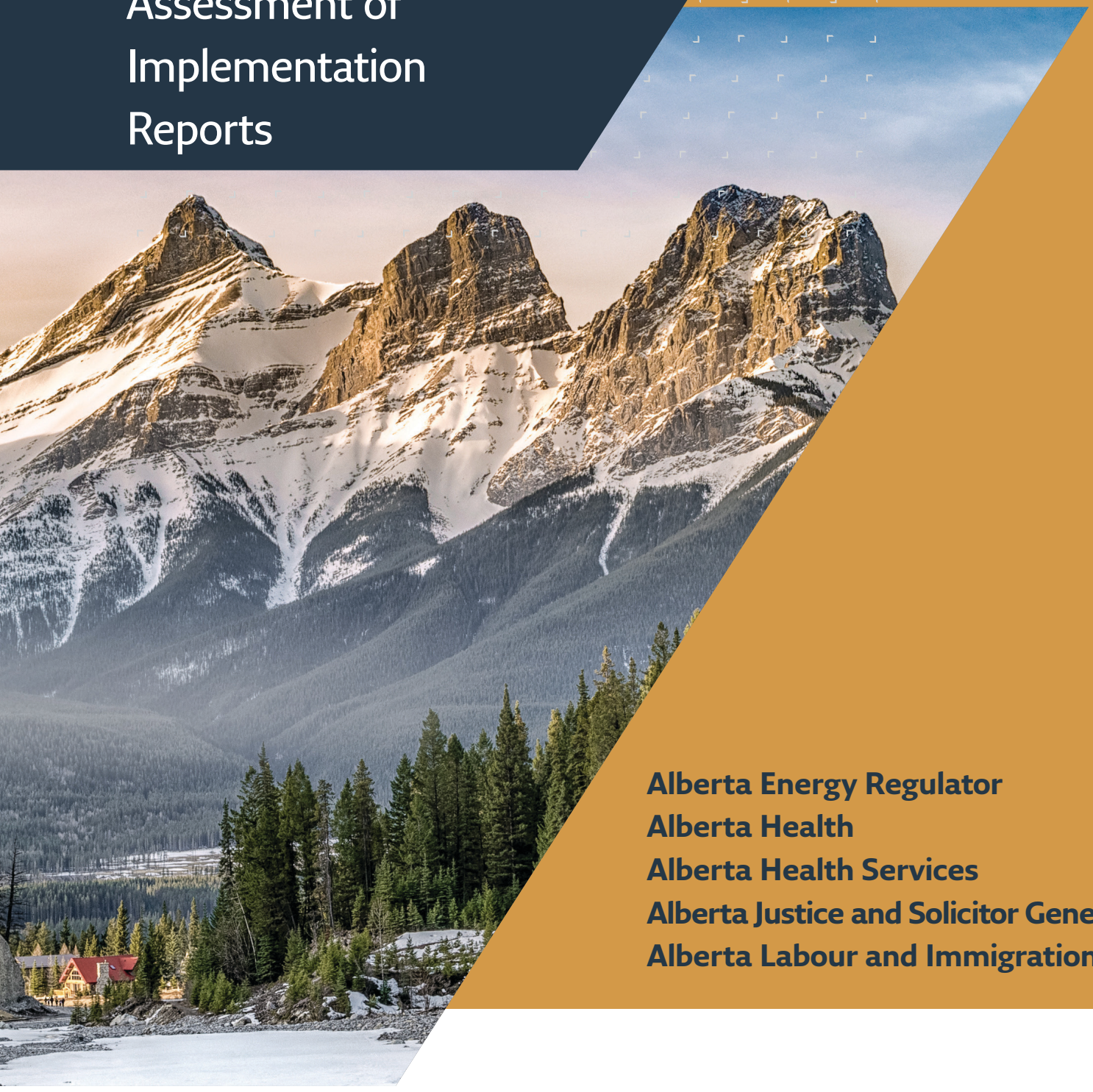
Assessment of Implementation Reports



Alberta Energy Regulator
Alberta Health
Alberta Health Services
Alberta Justice and Solicitor General
Alberta Labour and Immigration

Auditor General
OF ALBERTA

Report of the Auditor General
March 2022

Auditor General
OF ALBERTA

Brad Rutherford, MLA
Chair
Standing Committee on Legislative Offices

I am honoured to transmit my report, *Assessments of Implementation Reports March 2022* to the Members of the Legislative Assembly of Alberta, under Section 20(1) of the *Auditor General Act*.

W. Doug Wylie FCPA, FCMA, ICD.D
Auditor General

Edmonton, Alberta
March 2022

Contents

Appointed under *Alberta's Auditor General Act*, the Auditor General is the legislated auditor of every provincial ministry, department and most provincial agencies, boards, commissions, and regulated funds. The audits conducted by the Office of the Auditor General report on how government is managing its responsibilities and the province's resources. Through our audit reports, we provide independent assurance to the 87 Members of the Legislative Assembly of Alberta, and the people of Alberta, that public money is spent properly and provides value.

Introduction

About Our Assessments of Implementation Reports

Management is responsible for implementing our recommendations.

We examine management's implementation plans and perform procedures to determine whether management has implemented our recommendation(s) when management has asserted they have been implemented. We repeat our recommendations if we do not find evidence they have been implemented. We may also issue new recommendations for matters that come to our attention in the course of our assessment.

Our Assessment of Implementation Reports are conducted under the authority of the *Auditor General Act*. The Office of the Auditor General applies Canadian Standard on Quality Control 1 and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with applicable professional standards and applicable ethical, legal and regulatory requirements.

Our office complies with the independence and other ethical requirements of the Chartered Professional Accountants of Alberta Rules of Professional Conduct, which are founded on fundamental principles of integrity and due care, objectivity, professional competence, confidentiality, and professional behavior.

Outstanding Recommendations

Assessment of Implementation Report

Alberta Energy Regulator

An Examination of the International Centre of Regulatory Excellence

(October 2019)

Summary of Recommendations

In June 2021, we completed our assessment of implementation from our October 2019 examination of the International Centre of Regulatory Excellence (ICORE) recommendations. We found that the Alberta Energy Regulator (AER) implemented the four recommendations:

IMPLEMENTED Recommendation:
AER Board to improve its oversight processes

IMPLEMENTED Recommendation:
Perform sufficient due diligence to assess the risk of further waste of public resources not already identified in context of ICORE

IMPLEMENTED Recommendation:
Evaluate whether any additional funds expended on ICORE activities are recoverable

IMPLEMENTED Recommendation:
AER staff are made aware of, and are sufficiently trained on, AER's whistleblowing process, consistent with Section 6 of Alberta's *Public Interest Disclosure (Whistleblower Protection) Act*

Introduction

In August 2018, our office received a complaint alleging a number of serious concerns with activities related to the International Centre of Regulatory Excellence (ICORE) at the Alberta Energy Regulator. We completed a comprehensive examination to determine the effectiveness of AER's controls and processes to manage risks surrounding this business venture. Our examination identified critical failures including ineffective controls and override of controls that led to four recommendations we included in a separate October 2019 report titled Alberta Energy Regulator—An Examination of the International Centre of Regulatory Excellence.

ICORE was an organization within AER that started from the 2014 "Best in Class" initiative and then evolved to develop approaches and activities, including training to enhance skills and competency of staff. When originally conceived, it was an AER-focused training program aligned with AER's strategic direction. The ICORE concept idea expanded to include international work when the venture started focusing on generating revenue from countries around the world through delivery of services, like training and consulting.

