding requests were refused due to ineligibility. Funding cuts were also made for other reasons, for example when certain work could be undertaken by fewer or lower paid workers, such as a student instead of a professor, or the scope of the work could be reduced. We noted for 2021-2022, the approved projects received an average of 64% of the amount originally requested, as shown in Exhibit 3.10.

Exhibit 3.10: Percent Granted of Original Funding Request by ETF Category in 2021-2022



Source: Prepared by AGNB using information from DELG (unaudited)

3.55 Once the technical reviewers identify ineligible funding requests and complete their evaluations, they submit their project and funding recommendations to the Community Funding branch where they are compiled and then provided to the Advisory Board.

The ETF Advisory Board has no defined basis for evaluating funding recommendations

3.56 The Advisory Board then uses members’ own opinions as well as the advice of the technical reviewers, e.g., whether a particular project can still proceed with partial funding, and makes rounds of cuts to projects and funding to bring the total project and funding recommendation within budget. There is no process to associate the projects and funding with any specific objectives. In some cases, a percentage may be cut from projects, or cuts may reflect prior year spending, or may reflect the advice of technical reviewers.

3.57 In addition to the application-based projects, the Department also manages government priority projects. These are projects originating from within DELG. Examples of past government priority project funding include work on a database for environmentally sensitive areas, updated flood frequency analysis, and stakeholder engagement for a waste diversion strategic action plan.

There is no defined evaluation method for government priority projects

3.58 Each division in the Department submits potential government priority project ideas in response to gaps they perceive based on the work the division is trying to accomplish that year. These projects are recommended by the Advisory Board to the Minister, based on work they consider necessary for the Department. Government priority projects are required to align with at least one of the five Priority Areas established by DELG. There is no defined, standard method for evaluating government priority projects or funding.

No weight or relative importance is assigned to evaluation criteria

3.59 There is no relative importance or weight assigned to each evaluation item to objectively guide project approval or funding decisions. Projects can be more consistently evaluated and ranked if weights and scores are assigned to evaluation criteria. Also, using weighted scores would improve the objectivity of project evaluations and contribute to evidence-based funding decisions.

3.60 Without a defined, standard method for evaluation, funding decisions may not be evidence-based or supported by objective data, resulting in project and funding decisions being subjective and inconsistent. Projects may be approved that do not align with the Fund's objectives, and the Department will not be able to demonstrate how they have delivered on the mandate.

3.61 The criteria used for project and funding evaluation should be clearly defined and explained to support program objectives. Otherwise, some applicants may not apply, or might be rejected or have their funding reduced. Clearly defined evaluation criteria, used consistently in a standard evaluation method, which is linked to program objectives, will support achievement of the mandate.

Recommendation**3.62 We recommend the Department develop:**

- **an evidence-based, standard evaluation method for all project and funding decisions;**
- **detailed definitions for eligibility criteria, linked to program objectives; and**
- **guidance for how the criteria should be interpreted and evaluated.**

Application does not identify information to be assessed for eligibility

3.63 We found the ETF application³ does not provide a detailed explanation for which items are evaluated and which are not. We have reproduced a portion of the application for illustrative purposes in Appendix V. The ETF application is not visible in totality; successive sections become visible as the applicant proceeds through the pages. The ETF application would be more transparent if the form could be viewed all at once and items that will be evaluated are clearly distinguished from information collected only for reporting purposes. We noted The Nova Scotia Forestry Innovation Transition Trust presents its application⁴ in full, so that the applicant can review the entire form without having to tab through it.

Recommendation**3.64 We recommend the Department:**

- **provide sufficient guidance to applicants to complete the online funding application; and**
- **identify information that will be assessed to determine eligibility.**

³ ETF application [Application and Claim Process Overview - Environmental Trust Fund Application and Claim Forms \(gnb.ca\)](#)

⁴ Nova Scotia Forestry Innovation Transition Trust application for individuals [Forestry-Innovation-Transition-Trust-application-form-Individual.pdf \(novascotia.ca\)](#)

Inadequate Performance Evaluation and Reporting

The Department has not evaluated the Fund performance since it was established in 1990

3.65 We found the Department has not evaluated the Fund performance since it was established in 1990. We previously raised this finding in our past audits of the Fund in 1994 and 2009. The Department does not provide reporting to explain how spending within the six categories defined in the *Environmental Trust Fund Act* has contributed value or made progress in any of those areas. There is no information on historical performance of the Fund in any context, financial or environmental, despite its existence for over 30 years. When we asked, the Department did not provide any explanation for why this has not been done.

Past project data has not been analysed or reported

3.66 Data is stored electronically within the program data management system going back in some cases to 2012-2013, yet no analysis of past project results has been done using this data. Because the past project data has not been analysed or consolidated in any way, it is not available to inform planning, project evaluations or decision making. When we asked, the Department did not provide any explanation for why it has never analysed or reported on past project results.

Environmental results achieved through the projects funded are not reported in a common location

3.67 Environmental results reported for ETF funded projects are not consolidated or made available in a common location. There is information contained in several reports as follows:

- DELG 2020-2021 Annual Report⁵ - shows number of and amount spent on application-based projects and total spent on government priority projects. It also presents a financial statement which includes total revenue and expenditure for the year and accumulated surplus balance; and
- Impact Report 2021⁶ - presents results only for selected projects and does not report on government priority projects.

⁵ DELG 2020-2021 Annual Report [annual-report-2020-2021.pdf \(gnb.ca\)](#)

⁶ Impact Report 2021 [impact-report-2020-2021.pdf \(gnb.ca\)](#)

Departmental reporting contains no information on expected results for the ETF

3.68 Departmental reporting contains no information with respect to expected results for the ETF. The Impact Report provides results in terms of counts, e.g. tonnes of waste diverted, but without any comparisons with expected results or prior year actuals and without information on costs of these results. This does not provide adequate information to determine if this is an effective use of the ETF. Objectives and targets are necessary to put results in perspective, evaluate ETF performance, and determine if this use of funds contributes to achieving the ETF mandate.

There is no information provided on variances between budget and actual expenditures

3.69 The *Accountability and Continuous Improvement Act* requires annual reporting that compares actual to projected results and explains any variance if the actual results differ from the plan. The 2020-2021 DELG Annual Report does not present the budgeted expenditure but reports the actual expenditure as \$8.65 million. Main Estimates information for 2020-2021 reports the ETF budget at \$9.5 million. Using the figures from these two sources, we calculated the 2021 actual spending is about 91% of the budget. DELG provides no explanation for the variance between budgeted and actual expenses. (For more information on budgets and expenses, refer to Exhibit 3.7).

No prior year comparison is provided for context

3.70 The Impact Report (2020-2021) presents project results without any prior year comparisons. The Department stated the Priority Areas it established had only been implemented for one year at the time of the report, so there was no prior year comparison for them. The Department did not provide an explanation for why the project results from the past thirty years were not analysed to report progress towards achieving the Fund's mandate.

Environmental results achieved through annual project funding are not summarized

3.71 We also noted the Impact Report provides no consolidated summary of project results for the year. Achievements related to the Priority Areas are presented throughout the report, which makes the information difficult to evaluate from an overall perspective. There is no financial information reported other than the total amount awarded. We manually consolidated the reported results in Appendix III.

3.72 A sample of the information that is reported in the Impact Report for the Department's Priority Area "Protecting our Environment" is summarized in Exhibit 3.11 below.

Exhibit 3.11: Summarized Information Reported for DELG Priority Area “Protecting Our Environment”

Purpose	The purpose of this measure is to protect, improve, or restore the air, water, or land environments.
Intended Result	Actions that lead to the protection, improvement, or restoration of the quality of water, air or land and the generation of data to inform decisions
Results Achieved	<ul style="list-style-type: none"> • 52 water quality improvement management actions were completed • 57,270 square metres of riparian zone restoration activities were completed • 947 communications and awareness events / initiatives were completed with a total reach of 810,149 people • 17 ETF-Funded research studies were completed that focused on protecting our environment

Source: Prepared by AGNB using DELG Impact Report

3.73 Without clearly defined language, historical information for comparison, or targets based on current objectives, it is difficult to interpret the reported results of ETF spending.

Recommendation

3.74 We recommend the Department review and evaluate what has been achieved with the ETF and make this information available to the public such that:

- **environmental results of past projects are summarized and reported;**
- **comparative information and explanations for variances are presented; and**
- **ETF reporting provided by the Department is consolidated in a central, easy to access location.**

Not all project outcomes were reported

3.75 The Impact Report only includes highlights of selected application-based projects. We also found the Department does not report on the outcomes of government priority projects, which accounted for approximately 4% of expenditures in 2021-2022 (refer to Exhibit 3.1). Because the Department does not report all the project results, it cannot demonstrate if or how all the projects funded are contributing to the achievement of the ETF mandate.

Recommendation

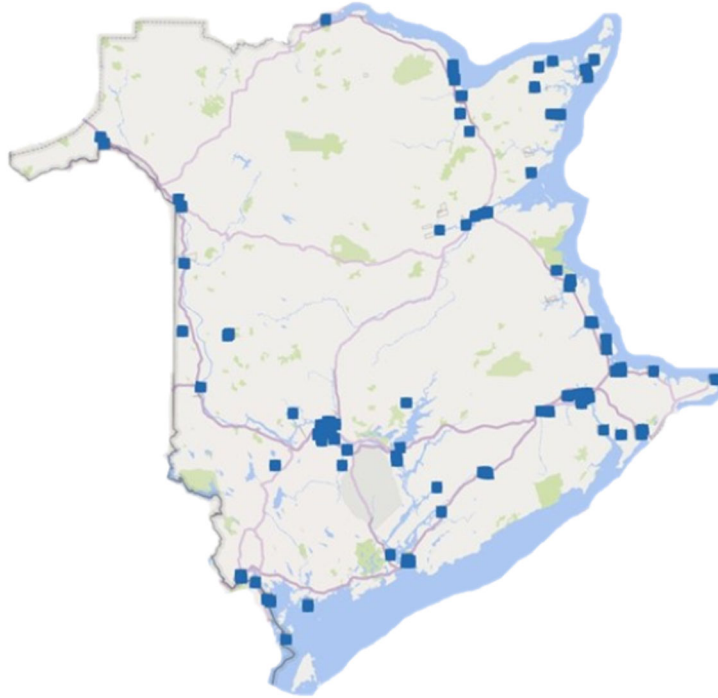
3.76 We recommend the Department measure and report the expected and actual results for all projects funded by the ETF.

There is no way to tell which geographic locations have benefited from the ETF

3.77 The Department collects but does not report any information on results based on geographic areas. There is no way to tell where projects have taken place or which areas of the environment in New Brunswick have benefited from projects supported by the ETF.

3.78 We used data from our work to generate a map of awards to NB applicants in 2021-2022 (Exhibit 3.12), as an example of how location information can be analyzed and made available to applicants and other stakeholders. We believe it is reasonable that the Department should include geographic locations when reporting project and funding results.

Exhibit 3.12: Distribution of Awards to NB Applicants 2021-2022



Source: Prepared by AGNB using information from DELG (unaudited)

3.79 Other grant-based programs make a variety of information publicly available:

- the federal Environmental Damages Fund⁷ provides an interactive map showing project descriptions and locations for current and completed projects funded by the program; and
- Nature Trust British Columbia presents details of its priority projects⁸ and uses an interactive map⁹ to present project information by location.

⁷ [Environmental Damages Fund: project map - Canada.ca](#)

⁸ Nature Trust British Columbia priority projects [Priority Projects - The Nature Trust of British Columbia](#)

⁹ Nature Trust British Columbia Conservation Properties Map
<https://tntbc.maps.arcgis.com/apps/webappviewer/index.html?id=2d0f0c100a0147c49872e2b0bdfe5c50>

Recommendation 3.80 We recommend the Department expand ETF reporting and include geographic information in order to increase transparency.

Estuary sampling method as part of the Community Aquatic Monitoring Program (CAMP) to help determine the health of a watershed



Source: DELG, reproduced by AGNB with Permission, 2022

Appendix I – Audit Objectives and Criteria

The objective and criteria for our audit of the Department of Environment and Local Government’s oversight of the Environmental Trust Fund are presented below. The Department of Environment and Local Government senior management reviewed and agreed with the objective and associated criteria.

Objective 1	To determine whether the Department is effectively overseeing the Environmental Trust Fund
Criterion 1	The Department should be using a strategic (overall) plan for the ETF that identifies the strategic direction and priorities for the Fund, establishes its planned outcomes, and explains the strategies that will be used to try to achieve those results.
Criterion 2	The Department should be using an annual (specific) plan for the ETF that sets out the objectives to be met during the period and specific plans for accomplishing the objectives, including clear outcomes.
Criterion 3	The Department should be monitoring, measuring and evaluating project selection and funding decisions to ensure they are evidence-based, consistent with objectives and progress on plan is clear.
Criterion 4	The Department should be evaluating and publicly reporting on the Fund’s performance.

Source of Criteria: Developed by AGNB based on review of legislation, best practices, reports by other jurisdictions’ Auditors General and relevant works published by the Canadian Audit and Accountability Foundation.

Appendix II – About the Audit

This independent assurance report was prepared by the Office of the Auditor General of New Brunswick on the Department of Environment and Local Government on the Environmental Trust Fund. Our responsibility was to provide objective information, advice, and assurance to assist the Legislative Assembly in its scrutiny of the Department of Environment and Local Government on Environmental Trust Fund practices.

All work in this audit was performed to a reasonable level of assurance in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001 – Direct Engagements set out by the Chartered Professional Accountants of Canada (CPA Canada) in the CPA Canada Handbook – Assurance.

AGNB applies Canadian Standard on Quality Control 1 and, accordingly, maintains a comprehensive system of quality control, including documented 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 Chartered Professional Accountants of New Brunswick and the Code of Professional Conduct of the Office of the Auditor General of New Brunswick. Both the Rules of Professional Conduct and the Code are founded on Fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

In accordance with our regular audit process, we obtained the following from management:

- confirmation of management’s responsibility for the subject under audit;
- acknowledgement of the suitability of the criteria used in the audit;
- confirmation that all known information that has been requested, or that could affect the findings or audit conclusion, has been provided; and
- confirmation that the findings in this report are factually based.

Period covered by the audit:

The audit covered the period between April 1, 2020, and March 31, 2022. This is the period to which the audit conclusion applies. However, to gain a more complete understanding of the subject matter of the audit, we also examined certain matters that preceded the starting date of the audit.

Date of the report:

We obtained sufficient and appropriate audit evidence on which to base our conclusion on November 8, 2022, in Fredericton, New Brunswick.

Appendix III – Priority Areas, Measures, Descriptions and Results from the 2021 Impact Report

Priority Areas (5)	Priority Area Descriptions (5)	Priority measure descriptions (6)	Priority measures (9)	2020-2021 results, presented throughout the Impact Report
Protecting our Environment	identifying and conserving and/or improving ecosystem biodiversity	number of environmentally focused management actions	four measures: water quality improvements (#), riparian zone restoration (sq m), communication and awareness (#events, # people), research studies (#)	52 water quality improvement management actions were completed 57,270 square metres of riparian restoration activities were completed 947 communications and awareness events / initiatives were completed with a total reach of 810,149 people 17 ETF Funded research studies were completed that focused on protecting our environment
Increasing Environmental Awareness	partnerships that are provincial in scope or programs that may be applied provincially	number of people participating in environmental education / awareness activities	one measure: communication/awareness activities (# people, type of activity, # hours)	10,396 hours of environmental education and awareness initiatives were completed involving 84,259 participants
Managing Our Waste	innovative waste reduction/management activities that support environmental stewardship, glass and other recycling programs, projects discouraging illegal dumping and community clean-up initiatives	tonnes of solid waste diverted from landfills	one measure: tons of waste diverted	1793 tonnes of waste diverted from landfills as a result of ETF Funded projects
Addressing Climate Change	Assessment and promotion of new technologies or initiatives to reduce greenhouse gas emissions through projects such as community-based transportation, carbon offset opportunities and renewable energy. Initiatives in response to climate change in relation to risks and vulnerabilities, impacts and adaptation, and trends and observations	percentage of communities with a ghg reduction plan	one measure: # communities with a ghg reduction plan / total number communities	6 communities developed a greenhouse gas reduction plan <i>(total number of communities is not provided)</i>
		number of people with increased climate change awareness	one measure: communication/awareness activities (# people, type of activity, # hours)	31,779 people took part in a climate change education / awareness initiative and 2,598 hours of climate change education / awareness initiatives were completed
Building Sustainable Communities	projects and initiatives that support community sustainability by advancing innovative land use approaches and strengthening communities	percentage of communities covered by an adaptation plan	one measure: # communities with an adaptation plan / total # communities	8 communities developed a climate change adaptation plan <i>(total number of communities not provided)</i>

Appendix IV Technical Evaluation – Review Summary

1. Strengths of project:
 - a) Environmental merit:

 - b) Links to Departmental priorities (see page 2):
 2. Weak points:
 3. Project measurements:
 - a) Are the indicators/measures of success clearly and concisely set forth in the proposal?

 - b) Are the environmental outcomes relevant/significant/measurable/tangible?
 4. Is there an innovative component to the project? Does it utilize new ideas, technology, processes? Explain.
 5. Would you recommend this project for consideration/approval? (* see note on next page)

A: B: If A or B, at what amount? \$
C: (\$0 Not recommended for approval)
 6. Are you familiar with the group and/or project history? (strengths? any issues? quality of work/reports? relationship with staff? Fit with departmental mandate?
-

Appendix V: Environmental Trust Fund Application: Project Information, Reproduced by AGNB Using Information from DELG

What ETF priority area(s) will be actioned by your proposed project? Provide a brief explanation. If more than one, please indicate which Priority Area you feel is most relevant to the project. (4000 characters or less)

Project Title:

Executive Summary (2000 characters or less):

What do you want to do? (Provide a brief description of your project in 4000 characters or less.):

Start Date: End Date:

Please describe the project location. (2000 characters or less):

How do you plan to do it? What are the steps and/or activities you will undertake in carrying out your project? In the event that provincial restrictions due to COVID-19 are still in place during your project, please describe how you would alter the delivery of your proposed project. In addition, please indicate if a COVID-19 Operational Plan will be in place for your project. (4000 characters or less):

Why do you want to do it? What environmental issue(s) will your project address? How will the environment of your community or the province benefit? (4000 characters or less):

If applicable, describe how your project or method of carrying out your project demonstrates innovation. Describe what is new or original. How will it utilize new ideas, technology or implement new processes? (1500 characters or less):

If this is a multi-year project, the current application is for year:

Will there be additional requests to the ETF for this project? Number of years? Average amount per year?

Briefly describe your plans for continuation of this project after the period of ETF Funding (in 500 characters or less):

Are there any licenses/permits/approvals required to undertake this project? If so, please complete the following: License Type; Has the license been received? Comments

Has the organization received previous Funding from the ETF? If so, please specify:

Fiscal Year	Project Title	Amount
-------------	---------------	--------

Is your organization applying for or receiving other Funding for this project?

Agency	Amount	Is the Funding "in-kind" support? If so, specify details:
--------	--------	---

ETF Staffing Costs (Do not include in-kind support in any of the following calculations): Job Type, Number of Employees, Work Weeks Per Employee, Hourly Wage Rate, Monthly Salary Rate, Total Requested from ETF, Notes

ETF Operational Costs: Type, Estimated Value, Description

Total Requested from ETF:

Total from Other Sources:

Total Project Cost:

Chapter 4

Follow-up on Recommendations from Prior Years' Performance Audit Chapters

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Follow-up Recommendations from Prior Years' Performance Audit Chapters

Report of the Auditor General – Volume II, Chapter 4 - November 2022

Why Is This Important?

- We audit areas that impact the lives of people in New Brunswick
- We make recommendations to promote accountable and sustainable government
- When recommendations are not implemented, risks remain and may worsen over time
- This chapter is a tool for the Public Accounts Committee and public to hold government departments and Crown agencies accountable

Overall Conclusions

- Overall, government entities have implemented 60% of our recommendations. This includes self-reported results by entities as well as AGNB verified results for select 2016 and 2018 reports
- Entities self-reported they had implemented 76% of our recommendations from the 2016 and 2018 Reports of the Auditor General. Our work found only 70% of these recommendations had actually been implemented

What We Found

2018 Chapters

Addiction and Mental Health Services in Provincial Adult Correctional Facilities

- From this Chapter, 72 % of the recommendations were implemented.
- The transfer of responsibility from Justice and Public Safety to Health has yet to be completed and responsibility for mental health services in correctional facilities remains unclear.

Improving Student Performance: A New Brunswick Challenge

- From this Chapter, 50 % of the recommendations were implemented.
- EECD has yet to stabilize provincial assessment programs to facilitate trend analysis of student performance results.

2018 Chapters - WorkSafeNB

Phase I Governance

- From this Chapter, 80 % of the recommendations were implemented.
- WorkSafeNB and Post-Secondary Education, Training and Labour have yet to implement timely recruitment of board members.

Phase II Management of Injured Workers' Claims

- From this Chapter, 69 % of the recommendations were implemented.
- WorkSafeNB has not enabled adjudicators to directly communicate treatment plans to clients when the claim is accepted.
- WorkSafeNB has yet to use disability duration guidelines for all claim types.

2016 Chapter – Public Trustee Services (New Brunswick Legal Aid Services Commission)

- From this Chapter, 70 % of the recommendations were implemented.
- Public Trustee Services has yet to fully complete its upgrade of the existing case management system.
- Public Trustee Services has not implemented an internal audit function as recommended.

Follow-up on Recommendations from Prior Years' Performance Audit Chapters

Introduction

4.1 This follow-up chapter promotes accountability by providing information for the Legislative Assembly, and the public, about how government has acted on our performance audit recommendations. We think it is important that MLAs and taxpayers have information to assess the progress government is making toward implementing these recommendations.

4.2 One of our strategic goals is that departments, commissions and agencies accept and implement our performance audit recommendations. This chapter reports on updates provided to us by departments, commissions and Crown agencies on the status of performance audit recommendations in 2016 through 2020 reports. We performed verification on select 2016 and all 2018 chapters as part of this follow-up work.

4.3 Since 2020, our normal follow-up process for some departments has been postponed due to the pandemic. Our follow-up for this year did not include Chapter 2 of our 2016 Auditor General Report, Volume II on Meat Safety within the Department of Health.

4.4 In addition, we have chosen not to follow-up on Chapter 2 of our 2015 report in the Department of Health on Infection Prevention and Control in Hospitals. We may undertake review or audit work in this area in the future.

