



Summary Report of Outstanding Recommendations

October 2017

Summary Report of Outstanding Recommendations

This document is outstanding recommendations by ministry, including the respective reporting entities.

Each recommendation notes its status, based on management informing us that either:

- the recommendation is still being implemented and is not ready for a follow-up audit, or
- the recommendation has been implemented and is ready for a follow-up audit

The reports that contain these recommendations can be found on our website at www.oag.ab.ca

As of October 2017, there are 159 outstanding recommendations summarized by ministry as follows:

Department	As of October 2016			As of October 2017		
	Greater than 3 Years	Less than 3 Years	Total	Greater than 3 Years	Less than 3 Years	Total
Advanced Education	12	9	21	8	7	15
Agriculture and Forestry	2	6	8		6	6
Children's Services	–	–	–	–	4	4
Community and Social Services	–	–	–	–	4	4
Culture and Tourism	–	1	1	–	1	1
Economic Development and Trade	1	3	4	–	1	1
Education	1	11	12	–	13	13
Energy	–	11	11	–	9	9
Environment and Parks	10	12	22	10	11	21
Executive Council	1	1	2	1	1	2
Health	16	26	42	5	23	28
Human Services	5	9	14	–	–	–
Indigenous Relations	–	4	4	2	–	2
Infrastructure	4	3	7	–	6	6
Justice and Solicitor General	–	4	4	5	8	13
Labour	2	–	2	2	–	2
Legislative Assembly Offices	–	–	–	–	–	–
Municipal Affairs	–	3	3	–	3	3
Seniors and Housing	2	3	5	4	1	5
Service Alberta	2	1	3	2	2	4
Status of Women	–	–	–	–	–	–
Transportation	1	–	1	1	–	1
Treasury Board and Finance	8	18	26	7	12	19
Total Outstanding						
Ready for follow-up audit	20	17	37	16	17	33
Not yet ready for audit	47	108	155	31	95	126
Total	67	125	192	47	112	159

Since our report in October 2016, we have made 15 new recommendations and reported that 40 have been implemented.

Advanced Education

Department

The following recommendations are outstanding and not yet ready for follow-up audits:

For-profit and cost recovery ventures at post-secondary institutions: Document and communicate expectations and guidelines—October 2015, no. 1, p. 25

We recommend that the Department of Advanced Education:

- document its expectations in terms of desired results and risk management for institutions participating in for-profit and cost recovery ventures
- establish approved guidelines for cost recovery ventures, to support best practices and align with the department's expectations
- update and approve for-profit venture guidelines, to support best practices and align with the department's expectations
- develop a process to communicate the department's expectations and guidelines to all institutions.

For-profit and cost recovery ventures at post-secondary institutions—Improve department's oversight of institution's risk assessment of ventures—October 2015, no. 2, p. 27

We recommend that the Department of Advanced Education improve its oversight processes to ensure that boards of governors oversee management's assessment of the risks associated with for-profit and cost recovery ventures by:

- tailoring board training to examine these ventures
- maintaining relevant documentation of the institution's risk assessment and venture approval requests
- requiring the institution to comply with the department's expectations and guidelines
- requiring the institution to report on venture results on an ongoing basis
- providing effective feedback and ongoing guidance to the boards

Improve review of travel, meal and hospitality expenses—May 2017, no. 4, p. 56

We recommend that the Department of Advanced Education improve its review processes for travel, meal and hospitality expenses.

Collaborative initiatives among post-secondary institutions: Develop strategic plan and accountability framework—October 2017, Performance Auditing, p. 37 (originally July 2013, no. 6, p. 48)

We again recommend that the Department of Advanced Education, working with institutions:

- develop and communicate a strategic plan that clearly defines the minister's expected outcomes for Campus Alberta, initiatives to achieve those outcomes, the resources required and sources of funding
- develop relevant performance measures and targets to assess if the outcomes are being achieved
- publicly report results and the costs associated with collaborative initiatives
- review and clarify the accountability structure for governing collaborative initiatives

Collaborative initiatives among post-secondary institutions: Develop processes and guidance to plan, implement and govern collaborative projects—October 2017, Performance Auditing, p. 40 (originally July 2013, no. 7, p. 51)

We again recommend that the Department of Advanced Education, working with institutions, develop systems and guidance for institutions to follow effective project management processes for collaborative initiatives.

Implement enterprise risk management framework—October 2017, Financial Statement Auditing, p. 15 (originally October 2015, no. 15, p. 124)

We again recommend that the Department of Advanced Education implement an integrated enterprise risk management framework to identify and mitigate relevant risks.

Post-Secondary Institutions

Institution	Outstanding Recommendations		
	3+ Years*	Other	Total
Alberta College of Art + Design	–	–	–
Athabasca University	2	–	2
Bow Valley College	–	–	–
Grande Prairie Regional College	–	–	–
Keyano College**	1	1	2
Lakeland College	–	1	1
Lethbridge College	–	–	–
MacEwan University	–	–	–
Medicine Hat College	–	–	–
Mount Royal University	–	–	–
NorQuest College	–	–	–
Northern Alberta Institute of Technology	–	–	–
Northern Lakes College	1	–	1
Olds College	1	1	2
Portage College	1	–	1
Red Deer College	–	–	–
Southern Alberta Institute of Technology	–	–	–
University of Alberta	–	–	–
University of Calgary	–	–	–
University of Lethbridge	–	–	–
Total Outstanding	6	3	9
Ready for follow-up audit***	3	1	4
Not yet ready for audit	3	2	5

* Originally issued in October 2014 report and earlier

** Outstanding recommendation to improve financial reporting processes

*** Based on management representations to August 21, 2017

Athabasca University

The following recommendations are outstanding and not yet ready for follow-up audits:

Establish information technology resumption capabilities—October 2016, no. 9, p. 65 (originally October 2010, no. 10, p. 111 and repeated October 2013, no. 9, p. 96)

We again recommend that Athabasca University:

- assess the risks and take the necessary steps to establish appropriate off-site disaster recovery facilities that include required computer infrastructure to provide continuity of critical information technology systems
- complete and test its existing disaster recovery plan to ensure continuous services are provided in the event of a disaster

Improve procedures to monitor and report access and security violations—October 2016, no. 10, p. 67 (originally October 2013, no. 8, p. 95)

We again recommend that Athabasca University formalize its access and security monitoring procedures to:

- detect and assess security threats to critical information systems
- report access and security violations to senior management
- identify and resolve the root causes of security threats and violations

Keyano College

The following recommendations are outstanding and not yet ready for follow-up audits:

Improve financial reporting processes—February 2016, no. 13, p. 102

We recommend that Keyano College improve its financial reporting by:

- training staff on Canadian Public Sector Accounting Standards
- improving its monitoring and reviewing processes to ensure accurate financial information.

Improve systems to ensure compliance with legislation¹—May 2017, no. 8, p. 86 (originally February 2013, no. 7, p. 60)

We recommend that Keyano College implement systems to:

- understand what legislation they must comply with
- develop appropriate policies, procedures and controls to ensure compliance with legislation
- monitor and report non-compliance to senior management and board audit committees

¹ As a result of our assessment, we made this common recommendation to all colleges and universities as part of our original audit in February 2013, and then followed up in October 2013, February 2014, February 2016 and October 2016.

Lakeland College

Management has identified this recommendation as implemented—to be confirmed with a follow-up audit:

Improve segregation of duties—February 2016, no. 14, p. 103

We recommend that Lakeland College improve segregation of duties within the finance department.