The prevalent findings from our 2019 examination were:

- AER engaged in activities outside its mandate and public money was spent inappropriately on ICORE activities
- controls and processes to protect against potential conflicts of interest failed
- AER Board oversight was ineffective
- financial, information management, and human resource controls were ineffective
- controls to track and monitor expenses related to ICORE activities were at first non-existent and then poorly implemented
- the tone at the top at AER did not support a strong control environment or compliance with policies

The AER Board prioritized the implementation of the recommendations and publicly reported on their status. We were informed by the board when AER was ready for our assessment. In June 2021, we concluded our assessment of implementation of the outstanding ICORE recommendations. Our assessment found that AER implemented all four of our 2019 recommendations to:

- improve board oversight over AER's activities, including corporate culture, senior executive performance and compliance with internal controls
- perform sufficient due diligence to assess the risk of further waste of public resources not already identified
- evaluate whether any additional funds expended on ICORE activities are recoverable
- AER staff are made aware of, and are sufficiently trained on, AER's whistleblowing process, consistent with Section 6 of the Alberta's *Public Interest Disclosure (Whistleblower Protection) Act*

Recommendation:
AER Board to improve its oversight processes

IMPLEMENTED

Context

Our 2019 examination found that the AER Board lacked both the extent of skills and full complement it needed to properly oversee ICORE activities. Our report highlighted that an overreliance on management, particularly with respect to legal matters, contributed to a lack of proper oversight. In addition, the AER Board, as well as the former Minister of Energy, did not receive complete and accurate information about ICORE. Notably the former AER Board Chair's failure to disclose his involvement in ICORE further aggravated challenges experienced by the board.

Our current findings

The AER Board implemented our recommendation to improve oversight processes by enhancing its governance practices. There was changeover in the board since our 2019 examination. The new board that replaced the interim board in April 2020 continued work to implement this recommendation. The board focused on business operations, risk management and building AER's reputation. It established processes to hold AER's senior executives accountable for performance and instilling an improved culture.

Processes to evaluate corporate culture, and senior executive performance and establishment of processes to engage with executive staff to gain awareness that significant matters are brought to the board's attention

We confirmed that the AER Board put in place effective processes and policies to evaluate and closely monitor corporate culture and senior executive performance. The processes included staff engagement sessions, setting formal performance expectations for the leadership team, evaluation for the new CEO, and approving updates to internal policies including the code of conduct. The incumbent CEO has a performance contract that lays out expectations of the board. The board hosted monthly meetings to receive regular CEO updates and held CEO only in camera meetings to gain insights on performance and culture matters. The CEO in interacting with his team set the tone for leadership expectations through planning sessions and weekly meetings with the executive leadership team. The AER completed a culture survey engaging its staff in 2020 to assess shifts in its corporate culture. The regulator had scheduled a similar diversity, equity and inclusion/employee engagement survey to be completed between November 2021 and January 2022 to gather further insights on the corporate culture.

The board set terms of reference for its committees and governed through four committees.[1] In particular, the board established a separate governance committee to provide consultation, advice, and recommendations to the board with respect to the board fulfilling its oversight responsibilities regarding the effectiveness of AER's governance policies and procedures. Notably, the full board instead of a committee took responsibility to oversee risk management.

[1] The committees include Audit and Finance, Governance, Human Resources, Health and Safety, and the Regulatory Review Committee.

In September 2019, the board chair communicated to all staff in an email encouraging any member to reach out directly to the board. Between October 2019 and January 2020, at the time of attending board meetings the board hosted open house sessions with staff in Calgary, Edmonton, Red Deer and Grand Prairie and sought feedback from the staff who attended the sessions.

We reviewed AER's Mandate and Roles document (approved by two ministers), minutes of board meetings and other documentation obtained through our financial statement audits. Collectively, the evidence supported strong board oversight and monitoring of the CEO and other senior executives.

Formal and periodic assertions from management

AER designed and implemented formal processes for key management and executive staff that allow them to detail for the board how activities within the organization comply with existing legislation and AER policies, particularly policies related to conflict of interest. For example, an annual disclosure survey was sent out to all employees in early January 2021 asking for declarations by January 29, 2021. The submissions were reviewed by the Chair of AER's Ethics Committee.

Officers in key risk management, compliance and internal control roles are well positioned and supported

The board established forums for officers in key risk management, compliance, and internal control roles to engage directly with the board. For example, the board provided in camera time with the Vice-President of Finance; Vice-President of People, Culture and Learning; General Counsel; and the Director of Internal Audit. The board also supported these officers through its committees. AER's General Counsel attends every board meeting and meets monthly with the board chair. The Director of Internal Audit reports directly to the CEO and the Chair of the Audit and Finance Committee.

Reviewing and approving travel expenses

We tested executive expense claims and found no issues or deviations from policy. For the CEO's expenses we sampled, we found that the board chair had appropriately approved the expenses during the fiscal year. A management audit process led by the Finance Branch was put into place by AER to routinely review CEO travel and expenses to check for compliance with policies.

Primary channel of communication to responsible ministers

We observed that the board had established proper communication protocols with the responsible Ministers as the primary channel between the Ministers and AER. AER requires all communication, oral or written, from AER to the responsible Ministers be through the board chair. We noted that the board chair and the CEO jointly met with the Minister of Energy and Minister of Environment and Parks on regular basis.

Recommendation:

Perform sufficient due diligence to assess the risk of further waste of public resources not already identified in context of ICORE

IMPLEMENTED

Context

In relation to ICORE, our examination found that AER financial, information management and human resource controls were ineffective. In particular, ICORE activities at AER were pursued without regard to existing controls in place at the regulator. Our key findings included:

- AER management engaged in unusual information management practices
- controls intended to protect public money were ineffective
- contracting practices related to ICORE activities did not comply with AER policies
- ICORE activities often ran contrary to other AER processes

Our current findings

AER implemented our recommendation by taking steps centered on ICORE activities to assess the risk of further waste of public resources.

Our previous report noted that ICORE activities ceased in December 2018 when the board approved the resignation of AER as sole governing and operating member. Since that date, there were no ongoing ICORE related contracting, consulting and information practices and controls for AER to maintain hence operational risks surrounding ICORE have been mitigated. The AER focus remained on closing its relationship with ICORE, assessing what funds it could recover and taking actions to recover funds.

One of the early steps management completed for control improvements within operations of the regulator was updating the AER travel and subsistence expenses policy to include provisions noting tighter control to reduce costs. AER improved measures to enforce compliance, reduce costs and improve on its controls to guard against any waste of public money. For example, AER's Finance Branch completed expense claim audits to seek assurance that employees are complying with the Travel and Subsistence Policy and expense claims received the appropriate approvals. At the direction of the board, AER's Internal Audit Services performed reviews of controls. In addition, Internal Audit was directed by the board to include, where appropriate, the assessment of waste of public resources in the scope of future internal audits. As part of the fiscal 2020 and 2021 audits, we tested the controls over travel and subsistence expenses and found no deviations.

We examined the minutes of board and management meetings during the year and noted that cost reduction opportunities and monitoring activities was a standing item on their agendas.

We obtained copies of reports prepared by Internal Audit Services and observed that the reports incorporated a value for money component. In a sample of reports, we also saw recommendations to management and the board noting process improvements to reduce waste of funds.

Recommendation:

Evaluate whether additional funds expended on ICORE activities are recoverable

IMPLEMENTED

Context

Our 2019 examination found that controls to track and monitor expenses related to ICORE activities were at first non-existent and then poorly implemented. At the time of the examination, we prepared our own assessment and estimated that AER did not collect $2.3 million of out-of-pocket and in-kind AER resources used on ICORE work. We estimated and reported that the total financial impact of ICORE activities to be $5.4 million.

Our current findings

AER implemented our recommendation by taking a series of steps to evaluate whether it could recoup additional funds beyond the amounts it previously collected from ICORE NFP. AER reported $3.1 million as revenue from ICORE NFP in its fiscal 2019 financial statements. The AER Board sought advice from external and internal legal counsel to complete assessments. Management explored legal avenues to recover funds and kept the board apprised on the results. The board authorized taking legal action against ICORE NFP to recover amounts outstanding.