4.5 This year we performed detailed follow-up work on performance audit recommendations from 2016 and 2018 AGNB reports. The chapters include:

- WorkSafeNB – Phase I Governance (2018)
- Departments of Health and Justice and Public Safety – Addiction and Mental Health Services in Provincial Adult Correctional Institutions (2018)
- Department of Education and Early Childhood Development – Improving Student Performance: A New Brunswick Challenge (2018)

- WorkSafeNB – Phase II Management of Injured Workers' Claims (2018)
- Executive Council Office – Follow-Up Recommendations from Prior Years' Performance Audit Chapters (2018)
- Legal Aid Services Commission – Public Trustee Services (2016)

4.6 We expect our 2023 follow-up plan to include the following AGNB Chapters:

- Department of Health – Medicare Cards (2019)
- Department of Transportation and Infrastructure – Outsourcing of Highway Maintenance and Construction Work (2019)
- Department of Finance and Treasury Board – Overdue Property Tax: Collections and Forgiveness (2019)
- Executive Council Office - Special Review: City of Saint John Funding Agreement (2019)
- Department of Post-Secondary Education, Training and Labour – Provincial Funding to Universities and Maritime College of Forest Technology (2019)
- Department of Social Development – Group Homes and Specialized Placements (2019)

**Note to Public
Accounts Committee**

4.7 We encourage Members of the Legislative Assembly to look at the performance audit recommendations documented in this report that departments, commissions and Crown agencies have not implemented. Upcoming meetings of the Public Accounts Committee provide an opportunity for Members to pursue the status of these recommendations with the involved departments, commissions and Crown agencies.

Key Findings

Overall, 60% of our 2016 to 2020 recommendations have been implemented

4.8 Our overall results show departments, commissions and Crown agencies have implemented 60% (197 of 327) of all of our performance audit recommendations from the 2016, 2017, 2018, 2019 and 2020 Reports of the Auditor General that were followed up in this report. This total includes entity self-reported results combined with AGNB verified results for select 2016 and 2018 Reports of the Auditor General. Follow up on our 2016 joint audit of the Atlantic Lottery Corporation was completed separately from this report.

WorkSafeNB Governance: 80% of our recommendations have been implemented

4.9 The Department of Post-Secondary Education, Training and Labour (PETL) has implemented five of seven recommendations, the Executive Council Office has implemented one of one, and WorkSafeNB has implemented 10 of 12 recommendations made in our 2018 chapter on WorkSafeNB Governance. Both PETL and WorkSafeNB have reported they will continue to work on completing the remaining recommendations during 2022-2023.

Addiction and Mental Health Services in Adult Correctional Institutions: 72% of our recommendations have been implemented

4.10 We note the effort made by the Departments of Justice and Public Safety and Health in completing 18 of the 25 recommendations made in our 2018 chapter on Addiction and Mental Health Services in Adult Correctional Institutions. However, we are disappointed that further progress has not yet been made in this important area of concern.

Improving Student Performance: 50% of our recommendations have been implemented

4.11 Although some progress has been achieved through implementation of seven of the 14 recommendations made in our 2018 Chapter on Improving Student Performance, we are disappointed key recommendations remain unimplemented. The Department of Education and Early Childhood Development has implemented recommendations to provide announcements and online links when the results of provincial, national and international assessments become available. They have also progressed in facilitating the sharing of best practices between Anglophone and Francophone sectors.

Management of Injured Workers' Claims: 69% of our recommendations have been implemented

4.12 We are encouraged to note WorkSafeNB has implemented 20 of 29 recommendations on Management of Injured Workers' Claims. However, nine recommendations are still not implemented. We encourage WorkSafeNB to

continue to work toward the implementation of the remaining recommendations.

ECO Follow-Up: 100% of our recommendations have been implemented

4.13 We are pleased to note that Executive Council Office has implemented both of our recommendations. We observed that ECO has updated the Annual Report Guidelines to require an update on the status of recommendations from the AG and that reports include the status of recommendations that are “implemented” rather than “adopted.”





Public Trustee Services: 70% of our recommendations have been implemented

4.14 Seven of our ten recommendations from 2016 have been implemented by the Legal Aid Services Commission (LASC). The LASC has yet to upgrade or replace its current case management information system, has not yet implemented an internal audit function, and reporting publicly on performance indicators has yet to be implemented.

Detailed Findings

4.15 Exhibit 4.1 provides a legend showing how we illustrate the status of recommendations in this chapter.

Exhibit 4.1 - Status of Implementation of Recommendations

Legend	
	100% of recommendations implemented
	75%-99% of recommendations implemented
	50%-74% of recommendations implemented
	< 50% of recommendations implemented



















4.16 Exhibit 4.2 presents the status of recommendations, by report, by year, for those included in our follow up work. This information shows which departments, commissions and agencies have done a good job in implementing our recommendations, and which have not.

4.17 Exhibit 4.2 also shows both the status reported by the departments, commissions and agencies as well as the status determined by AGNB following our review. Appendix II provides additional details on the implementation of recommendations from prior years.

Recommendations from 2016 and 2018: 30% have not been implemented

4.18 Exhibit 4.2 displays the results reported to us by the departments, commissions and agencies included in our 2022 follow up work. They reported to us that they had implemented 76 of 100 (76%) of our performance audit recommendations from the 2016 and 2018 Reports of the Auditor General. Our work confirmed only 70 out of 100 (70%) had actually been implemented.

Exhibit 4.2 - Status of Implementation of Recommendations

Department and Project Name	Report Release Date	2022 Status	
		Self-Reporting from Department	AGNB Follow-Up
WorkSafeNB - Phase I Governance	2018		
Post-Secondary Education, Training and Labour - Phase I Governance	2018		
Executive Council Office - Phase I Governance	2018		
Health - Addiction and Mental Health Services in Provincial Adult Correctional Institutions	2018		
Justice and Public Safety - Addiction and Mental Health Services in Provincial Adult Correctional Institutions	2018		
Education and Early Childhood Development - Improving Student Performance: A New Brunswick Challenge	2018		
WorkSafeNB - Phase II Management of Injured Workers' Claims	2018		
Executive Council Office - Follow-Up Recommendations from Prior Years' Performance Audit Chapters	2018		
Legal Aid Services Commission - Public Trustee Services	2016		

We find it very unfortunate that recommendations from four to six years ago are still not implemented

4.19 Exhibit 4.3 shows a higher rate of implementation of our recommendations in 2016 as compared to 2020. This may be a reflection of the time it takes to implement more complex recommendations. As time proceeds, we hope more of our recommendations will be implemented.

Exhibit 4.3 Status of Implementation of Recommendations by Year

Year	Recommendations			Percentage Implemented (%)
	Total	Implemented	Not Implemented	
2020	65	24	41	37
2019	63	37	26	59
2018	90	63	27	70
2017	76	46	30	61
2016	33	27	6	82
Total	327	197	130	60%

Values are self-reported except as noted in Exhibit 4.2.

Any recommendations that are no longer applicable are not included.

We are not satisfied with the implementation rate of our recommendations

4.20 Exhibit 4.4 reports on progress of the implementation of our performance audit recommendations since 1999. Our office maintains the goal of 100% implementation of recommendations made to departments, commissions and Crown agencies.

4.21 Based on the data in Exhibit 4.4, we observe that an average of 50% of our recommendations since 1999 are implemented within two years, while an average of 59% are implemented within four years.

Exhibit 4.4 Implementation of Performance Audit Recommendations

Year	Number of Recommendations	Recommendations Implemented By		
		Year Two	Year Three	Year Four
1999	99	35%	42%	42%
2000	90	26%	41%	49%
2001	187	53%	64%	72%
2002	147	39%	58%	63%
2003	124	31%	36%	42%
2004	110	31%	38%	49%
2005	89	27%	38%	49%
2006	65	22%	38%	N/A ¹
2007	47	19%	N/A ¹	45% ²
2008	48	N/A ¹	60% ²	57% ⁴
2009	49	73% ²	73% ³	74% ⁴
2010	44	64% ³	70% ³	62% ⁴
2011	24	71% ³	79% ³	63% ⁴
2012	32	69% ³	81% ³	61% ⁴
2013	44	65% ³	61% ³	43% ⁴
2014	17	71% ³	94% ³	71% ⁴
2015	93	49% ³	65% ³	81% ³
2016	44	68% ³	82% ³	76% ³
2017	76	84% ³	91% ³	61% ⁴
2018	90	63% ³	67% ³	70% ⁴
2019	88	49% ³	59% ³	-
2020	57	37% ³	-	-
Average		50%	62%	59%
¹ N/A as no follow-up performed in 2010 ² As self-reported by departments, commissions and agencies with confirmation by our Office in the Department of Justice and Public Safety ³ As self-reported by departments, commissions and agencies ⁴ As self-reported by departments, commissions and agencies unless reviewed in 2022.				

4.22 In the sections that follow, we provide additional commentary on the projects where we performed detailed follow-up work in 2022 to determine the status of recommendations.

WorkSafeNB – Phase I Governance

Background

4.23 WorkSafeNB is a Part IV Crown corporation. Governing authority for the WorkSafeNB board of directors (the board) is established under the *Workplace Health, Safety and Compensation Commission and Workers' Compensation Appeals Tribunal Act* (Act).

4.24 Crown corporations, such as WorkSafeNB, must be accountable and transparent to ensure its policies and actions meet government expectations. This must be balanced against the Corporation's requirement to be independent in discharging its mandated responsibilities.

Audit Objectives

4.25 Our audit objective was to determine if the WorkSafeNB governance framework was structured to enable the organization to meet its mandate, goals, and objectives.

Audit Conclusions

4.26 Upon completion of our work in 2018, we concluded:

- Government negatively impacted WorkSafeNB independence and impeded operations;
- Lengthy board appointment process hindered board governance and ultimately increased cost; and
- WorkSafeNB executive compensation was not meeting government expectations.

Recommendations: 83% have been implemented

4.27 Our audit resulted in a total of 18 recommendations being made in the chapter to WorkSafeNB, the Department of Post-Secondary Education, Training and Labour (PETL) and the Executive Council Office. Of the 18, we have determined 15 of these recommendations have been implemented. Based on our work, we concluded three of our recommendations remain not implemented. The status of the unimplemented recommendations is discussed below.

WorkSafeNB board Appointments should be timely, compliant and clearly documented

4.28 Our 2018 report recommended that PETL should:

- initiate a process to ensure appointments are completed in a timely manner;
- comply with Provincial legislation and government policy when recommending the appointment of WorkSafeNB board members under the Act; and
- clearly document the appointment process and provide clear rationale for appointment recommendations made to government.

4.29 In its response, PETL indicated that amendments were made to the *Workplace Health, Safety and Compensation Commission and Workers' Compensation Appeals Tribunal Act* in the 2019-2020 fiscal year to enhance the appointment process.

4.30 Despite progress made toward implementation, our work determined that the appointment example provided by WorkSafeNB did not meet all required elements of the recommendation. The overall timeline for the appointment was lengthy and not an improvement over the timelines we noted in the original audit. Therefore, this recommendation is not yet implemented.

WorkSafeNB Board and PETL should develop a succession strategy for board members

4.31 We recommended in our 2018 report that the WorkSafeNB board of directors and the Department of Post-Secondary Education, Training and Labour jointly develop, document and implement a succession strategy to ensure:

- timely recruitment of all board positions, including the chair and vice-chair and,
- effective staggering of board member terms.

4.32 In the 2022 response, WorkSafeNB and PETL indicated that they were working with ECO to implement a process that will facilitate timely appointments of board members and that legislation has been amended, allowing for the staggering of board member terms.

4.33 Although we recognize progress to enable staggering of board member terms, and progress toward more timely recruitment, there are still examples where established timeline milestones for appointments have been exceeded. We have concluded that this recommendation is not yet implemented.

WorkSafeNB should develop and implement a succession strategy for the President / CEO

4.34 Our 2018 report recommended the WorkSafeNB board of directors develop, document and implement a succession strategy for the President and Chief Executive Officer position.

4.35 In its response, WorkSafeNB indicated, “*The Board is currently working at the initial stages of its succession planning strategy for the President & CEO. On the Board’s workplan for completion in 2022.*” Since the recommendation is not yet complete, we have concluded the outstanding recommendation is not implemented.

Departments of Health and Justice and Public Safety - Addiction and Mental Health Services in Provincial Adult Correctional Institutions

Background

4.36 Mental health has been termed the “orphan”¹ of health care. A study published in 2008 in the *Journal of Chronic Diseases in Canada* estimated the overall cost of mental illness to the Canadian economy at \$51 billion per year. Funding for mental health care has not been in line with its negative economic impact.

4.37 Correctional institutions have a disproportionately high occurrence of addiction and mental health issues. They are a particularly vulnerable and marginalized subgroup of the population. Their mental health has not been well served in the past².

4.38 Research has also shown that inmates with addiction and mental health issues had worse outcomes while in custody. Addiction and mental health issues reduce inmates' chances of success in the community. Affected inmates were also found more likely to be reconvicted.³

Audit objectives

4.39 Our audit objective was to determine if the Departments of Health and Justice and Public Safety (the Departments) deliver addiction and mental health services to provincial correctional institution inmates to improve health outcomes and contribute to safer communities.

Audit Conclusions

4.40 Upon completion of our work in 2018, we concluded

- the Departments do not deliver addiction and mental health services to adult inmates in provincial correctional institutions, to improve health outcomes and contribute to safer communities. Services provided

¹ Province of New Brunswick, *The Action Plan for Mental Health in New Brunswick 2011-18*

² Irina R. Soderstrom PhD (2007) Mental Illness in Offender Populations, *Journal of Offender Rehabilitation*, 45:1-2, 1-17

³ Correctional Service of Canada, *Research Results Mental Health, Quick Facts, Offender Outcomes*.

are limited to stabilizing and managing symptoms of addiction and mental health issues;

- the responsibilities of entities involved in providing addiction and mental health services in provincial correctional institutions are not clearly defined; and
- the Departments do not have policies and protocols for the delivery of addictions and mental health services in the provincial correctional system.

Recommendations: 59% have been implemented

4.41 Our audit resulted in 17 total recommendations being made in the chapter to the Departments. Of the 17, we have determined only 10 of these recommendations have been implemented.

4.42 The status of the unimplemented recommendations is discussed below.

Clarify who is responsible for health services in provincial correctional institutions

4.43 Our 2018 report recommended the Department of Health provide clear direction through legislation and regulation as to who is responsible for health services including addiction and mental health services in provincial correctional institutions.

4.44 In its response, the Department of Health indicated, *“The Department of Health and Department of Justice and Public Safety are working with the RHAs on the transfer of responsibilities for health services in correctional facilities from JPS to DH. The funding transfer has been completed in 2021/2022 fiscal year. We will continue to transfer and prepare for the change in responsibilities including development of model care, medication management, staffing levels as well as recommendations for legislative requirements as needed.”*

4.45 Since elements of the transfer and recommendations for legislative requirements are not yet complete, as noted, the outstanding recommendation is not implemented.

Implement a recognized mental health screening tool in the admissions process

4.46 We recommended the Department of Justice and Public Safety (Corrections) in consultation with the Department of Health implement a recognized mental health screening tool in the admissions process.

4.47 The response for 2022 indicated that a tool is being piloted but that it has not been expanded yet to all institutions. Since the pilot is incomplete we have concluded the recommendation is not implemented.

Provide training on mental health screening to nursing and admission staff

4.48 We recommended the Department of Health, in coordination with the Department of Justice and Public Safety, provide training on mental health screening to nursing staff and admission officers.

4.49 Our review determined that on-going mental health screening and assessment is available within correctional facilities, but that the recommended training has not yet been implemented. For this reason, we have concluded the recommendation is not yet implemented.

Ensure nursing staff receive client records for validating history and treatment options

4.50 We recommended the Department of Health ensure nursing staff within a correctional institution receive access to, or notification of, client records in the Client Service Delivery System (CSDS), to allow validation of treatment history and treatment options.

4.51 The Department's 2022 response to our recommendation indicated training on this CSDS process is scheduled but has not yet been completed, therefore we concluded that this recommendation has not yet been implemented.

Amend the admissions process to improve efficiency and quality

4.52 We recommended the Department of Justice and Public Safety amend its admission process to:

- eliminate duplication of effort in admissions;
- improve the quality of inmate mental health data; and
- incorporate best practices in mental health screening.

4.53 The response for 2022 indicated that two tools had been tested, one is currently being piloted, and that a Public Health Transition Team is determining next steps. Therefore, the recommendation has not been implemented.

Implement a formulary for medications within all provincial correctional institutions

4.54 We recommended the Department of Justice and Public Safety implement a formulary for medications for use within all provincial correctional institutions. Where possible the formulary should be aligned with drug protocols in Federal penitentiaries.

4.55 The response for 2022 indicated that the departments are actively working transitioning this program entirely to the Department of Health. This process has yet to be completed.

4.56 Since the response from the departments indicates the program has yet to be fully transitioned to Health, the

recommendation was not implemented at the time of our review.

Implement individualized protocols for inmates with mental health issues in segregation

4.57 We recommended the Department of Justice and Public Safety implement an individualized protocol approach for inmates with mental health issues in segregation such as is used by Correctional Service Canada. Individualized protocols should be integrated into treatment plans and reviewed by mental health professionals.

4.58 In the 2022 response, the Department of Justice and Public Safety stated, *“Protocols are in development by Health and JPS related to inmates with mental health issues and use of segregation. Individualized protocols are part of treatment plans and reviewed by mental health professionals as part of case management.”*

4.59 Based on this response by the Department, we have noted that progress has been made but protocols remain in development and have concluded the recommendation is not yet implemented.

Department of Education and Early Childhood Development - Improving Student Performance: A New Brunswick Challenge

Background

4.60 Our 2018 report noted that education is a priority to New Brunswickers. Student performance goals have been in place, in successive provincial education plans, since 2002-2003, yet those goals were still not met by 2018.

4.61 Our audit focused on the management of student performance in reading math and science, as measured through provincial assessments. Those subjects are considered the core of education because they are tested at provincial, national and international levels.

4.62 Intended outcomes of our recommendations were to help the Department of Education and Early Childhood Development (EECD) stabilize the education system, identify and address the root causes of inadequate student performance, and improve accountability and transparency by managing student performance in accordance with the *Education Act*.

Audit Objectives

4.63 Our audit objectives were to determine if the Department:

- set goals for student performance in reading, mathematics and science;
- monitored student performance;
- acted to improve student performance; and
- publicly reported on student performance compared to goals.

Audit Conclusions

4.64 Upon completion of our work, we concluded:

- provincial assessment results for reading, mathematics and science remained consistently below targets;
- plans to improve performance were not provided to the public;
- EECD, School Districts and schools were not carrying out all of their responsibilities under the *Education Act*, although EECD was setting targets and monitoring performance in mathematics, science and reading;

- School Districts were not being held accountable by EECD for student performance as required by the *Education Act*; and
- Deficiencies existed at each stage of the management cycle to improve student performance.

Recommendations: 50% have been implemented

4.65 Our audit resulted in 14 recommendations being made to EECD. Of the 14, we have determined only seven of these recommendations have been implemented.

4.66 Based on our work, we concluded seven of our recommendations remain not implemented. The status of the unimplemented recommendations is discussed below.

Take action to improve student performance in reading, math and science

4.67 Our 2018 report recommended the Department of Education and Early Childhood Development in collaboration with the School Districts, analyze results of provincial assessments to identify root causes of poor performance and take corrective action to improve student performance in reading, math and science.

4.68 In the 2022 response, EECD indicated, with respect to the Anglophone Sector, *“Sharing of assessment results and analyses has been ongoing with the District Data and Accountability Supervisors who work with their schools on school improvement planning. Districts are using the provincial assessment results to inform their District Improvement Goals. Curriculum and Assessment staff at EECD work closely to ensure information from assessment results impact curriculum supports and discussions with districts about professional learning. Note: school closures due to COVID-19 required assessments to be paused for 2019-20 and reduced in 2020-21.”*

4.69 In the 2022 response with respect to the Francophone Sector, EECD indicated, *“We meet with districts three times a year to review the balanced scorecard. The academic subjects targeted for 2021-2022 are reading and math. Districts develop an improvement plan based on the results.”*

4.70 We understand that School Districts have been impacted by the pandemic. We reviewed the responses from the two sectors and assessed all of the information provided by the Department. The Department did not provide sufficient evidence that root causes of poor student performance had been identified and corrective actions had been taken. For

this reason, we concluded that this recommendation has not yet been implemented.

Maintain the current 10-year plans to allow the education system to stabilize

4.71 We recommended that EECD maintain the current 10-year provincial education plans until they expire in 2026, to allow the education system to stabilize and allow for evaluation of progress. Any adjustments to the plans should be collaborative.

4.72 In the 2022 response, both Anglophone and Francophone sectors confirmed that the plans are still in place, and we note the progress made toward the implementation of this recommendation.

4.73 We have concluded the recommendation is implemented as of this report date. However, this recommendation has a 2026 timeline and we cannot determine if it will remain implemented for an additional four years, well beyond the scope of our normal follow up process. While at this point it is considered implemented, we may choose to revisit the recommendation in 2026 to confirm the status at that time.

Prepare detailed implementation plans prior to implementing major changes that impact student performance

4.74 We recommended that EECD should prior to implementing major changes that impact student performance, including changes to the French immersion program, prepare a detailed implementation plan with:

- a realistic time schedule;
- consideration of all supports that need to be in place for the change to be successful, such as human resources, curricula, teacher training, tools and methodologies;
- adequate funding; and
- a comprehensive risk assessment of the change's impact on operations and other ongoing initiatives at department, school district and school levels as well as risk mitigation strategies.

4.75 The response for 2022 with respect to the Anglophone Sector indicated that, *“For the 2021-2022 school year, 11 schools and two early learning centres launched a prototype program to increase French language proficiency for their anglophone learners. The Language Learning Opportunities (LLO) initiative is a new approach to French second language learning as it allows schools and educators to develop programming that best suits their needs. Rather than developing a province-wide, one size fits all program, this initiative provides educators with the flexibility and decision-making power to design a program for their students with the targeted goal of conversational*

French. For this initiative, Ernst and Young (EY) are acting as a consultant throughout the prototyping process and will be working with EECD to collect data to measure successes and possible scalability. EY will be providing EECD with an analysis report on the prototypes in June 2022. EECD will also be drafting a report that outlines the findings of the 13 prototypes related to improving conversational French in August 2022. The government committed substantial additional funding for this work in 2020-22 and again to expand on it and to explore one model for all learners.”