Northern Lakes College

Management has identified this recommendation as implemented—to be confirmed with a follow-up audit:

Improve systems to ensure compliance with legislation—May 2017, no. 8, p. 86 (originally February 2013, no. 7, p. 60)

We recommend that Northern Lakes College implement systems to:

- understand what legislation they must comply with
- develop appropriate policies, procedures and controls to ensure compliance with legislation
- monitor and report non-compliance to senior management and board audit committees

Olds College

The following recommendation is outstanding and not yet ready for a follow-up audit:

Improve access controls to information systems—February 2016, no. 15, p. 105

We recommend that Olds College strengthen its information systems access controls, to ensure it:

- promptly removes system access privileges when staff or contractors leave the college
- discontinues the practice of leaving accounts open for email access after staff are terminated

Management has identified the recommendation as implemented—to be confirmed with a follow-up audit:

Improve systems to ensure compliance with legislation—May 2017, no. 8, p. 86 (originally February 2013, no. 7, p. 60)

We recommend that Olds College implement systems to:

- understand what legislation they must comply with
- develop appropriate policies, procedures and controls to ensure compliance with legislation
- monitor and report non-compliance to senior management and board audit committees

Portage College

Management has identified this recommendation as implemented—to be confirmed with a follow-up audit:

Improve systems to ensure compliance with legislation²—February 2013, no. 7, p. 60

We recommend that Portage College implement systems to:

- understand what legislation they must comply with
- develop appropriate policies, procedures and controls to ensure compliance with legislation
- monitor and report non-compliance to senior management and board audit committees

Agriculture and Forestry

Agriculture and Forestry and Agriculture Financial Services Corporation

The following recommendation is outstanding and not yet ready for a follow-up audit:

Systems to manage the lending program: Define oversight responsibilities—October 2016, no. 2, p. 25

We recommend that the Department of Agriculture and Forestry and the board of directors of the Agriculture Financial Services Corporation clearly define the oversight responsibilities of both parties for the lending program.

Agriculture Financial Services Corporation

The following recommendations are outstanding and not yet ready for follow-up audits:

Systems to manage the lending program: Define strategic objectives, articulate sector credit needs and re-evaluate the relevance of the lending program—October 2016, no. 1, p. 23

We recommend that the Agriculture Financial Services Corporation:

- clearly define the strategic objectives of the lending program; these objectives should be consistent with AFSC's legislative mandate
- clearly articulate the credit needs of the agriculture sector in Alberta, which should drive its lending activities
- develop a process to periodically re-evaluate the relevance of the lending products it offers to ensure they continue to be relevant

Systems to manage the lending program: Develop a funding model and costing system—October 2016, no. 3, p. 29

We recommend that the Agriculture Financial Services Corporation:

- develop a product-specific government funding model
- develop a costing system capable of allocating, tracking and reporting product-specific costs

² As a result of our assessment, we made this common recommendation to all colleges and universities as part of our original audit in February 2013, and then followed up in October 2013, February 2014, February 2016 and October 2016.

Systems to manage the lending program: Monitor the performance of the loan portfolio—October 2016, no. 4, p. 29

We recommend that the Agriculture Financial Services Corporation set up an independent function to monitor the performance of the loan portfolio.

Management has identified this recommendation as implemented—to be confirmed with a follow-up audit:

Ensure compliance with established policies—October 2016, no. 11, p. 75

We recommend that the Agriculture Financial Services Corporation:

- ensure that agreements between AFSC and its employees comply with the corporation's established policies. If deviations from policies are necessary, adequate justification and support should be documented
- improve its training policy and reimbursement agreements to make them more specific and in line with the guidance by Government of Alberta Corporate Human Resources
- consider recovering expenses that did not comply with AFSC's policies

Children's Services

Department

The following recommendations are outstanding and not yet ready for follow-up audits:

Improve access control processes—October 2014, no. 18, p. 151

We recommend that the Department of Children's Services improve access control processes for all its information systems to ensure:

- user access to application systems and data is properly authorized
- user access is disabled promptly when employees leave their employment or role

Systems to deliver child and family services to Indigenous children in Alberta: Enhance early support services—July 2016, no. 1, p. 13

We recommend that the Department of Children's Services:

- enhance its processes so that they include the needs of Indigenous children and families in the design and delivery of its early support services
- report to the public regularly on the effectiveness of early support services

Systems to deliver child and family services to Indigenous children in Alberta: Ensure a child-centred approach—July 2016, no. 2, p. 17

We recommend that the Department of Children's Services improve its systems to:

- ensure the care plan for each Indigenous child requiring intervention services is adhered to and meets the standards of care the department sets for all children in Alberta
- analyze the results of services to Indigenous children and report to the public regularly on its progress in achieving planned results

Systems to deliver child and family services to Indigenous children in Alberta:**Strengthen intercultural understanding—July 2016, no. 3, p. 24**

We recommend that the Department of Children's Services continue to enhance its staff training of the history and culture of Indigenous peoples, as well as its training of intercultural understanding. The department should seek the expertise of Indigenous leaders and communities when developing the training.

Community and Social Services

Department

The following recommendations are outstanding and not yet ready for follow-up audits:

Improve access control processes—October 2014, no. 18, p. 151

We recommend that the Department of Community and Social Services improve access control processes for all its information systems, to ensure:

- user access to application systems and data is properly authorized
- user access is disabled promptly when employees leave their employment or role

Systems to manage the AISH program: Improve program accessibility—October 2016, no. 5, p. 35

We recommend that the Department of Community and Social Services ensure its application processes are user friendly.

Systems to manage the AISH program: Set service standards and improve eligibility procedures and guidelines—October 2016, no. 6, p. 38

We recommend that the Department of Community and Social Services:

- set service standards for application processing times and regularly monitor against these standards
- improve procedures and guidelines to ensure staff apply policy in a consistent manner

Systems to manage the AISH program: Improve reporting on efficiency—October 2016, no. 7, p. 42

We recommend that the Department of Community and Social Services improve its processes to measure, monitor and report on the efficiency of the AISH program.

Culture and Tourism

Department

The following recommendation is outstanding and not yet ready for a follow-up audit:

Improve controls over administration of the APG program—October 2017, Financial Statement Auditing, p. 37

We recommend that the Department of Culture and Tourism improve its controls over administration of the APG program by:

- defining and documenting clear, easy-to-understand criteria for Alberta eligible expense; and communicating them to stakeholders
- using a risk based approach when selecting grant files to audit
- establishing an appropriate mechanism to facilitate a timely recovery of funds

Economic Development and Trade

Alberta Innovates

The following recommendation is outstanding and not yet ready for a follow-up audit:

Improve financial reporting processes—October 2017, Financial Statement Auditing, p. 44

We recommended that Alberta Innovates improve its financial reporting processes by implementing effective internal controls and quality review processes to ensure accurate and complete financial reporting.