AER completed its assessments and pursued a series of legal steps to successfully recover funds from ICORE NFP. AER concluded all steps it deemed appropriate to recover funds from ICORE NFP. We confirmed that AER filed a second statement of claim in March 2020 for $472,000 against ICORE NFP. In relation to the ICORE venture, for the fiscal year 2021, AER successfully recovered $232,000 of additional funds.

Recommendation:

AER staff are made aware of, and are sufficiently trained on, AER's whistleblowing process, consistent with Section 6 of Alberta's *Public Interest Disclosure (Whistleblower Protection) Act*

IMPLEMENTED

Context

In 2019, our examination found that the tone at the top at AER did not support a strong control environment or compliance with policies. In particular, we found that culture at AER stifled concerns regarding ICORE activities. In addition, the internal whistleblowing process at AER was ineffective and not widely known by AER employees.

Our current findings

AER implemented our recommendation to sufficiently train staff and make staff aware of recent enhancements to AER's whistleblowing process, consistent with Section 6 of Alberta's *Public Interest Disclosure (Whistleblower Protection) Act*.

To verify the implementation of the recommendation, we performed the following:

- We examined AER's updated Whistleblower Protection Policy to confirm revisions to sections of the policy. For example, the prescribed requirement for the designated officer (the person who investigates the disclosures) to share disclosures involving the CEO and members of the executive leadership team with the board. We saw that the designated officer is accountable to the board chair and CEO, in contrast to the previous policy that required the designated officer to send complaints only to the CEO. The policy also covers processes when allegations involve the board.
- We obtained information to corroborate that the board hosted formal sessions with AER employees to gather feedback on culture and corporate structure.
- We observed that AER now has e-learning courses on the conflict of interest and Whistleblower Protection Policy included as part of its learning management system (LMS), and all AER's employees are mandated to take the courses on an annual or bi-annual basis.
- We confirmed that all employees completed the courses and mandatory training for the fiscal year 2021 as at the due date.

Outstanding Recommendations

Assessment of Implementation Report

Alberta Health and Alberta Health Services

Systems to Manage the Delivery of Addiction and Mental-Health Services

(July 2015)

Summary of Recommendations

In September 2021, we completed our assessment of implementation from our 2015 audit of Alberta Health and Alberta Health Services' *Systems to Manage the Delivery of Mental-Health Services*. We found that the four recommendations have been implemented:

Alberta Health

IMPLEMENTED Recommendation:
Use action plan and progress reporting to implement strategy

Alberta Health Services

IMPLEMENTED Recommendation:
Integrate mental-health service delivery and eliminate gaps in service

IMPLEMENTED Recommendation:
Improve information management in mental health and addictions

IMPLEMENTED Recommendation:
Complete assessment and develop waitlist for Albertans who need community housing supports

Introduction

In our 2015 followup audit, we applied the chronic-disease management model[2] to examine how well the health system met the care needs of people with serious mental illnesses. The key feature of that model is patient-centered care—care organized around the needs of patients rather than around the structure of the health system.

We found in 2015 that systems to deliver mental-health services in Alberta should be improved.

We found that Alberta Health had failed to properly execute its then-existing addiction and mental-health strategy, and the department had not done any detailed analysis or reporting on the strategy.

We also found that while Alberta Health Services (AHS) had made important improvements since our original 2008 mental-health audits, for the most part the delivery of frontline addiction and mental-health services remained unintegrated and allowed for ongoing gaps in service continuity that affected healthcare services in the following three areas:

- disjointed care planning and delivery among healthcare providers and programs
- limited sharing of clinical information among service providers within AHS
- uncoordinated frontline delivery of housing support services

We made one recommendation to the department:

Use action plan and progress reporting to implement strategy:

a) use an action plan to implement the strategy for mental health and addictions

b) monitor and regularly report on implementation progress

[2] This model is described on page 3 of our September 2014 report on chronic disease management https://www.oag.ab.ca/reports/oag-health-report-chronic-disease-management-sept-2014/

We made three recommendations to AHS:

Integrate mental-health service delivery and eliminate gaps in service for its own community and hospital mental-health and addictions services:

a) 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

b) improve availability of mental-health resources at hospital emergency departments

c) improve its system to monitor and ensure community mental-health clinics comply with AHS's expectations for treatment planning and case management

d) improve its processes to identify and evaluate good operational practices used by local mental-health and addictions staff and deploy the best ones across the province

Improve information management in mental health and addictions to make the best use of its current mental-health and addictions information systems by:

a) providing authorized healthcare workers within all AHS sites access to AHS mental-health and addictions clinical information systems

b) strengthening information management support for its mental-health treatment outcomes measurement tools

Complete assessment and develop waitlist system for Albertans who need community housing supports by supporting the work of the cross-ministry housing planning team established under the mandate of the Minister of Seniors:

a) complete its assessment and report on gaps between supply and demand for specialized community housing supports services for mental health and addictions in the province

b) 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

In our assessment of implementation completed in September 2021, we found the department and AHS have implemented their respective recommendations.

Health

Recommendation:
Use action plan and progress reporting to implement strategy

IMPLEMENTED

a) use an action plan to implement the strategy for mental health and addictions

Context

In 2015, the prevailing provincial plan to deal with addiction and mental health was Creating Connections: Alberta's Addiction and Mental Health Strategy, which had been released in 2011. This strategy had an accompanying detailed five-year action plan that identified potential quantitative performance measures for each of its priorities and established implementation timelines. In 2015, we found no evidence that this action plan was being followed, and we could not determine what progress had been made in implementing Creating Connections.

Our current findings

Replacement provincial addiction and mental-health strategy and work plan introduced

Valuing Mental Health: Report of the Alberta Mental Health Review Committee[3] was publicly released in February 2016; this marked the end of the formal implementation of 2011's Creating Connections and effectively replaced it as the provincial addiction and mental-health strategy at that time. The Valuing Mental Health report made 32 recommendations, with accompanying targeted implementation timelines, to improve Alberta's integrated addiction and mental-health service-delivery system.

Subsequent to this report, Valuing Mental Health: Next Steps was released in June 2017.[4] This document identified 18 "actions", along with activities already underway, that were intended to implement the principles of the 32 recommendations set out in the February 2016 strategy. It also set out a governance structure[5] that was comprised of various committees and task groups, each of which was assigned responsibility for overseeing the implementation of specific "actions" and in-progress activities. The timeline for expected completion of this strategy, as set out in Next Steps, was from spring 2017 to winter 2020.

[3] The Alberta Mental Health Committee was established in 2015 with a mandate to comprehensively review addiction services, mental-health services, and Alberta's mental-health system. Its report was intended to assist the Alberta government to implement a new strategy to strengthen and update addiction and mental-health services for Albertans. https://open.alberta.ca/publications/valuing-mental-health-report-alberta-mental-health-review-committee-2015

[4] https://open.alberta.ca/publications/9781460134771

[5] This comprised stakeholders from across the Government of Alberta; Health Canada's First Nations and Inuit Health Branch; and various service providers, professional associations, and community partners.

A detailed work plan was created to keep track of the implementation progress of the various individual activities and projects (or "sub-actions") initiated to achieve each of the 18 "actions". This plan included information such as:

- which committee, task group, or entity was the identified lead for each "action" and the various individual projects or activities
- target population
- project contact
- key activities and start dates
- expected and completed deliverables and milestone completion dates
- updated implementation status

The work plan was monitored and tracked by a secretariat (consisting of Health and other Government of Alberta staff), which required monthly updates for projects on which Health was the lead and quarterly updates for those which had cross-ministry leads. This work plan was regularly updated and internally distributed between September 2017 and April 2019. Based on the process improvements the department applied up to April 2019, we concluded the recommendation has been implemented.

In April 2019, the Valuing Mental Health: Next Steps strategy was discontinued and has not yet been replaced. Our findings below reflect there currently is not an active implementation plan or accompanying progress reporting taking place. The department has asserted that when a new strategy is released, they will re-engage the processes related to an implementation plan and progress reporting.

