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Chapter 1

Introductory Comments by the Auditor General

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Introductory Comments by the Auditor General

Introduction

1.1 My Office's mission, as included in our 2014 to 2020 strategic plan is:

To provide objective, reliable, and timely information to the Legislative Assembly on government's performance in its delivery of programs and services to the people of New Brunswick.

1.2 In this volume of our 2016 Report, we include our performance report on Meat Safety – Food Premises Program.

1.3 Our objective for this audit was *to determine if the Department of Health monitors and enforces compliance with the legislation, regulations and policies in place to ensure the safety of meat for public consumption.*

1.4 We also include our annual follow up chapter on the implementation status of recommendations in prior years' performance audit chapters. This year's chapter includes the results of our review level follow up on recommendations included in the following 2012 performance reports:

- Medicare – Payments to Doctors;
- EHealth – Procurement and Conflict of Interest;
- Solid Waste Commissions; and
- Capital Maintenance of Highways.

1.5 It also includes the results of follow up work we completed relating to the following other performance reports:

- Financial Assistance to Atcon Holdings Inc. and Industry (2015 Report Chapter);
- Constituency Office Costs for MLAs and Executive

Council (2011 Report chapter); and

- CMHC Social Housing Agreement (2011 Report chapter).

1.6 Further, it includes summaries of the implementation status of recommendations self-reported by involved departments and agencies included in our 2013 and 2014 chapters, along with:

- Appendix A, which contains a “Summary of Significant Projects Conducted in Departments and Crown Agencies over the Past Ten Years”,
- Appendix B, a “Detailed Status Report of Recommendations Since 2012”; and
- Appendix C, a Glossary referencing Report sections relevant to each department or Crown agency.

1.7 There are five areas of particular concern I would like to highlight in connection with this volume.

Meat Safety

1.8 Our chapter on Meat Safety – Food Premises Program includes a number of recommendations directed to the Department of Health. Serious deficiencies that are being addressed in our recommendations include:

- the lack of deterrent available to the Department due to the minimal penalties that can be levied against operators of food premises who fail to comply with standards;
- the existence of numerous unlicensed and uninspected food premises operating in New Brunswick including farmers’ markets, convenience stores, food warehouses, hotels/motels serving continental breakfasts, community suppers, soup kitchens, and other not-for-profit food operations;
- the lack of quality assurance over the food premises program resulting in the Department’s *Standard Operational Procedures* for the program not being followed consistently;
- provincial food premises files we examined indicated that in most cases inspections were not completed and documented in accordance with departmental policy;
- documentation in the files of virtually all newly-licensed food premises did not adequately demonstrate that the Department was compliant with its own licensing requirements; and

- the significant limitations in the current manual system for capturing data for the food premises program, including inspection results. Data available is neither consistent between regional offices nor is its accuracy assured. Therefore, management does not have ready access to the decision-making information it needs to properly manage the food premises program.

Atcon Update

- 1.9** Opportunities New Brunswick (ONB) and the Executive Council Office (ECO) provided us with a full update on their progress in implementing the recommendations from our 2015 audit of Financial Assistance to Atcon Holdings Inc. and Industry. ONB and the ECO indicated that 15 of our 19 recommendations from that report have been implemented.
- 1.10** We intend to verify the assertions made by ONB in 2017. We will report back to the Legislative Assembly in conjunction with our ongoing work related to Atcon, as described below.
- 1.11** My hope is that we will find that 100% of our 2015 recommendations will be implemented upon our 2017 review, in order to reduce the risk of a similar situation occurring in the future.
- 1.12** Our 2015 audit focused primarily on internal government decision-making around loan guarantees provided to Atcon. Therefore, there are still important unanswered questions on the Atcon file such as:
- Where did \$70 million of taxpayers' money go?;
 - Who benefited from the \$70 million in financial assistance provided by the government?; and
 - Which vendors were paid in connection with the assistance and loan guarantees granted by government?
- 1.13** This year, in order to provide the Legislative Assembly and New Brunswick taxpayers with answers to these questions, I commenced an examination of the books and records of Atcon Holdings Inc. and numerous subsidiary companies. At present my work is continuing, and I intend to report my findings and recommendations during 2017.
- 1.14** Completing this second phase of work relating to Atcon will mean exceeding my regular budget. However, it is my understanding that government is willing to fund any overages related to my examination of Atcon. In particular, in a letter received 18 June 2015, we were informed by the Clerk of the Executive Council and Secretary to Cabinet, "If,

from your perspective, further review of the matter is required to determine the final disposition of the financial assistance monies associated with the Atcon file, government has indicated that it will be both supportive and cooperative.”

Total MLA Constituency Office Costs Still Not Reported Publicly

1.15 In our 2016 follow up review of our 2011 audit of Constituency Office Costs for Members of the Legislative Assembly and Executive Council, we were disappointed to note that two important recommendations have still not been implemented by the Executive Council Office and/or the Legislative Assembly.

1.16 I find it very concerning that a full five years after our audit, total MLA Constituency Office Costs for Members of the Legislative Assembly (MLAs) are still not being reported publicly. Constituency Office expenditures have been a problem in other jurisdictions. I would expect our legislators would want to eliminate any risk of inappropriate expenditures occurring in New Brunswick, while at the same time showing leadership in the areas of transparency and public accountability.

1.17 Implementation of these recommendations is critical in ensuring that Members of the Legislative Assembly can be held accountable for these costs. Therefore, I again strongly encourage the Legislative Assembly and Executive Council Office to work cooperatively in implementing these recommendations as soon as possible.

There Has Been Progress Towards Completion of a Comprehensive Long-Term Infrastructure Plan, but More Work Remains

1.18 In this volume, we have again followed up on areas where we believe management of provincial infrastructure could be improved. In particular:

- In connection with our follow up work on the 2012 audit on Capital Maintenance of Highways at the Department of Transportation and Infrastructure (DTI), we were pleased to note the Department has enhanced the information captured in the DTI asset management system and its use of that data in decision-making. Recommendations to address decisions relating to road surfaces used, total lifecycle costs of potential road projects, and public reporting of road condition remain to be fully implemented, although progress has been made.
- In Chapter 1 of Volume II of the 2013 Auditor General Report, I made a recommendation to the Department of Transportation and Infrastructure regarding the

Province's need for a comprehensive long-term infrastructure plan that will ensure the sustainability and safety of highways, hospitals, schools, bridges and other essential provincial infrastructure while respecting the fiscal challenges faced by the Province. The detailed recommendations with the Department's 2016 responses can be found in Exhibit 1.1.

Medicare – Payments to Doctors

1.19 I would again encourage members of the Public Accounts committee (PAC) to pursue this important issue with DTI officials when they appear before the committee, to ensure that progress continues to be made in the coming years.

1.20 In our 2016 follow up review of our 2012 audit of Medicare - Payments to Doctors, we found that none of our three recommendations have been fully implemented although the Department has made progress in relation to the implementation of all three recommendations.

1.21 In particular, I am very concerned that some Medicare payments related to injured workers may not be recovered by the Department due to the time-consuming manual process the Department uses to identify those amounts. Where those amounts are not recovered, it means taxpayers are paying costs associated with injured workers that should be paid by WorkSafeNB (WSNB), and ultimately provincial employers. I therefore strongly encourage the Department to continue to pursue this matter with WSNB, and if a solution cannot be agreed upon, to take other appropriate steps.

1.22 I am also concerned that four years after my recommendation was first made, individual doctors earnings are still not being publicly reported. I understand the *Medical Services Payment Act* has been amended to allow such reporting, and therefore encourage the Department to implement my recommendation as soon as possible. This would bring the treatment of payments to doctors in line with current government reporting of employee compensation and vendor payments, and improve accountability.

Acknowledgements

1.23 Staff in my Office worked very hard in carrying out the work reported upon in this volume of our Report. The individual chapters of this report are a reflection of their level of commitment, professionalism and diligence. I would like to express my appreciation to each for their contribution and continuing dedication to fulfilling the mandate of the Auditor General of New Brunswick.



Kim MacPherson, CPA, CA
Auditor General

Exhibit 1.1 - Summary of Recommendations

Recommendations	Department's Response
<p>We recommend the Department of Transportation and Infrastructure develop and implement a comprehensive long-term infrastructure plan that will ensure the sustainability and safety of highways, hospitals, schools, bridges, and other essential provincial infrastructure while respecting the fiscal challenges faced by the Province.</p> <p>Key elements of the plan should include:</p>	<p><i>In 2015-16, DTI developed a Long Term Strategic Capital Planning Framework. This framework will utilize evidence based assessment tools and asset management based principles to identify and prioritize major transportation and buildings infrastructure projects that DTI plans to pursue over the long term along with other capital expenditure categories.</i></p>
<p>1. the rationalization of assets (i.e. if not considered essential, remove from service and dispose in an appropriate manner);</p>	<p><i>The Strategic Capital Planning Framework utilizes an Asset Management model for existing assets to identify the optimal rehabilitation schedules along with a Multi-Criteria Analysis Matrix to evaluate and prioritize new build and divestiture candidates.</i></p>
<p>2. a long term approach to budgeting which includes life cycle maintenance of capital assets;</p>	<p><i>DTI has developed a Long Term Strategic Capital Planning Framework that takes into account Asset Management principles for its roads, bridges, culverts and buildings. DTI will also identify the consequences of not fully funding asset management (i.e. added infrastructure liability, percentage of roads in poor condition, etc.).</i></p>
<p>3. a protected stream of a base level of funding determined necessary to adequately maintain assets in service;</p>	<p><i>Through Asset Management models, DTI has identified the minimum funding required to optimize the lifecycle of its existing roads, bridges and culverts. A buildings model for roofs has also been developed and implemented. DTI is researching various models for dedicated funding for this purpose.</i></p>

Exhibit 1.1 - Summary of Recommendations (continued)

Recommendations	Department's Response
4. a 20 year planning horizon;	<i>DTI considers a 10-year horizon more appropriate given the uncertainty surrounding a 20 year horizon. This time horizon is consistent with capital planning periods used by other jurisdictions, including Quebec.</i>
5. a process whereby new assets are constructed only when there is a business case to support the need. This should include redirecting savings from rationalized assets to the new asset life cycle maintenance costs;	<i>DTI's Multi-Criteria Analysis Matrix considers economic, social, environmental, and cultural indicators when evaluating adding or deleting capacity from its asset inventory. The weights of each category of indicators may vary depending on the asset. A benefit-cost analysis provides a further ROI assessment. This process has been used to make decisions on some assets, and is being fine-tuned for universal application.</i>
6. apply the current DTI strategy and asset management system to all essential assets. This would result in a corporate approach which applies the least cost lifecycle prioritization to all essential assets;	<i>DTI has developed Asset Management Models for its roads, bridges, culverts and roofs, and has consulted with other departments, including EECD, who is interested in adopting this approach. The models are at various states of develop with the model for road surfaces most mature.</i>
7. provide annual public performance reporting, which includes the actual physical condition of our essential assets versus pre-established targets, explaining the reason for any significant variances; and	<i>DTI includes several performance metrics, including % of poor roads, Bridge Condition Index, and adherence to Asset Management for capital expenditures for road surfaces on its Balanced Scorecard which are presented in its Annual Report.</i>
8. a process or mechanism that ensures fiscal discipline is adhered to over the long-term (such as legislative change, statutory funding, contractual arrangements).	<i>DTI presented a 3-year Strategic Capital Plan to Government in 2015. Government endorsement of these plans will encourage fiscal discipline. Reporting through the Balanced Scorecard and Annual Report also helps encourage fiscal discipline and adherence to asset management. DTI is currently research models and best practices for dedicated funding for asset management.</i>

Chapter 2

Department of Health

Meat Safety – Food Premises Program

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Department of Health

Meat Safety - Food Premises Program

Summary

Introduction

2.1 The Public Health Agency of Canada estimates 1 in 8 Canadians (4 million) get sick with a domestically acquiredⁱ foodborne illness each year.ⁱ *“Most cases of enteric disease are mild and require only a day or two of reduced activities. However, these cases pose a significant burden due to lost productivity and other related costs.”*ⁱⁱ Other cases are severe and can result in hospitalization (over 11,500 per year in Canada), serious chronic conditions, or death (about 240 per year in Canada).ⁱⁱⁱ

2.2 Many foodborne illnesses can be prevented by following food safety practices, which include storing and cooking food at proper temperatures, cleanliness, and avoiding cross-contamination^{iv} in all settings including homes, institutions and commercial establishments.





2.3 In New Brunswick, the Department of Health, Office of the Chief Medical Officer of Health, is responsible for public health programs, which include food safety. Most food premises require a licence to operate in New Brunswick. The food premises program *“strives to eliminate unsafe food practices in New Brunswick food premises”*^v.

ⁱ The term “domestically acquired” in the study refers to illnesses acquired in Canada.

Our audit

2.4 The focus of our audit was meat handled, processed and sold by provincially licensed premises, as shown in Exhibit 2.0. With regards to meat, licences are required by abattoirs (where animals are slaughtered), butcher shops (where carcasses are handled and meat/meat products are cut or processed), grocery stores (where meat is handled, displayed and sold to consumers) and restaurants (where meat is prepared and served for public consumption). Proper handling and processing of meat at these premises is an important component of overall food safety.

Exhibit 2.0 – Provincially Licensed Food Premises – Focus of Our Audit

2.0 Provincially Licensed Food Premises – Focus of Our Audit	
<p>-Abattoirs (where animals are slaughtered)</p> 	<p>-Butcher shops (where carcasses are handled and meat/meat products are cut or processed)</p> 
<p>-Grocery stores (where meat is handled, displayed and sold to consumers)</p> 	<p>-Restaurants (where meat is prepared and served for public consumption)</p> 
<p>Source: Clockwise starting left: AGNB, Pixabay*, Pexels*, Pixabay* *Public domain stock photos</p>	

2.5 Our objective for this audit was *to determine if the Department of Health monitors and enforces compliance with the legislation, regulations and policies in place to ensure the safety of meat for public consumption.*

2.6 Our audit included all four regional offices of Public Health (North, South, East and Central). We accompanied inspectors performing inspections of food premises, examined a sample of files from all regions, interviewed staff and reviewed program documentation.

Conclusion

2.7 We concluded the Department of Health has processes in place to monitor and enforce compliance with the legislation, regulations and policies in place to ensure the safety of meat for public consumption. However, we observed the processes are not consistently followed, and our work identified numerous deficiencies. We also concluded the food premises program is not fully complying with the Province's *Food Premises Regulation*, leading to unaddressed food safety risks. Therefore in certain circumstances, the public could be at heightened risk of food poisoning. We have made recommendations for corrective action to address areas where improvements are needed.

Results in Brief

2.8 Results in brief are presented in Exhibit 2.1.

Recommendations

2.9 Our recommendations to the Department are presented along with its responses to each recommendation in Exhibit 2.2.

Exhibit 2.1 – Results in Brief

Meat Safety - Food Premises Program

Why Is This Important?

- An estimated 1 in 8 Canadians get sick with a foodborne illness, commonly known as food poisoning, every year.
- Foodborne illness cases pose a significant burden due to lost productivity and other related costs.
- A lack of food safety practices can have severe health consequences for consumers and can be fatal.
- Proper handling and processing of meat at licensed premises is an important component of overall food safety.
- In this audit, we determined if government ensures the safety of meat for consumption in New Brunswick.

What We Found

Overall Conclusions

- The Department of Health has processes in place to monitor and enforce compliance with standards to ensure the safety of meat for public consumption.
- Processes are not consistently followed and numerous deficiencies were identified.
- The food premises program is not fully complying with the Province's *Food Premises Regulation*, leading to unaddressed food safety risks.
- In certain circumstances, the public could be at heightened risk of food poisoning.

Unaddressed Food Safety Risks

- Penalties are minimal for operators who fail to comply with standards.
- Unlicensed and uninspected food premises exist in NB.
- New Brunswick meat (3% of meat consumed in the province) is not inspected.

www.agnb-vgnb.ca

Serious Deficiencies Identified

In the Department files we tested:

- Virtually all new licence files did not comply with the Department's licensing procedures.
- 87% of annual risk assessments of food premises were not on file or the form was not properly completed.
- 81% of inspection files contained deficiencies in performing and documenting inspections of food premises.
- 76% of the revoked licence files lacked documentation indicating that proper procedures were followed.
- 6 of 9 inspectors we observed did not record all violations on the inspection report.

Difficulties Generating Information

The current manual inspection system has significant limitations for capturing inspection results:

- System cannot provide general or useful information on food safety risks.
- Violations are not collectively tracked.
- Reliability of food premises program information is uncertain due to manual system.
- Information is not maintained consistently throughout all offices.

