

Alberta Treasury Board and Finance

There are no new recommendations to the department in this report. Due to government reorganization, three recommendations regarding capital planning were moved to the department from the Department of Infrastructure in fiscal 2019–2020. The department has 18 outstanding recommendations, 10 of which have been outstanding for more than three years.

We issued unqualified independent auditor’s reports on the 2018–2019 financial statements for the Alberta Gaming, Liquor and Cannabis Commission; ATB Financial; the Credit Union Deposit Guarantee Corporation; and the endowment funds, regulated funds, pension plans, and other entities in the ministry. There are no new recommendations to any of these entities in this report.

Outstanding Recommendations

0	→	Implemented Recommendations
0	→	New Recommendations
18	→	Outstanding Recommendations
10	→	Outstanding Recommendations Older than 3 Years
4	→	Outstanding Recommendations Ready for Followup
14	→	Outstanding Recommendations Not Ready for Followup

Recommendation	When	Status
<p>DEPARTMENT REPORTING PERFORMANCE RESULTS TO ALBERTANS FOLLOWUP: Results Analysis Performance</p> <p>We again recommend that the Department of Treasury Board and Finance improve:</p> <ul style="list-style-type: none"> 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 	<p>Repeated August 2019, p. 12</p> <p>> Originally reported July 2014, no. 1, p. 18</p>	<p>Not Ready</p>

Recommendation	When	Status
<p>DEPARTMENT ALBERTA PUBLIC SERVICE COMMISSION: PUBLIC AGENCY BOARD MEMBER RECRUITMENT AND SELECTION:</p> <p>Improve the usage of succession plans and reappointments</p> <p>We recommend that the Public Agency Secretariat improve the processes described in the guidebook by requiring departments to:</p> <ul style="list-style-type: none"> include the board succession plan in the recruitment package evaluate incumbent candidates seeking reappointment before proceeding to open competition 	<p>August 2019, p. 13</p>	<p>Not Ready</p>
<p>DEPARTMENT ALBERTA PUBLIC SERVICE COMMISSION: PUBLIC AGENCY BOARD MEMBER RECRUITMENT AND SELECTION:</p> <p>Improve guidance on use of professional recruitment</p> <p>We recommend that the Public Agency Secretariat improve the guidance used by departments by requiring the recruitment package include an assessment of whether professional recruitment services are needed given the skills and experience sought by the agency.</p>	<p>August 2019, p. 14</p>	<p>Not Ready</p>
<p>DEPARTMENT ALBERTA PUBLIC SERVICE COMMISSION: PUBLIC AGENCY BOARD MEMBER RECRUITMENT AND SELECTION:</p> <p>Strengthen the recruitment, screening, and selection processes</p> <p>We recommend that the Public Agency Secretariat strengthen the guidance for recruitment, screening, and selection processes that departments follow by:</p> <ul style="list-style-type: none"> including in the selection package the candidate competency assessment along with the agency board’s written recommendation of qualified candidates setting standards for boards and departments in assessing, resolving and documenting potential conflicts of interest prior to appointment, and including a documented assessment for any potential conflicts pertaining to candidates in the selection package 	<p>August 2019, p. 17</p>	<p>Not Ready</p>

Recommendation	When	Status
<p>DEPARTMENT ALBERTA PUBLIC SERVICE COMMISSION: PUBLIC AGENCY BOARD MEMBER RECRUITMENT AND SELECTION:</p> <p>Improve information systems to monitor process outcomes</p> <p>We recommend that the Public Agency Secretariat:</p> <ul style="list-style-type: none"> consolidate information systems used to track competitions and appointments develop reports that can be used by departments to measure and monitor upcoming and existing board vacancies, the status of open competitions, and metrics on board continuity 	<p>August 2019, p. 19</p>	<p>Not Ready</p>
<p>DEPARTMENT GOVERNMENT OF ALBERTA CAPITAL PLANNING:</p> <p>Improve capital planning standards and phased approach to capital planning and approval</p> <p>We recommend that the Department of Treasury Board and Finance improve the government capital planning system by:</p> <ul style="list-style-type: none"> 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 	<p>October 2017, Performance Auditing, p. 20</p>	<p>Not Ready</p>
<p>DEPARTMENT GOVERNMENT OF ALBERTA CAPITAL PLANNING:</p> <p>Improve maintenance planning systems</p> <p>We recommend that the Department of Treasury Board and Finance:</p> <ul style="list-style-type: none"> 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 	<p>October 2017, Performance Auditing, p. 23</p>	<p>Not Ready</p>