Education

Department

The following recommendation is outstanding and not yet ready for a follow-up audit:

Systems to improve student attendance in Northland School Division: Oversight by the department—March 2015, no. 2, p. 23

We recommend that the Department of Education exercise oversight of Northland School Division by ensuring:

- the division develops and executes an operational plan to improve student attendance
- the operational plan identifies the resources needed and how results will be measured, reported and analyzed

Education & Infrastructure—School-building Program: Clarify roles and responsibilities—April 2016, no. 1, p. 9

We recommend that the Department of Education improve its oversight of the school-building program by:

- working with the Department of Infrastructure to clarify the roles and responsibilities of each department and establishing supporting policies and procedures
- developing clear decision making authorities for the program

Education & Infrastructure—School-building Program: Improve the planning and approval process—April 2016, no. 2, p. 12

We recommend that the Department of Education improve project approvals for new schools and modernizations by:

- implementing a gated approval process
- identifying the approval gates, required deliverables and responsibilities for completion of the deliverables

Education & Infrastructure—School-building Program: Improve systems to manage and control projects—April 2016, no. 3, p. 13

We recommend that the Department of Education improve its systems to manage and control school capital projects by:

- agreeing on project expectations promptly with school jurisdictions and Infrastructure, including scope, budget and key milestones
- developing and implementing change management policies and procedures

Education & Infrastructure—School-building Program: Improve reporting systems and controls—April 2016, no. 6, p. 16

We recommend that the Department of Education define and report on the key performance indicators of the school-building program.

Education & Infrastructure—School-building Program: Match capital funding to project progress—April 2016, no. 8, p. 19

We recommend that the Department of Education improve its cash flow forecasting systems and ensure capital funding requests are supported by assumptions tied to project progress.

Education & Infrastructure—School-building Program: Submit revised plan for approval—April 2016, no. 9, p. 19

We recommend if Treasury Board adjusts the Department of Education's funding request, the Department of Education should submit its revised school-building program plan to the Treasury Board for approval. The revised plan should align with the approved funding and should clearly identify the impact on project progress.

Implement an enterprise risk management process—October 2017, Financial Statement Auditing, p. 50

We recommend that the Department of Education implement an enterprise risk management process.

Improve controls over tracking and reporting cost obligations for school construction projects—October 2017, Financial Statement Auditing, p. 51

We recommend that the Department of Education improve controls over tracking and reporting cost obligation for school construction projects.

Education and Infrastructure

The following recommendations are outstanding and not yet ready for follow-up audits:

Education & Infrastructure: School-building Program—Improve systems to manage and control projects—April 2016, no. 4, p. 14

We recommend that the departments of Education and Infrastructure improve the planning process by:

- identifying who must review and approve project planning deliverables and formally communicate these approvals to school jurisdictions or the Department of Infrastructure's contractors
- basing oversight of projects managed by school jurisdictions on risk

Education & Infrastructure: School-building Program—Improve reporting systems and controls—April 2016, no. 7, p. 16

We recommend that the departments of Education and Infrastructure improve reporting on the school-building program by:

- defining reporting requirements, including measures to assess project performance
- using a common reporting system that specifies where information will be retained, who will update it and how it will be updated

Northland School Division No. 61

The following recommendations are outstanding and not yet ready for follow-up audits:

Systems to improve student attendance in Northland School Division: Develop plan to improve student attendance—March 2015, no. 1, p. 23

We recommend that Northland School Division develop an operational plan with short- and long-term targets to improve student attendance. The operational plan should include:

- measurable results and responsibilities
- a prioritized list of student-centered strategies, initiatives and programs
- documentation of the costs and resources required to action the strategies, initiatives and programs
- a specific timeline for implementation
- reporting on progress and accountability for improved attendance results

Systems to improve student attendance in Northland School Division: Monitor and enforce student attendance—March 2015, no. 3, p. 30

We recommend that Northland School Division improve its guidance and procedures for schools to:

- consistently record and monitor student attendance
- benchmark acceptable attendance levels
- manage and follow up on non-attendance

Energy

Department

The following recommendations are outstanding and not yet ready for follow-up audits:

Evaluate and report on royalty reduction program objectives—February 2016, no. 1, p. 18

We recommend that the Department of Energy annually evaluate and report whether the department's royalty reduction programs achieve their objectives.

Improve controls over access to key business systems—October 2016, no. 16, p. 99

We recommend that the Department of Energy document conflicting roles within its key business systems and ensure appropriate controls are in place where conflicting roles are identified.

Alberta Energy Regulator

The following recommendations are outstanding and not yet ready for follow-up audits:

Systems to regulate pipeline safety and reliability in Alberta: Formalize training program for core pipeline staff—March 2015, no. 5, p. 46

We recommend that the Alberta Energy Regulator complete a skills gap analysis and formalize a training program for its core pipeline staff.

Systems to regulate pipeline safety and reliability in Alberta: Identify performance measures and targets—March 2015, no. 6, p. 51

We recommend that the Alberta Energy Regulator identify suitable performance measures and targets for pipeline operations, assess the results obtained against those measures and targets, and use what it learns to continue improving pipeline performance.

Management has identified these recommendations as implemented—to be confirmed with follow-up audits:

Systems to regulate pipeline safety and reliability in Alberta: Use risk management activities to make informed decisions—March 2015, no. 4, p. 46

We recommend that the Alberta Energy Regulator use its risk management activities to make informed decisions on allocating resources and determine the nature and extent of activities to oversee pipelines.

Systems to regulate pipeline safety and reliability in Alberta: Review pipeline incident factors—March 2015, no. 7, p. 53

We recommend that the Alberta Energy Regulator:

- expand its analysis of pipeline incident contributing factors beyond the primary causes
- promptly share lessons learned from its investigations with industry and operators

Systems to regulate pipeline safety and reliability in Alberta: Assess current pipeline information—March 2015, no. 8, p. 56

We recommend that the Alberta Energy Regulator complete an assessment of its current pipeline information needs to support effective decision making, and determine the type and extent of data it should collect from pipeline operators, through a proactive, risk-based submission process.

Systems to regulate pipeline safety and reliability in Alberta: Implement risk-based compliance process—March 2015, no. 9, p. 59

We recommend that the Alberta Energy Regulator implement a cost effective risk-based compliance process to evaluate the adequacy and effectiveness of pipeline operators' integrity management programs, and safety and loss management systems.

Systems to ensure sufficient financial security for land disturbances from mining: Improve program monitoring—July 2015, no. 3, p. 31

We recommend that the Alberta Energy Regulator, as part of its enterprise risk assessment process, develop and execute on a risk-based plan for its Mine Financial Security Program monitoring activities to ensure it is carrying out the appropriate amount of verification.

Environment and Parks

Department

The following recommendations are outstanding and not yet ready for follow-up audits:

Sand and gravel: Flat fee security deposit—October 2008, no. 41, p. 362

We recommend that the Department of Environment and Parks assess the sufficiency of security deposits collected under agreements to complete reclamation requirements.

Climate change: Public reporting—October 2012, no. 10, p. 38 (originally October 2008, no. 11, p. 101)

We again recommend that the Ministry of Environment and Parks improve the reliability, comparability and relevance of its public reporting on Alberta's results and costs incurred in meeting climate change targets.

Climate change: Improve planning—July 2014, no. 2, p. 41 (originally October 2008, no. 9, p. 97)

We again recommend that the Department of Environment and Parks improve Alberta's response to climate change by:

- establishing overall criteria for selecting climate change actions
- creating and maintaining a master implementation plan for the actions necessary to meet the emissions intensity target for 2020 and the emissions-reduction target for 2050
- corroborating—through modelling or other analysis—that the actions chosen by the ministry result in Alberta being on track for achieving its targets for 2020 and 2050

Climate change: Improve monitoring processes—July 2014, no. 3, p. 44 (originally October 2008, no. 10, p. 100)

We again recommend that for each major action in the 2008 Climate Change Strategy, the Department of Environment and Parks evaluate the action's effect in achieving Alberta's climate change goals.