No current provincial addiction and mental-health strategy

The department informed us that with the election of a new government in April 2019 came a highlighted focus on dealing with addiction and mental-health issues and a shift toward a recovery-oriented approach to addiction and mental-health care. With this came a plan to develop a new strategy to build off 2016's Valuing Mental Health: Report of the Mental Health Review Committee.[6] Because of this, the Next Steps work plan has not continued to be updated since 2019.

While the detailed work plan is no longer being used, work has continued on a number of individual grant funded addiction and mental-health projects Health is the lead on. The department created its own tracking tool to internally monitor the implementation progress of these ongoing projects. The department told us it will continue to do this until the projects end and expects in many cases the work from these will be tracked and enhanced as part of the current government's focus on a recovery-oriented approach to providing addiction and mental-health care.

In November 2019, the government appointed a Mental Health and Addiction Advisory Council.[7] Its role was to provide guidance and recommendations towards the development of this new mental-health and addiction strategy intended to improve access to recovery-oriented addiction and mental-health care and improved treatment supports. The advisory council's final report, which would be used to develop the new strategy, has been completed and received cabinet approval. However, the date when it is expected to be publicly released has yet to be determined because of the continuing COVID-19 pandemic.

[6] https://albertastrongandfree.ca/policy/

[7] https://www.alberta.ca/mental-health-and-addiction-advisory-council.aspx

While there is still no timeline as to when the new strategy building off 2016's Valuing Mental Health: Report of the Mental Health Review Committee will be developed and released, when it is, the department has indicated it will follow the process of developing and publicly releasing an accompanying implementation plan.

b) monitor and regularly report on implementation progress

Context

In April 2015, the department released an interim public report on implementing Creating Connections. This report provided a high-level view only and contained no detail on what projects associated to the strategy's various priorities and initiatives had been completed or how they had improved the mental-health delivery system. We did not consider this report as an example of adequate assessment and reporting of implementation progress.

Our current findings

A Valuing Mental Health Advisory Committee, comprising over 200 stakeholders, held recurring quarterly meetings between May 2016 and February 2019, during which progress updates for projects initiated to implement Next Steps were provided. Committee members present also provided any required advice and guidance about implementation.

The department publicly released a progress report on Valuing Mental Health: Next Steps, with an accompanying appendix, in February 2019, which can be accessed on the department website.[8] This report described the various activities and initiatives undertaken to that point in time in the four areas for action set out in Valuing Mental Health: Next Steps for which there was some progress to report.[9]

The accompanying appendix provided additional information and progress details about these activities and initiatives, including:

- what would be done
- how it would be done
- what results could Albertans expect to see and when the particular initiative was started
- a progress update

This was the only report put out for the same reason, previously noted, why use of the Next Steps work plan was halted in April 2019. The department advised us that planned system-wide evaluation and reporting on the various activities and projects begun under Next Steps was placed on hold while the government develops its new addictions and mental-health strategy. However, similar evaluation and public reporting is planned to resume subsequent to a new strategy being released.

Also, each of the individual grant-funded projects originally initiated under the umbrella of Next Steps for which Health is the lead on have their own end-of-term evaluation and progress reporting requirements that are still being made internally to the department. These reports will summarize and measure project specific outcomes and outputs. At the point a new strategy is being implemented, we will monitor whether processes are engaged to execute on an action plan.

[8] https://open.alberta.ca/publications/9781460141632

[9] These were 1. Act in partnership: create an integrated system; 2. Act on access: enhance the role of primary care; 3. Act early: focus on prevention and early intervention; and 4. Act on system enhancements, legislation and standards.

Alberta Health Services

Recommendation:
Integrate mental-health service delivery and eliminate gaps in services

IMPLEMENTED

a) 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

Context

Patients who have chronically severe and persistent mental-health and addictions problems benefit from an integrated approach to treatment, complete with a single comprehensive care plan, multidisciplinary care team, and a robust case-management process.

The fundamental premise of integration is that by acting as one team, healthcare providers can achieve more for their patients than by acting in isolation. An integrated system ensures that providers in various settings and at various levels of care:

- work together to plan and deliver care to each patient
- use and contribute to a single health record
- guide each patient along an optimal care path through the healthcare system
- provide for clear accountability for care outcomes

In 2015, we found that AHS did not have an operational model for integrated case management for its community and hospital mental-health and addictions programs. While AHS had piloted some very promising innovative approaches in a number of communities to identify and provide focused, coordinated treatment to small groups of patients with highest care needs and highest use of AHS resources, the overall model of frontline delivery of addiction and mental-health services in Alberta had not changed significantly. It remained unintegrated and did not support seamless transition and integrated case management between different parts of the healthcare system.

Our current findings

Since 2015, AHS has formed one new complex-care team in each of its five zones,[10] which provides a wide range of integrated services to people with complex care needs and severe persistent mental illness (SPMI). These teams collaborate with a number of different non-AHS partners and stakeholders to provide patient care planning and delivery, including community primary care providers such as Primary Care Networks, physicians, and nurse practitioners; various housing agencies; Persons with Developmental Disabilities (PDD) and its contract agencies; and many others.

Each zone also has various specific initiatives with ties to local Primary Care Networks. These are in areas such as mental-health training, partnerships, and pilot projects to provide care for SPMI patients in locations where there are gaps in services provided by the complex-care teams.

[10] There are five AHS zones: North, South, Central, Edmonton, and Calgary.

AHS also created a Provincial Guidelines working group to advance integrated care planning consisting of provincial and zone AMH representatives. The working group developed a collaborative, integrated team approach that serves as a checklist for complex-care teams on how to best deliver services and collaborate with community partners and stakeholders. Each zone determines which of the two complex-care team models (Assertive Community Treatment[11] (ACT) or Intensive Case Management[12] (ICM)) works best for it. The document includes standardized processes for each model under the following headings:

- Organization of multidisciplinary care teams (ACT) or collaborating-coordinating with other care providers (ICM)
- Develop a communication plan
- Roles and responsibilities
- Monitoring and Reporting

b) improve availability of mental-health resources at hospital emergency departments

Context

Emergency departments are one of the two main entry points into the healthcare system. They are the primary entry point for people in distress, including those with addictions and mental-health problems. In many communities, particularly in rural Alberta, hospital emergency departments have limited access to, and support from, mental-health and addiction services.

In 2015, we found that most emergency departments in the larger urban centres we visited had a mental-health worker on site or on call seven days a week. In contrast, rural emergency department staff may have received some on-call support from therapists at the local community mental-health clinic when it was open (usually weekdays from 8 a.m. to 4:30 p.m.). At all other times, they often had little or no access to adequate or dedicated mental-health support.

Our current findings

AHS has been working to improve the availability of mental-health and addiction resources in underserved hospital emergency departments through the roll-out of a number of projects and activities.

One such initiative was a process to provide acute real-time assessments and support to rural emergency departments using virtual health. In July 2020, a pilot was launched in the North Zone between the Cold Lake hospital emergency department and psychiatrists based in St. Paul. Psychiatrists in St. Paul would interact with and assess mental-health and addiction patients in the Cold Lake emergency department, who were situated in a modified private, quiet room equipped with the necessary technology. This assessment determined if the patients needed to be transported to St. Paul for in-person consultation or admission or if they could be provided appropriate treatment in Cold Lake. Based on an evaluation of this pilot, AHS will be moving it to program status in the North Zone and is planning to pilot the concept in other zones.

[11] ACT provides comprehensive outreach services to adults with SPMI, who experience difficulty engaging in less intensive addiction and mental-health outpatient or community services, and uses an integrated multidisciplinary team approach with shared caseloads and community-based supports.

[12] ICM helps SPMI patients get connected with the treatment and services they need but uses case managers responsible for individual or smaller caseloads who link and coordinate their patients with the unique services they need rather than a multidisciplinary team with shared caseloads.