Recommendation	When	Status
<p>DEPARTMENT GOVERNMENT OF ALBERTA CAPITAL PLANNING:</p> <p>Evaluate capital maintenance programs for buildings</p> <p>We recommend that the Department of Treasury Board and Finance work with affected departments to lead a review of the four capital maintenance programs for buildings and evaluate whether they are working well.</p>	<p>October 2017, Performance Auditing, p. 26</p>	<p>Not Ready</p>
<p>DEPARTMENT PAYMENTS BASED ON AGREEMENT:</p> <p>Apply policies when recommending approval to Treasury Board Committee</p> <p>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.</p>	<p>October 2017, Financial Statement Auditing, p. 134</p>	<p>Ready</p>
<p>DEPARTMENT ENTERPRISE RISK MANAGEMENT SYSTEMS:</p> <p>Update and follow enterprise risk management system</p> <p>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.</p>	<p>Repeated October 2017, Financial Statement Auditing, p. 135</p> <p>> Originally reported October 2014, no. 22, p. 194</p>	<p>Not Ready</p>
<p>DEPARTMENT ECONOMY AND EFFICIENCY OF CASH MANAGEMENT:</p> <p>Evaluate cash management for efficiency and economy</p> <p>We recommend that the Department of Treasury Board and Finance:</p> <ul style="list-style-type: none"> • 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 	<p>February 2016, no. 8, p. 77</p>	<p>Not Ready</p>

Recommendation	When	Status
<p>DEPARTMENT ECONOMY AND EFFICIENCY OF CASH MANAGEMENT:</p> <p>Develop policies to prevent early payment of grants and an accumulation of large cash balances</p> <p>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.</p>	<p>February 2016, no. 9, p. 79</p>	<p>Not Ready</p>
<p>DEPARTMENT ECONOMY AND EFFICIENCY OF CASH MANAGEMENT:</p> <p>Implement and use information technology to manage cash</p> <p>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.</p>	<p>February 2016, no. 10, p. 82</p>	<p>Not Ready</p>
<p>DEPARTMENT ECONOMY AND EFFICIENCY OF CASH MANAGEMENT:</p> <p>Use leading banking and related practices and evaluate cost benefits of bank accounts</p> <p>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.</p>	<p>February 2016, no. 11, p. 85</p>	<p>Not Ready</p>
<p>DEPARTMENT ECONOMY AND EFFICIENCY OF CASH MANAGEMENT:</p> <p>Improve policies for payments</p> <p>We recommend that the Department of Treasury Board and Finance:</p> <ul style="list-style-type: none"> • 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 	<p>February 2016, no. 12, p. 86</p>	<p>Not Ready</p>

Recommendation	When	Status
<p>DEPARTMENT DEPARTMENT'S OVERSIGHT SYSTEMS FOR ALBERTA'S PUBLIC SECTOR PENSION PLANS:</p> <p>Policies designed to achieve plan objectives</p> <p>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:</p> <ul style="list-style-type: none"> tolerances for the cost and funding components alignment between plan objectives and benefit, investment and funding policies predefined responses when tolerances are exceeded or objectives are not met 	<p>February 2014, no. 1, p. 24</p>	<p>Ready</p>
<p>DEPARTMENT DEPARTMENT'S OVERSIGHT SYSTEMS FOR ALBERTA'S PUBLIC SECTOR PENSION PLANS:</p> <p>Risk management system</p> <p>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.</p>	<p>February 2014, no. 2, p. 26</p>	<p>Ready</p>
<p>DEPARTMENT DEPARTMENT'S OVERSIGHT SYSTEMS FOR ALBERTA'S PUBLIC SECTOR PENSION PLANS:</p> <p>Sustainability support processes</p> <p>We recommend that the Department of Treasury Board and Finance:</p> <ul style="list-style-type: none"> 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 	<p>February 2014, no. 3, p. 28</p>	<p>Ready</p>