Sand and gravel: Enforcement of reclamation obligations—July 2014, no. 4, p. 51 (originally October 2008, no. 40, p. 360)

We again recommend that the Department of Environment and Parks improve processes for inspecting aggregate holdings on public land and enforcing land reclamation requirements.

Flood mitigation systems: Update flood hazard maps and mapping guidelines—March 2015, no. 10, p. 76

We recommend that the Department of Environment and Parks improve its processes to identify flood hazards by:

- mapping flood areas that are not currently mapped but are at risk of flooding communities
- updating and maintaining its flood hazard maps
- updating its flood hazard mapping guidelines

Flood mitigation systems: Assess risk to support mitigation policies and spending—March 2015, no. 11, p. 78

We recommend that the Department of Environment and Parks conduct risk assessments to support flood mitigation decisions.

Flood mitigation systems: Assess effects of flood mitigation actions—March 2015, no. 13, p. 82

We recommend that the Department of Environment and Parks establish processes to assess what will be the cumulative effect of flood mitigation actions in communities when approving new projects and initiatives.

Systems to regulate dam safety: Develop plan to regulate dams—March 2015, no. 14, p. 90

We recommend that the Department of Environment and Parks develop a plan to regulate dams and report on the results of its regulatory activities.

Systems to regulate dam safety: Improve dam regulatory activities—March 2015, no. 15, p. 92

We recommend that the Department of Environment and Parks improve its dam regulatory activities by:

- maintaining a reliable registry of dams
- obtaining sufficient information to assess the risk and consequences of dam failure
- retaining evidence of regulatory activities performed
- following up to ensure that owners correct deficiencies or manage them until they are corrected

Systems to manage grazing leases: Clarify objectives, benefits and relevant performance measures—July 2015, no. 1, p. 20

We recommend that the Department of Environment and Parks define and communicate the environmental, social and economic objectives it expects grazing leases should provide all Albertans as well as relevant performance measures to monitor and ensure those objectives are met.

Systems to ensure sufficient financial security for land disturbances from mining: Improve program design—July 2015, no. 2, p. 29

We recommend that the Department of Environment and Parks, as part of its regular review of the Mine Financial Security Program:

- analyze and conclude on whether changes to the asset calculation are necessary due to overestimation of asset values in the methodology
- demonstrate that it has appropriately analyzed and concluded on the potential impacts of inappropriately extended mine life in the calculation

Systems to manage the SGE Regulation: Clarify SGE Regulation guidance documents—July 2015, no. 4, p. 43 (originally October 2009, no. 4, p. 46, repeated November 2011, no. 1, p. 17)

We recommend for a third time that the Department of Environment and Parks clarify the guidance it provides to facilities, verifiers, offset project developers and offset protocol developers, to ensure they consistently follow its requirements to achieve the Alberta government's emission reduction targets.

Systems to manage the SGE Regulation: Ensure offset protocols meet new standard and improve transparency—July 2015, no. 5, p. 46 (originally November 2011, no. 2, p. 23)

We again recommend that the Department of Environment and Parks implement processes to ensure that all approved protocols adhere to its protocol development standard.

Managing Alberta's Water Act Partnerships and Regulatory Activities: Monitor wetland restoration—October 2015, no. 6, p. 45 (originally April 2010, no. 6, p. 71)

We again recommend that the Department of Environment and Parks formalize its wetland restoration relationships and control procedures.

Improve capital asset monitoring and recording processes—October 2016, no. 17, p. 104

We recommend that the Department of Environment and Parks improve its processes for monitoring and recording dam and water management structure assets by:

- reconciling the Environment Infrastructure Management System with the asset management accounting system so that the assets listed in one reasonably correspond to those in the other
- completing a comprehensive analysis of assets to verify existence, completeness and valuation in order to maintain reliable accounting records
- applying criteria to decide when to write down an asset, and documenting the assessment of such decisions

Climate change: Outsourced service providers—May 2017, no. 5, Page 62 (originally October 2009, p. 49)

We again recommend that the Department of Environment and Parks obtain assurance that data hosted or processed by its provider of registry services is accurate, complete and secure.

Management has identified these recommendations³ as implemented –to be confirmed with follow-up audits:

Sand and gravel: Quantity of aggregate removed—July 2014, no. 5, p. 52 (originally October 2008, p. 364)

We again recommend that the Department of Environment and Parks develop systems to verify quantities of aggregate reported as removed by industry from public lands so that all revenue due to the Crown can be assessed and recorded in the financial statements..

Joint Canada–Alberta plan for oil sands monitoring: Ensure timely, accurate and transparent public reporting—October 2014, no. 1, p. 26

We recommend that the Department of Environment and Parks work with the Government of Canada to ensure that public reporting on the joint plan is timely, accurate and transparent.

Joint Canada–Alberta plan for oil sands monitoring: Improve planning and monitoring—October 2014, no. 2, p. 29

We recommend that the Department of Environment and Parks:

- implement effective processes for monitoring project status
- develop and implement work plans, with roles and responsibilities and timelines and deliverables, for implementing all key commitments under the joint plan
- clarify what needs to be done to implement any joint plan projects and commitments remaining after March 2015

³ The following two recommendations were originally made to Alberta Environmental Monitoring, Evaluation and Reporting Agency dissolved effective July 1, 2016.

Department and Municipal Affairs

The following recommendation is outstanding and not yet ready for a follow-up audit:

Flood mitigation systems: Designate flood hazard areas and complete floodway development regulation—March 2015, no. 12, p. 80

To minimize public safety risk and to avoid unnecessary expenditure of public money, we recommend that the:

- Department of Environment and Parks identify flood hazard areas for designation by the minister
- Department of Municipal Affairs:
 - establish processes for controlling, regulating or prohibiting future land use or development to control risk in designated flood hazard areas
 - put in place processes to enforce the regulatory requirements

Executive Council

Department

The following recommendations are outstanding and not yet ready for follow-up audits:

Assess risk and improve oversight—October 2012, no. 11, p. 62

We recommend that Executive Council:

- assess the risks to public information assets throughout the government
- determine if the government has adequate IT security policies, standards and controls to mitigate risks
- determine who is responsible and accountable to ensure that public information assets are adequately protected. Specifically:
 - who is responsible for monitoring compliance with IT security requirements
 - who is responsible for ensuring or enforcing compliance with security requirements
 - what actions should be taken when non-compliance is identified
 - how is compliance to security requirements demonstrated

Contracting Processes: Improve contracting processes—October 2016, no. 8, p. 55 (originally October 2014, no. 10, p. 62)

We again recommend that the Department of Executive Council improve its contracting processes by documenting:

- the rationale for contracting services and selecting vendors when entering into sole-sourced contracts
- its assessment of whether proposed contract rates are reasonable, and ensuring contracts are authorized and in place before contracted services are received



Ministry and Department

The following recommendations are outstanding and not yet ready for follow-up audits:

Electronic health records: User access management—October 2009, p. 80

We recommend that the Department of Health ensure that its user access management policies are followed and that user access to health information is removed when access privileges are no longer required.

