

Auditor General – Halifax Regional Municipality – April 2021 Audits Released  
*Transit Technology Project Management and  
Management of Accounts Payable*  
April 29, 2021

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Overall, Halifax Transit is effectively managing day-to-day completion of its Transit Technology projects. However, significant improvement is required to the annual budgeting process for these projects, Auditor General, Evangeline Colman-Sadd, said in one of her reports released today, April 29th.

The audit found management monitored ongoing project work. However, management did not have detailed support for annual Transit Technology budgets submitted to Regional Council since the projects started in 2013. “We expected management to have detailed estimates to justify and explain its annual capital funding requests,” said Colman-Sadd.

The audit found project contract awards followed HRM procurement policy and vendor contracts included terms to provide value to HRM and protect the public interest. However, management did not analyze its choice to use external contracted project managers versus similar in-house resources. “We understand there may be reasons to use external resources; however, management should analyze each case to ensure value to HRM is achieved,” the auditor general said.

An audit of HRM’s accounts payable management was also released today. It found most aspects of accounts payable are effectively managed.

The audit also found payments were processed according to HRM’s policies and procedures.

There were practices to prevent and monitor for unauthorized payments, but gaps existed. For example, management did not monitor use of its one-time vendor account for making payments, which increases the risk of fraud.

Together, the two audit reports contain eight recommendations, all of which were accepted by HRM management.

The reports are available on the auditor general’s website: <https://hrmauditorgeneral.ca/>

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FOR BROADCAST USE:

In her audit reports released today, Auditor General, Evangeline Colman-Sadd said Halifax Transit is effectively managing day-to-day completion of its Transit Technology projects. However, significant improvement is required to the annual budgeting process for these projects.

Project contract awards followed HRM procurement policy and vendor contracts included terms to provide value to HRM and protect the public interest. However, management did not evaluate the cost versus benefit of contracting external project managers instead of using internal resources.

An audit of accounts payable management found HRM effectively manages its accounts payable activities, although improvements are required in certain areas. Additional monitoring is needed to address the risk of errors and fraud in accounts payable payments.

Together, the reports have eight recommendations, all of which were accepted by management. Both reports are available on the auditor general's website: <https://hrmauditorgeneral.ca/>

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