4.76 In the 2022 response with regard to the Francophone sector, it indicated *“The Department of Education and Early Childhood Development and the three (3) Francophone school districts have each developed a three-year plan to ensure the achievement of the outcomes identified in the 10-year education plan. The work identified is aimed at improving the educational experience of children and youth. Interventions (programs, services, trainings, assessments, etc.) are linked to these key priorities:*

- *Addressing the needs generated by the COVID-19 pandemic with children, students, and staff*
- *Create a learning environment that enables the achievement of the Francophone education system's goals (Exit Profile: Live a balanced life, be an ethical and engaged citizen, and develop a lifelong desire to learn)*
- *Create an inclusive learning environment*
- *Provide personalized interventions in a timely manner*
- *Improving the quality of learning in early childhood education and reducing childcare costs for families (Federal Agreements)*
- *Improve the education governance system.”*

4.77 We recognize work is currently in progress but at this time, we have determined this recommendation has not yet been implemented.

Present government with options to address the challenges in achieving student performance targets in reading, math and science and take action to improve student attendance

4.78 We recommended the Department of Education and Early Childhood Development work with School Districts, other departments and community-based organizations where applicable to:

- identify and address the challenges to achieving the provincial targets for reading, math and science;
- present to government options to address the challenges;
- develop standards for student absence tracking and measurement to better monitor student attendance; and

- take corrective action to improve student attendance.

4.79 In the 2022 response for the Anglophone Sector, it stated that progress is being made on developing standards for monitoring student attendance. For the Francophone Sector, it indicated a shift in focus toward literacy and numeracy skills and various initiatives undertaken to support this shift. Training is planned for teachers on the scientific inquiry method and collaboration is taking place to promote literacy development. Work has been undertaken with respect to attendance monitoring, and the sector is placing more emphasis on pedagogical approaches that promote student engagement, which they expect to lead to improvements in attendance.

4.80 Based on the ongoing nature of these activities, with certain outcomes still outstanding, we have concluded this recommendation is not yet implemented.

Take action on school district plans and reports

4.81 We recommended EECD track, receive, review and take action on school district plans and reports, and hold all parties accountable as required by the *Education Act*.

4.82 In the 2022 response, the Francophone Sector indicated, “Each of the districts develops initiatives and projects to advance the results.” The Anglophone Sector indicated, “EECD gathers data from school improvement plans to inform direction and priorities. School districts submit their improvement plans to EECD annually. Improvement discussions are held between both EECD and school district senior management.”

4.83 We did not find evidence to show that all parties are held accountable, or to clearly indicate that action is consistently taken, therefore we concluded this recommendation is not implemented.

Ensure District Education Councils self-evaluate annually

4.84 We recommended EECD, in collaboration with the District Education Councils, ensure District Education Councils self-evaluate their performance annually.

4.85 In the 2022 response, the Department self-assessed this recommendation as implemented. However, upon further investigation, we determined that although progress has been made, further efforts remain underway to address the recommendation but are incomplete. Therefore, we concluded this recommendation has not yet been implemented.

Develop standards and take action to improve staff evaluation and performance where needed

4.86 We recommended EECD develop standards for teacher performance and provide tools to support the school districts in:

- evaluating staff performance regularly as required by the *Education Act*; and
- taking action to improve staff performance where needed.

4.87 In the 2022 response, both the Anglophone and Francophone sectors indicated that work is in progress to develop and implement tools and frameworks, but some work is not yet complete. The Anglophone sector noted that a common framework for teacher evaluation has yet to be developed by EECD while the Francophone sector indicated a tool will be piloted during 2022-2023.

4.88 Based on this information, we concluded that this recommendation is not yet implemented.

Stabilize provincial assessment programs to allow trend analysis

4.89 We recommended EECD stabilize the provincial assessment programs to allow for trend analysis of student performance results for decision making.

4.90 In its 2022 response, the Francophone Sector responded that it had made changes in 2019 to high school assessments to focus on literacy and numeracy, but that it had not changed them since. The Anglophone Sector indicated that it is phasing in methodological and statistical changes over a three-year period and that the program will be stable once these are completed.

4.91 Based on this response, we concluded that this recommendation is not yet implemented.

WorkSafeNB - Phase II Management of Injured Workers' Claims

Background

4.92 WorkSafeNB is responsible for administering the workers' compensation system in New Brunswick. In 2017, over 22,000 claims were created, with an average lost time per claim of 64.7 days.

4.93 It is also responsible for occupational health and safety programs and regulatory enforcement as required under the *Occupational Health and Safety Act*.

Audit Objectives

4.94 The objective of this audit was to determine if WorkSafeNB has an effective claims management framework.

Audit Conclusions

4.95 Upon completion of our work in 2018, we concluded:

- in general, the claims management framework adopted by WorkSafeNB is reasonable and many of its policies are consistent with industry best practice;
- however, numerous process deficiencies hinder WorkSafeNB's ability to actively manage cases to achieve timely return to work

Recommendations: 69% have been implemented

4.96 Based on our work, we concluded nine of our 29 recommendations remain not implemented. The status of the unimplemented recommendations is discussed below.

Automate the claims management system

4.97 Our 2018 report recommended WorkSafeNB automate the claims management system to allow electronic submission and processing of claims documents, to reduce work and speed up intake and adjudication processes.

4.98 In the 2022 response, WorkSafeNB indicated, "*Systems modernization is planned to begin with financial systems and HRIS in 2022, Claims Management in 2023 and other core platforms into 2024 and 2025.*"

4.99 Based on the future timelines for completion noted in the WorkSafeNB response, we conclude the recommendation is not yet implemented.

Focus on return to work during adjudication 4.100 We recommended WorkSafeNB focus on return to work during adjudication by:

- identifying risks to return to work;
- prioritizing complex claims; and
- initiating a plan to address barriers.

4.101 The response for 2022 stated, “*WorkSafeNB is in the final stages of the build phase of its early identification and intervention service delivery model. It is anticipated this will be implemented in the third quarter 2022. This model enables the identification of risks to return to work before the claim is adjudicated and the prioritization and transfer of complex claims to case management significantly sooner to address barriers through rehabilitation planning.*”

4.102 Due to the late 2022 timeline for completion noted in the response above, we concluded the recommendation is not implemented at this time.

4.103 We recommended WorkSafeNB develop a treatment plan right after a claim is accepted and enable the adjudicator to communicate it to the injured workers.

4.104 In its 2022 response, WorkSafeNB indicated that subsequent information, planning and updates have taken place since 2018 that have focused specifically on timeliness, and that the participation of an adjudicator in that process is no longer aligned with their objectives. WorkSafeNB are focused on shorter timelines for development of treatment plans and communication to the injured workers.

4.105 While WorkSafeNB noted improvements in the overall process focused on timeliness required by new standards, they have decided not to utilize the adjudicator position as recommended. For this reason, we have concluded the recommendation is not implemented.

Provide a forecast of return to work and include it in the initial decision letter

4.106 We recommended WorkSafeNB use disability duration guidelines to provide a forecast of return to work and include it in the initial decision letter sent to injured workers.

4.107 Our review determined that while disability duration guidelines are used in the adjudication of certain claims and communicated in the decision letters to workers, they have yet to be implemented for all claim types. Based on our

review, we have concluded the recommendation is not yet implemented.

Develop specific competencies for the adjudicators

4.108 We recommended WorkSafeNB develop specific competencies for the adjudication role and require all successful applicants to meet those competencies.

4.109 In the 2022 response, WorkSafeNB stated that they have *“finalized the Assessment Tool and Qualifying Course, which will be rolled out in the third quarter 2022 in conjunction with a full 30-day technical onboarding. As a complement to this tool, WorkSafeNB has also been developing competency-based job descriptions for the adjudication decision maker/adjudicator role.”*

4.110 Because the tool and course had not been rolled out at the time of our review and the overall response does not note any work that is completed at the time of the response, we conclude that this recommendation is not yet implemented.

Promote early referrals to the workers rehabilitation centre

4.111 We recommended WorkSafeNB update its guidance to promote early referrals to the workers rehabilitation centre, to maximize return to work outcomes.

4.112 In the 2022 response, WorkSafeNB indicated that it is *“in the final stages of the build phase of its early identification and intervention service delivery model. It is anticipated this will be implemented in the third quarter 2022. This service delivery model includes processes to refer clients for multidisciplinary treatment when identified as the right treatment; and at that time the right provider will also be determined which could be the workers rehabilitation centre or another multi-disciplinary provider in that workers' community.”*

4.113 Since the WorkSafeNB response anticipates implementation later in 2022, at the time of our review we conclude that this recommendation is not yet implemented.

Develop expertise among case managers for complex conditions

4.114 We recommended WorkSafeNB develop expertise for complex and sensitive conditions among case managers by allocating specific types of injuries to certain case managers and offering professional development opportunities.

4.115 In the 2022 response, WorkSafeNB stated, *“The Traumatic Psychological Injury (TPI) team was established April 2019, now part of Specialized Services. WorkSafeNB continues to assess emerging needs for specialized teams*

and learning. In 2020, a review identified care maps related to these injuries were outdated. In 2021, WorkSafeNB undertook improvement work on a best practice care and return to work framework. The framework is expected to be finalized in 2022.”

4.116 At the time of our review, the work was not finalized and for that reason we have concluded this recommendation is not yet implemented.

Ensure adherence to policy and consistency among regions

4.117 We recommended WorkSafeNB monitor claims managed and provide feedback to staff on an ongoing basis to ensure adherence to policy and consistency among regions.

4.118 In the 2022 response, WorkSafeNB stated, *“The Quality Management Services function is designing and implementing a quality assurance program to ensure consistent implementation of legislation, policies, and processes. In addition, the foundation of an organization-wide learning loop is being developed to share learnings across claims management, decision review office, and quality management services.”*

4.119 Since WorkSafeNB has noted in its response that work remains in development, we have concluded the recommendation is not yet implemented.

Build tools into claims management to free up staff to focus on progress and treatment of injuries

4.120 We recommended WorkSafeNB build tools into the claims management system to free up staff from routine and repetitive tasks so they can focus on progress and treatments of injuries. Such tools would include:

- enhanced data mining capabilities;
- system reminders to update client information;
- auto-complete forms; and
- automated medical claims processing.

4.121 In the 2022 response, WorkSafeNB indicated that systems modernization is planned for 2023-2025. Based on these timelines, we conclude that the recommendation has not yet been implemented.

Executive Council Office - Follow-Up Recommendations from Prior Years' Performance Audit Chapters

Background

4.122 During our 2018 follow up work (2018, Volume 2, Chapter 4), we noted our concern with the rate of implementation of recommendations to departments and Crown agencies regarding our recommendations made in 2014. We issued two additional recommendations to the Executive Council Office (ECO).

Ensure Crown agencies report status of AGNB recommendations in annual reports

4.123 We recommended that the ECO ensure Crown agencies comply with the requirement of the Annual Report Guidelines to report the status of recommendations from AGNB in their Annual Report.

Amend the Annual Report Guidelines

4.124 We recommended the Annual Report Guidelines be amended to direct departments and Crown agencies to report on the status of “*implemented*” recommendations instead of “*adopted*” recommendations.

Recommendations: 100% have been implemented

4.125 We are pleased to conclude that both recommendations made to ECO have been implemented.

Legal Aid Services Commission - Public Trustee Services

Background

4.126 Public Trustee Services, a section of the New Brunswick Legal Aid Services Commission, provides trustee and guardianship services to some of the most vulnerable New Brunswickers, such as children, the elderly, the mentally challenged, the missing or deceased, etc.

4.127 The Public Trustee program has a significant social impact, as it is often the last resort for its clients, yet we found there was an elevated risk of fraud due to control weaknesses.

Audit Objectives

4.128 Our audit objectives were to determine whether:

- the Public Trustee properly safeguarded and administered client assets held in trust;
- the Public Trustee's processes for making care decisions on behalf of its clients were in accordance with legislation and policies; and
- the Public Trustee publicly reported on the performance of its services.

Audit Conclusions

4.129 Upon completion of our work in 2016, we concluded:

- the Public Trustee did not safeguard and administer client assets held in trust to the standard we expected;
- the Public Trustee's processes for making care decisions on behalf of its clients were in accordance with legislation and policies, although improvements were needed in the documentation of these decisions; and
- the Public Trustee had not reported on its performance since 2011.

Recommendations: 70% have been implemented

4.130 Our audit resulted in 10 recommendations being made to Public Trustee Services. Of the 10, we have determined seven of these recommendations have been implemented. The three outstanding recommendations are addressed below.

- Upgrade or replace case management information system*** **4.131** Our 2016 report recommended the Public Trustee upgrade or replace its current case management information system in order to meet user needs.
- 4.132** In its 2022 response, Public Trustee Services indicated, “*Work continues on the upgrade of the case management system. Sprint 8 is in progress and further Sprints are planned.*” Project progress reports were provided; however, an estimated timeline for completion was not included. Since upgrades are not yet complete, the outstanding recommendation is not implemented.
- Implement an internal audit function*** **4.133** We recommended the Public Trustee implement an internal audit function.
- 4.134** The response for 2022 indicated that, “*The Office of the Comptroller was consulted but did not have the resources to provide internal audit services. IT upgrades and ongoing process changes continue to strengthen internal controls where possible.*” Examples of some IT work completed to strengthen internal controls were provided; however, this does not replace the need for an internal audit function. We have therefore concluded the recommendation is not implemented.
- Establish goals, objectives and measurable targets*** **4.135** We recommended the Public Trustee establish goals, objectives and measurable targets for its services, measure its performance against the targets and publicly report on its performance.
- 4.136** Public Trustee Services indicated that this recommendation had been implemented. Our review determined that while performance indicators have been established and measurement has begun, they have yet to be reported publicly. In addition, targets have still not been created. Based on our review, we have concluded the recommendation is not yet implemented.

Appendix I

2022 Follow-up Objective and Scope

For 2022, we completed a limited assurance attestation engagement on the status of certain audit recommendations included in our 2016 through 2018 Reports of the Auditor General of New Brunswick. Recommendations made to departments, commissions, and Crown agencies as a result of our financial audit work are followed-up annually as part of our financial audit process and are not discussed in this chapter.

Our usual practice is to track the status of our performance audit recommendations for four years after they first appear in the Report of the Auditor General, starting in the second year after the original Report.

The COVID-19 pandemic disrupted government operations across the province. We used a modified approach to follow up this year to ensure the health and safety of our staff and the auditees, and to minimally disrupt departments that have increased responsibilities during the pandemic. For this 2022 Report, we are tracking progress on performance audit recommendations from 2016, 2017, 2018, 2019 and 2020, with verification performed for six chapters as described in the introduction.

Our objective is to determine the degree of progress departments, commissions and Crown agencies have made in implementing our recommendations. We assess their progress as either implemented, not implemented, disagreed with, or no longer applicable.

To prepare this chapter, we request written updates from the respective departments, commissions, and Crown agencies. They provide their assessment of the status of each performance audit recommendation. In addition, departments, commissions, and agencies also add any comments they believe are necessary to explain the rationale for their assessment. We received all updates requested.

We conducted our work in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3000 – Attestation Engagements Other than Audits or Reviews of Historical Financial Information set out by the Chartered Professional Accountants of Canada.

We apply Canadian Standard on Quality Control 1 and, accordingly, maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Conclusion on completed recommendations – Based on the limited assurance procedures performed and evidence obtained, no matters have come to our attention to cause us to believe the status of the recommendations reported as complete have been materially misstated. Additional information provided in this report is not intended to take away from our overall conclusion.

Appendix II

Status of Performance Audit Recommendations Followed Up in 2022, as Reported by Departments, Commissions or Agencies

Department/ Commission/ Agency	Subject	Year	Performance Audit Recommendations				% Implemented
			Total	Implemented	Not implemented	No longer applicable/Not determinable	
Legal Aid Services Commission	Public Trustee Services	2016	10	7	3	0	70%*
Justice and Public Safety	Meat Safety - Food Premises Program	2016	2	2	0	0	100%
Health			21	18	3	0	86%
Post-Secondary Education, Training and Labour	WSNB - Phase I - Governance	2018	7	5	2	0	71%*
Executive Council Office			1	1	0	0	100%*
WorkSafeNB			12	10	2	0	83%*
Health	Addiction and Mental Health Services in Provincial Adult Correctional Institutions	2018	13	10	3	0	77%*
Justice and Public Safety			12	8	4	0	67%*
Education and Early Childhood Development	Improving Student Performance - An NB Challenge	2018	14	7	7	0	50%*
WorkSafeNB	WSNB - Phase II - Management of Injured Workers' Claims	2018	29	20	9	0	69%*
Executive Council Office	Follow up chapter	2018	2	2	0	0	100%*
Health	Medicare Cards	2019	16	2	14	0	13%
Transportation and Infrastructure	Outsourcing of Highway Maintenance and Construction Work	2019	7	7	0	0	100%
Finance & Treasury Board	Overdue Property Tax: Collections and Forgiveness	2019	6	6	0	0	100%
Executive Council Office	City of Saint John Funding Agreement - Special Review	2019	5	5	0	0	100%
Finance & Treasury Board			2	1	1	0	50%

Department/ Commission/ Agency	Subject	Year	Performance Audit Recommendations				% Implemented
			Total	Implemented	Not Implemented	No longer applicable/Not determinable	
Post-Secondary Education, Training and Labour	Provincial Funding to Universities and MCFT	2019	10	8	2	0	80%
Legislative Assembly			1	1	0	0	100%
Social Development	Group Homes and Specialized Placements	2019	16	7	9	0	44%
Finance and Treasury Board	AG's Access to Vestcor Severely Limited	2020	3	0	3	0	0%
Public Accounts Committee			2	2	0	0	100%
Social Development	Update on Nursing Home Planning and Aging Strategy	2020	5	2	3	0	40%
Finance and Treasury Board			1	1	0	0	100%
NB Power	Debt Challenges	2020	2	0	2	0	0%
Health	Electronic Medical Record Program	2020	7	2	5	0	29%
Natural Resources and Energy Development	Follow-up on 2008 Timber Royalties	2020	5	2	3	0	40%
New Brunswick Forest Products Commission			3	1	2	0	33%
Health	Ambulance Services	2020	5	1	4	0	20%
EM/ANB			17	5	12	0	29%
Executive Council Office			1	0	1	0	0%
Education and Early Childhood Development	School Infrastructure Planning	2020	14	8	6	0	57%
Total			251	151	100	0	60%

*Implementation status as reviewed by AGNB in 2022.

N/A are eliminated when calculating the % implemented.

The total number of recommendations in this Appendix is the count of each recommendation made to each Department or Agency.

Appendix III

Summary of Significant Projects Conducted in Departments and Crown Agencies over the Past Ten Years

The following is a list of performance audit projects reported in a separate chapter of our annual Reports over the last ten years, organized by department and agency. The year of reporting is in brackets following the subject of the projects. The list is organized using the current name of the department or agency, even though in some cases the project was conducted prior to government reorganization.

Department of Agriculture, Aquaculture and Fisheries

Agricultural Fair Associations (2016)

This chapter examines whether there is adequate government oversight of New Brunswick Agricultural Associations.

Department of Education and Early Childhood Development

School Infrastructure Planning (2020)

This chapter presents findings and observations regarding the School Infrastructure Planning at the Department of Education and Early Childhood Development and School Districts. It examines capital funding decisions, capital improvement projects' prioritization process, and quality of the data used for the capital funding decisions.

Student Performance: A New Brunswick Challenge (2018)

This chapter reports observations, findings and recommendations regarding the Department's management of student performance in reading, math and science, which is measured through provincial assessments. It examines whether the Department sets goals for student performance, monitors, improves and publicly reports on student performance. It covers both the Anglophone and Francophone education sectors and includes all seven school districts.

School District Purchase Cards (2017)

This chapter examines the use of purchase cards by school districts after we identified risks associated with the use of purchase cards through our financial audit work, which highlighted numerous control weaknesses in the purchase card procedures.

Department of Environment and Local Government

Climate Change (2017)

In April 2016 all Auditors General across Canada agreed to undertake work on their provinces' and territories' climate change initiatives. This work was summarized in a report to the Parliament in early 2018. The overall objective of this initiative was to work together to determine the extent to which federal, provincial and territorial governments in Canada are meeting commitments to reduce greenhouse gas (GHG) emissions and to adapt to climate change.

Executive Council Office

Risks Exist in Government's Oversight of Crown Agencies (2021)

This chapter examines the effectiveness of government oversight with respect to Crown agencies and reports on compliance by Crown agencies with the *Accountability and Continuous Improvement Act* and the *Regional Health Authorities Act*.

Auditor General Access to Vestcor Significantly Limited (2020)

This chapter reports on Vestcor's position with respect to publicly accountable oversight and its restriction of the Auditor General's access to information to perform her duties. In contrast, the Auditor General had full access to audit Vestcor's predecessor, the New Brunswick Investment Management Corporation. Vestcor currently manages over \$18 billion in public sector funds.

Department of Finance and Treasury Board

Oversight of the Employee Health and Dental Benefit Plan (2022)

This chapter examines whether there is adequate government oversight over the GNB Employee Health and Dental Benefit Plan.

Overdue Property Tax: Collections and Forgiveness (2019)

This chapter examines the Department's activity in meeting its responsibilities and utilizing its authority granted under the *Real Property Tax Act* and *Financial Administration Act* in collecting overdue property tax and in forgiving property tax debt.

Agricultural Fair Associations (2016)

This chapter examines whether there is adequate government oversight of New Brunswick Agricultural Associations.

Atlantic Lottery Corporation (2016)

This volume examines whether Atlantic Lottery Corporation's:

- governance structures and processes create a framework for effective governance and are working well;
- executive and employee compensation and benefits are appropriately managed;
- travel, hospitality, and board expenses are managed in a transparent manner that promotes the appropriate use of shareholder money;
- significant contracts are monitored to ensure services are received, and payments made, in accordance with contract terms;
- significant contracts are effective in meeting its objectives and achieving enterprise value; and
- procures required services in an efficient and economical manner.

Public Debt (2015)

This chapter describes the public debt situation in New Brunswick in comparison with other Canadian provinces. It determines if the Department follows a prudent debt management practice to mitigate risks associated with public debt.