Chronic disease management: Improve delivery of chronic disease management services—September 2014, no. 1, p. 11

We recommend that the Department of Health improve the delivery of chronic disease management services in the province by:

- defining the care services it expects physicians, Primary Care Networks and Alberta Health Services to provide to individuals with chronic disease
- requesting family physicians to deliver comprehensive teambased care to their patients with chronic disease, through a Primary Care Network or appropriate alternative
- establishing processes to assess the volumes, costs and, most importantly, the results of chronic disease management services delivered by the healthcare providers it funds
- facilitating secure sharing of patients' healthcare information among authorized providers
- strengthening its support for advancing chronic disease management services, particularly among family physicians where the need for better systems and information is most critical

Chronic disease management: Improve delivery of pharmacist care plan initiative—September 2014, no. 7, p. 32

We recommend that the Department of Health improve the delivery of its pharmacist care plan initiative by:

- establishing a formal process to ensure pharmacists integrate their care plan advice with the care being provided by a patient's family physician and care team
- strengthening claims administration and oversight, including requiring pharmacists to submit diagnostic information showing patients qualify for a care plan, and making care plans subject to audit verification by Alberta Blue Cross
- setting expectations and targets for pharmacists' involvement in care plans and evaluating the effectiveness of their involvement on an ongoing basis

Chronic disease management: Strengthen electronic medical records systems—September 2014, no. 8, p. 37

We recommend that the Department of Health strengthen support to family physicians and care teams in implementing electronic medical record systems capable of:

- identifying patient-physician relationships and each patient's main health conditions and risk factors
- tracking patient care plans and alerting physicians and care teams when medical services are due, and health goals or clinical targets are not met
- appropriately and securely sharing patient health information between authorized healthcare providers
- reporting key activity and outcome information for selected patient groups (e.g., diabetics) as the basis for continuous quality improvement

Chronic disease management: Provide individuals access to their personal health information—September 2014, no. 9, p. 41

We recommend that the Department of Health provide individuals with chronic disease access to the following personal health information:

- their medical history, such as physician visits, medications and test results
- their care plan, showing recommended tests, diagnostic procedures and medications, including milestone dates and targets set out in the plan

Crown's right of recovery of healthcare costs from motor vehicle accidents: Clarify objectives of collecting revenue and prepare supporting rationale—October 2014, no. 3, p. 37

We recommend that the Department of Health:

- publicly articulate its objectives in setting the aggregate assessment
- report the extent to which the aggregate assessment recovers the department's calculation of healthcare costs caused by motor vehicle accidents

We also recommend that the Department of Health obtain additional information to demonstrate that the amount proposed for the aggregate assessment is the appropriate amount that should be charged given the competing objectives.

Crown's right of recovery of healthcare costs from motor vehicle accidents: Calculating the aggregate assessment—October 2014, no. 4, p. 38

We recommend that the Department of Health review the methodology it uses in the calculation of the aggregate assessment and put a process in place to periodically check whether the estimate calculated is a reasonable approximation of the Crown's associated healthcare costs.

Systems to manage the delivery of mental health services: Use action plan and progress reporting to implement strategy—July 2015, no. 6, p. 63

We recommend that the Department of Health:

- use an action plan to implement the strategy for mental health and addictions
- monitor and regularly report on implementation progress

Healthcare processes: Establish a proactive check to ensure that individuals with an Alberta healthcare number continue to meet residency requirements—October 2015, no. 12, p. 101

We recommend that the Department of Health improve its processes by establishing a proactive check to ensure that individuals who have been issued an Alberta healthcare number continue to meet the residency requirements specified in the *Alberta Health Care Insurance Act and Regulation*.

Healthcare processes: Enhance processes to check for receipt of services for which physicians billed—October 2015, no. 13, p. 102

We recommend that the Department of Health enhance the processes it uses to check whether:

- patients received the medical services for which physicians billed the department
- payments are being made in accordance with the provisions of the *Alberta Health Care Insurance Act*

Primary Care Networks: Evaluate PCN effectiveness—October 2017, Performance Auditing, p. 79

We recommend that the Department of Health, through its leadership role in the PCN Governance Structure, work with the PCNs and PCN physicians to:

- agree on appropriate targets for each PCN program performance measure, and require PCNs to measure and report results in relation to the targets
- develop a formal action plan for public reporting of PCN program performance

Primary Care Networks: Informing Albertans about PCN services—October 2017, Performance Auditing, p. 84

We recommend that the Department of Health, through its leadership role in the PCN Governance Structure, work with PCNs and PCN physicians to:

- require PCN physicians to complete the established patient attachment process, and set appropriate timelines for completing this process
- agree on the best approaches for engaging Albertans as active participants in their own care, and explaining the PCN services available to help them achieve their health goals

Management has identified this recommendation as implemented—to be confirmed with a follow-up audit:

Seniors care in long-term care facilities: Oversight at the provincial level—October 2014, no. 13, p. 91

We recommend that the Department of Health:

- clearly define and separate its role and responsibilities from those of AHS in monitoring and managing long-term care service delivery
- improve public reporting on what results the provincial long-term care system is expected to achieve and whether it is achieving them
- finish the review of the continuing care health service standards
- implement a mechanism for timely analysis and action on the accommodation cost data

Health and Alberta Health Services

The following recommendations are outstanding and not yet ready for follow-up audits:

Chronic disease management: Improve support of patient-physician relationships—September 2014, no. 2 & 3, p. 18

We recommend that the Department of Health improve its support of patient-physician relationships by:

- requesting all family physicians establish a process to identify their patient panels and which of those patients have chronic disease, and providing them with healthcare data to help them do so
- determining what it considers to be an effective care team size and composition, and working with family physicians, Primary Care Networks and other providers to help build teams to this level

We recommend that Alberta Health Services identify individuals with chronic disease who do not have a family physician and actively manage their care until they can be linked with a family physician.

Chronic disease management: Improve physician care plan initiative
—September 2014, no. 5 and 6, p. 26

We recommend that the Department of Health improve its physician care plan initiative by:

- defining its expectations for what care plans should contain and how they should be managed by physicians and care teams
- setting targets for care plan coverage and evaluating the effectiveness of care plans on an ongoing basis
- strengthening care plan administration by ensuring that claims identify qualifying diagnoses, and that care plan billings by individual physicians are reasonable

We recommend that Alberta Health Services coordinate its services to patients with chronic disease with the care plans developed by family physicians and care teams.

Alberta Health Services

The following recommendations are outstanding and not yet ready for follow-up audits:

Chronic disease management: Improve AHS chronic disease management services
—September 2014, no. 4, p. 22

We recommend that Alberta Health Services improve its chronic disease management services by:

- assessing the total demand for chronic disease management services across Alberta
- developing evidence to support decisions on how services provided by Alberta Health Services, family physicians, Primary Care Networks and Family Care Clinics should be integrated
- setting provincial objectives and standards for its chronic disease management services
- establishing systems to measure and report the effectiveness of its chronic disease management services

Seniors care in long-term care facilities: Monitoring care at the resident level
—October 2014, no. 11, p. 84

We recommend that Alberta Health Services improve the design of its current monitoring activities. AHS should:

- develop a system to periodically verify that facilities provide residents with an adequate number and level of staff, every day of their operation
- develop a system to periodically verify that facilities deliver the right care every day by implementing individual resident care plans and meeting basic needs of residents

Seniors care in long-term care facilities: Managing performance of long-term care facilities—October 2014, no. 12, p. 88

We recommend that Alberta Health Services improve its system to monitor and manage performance of long-term care facilities. AHS should:

- clearly define which program area within AHS is responsible for managing performance of individual facilities

- establish a formal mechanism to use all available compliance data to review periodically the overall performance of each facility, and initiate proactive compliance action with facilities based on the level of risk to health and safety of residents
- establish a formal mechanism to escalate compliance action for higher risk facilities

Information technology control policies and processes—October 2014, no. 17, p. 137 (originally October 2009, no. 29, p. 262)

We again recommend that Alberta Health Services:

- develop an information technology control framework, including appropriate risk management processes and controls, for the management of its information technology resources
- monitor compliance with security policies, implementing effective change management processes and improving passwords controls

Systems to manage the delivery of mental health services: Integrate mental health service delivery and eliminate gaps in service—July 2015, no. 7, p. 67

We recommend that Alberta Health Services for its own community and hospital mental health and addictions services:

- work with physicians and other non-AHS providers to advance integrated care planning and use of interdisciplinary care teams where appropriate for clients with severe and persistent mental illness who need a comprehensive level of care
- improve availability of mental health resources at hospital emergency departments
- improve its system to monitor and ensure community mental health clinics comply with AHS's expectations for treatment planning and case management
- improve its process to identify and evaluate good operational practices used by local mental health and addictions staff, and deploy the best ones across the province

Systems to manage the delivery of mental health services: Improve information management in mental health and addictions—July 2015, no. 8, p. 75

We recommend that Alberta Health Services make the best use of its current mental health and addictions information systems by:

- providing authorized healthcare workers within all AHS sites access to AHS mental health and addictions clinical information systems
- strengthening information management support for its mental health treatment outcomes measurement tools

Systems to manage the delivery of mental health services: Complete assessment and develop waitlist for Albertans who need community housing supports—July 2015, no. 9, p. 79

We recommend that Alberta Health Services in supporting the work of the cross-ministry housing planning team established under the mandate of the Minister of Seniors:

- complete its assessment and report on gaps between supply and demand for specialized community housing support services for mental health and addictions in the province
- develop a waitlist management system to formally assess the housing support needs of AHS's mental health hospital and community patients and coordinate their placement into specialized community spaces funded by AHS

**Develop a detailed plan for implementing risk-based disaster recovery processes
—October 2015, no. 14, p. 104**

We recommend that Alberta Health Services develop and follow a comprehensive plan for implementing risk-based disaster recovery processes, including the necessary IT infrastructure.

**Management has identified these recommendations as implemented
—to be confirmed with follow-up audits:**

Capital project monitoring systems—October 2009, no. 32, p. 271

We recommend that Alberta Health Services improve the efficiency and effectiveness of its financial capital project monitoring and reporting systems and processes by:

- implementing common systems, policies and procedures to track and monitor key financial information
- providing relevant, timely and accurate information to executive management and the audit and finance committee

Fees and charges—October 2012, no. 25, p. 123

We recommend that Alberta Health Services:

- reinforce its admissions policies to ensure consistent application
- review its controls over the processes that generate fees and charges revenue, to ensure they are appropriately designed, consistent across regions and aligned with current policies

Controls over expenses—February 2013, no. 1, p. 24

We recommend that Alberta Health Services tighten its controls over expense claims, purchasing card transactions and other travel expenses by:

- improving the analysis and documentation that support the business reasons for—and the cost effectiveness of—these expenses
- improving education and training of staff on their responsibilities for complying with policies
- monitoring expenses and reporting results to the board

Indigenous Relations

Department

The following recommendations are outstanding and not yet ready for follow-up audits:

First Nations Development Fund Grants: Improve review process—May 2017, no. 6, p. 66 (originally July 2013, no. 2, p. 24)

We again recommend that the Department of Indigenous Relations improve its processes to review and approve grant applications by:

- formalizing the additional review processes it developed for complex grant applications
- consistently obtaining sufficient information to support its assessment of complex grant applications

First Nations Development Fund Grants: Improve monitoring process—May 2017, no. 7, p. 69 (originally July 2013, no. 3, p. 26)

We again recommend that the Department of Indigenous Relations improve its monitoring processes by consistently ensuring First Nations comply with reporting requirements and acting to correct non-compliance with a grant agreement.

Infrastructure

Department

The following recommendations are outstanding and not yet ready for follow-up audits:

Education & Infrastructure: School-building Program—Improve reporting systems and controls—April 2016, no. 5, p. 16

We recommend that the Department of Infrastructure improve its systems for publicly reporting on the status of school capital projects.

Government of Alberta Capital Planning: Improve capital planning standards and phased approach to capital planning and approval—October 2017, Performance Auditing, p. 20

We recommend that the Department of Infrastructure improve its capital planning system by:

- updating its capital planning standards
- clarifying the capital planning phases and the planning deliverables required for each phase
- verifying if departments have completed the required planning for capital submissions and, if not, reporting this information to government committees

Government of Alberta Capital Planning: Improve maintenance planning systems—October 2017, Performance Auditing, p. 23

We recommend that the Department of Infrastructure:

- obtain information from departments on their maintenance needs and risks, and on the results they aim to achieve with the maintenance funding they request
- analyze the departments' maintenance information and provide objective advice to government committees on maintenance funding

Government of Alberta Capital Planning: Evaluate capital maintenance programs for buildings—October 2017, Performance Auditing, p. 26

We recommend that the Department of Infrastructure work with affected departments to lead a review of the four capital maintenance programs for buildings and evaluate whether they are working well.

Department and Education

The following recommendations are outstanding and not yet ready for follow-up audits:

Education & Infrastructure: School-building Program—Improve systems to manage and control projects—April 2016, no. 4, p. 14

We recommend that the departments of Education and Infrastructure improve the planning process by:

- identifying who must review and approve project planning deliverables and formally communicate these approvals to school jurisdictions or the Department of Infrastructure’s contractors
- basing oversight of projects managed by school jurisdictions on risk

Education & Infrastructure: School-building Program—Improve reporting systems and controls—April 2016, no. 7, p. 16

We recommend that the departments of Education and Infrastructure improve reporting on the school-building program by:

- defining reporting requirements, including measures to assess project performance
- using a common reporting system that specifies where information will be retained, who will update it and how it will be updated

Justice and Solicitor General

Department

The following recommendations are outstanding and not yet ready for follow-up audits:

Victims of Crime Fund: Systems to manage sustainability and assess results—Develop and publicly report on a plan for the Victims of Crime Fund program—February 2016, no. 5, p. 46

We recommend that the Department of Justice and Solicitor General:

- develop and approve a business plan with measurable desired results for the Victims of Crime Fund
- publicly report on the results of this business plan

**Victims of Crime Fund: Systems to manage sustainability and assess results—
Determine best use of Victims of Crime Fund accumulated surplus—February 2016,
no. 6, p. 49**

We recommend that the Department of Justice and Solicitor General, supported by sufficient analysis, determine an appropriate use of the Victims of Crime Fund accumulated surplus

Funding Sustainable and Cost-Effective Legal Aid Services: Determine the type and scope of services a public legal aid system can sustain—May 2017, no. 1, p. 39

We recommend that the Department of Justice and Solicitor General determine, through analysis, the type and scope of services Alberta's publicly funded legal aid system can provide and sustain.

Funding Sustainable and Cost-Effective Legal Aid Services: Ensure the performance measures in place for legal aid services—May 2017, no. 2, p. 42

We recommend that the Department of Justice and Solicitor General ensure there are processes in place to measure, monitor and report on the quality, efficiency and cost-effectiveness of publicly funded legal aid services.