Exhibit 2.2 - Summary of Recommendations

Recommendation	Department's Response	Target Date for Implementation
<i>Licensing Food Premises</i>		
<p>2.54 We recommend the Department of Health ensure applicants for food premises licences submit all required documentation and comply with the food premises standards prior to issuing a licence.</p>	<p><i>Measures have already been put in place moving forward to ensure that all required documentation is received prior to issuing a new license and kept on file.</i></p>	<p><i>Completed</i></p>
<p>2.65 We recommend the Department of Health implement procedures to identify illegal operators of food premises and then proceed to either license the operator or take enforcement actions to cease their operations. The procedures should be done on a regular basis and the results documented.</p>	<p><i>The Department will consider this recommendation.</i></p> <p><i>Department already monitors for illegal operators during regular activities and follows up on all complaints of illegal food premises. The Department will ensure results are documented.</i></p>	<p><i>FY 2016/2017</i></p>
<p>2.66 We recommend the Department of Health review all food premises licences to ensure the class is correct and the proper annual fee is being collected.</p>	<p><i>The Department will implement the recommendation.</i></p>	<p><i>FY 2017/2018</i></p>
<i>Risk-based Inspection Strategy</i>		
<p>2.69 We recommend the Department of Health fully implement its risk-based inspection strategy by ensuring staff follow the documented <i>Standard Operational Procedures</i> and properly complete a risk assessment, and update it annually, to determine the proper inspection frequency for food premises.</p>	<p><i>The Department will implement the recommendation.</i></p>	<p><i>In progress.</i> <i>Target completion end of March 2017</i></p>

Exhibit 2.2 - Summary of Recommendations (continued)

Recommendation	Department's Response	Target Date for Implementation
<i>Inspection of Food Premises</i>		
2.75 We recommend the Department of Health follow the documented <i>Standard Operational Procedures</i> (SOPs) and properly conduct inspections to monitor operators' compliance with the food premises standards.	<i>The Department will implement the recommendation.</i>	<i>FY 2017/2018</i>
2.76 We recommend the Department of Health properly document all inspections by accurately and neatly completing the <i>Food Premises Inspection Form</i> .	<i>The Department will implement the recommendation.</i>	<i>In progress. Target completion end of March 2017</i>
2.77 We recommend the Department of Health perform the required number of routine inspections each year (which is determined by assessing the risk of the food premises).	<i>The Department will implement the recommendation.</i>	<i>FY 2017/2018</i>
2.78 We recommend the Department of Health perform re-inspections on a timely basis to ensure violations of the food premises standards have been corrected.	<i>The Department will implement the recommendation. Heightened priority will be given to re-inspections since infractions have been flagged for correction.</i>	<i>FY 2016/2017</i>
2.85 As part of recommendation 2.75, we recommend the Department of Health ensure all inspectors wash their hands before beginning their inspection and record all violations on the inspection report.	<i>The Department will implement the recommendation.</i>	<i>In progress. Target completion end of December 2016</i>
2.86 We recommend the Department of Health enhance inspections by checking temperatures, sanitizing solution concentration, food safety training records, etc. and thoroughly reviewing operators' records required by the food premises standards.	<i>Current requirements regarding frequency, completeness, and oversight of physical verification procedures will be further clarified.</i>	<i>FY 2016/2017</i>

Exhibit 2.2 - Summary of Recommendations (continued)

Recommendation	Department's Response	Target Date for Implementation
<p>2.87 We recommend the Department of Health encourage consistency between inspectors through such means as:</p> <ul style="list-style-type: none"> • providing refresher training on the SOPs; • monitoring compliance with the SOPs; and • having regular meetings to discuss violations and food premises standards using professional judgment. 	<p><i>The Department agrees with the recommendation. Planning is underway to provide refresher training. The Department will ensure that regular training occurs and that proper quality control and oversight is in place.</i></p>	<p><i>FY 2017/2018</i></p>
Tracking and Monitoring Violations		
<p>2.92 We recommend the Department of Health explore the benefits of tracking and monitoring violations of the food premises standards to identify trends and target systematic corrective efforts. (For example, one region could pilot a project where violations are recorded on a spreadsheet and then analyzed to identify trends. If the exercise proves to be beneficial, a provincial system could be implemented.)</p>	<p><i>The Department is currently exploring process improvement tools to enhance tracking mechanisms, and how best to implement them.</i></p>	<p><i>In progress. Target implementation end of March 2017</i></p>
Enforcement Actions		
<p>2.95 We recommend the Department of Health ensure proper procedures are consistently followed and documented when revoking a food premises licence.</p>	<p><i>The Department will implement the recommendation. A comprehensive review of the SOP will be conducted and practical tools will be developed.</i></p>	<p><i>FY 2017/2018</i></p>
<p>2.102 There should be serious ramifications for food premise operators who repeatedly have their licence revoked. We recommend the Department of Health eliminate non-compliance by operators by implementing stronger enforcement actions, such as posting compliance status in premises' window clearly visible to the public, ticketing with fines, graduated licensing fees, etc.</p>	<p><i>Fines are established under the Provincial Offences and Procedures Act. The Department will explore the feasibility of this recommendation.</i></p>	<p><i>FY 2017/2018</i></p>

Exhibit 2.2 - Summary of Recommendations (continued)

Recommendation	Department's Response	Target Date for Implementation
<i>Posting Inspection Results on the Web</i>		
<p>2.110 We recommend the Department of Health enhance its public reporting of compliance with the food premises standards by:</p> <ul style="list-style-type: none"> • posting inspection reports for all food premises, and • posting results of all inspections for the past two years. 	<p><i>The Department will explore the feasibility of posting inspection reports online for all licensed food premises and implement solutions where appropriate. The web-based application currently used by the Department is unable to accommodate multiple inspection forms per premise.</i></p>	<p><i>FY 2017/2018</i></p>
<i>Food Premises Program Information</i>		
<p>2.114 We recommend the Department of Health establish a standard method (to be used by all regional offices) for maintaining consistent, reliable and useful information for the food premises program including the following:</p> <ul style="list-style-type: none"> • directories of licensed food premises including their class, annual fee, assigned inspector, risk category, etc.; and • information required by the <i>Standard Operational Procedures</i>, such as specific information on food premises relating to their risk assessment, “major” and “critical” violations, “management and employee food safety knowledge”. 	<p><i>The Department is currently exploring process improvement tools to enhance tracking mechanisms, and how best to implement them.</i></p>	<p><i>In progress. Target completion end of March 2017</i></p>
<p>2.115 The current manual inspection system does not provide information needed by the Department. We recommend the Department of Health explore what other provinces are doing in this regard and automate the inspection system.</p>	<p><i>The Department will conduct a jurisdictional review and explore any feasible options for electronic solutions that will improve operational procedures</i></p>	<p><i>FY 2018/2019</i></p>

Exhibit 2.2 - Summary of Recommendations (continued)

Recommendation	Department's Response	Target Date for Implementation
<i>Quality Assurance within the Program</i>		
2.125 We recommend the Department of Health implement quality assurance practices to ensure all risk areas covered by the <i>Food Premises Regulation</i> are subject to quality assurance monitoring.	<i>The Department will implement the recommendation. A comprehensive review of the SOP will be conducted and procedures will be updated and clarified where needed.</i>	<i>FY 2017/2018</i>
2.126 We recommend the Department of Health rotate food premises assigned to inspectors at least every four years as required by the <i>Standard Operational Procedures</i> (SOPs).	<i>The Department will ensure that food premises assigned to inspectors are rotated as per the SOP.</i>	<i>FY 2017/2018</i>
2.127 We recommend the Department of Health calibrate equipment regularly as required by the SOPs.	<i>The Department will implement the recommendation.</i>	<i>In progress. Target completion end of December 2016</i>
2.128 We recommend the Department of Health thoroughly review all of the SOPs to determine if they are practical. Attention should be given to identify SOPs that are not being followed. (In particular, the number of inspection files per inspector to be reviewed by the Regional Director may be excessive.) We further recommend the SOPs be revised as needed.	<i>The Department will implement the recommendation. A comprehensive review of the SOP will be conducted and procedures will be clarified and updated where needed.</i>	<i>FY 2017/2018</i>

Exhibit 2.2 - Summary of Recommendations (continued)

Recommendation	Department's Response	Target Date for Implementation
<i>Unaddressed Food Safety Risks</i>		
<p>2.154 We recommend the Department of Health assess the public health risks related to:</p> <ul style="list-style-type: none"> • uninspected meat; • class 5 operators not having food safety training; • licensing and inspecting abattoirs that are also involved with processing meat (such as making sausage, head cheese, jerky and other smoked products); and • community suppers, and <p>we recommend the Department consider updating its regulations based on their findings.</p>	<p><i>In regard to a meat inspection program, the Department previously assessed the public health risk and found it to be very low. The Department will conduct another assessment to ensure it is still valid.</i></p> <p><i>The Department acknowledges that the other recommendations under 2.154 must be reviewed and will explore whether regulatory changes are required and, if so, how these could be implemented.</i></p>	<p><i>Meat Inspection risk assessment - Fall 2017</i></p> <p><i>FY 2018/2019</i></p>
<p>2.155 We recommend the Department of Health fully implement the current <i>Food Premises Regulation</i> or amend it to reflect the Department's present public health policy intentions.</p>	<p><i>In April 2016, the Food Premises Regulation (Public Health Act) was amended and the Department is now licensing food premises at public markets and temporary events.</i></p> <p><i>The Department intends to continue with the implementation of the Food Premises Regulation as intended.</i></p>	<p><i>Completed</i></p> <p><i>FY 2018/2019</i></p>

Background on Food Safety

Food poisoning

2.10 Foodborne illness is often called “food poisoning”.
 “Foodborne illness is a disease or injury that occurs when people eat food that is contaminated.”^{vi}
 “Foodborne illness can lead to serious morbidity and even mortality to consumers, especially pre-school children, older adults and those with impaired immune systems.”^{vii} Common causes of food contamination are explained in Exhibit 2.3. Raw meat is one of a number of potential sources of foodborne illness.

Exhibit 2.3 – Common Causes of Food Contamination

2.3	Common Causes of Food Contamination
<p>The three most common ways food becomes contaminated are:</p> <ul style="list-style-type: none"> • PEOPLE - A food handler transfers a harmful substance (Example: on their hands, or is sick) onto safe (ready-to-eat) food. • EQUIPMENT - Food comes into contact with a contaminated piece of equipment (Example: a cutting board used for raw chicken is then used for cutting lettuce for a salad). • FOOD - Safe food comes into contact with food containing contaminants— usually raw food (Example: raw meat juices drip onto ready-to-eat food improperly stored in the refrigerator). 	
<p>Source: Excerpts from <i>The ABC’s of Food Safety – An Introductory Guide to Food Safety</i></p>	

Statistics for foodborne illness

Food safety

2.11 “Each year, roughly 1 in 8 Canadians (or 4 million people) get sick with a domestically acquired² foodborne illness. (source: PHAC³). Thousands of Canadians seek medical treatment and hundreds die.”^{viii} Appendix IA shows rates of selected food- and waterborne diseases in New Brunswick along with their comparison to Canadian rates. Appendix IB provides further information on food-related illnesses, hospitalizations and deaths in Canada.

2.12 “Foodborne illness is **preventable** and its risks can be **minimized** when all participants from the producer, processor, distributor and retailer, through to the consumer acknowledge their responsibilities. (Canada’s Strategy for Safe Food)”^{ix}

² The term “domestically acquired” in this study refers to illnesses acquired in Canada.

³ PHAC refers to Public Health Agency of Canada

2.13 *The ABC's of Food Safety – An Introductory Guide to Food Safety* states, “*Three Steps to Food Safety*:

- **Step 1: Prevent** = *Stop problems before they happen by avoiding cross-contamination. [Practice good personal hygiene, proper hand washing and safe food storage.]*
- **Step 2: Delay** = *Slow the growth of micro-organisms in food by monitoring and controlling temperature.*
- **Step 3: Destroy** = *The final line of defense! Kill dangerous micro-organisms by proper cooking, cleaning and sanitizing.*

2.14 *Temperature control is the single most important aspect of food safety. Time and temperature affect the growth of bacteria.*^x

Background on Food Premises Program

Authority

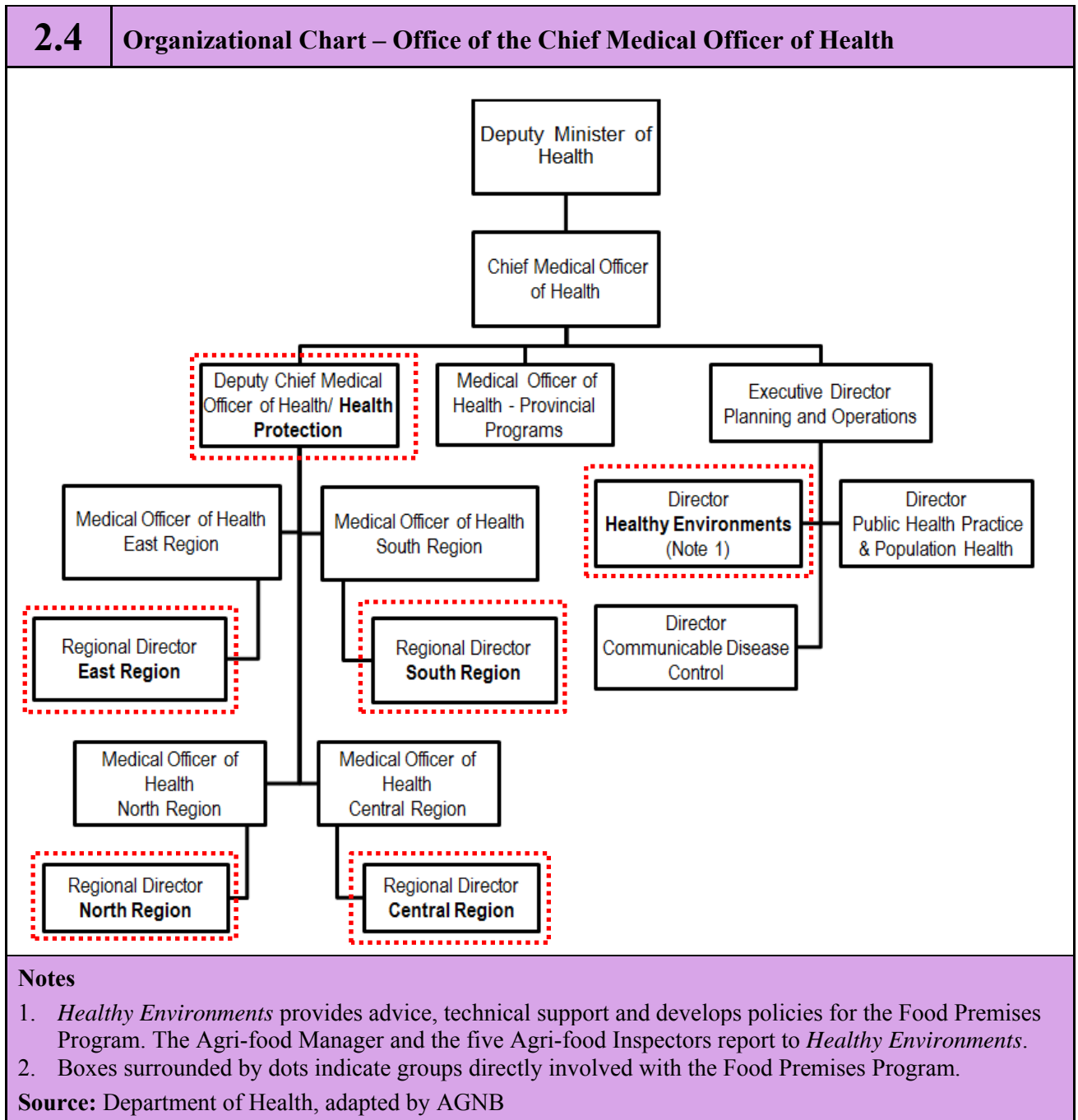
2.15 The objectives of the Department with its *New Brunswick Food Inspection System* are “*Demonstrably safe food that protects and helps promote good health, and justifies confidence in the Canadian food system at home and abroad*”.^{xi}

2.16 The Department of Health is responsible for administering the *Public Health Act*. The *Food Premises Regulation* and the *Abattoir Regulation* fall under this Act. Within the Department, the Health Protection Branch and the Healthy Environment Branch are responsible for food safety. (These Branches are part of the Office of the Chief Medical Officer of Health which is responsible for public health programs.)

2.17 There are four Public Health regions in the province. Pursuant to the *Food Premises Regulation* (Regulation), Health Protection Branch staff in each region have the authority to issue licences and orders to food premises and to suspend or revoke licences.

2.18 Exhibit 2.4 shows an organizational chart of the Office of the Chief Medical Officer of Health. The Chief Medical Officer of Health reports to the Deputy Minister.

Exhibit 2.4 – Organizational Chart – Office of the Chief Medical Officer of Health



Licence to operate

2.19 Most food premises require a licence to operate in New Brunswick. “**Food premises**’ means a premises where food or milk is manufactured, processed, prepared, stored, handled, displayed, distributed, transported, sold or offered for sale, and includes a food vending machine and an abattoir but does not include premises exempted by the regulations.”^{xii}

2.20 With regards to meat, licences are required by abattoirs (where animals are slaughtered), butcher shops (where carcasses are handled and meat/meat products are cut or processed), grocery stores (where meat is handled, displayed and sold to consumers) and restaurants (where meat is prepared and served for public consumption).

Inspections

2.21 Food premises are inspected prior to obtaining their first licence and then periodically throughout the year. Inspectors monitor compliance with standards set in the Regulation. Violations (non-compliance with the standards) can result in suspension or revocation of a licence.

2.22 Public Health Inspectors and Agri-food Inspectors perform inspections. Inspectors work from the Health Protection Branch offices and Agri-food offices in the four regions (North, South, East and Central).

Figures for the program

2.23 Exhibit 2.5 provides further information on the program.

Exhibit 2.5– 2013-2015 Figures for the Food Premises Program

2.5	Figures for the Food Premises Program
<ul style="list-style-type: none"> • There are approximately 4,000 provincially licensed food premises in New Brunswick. These include: abattoirs (where animals are slaughtered), meat cut-up shops, meat and food processors, grocery stores, restaurants, schools, nursing homes, etc. • There are 31 provincially regulated abattoirs in New Brunswick. • Approximately 50 Public Health Inspectors and 5 Agri-food Inspectors operate in the four regions with several offices throughout the Province. Inspectors are responsible for other programs in addition to the food premises program. 	
<p>Source: Various documents provided by the Department (unaudited)</p>	

Introduction to Findings

Why we chose this project and the objective of our audit

2.24 Our rationale for selecting this project is provided in Exhibit 2.6.

2.25 The objective of our audit was:

to determine if the Department of Health monitors and enforces compliance with the legislation, regulations and policies in place to ensure the safety of meat for public consumption.

Exhibit 2.6 - Why We Chose this Project

2.6	Why We Chose this Project
	<p>We select our projects on the basis of relevance, significance and risk with the goal of having a positive impact. We chose to do this audit for the following reasons:</p> <ul style="list-style-type: none"> • The lack of appropriate food safety practices can have severe consequences (including death) of consumers. • In the past few years, five of the nine other provincial Auditors General have examined food safety, with three focusing on meat. They reported significant weaknesses in their jurisdictions. • In 1999 our Office did a similar audit of food safety (inspection of food service establishments) which resulted in thirty-six recommendations. Only four of the recommendations were implemented by the end of our follow-up cycle in 2003. • Most New Brunswickers consume meat. Meat is handled and stored by various individuals working in abattoirs, meat processing and packing facilities, stores (grocery, convenience, bakeries, farmers' markets), restaurants and institutions (such as: schools, hospitals, nursing homes, special care homes, day cares). Poor procedures in one food premises could affect many individuals.

Defining meat and responsibilities

2.26 We define "meat" to include beef, pork, lamb, poultry, etc. (excluding fish). Much of the meat inspection in Canada is the responsibility of the Canadian Food Inspection Agency. All facilities that produce meat for trade across provincial or national borders must be federally inspected. Provincially inspected facilities only produce products for trade within the province and are normally of a relatively small scale.

Our audit focused on provincially licensed premises where meat is handled and sold

2.27 Our audit focused on provincially licensed abattoirs (where animals are slaughtered) and other licensed food premises where meat is stored, handled, processed, distributed, sold, etc. Food premises may source meat from either provincially licensed abattoirs, federally licensed abattoirs, or both.