Collection of Accounts Receivable (2013)

This chapter provides information on Provincial policies and initiatives currently underway to improve the collection of accounts receivable, and our comments relating to those policies and initiatives.

Service New Brunswick

Procurement of Goods and Services – Phase 1 (2013)

This chapter examines whether public purchasing practices used by SNB comply with key components of the regulatory framework and best practices, and if it publicly reports on the effectiveness of the procurement function.

Department of Health

Electronic Medical Records (2020)

This chapter examines the implementation of the Electronic Medical Records integrated system, intended to capture doctor visits and prescriptions, allow access to lab results and provide strategic information to assist in the planning and design of an efficient and effective health system. It reports that the program did not achieve its intended outcomes: despite the expenditure of over \$26 million by the Province, less than half of eligible physicians adopted the system.

Ambulance Services (2020)

This chapter presents findings and observations regarding the Ambulance Services at the Department of Health and EM/ANB Inc. It examines the legislative framework and governance structure of EM/ANB, as well as the oversight provided by the Department of Health of ambulance services. It also reviews the effectiveness of the contract structure between the Department and Medavie Health Services New Brunswick.

Medicare Cards (2019)

This chapter determines if the Department of Health has processes and controls to ensure only eligible residents are issued a Medicare card, and whether the security and privacy of cardholder's information is protected.

Addiction and Mental Health Services in Provincial Adult Correctional Institutions (2018)

This chapter examines whether the Department of Health and the Department of Justice and Public Safety deliver addiction and mental health services to provincial correctional institution inmates to improve health outcomes and contribute to safer communities.

Meat Safety – Food Premises Program (2016)

This chapter determines if the Department of Health monitors and enforces compliance with the legislation, regulations and policies in place to ensure the safety of meat for public consumption.

Nursing Homes (2016)

This chapter provides information on the current status of nursing homes. It looks at the current situation in the province concerning nursing homes and the capacity within the system to meet the growing demand for services.

Infection Prevention and Control in Hospitals (2015)

This chapter determines if the Department of Health and the Regional Health Authorities have an infection prevention and control program to protect people from hospital-acquired infections.

Department of Justice and Public Safety**Addiction and Mental Health Services in Provincial Adult Correctional Institutions (2018)**

This chapter examines whether the Department of Health and the Department of Justice and Public Safety deliver addiction and mental health services to provincial correctional institution inmates to improve health outcomes and contribute to safer communities.

Public Trustee Services (2016)

This chapter examines whether the Public Trustee properly safeguards and administers client assets held in trust, whether the Public Trustee's processes for making care decisions on behalf of its clients are in accordance with legislation and policies, and whether the Public Trustee publicly reports on the performance of its services.

Agricultural Fair Associations (2016)

This chapter examines whether there is adequate government oversight of New Brunswick Agricultural Associations.

Department of Natural Resources and Energy Development**Residential Energy Efficiency Programs (2021)**

This chapter examines whether the Department is providing effective oversight to ensure NB Power fulfills its energy efficiency mandate and whether NB Power is effectively delivering the residential energy efficiency programs.

Timber Royalties, Follow-Up from 2008 (2020)

This chapter presents an update on recommendations from 2008. It examines the Crown timber royalty rate-setting process and the application of rates under the *Crown Lands and Forests Act*.

Silviculture (2015)

This chapter determines whether the Department is meeting its responsibilities to enhance the quality and quantity of future timber supply through silviculture and acquires silviculture services with due regard for economy and efficiency.

Private Wood Supply (2015)

This chapter determines whether the Department is meeting its responsibilities respecting timber supply from private woodlots and if the New Brunswick Forest Products Commission provides adequate oversight of Forest Products Marketing Boards.

Department of Post-Secondary Education, Training and Labour

Covid-19 Funding – New Brunswick Workers' Emergency Income Benefit (2021)

This chapter examined the oversight and monitoring of the program developed to provide bridge funding for those whose income was affected by pandemic closures until the Federal employment program launched.

Provincial Funding to Universities and Maritime College of Forest Technology (MCFT) (2019)

This chapter reports findings and observations regarding the allocation and monitoring of provincial funding to universities and MCFT. It reviewed the Memorandum of Understanding the Province has with universities which sets accountability requirements, funding formula, and PETL public reporting on outcomes of funding provided to universities.

Department of Social Development

Update on Nursing Home Planning and Aging Strategy (2020)

This chapter presents an update on the progress of implementation of recommendations from 2016 work on nursing home planning and aging strategy. It examines continuing concerns about growing unsustainable costs, aging nursing home infrastructure requiring significant investment in maintenance, repair and renewal, long waiting lists, increased pressure on hospital beds and limited public reporting on the status of nursing home capacity.

Group Homes and Specialized Placements (2019)

This chapter assesses the Department of Social Development's management of placement and care of children in group homes and specialized placements. It examined the Department's planning for the child in care placements, group home capacity in the province, and care plans for children against the Department's standards.

Advisory Services Contract (2017)

This chapter evaluated the effectiveness of specific Department of Social Development contract management practices in procuring, administering, and measuring results of a significant consulting contract for advisory services.

Nursing Homes (2016)

This chapter provides information on the current status of nursing homes. It looks at the current situation in the province concerning nursing homes and the capacity within the system to meet the growing demand for services.

Foster Homes (2013)

This chapter examines whether the Department complies with its documented foster home standards, and if it publicly reports on the effectiveness of its Childcare Residential Services program.

Department of Transportation and Infrastructure

Outsourcing of Highway Maintenance and Construction Work (2019)

This chapter examined the decision-making process followed by the Department of Transportation and Infrastructure to outsource highway maintenance, construction and procurement of related equipment to determine if it was evidence-based.

Centennial Building (2015)

This chapter reports on government infrastructure planning for the Centennial Building in Fredericton, associated financial impact on provincial taxpayers, and the current status of the facility.

Provincial Bridges (2013)

This chapter examines whether the Department performs bridge inspections in accordance with accepted professional standards and uses the inspection results to identify and prioritize necessary capital maintenance and other remedial measures. The chapter also examines whether the Department maintains the service level of its bridge inventory based on a long-term lowest life cycle cost approach, and whether it publicly reports on the condition of designated Provincial bridges and the effectiveness of its bridge inspection activities.

Government-wide projects

Office of the Chief Information Officer

Data Centre Power Interruption (2014)

This chapter examines the events and circumstances surrounding the data centre outage of June 9, 2014. It reports findings on the impact to government operations and the level of emergency preparedness of IT operations. It provides recommendations on improvements to business continuity and disaster recovery planning as well as defining roles and responsibilities of those involved in providing IT services.

Crown Agency and Crown Corporation Projects

New Brunswick Liquor Corporation (ANBL)

Liquor Industry Development in New Brunswick (2022)

This chapter examines whether ANBL is effectively managing its participation in the development of liquor industry in New Brunswick and its engagement with local producers.

Crown Agencies

Salary and Benefits Practices (2021)

This chapter examines if salary and benefits practices are consistent for Crown agencies in each of Parts I, III and IV and between Crown agencies in each part and if government directs salary and benefit practices of Crown agencies to be consistent.

Legal Aid Services Commission

Public Trustee Services (2016)

This chapter examines whether the Public Trustee properly safeguards and administers client assets held in trust, whether the Public Trustee's processes for making care decisions on behalf of its clients are in accordance with legislation and policies, and whether the Public Trustee publicly reports on the performance of its services.

New Brunswick Lotteries and Gaming Corporation

Atlantic Lottery Corporation – Joint Follow-up of the 2016 Recommendations to the Atlantic Lottery Corporation (2022)

This was a joint follow-up report by the Auditors General of New Brunswick, Newfoundland and Labrador, Nova Scotia, and Prince Edward Island on the implementation status of the 25 recommendations made in their 2016 audit of the Atlantic Lottery Corporation (ALC). There were separate recommendations directed to the four shareholder governments, the board and management.

Atlantic Lottery Corporation (2016)

This volume examines whether Atlantic Lottery Corporation's:

- governance structures and processes create a framework for effective governance and are working well;
- executive and employee compensation and benefits are appropriately managed;
- travel, hospitality, and board expenses are managed in a transparent manner that promotes the appropriate use of shareholder money;
- significant contracts are monitored to ensure services are received, and payments made, in accordance with contract terms;
- significant contracts are effective in meeting its objectives and achieving enterprise value; and
- services are procured in an efficient and economical manner.

NB Power**Residential Energy Efficiency Programs (2021)**

This chapter examines whether the Department is providing effective oversight to ensure NB Power fulfills its energy efficiency mandate and whether NB Power is effectively delivering the residential energy efficiency programs.

Debt Challenges (2020)

This chapter examines the capital structure, or the proportions of debt and equity at NB Power. The percentage of debt, which is not currently within legislated parameters, the Corporation's debt to equity structure compared to other peer utilities in Canada, the risks related to this debt, and debt reduction within NB Power are covered within this report.

Climate Change (2017)

In April 2016 all Auditors General across Canada agreed to undertake work on their provinces' and territories' climate change initiatives. This work will then be summarized in a report to the Parliament in early 2018. The overall objective of this initiative was to work together to determine the extent to which federal, provincial and territorial governments in Canada are meeting commitments to reduce greenhouse gas (GHG) emissions and to adapt to climate change.

Point Lepreau Nuclear Generating Station Refurbishment – Phase II (2014)

This chapter assesses the reasonableness of key project costs of the Point Lepreau Nuclear Generating Station Refurbishment Project.

Point Lepreau Nuclear Generating Station Refurbishment – Phase I (2013)

This chapter describes key aspects of NB Power's planning and execution of the Point Lepreau refurbishment and presents summaries of amounts making up the \$1.4 billion asset account and the \$1.0 billion deferral account related to the refurbishment.

Opportunities NB**Funding for Rural Internet (2021)**

This chapter examines funding for expansion of rural access to modern high-speed internet to determine outcomes regarding affordable access and connectivity.

Financial Assistance to Atcon: Unanswered Questions (2017)

This chapter examines questions on the use of the funds received by Atcon and whether anyone benefited inappropriately from this money during the short timeframe between granting the company financial assistance and the placement of Atcon into receivership.

Financial Assistance to Atcon Holdings Inc. and Industry (2015)

This chapter assesses whether the government exercised due diligence in granting financial assistance to the Atcon group of companies and determines if provincial government organizations coordinate the provision of assistance to industry to limit provincial exposure. It also determines whether the Department has implemented recommendations made in previous performance audits of assistance it provides to industry as well as the effectiveness of the Department's public reporting of the financial assistance it provides.

Regional Development Corporation

Funding for Rural Internet (2021)

This chapter examines funding for expansion of rural access to modern high-speed internet to determine outcomes regarding affordable access and connectivity.

Regional Health Authorities – Horizon and Vitalité Health Networks

Infection Prevention and Control in Hospitals (2015)

This chapter determines if the Department of Health and the Regional Health Authorities have an infection prevention and control program to protect people from hospital-acquired infections.

Service New Brunswick

Residential Property Assessment – Special Examination (2017)

This chapter examines the circumstances related to inaccuracies and errors in Service New Brunswick's (SNB) calculation of real property assessment values for the taxation years 2011 through 2017.

Agricultural Fair Associations (2016)

This chapter examines whether there is adequate government oversight of New Brunswick Agricultural Associations.

Data Centre Power Interruption (2014)

This chapter examines the events and circumstances surrounding the data centre outage of June 9, 2014. It reports findings on the impact to government operations and the level of emergency preparedness of IT operations. It provides recommendations on improvements to business continuity and disaster recovery planning as well as defining roles and responsibilities of those involved in providing IT services.

WorkSafeNB

Phase I – Governance (2018)

This chapter determines if WorkSafeNB's framework is structured to enable the organization to meet its mandate, goals and objectives.

Phase II – Management of Injured Workers' Claims (2018)

This chapter presents findings and recommendations regarding WorkSafeNB's management of injured workers' claims. It examines whether WorkSafeNB has an effective claims management framework.

Appendix IV

Detailed Status Report of Recommendations Since 2016

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self - Reported Status
Public Trustee Services	Legal Aid Services Commission	2016	1	3	39	We recommend the Public Trustee develop comprehensive policies and procedures for trust officers to assist trust officers in their work, to help in training new trust officers, and to ensure consistency of client files.	Implemented *
Public Trustee Services	Legal Aid Services Commission	2016	1	3	40	We recommend the Public Trustee amend and implement the investment policy for client funds.	Implemented *
Public Trustee Services	Legal Aid Services Commission	2016	1	3	41	We recommend the Public Trustee upgrade or replace its current case management information system in order to meet user needs.	Not Implemented *
Public Trustee Services	Legal Aid Services Commission	2016	1	3	42	We recommend the Public Trustee review its insurance coverage to ensure client assets are adequately insured.	Implemented *
Public Trustee Services	Legal Aid Services Commission	2016	1	3	43	We recommend the Public Trustee implement regular supervisory review of client files.	Implemented *
Public Trustee Services	Legal Aid Services Commission	2016	1	3	44	We recommend the Public Trustee implement an internal audit function.	Not Implemented *
Public Trustee Services	Legal Aid Services Commission	2016	1	3	50	We recommend the Public Trustee ensure guardianship officers sufficiently document the rationale for all personal care and healthcare decisions in the case management system.	Implemented *
Public Trustee Services	Legal Aid Services Commission	2016	1	3	59	We recommend the Public Trustee establish goals, objectives and measurable targets for its services, measure its performance against the targets and publicly report on its performance.	Not Implemented *

* Denotes implementation status as verified by AGNB in 2022.

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-reported Status
Public Trustee Services	Legal Aid Services Commission	2016	1	3	60	We recommend the Public Trustee make available publicly all audited financial statements of Trusts under the Administration of the Public Trustee.	Implemented *
Public Trustee Services	Legal Aid Services Commission	2016	1	3	69	We recommend the Public Trustee identify legislation changes needed to address the following, and work with the responsible department to implement them: <ul style="list-style-type: none"> • lack of timeliness in obtaining authority to act as Public Trustee for a client; • loss of authority upon death of a client; • limitations in fees that can be charged to clients; and • administration of unclaimed property. 	Implemented *
Meat Safety – Food Premises Program	Health	2016	3	2	54	We recommend the Department of Health ensure applicants for food premises licenses submit all required documentation and comply with the food premises standards prior to issuing a license.	Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	65	We recommend the Department of Health implement procedures to identify illegal operators of food premises and then proceed to either license the operator or take enforcement actions to cease their operations. The procedures should be done on a regular basis and the results documented.	Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	66	We recommend the Department of Health review all food premises licences to ensure the class is correct and the proper annual fee is being collected.	Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	69	We recommend the Department of Health fully implement its risk-based inspection strategy by ensuring staff follow the documented <i>Standard Operational Procedures</i> and properly complete a risk assessment, and update it annually, to determine the proper inspection frequency for food premises.	Implemented

*Denotes implementation status as verified by AGNB in 2022.

