

The management of HRM procurements needs significant improvement, Evangeline Colman-Sadd said in her report released today, May 16th.

There were a large number of issues identified during the audit. HRM's procurement policy provides a good framework, but it was not consistently followed. For example, many procurements were missing required approvals at some stage of the process and monitoring to address noncompliance with policy was weak. Improvements to procurement file documentation and quality assurance practices is also needed. For example, steps taken to demonstrate fair procurements, such as bid evaluations and having evaluators sign statements of independence were sometimes either not done, or not adequately documented.

The audit also found problems with user access to the financial system that increase risk of error or fraud in the procurement process. Too many employees had access to procurement functions, and some had access to too many steps in the process that could allow a fraud to take place and be concealed.

"The audit did not include procedures to specifically look for fraud, and we did not uncover any in our work, but we found conditions that can allow fraud to happen." the auditor general said.

The auditor general made twenty-eight recommendations, all of which were accepted by HRM management.

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In her report released today, Auditor General Evangeline Colman-Sadd said overall, the Municipality has only addressed 46% of significant issues from nine Auditor General reports released between March 2014 and January 2016.

Many significant issues are outstanding such as a procedures manual for building permits and building inspections, improvements in monitoring fuel purchases, and a common project management approach for large, one-time capital projects.

The report is available on the auditor general's website.

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