AHS has also made available additional mental-health and addiction resources in emergency departments across the province, including:

- creating a comprehensive standardized AMH Risk Screen and Suicide Risk Assessment tool for use in rural emergency departments for which there is no addictions or mental-health consult readily available. This tool has been piloted at 23 rural sites across the province. The intent of this is to provide an improved and standardized documentation tool to support nursing staff in their assessments and documentation of addiction and mental-health patients presenting in the emergency department.
- adopting the use of the Columbia-Suicide Severity Risk Scale (C-SSRS) in all emergency departments
- making available take-home Naloxone[13] kits for distribution at emergency departments

A number of these resources, such as the technical infrastructure to support virtual health and C-SSRS, are built into Connect Care, AHS's new clinical information system, which will expand their accessibility at emergency departments. AHS has been rolling out Connect Care since November 2019 to zones and sites and hopes to be fully deployed by 2023. Connect Care will store and provide access to all AHS patients' medical records, care history, and prescriptions and improve access to, and support from, mental-health and addiction services.

c) improve its system to monitor and ensure community mental-health clinics comply with AHS's expectations for treatment planning and case management

Context

In 2015, we found AHS did not have a common set of standard practices for planning and delivering treatment at its mental-health and addictions clinics. We found some zones had developed their own case management practices while others continued to use legacy procedures that predated the creation of AHS in 2009.

Standards for case management in AHS community clinic settings should be the same across the province to ensure consistency in expectations of how patients are to be treated and how their clinical information is recorded.

Our current findings

In July 2020, AHS approved the Documenting Care Coordination procedures. These are standardized province-wide expectations for patient treatment planning and file case management for its addictions and mental-health care (AMH) providers working in community and ambulatory settings. These standards were intended to:

- provide direction to AMH providers when completing clinical documentation and health records for patients in care
- ensure that how patients are treated and how their clinical information is recorded in their files (case management) is the same across the province

Around file case management, the standards set out requirements and processes all AHS employees and medical staff are required to comply with for:

- initial patient screening and assessment to be done, using standardized tools

[13] Naloxone is an opioid antagonist medication that is used to reverse an opioid overdose.

- how individualized treatment plans are to be developed and documented
- care (or case) conferencing[14]
- progress notes[15]
- file closure and discharge summary[16]

AHS has also developed an AMH compliance monitoring tool to help zone management ensure practitioners' compliance with the new documentation procedures and achieve the goal of a more standardized approach to clinical documentation. Some zones are currently using the monitoring tool in conjunction with regular recurring patient file audits while others have delayed implementing it due to COVID-19 but will begin using it later in 2021.

d) improve its processes to identify and evaluate good operational practices used by local mental-health and addictions staff and deploy the best ones across the province

Context

In 2015, we observed a number of improvements and good practices at individual service locations across the province. Some of these were the result of centralized corporate effort by AHS while others were driven mainly by the initiative of local AHS staff.

For example, one community mental-health clinic found that phoning patients to remind them about upcoming appointments helped reduce the number of no-shows, which in turn reduced wait times and improved the use of therapists' time. This simple practice was not a standard practice across all AHS clinics, even though its benefits were clear and is a practice routinely used in a variety of settings, such as dental and veterinary clinics.

We did not see any evidence then that AHS had a process to formally identify and evaluate these good local frontline operational practices and deploy the best ones provincially.

Our current findings

AHS has implemented a number of mechanisms to identify and share operational best practices within the organization. These include:

- zone-level communities of practice (CoP), where practitioners share best practices and learnings between sites. AHS set up an organization-wide SharePoint site that all staff can use to find and join CoPs, exchange information and knowledge through online discussions, or identify colleagues who might be working on similar projects to theirs. This site also includes a directory of CoPs that individuals may join if they are interested.
- holding a series of lunch-and-learn sessions, open to all employees, to present and share findings and results from research or quality-improvement projects relevant to mental-health and addiction practices
- publishing various newsletters to highlight and share best practices specific to research and evaluation findings

[14] This is a routine and important clinical procedure via which the health care team meets at pre-determined times to discuss selected patient circumstances and obtain feedback regarding the proposed treatment.

[15] Progress notes should be used to record progress towards treatment goals, risk management, changes made to the existing treatment plan, discharge summary, or indicate a need for a care conference.

[16] This summary is a key component in transition in care and shall include (a) an analysis of treatment (b) a transition plan and (c) closure summary documentation.

Recommendation:

Improve information management in mental health and addictions

IMPLEMENTED

a) provide authorized healthcare workers within all AHS sites access to AHS mental-health and addictions clinical information systems

Context

When AHS was created in 2009, it inherited various incompatible and dated legacy mental-health and addictions information systems that do not support sharing of patient clinical information. Mental-health workers and addictions counsellors in community clinics do not have access to each other's information systems, even though about half of all people with mental illness have a concurrent drug or alcohol addiction.

Emergency-department staff at both urban and rural hospitals also have no access to these community mental-health and addictions information systems. This means they cannot check whether a presenting patient in distress has a diagnosed mental illness, is a known suicide risk, has a history of violence, has a treatment plan, or whether there is a list of community caregivers to be contacted in an emergency.

Our current findings

AHS began uploading certain historic client-specific treatment-related information from the legacy information system used by its mental-health clinics (ARMHIS)[17] into Netcare[18] in 2018. This was done since it was not technologically feasible to give non-clinic AHS staff access to ARMHIS due to its incompatibility with other information systems in use. By uploading this data to Netcare, it made the information available to all authorized staff at AHS sites providing patient care with access to this province-wide system. Management told us this helps provide AHS staff with a better understanding of continuity of care for mental-health patients who needed treatment outside of previously attended AHS clinics.

AHS has been unable to subsequently do the same with ASIST,[19] a different legacy information system used in its addictions clinics, which predates to when they were a part of the Alberta Alcohol and Drug Abuse Commission[20] (AADAC). AHS has prepared and submitted a Privacy Impact Assessment[21] (PIA) to the Office of the Information and Privacy Commissioner of Alberta (OIPC). Upon acceptance of the PIA by the OIPC, AHS can then upload historic client treatment data from ASIST into Netcare.

17 Alberta Regional Mental Health Information System (ARMHIS).

18 Alberta Netcare is a provincial electronic health record system. Various healthcare providers submit key patient health information to Netcare, which is combined into a single integrated patient record that can be accessed by authorized healthcare providers through a secure internet connection. Netcare does not provide a patient's full medical record, but it includes information such as laboratory test results, diagnostic images and reports, hospital visits, surgeries, drug alerts, and immunizations.

19 Addiction System for Information and Service Tracking (ASIST)

20 AADAC was absorbed into the then newly formed AHS in 2009.

21 A PIA is a process of analysis that helps to identify and address potential privacy risks that may occur in the operation of a new or redesigned project, such as demonstrating how the privacy and security of individually identifying personal or health information would be ensured.

In the meantime, AHS has been deploying its new single-point-of-access, province-wide electronic clinical-information system (Connect Care) in stages since November 2019 and hopes to be finished by sometime in 2023.[22] Addiction and mental-health patients treated at AHS clinics and other AHS facilities using Connect Care have their current treatment information and other records of care entered into it. This data is accessible by healthcare professionals at all other AHS sites who have access to Connect Care and who may need this information for future treatment of that particular patient. Once Connect Care is fully operational, Netcare will no longer be used.

b) strengthen information management support for its mental-health treatment outcomes measurement tools

Context

In 2015, we found AHS's initiative to introduce standardized outcomes measurement may be hindered because it did not have an efficient system to collect, enter and process the patient assessment data gathered by individual clinicians. AHS's system was paper based, and the assessment results for every patient were entered twice. Clinicians first recorded their patient assessments on paper, which was collected and stored at their local clinics until someone had the time to enter the data into an electronic database.