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Meat Safety – Food Premises Program	Health	2016	3	2	75	We recommend the Department of Health follow the documented <i>Standard Operational Procedures</i> (SOPs) and properly conduct inspections to monitor operators' compliance with the food premises standards.	Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	76	We recommend the Department of Health properly document all inspections by accurately and neatly completing the <i>Food Premises Inspection Form</i> .	Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	77	We recommend the Department of Health perform the required number of routine inspections each year (which is determined by assessing the risk of the food premises).	Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	78	We recommend the Department of Health perform re-inspections on a timely basis to ensure violations of the food premises standards have been corrected.	Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	85	As part of recommendation 2.75, we recommend the Department of Health ensure all inspectors wash their hands before beginning their inspection and record all violations on the inspection report.	Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	86	We recommend the Department of Health enhance inspections by checking temperatures, sanitizing solution concentration, food safety training records, etc. and thoroughly reviewing operators' records required by the food premises standards.	Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	87	We recommend the Department of Health encourage consistency between inspectors through such means as: <ul style="list-style-type: none"> • providing refresher training on the SOPs; • monitoring compliance with the SOPs; and • having regular meetings to discuss violations and food premises standards using professional judgment. 	Implemented
	Justice and Public Safety						Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Meat Safety – Food Premises Program	Health	2016	3	2	92	We recommend the Department of Health explore the benefits of tracking and monitoring violations of the food premises standards to identify trends and target systematic corrective efforts. (For example, one region could pilot a project where violations are recorded on a spreadsheet and then analyzed to identify trends. If the exercise proves to be beneficial, a provincial system could be implemented.)	Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	95	We recommend the Department of Health ensure proper procedures are consistently followed and documented when revoking a food premises licence.	Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	102	There should be serious ramifications for food premise operators who repeatedly have their licence revoked. We recommend the Department of Health eliminate noncompliance by operators by implementing stronger enforcement actions, such as posting compliance status in premises' window clearly visible to the public, ticketing with fines, graduated licensing fees, etc.	Not Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	110	We recommend the Department of Health enhance its public reporting of compliance with the food premises standards by: <ul style="list-style-type: none"> • posting inspection reports for all food premises, and • posting results of all inspections for the past two years. 	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Meat Safety – Food Premises Program	Health	2016	3	2	114	We recommend the Department of Health establish a standard method (to be used by all regional offices) for maintaining consistent, reliable and useful information for the food premises program including the following: <ul style="list-style-type: none"> • directories of licensed food premises including their class, annual fee, assigned inspector, risk category, etc.; and • information required by the <i>Standard Operational Procedures</i>, such as specific information on food premises relating to their risk assessment, “major” and “critical” violations, and “management and employee food safety knowledge”. 	Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	115	The current manual inspection system does not provide information needed by the Department. We recommend the Department of Health explore what other provinces are doing in this regard and automate the inspection system.	Implemented
	Justice and Public Safety						Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	125	We recommend the Department of Health implement quality assurance practices to ensure all risk areas covered by the <i>Food Premises Regulation</i> are subject to quality assurance monitoring.	Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	126	We recommend the Department of Health rotate food premises assigned to inspectors at least every four years as required by the <i>Standard Operational Procedures (SOPs)</i> .	Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	127	We recommend the Department of Health calibrate equipment regularly as required by the SOPs.	Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	128	We recommend the Department of Health thoroughly review all of the SOPs to determine if they are practical. Attention should be given to identify SOPs that are not being followed. (In particular, the number of inspection files per inspector to be reviewed by the Regional Director may be excessive.) We further recommend the SOPs be revised as needed.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Meat Safety – Food Premises Program	Health	2016	3	2	154	We recommend the Department of Health assess the public health risks related to: <ul style="list-style-type: none"> • uninspected meat; • class 5 operators not having food safety training; • licensing and inspecting abattoirs that are also involved with processing meat (such as making sausage, head cheese, jerky and other smoked products); and • community suppers, and we recommend the Department consider updating its regulations based on their findings.	Not Implemented
Meat Safety – Food Premises Program	Health	2016	3	2	155	We recommend the Department of Health fully implement the current <i>Food Premises Regulation</i> or amend it to reflect the Department’s present public health policy intentions.	Implemented
Advisory Services Contract	Service New Brunswick	2017	1	2	50	We recommend Service New Brunswick: <ul style="list-style-type: none"> • ensure emergency and urgent exemptions are not used inappropriately by departments to bypass the competitive tendering process; • require that departments provide sufficient rationale and documentation to support requested exemptions; and • maintain a record of why the decision to approve the emergency and urgent exemption was made. 	Implemented
Advisory Services Contract	Social Development	2017	1	2	58	We recommend the Department of Social Development apply a cool down period between the end of existing contracts with potential future proponents to avoid undue influence and conflict of interest.	Implemented
Advisory Services Contract	Social Development	2017	1	2	59	We recommend the Department of Social Development communicate to Service New Brunswick rationale for not following Service New Brunswick procurement procedures and advice.	Implemented
Advisory Services Contract	Social Development	2017	1	2	89	We recommend the Department of Social Development structure contracts containing performance compensation only on actual, measurable results.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Advisory Services Contract	Social Development	2017	1	2	94	We recommend the Department of Social Development develop a framework to govern significant aspects of contract management such as procurement, administration, evaluation and reporting.	Not Implemented
Advisory Services Contract	Social Development	2017	1	2	103	We recommend the Department of Social Development design and develop agreements that provide for performance measurement by including objectives and clear, well defined deliverables.	Implemented
Advisory Services Contract	Social Development	2017	1	2	117	We recommend the Department of Social Development: <ul style="list-style-type: none"> independently evaluate the performance of contractors against well-defined contract goals, objectives and deliverables; and submit written feedback to Service New Brunswick on the contractor's performance for significant contracts. 	Not Implemented
Advisory Services Contract	Service New Brunswick	2017	1	2	118	We recommend Service New Brunswick require contractor performance reports be submitted by procuring entities for all significant agreements.	Not Implemented
Advisory Services Contract	Social Development	2017	1	2	129	We recommend the Department of Social Development track actual savings as they accumulate over time supported by relevant data.	Not Implemented
Advisory Services Contract	Social Development	2017	1	2	132	We recommend the Department of Social Development measure and report the impact to quality of client service delivery resulting from implemented performance improvement initiatives.	Not Implemented
Advisory Services Contract	Service New Brunswick	2017	1	2	146	We recommend Service New Brunswick ensure that service contracts include a "not to exceed" clause in the amount matching the purchase order value.	Implemented
Advisory Services Contract	Social Development	2017	1	2	169	We recommend the Department of Social Development develop a monitoring strategy for implementation targets, milestones, deliverables, and service quality for significant Departmental initiatives.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Advisory Services Contract	Social Development	2017	1	2	180	We recommend the Department of Social Development not include clauses in contracts for consulting services that allow out of scope work to be undertaken.	Implemented
Advisory Services Contract	Social Development	2017	1	2	199	We recommend the Department of Social Development include clear contract terms stipulating billing requirements such as a maximum timeframe for submission of invoices.	Not Implemented
Advisory Services Contract	Social Development	2017	1	2	228	We recommend the Department of Social Development design and implement controls to ensure: <ul style="list-style-type: none"> • compliance with government policies governing travel expenses (AD-2801) and approval of payments (AD-6402); and • significant contract terms such as billing discounts and caps are adhered to. 	Not Implemented
Advisory Services Contract	Social Development	2017	1	2	259	We recommend the Department of Social Development not include consultants on procurement evaluation committees if compensation to the consultant is impacted by the procurement award.	Implemented
Climate Change	Environment & Local Government	2017	1	3	41	We recommend the Department propose to Cabinet that Greenhouse Gas emission targets, as specified in its Climate Change Action Plan be legislated, similar to other Canadian provinces.	Implemented
Climate Change	Environment & Local Government	2017	1	3	48	We recommend the Department set specific GHG emission reduction targets for NB Power to ensure the provincial targets set in the Climate Change Action Plan are achievable.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Climate Change	NB Power	2017	1	3	55	<p>We recommend NB Power:</p> <ul style="list-style-type: none"> perform a comprehensive analysis on the potential impact of phase-out of Belledune Generating Station; consult with the Department of Environment and Local Government on a proposed solution regarding the Belledune Generating Station; and integrate the Belledune Generating Station phase-out analysis in its Integrated Resource Plan process to ensure it has the capacity to meet New Brunswick's future electricity requirements, while respecting energy efficiency and demand reduction programs. 	Implemented
Climate Change	Environment & Local Government	2017	1	3	63	<p>We recommend the Department finalize an implementation plan that describes:</p> <ul style="list-style-type: none"> how and when the actions identified in the Climate Change Action Plan will be implemented; and how the Department intends to monitor and report on the progress. 	Not Implemented
Climate Change	Environment & Local Government	2017	1	3	108	<p>We recommend the Department develop a provincial climate change risk assessment. The assessment should include:</p> <ul style="list-style-type: none"> Risk identification; Risk analysis; Risk evaluation; Risk treatment and adaptation measures; and Implementation plan and monitoring. 	Not Implemented
Climate Change	NB Power	2017	1	3	120	We recommend NB Power conduct a corporate level climate change vulnerability assessment.	Implemented
Climate Change	NB Power	2017	1	3	121	We recommend NB Power develop an implementation plan for adapting to climate change after the completion of its vulnerability assessment.	Not Implemented
Climate Change	Environment & Local Government	2017	1	3	134	We recommend the Department update the CCAP Progress Tracking System to reflect the changes in the most current Climate Change Action Plan.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Financial Assistance to Atcon: Unanswered Questions	Opportunities NB	2017	2	2	80	We recommend, for performance bonds or funds placed in trust, Opportunities NB structure the release of such funds such that sufficient supporting documentation is obtained and reviewed for authenticity and legitimacy prior to authorizing the disbursement of funds.	Not Implemented
Financial Assistance to Atcon: Unanswered Questions	Opportunities NB	2017	2	2	150	Where the financial assistance requested is significant and is considered high risk, we recommend a clear determination be made and presented to Cabinet as to whether the financial assistance requested is sufficient for the purpose intended.	Implemented
Financial Assistance to Atcon: Unanswered Questions	Opportunities NB	2017	2	2	152	Where the financial assistance requested is significant and is considered high risk, we recommend information presented to Cabinet for decisions on financial assistance should include comparisons to industry standards to assess the health of the company requesting financial assistance.	Implemented
Financial Assistance to Atcon: Unanswered Questions	Opportunities NB	2017	2	2	154	Where the financial assistance requested is significant and is considered high risk, we recommend no financial assistance be granted to a company when significant amounts are outstanding from the shareholders of the company or from affiliated companies. Any exceptions should be rare and well justified.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Financial Assistance to Atcon: Unanswered Questions	Opportunities NB	2017	2	2	156	<p>Where the financial assistance requested is significant and is considered high risk, we recommend management and shareholders be required to make a declaration pertaining to dividends, salaries, bonuses (or other) as needed, as part of the application process, such as:</p> <ul style="list-style-type: none"> • Salaries to key executives for the past three to five years; • Salaries, dividends and bonuses to shareholders and family members for the past three to five years; • Transfers to related/associated/affiliated companies in the past three to five years; • Details of shareholder account activity during the past three to five years; and • Details of dividends, share redemptions and changes in share capital in the past three to five years. 	Not Implemented
Financial Assistance to Atcon: Unanswered Questions	Opportunities NB	2017	2	2	158	Where the financial assistance requested is significant and is considered high risk, we recommend that agreements contain a restriction to require the approval of ONB prior to a dividend or bonus payment.	Implemented
Financial Assistance to Atcon: Unanswered Questions	Opportunities NB	2017	2	2	160	Where the financial assistance requested is significant and is considered high risk, we recommend that statutory declarations made as a condition of financial assistance be verified.	Implemented
Financial Assistance to Atcon: Unanswered Questions	Opportunities NB	2017	2	2	162	Where the Province has personal guarantees as security on financial assistance, we recommend ONB put in place a process whereby, in the event of default by the recipient, personal guarantees are promptly pursued.	Implemented
Financial Assistance to Atcon: Unanswered Questions	Executive Council Office	2017	2	2	164	We recommend the Executive Council Office take responsibility for coordinating the implementation of recommendations in this report by all departments/agencies providing financial assistance to industry.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	42	We recommend Service New Brunswick (Property Assessment Services) follow standard Project Management processes to initiate, plan, execute, control and oversee the work of project teams to achieve specific goals and meet specific success criteria.	Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	43	We recommend Service New Brunswick (Property Assessment Services) require proponents of projects to develop a detailed business case for each project in order to demonstrate its expected value.	Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	44	We recommend Service New Brunswick (Property Assessment Services) consult with the Project Management Branch in managing major projects.	Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	45	We recommend Service New Brunswick (Property Assessment Services) conduct lessons-learned analysis subsequent to implementing new technology and incorporate lessons learned.	Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Executive Management	2017	3	2	72	We recommend Service New Brunswick executive management ensure key risks associated with project proposals are clearly highlighted within the information presented to the Board for approval.	Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Board of Directors	2017	3	2	73	We recommend the Service New Brunswick Board of Directors apply an appropriate level of scrutiny to high risk project proposals as identified in the corporate risk register.	Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	79	We recommend Service New Brunswick (Property Assessment Services) prioritize its efforts to validate Gross Living Area data on the more complicated types of building.	Not Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	82	We recommend Service New Brunswick (Property Assessment Services) utilize aerial photography as a tool to improve, augment or verify data, not as the authoritative record.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	86	We recommend Service New Brunswick (Property Assessment Services) adequately resource future mass appraisal model development and implementation.	Not Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	88	We recommend Service New Brunswick (Property Assessment Services) require peer review for quality assurance when developing new mass appraisal models.	Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	91	We recommend Service New Brunswick (Property Assessment Services) regularly review the extent to which each property data element has an impact on property value and the benefit of collecting, maintaining and using such data in all future mass appraisal model development.	Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	92	We recommend Service New Brunswick (Property Assessment Services) capture the quality and condition of properties and properly analyze their impact on property value.	Not Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	95	We recommend Service New Brunswick (Property Assessment Services) develop and document a formal definition of an error in property assessment.	Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	109	We recommend Service New Brunswick (Property Assessment Services) identify, correct, track, and publicly report on errors.	Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	110	We recommend Service New Brunswick (Property Assessment Services): <ul style="list-style-type: none"> conduct exploratory analysis on existing property data elements to determine completeness, accuracy and consistency; and formalize and implement a process to monitor the integrity of data. 	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	120	<p>We recommend Service New Brunswick (Property Assessment Services) establish a Quality Assurance functional unit. The unit should:</p> <ul style="list-style-type: none"> • report to the Executive Director to maintain independence, avoid any potential conflict of interest, and ensure key information is provided; • monitor and report on the quality of project management; and • undertake a province-wide program to improve property data quality, with consistent training, tools, and standards in all regions. 	Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	132	<p>We recommend Service New Brunswick (Property Assessment Services) enhance quality assurance by:</p> <ul style="list-style-type: none"> • developing parameters, policies and procedures for exception reports; and • ensuring exception reports are properly followed up. 	Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	133	<p>We recommend Service New Brunswick (Property Assessment Services) discontinue the practice of relying on property owner Requests for Review as a means of quality assurance.</p>	Implemented
Residential Property Assessment – Special Examination	Finance and Treasury Board	2017	3	2	139	<p>We recommend the Department propose to Cabinet that the Department assume responsibility for the administration of all:</p> <ul style="list-style-type: none"> • property tax policy changes; and • property tax benefit and relief programs. 	Not Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	145	<p>We recommend Service New Brunswick (Property Assessment Services) issue annual property assessment notices separate from property tax bills that lists the real and true value of the property and explains clearly why the assessed value has changed from one year to the next.</p>	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Residential Property Assessment – Special Examination	Finance and Treasury Board	2017	3	2	146	We recommend the Department issue property tax bills separate from the assessment notice and clearly demonstrate how property taxes are calculated, including all the applicable credits, deductions, and exemptions.	Not Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Property Assessment Services	2017	3	2	150	We recommend Service New Brunswick (Property Assessment Services) appropriately engage staff throughout the organization in the development and implementation of major high risk change initiatives.	Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Executive Director	2017	3	2	155	We recommend Service New Brunswick ensure the Executive Director of Assessment: <ul style="list-style-type: none"> • has adequate time to fulfill his or her statutory obligation; and • encourages group cohesion between the units within Property Assessment Services. 	Implemented
Residential Property Assessment – Special Examination	Service New Brunswick Board of Directors	2017	3	2	156	To ensure the necessary independence to fulfill the Executive Director’s statutory obligations, we recommend: <ul style="list-style-type: none"> • Service New Brunswick Board of Directors require the Executive Director of Property Assessment Services report directly and independently to the Board; • Service New Brunswick Board of Directors have authority for hiring and termination of Executive Director upon recommendation from the CEO; and • Performance appraisal and other administrative matters rest with SNB senior management as determined by the CEO. 	Not Implemented
Residential Property Assessment – Special Examination	Executive Council Office	2017	3	2	157	We recommend Executive Council Office provide Service New Brunswick’s Executive Director of Property Assessment Services full discretion to communicate independently as needed with the public.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
School District Purchase Cards	ASD-West	2017	5	2	36	We recommend school districts use the cardholder agreement in government policy AD-6405 Purchase Card and have cardholders sign the agreement before obtaining their purchase card and annually as required by the new policy.	Implemented
	ASD-North						Not Implemented
	ASD-East						Implemented
	ASD-South						Implemented
	DSF-Sud						Implemented
	DSF-Nord Est						Implemented
	DSF-Nord Ouest						Implemented
School District Purchase Cards	Finance and Treasury Board	2017	5	2	39	We recommend Treasury Board issue guidance for the application of government policy AD-2801 Travel Policy in regards to business meeting expenses.	Implemented
School District Purchase Cards	ASD-West	2017	5	2	43	We recommend school districts use purchase cards only for purchases that are authorized under government policies.	Implemented
	ASD-North						Implemented
	ASD-East						Implemented
	ASD-South						Implemented
	DSF-Sud						Implemented
	DSF-Nord Est						Implemented
	DSF-Nord Ouest						Implemented
School District Purchase Cards	Finance and Treasury Board	2017	5	2	47	We recommend the Office of the Comptroller issue guidance for making online purchases, including the risks associated with online shopping and security precautions that should be taken.	Implemented
School District Purchase Cards	ASD-West	2017	5	2	49	We recommend school districts monitor and enforce adherence to guidelines in the cardholder agreement and policy AD-6405 Purchase Card.	Implemented
	ASD-North						Implemented
	ASD-East						Implemented
	ASD-South						Implemented
	DSF-Sud						Implemented
	DSF-Nord Est						Implemented
	DSF-Nord Ouest						Implemented
School District Purchase Cards	ASD-West	2017	5	2	53	We recommend school districts provide education to cardholders on their responsibilities, the appropriate use of purchase cards, consequences for misuse, as well as transaction reconciliation procedures, before new cardholders begin to use their card and regularly for all cardholders.	Implemented
	ASD-North						Implemented
	ASD-East						Implemented
	ASD-South						Implemented
	DSF-Sud						Implemented
	DSF-Nord Est						Implemented
	DSF-Nord Ouest						Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
School District Purchase Cards	ASD-West	2017	5	2	54	We recommend school districts provide training to purchase card administrators and transaction approvers on the appropriate use of purchase cards and enforcement procedures.	Implemented
	ASD-North						Implemented
	ASD-East						Implemented
	ASD-South						Implemented
	DSF-Sud						Implemented
	DSF-Nord Est						Implemented
	DSF-Nord Ouest						Implemented
School District Purchase Cards	ASD-West	2017	5	2	60	We recommend school districts segregate incompatible user responsibilities and system accesses as required by government policies AD-6402 Approval of Payments and AD-6405 Purchase Card.	Implemented
	ASD-North						Implemented
	ASD-East						Implemented
	ASD-South						Implemented
	DSF-Sud						Implemented
	DSF-Nord Est						Implemented
	DSF-Nord Ouest						Implemented
School District Purchase Cards	ASD-West	2017	5	2	65	We recommend school districts ensure sufficient documentation in support of purchase card transactions be provided by the cardholder, reviewed against applicable policies and guidelines and filed for future reference.	Implemented
	ASD-North						Implemented
	ASD-East						Implemented
	ASD-South						Implemented
	DSF-Sud						Implemented
	DSF-Nord Est						Implemented
	DSF-Nord Ouest						Implemented
School District Purchase Cards	ASD-West	2017	5	2	69	We recommend school districts monitor and enforce compliance with the provisions of the cardholder agreement in relation to timely submission of supporting documentation.	Implemented
	ASD-North						Implemented
	ASD-East						Implemented
	ASD-South						Implemented
	DSF-Sud						Implemented
	DSF-Nord Est						Implemented
	DSF-Nord Ouest						Implemented
School District Purchase Cards	ASD-West	2017	5	2	72	We recommend school districts review account coding and the amount of sales tax for each transaction entered into the financial system in order to provide accurate financial information.	Implemented
	ASD-North						Implemented
	ASD-East						Implemented
	ASD-South						Implemented
	DSF-Sud						Implemented
	DSF-Nord Est						Implemented
	DSF-Nord Ouest						Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
School District Purchase Cards	ASD-West	2017	5	2	85	We recommend school districts review cardholder listings regularly to ensure only active employees who purchase for the school districts have the appropriate type of purchase card with transaction and monthly limits that meet their purchasing needs.	Implemented
	ASD-North						Implemented
	ASD-East						Implemented
	ASD-South						Implemented
	DSF-Sud						Implemented
	DSF-Nord Est						Implemented
	DSF-Nord Ouest						Implemented
School District Purchase Cards	ASD-West	2017	5	2	86	We recommend school districts add a formal step in the termination process in order to ensure departing employees' cards are cancelled before their employment with the district ends.	Not Implemented
	ASD-North						Not Implemented
	ASD-East						Not Implemented
	ASD-South						Not Implemented
	DSF-Sud						Not Implemented
	DSF-Nord Est						Not Implemented
	DSF-Nord Ouest						Not Implemented
School District Purchase Cards	ASD-West	2017	5	2	87	We recommend school districts develop, document and implement procedures for the issuance and cancellation of purchase cards in consultation with the other school districts, with guidance from the Office of the Comptroller as needed, to ensure consistency and efficiency.	Not Implemented
	ASD-North						Not Implemented
	ASD-East						Not Implemented
	ASD-South						Not Implemented
	DSF-Sud						Not Implemented
	DSF-Nord Est						Not Implemented
	DSF-Nord Ouest						Not Implemented
School District Purchase Cards	ASD-West	2017	5	2	95	We recommend school districts document their regular monitoring of purchase card transactions to identify violations.	Implemented
	ASD-North						Implemented
	ASD-East						Implemented
	ASD-South						Implemented
	DSF-Sud						Implemented
	DSF-Nord Est						Implemented
	DSF-Nord Ouest						Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
School District Purchase Cards	ASD-West	2017	5	2	96	We recommend school districts develop, document and implement consistent enforcement procedures for non-compliant cardholders to enforce guidelines in consultation with the other school districts, with guidance from the Office of the Comptroller as needed, to ensure consistency and efficiency.	Not Implemented
	ASD-North						Not Implemented
	ASD-East						Not Implemented
	ASD-South						Not Implemented
	DSF-Sud						Not Implemented
	DSF-Nord Est						Not Implemented
	DSF-Nord Ouest						Not Implemented
School District Purchase Cards	Education and Early Childhood Development	2017	5	2	97	We recommend the Department of Education and Early Childhood Development coordinate work on the implementation of our recommendations by all school districts.	Not Implemented
School District Purchase Cards	Education and Early Childhood Development	2017	5	2	98	We recommend the Department of Education and Early Childhood Development's internal audit function audit and report on school district purchase cards on a regular basis.	Not Implemented
WorkSafeNB Phase I – Governance	Post-Secondary Education, Training and Labour	2018	1	2	61	We recommend the Department of Post-Secondary Education, Training and Labour: <ul style="list-style-type: none"> • initiate a process to ensure appointments are completed in a timely manner; • comply with provincial legislation and government policy when recommending the appointment of board members under the Act; and • clearly document the appointment process and provide clear rationale for appointment recommendations made to government. 	Not Implemented *
WorkSafeNB Phase I – Governance	Post-Secondary Education, Training and Labour	2018	1	2	66	We recommend the Department of Post-Secondary Education, Training and Labour ensure future recommendations to government for WorkSafeNB appointments do not create a conflict of interest or result in reduced independence of the corporation.	Implemented *

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
WorkSafeNB Phase I – Governance	Executive Council Office	2018	1	2	83	We recommend the Executive Council Office and the Department of Post-Secondary Education, Training and Labour co-ordinate their efforts to provide timely decisions for future WorkSafeNB appointments.	Implemented *
	Post-Secondary Education, Training and Labour						Implemented *
WorkSafeNB Phase I – Governance	Post-Secondary Education, Training and Labour	2018	1	2	90	We recommend the Department of Post-Secondary Education, Training and Labour clearly state its requirements and expectations in the mandate letter.	Implemented *
WorkSafeNB Phase I – Governance	Post-Secondary Education, Training and Labour	2018	1	2	98	We recommend the Department of Post-Secondary Education, Training and Labour comply with the requirements of the <i>Accountability and Continuous Improvement Act</i> by: <ul style="list-style-type: none"> • issuing mandate letters annually; and • enforcing WorkSafeNB submission of annual plan per requirements of the Act. 	Implemented *
WorkSafeNB Phase I – Governance	Post-Secondary Education, Training and Labour	2018	1	2	103	We recommend the Department of Post-Secondary Education, Training and Labour monitor and publicly report on the progress of WorkSafeNB in meeting the requirements and expectations provided in Department mandate letters.	Implemented *
WorkSafeNB Phase I – Governance	WorkSafeNB Board of Directors	2018	1	2	124	We recommend the WorkSafeNB board of directors review its committee structures and practices to: <ul style="list-style-type: none"> • select participating board members to chair committees; • ensure per diem payments are made only to committee members for committee meetings; • ensure membership is aligned with board needs and competencies are sufficient to address committee requirements; • develop and implement competencies for committee membership; and • develop and implement a plan to evaluate committee performance on an annual basis. 	Implemented *

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
WorkSafeNB Phase I – Governance	WorkSafeNB Board of Directors	2018	1	2	131	We recommend the WorkSafeNB board of directors and the Department of Post-Secondary Education, Training and Labour jointly develop, document and implement a succession strategy to ensure:	Not Implemented *
	Post-Secondary Education, Training and Labour					<ul style="list-style-type: none"> • timely recruitment of all board positions, including the chair and vice-chair and, • effective staggering of board member terms. 	Not Implemented *
WorkSafeNB Phase I – Governance	WorkSafeNB Board of Directors	2018	1	2	132	We recommend the WorkSafeNB board of directors develop, document and implement a succession strategy for the President and Chief Executive Officer position.	Not Implemented *
WorkSafeNB Phase I – Governance	WorkSafeNB Board of Directors	2018	1	2	137	We recommend the WorkSafeNB board of directors fully develop, regularly update and utilize a board competency matrix for, at a minimum: <ul style="list-style-type: none"> • evaluating board member development requirements; • identifying development opportunities for board members; and • recruiting new board members to address competency and skillset needs. 	Implemented *
WorkSafeNB Phase I – Governance	WorkSafeNB Board of Directors	2018	1	2	141	We recommend the WorkSafeNB board of directors develop performance expectations for board positions and undertake annual performance evaluations for at least the board chair.	Implemented *
WorkSafeNB Phase I – Governance	WorkSafeNB	2018	1	2	147	We recommend WorkSafeNB provide board information packages well in advance of board meetings and focus information presented to meet the board's decision-making requirements using documentation such as executive summaries.	Implemented *
WorkSafeNB Phase I – Governance	WorkSafeNB Board of Directors	2018	1	2	150	We recommend the WorkSafeNB board of directors develop, document and implement an orientation program for new board members and a development plan for all board members.	Implemented *

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
WorkSafeNB Phase I – Governance	WorkSafeNB	2018	1	2	160	<p>We recommend WorkSafeNB, as part of its annual planning and reporting processes:</p> <ul style="list-style-type: none"> • fully develop long-term strategic goals and objectives and define measurable targets for all key performance indicators; • include the strategic requirements of the government mandate letter as part of its strategic planning process; • develop an operational action plan designed to implement the long-term strategic direction of the corporation; and • submit an annual plan to the Department focused on goals and objectives it intends to complete over the period of the plan, as required under the <i>Accountability and Continuous Improvement Act</i>. 	Implemented *
WorkSafeNB Phase I – Governance	WorkSafeNB Board of Directors	2018	1	2	167	<p>We recommend the WorkSafeNB board of directors:</p> <ul style="list-style-type: none"> • establish a CEO performance agreement that ties CEO performance to the corporation's strategy and results; and • conduct an annual CEO performance evaluation against the documented expectations. 	Implemented *
WorkSafeNB Phase I – Governance	WorkSafeNB	2018	1	2	186	<p>We recommend WorkSafeNB:</p> <ul style="list-style-type: none"> • include comparable New Brunswick public sector entities when undertaking compensation market comparisons in order to meet mandate letter requirements; and • maintain clearly documented rationale for decisions not in alignment with the Department's mandate letters. 	Implemented *

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
WorkSafeNB Phase I – Governance	WorkSafeNB Board of Directors	2018	1	2	207	We recommend the WorkSafeNB board of directors ensure current travel expense policy is enforced and revise it to: <ul style="list-style-type: none"> clearly define acceptable board and employee travel expense practices; and align with public service Part I policy where applicable to board and employee travel. 	Implemented *
WorkSafeNB Phase I – Governance	WorkSafeNB	2018	1	2	210	We recommend WorkSafeNB provide full public disclosure of board and executive compensation and expense information.	Implemented *
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Health	2018	1	3	58	We recommend the Department of Health provide clear direction through legislation and regulation as to who is responsible for health services including addiction and mental health services in provincial correctional institutions.	Not Implemented *
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Health	2018	1	3	67	We recommend the Department of Health, in consultation with the Department of Justice and Public Safety and other relevant parties, complete an integrated service delivery model for addictions and mental health services in New Brunswick correctional institutions. Existing agreements should be redrafted to meet the requirements of this service delivery model.	Implemented *
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Health	2018	1	3	72	We recommend the Department of Health and the Department of Justice and Public Safety collaborate to capture and share addiction and mental health data. This data should be used to identify addiction and mental health needs in New Brunswick correctional institutions and develop strategic service delivery plans.	Implemented *
	Justice and Public Safety						Implemented *
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Justice and Public Safety (Corrections)	2018	1	3	84	We recommend the Department of Justice and Public Safety (Corrections) in consultation with the Department of Health implement a recognized mental health screening tool in the admissions process.	Not Implemented *