Our audit included all four regions

2.28 Our audit focused on the Department’s administration of the regulations and the Department’s *Standard Operational Procedures*^{xiii} (SOPs).

2.29 We developed criteria to use as the basis for our audit, which are shown in Appendix II. The criteria were reviewed and agreed upon by the Department.

2.30 We started planning our audit in June 2015 and concluded our fieldwork in May 2016. As shown in Exhibit 2.7, we visited each of the four regions (including the Agri-food offices) and tested food premises files from all regions. We interviewed personnel and accompanied inspectors doing inspections of food premises. Further details of our work performed for this audit are shown in Appendix III.

Exhibit 2.7 – Overview of Our Audit Work

2.7 Overview of Our Audit Work									
<i>Procedure</i>	<i>Details</i>								
Tested food premises files	<ul style="list-style-type: none"> 95 of approximately 4,000 files from all 4 Regions <table border="1" style="margin-left: 20px;"> <thead> <tr> <th style="background-color: #d9ead3;">North</th> <th style="background-color: #d9ead3;">South</th> <th style="background-color: #d9ead3;">East</th> <th style="background-color: #d9ead3;">Central</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">26</td> <td style="text-align: center;">19</td> <td style="text-align: center;">27</td> <td style="text-align: center;">23</td> </tr> </tbody> </table>	North	South	East	Central	26	19	27	23
North	South	East	Central						
26	19	27	23						
Observed 9 inspectors while they performed inspections	<ul style="list-style-type: none"> food premises files included: abattoirs, meat cut-up shops, meat and food processors, grocery stores, restaurants, schools, nursing homes, etc. All 5 Agri-food Inspectors and 4 of approximately 50 Public Health Inspectors In each of the 4 regions Inspections at abattoirs, meat shops, grocery stores, a food processor making sausages, and a restaurant 								
Conducted interviews	<ul style="list-style-type: none"> In the regions: <ul style="list-style-type: none"> Regional Medical Officers of Health Regional Director Public Health Inspectors and Agri-food Inspectors Administrative assistants Central office program employees from the <i>Office of the Chief Medical Officer of Health - Healthy Environment Branch</i>, including the Agri-food Manager 								

Key Findings

Symbols used in this chapter

2.31 Our audit was performed in accordance with standards for assurance engagements, encompassing value-for-money and compliance, established by the Chartered Professional Accountants of Canada, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

2.32 Certain statistical information presented in this chapter was compiled from information provided by the Department. It has not been audited or otherwise verified. Readers are cautioned that this statistical information may not be appropriate for their purposes.

2.33 In this chapter our key findings are reported in sections. Each key finding is supported with detailed findings. Our key findings are listed in Exhibit 2.8.

2.34 The following symbols are used to classify our findings:

- ✓ represents a positive observation;
- ✘ represents an area needing improvement or further consideration; and
- represents other observations.

Exhibit 2.8 - Key Findings

2.8	Key Findings	Paragraph Number
Positive observations		
✓	There are documented procedures for the program.	2.35
✓	The food premises program uses a risk-based strategy for inspections.	2.37
✓	The Department performs inspections to monitor operators' compliance with the standards.	2.39
✓	Enforcement actions are taken by the regional offices.	2.42
✓	Inspection results are posted on the Department's website.	2.44
Area needing improvement or further consideration		
✗	Only 1 of the 21 tested files complied with the Department's licensing procedures.	2.46
✗	We observed other licensing issues where improvement is needed.	2.55
✗	Annual risk assessments of food premises were not on file or the form was not completed properly in 68 of 78 files tested.	2.67
✗	Inspections were not done as directed by the <i>Standard Operational Procedures</i> (SOPs) in 63 of 78 files tested.	2.70
✗	We observed deficiencies in the inspection process.	2.79
✗	Violations are not collectively tracked and monitored.	2.88
✗	13 of 17 files tested lacked evidence that proper procedures were followed when a licence was revoked.	2.93
✗	Penalties are minimal for operators who fail to comply with the standards.	2.96
✗	Posting inspection results on the Department's website needs improvement.	2.103
✗	Existing systems do not allow the Department to generate useful information on food safety risks.	2.111
✗	Quality assurance over the food premises program is lacking and the Department's <i>Standard Operational Procedures</i> for the program are not followed consistently.	2.116
✗	The food premises program is not fully complying with the Province's <i>Food Premises Regulation</i> , leading to unaddressed food safety risks.	2.129

Key Finding: ✓ There are documented procedures for the program.

Why this is important **2.35** Documented procedures provide direction to staff for delivering a quality program consistently.

Findings **2.36** We found the following:

- ✓ There are documented *Standard Operational Procedures* (SOPs) for the program;
- ✓ The SOPs are comprehensive and consistent with the Regulation; and
- ✓ Staff are aware of the SOPs and find them helpful.

Key Finding: ✓ The food premises program uses a risk-based strategy for inspections.

Why this is important **2.37** Using a risk-based approach for the inspection function allows the Department to focus on higher risk food premises and inspect them more often than lower risk ones. For example, a restaurant preparing a variety of dishes on site may get inspected three times each year, whereas a small grocery store selling pre-packaged meats may get inspected once each year.

Finding **2.38** ✓ We found the food premises program uses a risk-based strategy for inspections. The SOPs provide instruction for completing a risk assessment for each food premises, which is “*to be updated on an annual basis to determine the inspection frequency*”.^{xiv}

Key Finding: ✓ The Department performs inspections to monitor operators' compliance with the standards.

Why this is important



✓ Inspection supplies: flashlight, thermometers, test strips, notepad, camera

2.39 “Routine inspections are full assessments of the food premises operations and their facilities. They include assessment of food service employees’ food handling practices and knowledge, product flow, food source, storage, thawing, preparation (including cooking temperatures and times) and post-preparation processes, equipment and facility construction, cleaning and sanitizing processes, water sources, sewage disposal and vermin control.”^{xv} The SOPs address inspection of food premises, including “inspection protocol”, which provides guidance on how to inspect food premises.

2.40 We believe inspecting food premises for compliance with the food premises standards is a key function in mitigating foodborne illness.

2.41 ✓ In general, we found inspectors followed the inspection protocol. Our observations are summarized in Exhibit 2.9. Some interesting comments from inspection reports are documented in Exhibit 2.10.

Finding

Exhibit 2.9 – AGNB Observations of Inspectors Performing Inspections

2.9	AGNB Observations of Inspectors Performing Inspections
<p><i>Procedure or Action</i></p> <hr/> <ul style="list-style-type: none"> ✓ Reviewed previous inspection report before going on site (prepare for inspection) (note 1) ✓ Inspected while facility was operating (note 1) ✓ Unannounced inspection. Operator was surprised to see inspector (note 1) ✓ Introduced themselves (show identification if asked, state intent to inspect and nature of inspection) (note 1) ✓ Did complete and thorough walk-around making observations (note 1) ✓ Had a good relationship with operator: respectful, serving as both an educator and an enforcer of the food premises standards (note 2) 	
<p>Notes:</p> <ol style="list-style-type: none"> 1. Procedure or action required by <i>Food Premises Standard Operational Procedures (SOPs)</i>. 2. Procedure or action considered appropriate and good practice by AGNB, based upon SOPs. <p>Source: Observations made by AGNB while accompanying all 5 Agri-food Inspectors and 4 (one from each region) of approximately 50 Public Health Inspectors doing routine inspections at a variety of food premises involving meat (abattoirs, meat shops, grocery stores, a food processor and a restaurant).</p>	

Exhibit 2.10 – Quotes from Food Premises Inspection Reports

2.10	Quotes from Food Premises Inspection Reports
	<ul style="list-style-type: none"> • <i>“Wings found thawing at room temperature. Thawing must be done under continuously cold running water, in the microwave and used immediately or in the fridge.”</i> • <i>“Rodent droppings found throughout the kitchen. There shall be no signs of rodents and insects.”</i> • <i>“Operator/staff must not sleep on the preparation table. It is not a bed and is not an acceptable practice.”</i> • <i>“Foods in refrigerators shall be kept covered to prevent contamination. Uncovered mushrooms & raw chicken in walk-in cooler. (discarded)”</i> • <i>“Cutting boards are no longer smooth and easily cleanable and must be resurfaced or replaced.”</i> • <i>“Knives cannot be stored dirty. They must be properly cleaned and sanitized.”</i> • <i>“Knife holders were not being removed, washed, rinsed and sanitized in the meat department.”</i> • <i>“No meat shall be cut before equipment has been cleaned and sanitized.” [Translation]</i> • <i>“Ready-to-eat meat should not be stored with raw meat.” [Translation]</i> • <i>“There is lack of knowledge with regard to cleaning and sanitizing and proper food handling.</i> • <i>“Employee[s] show a lack of hand washing importance.”</i> • <i>“Dishes must be sanitized as part of the washing process.”</i> • <i>“Mousetrap found on hand wash sink. Keep hand wash sink clean and sanitary and use only for hand washing.”</i> • <i>“Sinks not to be used for storage – washing and sanitizing only.”</i> • <i>“Chemicals stored above food products.”</i> • <i>“Damaged food containers found. Discard immediately as cross contamination can occur.”</i> • <i>“A thorough cleaning and sanitizing of the kitchen is required. Floors, Equipment, food contact surfaces, food containers.”</i> • <i>“There is no properly mixed sanitizer present.”</i> • <i>“The kitchen requires more lighting. It is too dark to properly see areas that require cleaning.”</i>
	<p>Source: Excerpts from food premises inspection reports, “Remarks” section</p>



✘ Cutting boards are no longer smooth and easily cleanable and must be resurfaced

Key Finding: ✓ Enforcement actions are taken by the regional offices.

Why this is important

2.42 There should be documented procedures for enforcing the food premises standards. When operators fail to comply with the standards, the Department should take appropriate action.

Finding

2.43 ✓ We found enforcement procedures are documented in the SOPs and enforcement actions are taken by the regional offices when operators do not comply with food premises standards. While accompanying inspectors performing inspections, we saw situations where the inspector instructed the operators to discard food and items, which is within their authority. During our review of food premises files, we saw evidence of inspectors investigating a complaint, Regional Directors issuing warning letters, regions suspending and revoking licences and one case where non-compliance by a food premises was referred to the Crown Prosecutor.

Key Finding: ✓ Inspection results are posted on the Department's website.

Why this is important

2.44 Posting inspection results on the Department's website has several benefits. Providing public access to food premises' inspection results allows the consumer to be better informed. Also, the watchful eye of the consumer in this competitive environment can serve as a strong incentive for food premises to comply with the standards. In addition, posting inspection results demonstrates the Department's accountability for the food premises program.

Finding

2.45 ✓ We found inspection results are posted on the Department's website for public viewing. According to the SOPs, inspection reports are posted for all food premises except those for adult and child residential facilities, daycares, abattoirs and dairy plants. We reviewed the Department's website and found inspection results were posted for each of the four regions. An example of food premises inspection results posted on the Department's website can be found in Appendix VI.

Key Finding: ✘ Only 1 of the 21 tested files complied with the Department's licensing procedures.

Why this is important

2.46 The *Standard Operational Procedures* (SOPs) address the licensing of food premises. They provide direction on the classes of licences, the requirements for licensing, and the licensing process. (See Appendix IV for food premises classes with examples.)

Operator compliance with the standards is required before licensing

2.47 **An inspection report with a green rating is required prior to licensing.** The Regulation states, “*The Minister shall not issue a licence to an applicant unless he or she has a copy of an inspection report by a public health inspector, made not more than 3 weeks before the date of issuance of the licence, indicating that the food premises meets the standards ...*”^{xvi} This requirement is also stated in the SOPs.

Our testing

2.48 The guidance on the licensing process is very direct, making reference to documents to be used and the timeline to be followed. Given the annual process for renewing a licence is primarily an administrative task not involving the Public Health Inspectors, we believe it is critical the Department ensure full compliance with the food premises standards before issuing a new licence to an operator.

2.49 We tested a sample of 21 files where a new licence had been issued to determine if proper procedures were followed by the Department before issuing the licence.

Findings

2.50 We found the Department did not ensure applicants (for food premises licences) submitted all the required documentation and complied with the food premises standards prior to issuing a licence. An inspection report indicating that the food premises meets the standards is required by the Regulation before issuing a licence, and we found the Department was not always complying with this requirement. Our testing results are shown in Exhibit 2.11. Specifically, we found the following:

- ✘ Only one of the 21 tested files complied with the Department's licensing procedures;
- ✘ Four of 21 files had significant deficiencies (unsupported licence issued by the Department) – see Exhibit 2.12; and
- ✘ A post-licence routine inspection was not done in 16 of 21 files tested.

Exhibit 2.11 - Issuing a New Licence to an Operator - Results of Testing

2.11 Issuing a New Licence to an Operator - Results of Testing	
Number of files tested	21
Number of files showing procedures were properly followed	1
Number of files with deficiencies . (There was no documentation in the file indicating one or more proper procedures had been completed.)	20
Deficiency	Number of files with deficiency
Incorrect fee was received (note 2)	4
Application did not contain all required information:	
• Dates and times of intended operation of the food premises	6
• Statement of the applicant's experience in operating a food premises or documentation of food safety training	4
• Details of staff training that has been or will be provided	4
• Details of hygienic practices and procedures to be followed by persons working in the food premises and a copy of the applicant's health policy for staff	5
• Documentation detailing how the premises, equipment and utensils will be kept clean and sanitary, including details on disposal of waste products. Sanitizing procedures must be described in detail	3
• Documentation on food handling procedures used by the applicant for potentially hazardous food. This should include thawing methods, cooking and holding temperatures, cooling methods, etc.	4
Letter not sent to the applicant indicating the application was approved (issued after the inspector has reviewed the application information and has determined it to be appropriate)	17
Inspection not conducted before the licence was issued (note 3)	3
Inspection report did not have a green rating	1
Inspection report was incomplete (not all standards marked) – see paragraph 2.51	5
Licence issuance date was not reasonable (note 3)	7
Notes:	
1. The deficiencies were identified while reviewing files from all regions. The deficiencies were discussed with the Regional Directors and the Agri-food Manager and examples of deficiencies were shown to them.	
2. Deficiencies involved the following: operator applied for the wrong class and wrong fee was received, an old application form was used and an outdated fee was received, and no documented evidence of fee received.	
3. Examples discussed in Exhibit 2.12	
Source: Observations made by AGNB from testing a sample of 21 files where a new licence was issued to an operator during the period from April 1, 2014 to March 31, 2015. The sample included files from all four regions and applications where the approving procedures were completed by Public Health Inspectors and Agri-food Inspectors. The sample covered a variety of food premises, including: an abattoir, meat shops, meat and food processors, grocery stores and restaurants.	

✘ An inspection report indicating that the food premises met the standards was not always present

2.51 The Department is not complying with the Regulation when it issues a licence without an inspection report showing the operator complies with the food premises standards. When reviewing inspection reports that supported new licences issued, we observed the following:

- ✘ The inspection report supporting the new licence was incomplete in five of the 21 (24%) files tested, as shown in Exhibit 2.11. (In this case, “incomplete” means that all of the standards were not marked as “not observed”, “satisfactory” or “unsatisfactory”. Given these three options, there is no reason for not marking all of the standards.)
- ✘ One inspection report did not have a green rating which is required prior to licensing.
- ✘ One inspection report noted the following violation, “*Hot water is required before operating.*” This is a critical violation, which would result in a striped-red colour rating and require a re-inspection. However, the inspection was given a green score and marked, “*No Re-inspection Required*”.

✘ 4 files had significant deficiencies (unsupported licence issued by the Department)

2.52 We found four files had significant deficiencies. We selected two of these cases to discuss with the Regional Director. In both cases, they agreed that the documentation in the food premises file did not support the issuance of the licence. See Exhibit 2.12 for details on the four cases of unsupported licence.

Exhibit 2.12 – Food Premises Licensing Procedures Not Followed – Four Severe Cases

2.12	Food Premises Licensing Procedures Not Followed – Four Severe Cases
<p>Case A – food processor</p> <ul style="list-style-type: none"> ✘ The application was for a class 3 food premises licence (see Appendix IV) and the Department received \$50. The Department issued a class 5 licence. The licence fee for class 5 was \$350. ✘ The inspection report supporting the new licence indicated a re-inspection was required by a specific date. The re-inspection was not done. ✘ While a new licence was issued to the operator in March, a formal warning letter regarding non-compliance was issued in July, four months later. ✘ Four months after the initial inspection, a different inspector did a routine inspection detecting ten violations, with five being “major”. Five re-inspections were done before the operator had satisfactory compliance. (Four of the re-inspections were done within a 37-day period.) <p>Case B - restaurant</p> <ul style="list-style-type: none"> ✘ The application was missing most of the required documents. Only the application form and a floor plan were present. ✘ The inspection report supporting the new licence (dated May 5) had 21 standards marked “not observed” and 19 standards observed. This means that less than half of the standards were inspected before the new licence was issued, and the post-licence inspection was not completed within the required timeframe of three weeks. (The next inspection was dated Aug 22.) ✘ The new licence was dated April 1, 2014. The inspection report was dated May 5, 2014. This suggests the licence was issued before the inspection was done, or the licence was dated incorrectly. <p>Case C – retail store having a meat section and a deli with rotisserie chickens</p> <ul style="list-style-type: none"> ✘ The application was missing most of the required documents. ✘ The date on the licence (July 3) indicated the licence was issued before all of the required application documentation was obtained. An email from the operator to the inspector dated July 15 stated, “<i>I am sending you all other required documents in separate e-mails.</i>” ✘ The July 3 date on the licence also indicated the licence was issued before the inspection (dated July 21) was done demonstrating the operator’s compliance. ✘ The July 21 inspection report for the new facility had 18 standards marked “not observed”. This indicates a complete and thorough inspection was not done, and there is no evidence the operator was fully complying with the standards. The next inspection was done 18 months later. <p>Case D – meat shop</p> <ul style="list-style-type: none"> ✘ The application was missing many of the required documents, including: 1. details of hygienic practices and procedures to be followed and a copy of the applicant’s health policy for staff; 2. documentation detailing how the premises, equipment and utensils will be kept clean and sanitary, including details on disposal of waste products - sanitizing procedures must be described in detail; 3. documentation on food handling procedures used by the applicant for potentially hazardous food; and 4. the dates and times of intended operation of the food premises. 	
<p>Source: The cases and deficiencies were identified while reviewing files from all regions.</p>	

✘ A post-licence routine inspection was not done in 16 of 21 files tested

Recommendation

2.53 Regarding the inspection for a new licence, the SOPs state, “*New facilities and those with a new licence require inspections prior to opening. ... A routine inspection shall follow the new facility inspection within 3 weeks of licence issuance to observe food handling practices.*”^{xvii} We tested our sample of 21 files with new licences to see if the post-licence routine inspection was done. We found a post-licence routine inspection was done in four files and not done as required in 16 files. The test was not applicable for one file.