**Management has identified these recommendations as implemented
—to be confirmed with follow-up audits:**

Office of the Chief Medical Examiner: Contracting transporters of deceased rural Albertans—Develop guidelines for contract requests—July 2016, no. 1, p. 22

We recommend that the Department of Justice and Solicitor General develop guidelines that clearly identify:

- when a program area must provide a business case to support a contract request and what information must be included
- who can make a decision not to require a business case and in what circumstances, and what must be documented to support this decision

Office of the Chief Medical Examiner: Contracting transporters of deceased rural Albertans—Determine when contracted vendors will be used—July 2016, no. 2, p. 25

We recommend that the Department of Justice and Solicitor General determine and include as part of its pre-qualification contract posting process:

- a date after which only vetted and contracted vendors are eligible to provide services in the normal course of business
- circumstances in which it may need to use non-contracted vendors

Ministry and Office of The Public Guardian and Trustee

The following recommendation is outstanding and not yet ready for a follow-up audit:

Improve results analysis processes and reporting—February 2016, no. 4, p. 40

We recommend that the Public Trustee and Ministry of Justice and Solicitor General improve the performance reporting for the operations of the Public Trustee.

Office Of The Public Guardian And Trustee

The following recommendations are outstanding and not yet ready for follow-up audits:

Supervisory review of client files—February 2013, no. 2, p. 42

We recommend that the Office of the Public Guardian and Trustee improve its file management processes to ensure all client files are subject to adequate supervisory review.

Internal audit role—February 2013, no. 3, p. 42

We recommend that the Office of the Public Guardian and Trustee strengthen the role of its internal audit, ensuring it has adequate authority and independence to effectively perform its function.

Improve and follow policies—February 2013, no. 4, p. 45

We recommend that the Office of the Public Guardian and Trustee:

- review and assess whether its policies are appropriate, and procedures are adequate to mitigate the risk that client assets could be misappropriated or otherwise mismanaged
- improve its processes for ensuring compliance with policies and procedures

Documentation—February 2013, no. 6, p. 48

We recommend that the Office of the Public Guardian and Trustee improve its processes for ensuring client files are appropriately documented, including adequate documentation of supervisory review and internal audit.

Determine and manage surplus—February 2016, no. 3, p. 36

We recommend that the Public Trustee develop processes to effectively manage the growth and use of the accumulated surplus in the Common Fund.

Management has identified this recommendation as implemented —to be confirmed with a follow-up audit:

Segregation of duties—February 2013, no. 5, p. 47

We recommend that the Office of the Public Guardian and Trustee strengthen its processes for the approval and payment of client expenses or disbursements.

Labour

Department

Management has identified these recommendations as implemented —to be confirmed with follow-up audits:

Occupational health and safety: Improve health and safety programs—July 2016, no. 3, p. 41 (originally April 2010, p. 43)

We again recommend that the Department of Labour improve its planning and reporting systems for occupational health and safety by evaluating and reporting on whether key OHS programs and initiatives achieve desired results.

Occupational health and safety: Promoting and enforcing compliance—July 2016, no. 4, p. 43 (originally April 2010, no. 3, p. 39, repeated July 2012, no. 12, p. 83)

We again recommend that the Department of Labour clarify and enforce its procedures to approve giving employers extra time to fix worksite health and safety problems

Legislative Assembly Offices

There are no outstanding recommendations to the Legislative Assembly Office or Officers of the Legislative Assembly in this report.

Municipal Affairs

Department

The following recommendations are outstanding and not yet ready for follow-up audits:

Improve systems for updating the estimated disaster recovery program liability—October 2015, no. 16, page 144

We recommended that the Department of Municipal Affairs develop and implement an improved method for updating and supporting its estimated disaster recovery program liability.

Disaster recovery program transition: Implement a transition plan—February 2016, no. 7, page 62

We recommend that the Department of Municipal Affairs implement its transition work plan to improve its disaster recovery program delivery system by:

- obtaining skilled project managers and implementing project management practices that will achieve the objectives outlined in the plan
- improving project oversight to monitor implementation of the plan to ensure desired results are achieved within an acceptable time frame

Department and Environment and Parks

The following recommendation is outstanding and not yet ready for a follow-up audit:

Flood mitigation systems: Designate flood hazard area and complete floodway development regulation—March 2015, no. 12, page 80

To minimize public safety risk and to avoid unnecessary expenditure of public money, we recommend that:

- the Department of Environment and Parks identify flood hazard areas for designation by the minister
- the Department of Municipal Affairs:
 - establish processes for controlling, regulating or prohibiting future land use or development to control risk in designated flood hazard areas
 - put in place processes to enforce the regulatory requirement

Seniors and Housing

Department

The following recommendation is outstanding and not yet ready for a follow-up audit:

Seniors care: Effectiveness of the Seniors Lodge Program and determine future needs—October 2014, no. 20, p. 183 (originally October 2005, no. 12, p. 66)

We again recommend that the Department of Seniors:

- improve the measures it uses to assess the effectiveness of the Seniors Lodge Program and obtain sufficient information periodically to set the minimum disposable income of seniors used as a basis for seniors lodge rent charges
- improve its processes for identifying the increasing care needs of lodge residents and consider this information in its plans for the Seniors Lodge Program

Management has identified these recommendations as implemented—to be confirmed with follow-up audits:

Systems to deliver affordable housing grants: Improve monitoring processes—July 2013, no. 12, p. 90

We recommend that the Department of Seniors improve its monitoring processes to ensure affordable housing grant recipients comply with their grant agreements by:

- developing and conducting risk-based monitoring activities
- following procedures and processes when performing monitoring activities

Systems to deliver affordable housing grants: Develop an evaluation system—July 2013, no. 13, p. 92

We recommend that the Department of Seniors improve its evaluation processes by:

- developing performance measures and adequate information systems so that the department can better evaluate and report on its affordable housing grant programs
- completing periodic evaluations of its affordable housing grants programs

Alberta Social Housing Corporation

The following recommendations are outstanding and not yet ready for a follow-up audits:

Review housing management body cash reserve policy—October 2013, no. 11, p. 145

We recommend that the Alberta Social Housing Corporation review the housing management body cash reserve policy to determine if the policy continues to meet its objective of providing appropriate short-term operational cash flow requirements to the housing management bodies.

Improve change management control procedures—October 2017, Financial Statement Auditing, p. 113

We recommend that the Alberta Social Housing Corporation improve and implement change management control procedures to ensure changes to the information systems within its computing environment are implemented in a controlled and consistent manner.

Service Alberta

Department

The following recommendations are outstanding and not yet ready for follow-up audits:

IT disaster recovery program: Improve recovery of critical information technology applications—October 2014, no. 5, p. 45

We recommend that the Department of Service Alberta, with support from the Deputy Ministers' Council:

- identify the most critical IT applications throughout all government entities
- identify the times, after a disaster, that critical IT applications must be recovered
- ensure that there are tested plans and adequate resources to recover critical IT applications within those times

Systems to manage a comprehensive inventory of information technology applications—May 2017, no. 3, p. 51

We recommend that Service Alberta complete its plans to implement a comprehensive inventory system of all IT applications used across government, with supporting processes to maintain the inventory. If required, Service Alberta should seek the necessary authority to complete the project.