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Health	2018	1	3	90	We recommend the Department of Health, in coordination with the Department of Justice and Public Safety, provide training on mental health screening to nursing staff and admission officers.	Not Implemented *
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Health	2018	1	3	93	We recommend the Department of Health ensure nursing staff within a correctional institution receive access to, or notification of, client records in the Client Service Delivery System (CSDS). This will allow validation of treatment history and treatment options.	Not Implemented *
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Justice and Public Safety	2018	1	3	100	We recommend the Department of Justice and Public Safety amend its admission process to: <ul style="list-style-type: none"> • eliminate duplication of effort in admissions; • improve the quality of inmate mental health data; and • incorporate best practices in mental health screening. 	Not Implemented *
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Health	2018	1	3	105	We recommend the Department of Health and the Department of Justice and Public Safety ensure inmates flagged from the screening protocol be referred to a qualified mental health professional for a comprehensive mental health assessment to develop a treatment plan.	Implemented *
	Justice and Public Safety						Implemented *
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Health	2018	1	3	117	We recommend the Department of Health and the Department of Justice and Public Safety collaborate to ensure addiction and mental health counselling and therapy treatment options are available for inmates in provincial correctional institutions.	Implemented *
	Justice and Public Safety						Implemented *
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Health	2018	1	3	118	We recommend the Department of Health and the Department of Justice and Public Safety use integrated clinical teams for assisting adults in custody, similar to the approach taken in the youth facility.	Implemented *
	Justice and Public Safety						implemented *

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Health	2018	1	3	119	We recommend the Department of Health and the Department of Justice and Public Safety support community based addiction and mental health programs to treat inmates inside the correctional institution due to the logistical and security challenges of bringing inmates to community treatment centres.	Implemented *
	Justice and Public Safety						Implemented *
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Health	2018	1	3	124	We recommend the Department of Health ensure addiction treatment services are made available to inmates in provincial correctional institutions.	Implemented *
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Health	2018	1	3	130	We recommend the Department of Justice and Public Safety and the Department of Health ensure all provincial correctional institutions have continuous access to emergency mental health services.	Implemented *
	Justice and Public Safety						Implemented *
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Justice and Public Safety	2018	1	3	134	We recommend the Department of Justice and Public Safety implement a formulary for medications for use within all provincial correctional institutions. Where possible the formulary should be aligned with drug protocols in Federal penitentiaries.	Not Implemented *
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Justice and Public Safety	2018	1	3	140	We recommend the Department of Justice and Public Safety implement an individualized protocol approach for inmates with mental health issues in segregation such as is used by Correctional Service Canada. Individualized protocols should be integrated into treatment plans and reviewed by mental health professionals.	Not Implemented *

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Health	2018	1	3	151	We recommend the Department of Health and the Department of Justice and Public Safety map out all services currently available to clients with addiction and mental health issues who are also involved in the criminal justice system. This information should then be used when developing the integrated service delivery model.	Implemented *
	Justice and Public Safety						Implemented *
Addiction and Mental Health Services in Provincial Adult Correctional Institutions	Health	2018	1	3	152	We recommend the Department of Health and the Department of Justice and Public Safety develop appropriate protocols to ensure continued services for addiction and mental health clients who are placed in custody in provincial correctional institutions.	Implemented *
	Justice and Public Safety						Implemented *
Improving Student Performance: A New Brunswick Challenge	Department of Education and Early Childhood Development	2018	2	2	35	We recommend the Department of Education and Early Childhood Development publicly provide plans to improve when assessment results show targets for reading, math and science were not met.	Implemented *
Improving Student Performance: A New Brunswick Challenge	Department of Education and Early Childhood Development	2018	2	2	36	We recommend the Department of Education and Early Childhood Development make it easy to find the results of provincial assessments by displaying them prominently on its website.	Implemented *
Improving Student Performance: A New Brunswick Challenge	Department of Education and Early Childhood Development	2018	2	2	47	We recommend the Department of Education and Early Childhood Development in collaboration with the school districts, analyze results of provincial assessments to identify root causes of poor performance and take corrective action to improve student performance in reading, math and science.	Not Implemented *
Improving Student Performance: A New Brunswick Challenge	Department of Education and Early Childhood Development	2018	2	2	58	We recommend the Department of Education and Early Childhood Development maintain the current 10-year provincial education plans until they expire in 2026, to allow the education system to stabilize and allow for evaluation of progress. Any adjustments to the plans should be collaborative.	Implemented *

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Improving Student Performance: A New Brunswick Challenge	Department of Education and Early Childhood Development	2018	2	2	59	<p>We recommend the Department of Education and Early Childhood Development prior to implementing major changes that impact student performance, including changes to the French immersion program, prepare a detailed implementation plan with:</p> <ul style="list-style-type: none"> • a realistic time schedule; • consideration of all supports that need to be in place for the change to be successful, such as human resources, curricula, teacher training, tools and methodologies; • adequate funding; and • a comprehensive risk assessment of the change's impact on operations and other ongoing initiatives at department, school district and school levels as well as risk mitigation strategies. 	Not Implemented *
Improving Student Performance: A New Brunswick Challenge	Department of Education and Early Childhood Development	2018	2	2	66	<p>We recommend the Department of Education and Early Childhood Development work with school districts, other departments and community-based organizations where applicable to:</p> <ul style="list-style-type: none"> • identify and address the challenges to achieving the provincial targets for reading, math and science; • present to government options to address the challenges; • develop standards for student absence tracking and measurement to better monitor student attendance; and • take corrective action to improve student attendance. 	Not Implemented *
Improving Student Performance: A New Brunswick Challenge	Department of Education and Early Childhood Development	2018	2	2	79	<p>We recommend the Department of Education and Early Childhood Development in consultation with school districts, review the <i>Education Act</i> in light of the current operating environment to ensure expectations are clear, relevant and realistic.</p>	Implemented *

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Improving Student Performance: A New Brunswick Challenge	Department of Education and Early Childhood Development	2018	2	2	80	We recommend the Department of Education and Early Childhood Development track, receive, review and take action on school district plans and reports, and hold all parties accountable as required by the <i>Education Act</i> .	Not Implemented *
Improving Student Performance: A New Brunswick Challenge	Department of Education and Early Childhood Development	2018	2	2	81	We recommend the Department of Education and Early Childhood Development in collaboration with the school districts: <ul style="list-style-type: none"> • ensure school improvement plans are prepared and reviewed annually as required by the <i>Education Act</i>, • demonstrate school improvement plans align with the provincial education plan, and • monitor the extent to which school improvement goals are being met. 	Implemented *
Improving Student Performance: A New Brunswick Challenge	Department of Education and Early Childhood Development	2018	2	2	82	We recommend the Department of Education and Early Childhood Development in collaboration with the District Education Councils, ensure District Education Councils self-evaluate their performance annually.	Not Implemented *
Improving Student Performance: A New Brunswick Challenge	Department of Education and Early Childhood Development	2018	2	2	87	We recommend the Department of Education and Early Childhood Development develop standards for teacher performance and provide tools to support the school districts in: <ul style="list-style-type: none"> • evaluating staff performance regularly as required by the <i>Education Act</i>; and • taking action to improve staff performance where needed. 	Not Implemented *
Improving Student Performance: A New Brunswick Challenge	Department of Education and Early Childhood Development	2018	2	2	91	We recommend the Department of Education and Early Childhood Development stabilize the provincial assessment programs to allow for trend analysis of student performance results for decision making.	Not Implemented *

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Improving Student Performance: A New Brunswick Challenge	Department of Education and Early Childhood Development	2018	2	2	102	We recommend the Department of Education and Early Childhood Development publicly report New Brunswick students' performance on national and international tests on its website and inform the public when these results are available.	Implemented *
Improving Student Performance: A New Brunswick Challenge	Department of Education and Early Childhood Development	2018	2	2	113	We recommend the Department of Education and Early Childhood Development facilitate the sharing of successes and best practices between the Anglophone and Francophone sectors.	Implemented *
WorkSafeNB Phase II – Management of Injured Workers' Claims	WorkSafeNB	2018	2	3	36	We recommend WorkSafeNB automate the claims management system to allow electronic submission and processing of claims documents, to reduce work and speed up intake and adjudication processes.	Not Implemented *
WorkSafeNB Phase II – Management of Injured Workers' Claims	WorkSafeNB	2018	2	3	40	We recommend claims be sent directly to an adjudicator after initial intake team gathers personal information and accident details.	Implemented *
WorkSafeNB Phase II – Management of Injured Workers' Claims	WorkSafeNB	2018	2	3	41	We recommend WorkSafeNB uses separate "Report of Accident" forms for the employer and employee.	Implemented *
WorkSafeNB Phase II – Management of Injured Workers' Claims	WorkSafeNB	2018	2	3	48	We recommend WorkSafeNB focus on return to work during adjudication by: <ul style="list-style-type: none"> • identifying risks to return to work; • prioritizing complex claims, and • initiating a plan to address barriers. 	Not Implemented *
WorkSafeNB Phase II – Management of Injured Workers' Claims	WorkSafeNB	2018	2	3	49	We recommend WorkSafeNB communicate a detailed case plan with: <ul style="list-style-type: none"> • return to work goals; • proposed treatments; and • forecast date for recovery. 	Implemented *

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	53	We recommend WorkSafeNB develop a treatment plan right after a claim is accepted and enable the adjudicator to communicate it to the injured workers.	Not Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	54	We recommend WorkSafeNB use disability duration guidelines to provide a forecast of return to work and include it in the initial decision letter sent to injured workers.	Not Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	59	We recommend WorkSafeNB require case managers discuss with injured workers their abilities, functional limitations and restrictions in determining the modified return to work plan.	Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	60	We recommend WorkSafeNB improve the adjudication decision making process by requiring adjudicators to document in the claim management system decision rationale with the key legislation and operational policy.	Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	63	We recommend WorkSafeNB include a clear explanation of potential eligible benefits with the initial decision letter to injured workers.	Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	66	We recommend WorkSafeNB develop specific competencies for the adjudication role and require all successful applicants to meet those competencies.	Not Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	75	We recommend WorkSafeNB update its guidance to promote early referrals to the workers rehabilitation centre, to maximize return to work outcomes.	Not Implemented *

* Denotes implementation status as verified by AGNB in 2022

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	81	We recommend WorkSafeNB formalize the authority and role of the medical advisor and ensure both medical advisors and case managers understand their respective roles regarding medical opinions.	Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	82	We recommend WorkSafeNB: <ul style="list-style-type: none"> • require medical advisor opinions to be formally documented and be restricted to the specifics of the medical condition; and • have templated, specific questions for case managers to ask medical advisors. 	Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	84	We recommend WorkSafeNB have a plan to: <ul style="list-style-type: none"> • follow up with the injured worker in relation to treatment progress; • closely monitor claims with modified return to work to ensure the modified work is suitable; and • communicate with health care providers involved in relation to workers’ progress. 	Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	88	We recommend WorkSafeNB develop expertise for complex and sensitive conditions among case managers by allocating specific types of injuries to certain case managers and offering professional development opportunities.	Not Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	97	We recommend WorkSafeNB: <ul style="list-style-type: none"> • expand the duration and level of detail in case manager training; and • enhance ongoing training for existing staff. 	Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	98	We recommend WorkSafeNB monitor claims managed and provide feedback to staff on an ongoing basis to ensure adherence to policy and consistency among regions.	Not Implemented *

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	101	We recommend WorkSafeNB annually review long term disability clients with a potential for return to work (for example, a change in functional abilities or a change in the labour market availability) to determine if the claim is still suitable for long term disability.	Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	104	We recommend WorkSafeNB propose to amend the legislation so that appeals go to the Issues Resolution Office of WorkSafeNB as a mandatory first step before an appellant can file an appeal with the Workers Compensation Appeals Tribunal.	Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	107	We recommend WorkSafeNB develop Key Performance Indicators which are relevant to the performance of its internal processes.	Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	109	We recommend WorkSafeNB define targets for its Key Performance Indicators and clearly state these on performance reports.	Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	111	We recommend WorkSafeNB link: <ul style="list-style-type: none"> • key performance indicators to strategic goals; and • improvement initiatives to the Key Performance Indicators identified. 	Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	115	We recommend WorkSafeNB reallocate administrative tasks, such as loss of earnings benefit calculations, from case managers to administrative staff.	Implemented *

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	119	We recommend WorkSafeNB build tools into the claims management system to free up staff from routine and repetitive tasks so they can focus on progress and treatments of injuries. Such tools would include: <ul style="list-style-type: none"> enhanced data mining capabilities; system reminders to update client information; auto-complete forms; and automated medical claims processing. 	Not Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	131	When tendering the contract for medical services again in 2019, we recommend WorkSafeNB: <ul style="list-style-type: none"> ensure tender requirements are comprehensive to minimize the need for significant changes after the tender is issued; and follow procurement regulations and best practices to ensure transparency, fairness, and competitiveness of the bidding process. 	Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	133	We recommend WorkSafeNB use a shorter initial term with an option to renew, when the contract for medical services is tendered in 2019.	Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	135	We recommend that WorkSafeNB include contract terms addressing intellectual property rights in future contracts for medical and rehabilitation services.	Implemented *
WorkSafeNB Phase II – Management of Injured Workers’ Claims	WorkSafeNB	2018	2	3	141	We recommend WorkSafeNB use progress reports received from physiotherapy clinics to monitor injured workers during treatment.	Implemented *