2.54 **We recommend the Department of Health ensure applicants for food premises licences submit all required documentation and comply with the food premises standards prior to issuing a licence.**

Key Finding: ✘ We observed other licensing issues where improvement is needed.

Why this is important

2.55 Ensuring all food operators are licensed, and licensed in the correct class, is fundamental for the food premises program's effectiveness.

Findings

2.56 We found the following:

- ✓ The Department's annual licence renewal administrative process appears to work well.
- ✘ There is inconsistency in the licensing information maintained by the regional offices.
- ✘ Procedures to identify illegal operators are not done routinely.
- ✘ Procedures to ensure the licence class is correct are not done routinely.

✓ ***The Department's annual licence renewal administrative process appears to work well***

2.57 From reviewing the SOPs, examining licences in food premises files and interviewing administrative support staff responsible for renewing food premises licences, we concluded the Department's annual licence renewal process appears to work well.

✘ ***There is inconsistency in the licensing information maintained by the regional offices***

2.58 Information on food premises provided by the regional offices revealed inconsistency in the information captured and maintained by different offices. In at least two of the four regions, there was inconsistency between sub-offices within the region. This makes it difficult to accumulate accurate provincial program information.

✘ ***Procedures to identify illegal operators are not done routinely***

2.59 Some people who perform food operations, which require them to be licensed, are not. They are referred to as "illegal operators". Identifying illegal operators is not addressed by the SOPs. We asked regional staff if there were routine procedures to identify illegal operators.

2.60 The Department becomes aware of illegal operators through various means including: complaints from the public of various matters, other licensed food operators, inspectors seeing signs while driving, etc. However, the Regional Directors confirmed there were no procedures done on a regular basis to identify active food operators who are not licensed.

✘ ***Procedures to ensure the licence class is correct are not done routinely***

2.61 While reviewing lists of licensed food premises provided by the regions and testing a sample of food premises files, we observed food premises which appeared to be licensed in the wrong class. Some of these were discussed with regional staff and confirmed to be in

the wrong class.

2.62 Having the proper class of licence is important for the following reasons:

- The type of inspector assigned to the food premises depends upon the licence class. Public Health Inspectors have specialized training in food science and are responsible for inspecting most food premises. Agri-food Inspectors have specialized training in agricultural activities and are responsible for inspecting abattoirs, some meat shops and dairies;
- Some standards apply only to specific classes. Examples include the class 4 requirement that staff have food safety training and the class 5 requirement for food recall records, which are needed if a foodborne illness is traced to the operator;
- The annual licence fee differs for each class of licence, ranging from \$0 for a day care or residential facility to \$1,050 for a dairy plant; and
- The inspection report for specific types of licences does not get posted to the Department's website. For example, abattoir inspection reports are not posted.

2.63 Regional Directors confirmed the class of licence is important and that there were no procedures done on a regular basis to ensure the licence class of food premises is correct.

3 of 5 abattoirs had food operations outside of typical abattoir activities - may result in unaddressed risks



An abattoir was preparing and selling beef jerky, pepperoni and pea meal bacon, which is outside of typical abattoir licence activities.

2.64 Three of the five abattoirs we visited were producing ready-to-eat meat and non-meat products. These processes are not typically part of the slaughter or meat-cutting activities that occur in abattoirs and may result in unaddressed risks.

- One abattoir was preparing and selling head cheese, beef jerky, smoked salmon, sausages, bacon sausage rolls, dog treats, etc.;
- Another abattoir was preparing and selling beef jerky, pepperoni and pea meal bacon; and
- We made several surprising observations at the third abattoir which we report in Exhibit 2.13.

Exhibit 2.13 – Surprising Observations at a Licensed Food Premises




2.13	Surprising Observations at a Licensed Food Premises
<p>These two photos were taken in a walk-in cooler.</p>	
	<p>Hanging carcasses insufficiently separated in cooler used for food storage (risk of contamination to other products)</p> <p>Ready-to-eat meats (bologna and pepperoni sausage) stored close to carcass (risk of contamination)</p> <p>Spaghetti sauce stored close to carcass (risk of contamination to outside of jar)</p> <p>Blood from the hanging carcasses on the floor where employees may walk through (risk of contamination)</p>
<p>Raw meat stored above raw vegetables (risk of contamination)</p> <p>Unlabeled food items (violation)</p> <p>Blood on the floor where employees may walk through (risk of contamination)</p> <p>Items stored directly on floor (prevents proper cleaning)</p>	
<p>Source: Observations made by AGNB while observing an inspection of an abattoir, many of which were noted by the inspector on the inspection report.</p>	

Exhibit 2.13 continued – Surprising Observations at a Licensed Food Premises

2.13 cont'd	Surprising Observations at a Licensed Food Premises
<p>Inadequate separation between slaughter and food processing areas poses a risk of contamination.</p>	
	
<ol style="list-style-type: none"> 1. Slaughter room 2. Door between slaughter room and food processing area had a hole where doorknob belongs. Also, the open door allows employees to move freely between areas posing a risk of contamination. 3. Food processing area where items such as the following were prepared: fudge, meat pies, headcheese, spaghetti sauce, pickled eggs, etc. 	
<p>Other AGNB observations and comments:</p>	
<ul style="list-style-type: none"> • The facility had a large retail outlet with many different products, a slaughter room, a meat cut-up area, several walk-in freezers and coolers, and a large kitchen. (The licensed abattoir appeared to be a minor part of the establishment's business.) • The business also did barbeques off-site for groups. They were catering one for 40 people the day after our visit. A large barbeque was stored in the back room. (This is typical class 4 licence activity, not class 5 abattoir activities.) • A staff member was wrapping utensils in napkins in the food processing area (adjacent to the open slaughter room) to be used at an upcoming event. (There could be a risk of contamination.) • Some sausages made at the abattoir were labeled and packaged for a different company, expanding the distribution of the product. (Foodborne illness is influenced by food volume. Increased handling and storage of large volumes increases the risk of temperature abuse.^{xviii}) • In addition to those identified in the photos, we observed the following violations: <ul style="list-style-type: none"> ✘ Male employees in the cut-up area did not wear hair nets; ✘ Dirty knives were observed in the slaughter area; ✘ A bag of onions was stored on the floor next to cleaning products; ✘ An uncovered unlabeled bucket of dirty rags was stored in the walk-in freezer; and ✘ Boxes were stored directly on the floor in the walk-in freezer. 	
<p>Source: Observations made by AGNB while observing an inspection of an abattoir, many of which were noted by the inspector on the inspection report.</p>	

Recommendations

2.65 We recommend the Department of Health implement procedures to identify illegal operators of food premises and then proceed to either license the operator or take enforcement actions to cease their operations. The procedures should be done on a regular basis and the results documented.

2.66 We recommend the Department of Health review all food premises licences to ensure the class is correct and the proper annual fee is being collected.

Key Finding: ✘ Annual risk assessments of food premises were not on file or the form was not completed properly in 68 of 78 files tested.

Why this is important

2.67 We believe a risk-based inspection strategy provides for the most efficient use of resources, as it focuses more on food premises with higher risk. The Department's process of completing risk assessments on food premises sets the required routine inspection frequency. Exhibit 2.14 provides information from the SOPs on the risk categories with inspection frequency and risk factors.

Exhibit 2.14 – Risk Categories with Inspection Frequency and Risk Factors

2.14 Risk Categories with Inspection Frequency and Risk Factors	
Risk Category	Minimum Frequency of Inspection
<i>High</i>	<i>a minimum of THREE inspections per year</i>
<i>Moderate</i>	<i>a minimum of TWO inspections per year</i>
<i>Low</i>	<i>a minimum of ONE inspection a year</i>
<p><i>Foodborne illness is influenced by many factors, including:</i></p> <ul style="list-style-type: none"> • <i>the types of foods;</i> • <i>the type of preparation;</i> • <i>the volume;</i> • <i>the population; and</i> • <i>food handler education and training.</i> <p><i>Each of these factors will be considered in establishing the risk category assigned to a premises.</i></p> <p>Note: <i>Scheduled inspections will be conducted in accordance with the result of the risk assessment of each food premises. Follow-up inspections will be conducted as required based on inspection results.</i></p>	
<p>Source: Excerpts from <i>Food Premises Standard Operational Procedures</i></p>	

Findings

✘ 68 of 78 files tested contained deficiencies in risk assessments of food premises

2.68 We tested a sample of 78 food premises files to determine if risk assessments of food premises were completed as directed by the SOPs. We concluded the SOPs relating to risk assessments were not always followed. In the 78 files, the number of risk assessments ranged from none to three. If at least one assessment did not follow procedure, we concluded the file had a deficiency. The results of our testing are shown in Exhibit 2.15. We found 68 of the files tested contained deficiencies, including the following:

- ✘ a risk assessment was not present in 12 of 78 files tested;
- ✘ the risk assessment was not updated annually in 58 files;
- ✘ the form was not completed properly in 29 of the 66 files with risk assessments; and
- ✘ two assessments were over eight years old.

Exhibit 2.15 - Risk Assessments - Results of Testing

2.15 Risk Assessments - Results of Testing	
Number of files tested	78
Number of files showing risk assessment procedures were properly followed	10 (13%)
Number of files with deficiencies . (There was no risk assessment on file or the form was not completed properly.)	68 (87%)
<i>Deficiency</i>	<i>Number of files with deficiency</i>
Risk assessment(s) not present in file	12 (15%)
Risk assessment form(s) completed incorrectly (66 files had forms)	29 (44%)
<ul style="list-style-type: none"> not all sections marked (The resulting score and risk category may be affected when all sections are not completed. This may affect the inspection frequency.) 	4 (6%)
<ul style="list-style-type: none"> score incorrect (An incorrect score may result in a wrong risk category and wrong inspection frequency.) 	12 (18%)
<ul style="list-style-type: none"> risk category incorrect (An incorrect risk category results in a wrong inspection frequency.) 	5 (8%)
<ul style="list-style-type: none"> form not reviewed – “<i>Assessment reviewed by:</i>” and “<i>Date:</i>” spaces were blank. (A supervisor’s review reduces the risk of error and contributes to the proper inspection frequency being assigned to a food premises.) 	19 (29%)
Risk assessment(s) not updated annually	58 (74%)
Notes:	
<ol style="list-style-type: none"> We tested a sample of 78 food premises files. We selected the sample to include files from all four regions (as indicated in Exhibit 2.7) and all sub-offices, inspections by both the Public Health Inspectors and the Agri-food Inspectors, and a variety of food premises (abattoirs, meat cut-up shops, grocery stores, restaurants, schools, nursing homes, etc.). In each file, we reviewed the risk assessments for a three-year period (from April 1, 2012 to March 31, 2015) to determine if the risk assessment forms were properly completed and updated annually. We tested forms completed before April 1, 2015 only. (This date is prior to the Department being notified of our audit. We saw several files for which no risk assessment had been completed for many years, which recently had a risk assessment form completed. These recent forms were not included in our test.) The number of risk assessments in a file for the three-year test period varied from none to three, depending on the Department’s compliance with the requirement to do risk assessments and when the facility was first licensed. If one risk assessment did not follow procedure, we concluded the file had a deficiency. The deficiencies were identified while reviewing files from all regions. The deficiencies were discussed with the Regional Directors and the Agri-food Manager and examples of deficiencies were shown to them. 	
Source: Observations made by AGNB.	

Recommendation

2.69 We recommend the Department of Health fully implement its risk-based inspection strategy by ensuring staff follow the documented *Standard Operational Procedures* and properly complete a risk assessment, and update it annually, to determine the proper inspection frequency for food premises.

Key Finding: ✘ Inspections were not done as directed by the *Standard Operational Procedures (SOPs)* in 63 of 78 files tested.

Why this is important

2.70 “*Inspection provides an opportunity to audit the food premises’ ongoing internal programs, practices and procedures that are necessary to prevent risks from developing that are causes or contributing factors to foodborne illness. It also provides an opportunity to educate operators and food handlers on food safety issues.*”^{xix} We believe monitoring and ensuring operators’ compliance with the food premises standards is a key function in mitigating risks of foodborne illness.

Findings

2.71 The SOPs describe the types of inspection and provide the inspection protocol, which includes preparing the inspection report. We tested a sample of 78 food premises files to determine if inspections were done in accordance with the SOPs. We concluded they typically were not.

✘ 63 of the 78 files tested contained deficiencies in performing and documenting inspections of food premises

2.72 The results of our testing are shown in Exhibit 2.16. The number of inspection reports in the 78 files we reviewed ranged from one to sixteen. If at least one inspection report did not follow procedure, we concluded the file had a deficiency. Sixty-three (81%) of the files we tested contained deficiencies, including the following:

- ✘ Many inspection reports were incomplete or inaccurate. In addition to the seven attributes shown in Exhibit 2.16, we found:
 - ✘ Some inspectors’ handwritten comments were very difficult to read, illegible, or incorrect. It is imperative for inspection reports to be legible in order for operators to understand the violations needing corrective action;
 - ✘ The licence class was improperly marked in some cases. When this happened with class 5 food premises, it caused an incomplete inspection relating to food recall records, which are needed if a foodborne illness is traced to the operator;
 - ✘ Repeat violations were not always noted. (The SOPs for routine inspections state, “*Items found to be repetitive from the previous inspection are also noted;*”^{xx}) and
 - ✘ Re-inspection reports were not documented consistently. We noted in several cases there was no evidence that all of the violations from the previous inspection had been corrected.

- ✘ Routine inspections were not always done when required in 25 files (32%). We examined one file where a licensed food premises requiring two inspections per year was not inspected between July 15, 2013 and March 30, 2015 (20 months). And, we examined another file where there was only one inspection report on file (from 2013) yet the facility had a licence for three fiscal years; and
- ✘ Re-inspections (to ensure violations were corrected) were not always done when required in 19 files (24%). Inspectors should perform re-inspections to determine if violations have been corrected within the allotted time. Given re-inspections are required when there is a “*risk to human health*”^{xxi}, we believe timely completion of re-inspections is very important.

Inspection reports have many users and should always be completed properly

2.73 The inspection report is a very important document. It provides evidence the Department visited the food premises and inspected the operator’s compliance with the food premises standards. A copy is given to the operator to serve as a reminder of the food premises standards and to inform of corrections required. A copy must be posted in the food premises for public viewing. Also, a copy is posted on the Department’s website, providing the public awareness of violations to the food premises standards and assurance of food safety. Given the importance of the inspection report, we believe it is crucial to the food premises program for the inspection report to be always completed properly.

2.74 The inspection report is designed as a checklist of food premises standards. Appendix V shows a copy of an inspection report. Inspection reports are completed manually by Public Health Inspectors and Agri-food Inspectors. The inspector can mark a standard as “not observed”, “satisfactory” or “unsatisfactory”. “Unsatisfactory” items must be documented, including categorizing each violation as “minor”, “major” or “critical” and giving a date by which the violation must be corrected. The inspection report is given a colour rating (green, yellow or red) based on the number and severity of the violations. (For example, a green rating is scored if the food premises has no more than five “minor” violations. A “major” violation results in a yellow rating, and a “critical” violation results in a red rating.) The report also shows whether a re-inspection is required. Both the inspector and the operator sign the report.

Exhibit 2.16 - Inspections - Results of Testing

2.16 Inspections - Results of Testing	
Number of files tested (See Exhibit 2.15, note 1)	78
Number of files showing inspection procedures were properly followed	15 (19%)
Number of files with deficiencies . (One or more proper procedures had not been followed.)	63 (81%)
Deficiency	Number of files with deficiency
Completeness of inspection report:	
<ul style="list-style-type: none"> Not all items to be inspected were marked. (Marking all items demonstrates all food premises standards were considered by the inspector during the inspection.) 	46 (59%)
<ul style="list-style-type: none"> Not all violations (items marked “unsatisfactory”) were explained in the “Remarks” section. (When a food premises standard is not met, it should be fully explained so the operator can take corrective action.) 	9 (12%)
<ul style="list-style-type: none"> Correction dates were not provided for all violations. (Dates tell the operator how long they have to make corrections. For example, an operator may be given six months to repair a floor. Sometimes immediate action is required.) 	14 (18%)
<ul style="list-style-type: none"> Report was not signed by both the inspector and operator, or operator's representative. (A signed report indicates the inspector reviewed the inspection report with the operator.) 	10 (13%)
Accuracy of inspection report:	
<ul style="list-style-type: none"> Violations recorded in the “Remarks” section were incorrectly categorized as “minor”, “major” or “critical”. (The category affects both the colour rating and the re-inspection requirement.) 	26 (33%)
<ul style="list-style-type: none"> Colour rating did not reflect the number and severity of violations. (The colour rating – green, yellow or red – appears on the Department’s website along with the name of the food premises.) 	22 (28%)
<ul style="list-style-type: none"> “Re-inspection Required” section was incorrectly completed based upon the number and severities of violations. (This section states if a re-inspection is required, and if so, the date when the inspector will return to verify the violations were corrected.) 	13 (17%)
Re-inspection was not completed by the specified date (not done or more than one day late, if a re-inspection was required)	19 (24%)
Not all required routine inspections were completed annually. (A risk assessment is completed for each food premises to determine the required inspection frequency.)	25 (32%)
Notes:	
1. A file contains several inspection reports, depending on how long the food premises has been licensed, its risk score, and its compliance performance. The number of inspection reports in the files we reviewed ranged from one to sixteen. If at least one inspection report did not follow procedure, we concluded the file had a deficiency.	
2. The deficiencies were identified while reviewing files from all regions. The deficiencies were discussed with the Regional Directors and the Agri-food Manager and examples of deficiencies were shown to them.	
Source: Observations made by AGNB from testing 78 food premises files for a three-year period (April 1, 2012 to March 31, 2015).	

Recommendations

- 2.75** We recommend the Department of Health follow the documented *Standard Operational Procedures (SOPs)* and properly conduct inspections to monitor operators' compliance with the food premises standards.
- 2.76** We recommend the Department of Health properly document all inspections by accurately and neatly completing the *Food Premises Inspection Form*.
- 2.77** We recommend the Department of Health perform the required number of routine inspections each year (which is determined by assessing the risk of the food premises).
- 2.78** We recommend the Department of Health perform re-inspections on a timely basis to ensure violations of the food premises standards have been corrected.

Key Finding: ✗ We observed deficiencies in the inspection process.

Why this is important

2.79 We believe inspecting food premises for compliance with the food premises standards is a key function in mitigating foodborne illness.