Program staff complained that this paper process was cumbersome; did not support easy, timely, and complete data capture; and caused data-entry backlogs. We found that required assessments were not always done, particularly post-treatment assessments. Without timely electronic data entry, local managers cannot effectively monitor and ensure clinician compliance with outcome measurement requirements.

Our current findings

For those zones where AHS's electronic clinical information system Connect Care is currently deployed and operational, MH and addiction staff can use its built-in suite of standardized outcome measurement tools to enter and process patient assessment data. These tools include the Health of the Nation Outcome Scales (HoNOS), Health of the Nation Outcome Scales—Child and Adolescent (HoNOSCA), CORE, Level of Care Utilization System (LOCUS), and the Columbia suicide risk screen.

Where Connect Care is not yet available, AHS is using the HoNOS Data System (HDS) for those zones that primarily use this outcome measurement tool. HDS allows clinicians direct electronic entry of a client's HoNOS or HoNOSCA assessment results into a searchable database. It also has a built-in reporting feature to show a client's progress over time through outcome scores and historical trends. One zone uses assessment tools other than HoNOS or HoNOSCA and utilizes an alternative electronic data entry system to capture patients' outcome scores.

However, as Connect Care is rolled out to additional zones and clinics, its functionality will become the standard to be used by clinicians to enter and process patient assessment data.

[22] https://albertahealthservices.ca/assets/info/cis/if-cis-cc-infographic-site-implementation-timeline.pdf

Recommendation:

Complete assessment and develop waitlist system for Albertans who need community housing supports

IMPLEMENTED

a) complete its assessment and report on gaps between supply and demand for specialized community housing supports services for mental health and addictions in the province

Context

Availability of an appropriate and supportive living environment is not a nice-to-have benefit, but a prerequisite for successful treatment and management of mental illness and addictions in the community. It is also a key consideration in deciding whether a patient can be safely discharged from the hospital. Housing-support needs cover the entire spectrum, from in-home supports for relatively high functioning individuals to secure facility living for people with severe mental illnesses. To this end, in 2015 we found AHS provincially funded 550 mental-health community spaces that provided varying levels of housing support services to its clients.

In 2015, AHS was working to complete an assessment of gaps between supply and demand for mental-health and addictions housing supports. This assessment was intended to provide a comprehensive assessment of mental-health and addictions housing needs by community and number of spaces and support levels required.

Our current findings

AHS completed its assessment and report in early 2017 on the gaps between supply and demand of community housing beds for Alternative Level of Care patients.[23] This report provided various categories of information broken down both globally (provincially) and in more detail for each of AHS's five zones.

This same type of information and reporting on supply, demand, and management of AHS-funded community-housing beds is now regularly available on an ongoing basis (both quarterly and annually) since AHS expanded the use of the web-based centralized referral and booking system it had previously been using in the Calgary zone.

[23] The Canadian Institute for Health Information (CIHI) defines these as individuals who no longer require acute-care services in a hospital setting but wait in acute-care beds for placement in a more appropriate setting, such as home or residential care in the community.

b) 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

Context

In 2015, we found that AHS did not have a formal mechanism to coordinate placement of its community and hospital patients with the appropriate housing support services available in the 550 mental-health community spaces it funded directly. Locally and centrally, AHS did not maintain a comprehensive waitlist of people who needed mental-health housing. Individual mental-health workers in the community and in hospitals often relied on their own relationships with community housing providers to find placements for their patients, often independently and in competition with their colleagues.

The only exception we saw was in the Calgary zone, where a web-based centralized referral and booking system was used to manage placement into specialized community housing funded by AHS. All housing referrals for patients from mental-health workers were directed through one central intake coordinator, who assessed each client and placed them on waiting lists for a suitable contracted site or service provider.[24] Each site notifies the coordinator as vacancies arise, who in turn provides the facility operator with the contact information of the next suitable candidate. Once housed, the individual is removed from all waiting lists.[25] The coordinator regularly monitors all waiting lists and provides updates to referring mental-health workers and clients as needed.

Our current findings

AHS has expanded the use of the web-based centralized referral and booking system it had been successfully using in Calgary to its other four zones to create a common province-wide waitlist management system. AHS now uses this system to track availability and coordinate placement of mental-health patients into the inventory of contracted specialized community housing service providers and beds it has in each zone. As of mid-2021, AHS has 1,274 funded and contracted community spaces across all five zones and a variety of external service providers that it manages through this system.[26] This waitlist management system is also being used to generate detailed zone-specific quarterly and annual standardized data reports for zone and provincial AHS leadership. These reports include various metrics for each of the services providers contracted by each zone and contain information in the following six areas:

- client numbers
- client flow intervals
- bed vacancy days
- waitlist overview
- number of denials
- discharges

[24] If the coordinator felt an individual was not a suitable candidate for AHS contracted housing, they would provide the referring source with other non-AHS-funded community housing options available in the area.

[25] Most sites will do their own secondary intake with a prospective client to ensure the client is a good fit for that location. This is especially true in group-home settings where operators want to be sure newcomers don't upset any existing dynamics and harmonies.

[26] These numbers by zone are: Edmonton (746); Calgary (456); North (9); Central (31); South (32)

Outstanding Recommendations

Assessment of Implementation Report

Alberta Justice and Solicitor General

Control Systems at the Office of the Public Guardian and Trustee

(February 2013)

Summary of Recommendations

In November 2021, we completed our assessment of implementation from our February 2013 audit of Alberta Justice and Solicitor General's *Control Systems at the Office of the Public Guardian and Trustee*. We found that four of our five recommendations have been implemented:

IMPLEMENTED Recommendation:
Improve supervisory review of client files

IMPLEMENTED Recommendation:
Strengthen the role of internal audit (now Divisional Assurance)

IMPLEMENTED Recommendation:
Strengthen approval and payment processes for payments from client trust accounts

IMPLEMENTED Recommendation:
Improve processes to ensure client files are appropriately documented

REPEATED Recommendation:
Improve and follow policies and procedures

Introduction

The Office of the Public Guardian and Trustee (the Office) holds trusts and manages property and money for Albertans who cannot act for themselves, including represented adults, minors and the deceased. As of March 31, 2021, the Office was responsible for over 13,000 trusts, totaling $566 million.[27]

In 2013 we audited the controls supporting the Office's management of client trust accounts and found many deficiencies. We concluded that vulnerable Albertans who relied on the Public Trustee to manage their money and assets were at risk of their trusts being mismanaged.

Since then, many changes have taken place and the controls have improved considerably. However, errors are still occurring in important areas. This poses a risk that some may not be detected and corrected and is inefficient as it creates additional work for staff to find and correct errors.

The Office is examining the root causes for the errors to assist in addressing them. They also plan to move from a paper-based work environment to a more automated system in the near future to reduce the likelihood of errors occurring in the first place.

Background

In 2013, we made five recommendations to the Office:[28]

- improve file management processes to ensure all client files are subject to adequate supervisory review
- strengthen the role of internal audit (now Divisional Assurance), ensuring it has adequate authority and independence to effectively perform its function
- strengthen processes for approval and payment of client expenses and disbursements
- improve processes to ensure client files are appropriately documented[29]
- review and assess whether policies are appropriate, and procedures are adequate to mitigate the risk that client assets could be misappropriated or otherwise mismanaged, and improve processes for ensuring compliance with policies and procedures

In 2017, we assessed progress as management had not been able to implement our five recommendations. At that time, we found that progress had been made on some important steps; however, deficiencies remained in some aspects of the management of clients' trust funds.[30]

During our progress review, a government reorganization resulted in the Office being moved from the former Department of Human Services to the Department of Justice and Solicitor General. With this move the Office received resources and additional support to make needed systemic changes. The management team was expanded, and it began a process of designing a risk-based and client-centered approach to its business processes and internal control framework.

The Office implemented a series of changes and new processes over the past five years, and we assessed these as part of our recent work. In November 2021, we completed our assessment of implementation of the recommendations. We have concluded that the Office has implemented four of our five recommendations; we are repeating the fifth.

