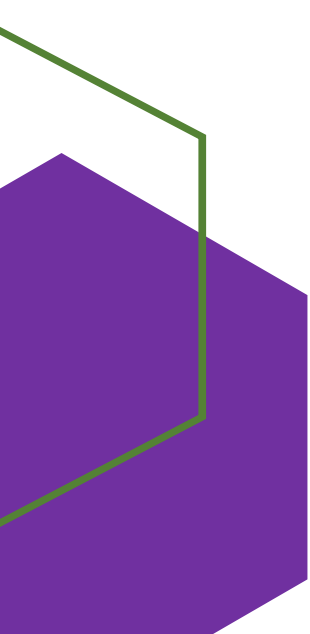


AUDITOR GENERAL

Halifax Regional Municipality



2019-20 Annual Report
and
2020-21 Audit Priorities



About Our Office

- Halifax Regional Municipality Charter establishes Auditor General's role
- Auditor General is appointed by Regional Council
- Audit programs and accounts of municipality and municipal bodies
- Assist Halifax Regional Council in holding itself and administration accountable for the use of public funds
- Establish annual audit priorities based on our assessment of risks in various program areas
- Current Auditor General, Evangeline Colman-Sadd, began seven-year-term in October 2016

What's New

Reports Released

- ◆ Fleet Vehicle Use, Car Allowances and Mileage Audit
- ◆ Follow-up Review – 2017 Reports
- ◆ Audit of HRM's Website Project
- ◆ Property Tax Management Audit
- ◆ Payroll Management Audit
- ◆ Purchasing Card Program Audit
- ◆ Road and Sidewalk Asset Management Audit
- ◆ LED Streetlight Conversion Project Audit

Audits In Progress

- ◆ Halifax Regional Police IT Audit
 - ◆ Building Standards Audit
 - ◆ Accounts Payable Audit
-

Our Values

Integrity

We value honesty and accountability, holding ourselves to high professional and ethical standards.

Objectivity

We are independent from management of the entities we audit and impartial in our assessments.

Collaboration

We work together to focus on the significant issues and make practical recommendations for improvement.

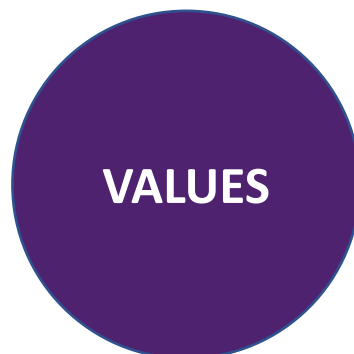
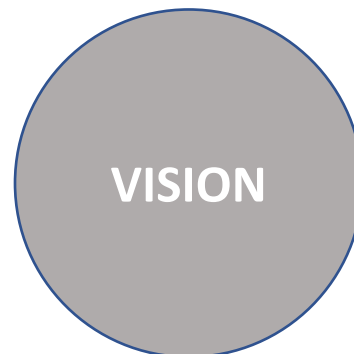
Excellence

We develop our knowledge and work to improve our processes.



Our Mission

To deliver independent audits that strengthen accountability and encourage improved efficiency and effectiveness of programs



Our Vision

A relevant, valued, independent audit office, known for professional excellence

Strategic Goals 2019 – 2021

| Continue to increase our relevance | |
|--|---|
| | Progress to Date |
| <p>Action taken as a result of our work</p> <ul style="list-style-type: none"> Review and continuously improve our processes, including how we write recommendations Engage Audit and Finance Standing Committee in how it can help increase the number of recommendations implemented Follow up 18 months after an audit has been completed and report results of follow-up annually | <p>Completed. Continue to discuss recommendations with management to help ensure they can be implemented</p> <p>Held Canadian Audit and Accountability Foundation training session with Councillors spring of 2019</p> <p>Implemented, will continue to follow-up after 18 months</p> |
| <p>Improve understanding of our work</p> <ul style="list-style-type: none"> Create audit information booklet Engage management Engage Regional Council | <p>Completed</p> <p>Met with management on long-term audit planning</p> <p>Met with Councillors on long-term audit planning</p> <p>Held Canadian Audit and Accountability Foundation training session with Councillors spring of 2019</p> |
| <p>Enhance readability of our audit reports</p> <ul style="list-style-type: none"> Where possible, present information with infographics and charts, instead of long narratives Develop ability to drill into detailed information from summary pages on reports | <p>Implemented. Will continue to refine</p> <p>To be implemented in 2020-21</p> |

Strategic Goals 2019 – 2021 (Continued)

| Consider opportunities for audit efficiencies | |
|--|---|
| | Progress to Date |
| Expand our use of data analytics <ul style="list-style-type: none"> • IDEA • Continuous auditing | Implemented. Will continue to use To be implemented in 2020-21 |
| Use TeamMate to assist with follow-up work | Implemented |

Performance Information

| Performance Measures | Target | 2019-20 |
|--|--------|---------|
| % staff hours on audit versus non-audit activities | 85% | 86% |
| % recommendations accepted and plan to implement | 100% | 100% |
| % recommendations implemented after 18 months | 70% | 90% |

* Note: For 2020-21, the target for the percentage of recommendations implemented after 18 months will increase to 80%.

2020-21 Audit Priorities and Follow-up Reviews

The audits and follow-up work noted below will begin in 2020-21; however, some reports may not be issued until 2021-22.

| 2020-21 Audit Priorities | |
|---------------------------------------|---------------------------------|
| Subject | Business Unit |
| Accounts Payable | Finance, Asset Management & ICT |
| Fire Safety Inspections | Fire and Emergency Services |
| IT Roles and Access | Finance, Asset Management & ICT |
| Transit Technology Project Management | Halifax Transit |

2020-21 Follow-up Reviews

Our annual work includes following up recommendations from past audits. During 2020-21, we will follow-up the following audits:

- Procurement – Finance, Asset Management & ICT
- Management of Development Approvals – Planning & Development
- Halifax Transit Bus Maintenance – Halifax Transit
- Property Tax Management – Finance, Asset Management & ICT
- Payroll Management – Finance, Asset Management & ICT
- Purchasing Card Program – Finance, Asset Management & ICT
- Road and Sidewalk Asset Management -- Transportation & Public Works

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