Findings

2.80 We accompanied inspectors while they performed routine inspections. The inspectors explained to us what they were doing and seeing as they performed and documented their inspection. We asked questions and observed. We accompanied all five Agri-food Inspectors (who inspect 31 abattoirs) and four (one from each region) of approximately fifty Public Health Inspectors (who inspect approximately 4,000 other food premises).

2.81 We observed deficiencies in the inspection process and inconsistencies between inspectors, including the following:



✓ Inspector using a probe thermometer to ensure cooked meat is at a safe temperature.

✗ **Not all inspectors washed their hands before beginning the inspection.** Washing their hands serves several purposes, including: preventing contamination through inspection; sending a message regarding the importance of hand hygiene; and ensuring everything required for proper hand-washing is present (hot water, soap, paper towel). Three Agri-food Inspectors did not wash their hands before beginning the inspection;

✗ **Not all inspectors used a flashlight to enhance their inspection.** Using a flashlight allows one to see things that are otherwise not visible, such as food particles stuck on parts of equipment and knife blades, and dirt, food or rodent droppings in dark or distant areas and underneath shelving. Three Agri-food Inspectors and one Public Health Inspector did not use a flashlight;

Date	Temp	Cooler 1a	Cooler 1b	Cooler 2	Cooler 3
17th	Temp AM	✓	✓	✓	✓
17th	Temp PM	✓	✓	✓	✓
18th	Temp AM	✓	✓	✓	✓
18th	Temp PM	✓	✓	✓	✓
19th	Temp AM	✓	✓	✓	✓
20th	Temp AM	✓	✓	✓	✓
20th	Temp PM	✓	✓	✓	✓
21st	Temp AM	✓	✓	✓	✓
22nd	Temp AM	✓	✓	✓	✓
22nd	Temp PM	✓	✓	✓	✓
23rd	Temp AM	✓	✓	✓	✓
23rd	Temp PM	✓	✓	✓	✓
24th	Temp AM	✓	✓	✓	✓
24th	Temp PM	✓	✓	✓	✓
25th	Temp AM	✓	✓	✓	✓
25th	Temp PM	✓	✓	✓	✓
26th	Temp AM	✓	✓	✓	✓
26th	Temp PM	✓	✓	✓	✓
27th	Temp AM	✓	✓	✓	✓
27th	Temp PM	✓	✓	✓	✓
28th	Temp AM	✓	✓	✓	✓
28th	Temp PM	✓	✓	✓	✓
29th	Temp AM	✓	✓	✓	✓
29th	Temp PM	✓	✓	✓	✓
30th	Temp AM	✓	✓	✓	✓

✗ **discrepancies with operator's temperature log:**
1) temperatures recorded for 30 days in February (typically only 28 days) and
2) 1 freezer unit missing from the record

✗ **Temperatures were not always adequately verified.** Maintaining proper temperatures is one of the most significant preventions to foodborne illness.^{xxii} While most inspectors reviewed the operator's temperature records (for monitoring temperatures of refrigerated areas), we detected discrepancies with three operators' records which had gone undetected by the inspector. In addition, three Agri-food Inspectors did not use their own thermometers to verify that refrigerated and frozen storage areas were maintaining proper temperatures;

- ✘ **Verifying the strength of sanitizers was not done consistently.** Properly cleaning and sanitizing areas is also one of the most significant preventions to foodborne illness.^{xxiii} Concentrated sanitizing solutions must be properly mixed for use. If the solution is too weak, it will not kill the germs; if it is too strong, it may chemically contaminate food. Three Agri-food Inspectors did not ensure the operator had and knew how to use test strips to verify concentration of sanitizers;
- ✘ **Verifying food safety training was not done consistently.** We believe this standard should be verified during the inspection by talking with staff and reviewing employee files for food-safety training certificates for new or recently trained staff. Two Public Health Inspectors did not review employee files for records of employee training and certification; and
- ✘ **Six of nine inspectors did not record all violations on the inspection report.**

✘ 6 of 9 inspectors did not record all violations on the inspection report

2.82 The SOPs are clear; all violations should be recorded on the inspection report. *“The inspection report is the official Department document regarding compliance of a food premises. The goal of the report is to clearly, concisely and fairly present all of the non-compliance areas of a premises and to convey compliance information to the operator or person in charge at the conclusion of the inspection.”*^{xxiv}

2.83 One Public Health Inspector and the five Agri-food Inspectors (six of the nine inspectors) did not record all of the violations observed during the inspection. They verbally discussed some violations with the operator, rather than documenting them on the inspection report. Unless all violations are recorded on the inspection report, there is a risk that violations do not get corrected.

2.84 At times during the inspections, we asked the inspector about the acceptability of specific practices we observed. Exhibit 2.17 presents observations we confirmed with the Department to be unsatisfactory but were not reported by inspectors to the operators as violations.

Exhibit 2.17 – AGNB Observations that were Not Reported by Inspectors as Violations

2.17 AGNB Observations that were Not Reported by Inspectors as Violations

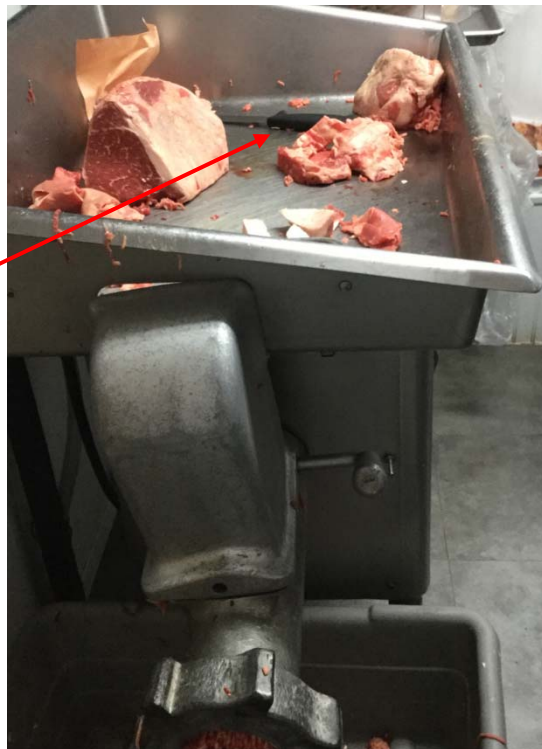


× Bloody and damaged packaging

× Meat stored directly on metal shelves

× Storage directly on floor

× Blood on floor



× Used knife with meat to be ground

- × Raw uncovered poultry in refrigerated unit next to uncovered smoked ham
- × Uncovered, unlabeled casings (for making sausages) in refrigerated unit
- × Unidentified frozen food item labelled “Miscellaneous” and dated 2014 for sale in March 2016
- × Hair not covered (hat or hair net) and no apron when handling raw meat
- × Licence not available for public viewing or expired licence posted for the public (2 cases)

Source: Observations by AGNB while accompanying inspectors doing inspections of food premises.

Exhibit 2.17 continued – AGNB Observations that were Not Reported by Inspectors as Violations

2.17 cont'd

AGNB Observations that were Not Reported by Inspectors



× Meat preparation area with dirty containers, dish cloth and used paper towel

× Improper labelling of sale items (No label on sauces. Item name and date of preparation are missing on meat label).



- × Tongs left in meat in display case; tongs in bowl of food in cooler
- × Hand-washing sink being used to wash equipment. Inspector told us, “No designated hand-washing sink needed in abattoirs.”
- × Staff drinking coffee in meat handling area
- × Sanitizer next to ready-to-eat meat
- × Smocks worn by restaurant kitchen staff stored in staff washroom
- × Aprons worn by meat cutters stored next to personal items in staff room

Source: Observations by AGNB while accompanying inspectors doing inspections of food premises.

Recommendations

2.85 As part of recommendation 2.75, we recommend the Department of Health ensure all inspectors wash their hands before beginning their inspection and record all violations on the inspection report.

2.86 We recommend the Department of Health enhance inspections by checking temperatures, sanitizing solution concentration, food safety training records, etc. and thoroughly reviewing operators' records required by the food premises standards.

2.87 We recommend the Department of Health encourage consistency between inspectors through such means as:

- providing refresher training on the SOPs;
- monitoring compliance with the SOPs; and
- having regular meetings to discuss violations and food premises standards using professional judgment.

Key Finding: ✕ Violations are not collectively tracked and monitored.

Why this is important

2.88 Collectively tracking and monitoring violations has value in two ways. First, it allows trends to be identified, and systematic corrective action could target trends in non-compliance. And secondly, it provides a basis for measuring food premises' compliance with the food premises standards and the effectiveness of the program.

Finding

✕ Violations are not collectively tracked and monitored

2.89 ✕ We found food premises standards that are violated were not collectively tracked and monitored. As a result the Department is unable to identify trends, target systematic corrective action and measure program performance.

2.90 While violations for a specific food premises are recorded on the inspection report and monitored by verifying correction at the next inspection, they are not collectively monitored. Thus the Department is unable to determine trends or detect irregularities. Identifying trends in non-compliance with specific standards may allow focused efforts to improve compliance. Regional staff agreed there should be benefit to having this information. However, with the inspection process currently being a manual system, it would be time consuming to track this information.

Common violations

2.91 During our testing we tracked violations from a sample of 206 inspection reports. In reviewing the recorded violations, we made the following observations:

- Some food premises standards were violated more frequently than others;
- The average number of violations reported on inspection reports with violations was not consistent throughout the regions. One region had, on average, twice as many violations per inspection report as the other two regions tested. This may indicate the inspection process is not consistent from region to region; and,
- Some violations had a significantly higher incidence in specific regions. Only one region reported “*Rodent and Insect Control*” violations. Fifteen percent of their tested inspection reports had this violation.

Recommendation **2.92** We recommend the Department of Health explore the benefits of tracking and monitoring violations of the food premises standards to identify trends and target systematic corrective efforts. (For example, one region could pilot a project where violations are recorded on a spreadsheet and then analyzed to identify trends. If the exercise proves to be beneficial, a provincial system could be implemented.)

Key Finding: × 13 of 17 files tested lacked evidence that proper procedures were followed when a licence was revoked.

Why this is important **2.93** The SOPs provide direction for revoking a licence from an operator that fails to comply with the *Food Premises Regulation*. A licence may be revoked for any of the following reasons:^{xxv}

1. “Food safety concerns relating to food handling practices/maintenance of the food premises
2. Upon re-inspection when Major or Critical violations have not been corrected
3. Non-compliance with the terms and conditions that may be specified on the licence”

Finding **2.94** We tested a sample of 17 files, where the food premises licence had been revoked, to determine if proper procedures had been followed. We found 13 files (76%) contained deficiencies. The deficiencies were discussed with the Regional Directors and examples of the deficiencies were shown to them. They believe in many cases the procedure was followed but not properly documented in the food premises file. We concluded there was no documentation that proper procedures were followed when a licence was revoked in 13 of 17 files tested. The results of our testing are shown in Exhibit 2.18.

× 13 of 17 files contained deficiencies

Exhibit 2.18 - Revoked Licences - Results of Testing

2.18 Revoked Licences - Results of Testing	
Number of files tested	17
Number of files showing revoking procedures were properly followed	4
Number of files with deficiencies . (There was no documentation in the file indicating one or more proper procedures had been completed.)	13
Deficiency	Number of files with deficiency
<ul style="list-style-type: none"> • No inspection report with a red rating to support the revocation of the licence • No documentation that original licence was removed from premises • No documentation that revocation letter was issued to operator • No documentation that the food premises was confirmed to have closed following the revocation of the licence • Website not properly updated (note 3) 	<ul style="list-style-type: none"> - 4 3 12 1
Notes:	
<ol style="list-style-type: none"> 1. The procedures tested are requirements according to the <i>Food Premises Standard Operational Procedures</i>. 2. The deficiencies were identified while reviewing files from all regions. The deficiencies were discussed with the Regional Directors and examples of deficiencies were shown to them. They believe in many cases the procedure was followed but not properly documented in the food premises file. 3. An inspection report dated April 26, 2013 was still posted on the web at the time of our testing (March 2016). 	
<p>Source: Observations made by AGNB from testing a sample of 17 files from all regions. The licences had been revoked during the period of February 2011 to August 2015. The sample included food premises files of a food manufacturer, a bakery and several restaurants. (No abattoirs were in our sample as there has not been an abattoir that had their licence revoked in the past five years.)</p>	

Recommendation

2.95 We recommend the Department of Health ensure proper procedures are consistently followed and documented when revoking a food premises licence.

Key Finding: ✘ Penalties are minimal for operators who fail to comply with the standards.

<i>Why this is important</i>	2.96 Revoking a licence takes much time and effort by the Department (which equates to cost to New Brunswick's tax payers). In addition to having their food premises licence revoked, we believe there should be significant consequences for operators that expose the public to food poisoning by not following the food premises standards.
<i>Findings</i>	<p>2.97 From examining food premises files and speaking with staff, we concluded penalties are minimal for operators who fail to comply and have their licence revoked. The operator loses their licence to operate, but does not have to pay a fine. When examining licence-revoking procedures in files, we made other significant observations related to enforcement, including the following:</p> <ul style="list-style-type: none"> • Operators frequently get relicensed; ✘ Repeat offenders are common; ✘ Penalties are minimal; and • Revoking a licence is not a common occurrence.
<i>Operators frequently get relicensed</i>	2.98 Following the revocation of their food premises licence, 13 of the 17 operators (76%) reapplied and were relicensed. Two files showed the operator was relicensed the day after their licence was revoked.
<i>✘ Repeat offenders are common</i>	<p>2.99 We were surprised to see more than one revocation in particular food premises files. It appears revoking a licence has little ramification to the operator. In many cases, the operator reapplies for a licence and resumes business in a few days. The following examples clearly indicate a need for stronger penalties for non-compliance. In reviewing 17 files, we found the following:</p> <ul style="list-style-type: none"> ✘ A prior revocation was present in eight files (47%); ✘ Six of these eight files had two revocations within a two-year period; and ✘ One file had five revocations and one licence suspension over a ten-year period.
<i>✘ Penalties are minimal</i>	2.100 One file contained documentation showing legal charges were laid against a food premises operator for operating without a licence. (After the food premises licence was revoked, the food premises continued to sell food.) The operator pled guilty and was fined only \$240. Given the Department's time and effort consumed

revoking the licence and preparing the legal case, the penalties for the operator appear insufficient.

Revoking a licence is not a common occurrence

2.101 Information provided by the Department showed six licences revoked in fiscal 2015, nine in fiscal 2014 and eight in fiscal 2013. Given there are approximately 4,000 licensed food premises and the level of non-compliance we observed reviewing inspection reports, we find the revocation figures extremely low. It is possible some Department staff believe the minimal consequences for operators may not be worth the Department's time, effort and associated costs to revoke licences.

Recommendation

2.102 **There should be serious ramifications for food premise operators who repeatedly have their licence revoked. We recommend the Department of Health eliminate non-compliance by operators by implementing stronger enforcement actions, such as posting compliance status in premises' window clearly visible to the public, ticketing with fines, graduated licensing fees, etc.**

Key Finding: ✘ Posting inspection results on the Department’s website needs improvement.

<i>Why this is important</i>	2.103 The benefits of posting inspection results on the Internet were discussed earlier in paragraph 2.44.
<i>Findings</i>	2.104 From testing a sample of inspection reports and interviewing staff, we found the following: <ul style="list-style-type: none"> ✘ Not all food premises inspection reports are posted on the Department’s website; and ✘ Only the most recent inspection report is shown on the Department’s website, which could be misleading.
<i>✘ Not all food premises inspection reports are posted on the Department’s website</i>	2.105 According to the SOPs, inspection reports are posted for all food premises except those for adult and child residential facilities, daycares, abattoirs and dairy plants.
	2.106 Posting inspection results, thereby providing the public information on food premises’ compliance with food premises standards, is good practice. The Department informed us this accountability encourages operators to promptly correct their violations in order to get a “green rating” for the public to see. They also told us they have seen improvement in compliance and operators’ attitude towards complying with food premises standards since the Department started posting the inspection reports.
	2.107 Posting food premises inspection results for public consumption is a good practice and we think it should be done for all food premises, including facilities caring for vulnerable people such as daycares.
<i>✘ Only the most recent inspection report is shown on the Department’s website, which could be misleading</i>	2.108 Only the most recent inspection report is shown on the Department’s website. This can be misleading when food premises have a history of non-compliance and re-inspections. For example, if an inspection report has several major or critical violations (yellow or red rating), the inspection report is posted for a few days only. A re-inspection is required within two weeks. The re-inspection may show all violations are corrected (green rating) and is posted until the next routine inspection is done, which may be one to eleven months later. Someone looking at the website may see only the green rating and therefore not know the food premises’ history of non-compliance.
	2.109 We believe food premises inspection results should be posted for a period of at least two years so a history of food premises’ compliance can be seen.

Recommendation

2.110 We recommend the Department of Health enhance its public reporting of compliance with the food premises standards by:

- **posting inspection reports for all food premises, and**
- **posting results of all inspections for the past two years.**

Key Finding: ✘ Existing systems do not allow the Department to generate useful information on food safety risks.

Why this is important

2.111 Having accurate and complete information is essential for making good decisions, monitoring performance and improving a program.

Findings

2.112 We found the following:

- ✘ **Program information is not maintained consistently throughout all offices** (explained below);
- ✘ **The regional offices are unable to provide information required by the SOPs.** The SOPs require the regions to provide central office annually with specific information on food premises relating to their risk assessment, “major” and “critical” violations, “management and employee food safety knowledge”, etc. None of the regions could provide all of the required information; and
- ✘ **Violations are not collectively tracked**, as discussed earlier in this report.

✘ Program information is not maintained consistently throughout all offices

2.113 With the exception of an automated system for renewing food premises’ licences, there is no standard method for maintaining program information. As a result, the regional offices have developed their own methods. We also found:

- ✘ **The reliability of information is uncertain.** Several offices maintain food premises information in locally-designed spreadsheets using Excel, which do not have input edits. As a result, there is no evident mechanism for preventing data entry errors. This implies the data may be less reliable than would be the case in a more structured format; and
- ✘ **Directories of licensed food premises provided by the regional offices were inconsistent in both content and style.**

Recommendations

2.114 We recommend the Department of Health establish a standard method (to be used by all regional offices) for maintaining consistent, reliable and useful information for the food premises program including the following:

- **directories of licensed food premises including their class, annual fee, assigned inspector, risk category, etc.; and**
- **information required by the *Standard Operational Procedures*, such as specific information on food**

premises relating to their risk assessment, “major” and “critical” violations, “management and employee food safety knowledge”.