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Medicare Cards	Department of Health	2019	1	2	37	We recommend Medicare develop an online application process similar to other provinces to allow individuals to apply directly to Medicare for a Medicare card.	Not Implemented
Medicare Cards	Department of Health	2019	1	2	38	We recommend Medicare work with the Government of Canada to expedite the receipt of documentation required to process applications for a Medicare card for new immigrants residing in New Brunswick.	Not Implemented
Medicare Cards	Department of Health	2019	1	2	45	We recommend Medicare analyze whether it would achieve a positive payback by investing additional resources in identifying individuals with a NB Medicare card who have become ineligible. If Medicare determines there are benefits to doing more in this area, it should enhance its processes for monitoring the continued eligibility of cardholders.	Not Implemented
Medicare Cards	Department of Health	2019	1	2	58	We recommend Medicare determine if the anticipated cost savings from moving to an automatic Medicare card renewal process were achieved, and whether those cost savings are sufficient to offset the additional risk associated with adopting that process.	Implemented
Medicare Cards	Department of Health	2019	1	2	59	We further recommend if the savings achieved by the change were not sufficient to offset the additional risks it has taken on, Medicare reverse the automatic renewal process.	Not Implemented
Medicare Cards	Department of Health	2019	1	2	60	Regardless of the renewal process it employs, we recommend Medicare develop procedures to verify mailing addresses before sending out renewal documents in the future.	Not Implemented
Medicare Cards	Department of Health	2019	1	2	66	We recommend Medicare evaluate associated risks as well the necessity of having two private organizations contracted to produce and distribute Medicare Cards instead of one.	Not Implemented
Medicare Cards	Department of Health	2019	1	2	67	We recommend Medicare obtain a CSAE 3416 report on controls annually from Medavie/CPI in connection with the card production and distribution services provided by the two third party providers.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Medicare Cards	Department of Health	2019	1	2	75	We recommend Medicare, as a minimum, add photo identification to NB Medicare cards to enhance card security.	Not Implemented
Medicare Cards	Department of Health	2019	1	2	76	We recommend Medicare provide information on its website as to the circumstances in which the public should report suspected cases of inappropriate use of Medicare cards, and how that reporting should be done. Fully addressing this area would likely require Medicare to develop and promote a direct tip line.	Not Implemented
Medicare Cards	Department of Health	2019	1	2	77	We further recommend Medicare assign responsibility for following up on any tips received.	Not Implemented
Medicare Cards	Department of Health	2019	1	2	82	We recommend that Medicare upgrade their registration system to reduce the number of manual procedures required to administer the registration process.	Not Implemented
Medicare Cards	Department of Health	2019	1	2	88	We recommend Medicare negotiate a reciprocal billing arrangement with the Province of Quebec, based upon the arrangements now in place between New Brunswick and other provinces.	Not Implemented
Medicare Cards	Department of Health	2019	1	2	91	We recommend Medicare's contracts with Service New Brunswick and Medavie Blue Cross be amended to include performance metrics and related reporting requirements.	Not Implemented
Medicare Cards	Department of Health	2019	1	2	96	We recommend that Medicare prepare a staffing plan to help it develop the capacity to implement necessary changes to the Medicare card program while maintaining current operations at an acceptable level.	Not Implemented
Medicare Cards	Department of Health	2019	1	2	99	We recommend Medicare: <ul style="list-style-type: none"> • develop key performance indicators to allow assessment of Medicare performance; • set performance targets and measure actual results against those targets; and • publicly report the results on an annual basis. 	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Outsourcing of Highway Maintenance and Construction Work	Department of Transportation and Infrastructure	2019	1	3	34	We recommend the Department of Transportation and Infrastructure develop an evidence based outsourcing policy and a decision-making framework to guide which programs and activities to outsource.	Implemented
Outsourcing of Highway Maintenance and Construction Work	Department of Transportation and Infrastructure	2019	1	3	39	We recommend the Department of Transportation and Infrastructure assess the risk of over dependence on a single supplier when making outsourcing decisions.	Implemented
Outsourcing of Highway Maintenance and Construction Work	Department of Transportation and Infrastructure	2019	1	3	47	We recommend the Department of Transportation and Infrastructure record, track and regularly report on the extent and composition of outsourced maintenance and construction work.	Implemented
Outsourcing of Highway Maintenance and Construction Work	Department of Transportation and Infrastructure	2019	1	3	55	We recommend the Department of Transportation and Infrastructure evaluate how road work such as chip sealing is sourced and delivered in all districts following an objective and evidence-based cost benefit analysis.	Implemented
Outsourcing of Highway Maintenance and Construction Work	Department of Transportation and Infrastructure	2019	1	3	62	We recommend the Department of Transportation and Infrastructure include capital investment in critical equipment when planning the most cost-effective manner to deliver road repairs.	Implemented
Outsourcing of Highway Maintenance and Construction Work	Department of Transportation and Infrastructure	2019	1	3	68	We recommend the Department of Transportation and Infrastructure source capital equipment through the most cost-effective means as demonstrated by a business case analysis.	Implemented
Outsourcing of Highway Maintenance and Construction Work	Department of Transportation and Infrastructure	2019	1	3	78	We recommend the Department of Transportation and Infrastructure source bridge and culvert replacement work in an evidenced-based, cost-effective and timely manner.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Overdue Property Tax: Collections and Forgiveness	Finance and Treasury Board	2019	1	4	34	We recommend the Department develop a policy for its use of section 25 of the <i>Real Property Tax Act</i> to improve collections of overdue property tax. This section states that a person in whose name real property is assessed, who fails to pay the taxes on that real property, commits an offence punishable under part II of the <i>Provincial Offences Procedure Act</i> .	Implemented
Overdue Property Tax: Collections and Forgiveness	Finance and Treasury Board	2019	1	4	35	We recommend the Department calculate and track the impact of forgiven municipal property tax on the Province's expenses.	Implemented
Overdue Property Tax: Collections and Forgiveness	Finance and Treasury Board	2019	1	4	36	We recommend the Department: <ul style="list-style-type: none"> • clarify performance expectations of Service New Brunswick in collecting overdue property tax; and • monitor Service New Brunswick's performance against pre-defined performance indicators and targets. 	Implemented
Overdue Property Tax: Collections and Forgiveness	Finance and Treasury Board	2019	1	4	51	We recommend the Department set detailed eligibility criteria for property tax forgiveness to ensure consistency of forgiveness decisions.	Implemented
Overdue Property Tax: Collections and Forgiveness	Finance and Treasury Board	2019	1	4	52	We recommend the Department request the Office of the Comptroller internal audit group perform periodic reviews of system controls.	Implemented
Overdue Property Tax: Collections and Forgiveness	Finance and Treasury Board	2019	1	4	53	We recommend the Department consult with Treasury Board to determine whether the 2014 directive to review the <i>Real Property Tax Act</i> is still appropriate.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
City of Saint John Agreement – Special Review	Executive Council Office	2019	1	5	29	<p>We recommend the Executive Council Office ensure funding decisions by Cabinet:</p> <ul style="list-style-type: none"> • follow due process with proper approval by all relevant parties • are justified by a documented business case, detailed financial analysis and clear rationale for critical decisions; and • are supported by a documented legal review prior to decisions being made. 	Implemented
City of Saint John Agreement – Special Review	Executive Council Office	2019	1	5	33	<p>We recommend the Executive Council Office develop a records retention policy to ensure key records are maintained in the Premier’s Office throughout government transitions.</p>	Implemented
City of Saint John Agreement – Special Review	Executive Council Office	2019	1	5	54	<p>We recommend the Executive Council Office/Treasury Board Secretariat ensures:</p> <ul style="list-style-type: none"> • funding agreements do not effectively override the spirit and intent of legislation, such as: • subsection 100(8) of the <i>Local Governance Act</i> discouraging ongoing deficits; and • the need for an appropriation in advance of expending provincial funds as per the <i>Financial Administration Act</i>; 	Implemented
	Finance and Treasury Board					<ul style="list-style-type: none"> • a detailed risk analysis is completed when developing funding agreements and necessary clauses are included to address identified risks to the Province; including: • an appropriations clause based on legal advice to ensure proper budget authority is obtained; and • a clause requiring financial reports follow Public Sector Accounting Standards; • a sufficient multi-year appropriation is obtained to cover all legally committed funding over the life of the agreement. 	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
City of Saint John Agreement – Special Review	Executive Council Office	2019	1	5	64	We recommend the Executive Council Office involve all relevant provincial entities when planning, developing and reviewing future contracts and agreements for Cabinet approval.	Implemented
City of Saint John Agreement – Special Review	Executive Council Office	2019	1	5	71	We recommend the Executive Council Office ensure agreements approved by Cabinet: <ul style="list-style-type: none"> • are complete and authorized prior to making payments under the agreement; • contain clauses to mitigate risk and protect the taxpayer; • include clear, measurable deliverables; • include monitoring mechanisms; and • are monitored to ensure key deliverables, such as committee reports, are completed as required. 	Implemented
City of Saint John Agreement – Special Review	Finance and Treasury Board	2019	1	5	85	We recommend Treasury Board Secretariat/ provincial Comptroller review and update the <i>Financial Administration Act</i> to: <ul style="list-style-type: none"> • modernize the Act with respect to payments, accruals and conformance with Public Sector Accounting Standards; • increase clarity for key financial officers processing payments throughout government to know if proper budget authority exists; and • provide for budget appropriations for multi-year agreements at the time in which funds are legally committed. 	Not Implemented
Provincial Funding to Universities and Maritime College of Forest Technology	Legislative Assembly	2019	2	2	28	We recommend the Legislative Assembly select a standing committee, such as the Public Accounts Committee, to hold funding recipients such as universities accountable for funds received and performance achieved and require annual appearances before the committee, or as the committee determines appropriate.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Provincial Funding to Universities and Maritime College of Forest Technology	Department of Post-Secondary Education, Training and Labour	2019	2	2	30	We recommend the Department develop and execute a workplan to fulfill the accountability mechanisms included in the 2017-2018 to 2020-2021 MOU.	Not Implemented
Provincial Funding to Universities and Maritime College of Forest Technology	Department of Post-Secondary Education, Training and Labour	2019	2	2	32	We recommend the Department, as a minimum, implement the following accountability mechanisms for university funding: <ul style="list-style-type: none"> • Establish measurable outcomes; • For initiatives or areas of interest, establish working committees who report annually to the Minister on progress and achievement of objectives; • Use key performance indicators; • Require annual reporting to the Minister using a standard template; and • Require executive compensation contracts be publicly available. 	Not Implemented
Provincial Funding to Universities and Maritime College of Forest Technology	Department of Post-Secondary Education, Training and Labour	2019	2	2	38	We recommend the Department report publicly on the outcomes achieved from the funding provided to universities and MCFT.	Implemented
Provincial Funding to Universities and Maritime College of Forest Technology	Department of Post-Secondary Education, Training and Labour	2019	2	2	44	We recommend the Department require MCFT make available online its current and past (five years minimum) audited financial statements, as well as an annual report of its activities, to ensure it is publicly accountable for the funding it receives from the Province.	Implemented
Provincial Funding to Universities and Maritime College of Forest Technology	Department of Post-Secondary Education, Training and Labour	2019	2	2	50	We recommend the Department communicate the restrictions on the use of funding in the annual funding letter to universities.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Provincial Funding to Universities and Maritime College of Forest Technology	Department of Post-Secondary Education, Training and Labour	2019	2	2	51	We recommend the Department obtain assurances from the universities that the restrictions or conditions on the use of unrestricted funds have been complied with. For example, this could be achieved by requiring a certification from the head of the institution and a senior financial representative or by requesting a compliance opinion from the universities' auditors.	Implemented
Provincial Funding to Universities and Maritime College of Forest Technology	Department of Post-Secondary Education, Training and Labour	2019	2	2	58	To achieve better performance on desired outcomes, we recommend the Department provide funding for program expansion, or other agreements, only after desired outcomes or targets have been achieved.	Implemented
Provincial Funding to Universities and Maritime College of Forest Technology	Department of Post-Secondary Education, Training and Labour	2019	2	2	65	We recommend the Department take corrective action in a timely manner when expected performance targets have not been achieved.	Implemented
Provincial Funding to Universities and Maritime College of Forest Technology	Department of Post-Secondary Education, Training and Labour	2019	2	2	69	We recommend the policy for restricted operating grants be followed, or the Department reconsider the appropriateness of the 1-year carry forward limit and amend the policy accordingly.	Implemented
Provincial Funding to Universities and Maritime College of Forest Technology	Department of Post-Secondary Education, Training and Labour	2019	2	2	88	We recommend the Department, in consultation with the universities, re-examine the relevance of the current funding formula and its components, such as the weighting of the various programs, to ensure it continues to be the most suitable choice to allocate funding to universities and to motivate the achievement of funding objectives.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	53	We recommend the Department of Social Development: <ul style="list-style-type: none"> • develop and implement Child in Care practice standards to specifically address children taken into temporary care; and • develop and implement standards for specialized placements. 	Implemented
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	59	We recommend the Department of Social Development: <ul style="list-style-type: none"> • include in their standards, specific key performance indicators for each standard; • set a minimum level of performance in line with the performance indicator(s) specified; and • update monitoring procedures to include guidance in measuring the performance indicator(s) for each standard. 	Not Implemented
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	66	We recommend the Department of Social Development integrate key procedures, guidelines, policies and standards into their current and future standards.	Implemented
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	67	We recommend the Department of Social Development revise the: <ul style="list-style-type: none"> • Children's Residential Services Practice Standards for Child in Care Residential Centres; and • Children's Residential Centre Service Standards for Operators to increase integration with policies, guidelines, procedures and other mandatory standards. 	Not Implemented
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	95	We recommend the Department of Social Development develop and implement standardized service level agreements across all regions for all specialized placement facilities.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	101	We recommend the Department of Social Development develop and implement a documented strategy to address group home capacity and service delivery challenges facing the Province. This strategy must align with current Provincial child welfare strategies.	Implemented
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	108	We recommend the Department of Social Development: <ul style="list-style-type: none"> • forecast regional and provincial demand for placement services; and • standardize resource planning procedures to be used by regions and implemented provincially. 	Not Implemented
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	115	We recommend the Department of Social Development design and implement case planning procedures for regional personnel, including: <ul style="list-style-type: none"> • standardized content requirements supporting achievable outcomes for children taken into care; and • regular case plan review and revision requirements to conform with standards. 	Implemented
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	121	We recommend the Department of Social Development: <ul style="list-style-type: none"> • comply with standards and jointly develop care plans with group home and specialized placement Operators; • standardize requirements and documented procedures for care plans to include objectives and actions that align with Department case plans; and • set specific requirements for regular review of care plan changes by Department social workers. 	Implemented
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	131	We recommend the Department of Social Development: <ul style="list-style-type: none"> • ensure required training is completed in regional offices, group homes and specialized placement facilities before caseloads are assigned to personnel; and • provide cultural awareness training across regional offices, group homes and specialized placement facilities. 	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	138	We recommend the Department of Social Development: <ul style="list-style-type: none"> establish independent living and transition to adulthood planning requirements and documented procedures to be completed well in advance of the child's anticipated transition date; and require regular reviews of the preparation for independent living plan by Department social workers in conjunction with Operators of group homes and specialized placement facilities. 	Not Implemented
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	145	We recommend the Department of Social Development evaluate options to improve or replace the NB Families information system with the aim of increasing efficiency and effectiveness in case management practices.	Not Implemented
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	146	We recommend the Department of Social Development collect and maintain high quality residential placement capacity and service capability data from group home and specialized placement Operators for use in Department planning, monitoring and reporting processes.	Not Implemented
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	154	We recommend the Department of Social Development: <ul style="list-style-type: none"> document responses and actions taken to address feedback and concerns raised when reviewing Operator completed evaluation forms; and follow-up on Operator feedback and the results of actions taken to address issues identified in the annual review. 	Not Implemented
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	160	We recommend the Department of Social Development design and implement documented procedures for monitoring and evaluating the performance of specialized placement facilities.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Group Homes and Specialized Placements	Department of Social Development	2019	2	3	164	We recommend the Department of Social Development publicly provide current statistical information on child welfare programs and publicly report on program performance.	Not Implemented
School Infrastructure Planning	Department of Education and Early Childhood Development and School Districts	2020	1	2	29	We recommend the Department, in collaboration with school districts, develop a standardized major capital project submission form for school districts to collect and present major capital project information.	Not Implemented
School Infrastructure Planning	Department of Education and Early Childhood Development and School Districts	2020	1	2	31	We recommend the Department create a centralized repository for all historical and current QBL assessments and their supporting documents.	Implemented
School Infrastructure Planning	Department of Education and Early Childhood Development and School Districts	2020	1	2	49	We recommend the Department implement a formal change management process for the Quadruple Bottom Line Multi-Criteria Analysis. The process should include but not be limited to: <ul style="list-style-type: none"> • Clear approval path depending on the significance of the change; • Consultation with all key stakeholders such as school districts changes; and • Formal approval and documentation of changes before they are applied. 	Implemented
School Infrastructure Planning	Department of Education and Early Childhood Development and School Districts	2020	1	2	50	We recommend the Department implement a data validation and quality review process for Quadruple Bottom Line Multi-Criteria Analysis.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
School Infrastructure Planning	Department of Education and Early Childhood Development and School Districts	2020	1	2	54	We recommend the Department use a rolling average method to predict the student enrolment trends.	Implemented
School Infrastructure Planning	Department of Education and Early Childhood Development and School Districts	2020	1	2	55	We recommend the Department improve the Quadruple Bottom Line Multi-Criteria Analysis tool to: <ul style="list-style-type: none"> • Address the weaknesses in the indicators listed in Appendix IV of the report and increase its overall objectivity; and • Incorporate a scoring mechanism to capture space deficiencies, instead of the tiering approach. 	Implemented
School Infrastructure Planning	Department of Education and Early Childhood Development and School Districts	2020	1	2	56	We recommend the Department publicly report the annual major capital project rankings and scores based on the Quadruple Bottom Line Multi-Criteria Analysis.	Implemented
School Infrastructure Planning	Department of Education and Early Childhood Development and School Districts	2020	1	2	58	We recommend the Department re-evaluate the document submission requirements for school districts in Policy 409 “ <i>Multi-year School Infrastructure Planning</i> ” and enforce the policy.	Not Implemented
School Infrastructure Planning	Department of Education and Early Childhood Development and School Districts	2020	1	2	71	We recommend the Department establish a clear definition of “special project” and apply it consistently to minimize potential for subjective interference in capital improvement funding allocation.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
School Infrastructure Planning	Department of Education and Early Childhood Development and School Districts	2020	1	2	72	We recommend the Department, in consultation with school districts, develop consistent criteria for the provincial prioritization of capital improvement projects. In developing the criteria, building conditions, life cycle costs, and industry standards should be used.	Not Implemented
School Infrastructure Planning	Department of Education and Early Childhood Development and School Districts	2020	1	2	103	We recommend the Department, in consultation with school districts, re-evaluate the student enrolment projection method and implement a province-wide student population forecasting approach.	Implemented
School Infrastructure Planning	Department of Education and Early Childhood Development and School Districts	2020	1	2	104	<p>We recommend the Department develop a long-term province-wide capital plan for school infrastructure. The plan should include items such as:</p> <ul style="list-style-type: none"> • Projects that are fully scoped, estimated and ready to be delivered in the short to medium term (3 to 5 years); • A broad long-term funding allocation based on an analysis of school facility data and projected budget plan; and • All key elements of the long-term infrastructure sustainability recommendation AGNB made in 2012: <ul style="list-style-type: none"> ○ the rationalization of assets (i.e. if not considered essential, remove from service); ○ a long-term approach to budgeting which includes life cycle maintenance; ○ a protected stream of a base level of funding determined necessary to adequately maintain schools in service; ○ a 20-year planning horizon; 	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
School Infrastructure Planning	Department of Education and Early Childhood Development and School Districts	2020	1	2	104	(continued) <ul style="list-style-type: none"> ○ a process whereby new schools are constructed only when there is a business case to support the need. This should include redirecting savings from rationalized assets (school closures) to the new school's life cycle maintenance costs; and ○ provide annual public performance reporting, which includes the 5-year project delivery plan, the actual facility condition of schools versus pre-established targets, explaining the reason for any significant variances. 	Not Implemented
School Infrastructure Planning	Department of Education and Early Childhood Development and School Districts	2020	1	2	116	We recommend the Department, in consultation with school districts, develop and maintain a centralized asset inventory that contains details of all major facility components to support the Department's capital planning.	Not Implemented
School Infrastructure Planning	Department of Education and Early Childhood Development and School Districts	2020	1	2	117	We recommend the Department develop and enforce data collection standards and requirements for the uniform collection and aggregation of facility data across all school districts.	Not Implemented
Ambulance Services	Department of Health	2020	1	3	51	We recommend the Department formalize the mandate and governance for EM/ANB in legislation and provide mandate letters to EM/ANB with the annual budget approval.	Not Implemented
Ambulance Services	EM/ANB Board of Directors	2020	1	3	56	We recommend the board by-laws be amended to change the composition of the board to include members independent of the Department.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Ambulance Services	EM/ANB Board of Directors	2020	1	3	61	We recommend the board enforce its conflict of interest policy and periodically review the effectiveness of the policy in mitigating conflict of interest risk.	Implemented
Ambulance Services	Department of Health	2020	1	3	70	We recommend EM/ANB enabling legislation strengthen and clarify board authority with respect to hiring, compensation, performance and termination of the CEO.	Not Implemented
Ambulance Services	EM/ANB Board of Directors	2020	1	3	71	We recommend the board hire an independent CEO upon future contractual amendment or renegotiation.	Not Implemented
Ambulance Services	EM/ANB Board of Directors	2020	1	3	77	We recommend the board evaluate EM/ANB's annual corporate plans as part of its review of the CEO and MHSNB's performance and compare them to EM/ANB's annual report and obligations to the Department.	Not Implemented
Ambulance Services	EM/ANB Board of Directors	2020	1	3	78	We recommend the board establish a performance management framework for EM/ANB and evaluate its performance annually.	Not Implemented
Ambulance Services	EM/ANB Board of Directors	2020	1	3	94	We recommend the terms of reference of each standing committee require an annual written report to the Board of Directors to demonstrate the sub-committees are operating as intended.	Implemented
Ambulance Services	EM/ANB Board of Directors	2020	1	3	95	We recommend the board improve its recording of minutes to increase transparency.	Implemented
Ambulance Services	EM/ANB Inc.	2020	1	3	103	We recommend EM/ANB calculate budget surplus payments based on flexible budget amounts which reflect the anticipated spending for the fiscal year.	Not Implemented
Ambulance Services	EM/ANB Board of Directors	2020	1	3	108	We recommend the board define restrictions around budget surplus payments to exclude circumstances which may decrease the quality of the delivery of ambulance services.	Not Implemented
Ambulance Services	EM/ANB Board of Directors	2020	1	3	113	We recommend the board ensure EM/ANB or MHSNB substantiate how savings are achieved to demonstrate the value provided through cost savings claimed under the contract for ambulance services.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Ambulance Services	EM/ANB Inc.	2020	1	3	135	We recommend EM/ANB introduce a more balanced suite of key performance indicators as the basis for performance-based payments to incentivize MHSNB toward high performance in all New Brunswick communities.	Not Implemented
Ambulance Services	Department of Health	2020	1	3	152	We recommend the Department and EM/ANB introduce controls to minimize the frequency of use of full deployment exemptions or discontinue the use of exemptions.	Not Implemented
	EM/ANB Inc.						Not Implemented
Ambulance Services	EM/ANB Board of Directors	2020	1	3	153	We recommend the EM/ANB board require MHSNB revise the System Status Plan to update the detailed specifications as to the ambulances, facilities and human resources required to be deployed to achieve performance standards.	Not Implemented
Ambulance Services	Department of Health	2020	1	3	163	We recommend the Department and EM/ANB revise the exemption approval guide to prevent the invalid use of full deployment exemptions or discontinue the use of exemptions	Not Implemented
	EM/ANB Inc.						Not Implemented
Ambulance Services	EM/ANB Board of Directors	2020	1	3	191	We recommend the board implement progressive performance targets to incentivize MHSNB to achieve continuous improvement for the duration of the contract.	Not Implemented
Ambulance Services	EM/ANB Inc.	2020	1	3	192	We recommend EM/ANB improve tracking, and follow-up of strategic and corporate initiatives and include measurable outcomes in its plans.	Not Implemented
Ambulance Services	EM/ANB Board of Directors	2020	1	3	193	We recommend the board expand key performance indicators for performance-based payments to include all areas of operations, such as human resources, fleet and official languages.	Not Implemented
Ambulance Services	Department of Health	2020	1	3	194	We recommend the Department coordinate with the Regional Health Authorities and EM/ANB to implement solutions to reduce the impact of off-load delays.	Implemented
Ambulance Services	Executive Council	2020	1	3	206	We recommend the Executive Council Office review the Conflict of Interest Regulation under the <i>Conflict of Interest Act</i> and amend the regulation to include all relevant Crown corporations in Schedule A, including EM/ANB Inc.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Follow-Up:2008 Timber Royalties	Department of Natural Resources and Energy Development	2020	1	4	51	We recommend the Department of Natural Resources and Energy Development develop a comprehensive Crown timber royalty rate-setting manual that includes, at a minimum: <ul style="list-style-type: none"> • a detailed description of the stumpage appraisal methodology and associated processes in place to arrive at fair market values; and • examples of all calculations required to update Crown timber royalty rates. 	Not Implemented
Follow-Up:2008 Timber Royalties	New Brunswick Forest Products Commission	2020	1	4	64	We recommend the New Brunswick Forest Products Commission develop and implement a methodology to better capture stumpage transaction data from independent contractors and/or landowners.	Not Implemented
Follow-Up:2008 Timber Royalties	New Brunswick Forest Products Commission	2020	1	4	68	We recommend the New Brunswick Forest Products Commission complete the implementation of accounting and wood tracking software across all marketing boards.	Not Implemented
Follow-Up:2008 Timber Royalties	New Brunswick Forest Products Commission	2020	1	4	71	We recommend the New Brunswick Forest Products Commission enhance the Stumpage Study Methodology and annual Stumpage Study Results reports to: <ul style="list-style-type: none"> • articulate clear objectives; • provide detailed methodology information with any year over year changes; and • present the annual stumpage study results in a complete, consistent, comparable manner. 	Implemented
Follow-Up:2008 Timber Royalties	Department of Natural Resources and Energy Development	2020	1	4	79	We recommend the Department of Natural Resources and Energy Development clearly define what “ <i>fair market value</i> ” means in the context of the <i>Crown Lands and Forests Act</i> , either through regulatory changes or Department policy.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Follow-Up:2008 Timber Royalties	Department of Natural Resources and Energy Development	2020	1	4	85	We recommend the Department of Natural Resources and Energy Development ensure Crown timber royalty rates are reviewed annually and updated as required by the <i>Crown Lands and Forests Act</i> .	Implemented
Follow-Up:2008 Timber Royalties	Department of Natural Resources and Energy Development	2020	1	4	102	We recommend the Department of Natural Resources and Energy Development: <ul style="list-style-type: none"> • undertake changes to the <i>Crown Lands and Forests Act</i> to give the Minister of Natural Resources and Energy Development authority to make more timely updates to Crown timber royalty rates to be more responsive to changes in the private wood stumpage market; and • work toward getting adequate real-time data and information from all sources to better facilitate accurate and timely changes to Crown timber royalty rates, if required. 	Not Implemented
Follow-Up:2008 Timber Royalties	Department of Natural Resources and Energy Development	2020	1	4	107	We recommend the Department comply with the <i>Crown Lands and Forests Act</i> and re-establish an advisory board or, alternatively, undertake revisions to the Act and/or regulation to accurately address the ongoing status of the advisory board.	Implemented
Electronic Medical Record Program	Department of Health	2020	2	2	41	We recommend that the Department of Health: <ul style="list-style-type: none"> • structure contracts to maintain oversight and hold parties receiving public funds accountable; and • if complex structures can not be avoided the Department needs to build in adequate controls to manage the risks and protect public funds. 	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Electronic Medical Record Program	Department of Health	2020	2	2	44	We recommend the Department of Health, as part of granting program funding: <ul style="list-style-type: none"> • assess the financial health of third-party funding recipients and their ability to achieve the desired results within agreed funding levels; and • exercise periodic reviews of records as per the terms of funding agreements. 	Implemented
Electronic Medical Record Program	Department of Health	2020	2	2	46	We recommend the Department of Health intervene and take timely corrective action when there are indicators of program failure such as: <ul style="list-style-type: none"> • not achieving project deliverables; • missing key deadlines; and • incurring funding shortfalls. 	Implemented
Electronic Medical Record Program	Department of Health	2020	2	2	51	We recommend the Department of Health, for future programs: <ul style="list-style-type: none"> • develop measurable performance criteria to monitor program outcomes; and • use regular progress reports to monitor program implementations. 	Not Implemented
Electronic Medical Record Program	Department of Health	2020	2	2	61	We recommend the Department of Health ensure regular audits are carried out on future programs to evaluate achievement of program outcomes and funding recipients' compliance with funding terms.	Not Implemented
Electronic Medical Record Program	Department of Health	2020	2	2	77	We recommend the Department of Health stipulate, in future funding agreements, withholding of final payment until all agreement terms are satisfied.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Electronic Medical Record Program	Department of Health	2020	2	2	109	For all future EMR solutions, we recommend the Department of Health: <ul style="list-style-type: none"> • identify and prioritize all data integration requirements; • clearly define responsibilities of all parties involved in integration; and • ensure implementation timelines are met. 	Not Implemented
Debt Challenges	NB Power	2020	2	3	59	We recommend NB Power prioritize debt reduction by developing a firm and well-defined debt management plan to achieve the mandated debt to equity target by 2027. The plan should comprise: <ul style="list-style-type: none"> • achievable annual key performance indicators (KPI) including a debt reduction amount and debt to equity ratio; and • a requirement to report annually within NB Power's annual report: <ol style="list-style-type: none"> I. any deviation from the annual KPIs; II. reasons if KPIs are not met; and III. an adjusted action plan to reach 2027 target date. 	Not Implemented
Debt Challenges	NB Power	2020	2	3	84	We recommend NB Power, to improve its forecasting process, quantify the impact of likely uncertainties in the 10 Year Plan, such as fuel prices, hydro flow, Point Lepreau capacity factor, weather events, etc.	Not Implemented
Update on Nursing Home Planning and Aging Strategy	Department of Social Development	2020	2	4	35	We recommend the Department of Social Development review the 2018-2023 Nursing Home Plan to ensure targets are clear, realistic, achievable and properly resourced to meet the planned outcomes in a timely manner.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Update on Nursing Home Planning and Aging Strategy	Finance and Treasury Board	2020	2	4	45	<p>We recommend the Department of Finance and Treasury Board revise the ASD Advisory Services unit's Standard Operating Procedures to include formal documentation standards for financial models and other analyses completed by the unit. The standards should, at a minimum, require retaining documentation of:</p> <ul style="list-style-type: none"> • roles and responsibilities of individuals involved; • all sources of inputs and assumptions used; • the review of financial models; and • adherence to the Standard Operating Procedures. 	Implemented
Update on Nursing Home Planning and Aging Strategy	Department of Social Development	2020	2	4	46	<p>We continue to recommend the Department of Social Development evaluate whether there is an economic benefit to providing nursing home beds under the for-profit operated model versus the traditional model. This should include a comparison of actual costs and quality of service.</p>	Not Implemented
Update on Nursing Home Planning and Aging Strategy	Department of Social Development	2020	2	4	73	<p>We recommend the Department of Social Development develop performance indicators with specific targets for each action item under the Aging Strategy, in collaboration with relevant stakeholders.</p>	Implemented
Update on Nursing Home Planning and Aging Strategy	Department of Social Development	2020	2	4	74	<p>We recommend the Department of Social Development develop a formal process for monitoring action items under the Aging Strategy and verifying implementation.</p>	Not Implemented
Update on Nursing Home Planning and Aging Strategy	Department of Social Development	2020	2	4	88	<p>We recommend the Department of Social Development publicly report actual outcomes compared to planned or expected outcomes under the Aging Strategy and the Nursing Home Plan. Reporting should provide explanations for gaps between plans and results.</p>	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Auditor General's Access to Vestcor Significantly Limited	Finance and Treasury Board	2020	2	5	9	We recommend the Minister of Finance and Treasury Board propose <i>the Auditor General Act</i> be amended to list Vestcor (and all related entities) as auditable entities to ensure the Auditor General has unrestricted access to conduct both performance and financial audits as the Auditor General deems necessary.	Not Implemented
Auditor General's Access to Vestcor Significantly Limited	Finance and Treasury Board	2020	2	5	10	We recommend the Minister of Finance and Treasury Board under section 12 of the <i>Auditor General Act</i> , request the Auditor General conduct a performance audit of Vestcor (and all related entities) that includes unrestricted access to Vestcor by the Auditor General.	Not Implemented
Auditor General's Access to Vestcor Significantly Limited	Public Accounts Committee	2020	2	5	11	We recommend the Public Accounts Committee revisit what the New Brunswick Investment Management Corporation, the Department of Human Resources and their representatives told Legislators regarding: <ul style="list-style-type: none"> • the Auditor General's future access to Vestcor; • how Vestcor would grow to include public sector clients outside of New Brunswick; and • how the Province would have indirect oversight through the members it appoints to the Boards of Trustees of the Public Service and Teachers' pension plans. 	Implemented
Auditor General's Access to Vestcor Significantly Limited	Finance and Treasury Board	2020	2	5	12	We recommend the Minister of Finance and Treasury Board propose the <i>Vestcor Act</i> be amended to require Vestcor (and all related entities) to: <ul style="list-style-type: none"> • file an annual report with the Clerk of the Legislative Assembly; and • appear before the Public Accounts Committee. 	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Auditor General's Access to Vestcor Significantly Limited	Public Accounts Committee	2020	2	5	13	We recommend the Public Accounts Committee include Vestcor (and all related entities) as one of the entities who are regularly called to appear before the Committee.	Implemented
Funding for Rural Internet	Executive Council Office	2021	1	2	52	We recommend Executive Council Office ensure responsibility for government policy commitments, including funding for rural internet, be clearly assigned to specific government entities to ensure accountability and transparency for government programs and services.	**
Funding for Rural Internet	Executive Council Office	2021	1	2	53	We recommend Executive Council Office direct the responsible department or agency to ensure: <ul style="list-style-type: none"> any future funding for rural internet is delivered via a program which identifies appropriate outcomes and performance metrics; a needs assessment is conducted to determine the service gap before providing any future funding; and future applications for rural internet funding be validated to ensure they address service gaps identified through a needs assessment. 	**
Funding for Rural Internet	Executive Council Office	2021	1	2	63	We recommend Executive Council Office direct the responsible department or agency to ensure any future funding for rural internet is delivered through a competitive and transparent process by: <ul style="list-style-type: none"> issuing public tender; or adhering to the terms and conditions of funding guidelines. 	**