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27 2020–21 Annual Report, Office of the Public Guardian and Trustee, page 40.

28 *Report of the Auditor General of Alberta—February 2013*, pages 33–50.

29 The original recommendation was: 'We recommend that the OPGT improve its processes for ensuring client files are appropriately documented, **including adequate documentation of supervisory review and internal audit**.' We excluded the section in bold, as it overlaps with other recommendations.

30 *Report of the Auditor General of Alberta—May 2017*, page 95.

Recommendation:
Improve supervisory review of client files

IMPLEMENTED

Context

In 2013, we found that the Office's processes to provide oversight of its trust administration activities needed to be improved. At the time, we found widespread instances of non-compliance with policies. For example, staff made payments from clients' trust accounts without proper approval or without sufficient support to confirm the funds were used for the intended purposes and were in the best interests of the clients. We also found files that were dormant for extended periods of time with no evidence of activity or review, and that minors' trust files were not subject to the same level of scrutiny as other files. There was no regular and robust supervisory review process for active files.

In our progress review in 2017, we observed that the Office had tried several iterations of a supervisory review process, and we noted concerns with that process.

Our current findings

The Office has implemented our recommendation to improve its file management processes to ensure client files are subject to supervisory review.[31]

Since 2017, the Office has improved its operational oversight by implementing:

- a risk-based file review process that occurs as files move through various stages – from when the client is first referred to the Office, to when the court application is made, to ongoing annual support. Results of these reviews are reported regularly to staff and management and quarterly to the office's Governance, Risk and Compliance Committee and to the Assistant Deputy Minister's office.
- monitoring processes for specific high-risk areas, such as clients with companionship expenditures or clients who hold bank accounts in the community.
- targeted reviews on areas identified by management. Results are aggregated and presented quarterly to the business area, the Governance, Risk and Compliance Committee and to the Assistant Deputy Minister's office.

Previously, without these supervisory review processes, errors were not being detected. The current supervisory review process is detecting and correcting errors.

[31] *Report of the Auditor General of Alberta—February 2013*, pp. 47–48.

Recommendation:

Strengthen the role of internal audit (now Divisional Assurance)

IMPLEMENTED

Context

In 2013, we found that the Office's internal audit function had a limited role and was not sufficiently independent. It primarily reviewed files prior to final distribution of funds, which is an operational process rather than an audit function. Also, the group reported directly to the Public Trustee, rather than to the department.

In 2017, we found that efforts had been made to improve the independence and rigour of the internal audit function; however, competing priorities for the internal audit staff led to the Office effectively having no internal audit function.

Our current findings

The Office has implemented our recommendation to strengthen the role of its internal audit (now called Divisional Assurance) by ensuring it has adequate authority and independence to effectively perform its function.

In 2018, the Department of Justice and Solicitor General established a divisional assurance group to provide independent, objective financial assurance and consulting services to the Office and other programs within the department.

We found that the Divisional Assurance group:

- has a reporting structure independent of Office management, by reporting to the Assistant Deputy Minister of the Financial Services Division
- performed monthly testing of a sample of Office disbursements, provided findings to the Office and implemented a process for management to report back on its follow-up actions to correct all identified errors
- completed additional examinations in specific areas of risk identified in its annual work plan. Assurance reports with recommendations were provided to the Office to identify areas for improvement
- provided periodic reporting of its key findings and analysis of identified trends

Recommendation:

Strengthen approval and payment processes for payments from client trust accounts

IMPLEMENTED

Context

In 2013, we found the Office's processes for approving and paying expenses and other disbursements from client trust accounts needed to be improved. For example, we found trust administration staff sometimes approved payments without providing sufficient documentation, and finance staff would often process the payment anyway, even though they should have requested documentation. We also found instances where approvals were missing or did not have the proper level of authorization.

In 2017, we noted that good progress had been made and new controls had been designed and implemented to support better review and approval of client trust disbursements.

Our current findings

The Office has implemented our recommendation to strengthen its processes to approve and make payments for expenses and other disbursements from client trust accounts. We test these processes as part of our annual financial statement audit and have confirmed the Office has improved the financial controls.

We found that the Office:

- implemented a semi-annual review process for recurring payments
- reviewed transactions for appropriate authorization prior to payment
- performed regular bank account reconciliations and validated payments prior to their release

Recommendation:

Improve processes to ensure client files are appropriately documented

IMPLEMENTED

Context

In 2013, we found that files were not well organized and contained numerous duplicate documents. For clients whose files spanned many years or decades, the impact of the disarray we found was significant. We found the state of the files at the time was a barrier to both efficient and effective delivery of services to clients and oversight of trust administration practices.

In 2017, we noted progress had been made in redesigning the structure of client files and developing templates and other tools to assist in providing clarity and ease of use of paper files. The Office maintains both a paper file and an electronic folder for each client and needed to provide clear guidance on when and how staff should use the electronic folders.

Our current findings

The Office has implemented our recommendation to improve its processes to ensure client files are appropriately documented.

We found that the overall efficiency of file administration continues to be limited by the reliance on paper-based file documentation processes. Despite this, the Office has made improvements to the structure and organization of client files.

We found that the Office:

- introduced and implemented new file structure standards which improved organization and consistency, and reduced unnecessary duplication
- implemented the use of checklists and decision memos to improve the clarity of file documentation

The Office has deferred its plans to move to an electronic data storage option to coordinate with its overall information system upgrade. In the interim, management clarified its guidance on the use of electronic folders.

We have assessed the implementation of this recommendation based on the overall structure and organization of the paper-based files. Where files may be missing supporting documentation, we have addressed these deficiencies in the repeated recommendation that follows.

Recommendation:
Improve and follow policies and procedures

REPEATED

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 mismanaged
- improve its processes for ensuring compliance with policies and procedures

Context

We have repeated this recommendation because although the Office improved its internal control systems as described above for the implemented recommendations, there continue to be errors with day-to-day trust administration activities and transactions.

The Office's processes have improved such that the organization's supervisory review and Divisional Assurance processes now consistently identify errors and areas of concern in trust administration processes.

The Office has established processes to identify the root causes in areas where error rates remain high. The remaining step is to assess the root causes and take action to create sustainable improvements. Over the longer term, this will result in a better balance of preventative controls to ensure errors do not occur in the first place and less reliance on detective controls performed afterward by supervisors and Divisional Assurance.

Our current findings

The Office has developed policies and procedures; however, not all are being followed consistently. While we observed improvements in the Office's processes, we note there continue to be errors regarding the recording of client assets, ensuring clients receive all benefits they are entitled to and using client budgets for overall financial planning.

We found that the Office:

- has a rotational process to review its policies and procedures every three years
- improved its oversight processes to help identify errors
- continues to have high error rates in some areas
- has identified root causes for the errors but not addressed them

Three-year rotational review of policies and procedures

The Office has implemented a three-year rotational review process for its policies and procedures. Management completed the first regular rotation in December 2020. Updates on the status of these reviews are reported quarterly to the Governance, Risk and Compliance Committee. In addition, the Policy Review Committee performed additional policy reviews in response to suggestions from trust administration or the Governance, Risk and Compliance Committee based on findings from the oversight processes or other identified risks.

Improved oversight processes to identify errors

The Office improved its processes by increasing its oversight, including supervisory file reviews and Divisional Assurance. These changes have been effective in identifying errors.

High error rates in some areas

Specifically, the supervisory file reviews have identified high error rates in the following areas. The Office corrects exceptions and errors identified during these reviews and if an error results in a financial impact for a client, it is corrected and the client is compensated.