2.115 The current manual inspection system does not provide information needed by the Department. We recommend the Department of Health explore what other provinces are doing in this regard and automate the inspection system.

Key Finding: ✘ Quality assurance over the food premises program is lacking and the Department's *Standard Operational Procedures* for the program are not followed consistently.

Why this is important

2.116 Quality assurance practices ensure a program's policies and procedures are followed and the program is operating effectively.

Findings

✘ *The food premises program procedures are not followed consistently*

2.117 From reviewing documentation, testing food premises files and interviewing staff, we concluded quality assurance over the food premises program is lacking and the Department's *Standard Operational Procedures* for the program are not being followed consistently. Specifically, we found the following:

- ✓ The SOPs contain quality assurance practices. In general, we found them to be reasonable.
- ✘ Our findings show quality assurance practices are lacking;
 - ✘ When testing food premises files from the four regions, we found non-compliance with the SOPs;
 - ✘ Food premises assigned to inspectors are not rotated every four years as required; and
 - ✘ Not all thermometers used by inspectors are calibrated in accordance with the SOPs.

✘ *Our findings show quality assurance practices are lacking*

2.118 Discussions with the Regional Directors indicate they are doing some monitoring. While specific practices differ by region, the Regional Directors told us they review risk assessments and some inspection reports, they ensure follow-up inspections are done and they are aware when inspectors fall behind in doing routine inspections. They informed us they do not do the review of inspection files for all of the criteria and to the extent indicated in the SOPs.

2.119 Our testing results show quality assurance practices are lacking. When testing food premises files from the four regions, we found non-compliance with the SOPs. The program's procedures were not always followed when the Department:

- issued the first licence to an operator;
- determined a food premises' risk (which set the inspection frequency);
- performed inspections;

- completed the inspection form;
- posted the inspection reports on the internet;
- revoked a licence; and
- rotated inspectors.

✘ Food premises assigned to inspectors are not rotated every 4 years as required

2.120 Rotating inspectors enhances operators' compliance because a "fresh set of eyes" sees differently. While we saw evidence of inspector rotation in some files, we also saw cases where the same inspector had been inspecting a facility for many years. In one case the file had the same inspector for 11 years. This inspector completed 13 inspections over six years finding the operator in compliance (no violations marked on inspection forms) with the exception of one minor violation. A temporary inspector did a routine inspection of the same food premises and identified six violations, requiring two re-inspections.

2.121 "*Ensure inspector rotation of food premises inspection areas every 4 years,*" is stated in the SOPs as a responsibility of Regional Directors. Regional Directors confirmed they do some rotation of food premises assigned to inspectors. However, none of the four regions could confirm that an inspector was limited to four years of inspecting a particular food premises.

✘ Not all thermometers used by inspectors are calibrated in accordance with the SOPs

2.122 Proper temperature control is one of the most significant preventers of foodborne illness. During inspections, inspectors use thermometers to ensure proper food temperatures are maintained in refrigerated units, freezers, warming tables in restaurant buffets, etc.

2.123 "*Ensure regular calibration of equipment and documentation of the calibration performed,*" is stated in the SOPs as a responsibility of inspectors. This is a quality assurance practice. Regular calibration of thermometers ensures the accuracy of the temperatures taken by inspectors during inspections.

2.124 Two inspectors told us they occasionally calibrate their thermometers, although they do not document it. Certain Regional Directors confirmed the regions do not regularly ensure their equipment is calibrated in accordance with the SOPs.

Recommendations

2.125 **We recommend the Department of Health implement quality assurance practices to ensure all risk areas covered by the *Food Premises Regulation* are subject to quality assurance monitoring.**

- 2.126 We recommend the Department of Health rotate food premises assigned to inspectors at least every four years as required by the *Standard Operational Procedures* (SOPs).**
- 2.127 We recommend the Department of Health calibrate equipment regularly as required by the SOPs.**
- 2.128 We recommend the Department of Health thoroughly review all of the SOPs to determine if they are practical. Attention should be given to identify SOPs that are not being followed. (In particular, the number of inspection files per inspector to be reviewed by the Regional Director may be excessive.) We further recommend the SOPs be revised as needed.**

Key Finding: ✕ The food premises program is not fully complying with the Province’s *Food Premises Regulation*, leading to unaddressed food safety risks.

Why this is important

2.129 Mitigating risks is an objective of many safety programs. Given the program “*strives to eliminate unsafe food practices in New Brunswick food premises,*”^{xxvi} we believe the Department should mitigate as many risks as feasible to ensure food provided to the public is safe to eat.

Findings

2.130 We concluded there are unaddressed food safety risks, and the food premises program is not operating as intended in our Province. The public could be at heightened risk of food poisoning by consuming food from unlicensed and uninspected food premises. We found the following:

- Meat slaughtered in New Brunswick is not inspected.
- ✕ Food safety training is not a requirement for class 5 food premises, including abattoirs.
- ✕ Farmers’ markets are not licensed and inspected, as required by the Regulation.
- ✕ Not all convenience stores, food warehouses, etc. are licensed and inspected, as required by the Regulation.
- Community suppers are not subject to licensing and inspection; and
- ✕ Soup kitchens and most not-for-profit food operators are not licensed and inspected.

Meat slaughtered in New Brunswick is not inspected



2.131 *New Brunswick is the only province that does not offer a meat inspection program.* Many provinces require inspection of the meat slaughtered in provincial abattoirs, in addition to inspection of the abattoirs. However in two provinces, (Saskatchewan and Newfoundland and Labrador), a voluntary meat inspection program is offered. In Saskatchewan, “*regular inspections aim to ensure that the meat is safe for human consumption. In-depth inspections examine the animal, the slaughter process, the carcass, the plant including the equipment, and the meat. Farmers voluntarily choose to have their animals slaughtered at plants that are provincially or federally inspected because large retail customers require this inspection before they purchase meat.*”^{xxvii}

2.132 Most of the meat consumed in New Brunswick comes from other provinces. Federal laws require that meat crossing provincial borders be slaughtered in federally licensed abattoirs, which have meat inspection programs. However, meat from provincially licensed abattoirs in New Brunswick is not inspected by the Province. Only the abattoir (building and equipment) is inspected.

2.133 Department staff told us they believe most people assume all meat is inspected. (We also believed this before beginning this project.)

2.134 We were also told the Department had started to develop a meat inspection program. We reviewed a document relating to “*NB Meat Inspection Program*” which stated the following:

- *In 2008 the Departments of Health and Agriculture and Aquaculture went to the Policy and Priorities Committee and received approval for the development of a Provincial Meat Inspection Program ...*
- *This program is scheduled to be fully implemented by the year 2012.*

2.135 The Agri-food Inspectors were sent to intensive training on meat inspection for several weeks. They showed us some of their training material. “*The systematic inspection of animals destined for slaughter and careful post-mortem examination is essential to ensure that the meat is safe for human consumption.*”^{xxviii}

2.136 The planned meat inspection program was never implemented in New Brunswick. The Department estimated that three percent of the meat consumed in New Brunswick originates from provincially regulated abattoirs.

✘ *Food safety training is not a requirement for class 5 food premises, including abattoirs*

2.137 There are food safety training requirements for Class 4 food premises. (See Appendix IV for food premises classes with examples.) These food premises must have at least one person present at all times in the area where food is being prepared who successfully completed food safety training. The manager of these premises also must have successfully completed food safety training.



Kitchen and dry storage room in an abattoir



Posted list of products made on site and available for purchase at the abattoir

✗ Farmers' markets are not licensed and inspected, as required by the Regulation

2.138 Typically class 5 food premises have wide distribution networks, meaning their products reach more areas. Unlike class 4, class 5 food premises do not have the food safety training requirements. Since abattoirs are class 5, this means food safety training is not a requirement for abattoir operators.

2.139 While accompanying the Agri-food Inspectors as they did an inspection of an abattoir, we observed all five of the abattoirs also did retail business. At three abattoirs, the retail business appeared very significant, selling several fresh and processed meat products.

2.140 When an abattoir operator also does meat processing, such as making sausage or ready-to-eat food (head cheese, jerky and other smoked products), we believe an abattoir inspection alone is not sufficient. Given abattoir operators are not required to take food safety training, we believe there is an unaddressed food safety risk if these operators are also allowed to prepare ready-to-eat meat products.

2.141 We also believe class 5 operators should have the same food safety training requirements as class 4 operators. We discussed this with staff at the regional offices and they agreed.

2.142 Farmers' markets should be licensed and inspected according to the *Food Premises Regulation* and the *Application Guide - Food Premises Licence*. However, they are not. The Department confirmed that butcher shops and meat processors who cut meat and make sausages to sell at farmers' markets may not be licensed.

2.143 We were informed the Department initiated a "modified" food premises licence in April 2016. The Department intends to license "public markets", including farmers' markets in a modified manner.

2.144 The food premises program is not operating as intended in our Province.

✘ Not all convenience stores, food warehouses, etc. are licensed and inspected, as required by the Regulation

2.145 Convenience stores, food warehouses, and other “food premises where potentially hazardous food⁴ is stored, handled, displayed, distributed, sold or offered for sale without any processing or preparing on the premises,”^{xxix} should be licensed as class 3 food premises, and inspected, according to the *Food Premises Regulation*. However, most of them are not. Currently the Department is not requiring class 3 operators to be licensed, as required by the Regulation.

2.146 The Department indicated they have not fully implemented the 2009 Regulation. The current practice is “optional” class 3 licensing. They issue class 3 licences only to those operators requesting a licence. The licensing requirements are essentially the same for class 3 and class 4 licences (with the exception of food safety training and a lower annual licence fee). When given an option to license (pay an annual fee and comply with the food premises standards), most operators opt not to obtain a license.

2.147 By not licensing this class of operators (who are required by the Regulation to be licensed), the Department may be exposing the public to risk relating to unsafe food. The method of “optional” licensing also causes inconsistency in the program.

2.148 The *Food Premises Regulation* came into force in November 2009, which is over seven years ago. Because the Department has not implemented all parts of the Regulation (such as class 3 licences), the risks relating to food safety are not being properly mitigated. The food premises program is not operating as intended in our Province.

Community suppers are not subject to licensing and inspection

2.149 When the *Food Premises Regulation* came into force in November 2009, community suppers required a licence effective April 2010. However, before the Department implemented the licensing requirement, this section of the Regulation was repealed.

2.150 We spoke with Regional Medical Health Officers, Regional Directors and Public Health Inspectors. They believe community suppers are a significant risk to the

⁴ Examples of potentially hazardous food include: meat and meat products; fish, shellfish and seafood products; poultry; eggs; cream-filled pastries and pies; and cut fruits and vegetables.

public. Through media coverage, we are aware of a death and several illnesses, attributed to food poisoning from a community supper.

2.151 New Brunswick's food premises program does not include community suppers.

✘ Soup kitchens and most not-for-profit food operators are not licensed and inspected

2.152 Again, staff in the regions told us they believe there are significant risks to the public when operators of food premises, where potentially hazardous foods sold to the public are processed or prepared, are not licensed and inspected. Risks relating to food poisoning are not dependent upon the motive for profit. Hence, there is no reasonable basis for exempting not-for-profit operators from complying with food premises standards. Licensing fees could be waived. However food premises standards should be enforced.

2.153 Some not-for-profit food operations are exempt from licensing in the Regulation. However, there are others (such as soup kitchens and not-for-profit food vendors at special events lasting more than one day) that should be licensed and inspected according to the Regulation. Currently the Department is not doing this on a regular basis.

Recommendations

2.154 We recommend the Department of Health assess the public health risks related to:

- **uninspected meat;**
- **class 5 operators not having food safety training;**
- **licensing and inspecting abattoirs that are also involved with processing meat (such as making sausage, head cheese, jerky and other smoked products); and**
- **community suppers, and**

we recommend the Department consider updating its regulations based on their findings.

2.155 We recommend the Department of Health fully implement the current *Food Premises Regulation* or amend it to reflect the Department's present public health policy intentions.

Appendix IA – Enteric, Food and Waterborne Disease Rates

Enteric, Food and Waterborne Disease Rates				
Snapshot of reportable enteric, food and waterborne disease rates per 100,000 population for New Brunswick and Canada 2012-2013:				
	2012		2013	
	NB Rates	Canadian Rates	NB Rates	Canadian Rates
<i>Campylobacteriosis</i>	20.9	29.3	28.1	29.1
<i>Salmonellosis</i>	20.2	19.7	20.5	17.6
<i>Giardiasis</i>	17.3	11.1	12.6	10.8
<i>Cryptosporidiosis</i>	3.6	1.6	2.1	2.36
<i>E. coli</i> O157	3.6	1.9	1.3	1.4
Source: <i>New Brunswick Communicable Diseases 2014 Annual Report - Department of Health</i>				
When examining statistics regarding foodborne illnesses that are considered reportable under the <i>Public Health Act</i> , it is important to consider these factors:				
The majority of foodborne illnesses result from unspecified agents.				
Within the estimated 4 million foodborne illnesses, approximately 1.6 million illnesses (40%) are related to 30 known pathogens which include, among others, <i>Norovirus</i> , and <i>Salmonella</i> . However, 2.4 million illnesses (60%) are considered to be resulting from unspecified agents. This means the number of laboratory confirmed pathogens does not necessarily offer a full depiction of foodborne illnesses.				
“Public health surveillance systems only record a small portion of the total number of food-borne illnesses				
<i>This is because:</i>				
<ul style="list-style-type: none"> • <i>many people are never diagnosed with a food-borne illness because:</i> <ul style="list-style-type: none"> ○ <i>they do not seek care* and get better on their own</i> ○ <i>they do not have a sample tested (stool, urine or blood)</i> ○ <i>a laboratory test may not identify the bacteria, parasite or virus that is causing the food-borne illness</i> • <i>some illnesses are not reported to the various public health surveillance systems”</i> (Source 3) 				
* Many Canadians with foodborne illnesses do not seek medical care. It is estimated that most cases do not get reported. Only approximately 14 % of people with mild symptoms (diarrhea lasting 7 days or less) seek medical attention. Only 44 % of people with more severe symptoms (bloody diarrhea or diarrhea lasting more than 7 days) seek medical care.				
A set of formulas is used to determine foodborne illness estimates.				
As most cases are not reported, it is important to note that the estimate of 4 million foodborne illnesses results from a complex set of formulas used by the Public Health Agency of Canada. A series of laboratory confirmed cases, proportions and estimates are used to calculate the estimate.				
Note: Appendix prepared by AGNB using information from the following sources:				
Source 1: <i>New Brunswick Communicable Diseases 2014 Annual Report - Department of Health</i>				
Source 2: Thomas, M. Kate et al. “Estimates of the Burden of Foodborne Illness in Canada for 30 Specified Pathogens and Unspecified Agents, Circa 2006.” <i>Foodborne Pathogens and Disease</i> 10.7 (2013): 639–648. PMC. Web. 30 Sept. 2016.				
Source 3: Government of Canada website, <i>How Canada estimates food-borne illness</i>				

Appendix IB – Infographic: Food-Related Illnesses, Hospitalizations and Deaths in Canada



Appendix II – Criteria Used in Our Audit

Criteria Used in Our Audit

Criteria serve as the basis for our audits. They are benchmark statements we use to assess the programs. Criteria provide the framework for collecting audit evidence. Our criteria for this audit on meat safety were:

- The Department should license only those operators who demonstrate compliance with the legislation, regulations, and policies (standards).
- The Department should perform inspections to monitor compliance with the standards.
- The Department should enforce compliance with the standards.
- The Department should publicly report operators' compliance with the standards.
- The Department should have quality assurance practices.

Source: Criteria developed by AGNB using information from: other Offices of the Auditor General (Saskatchewan, Nova Scotia, Newfoundland and Labrador, Alberta), Legislation (*Public Health Act & regulations*), New Brunswick - Department Of Health, *Food Premises - Standard Operational Procedures*, Version 4.0 February 2015, CFIA (Canadian Food Inspection Agency), PHAC (Public Health Agency of Canada).

Appendix III – Work Performed by AGNB for this Audit

Work Performed by AGNB for this Audit

Our work for this audit included the following:

- reviewing legislation and policies for the program;
- holding discussions with staff from the Department of Health, specifically the *Office of the Chief Medical Officer of Health*, Healthy Environment Branch;
- visiting regional offices where we met with staff, accompanied inspectors, and reviewed documents (described more fully below);
- testing a sample of food premises files for compliance with the *Food Premises Standard Operational Procedures*. The sample included files from all four regions and covered work by both Public Health Inspectors and Agri-food Inspectors. We tested to determine if: requirements were met prior to issuing a licence to a new operator; risk assessments were completed annually; inspections were done as required and properly documented; and proper procedures were completed when revoking a licence. The files tested included many types of food premises, including: abattoirs, meat cut-up shops, grocery stores, restaurants, nursing homes, schools and bakeries.
- reviewing and analyzing information provided by the Department's central office and the four regional offices; and
- performing other procedures as determined necessary.

Our work in the four regions included the following:

- accompanying four (one from each region) of approximately fifty Public Health Inspectors while they performed a routine inspection and making observations; inspections were done at grocery stores with a meat cut-up shop, meat processing facilities making products such as sausages, jerky, head-cheese, etc., and a restaurant serving several dishes comprised of meat;
- accompanying all five Agri-food Inspectors while they performed routine inspections and making observations; inspections were done at abattoirs (where animals are slaughtered) and meat cut-up shops, where meat is cut and processed (making products such as sausages, jerky, head-cheese, etc.);
- interviewing people involved with the food premises program. This included the Regional Medical Officer of Health, Regional Director, Public Health Inspectors, Agri-food Inspectors and administrative assistants; and
- analyzing licensing information.

Appendix IV – Food Premises Classes with Examples

Food Premises Classes with Examples

Class 3

*Food premises where potentially hazardous food is stored, handled, displayed, distributed, sold or offered for sale without any processing or preparing on the premises. (**Potentially hazardous foods** mean a form or state of food that is capable of supporting the growth of pathogenic microorganisms or the production of toxins.)*

Examples of food premises included in this class:

- *Food warehouses, including cold and frozen storage facilities*
- *Some convenience stores*
- *Grocery stores - sections in which potentially hazardous foods are stored, with no preparation or cooking*
- *Fish truck peddlers*

Class 4

Food premises where food is prepared or processed without any killing, pasteurizing, or, if meat or fish, without thermal processing, for sale or consumption on or off the premises, but is not distributed wholesale.