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Funding for Rural Internet	Regional Development Corporation	2021	1	2	75	We recommend Regional Development Corporation and Opportunities New Brunswick ensure future contracts for funding of rural internet include details to enable proper evaluation of claims made by contractors. These should include but are not limited to: <ul style="list-style-type: none"> detailed statement of work; project budget; and specific and measurable outcomes. 	**
	Opportunities New Brunswick						**
Funding for Rural Internet	Opportunities New Brunswick	2021	1	2	84	We recommend Opportunities New Brunswick clearly identify approved eligible costs in future contracts of this nature, with a maximum amount payable to avoid paying for ineligible costs.	**
Funding for Rural Internet	Opportunities New Brunswick	2021	1	2	90	We recommend Opportunities New Brunswick ensure any amendments to contract terms are authorized and documented in writing.	**
Funding for Rural Internet	Opportunities New Brunswick	2021	1	2	93	We recommend Opportunities New Brunswick acquire the necessary expertise to review technical aspects of future claims before releasing payments to funding recipients.	**
Funding for Rural Internet	Regional Development Corporation	2021	1	2	104	We recommend Regional Development Corporation and Opportunities New Brunswick set and enforce expectations regarding the performance and reliability of the technical solution to handle the required number of subscribers before providing additional project funding.	**
	Opportunities New Brunswick						**
Funding for Rural Internet	Regional Development Corporation	2021	1	2	107	We recommend Regional Development Corporation have a formal project completion and close out process whereby all outcomes are assessed and accounts reconciled before project completion is announced.	**

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Funding for Rural Internet	Regional Development Corporation	2021	1	2	112	We recommend Opportunities New Brunswick and Regional Development Corporation implement procedures to: <ul style="list-style-type: none"> • evaluate contract performance on a timely basis; and • monitor and enforce the terms and conditions of their funding agreements. 	**
	Opportunities New Brunswick						**
Funding for Rural Internet	Regional Development Corporation	2021	1	2	116	We recommend Opportunities New Brunswick and Regional Development Corporation define specific metrics for rural internet service and publicly report on progress to ensure accountability.	**
	Opportunities New Brunswick						**
Funding for Rural Internet	Regional Development Corporation	2021	1	2	127	We recommend Regional Development Corporation implement a review process for rural internet upgrade phase two funding to ensure claims submitted to the Federal government are accurate and compliant with the Integrated Bilateral Agreement and no costs are claimed related to phase one work.	**
Funding for Rural Internet	Regional Development Corporation	2021	1	2	131	We recommend Regional Development Corporation explore options to report publicly on the progress of the internet upgrade in a more timely manner and at least annually.	**
Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit	Department of Post-Secondary Education, Training and Labour	2021	1	3	36	We recommend the Department of Post-Secondary Education, Training and Labour request supporting details or documentation from third-party service providers for inclusion in schedules attached to third-party contracts.	**
Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit	Department of Post-Secondary Education, Training and Labour	2021	1	3	43	We recommend the Department of Post-Secondary Education, Training and Labour plan for the collection of all necessary information to satisfy tax requirements when developing programs such as the New Brunswick Workers Employment Income Benefit.	**

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Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit	Department of Post-Secondary Education, Training and Labour	2021	1	3	48	We recommend the Department of Post-Secondary Education, Training and Labour when developing new programs, design key controls to mitigate fraud risk and maintain the control structure throughout a program implementation.	**
Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit	Department of Post-Secondary Education, Training and Labour	2021	1	3	52	We recommend the Department of Post-Secondary Education, Training and Labour ensure an appeals process is present in programs that provide financial benefits to applicants to ensure fairness in program implementation.	**
Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit	Department of Post-Secondary Education, Training and Labour	2021	1	3	59	We recommend the Department of Post-Secondary Education, Training and Labour clearly document program roles and responsibilities during program and contract development when using a third-party service provider.	**
Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit	Department of Post-Secondary Education, Training and Labour	2021	1	3	68	We recommend the Department of Post-Secondary Education, Training and Labour provide feedback to Service New Brunswick on challenges faced when working with third-party service providers to promote continuous improvement in contracting services.	**
Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit	Department of Post-Secondary Education, Training and Labour	2021	1	3	76	We recommend the Department of Post-Secondary Education, Training and Labour perform and record risk analysis including appropriate mitigation strategies during the development of new programs.	**
Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit	Department of Post-Secondary Education, Training and Labour	2021	1	3	77	We recommend the Department of Post-Secondary Education, Training and Labour periodically perform a formal fraud risk assessment of its organization, then design and implement adequate controls over programs to address identified risks.	**

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Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit	Executive Council Office	2021	1	3	82	We recommend the Executive Council Office create a formalized process to provide direction, guidance, and resources to departments that are tasked with new activities during an emergency not covered under defined Mission Critical Business Functions within their respective Emergency Preparedness Plans.	**
Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit	Department of Post-Secondary Education, Training and Labour	2021	1	3	88	We recommend the Department of Post-Secondary Education, Training and Labour develop objectives using SMART or another system to ensure program objectives clearly state what will be accomplished, and to further enhance the Department’s ability to report and use performance metrics to improve services.	**
Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit	Department of Post-Secondary Education, Training and Labour	2021	1	3	95	We recommend the Department of Post-Secondary Education, Training and Labour actively monitor contract performance and ongoing results when contracting with third-party entities to deliver provincial programs and take corrective actions to address performance deficiencies when necessary.	**
Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit	Department of Post-Secondary Education, Training and Labour	2021	1	3	99	We recommend the Department of Post-Secondary Education, Training and Labour validate the payments made to Red Cross were used solely for NBWEIB program purposes.	**
Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit	Department of Post-Secondary Education, Training and Labour	2021	1	3	103	We recommend the Department of Post-Secondary Education, Training and Labour follow best practices to address the need for changes and unforeseen circumstances in future contracts.	**
Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit	Department of Post-Secondary Education, Training and Labour	2021	1	3	107	We recommend the Department of Post-Secondary Education, Training and Labour create a policy to support and reinforce record keeping for meetings and decisions made when developing programs to ensure accountability and transparency.	**

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Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit	Department of Post-Secondary Education, Training and Labour	2021	1	3	111	We recommend the Department of Post-Secondary Education, Training and Labour publicly report on the performance of significant programs.	**
Risks Exist in Government’s Oversight of Crown Agencies	Executive Council Office	2021	1	4	36	We recommend the Executive Council Office prepare, recommend for Ministerial approval, and issue mandate letters to Crown agencies with sufficient time (such as six months in advance) to enable Crown agencies to plan their upcoming fiscal year and address government priorities and objectives.	**
Risks Exist in Government’s Oversight of Crown Agencies	Executive Council Office	2021	1	4	37	We recommend the Executive Council Office ensure mandate letters contain all information required by the <i>Accountability and Continuous Improvement Act</i> , such as including performance expectations, prior to Ministerial approval.	**
Risks Exist in Government’s Oversight of Crown Agencies	Executive Council Office	2021	1	4	45	We recommend the Executive Council Office collaborate with the responsible Minister, department and Crown agency to review Crown agency annual plans/business plans to ensure they comply with the <i>Accountability and Continuous Improvement Act</i> (or other relevant legislation such as the <i>Regional Health Authorities Act</i>) before the documents are approved by the Minister responsible.	**
Risks Exist in Government’s Oversight of Crown Agencies	Executive Council Office	2021	1	4	46	We recommend the Executive Council Office collaborate with the responsible Minister, department and Crown agency to review Crown agency annual reports to ensure they comply with the <i>Accountability and Continuous Improvement Act</i> (or other relevant legislation such as the <i>Regional Health Authorities Act</i>) before the documents are approved by the Minister responsible.	**

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Risks Exist in Government's Oversight of Crown Agencies	Executive Council Office	2021	1	4	47	We recommend the Executive Council Office develop and implement a formal process to monitor if Crown agencies file annual reports with the Clerk of the Legislative Assembly in the time frame specified by the <i>Accountability and Continuous Improvement Act</i> .	**
Residential Energy Efficiency Programs	Natural Resources and Energy Development	2021	2	2	58	We recommend the Department work with NB Power to develop a sustainable funding model for all-fuel energy efficiency programs.	**
	NB Power						
Residential Energy Efficiency Programs	Natural Resources and Energy Development	2021	2	2	59	We recommend the Department fully exercise its oversight authority over energy efficiency programs delivered by NB Power, through: <ul style="list-style-type: none"> mandating NB Power with implementation of the government's strategic directions on energy efficiency; and setting relevant short, medium and long-term performance expectations. 	**
	NB Power						
Residential Energy Efficiency Programs	NB Power	2021	2	2	83	We recommend NB Power develop and implement a plan for energy efficiency financing mechanisms and other measures to reduce financial barriers for moderate income households, including: <ul style="list-style-type: none"> assessing the needs of moderate income households; identifying and addressing regulatory and funding barriers to financing mechanisms; and designing appropriate energy efficiency programs to meet the identified needs. 	**

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Residential Energy Efficiency Programs	NB Power	2021	2	2	89	We recommend NB Power develop and implement a plan to improve non-electric households' access to energy efficiency programs, including: <ul style="list-style-type: none"> • assessing energy efficiency needs of non-electric households; • identifying and addressing regulatory and funding barriers to all-fuel energy efficiency programs; and • reviewing and adjusting all-fuel program offerings to meet the identified needs. 	**
Residential Energy Efficiency Programs	NB Power	2021	2	2	102	We recommend NB Power perform sufficient quality assurance over the work of service organizations involved in Home Energy Evaluation.	**
Residential Energy Efficiency Programs	NB Power	2021	2	2	107	We recommend NB Power develop a plan with concrete steps and timelines to ensure easy access for all applicants of the Low Income Energy Savings Program.	**
Residential Energy Efficiency Programs	NB Power	2021	2	2	118	We recommend NB Power publish in its annual report consistent performance indicators connected to short, medium and long-term energy efficiency objectives and New Brunswick Climate Change Action Plan.	**
Crown Agency Salary and Benefits Practices	Executive Council Office	2021	2	3	27	We recommend the Executive Council Office, in consultation with the Department of Finance and Treasury Board, update the Memoranda of Understanding with each Part IV Crown agency to clearly define what government expects for salary and benefits practices for non-bargaining employees.	**
Crown Agency Salary and Benefits Practices	Finance and Treasury Board	2021	2	3	49	We recommend the Department revise Pay Administration policy AD-2404 Performance Pay and Re-earnable Increments to reflect current government practices.	**

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	35	We recommend ANBL document an outcomes-based strategic plan detailing: <ul style="list-style-type: none"> its role for participating in developing the New Brunswick liquor industry; risks identified from its analysis and evaluation of the development issues within the New Brunswick liquor industry; and performance targets for evaluating and publicly reporting on the success of its participation efforts. 	***
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	44	We recommend ANBL develop a communications and engagement plan for its interaction with local producers to establish: <ul style="list-style-type: none"> terms of engagement with local producers; objectives and targets against which to measure the effectiveness of local producer engagement; and required monitoring and reporting on the effectiveness of local producer engagement in developing the local liquor industry. 	***
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	51	We recommend ANBL define and set clear financial targets to meet the legislated purpose “to provide suitable financial revenues” and report its performance against those targets in its annual report.	***
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	59	We recommend ANBL clearly document and retain decision rationale and criteria used for evaluating key process decisions as well as analysis supporting the financial impact of those decisions on the corporation.	***
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	65	We recommend ANBL provide current information, including the Product Lifecycle Management manual and product listing call schedules, to all suppliers in a consistent, transparent, and timely manner.	***

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	70	We recommend ANBL regarding the listing process: <ul style="list-style-type: none"> • implement a decision matrix to evaluate product listing submissions against clearly defined and consistently applied criteria; and • document decision rationale for each criterion used in evaluating products for listing. 	***
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	74	We recommend ANBL increase transparency by updating the Product Lifecycle Management manual with a section detailing how it distributes products throughout its retail network.	***
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	92	We recommend ANBL complete a comprehensive review and update of its pricing strategy and mark-up structure to ensure: <ul style="list-style-type: none"> • all product listing status types are included; • the process, decision criteria and documentation requirements for special agreements outside the standard mark-up structure are clearly included; and • business practices align with the pricing strategy, the mark-up structure, and the purposes prescribed in the <i>New Brunswick Liquor Corporation Act</i>. 	***
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	109	We recommend ANBL enhance pricing practices to ensure transparent and consistent treatment by: <ul style="list-style-type: none"> • undertaking a comprehensive retail price comparison across all product categories; • sharing retail prices with all applicable suppliers across product categories; • documenting decision rationale for setting prices that deviate from mark-up structure; and • automating annual price call invitations on a regular schedule where possible. 	***

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	116	We recommend ANBL review and update the Minimum Retail Pricing (MRP) policy annually.	***
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	119	We recommend ANBL actively monitor liquor prices in agency stores on a regular schedule to ensure conformity with pricing policies.	***
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	132	We recommend ANBL regarding the delisting process: <ul style="list-style-type: none"> clearly define and document the delisting process and the product ranking review process and include applicable updates in the Product Lifecycle Management manual; document decision rationale, including financial impact, for exceptions to the documented product ranking review process and the delisting process; and automate the product ranking review report. 	***
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	141	We recommend ANBL document the process used to set sales thresholds for delisting purposes, and: <ul style="list-style-type: none"> establish criteria to be used when setting relevant sales thresholds for product categories and sub-categories; communicate sales thresholds to suppliers as part of the product ranking review process; and review sales thresholds on an annual basis prior to the beginning of the fiscal year. 	***
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	151	We recommend ANBL review and update Bev Hub and sales data applications to ensure historical information can be retrieved.	***
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	156	We recommend ANBL retain all communications with suppliers which support prices changed during the annual price call process.	***

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	169	We recommend ANBL develop and implement a plan to address its legislative requirement to promote the responsible consumption of liquor, to include: <ul style="list-style-type: none"> • goals, targets, and measures against which to evaluate performance; • a communication strategy and implementation plan to promote the responsible consumption of liquor; and • action plans, performance targets and public reporting requirements for programs designed to promote the responsible consumption of liquor, including the mystery shopper program and social responsibility training program. 	***
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	170	We recommend the ANBL Board of Directors review the corporation's performance in promoting the responsible consumption of liquor, as prescribed in the <i>New Brunswick Liquor Corporation Act</i> . If the board review identifies potential improvements, we recommend the New Brunswick Liquor Corporation implement the changes required to improve performance in promoting the responsible consumption of liquor.	***
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	174	We recommend ANBL undertake a risk assessment to ensure its pricing policies comply with applicable trade agreements.	***
Liquor Industry Development in New Brunswick	New Brunswick Liquor Corporation (ANBL)	2022	1	2	179	We recommend the ANBL Board of Directors review and update the corporation's by-laws to address potential, perceived or actual situations that increase risk to the corporation's independence from government.	***
Oversight of the Employee Health and Dental Benefit Plan	Finance and Treasury Board	2022	1	3	32	We recommend the Department re-evaluate the Plan's operational structure to determine whether there is a more effective governance model.	***

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self-Reported Status
Oversight of the Employee Health and Dental Benefit Plan	Finance and Treasury Board	2022	1	3	33	We recommend the Department informed by the outcome of recommendation 3.32 above: <ul style="list-style-type: none"> • update the operating structure of the Plan to include all parties involved in Plan administration; • document and communicate the roles and responsibilities of all parties; and • ensure policies and procedures are documented, approved and followed. 	***
Oversight of the Employee Health and Dental Benefit Plan	Finance and Treasury Board	2022	1	3	43	We recommend the Department assess the Plan's design and implement options that would avoid carrying large deficit balances and the associated interest costs.	***
Oversight of the Employee Health and Dental Benefit Plan	Finance and Treasury Board	2022	1	3	48	We recommend the Department develop and implement a cost containment strategy to stabilize costs while ensuring future sustainability of the Plan.	***
Oversight of the Employee Health and Dental Benefit Plan	Finance and Treasury Board	2022	1	3	53	We recommend the Department in consultation with the Standing Committee on Insured Benefits, establish a risk management process, including an independent assessment of third-party risk management practices.	***
Oversight of the Employee Health and Dental Benefit Plan	Finance and Treasury Board	2022	1	3	62	We recommend the Department evaluate whether the Plan administration contract with Vestcor provides best value for money, such as by completing an Request for Information for Vestcor's services.	***
Oversight of the Employee Health and Dental Benefit Plan	Finance and Treasury Board	2022	1	3	65	We recommend the Department in collaboration with the Standing Committee on Insured Benefits: <ul style="list-style-type: none"> • clarify the cost allocation among the different benefit plans administered by Vestcor; and • ensure Vestcor expenditures are eligible and accurate prior to payment. 	***
Oversight of the Employee Health and Dental Benefit Plan	Finance and Treasury Board	2022	1	3	72	We recommend the Department in collaboration with the Standing Committee on Insured Benefits, establish and communicate performance objectives with specific metrics to measure Plan performance, including third-party contracts.	***

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self- Reported Status
Oversight of the Employee Health and Dental Benefit Plan	Finance and Treasury Board	2022	1	3	73	We recommend the Department regularly report on Plan performance to key stakeholders, such as the Plan Sponsor and Plan members.	***
Oversight of the Employee Health and Dental Benefit Plan	Finance and Treasury Board	2022	1	3	76	We recommend the Department evaluate whether the Administrative Services Only arrangement continues to provide best value for money for the Plan Sponsor and Plan members.	***
Oversight of the Employee Health and Dental Benefit Plan	Finance and Treasury Board	2022	1	3	78	We recommend the Department verify the financial information reported in the Plan's annual renewal report, before relying upon it for recommended Plan changes.	***
Oversight of the Employee Health and Dental Benefit Plan	Finance and Treasury Board	2022	1	3	80	We recommend the Department analyze claims data periodically to identify: <ul style="list-style-type: none"> • unusual claim patterns; and • suspected fraud or other types of anomalies. 	***
Oversight of the Employee Health and Dental Benefit Plan	Finance and Treasury Board	2022	1	3	82	We recommend the Department implement a process whereby conflict of interest is declared at least annually, by all third parties involved with the Plan.	***
Oversight of the Employee Health and Dental Benefit Plan	Finance and Treasury Board	2022	1	3	85	We recommend the Department benchmark Plan performance against relevant industry benefit data.	***

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