Management has identified these recommendations as implemented—to be confirmed with follow-up audits:

Access and security monitoring of the revenue application systems—October 2008, p. 346

We recommend that the Department of Service Alberta ensure adequate logging and monitoring processes are in place in all application systems that host or support financial information and Albertans' personal information.

System conversion process—October 2008, p. 349

We recommend that the Department of Service Alberta document its review of actual system conversion activities to ensure that they comply with the approved test plan for system conversion and data migration.

Status of Women

Department

There are no outstanding recommendations to the Status of Women.

Transportation

Department

Management has identified the following recommendation as implemented—to be confirmed with a follow-up audit:

Commercial vehicle safety: Progressive sanctions—July 2014, no. 7, p. 70 (originally October 2009, no. 14, p. 127)

We again recommend that the Department of Transportation enforce compliance by carriers who persistently fail to comply with rules and regulations.

Treasury Board and Finance

Department

The following recommendations are outstanding and not yet ready for follow-up audits:

Improve ministry annual report processes—July 2012, no. 10, p. 65

We recommend that the Department of Treasury Board and Finance work with ministries to improve annual report:

- preparation processes for identifying significant performance measure variances and developing explanations for these variances for reporting
- approval processes, including senior management sign off of a summary of the year's performance measure variances and significant variance assessments

Improve performance measure reporting guidance and standards—July 2012, no. 11, p. 67

We recommend that the Department of Treasury Board and Finance improve its guidance for:

- performance measure target setting
- variance identification
- significant performance measure variance assessments and annual report explanation development
- preparing the results analysis

Department's Oversight Systems for Alberta's Public Sector Pension Plans: Policies designed to achieve plan objectives—February 2014, no. 1, p. 24

We recommend that the Department of Treasury Board and Finance set standards for the public sector pension plan boards to establish funding and benefit policies with:

- tolerances for the cost and funding components
- alignment between plan objectives and benefit, investment and funding policies
- pre-defined responses when tolerances are exceeded or objectives are not met

Department's Oversight Systems for Alberta's Public Sector Pension Plans: Risk management system—February 2014, no. 2, p. 26

We recommend that the Department of Treasury Board and Finance establish an Alberta public sector pension plan risk management system to support the minister in fulfilling his responsibilities for those plans.

Department's Oversight Systems for Alberta's Public Sector Pension Plans: Sustainability support processes—February 2014, no. 3, p. 28

We recommend that the Department of Treasury Board and Finance:

- validate the objectives for the pension plan sustainability review with stakeholders
- evaluate and report on how each proposed change meets the objectives for the review
- cost and stress test all proposed changes to assess the likely and possible future impacts on Alberta's public sector pension plans
- conduct or obtain further analysis of the impact of proposed pension plan design changes on employee attraction and retention
- prepare a detailed implementation plan for the changes

Results analysis reporting: Guidance, training and monitoring needed—July 2014, no. 1, p. 18

We recommend that the Department of Treasury Board and Finance, working with the Deputy Ministers' Council, improve:

- the guidance and training for ministry management to identify, analyze and report on results in ministry annual reports
- processes to monitor ministry compliance with results analysis reporting standards

Economy and Efficiency of Cash Management: Evaluate cash management for efficiency and economy—February 2016, no. 8, p. 77

We recommend that the Department of Treasury Board and Finance:

- evaluate how it can use excess liquidity within government-controlled entities to reduce government debt and minimize borrowing costs, and implement mechanisms to utilize excess liquidity
- evaluate the Consolidated Cash Investment Trust Fund and pursue opportunities to increase its use or modify its current structure to ensure it remains a relevant cash management tool

Economy and Efficiency of Cash Management: Develop policies to prevent early payment of grants and an accumulation of large cash balances—February 2016, no. 9, p. 79

We recommend that the Department of Treasury Board and Finance issue policies and guidance for departments to monitor the working capital needs of government-controlled entities to ensure departments only provide cash when needed

Economy and Efficiency of Cash Management: Implement and use information technology to manage cash—February 2016, no. 10, p. 82

We recommend that the Department of Treasury Board and Finance implement an integrated treasury management system to manage treasury functions and processes, including government-wide cash pooling and management.

Economy and Efficiency of Cash Management: Use leading banking and related practices and evaluate cost benefits of bank accounts—February 2016, no. 11, p. 85

We recommend that the Department of Treasury Board and Finance work with departments to implement leading banking practices and evaluate the benefits of existing bank accounts compared to the costs of administering them, and make changes where the costs exceed the benefits.

**Economy and Efficiency of Cash Management: Improve policies for payments
—February 2016, no. 12, p. 86**

We recommend that the Department of Treasury Board and Finance:

- periodically analyze payment data to identify non-compliance with policies and seek opportunities for improvements
- ensure that cost recoveries between government entities consider costs and benefits, and a transaction threshold

**Apply policies when recommending approval to Treasury Board Committee
—October 2017, Financial Statement Auditing, p. 134**

We recommend that the Department of Treasury Board and Finance consistently apply its policies when recommending to Treasury Board Committee to approve a payment based on agreement request.

Update and follow enterprise risk management system—October 2017, Financial Statement Auditing, p. 135 (originally October 2014, no. 22, p. 194)

We again recommend that the Department of Treasury Board and Finance update and follow its enterprise risk management system by identifying, monitoring, communicating and appropriately mitigating relevant risks.

**Management has identified these recommendations as implemented
—to be confirmed with follow-up audits:**

**Collection of outstanding corporate taxes: Maintain policies and train staff
—October 2014, no. 6, p. 51**

We recommend that the Department of Treasury Board and Finance:

- update and maintain its policies and procedures for tax compliance officers
- review its training program to ensure it provides relevant and ongoing training to tax compliance officers

Collection of outstanding corporate taxes: Develop internal and external performance measures and targets—October 2014, no. 7, p. 52

We recommend that the Department of Treasury Board and Finance develop comprehensive performance measures and targets for tax collections and determine which to report publicly.

Collection of outstanding corporate taxes: Improve management information and analyze data periodically—October 2014, no. 8, p. 54

We recommend that the Department of Treasury Board and Finance:

- update its management reports to include additional information on the status of tax collection files and the success of its various collection activities
- periodically analyze the characteristics of the corporate taxes outstanding to identify potential changes to legislation, policies and collections strategies
- deal with the backlog of files submitted for write-off and low value accounts

Compliance systems for unfiled corporate income tax returns—October 2015, no. 17, p. 156

We recommend that the Department of Treasury Board and Finance improve its compliance systems to deal with unfiled corporate income tax returns.

ATB Financial

The following recommendation is outstanding and not yet ready for a follow-up audit:

Payment card industry—October 2012, no. 31, p. 149

We recommend that ATB Financial put in place processes to monitor its compliance with the Payment Card Industry's requirements.

Management has identified the following recommendation as implemented—to be confirmed with a follow-up audit:

Service auditor reports—October 2014, no. 26, p. 202 (originally October 2009, p. 227)

We again recommend that ATB Financial improve its processes related to service providers by ensuring its business areas:

- receive service provider audit reports
- review service provider audit reports and assess the impact of identified internal control weaknesses
- put end-user controls in place to complement service provider controls

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Office of the Auditor General of Alberta
8th Floor, 9925 – 109 Street NW
Edmonton, Alberta, Canada T5K 2J8

Phone: 780.427.4222

Fax: 780.422.9555

Email: info@oag.ab.ca

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