Examples of food premises included in this class:

- *Eating establishments (restaurants/take-outs) who are not wholesaling*
- *Grocery stores - sections in which food preparation or cooking is occurring*
- *Bakeries with only over-the-counter sales*
- *Convenience stores with food preparation or cooking*
- *Catering kitchen*
- *Mobile canteen and Lunch truck*
- *Institutional food service*
- *Dairy bars (milkshakes, soft ice cream, etc.)*
- *Butcher shop and Fish market*
- *Public market vendors that cook and serve potentially hazardous foods on-site at a Public Market*
- *Soup kitchen*

Class 5

Food premises where food is processed for direct sale or wholesale distribution or where food is prepared for wholesale distribution and including an abattoir.

Examples of food premises included in this class:

- *Abattoir*
- *Bakery with distribution networks*
- *Restaurant with distribution networks [i.e. prepare foods (sandwiches, burgers, etc.) for wholesale in other premises]*
- *Cannery, Cheese making facility, Fish salting facility*
- *Beverage bottling plant and Bottled water plant*

Source: Excerpts from the Department's *Application Guide - Food Premises Licence*

Appendix V – Inspection Report

FOOD PREMISES INSPECTION FORM

Name of Premises: _____

Licence #: _____

Operator: _____

Type: Class 3 Class 4 Class 5

Address: _____

Category: Routine Re-inspection New Licence Complaint CD Follow-up Inspection

Water Supply: Private Municipal

Item No.	N.O.	S	U	Item No.	N.O.	S	U	Item No.	N.O.	S	U	Item No.	N.O.	S	U
1.0				3.3				7.0				10.2			
FOOD				Holding Methods				FOOD EQUIPMENT AND UTENSILS				Walls (Construction and Maintenance)			
1.1				3.4				7.1				10.3			
Approved Source				Cooling Methods				Food Equipment (Design, Construction, Installation and Maintenance)				Ceilings (Constructions and Maintenance)			
1.2				3.5				7.2				11.0			
Purchasing and Receiving				Re-heating Methods				Food Contact Surfaces				WATER SUPPLY AND WASTE DISPOSAL			
1.3				3.6				7.3				11.1			
Acceptable Containers and Labeling				Handling Methods				Mechanical Dishwashing				Water (Quality and Quantity)			
2.0				4.0				7.4				11.2			
FOOD STORAGE				FOOD DISPLAY AND SERVICE				Manual Dishwashing				Sewage Disposal			
2.1				4.1				7.5				11.3			
Storage of Potentially Hazardous Foods				Display Methods				Eating Utensils and Dishes				Solid Waste Handling			
2.2				4.2				8.0				12.0			
Frozen Storage				Advance Preparation				CLEANING AND SANITIZING				LIGHTING AND VENTILATION			
2.3				5.0				8.1				12.1			
Refrigerated Storage (Temperature)				RECORD KEEPING AND RECALLS				Cleaning and Sanitizing				Lighting			
2.4				5.1				8.2				12.2			
Refrigerated Storage (Methods)				Record Keeping				Detergents and Chemical Use and Storage				Ventilation			
2.5				5.2				9.0				13.0			
Refrigerated Storage (Space)				Recall of Food				SANITARY FACILITIES				GENERAL			
2.6				6.0				9.1				13.1			
Dry Storage				PERSONNEL				Washroom(s)				Licence			
2.7				6.1				9.2				13.2			
Storage of Food for Staff				Demonstrating Knowledge				Hand Washing Station(s)				Rodent and Insect Control			
3.0				6.2				10.0				13.3			
FOOD PREPARATION AND HANDLING				Employee Health				FLOORS, WALLS AND CEILINGS				Other Infractions/Hazards			
3.1				6.3				10.1							
Thawing Methods				Personal Hygiene Practices				Floors (Construction and Maintenance)							
3.2				N.O. – Not Observed; S – Satisfactory; U – Unsatisfactory; MI – Minor Infraction; MA – Major Infraction; CR – Critical Infraction											
Cooking Methods															

Item No.	MI	MA	CR	Remarks	Date for Correction

<input type="checkbox"/> Green <input type="checkbox"/> Light Yellow <input type="checkbox"/> Dark Yellow <input type="checkbox"/> Striped Red <input type="checkbox"/> Red	Date of Inspection: _____	Re-inspection Required: <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, Date: _____	Received by: _____	Inspector Signature: _____
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Source: New Brunswick Department of Health, Food Premises Standard Operational Procedures, Version 4.0 February 2015

Appendix VI – Example of Food Premises Inspection Results Posted on the Department of Health’s Website

Source: <http://www1.gnb.ca/0601/fseinspectresults.asp?action=setlang&lang=EN>

Legend

GREEN: High standard of compliance with no more than 5 minor violations.

LIGHT YELLOW: General compliance with 6 to 9 minor violations.

DARK YELLOW: General compliance with no more than 3 major violations.

STRIPED RED: Corrections are required with 1 or more critical violation and/or 4 or more major violations and /or 10 or more minor violations noted.

RED: License has been revoked for non-compliance.

Search Criteria

Name Status ANY GREEN LIGHT YELLOW DARK YELLOW RED

Location

Name	Location (Civic #, Street Name, City)	Last Inspection Date (mm/dd/yyyy)	Status	Follow-up Date (When Required) (mm/dd/yyyy)	PDF Report
		10/05/2016			
		11/20/2015			
		02/02/2016			
		11/03/2016		11/17/2016	
		08/16/2016			
		08/04/2016			
		09/29/2016		10/29/2016	
		03/04/2016			

Appendix VII – Endnotes

- ⁱ Public Health Agency of Canada, *Infographic: Food-Related Illnesses, Hospitalizations and Deaths in Canada*
- ⁱⁱ <http://www.phac-aspc.gc.ca/foodnetcanada/ed-me-eng.php>
- ⁱⁱⁱ Public Health Agency of Canada, *Infographic: Food-Related Illnesses, Hospitalizations and Deaths in Canada*
- ^{iv} Public Health Agency of Canada, *Infographic: Food-Related Illnesses, Hospitalizations and Deaths in Canada*
- ^v New Brunswick Department of Health - *Food Premises Standard Operational Procedures*, Version 4.0 February 2015
- ^{vi} New Brunswick Department of Health, *The ABC's of Food Safety – An Introductory Guide to Food Safety*
- ^{vii} New Brunswick Department of Health, *Food Premises Standard Operational Procedures*, Version 4.0 February 2015
- ^{viii} New Brunswick Department of Health, *The ABC's of Food Safety – An Introductory Guide to Food Safety*
- ^{ix} New Brunswick Department of Health, *Food Premises Standard Operational Procedures*, Version 4.0 February 2015
- ^x New Brunswick Department of Health, *The ABC's of Food Safety – An Introductory Guide to Food Safety*
- ^{xi} New Brunswick Department of Health, *Food Premises Standard Operational Procedures*, Version 4.0 February 2015
- ^{xii} “Food premises” is defined in the *Public Health Act*
- ^{xiii} New Brunswick Department of Health, *Food Premises Standard Operational Procedures*, Version 4.0 February 2015
- ^{xiv} New Brunswick Department of Health, *Food Premises Standard Operational Procedures*, Version 4.0 February 2015
- ^{xv} New Brunswick Department of Health, *Food Premises Standard Operational Procedures*, Version 4.0 February 2015
- ^{xvi} *Food Premises Regulation* under the *Public Health Act*
- ^{xvii} New Brunswick Department of Health, *Food Premises Standard Operational Procedures*, Version 4.0 February 2015
- ^{xviii} New Brunswick Department of Health, *Food Premises Standard Operational Procedures*, Version 4.0 February 2015
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Chapter 3

Follow-up on Recommendations from Prior Years' Performance Audit Chapters

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Follow-up on Recommendations from Prior Years' Performance Audit Chapters

Background

3.1 This follow-up chapter promotes accountability by giving the Legislative Assembly, and the general public, information about how responsive government has been to our performance audit (Value for Money) recommendations. We think it is important that both MLAs and taxpayers be provided with sufficient information to assess the progress government is making in implementing these recommendations.

3.2 Note that recommendations made to departments, commissions and Crown agencies pursuant to our financial audit work are followed up annually as part of our financial audit process, and are not discussed in this chapter. For a complete list of performance audit reports over the last ten years, please see Appendix A.

This year we followed up on 2012, 2013 and 2014 chapters along with selected others

3.3 We continue to have a strategic goal that departments, commissions and agencies accept and implement all our performance audit recommendations. Consequently, in this chapter we report on the updates as provided to us by departments, commissions and Crown agencies for performance audit recommendations made in our 2012, 2013, and 2014 Reports. Even though we do not have the resources to review the accuracy of all responses annually, we reviewed the responses related to our 2012 recommendations for accuracy, and gathered and summarized the information submitted by departments, commissions and agencies for 2013 and 2014. We also reviewed the status of recommendations included in two of our 2011 chapters, and provide an update on our 2015 chapter *Financial Assistance to Atcon Holdings Inc. and Industry*.

Summary

63% of our 2012 to 2014 recommendations have been implemented

None of our three recommendations re Medicare Payments to Doctors (2012) have been implemented, although there has been progress

Five of six recommendations re EHealth (2012) have been implemented

Seven of 12 recommendations re Solid Waste Commissions (2012) have been implemented

3.4 Our overall results show departments, commissions and agencies report they had implemented about 63% (58 of 92) of our performance audit recommendations from the 2012, 2013 and 2014 Reports of the Auditor General.

3.5 The percentage of performance audit recommendations implemented from 2012 was 61%. It appears, based on self-reporting by the Departments responsible for responding to recommendations in our 2013 and 2014 reports, four-year percentages may ultimately be at a comparable level for 2013 and 2014.

3.6 In our 2016 follow up review of our 2012 audit of Medicare Payments to Doctors in the Department of Health, we found that none of our three recommendations have been fully implemented, as discussed later in this chapter. However, we note the Department has made some progress in implementing our recommendations and has taken a number of positive actions in that regard. We continue to be very concerned that some Medicare payments related to injured workers are not being recovered by the Department due to the time-consuming manual process the Department uses to identify those amounts. We therefore strongly encourage the Department to continue to pursue this matter with WorkSafeNB, and if a solution cannot be agreed upon, to take other appropriate steps.

3.7 In our 2016 follow up review of our 2012 audit of EHealth Procurement and Conflict of Interest, we were pleased to note that the Department of Health had implemented all five of our recommendations directed to them. The Office of the Chief Information (OCIO) was still in the process of implementing our sixth and last recommendation to develop and monitor compliance with a government-wide policy relating to the procurement, contracting and management of IT consultants. We encourage OCIO to continue their efforts to implement this recommendation.

3.8 In our 2016 follow up review of our 2012 work on Solid Waste Commissions at the Department of Environment and Local Government, we are able to report that only seven of our twelve recommendations have been implemented, and one additional recommendation is no longer applicable. There are still five outstanding recommendations intended

to improve processes relating to Extended Producer Responsibility programs, private construction and debris dumpsites, diversion of solid waste away from public landfills, public education, and disclosure of accountability information on solid waste commission websites. We strongly encourage the Department to implement these recommendations in the near future.

Seven of ten recommendations re Capital Maintenance of Highways (2012) have been implemented

3.9 In our 2016 follow up review of our 2012 work on Capital Maintenance of Highways at the Department of Transportation and Infrastructure, we are pleased to report that seven of our ten recommendations have been fully implemented. In particular we noted the Department has enhanced the information captured in the Department's Asset Management System and its use of that data in decision-making. Recommendations remaining as non-implemented address decisions relating to road surfaces used, total lifecycle costs of potential road projects, and public reporting of road condition. Based upon our review the Department is making progress in implementing these three recommendations as well.

ONB has reported that 15 of 19 recommendations re Financial Assistance to Atcon Holdings Inc. and Industry (2015) have been implemented

3.10 We note both Opportunities New Brunswick and the Executive Council Office report they have acted quickly to respond to our recommendations contained in the 2015 audit of Financial Assistance to Atcon Holdings Inc. and Industry. In their 2016 updates, they indicated they had implemented 15 of our 19 recommendations, although we have not verified that assertion. We will follow up again in 2017 to ensure progress is being made.

Two important recommendations re Constituency Office Costs for MLAs and Executive Council (2011) have not been implemented

3.11 In our 2016 follow up review of our 2011 work on Constituency Office Costs for Members of the Legislative Assembly and Executive Council, we are disappointed to report there has been no change in the status of the two important recommendations remaining to be implemented since last year. We had expected at least one of the recommendations to be implemented within the past year. Implementation of these recommendations is critical in ensuring that Members of the Legislative Assembly can be held accountable for their constituency office costs. We continue to encourage the Legislative Assembly and Executive Council Office to work together in implementing these two recommendations as soon as possible.

One recommendation still outstanding re CMHC Social Housing (2011)

3.12 In our 2016 follow up review of our 2011 work on the CMHC Social Housing Agreement at the Department of Social Development, we note there is still one outstanding recommendation to be implemented. We recommended that the Department develop a comprehensive long-term plan to ensure the Province can continue to provide and maintain needed social housing. The Department noted that it plans to develop a long-term strategy as part of its work plan for the current year, pursuant to new funding announced by the federal government.

Scope and Objectives

3.13 Our practice is to track the status of our performance audit recommendations for four years after they first appear in the Report of the Auditor General, starting in the second year after the original Report. In other words, in this 2016 Report, we are tracking progress on performance audit recommendations from 2012, 2013 and 2014. Our objective is to determine the degree of progress departments, commissions and agencies have made in implementing our recommendations. We have assessed their progress as fully implemented, not implemented, disagreed with, or no longer applicable.

3.14 To prepare this chapter, we request written updates on progress from the respective departments, commissions and Crown agencies. They are asked to provide their assessment of the status of each performance audit recommendation. In addition, departments, commissions and agencies add any explanatory comments they believe necessary to explain the rationale for their assessment.

3.15 We received all updates requested.

2012 chapters we followed up on in 2016

3.16 In the past year we followed up on all performance audit recommendations made in our 2012 Report. Areas covered included:

- Medicare – Payments to Doctors;
- EHealth – Procurement and Conflict of Interest;
- Solid Waste Commissions; and
- Capital Maintenance of Highways.

Other chapters we followed up on in 2016

3.17 We also did review-level follow up work on:

- Financial Assistance to Atcon Holdings Inc. and Industry (2015 Report chapter)
- Constituency office Costs for MLAs and Executive Council (2011 Report chapter); and
- CMHC Social Housing Agreement (2011 Report chapter).

Detailed Findings

3.18 This section provides details on how well departments, commissions and Crown agencies have done in implementing performance audit recommendations we made in the years 2012, 2013 and 2014.

3.19 Exhibit 3.1 presents the status of recommendations by department, commission and agency. This information allows users to quickly assess which departments, commissions and agencies have done a good job in implementing our recommendations, and which have not. Exhibit 3.2 provides additional details on the implementation of recommendations by departments, commissions and agencies.

Exhibit 3.1 – Status of Implementation of Recommendations

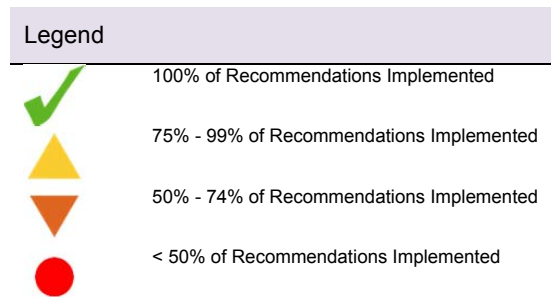


Exhibit 3.1 – Status of Implementation of Recommendations (continued)

	Report Release Date & Project Name	Year of AG Report		
		2016	2015	2014
Departments				
Environment and Local Government	(2012) - Solid Waste Commission	▼	✓	▲
Government Services	(2013) - Procurement of Goods and Services – Phase I	▲	▼	
Health	(2012) - EHealth – Procurement and Conflict of Interest	▲	▲	▲
	(2012) - Medicare – Payments to Doctors	●	●	●
Service New Brunswick	(2014) - Data Centre Power Interruption	●		
Social Development	(2013) - Foster Homes	▲	✓	
Transportation and Infrastructure	(2013) - Provincial Bridges	▼	▼	
	(2012) - Long Term Infrastructure Sustainability Plan	●	●	●
	(2012) - Capital Maintenance of Highways	▼	▲	▼
Various Departments	(2013) - Collection of Accounts Receivable	●	●	

Exhibit 3.1 – Status of Implementation of Recommendations (continued)

		Year of AG Report		
		2016	2015	2014
Report Release Date & Project Name				
Crown Corporation				
NB Power	(2013) - Point Lepreau Generating Station Refurbishment – Phase I	✓	●	
	(2014) – Point Lepreau Generation Station Refurbishment – Phase II	✓		

Exhibit 3.2 - Status of Performance Audit Recommendations as Reported by Departments, Commissions or Agencies

Department / Commission/ Agency	Subject	Year	Performance Audit Recommendations					% Implemented
			Total	Implemented	Agreed/Not Implemented	Disagreed	No longer applicable / Not determinable	
Environment and Local Government	Solid Waste Commissions	2012	13	7	5	0	1	58
Government Services	Procurement of Goods and Services – Phase I	2013	9	7	2	0	0	78
Health	EHealth – Procurement and Conflict of Interest	2012	6	5	1	0	0	83
	Medicare – Payments to Doctors	2012	3	0	3	0	0	0
NB Power	Point Lepreau Generating Station Refurbishment – Phase I	2013	1	1	0	0	0	100
	Point Lepreau Generating Station Refurbishment – Phase II	2014	10	10	0	0	0	100
Service New Brunswick	Data Centre Power Interruption	2014	7	2	5	0	0	29
Social Development	Foster Homes	2013	11	9	2	0	0	82
Transportation and Infrastructure	Provincial Bridges	2013	13	7	6	0	0	54
	Long Term Infrastructure Sustainability Plan	2013	1	0	1	0	0	0
	Capital Maintenance of Highways	2012	10	7	3	0	0	70
Various Departments	Collection of Accounts Receivable	2013	9	3	6	0	0	33
Totals			93	58	34	0	1	63

*100% implemented rate excludes those recommendations that are no longer applicable.

12 recommendations from 2012 have not yet been implemented

3.20 Exhibit 3.3 shows the results summarized by year. Departments, commissions and agencies reported to us that they had implemented 39 of 61 (64%) of our performance audit recommendations from the 2013 and 2014 Reports of the Auditor General. For 2012, based upon department, commission and agency reporting, and our own review of their assessments, we have concluded that 19 of 31 (61%) of our recommendations have been implemented. Of the remaining 12 recommendations, all 12 have been agreed with but not yet implemented. There is also one recommendation that was no longer applicable by the time of our 2016 follow up. Consistent with our established process, this is the last year that our 2012 performance audit recommendations are typically subject to our formal follow up process. We find it very unfortunate that recommendations from four years ago are still not implemented.