- one third of the 180 new client files reviewed[32] did not confirm and document all personal property assets the client owns that the Office needs to help manage. These assets include items such as medical devices, furniture or electronics.
- one quarter of the 330 files reviewed for established clients lacked documentation evidencing that additional medical and dental benefits from applicable federal and provincial programs had been pursued on behalf of the clients. Clients' circumstances can change over time and impact their eligibility for some programs, so it is important for the Office to reassess clients' status periodically.
- one third of the 180 new client files and one quarter of the 330 files reviewed for established clients did not have a required client budget on file. Establishing a budget confirms the client's financial circumstance and provides the information necessary for overall financial planning and for approving larger expenditures from the trust account.

In addition, Divisional Assurance tests a sample of payments from trust accounts on a monthly basis. They regularly accumulate and report on the results. For the two years up to January 2020, they reported that they tested 508 payments and found 138 errors. These included:

- instances where policies and procedures were not followed. Two policies caused the majority of errors due to their complexity and the high-risk nature of the expenses: companionship services and travel expenses. The deficiencies were often non-financial and involved important travel or other required documentation.
- not adding or removing client assets from the records within the established timeframe when larger items were purchased or disposed of. This includes personal items such as furniture or medical equipment, or real property such as buildings or land.
- missing client file documentation, such as payments made without proper support or without assessing whether the client's budget can accommodate the expenditure.

[32] This included new files reviewed in 2020 and the first quarter of 2021.

Root causes for errors not addressed

The Office has been able to quantify and analyze error trends for areas of most concern; however, processes to address root causes have not been formalized. Therefore, the Office continues to spend significant resources correcting errors. Improvements made to date have required an investment of significant time and resources; however, the benefits will not be fully realized until the Office addresses the root causes of the errors it detects.

The Office has developed a framework to categorize errors as relating to policies and procedures, quality assurance, performance management or training needs. What remains to be done is for management to formalize its processes to make the targeted and sustainable changes needed to address those root causes.

Consequences of not taking action

The Office is entrusted with managing property and money for Albertans who are unable to act for themselves. This means the Office manages the financial interests for some of the most vulnerable people in Alberta. The duties and responsibilities are significant, as the trustee must act with care, with integrity, and in the best interest of the person whose trust they hold. Internal controls must be established and working well to prevent or detect and correct errors in a timely manner.

In instances where day-to-day trust administration activities and transactions do not comply with the Office's procedures and policies, there are two important consequences. The first is that the risk that client trust funds will not be administered properly is increased. Although the dollar amount of individual errors may not be significant, many of the Office's clients have limited income, so errors of any amount may impact them. If procedures are not followed, there is a risk that:

- financial and valuable personal property assets held in trust will not be accurately documented so they can be safeguarded
- eligibility for benefit programs will not be reassessed periodically and pursued on behalf of the client
- client trust-account budgets will not be maintained to ensure spending guidelines for vulnerable clients are followed

The second is that it is much less efficient across the organization if work is not done correctly or completely the first time. Continually correcting errors after they have occurred instead of ensuring policies and processes are complied with in the first place puts undue stress on the organization’s systems of internal control and the staff administering them.

Outstanding Recommendations

Assessment of Implementation Report

Alberta Labour and Immigration

Systems to Update Alberta's Workforce Strategies

(November 2018)

Summary of Recommendations

In November 2021, we completed our assessment of implementation from our 2018 audit of Alberta Labour and Immigration's *Systems to Update Alberta's Workforce Strategies*. We found that the recommendation has been implemented.

IMPLEMENTED Recommendation:
Report on results of workforce strategies

Introduction

In 2018, we audited whether the department could:

- demonstrate successful implementation of Alberta's workforce strategies
- report on and evaluate results of performance
- provide reliable and useful labour market information to users

Our audit focused on processes to monitor, report and update the 10-year *Building and Educating Tomorrow's Workforce Strategy (BETW)*. During our audit, the BETW ended, and the department decided not to continue with a formal multi-ministry collaborative approach.[33]

In 2018, we found that the department was unable to demonstrate that it monitored and reported on the progress in achieving the planned results of the strategy. Further, the department did not demonstrate if the BETW achieved its planned results or whether the resources dedicated to it over the prior 10 years were well placed. We recommended the department regularly measure and report on the results of its current workforce strategies, including lessons learned.

In November 2021, we completed our assessment of implementation based on the department's current strategies and found that the department has implemented our recommendation.

[33] *Report of the Auditor General—November 2018*, page 7.

Recommendation:
Report on results of workforce strategies

IMPLEMENTED

Context

The process of monitoring, reporting, and analyzing planned against achieved results improves outcomes by providing the information needed to adjust future plans, activities and spending. In our 2018 audit, we found that the department did not do this for the BETW.

Our current findings

The department has implemented our recommendation to regularly measure and report on the results of its current workforce strategies, including lessons learned.[34]

Supporting the current Government of Alberta's strategic plan, one of the department's 2021–2024 business plan key outcomes is: "Albertans get back to work through job creation and supporting skills and resilience." To support the achievement of this outcome, the department delivers workplace training and employment programs. These programs include skills development, upgrading and workforce transition training, plus immigration and settlement services for newcomers to Canada and Alberta.

We found management has:

- developed program performance measure, indicator and reporting frameworks for use internally and externally. We examined five programs or groups of programs and found each documented desired outcomes and measures or indicators. We noted that the department mainly used directional targets. The department could further enhance its processes by using quantified, time-bound performance targets for its measures.
- conducted reviews of Workforce Strategies Division programs and services. The cyclical reviews used consistent criteria to track alignment with the department's desired outcomes and recommended some program adjustments.
- improved data collection capabilities by implementing comprehensive, centralized data warehouse and analysis systems to collect information on labour markets and for program measures and indicators. This has facilitated the generation of standard internal monthly reporting as well as required reporting for Labour Market Transfer Agreements (LMTA) with the federal government.[35]
- developed and implemented survey work plans for its programs. The surveys solicited feedback from employers and individual applicants to identify lessons learned on how programs were meeting stakeholder needs.
- developed program evaluation methodologies and a five-year evaluation work plan for its programs. We examined department evaluation plans for three new program proposals. Work plans were followed when program evaluations were performed. The plans documented performance measures, indicators and program outcome considerations and included logic models showing linkages between resource requirements, activities, outputs and short to long term outcomes.

[34] *Report of the Auditor General—November 2018*, page 8.

[35] LMTA between Alberta and the federal government provide funding for the delivery of skills training and employment programs. There are currently two LMTA in place: the Canada-Alberta Workforce Development Agreement (WDA) and the Canada-Alberta Labour Market Development Agreement (LMDA). In 2020-21 the department received $43 million and $11 million through the WDA and LMDA (2019-20–$34 million and $22 million respectively per Annual Report, Labour and Immigration 2020-2021, page 91). These transfer agreements have the flexibility to develop and adapt training and assistance programs that align with Alberta government labour market and immigration priorities.

- generated an internal monthly report with metrics on all workforce strategies division programs to enable staff and department leadership to monitor programs. The monthly metrics report included demographic and skills/education information on program participant groups. In addition to program monitoring, management used this information for planning and evaluation of program results, as well as to identify measure and indicator trends for follow-up.
- prepared and submitted annual reports and a program evaluation required as part of Alberta's involvement in LMTA. The department's 2018 Canada-Alberta Labour Market Development Agreement program evaluation report[36] was posted on the Employment and Social Development Canada website. The Canada-Alberta Workforce Development Agreement 2019 and 2020 annual reports were posted on the Government of Alberta open government website. The annual reports provided descriptions of the programs and activities under the agreement, expenditures, and results analysis on measures and indicators.
- reported on its workforce programs in the department's 2020–2021 annual report. The reporting included an overall performance measure for training for work programs along with variance analysis to target. Individual and grouped program level summary results analysis as well as selected measures and indicators were also reported.
- performed program evaluations to determine and report on lessons learned and incorporated the lessons learned into its program work plans. We found one program had a basic cost/benefit analysis completed. The department could further enhance its management decision making information with the consistent inclusion of cost/benefit analyses in its program planning and evaluation reports.

[36] The last LMDA evaluation report was published in 2018, with the next publication planned for 2023.

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