Exhibit 3.3 - Summary Status of Recommendations by Year as Reported by Departments, Commissions or Agencies

Year	Recommendations					% Implemented *
	Total	Implemented	Agreed/Not Implemented	No longer applicable / Not determinable	Disagreed	
2014	17	12	5	0	0	71
2013	44	27	17	0	0	61
2012	32	19	12	1	0	61*
Total	93	58	34	1	0	63*

* calculation excludes recommendation no longer applicable

Comments on recommendations from 2012 and certain other projects

3.21 Our 2012 performance audit recommendations have reached the end of the four year follow-up cycle. Projects included in the 2012 Report included:

- Medicare – Payments to Doctors;
- EHealth – Procurement and Conflict of Interest;
- Solid Waste Commissions; and
- Capital Maintenance of Highways.

3.22 We also did follow up work on:

- Financial Assistance to Atcon Holdings Inc. and Industry (2015 Report chapter)
- Constituency office Costs for MLAs and Executive Council (2011 Report chapter); and
- CMHC Social Housing Agreement (2011 Report chapter).

3.23 In the section that follows we provide additional commentary on these seven projects.

**Note to Public
Accounts and
Crown
Corporations
Committees**

3.24 We encourage Members of the Legislative Assembly to look at the performance audit recommendations documented in this report which the government has not implemented. Upcoming meetings of the Public Accounts Committee and the Crown Corporations Committee provide an opportunity for Members to pursue the status of these recommendations with the involved departments, commissions and Crown agencies.

Department of Economic Development

Financial Assistance to Atcon Holdings Inc. and Industry – 2015

Audit objectives

3.25 Our objectives for this work were:

1. *to determine whether the government exercised due diligence in granting financial assistance to the Atcon group of companies;*
2. *to identify all provincial government organizations that provide financial assistance to industry and determine whether they coordinate their assistance to limit the exposure of the Province;*
3. *to determine whether the Department has implemented recommendations made in previous performance audits of financial assistance to industry performed by our Office; and*
4. *to determine whether the Department publicly reports on the performance of the financial assistance it provides.*

Audit conclusion

3.26 Our 2015 report concluded due diligence was exercised by the Department, although some areas required improvement. However, we noted Cabinet disregarded advice resulting from the due diligence and noted two critical events that displayed a very troubling disregard for taxpayers' money. In particular:

1. Approval for funding was granted despite significant risks of loss and numerous objections from senior officials. Although difficult to confirm, it appeared the objective was to maintain jobs; and
2. A number of terms and conditions, intended to mitigate the Province's risk were put in place, only to be later removed by Cabinet. Amendments to the security agreements on the \$50 million guarantee were approved that negatively affected the Province's security position on the Atcon guarantee. Once again, the amendments were approved by Cabinet despite objections from senior officials. From our examination, it was known the impact would weaken the Province's security position by millions of dollars. The rationale for this decision is questionable given the outcome transferred the impact of the pending loss from the bank to the taxpayer.

3.27 We also concluded:

- The Province did not monitor total financial assistance provided to individual companies, and that there were at least six departments/agencies providing various forms of financial assistance;
- The Department had implemented only 29% of recommendations from our 2010 performance audit and 69% from our 1998 audit; and
- The Department did not report internally or publicly in its annual report, on the actual performance of its financial assistance to industry programs, even though our report showed that \$952.8 million in financial assistance had been approved over a ten year period.

Importance of continued monitoring of recommendations by AGNB

3.28 Even though our original report was only recently publicly released (i.e. in March 2015), we believe it is important for us to continue to monitor the degree to which Opportunities New Brunswick (ONB) has implemented our recommendations. This is primarily due to the magnitude of unrecovered provincial funds (close to \$70 million) relating to Atcon, and the continued high level of

public interest in this matter.

Opportunities New Brunswick (ONB) is now responsible

3.29 Responsibility for financial assistance to industry now rests with the recently-created ONB. In a September 2015 meeting with ONB, they stated they had engaged a private sector consultant to assess proposed responses to the Auditor General's recommendations.

ONB reported that 15 of 19 recommendations implemented

3.30 In an October 2015 press release, ONB further indicated that it expected *"to have all recommendations directly affecting credit-granting procedures to be implemented by the end of its first fiscal year, March 31, 2016."* In their April 2016 update, ONB reported that 15 recommendations have been implemented while four are in progress.

3.31 Our follow-up procedure involves reviewing the assertions made by our auditees for accuracy by examining new or improved initiatives implemented by ONB, and checking for supporting evidence to verify that implementation has, in fact, occurred. In this case, ONB indicated, *"we have only just started to introduce the measures this fiscal year. ... The plan was after this year to have [a consultant] test implementation for efficacy. ... it will be difficult for you to test implementation based on only 3 months."*

3.32 On November 9, 2016, after completion of our follow up work ONB informed us, *"Over the past 12 months, ONB has engaged an external consultant to review and provide an opinion on the progress associated with the implementation of the 19 recommendations. As of November 1st, 2016, ONB has indicated they have addressed all 19 audit recommendations, where possible, with only one recommended defined as 'Agree, Not Implemented'."* We have not validated information contained in the November 9, 2016 update.

We reviewed status of just two recommendations

3.33 Despite ONB's concerns, we were able to review the implementation of two recommendations, one of which has been implemented, and one of which was still in progress. The implemented recommendation was that ONB propose an update to the *Economic Development Act* and Regulation to clarify the authority to amend security, which has been done. We will complete a much more thorough follow up process in 2017 and hope to confirm significant progress with regards to ONB's implementation

of these important recommendations.

Department of Health
Medicare – Payments to Doctors - 2012

3.34 Medicare has a huge impact on the lives of all New Brunswickers. During the 2010-2011 fiscal year, roughly 1,873 doctors were paid under this program. Medicare expenditures were slightly more than half of a billion dollars (\$553.3 million) and represent one of government's highest cost programs.

Audit objective

3.35 Our objective for this work was:

To determine if the Department of Health is maximizing its recovery of incorrect Medicare payments to doctors, through the practitioner audit function.

Audit conclusion

3.36 We concluded the Department of Health was not maximizing its recovery of incorrect Medicare payments to doctors through the practitioner audit function. Only some types of payments to doctors were audited and the audit function had several weaknesses.

None of our three recommendations re Medicare Payments to Doctors have been implemented, although there has been progress

3.37 Our work resulted in three recommendations to the Department of Health. As of the Department's 2016 update, none of the recommendations has been fully implemented. However, we are pleased to report, the Department has made significant progress in implementing portions of our recommendations. Actions taken include:

- expanding the audit unit to 6 from 3 staff members and increasing the breadth of audit functions;
- implementing a risk based audit process;
- establishing an Audit Advisory Committee to provide oversight;
- automating billings from radiologists; and
- proposing changes to legislation (i.e. *the Medical Services Payment Act*) to allow publishing of physician earnings.

First non-implemented recommendation

3.38 Our first recommendation was that the Department “develop an action plan, with specific steps and timelines, to address the deficiencies identified by our work. The action plan was to include, but not be limited to, the following:

- Improving the monitoring of doctor remuneration, including all methods of remuneration (Fee-For-Service, salary, sessional), total payments, and the cap and the “on-call group account” for salaried doctors;
- Improving the audit function by: expanding the audit coverage to include all Medicare payments; using a risk-based audit approach; ensuring the audit unit has the skill set and information needed; documenting procedures for authorizing, processing, recording and reviewing the reversal/repayment of recoveries; publicly reporting the actual performance of its audit function in comparison with targeted recoveries and providing a rationale for any variances; expanding the use of the Professional Review Committee, etc;
- Improving the Department’s enforcement of doctor compliance with legislation and departmental policies by establishing an enforcement policy and implementing ramifications for doctors who do not comply, such as those who over-charge, double bill for services relating to workplace injuries and those who do not shadow-bill;
- Ensuring claims submitted for radiology services comply with legislation and payments for those services are subject to the same payment controls, monitoring and auditing as other Fee-For-Service payments; and
- Improving and automating the process of recovering Medicare payments relating to WorkSafeNB [WSNB] claims.”

Department’s 2016 update

3.39 In its 2016 update, the Department stated:

The Medicare Eligibility and Claims branch has implemented a Risk Based Audit process and has established an Audit Advisory Committee to provide oversight. This committee meets every six weeks and will review annual audit plans, provide issue resolution and guidance to the Monitoring and Compliance team.

- a. *The Medicare Services and Physician Remuneration branch hired a staff member in the spring of 2012 to more effectively monitor the cap and on-call group accounts for salaried doctors.*
- b. *The Medicare Services branch has revised the monitoring process for the on-call group account for*

- salaried physicians.*
- c. As a result of the new FFS contract, on-call stipends for salaried physicians will be billed electronically which will facilitate the monitoring process of fee for service claims for salaried physician.*
 - d. A reporting mechanism to monitor total payments to doctors on a quarterly basis has been implemented.*
 - e. The Monitoring and Compliance unit is incorporating the monitoring of all methods of remuneration as part of their annual planning process.*

In addition to the Risk Based audit process, the unit establishes and manages an audit plan on an annual basis, which includes projects across the various remuneration types providing there is information available to conduct the audit. The unit is now comprised of 6 skilled and trained auditors, who provide quarterly progress reports to the Director of the branch and to the Audit Advisory Committee. The Professional Review Committee (PRC) was advised on changes to their role and have agreed to take a more active role by reviewing billing reports for anomalies. Reporting of audit performance is being done at the advisory committee level and will be done annually at the PRC meetings.

A more active audit process, which was implemented along with the Audit Advisory Committee, is expected to address the issue. No further update available at this time.

- a. All Zones are now submitting Radiologists' claims electronically. The billing rules are currently being established for radiology codes; Monitoring and Compliance will start auditing once the rules are adopted.*
- b. Medicare Insured Services and Physician Remuneration Branch and the Radiologists last met on February 10th, 2016 regarding the billing rules. During the next fiscal period, we anticipate completing this exercise.*

Further discussions with WSNB and a recent proposal to integrate the reconciliation process within the Medicare system has resulted in WSNB's decision to not move forward with this at this time due to the cost

of the IT solution. The current process will remain for now, but further discussions are pending with WSNB in the fall ... to look at other options. There has not been any renewed interest from WSNB on this item.

Some progress made in implementing this recommendation

3.40 Based upon our review, we have concluded that the first two bullet points in our recommendation have been implemented, the third and fourth bullet points have been partially implemented, and the final bullet point has not been implemented.

Recovery of WSNB costs paid by Medicare still a problem

3.41 WSNB is responsible for paying the medical costs of injured workers and recovering them through employer contributions. We continue to be very concerned that some Medicare payments related to injured workers are not being recovered by the Department due to the time-consuming manual process the Department uses to identify those amounts. We therefore strongly encourage the Department to continue to pursue this matter with WSNB, and if a solution cannot be agreed upon, to take other appropriate steps.

Second non-implemented recommendation

3.42 We also recommended the Department publicly report total remuneration for each doctor, regardless of whether the doctor is paid via Fee-For-Service, salary, sessional or alternative payment arrangements. This would be similar to other government reporting of employee compensation and vendor payments, and would provide better accountability.

Physician's earnings not yet being published

3.43 The Department's 2016 update states:

The required approval and changes to legislation (Medical Services Payment Act) have been completed to allow DH [Department of Health] to publish physician earnings.

However, physician earnings are not yet being published.

Third non-implemented recommendation

3.44 We further recommended, to improve accountability, the Department publicly report summary-level information annually on doctor remuneration, such as: total payments for each remuneration method (Fee-For-Service, salary, sessional, other), doctor remuneration by dollar range, doctor remuneration by specialty, etc.

Summary level information on doctor remuneration only published for 2011-12

3.45 While we reported in 2013 that this recommendation was fully implemented, the public reporting of summary-level information on doctor remuneration was done for one year only. Therefore we have evaluated it as "not

implemented” as of 2016. The Department informed us, “This was included in the Department of Health’s 2011-12 Annual Report, however, due to an oversight it has not been published since. The Department will be publishing this information for 2015-16 and retroactively for the other years not published.”

Department of Health

EHealth – Procurement and Conflict of Interest - 2012

Audit objectives

3.46 Our objectives for this work were:

1. *To determine if the Department of Health complied with the Government procurement policy for purchases of services related to the E-Health initiative; and*
2. *To determine if conflict of interest exists in the use of consultants/contractors.*

Audit conclusions

3.47 We concluded:

1. In 57 instances among the 289 contracts we examined, the Department of Health did not comply with the Government procurement policy for purchases of services related to the EHealth initiative, although compliance improved over the period from 2005 to 2011; and
2. There were many cases of conflict of interest in the use of consultants for the period 2005 to 2011 in the Department.

Five of six recommendation re EHealth have been implemented

3.48 Our work resulted in six recommendations to the Department of Health and the Office of the Chief Information Officer (OCIO). We are pleased to note that five of the six recommendations have now been implemented. The status of the remaining outstanding recommendation is discussed in the paragraphs that follow.

Non-implemented recommendation

3.49 We recommended the Office of the Chief Information Officer develop and monitor compliance with a government-wide policy relating to the procurement, contracting and management of IT consultants. That policy should address and mitigate risks regarding procurement and conflict of interest of consultants, and clearly state when the use of internal IT resources is more appropriate. The recommendation went on to provide a list of minimum list of requirements to be included in the policy.

No government-wide policy developed relating to procurement, contracting and management of IT consultants, although some progress has been made

3.50 Some progress in implementing this recommendation appears to have been made. The 2016 update from the Office of the Chief Information Officer (OCIO) included the following comments:

“..., the OCIO has been working with SNB (Strategic Procurement) to improve the risk mitigation associated with IT consultants. ... in 2015 SNB’s Strategic Procurement team implemented a new procurement process and system to acquire IT contingent labour (consultants). This system and associated processes require approvals at several stages, and from multiple stakeholders, before contracts are awarded. In addition, SNB are working with departments to develop a multi-year IT insourcing plan where there is a viable business case....”

3.51 We believe implementation of our recommendation would mitigate the risk of many of the procurement and conflict of interest issues observed in connection with the EHealth initiative from occurring elsewhere in government, and encourage the OCIO to continue in its efforts to do so.

**Department of Environment and Local Government
Solid Waste Commissions - 2012**

Audit objective

3.52 Our objective for this work was:

To assess the adequacy of the governance and oversight structures and processes for New Brunswick solid waste commissions.

Audit conclusion

3.53 We concluded that, in general, governance and oversight structures and processes for New Brunswick solid waste commissions were adequate, and functioning as documented in provincial legislation.

Seven of 12 recommendations re Solid Waste Commission have been implemented

3.54 However, our work resulted in 13 recommendations being provided to the Department of Environment and Local Government. Seven of these recommendations have been implemented, and one is no longer applicable to current solid waste operations in the Province. Five recommendations have yet to be implemented. The status of those recommendations is discussed below.

First non-implemented recommendation

3.55 We recommended all commissions provide up-to-date accountability information on their websites including, as a

minimum, audited financial statements, annual reports, current commission tipping fees, and the names of board members indicating which local government they represent. The Internet now serves as a primary source of information for many New Brunswick residents, and therefore it is important that all commissions provide complete and up-to-date accountability information on their websites.

Some Regional Service Commission web sites still don't provide financial statements, annual reports and tipping fees

3.56 Based upon the Department's response, and results of our 2016 testing, implementation of this recommendation is still in progress. The Department stated:

This is required as per the General Regulation under the Regional Service Delivery Act.

3.57 However, our testing showed that several Regional Service Commissions still did not provide financial statements, annual reports, and/or tipping fees on their websites as of 2016.

Second non-implemented recommendation

3.58 We also recommended the Department design and implement additional extended producer responsibility programs to further reduce the volume of solid waste going to New Brunswick landfills.

No new extended producer responsibility programs since our 2012 report

3.59 The Department's 2016 update stated:

Departmental efforts are ongoing with regards to exploring and implementing extended producer responsibility programs which would reduce waste. Examples produces include packaging and printed material, and tires.

3.60 Our review indicated there have been no new Extended Producer Responsibility programs introduced since our report date, although the Department has been pursuing additional programs.

Third non-implemented recommendation

3.61 We further recommended the Department ensure challenging diversion goals are set for regional commissions. The Department should also monitor commission performance and ensure the degree of success by individual commissions in achieving their diversion goals is publicly reported. One option may be for commissions to report their diversion performance on their websites. Diversion means diverting some solid waste to recycling or other programs rather than dumping it in

public landfill sites.

Waste diversion goals still to be set for provincial waste management system

3.62 The Department stated, in its 2016 update:

A provincial waste strategy committee has been formed as a result of the establishment of the new regional service commissions. The Committee's goal is to review the solid waste management system in the province of New Brunswick while considering enhanced waste diversion and recycling in a cost effective approach. The committee is currently in the process of exploring waste diversion goals and formulas both provincially and regionally.

3.63 We encourage the Department to continue with their efforts to implement our recommendation.

Fourth non-implemented recommendation

3.64 We also recommended the Department ensure all construction and demolition debris disposal sites in the Province are physically inspected periodically to ensure they are accepting only materials specified in their Departmental certificate of approval to operate and identify and address other environmental concerns. Frequency of inspections of individual sites should be based upon a Departmental evaluation of the risk of non-compliance at individual disposal sites. There were 10 such sites around the Province at the time of our original report, and we identified a risk that unapproved materials could be dumped at those sites as they are not attended or inspected by Commission staff.

No evidence of changes in inspection of construction and demolition debris disposal sites since our 2012 report

3.65 In 2016, the Department responded:

The Department agrees. The Department has an established compliance inspection audit policy that identifies a percentage of approvals/operations that are physically visited and inspected on an annual basis. Additionally, any sites that are identified as an immediate potential concern are inspected following the Department's Compliance and Enforcement Policy.

3.66 However, from our review this policy has existed since 2006 and a departmental representative informed us it needs to be updated. We found no evidence of any changes in procedures and practices since our original report.

Fifth non-implemented recommendation

3.67 Finally, we recommended the Department develop and implement a plan, in agreement with individual commissions, covering ongoing government involvement

in educating the public about solid waste matters. That involvement should focus on areas of province-wide concern.

No budget set aside for public education re solid waste matters

3.68 The Department response for 2016 stated:

The Department agrees and will continue to support the Regional Service Commissions and other stakeholders to educate the public with regards to solid waste matters.

3.69 However, in our review work, the Department was unable to establish the existence of a budget within the Department for public education, and it has no ability to direct the Regional Service Commissions to provide such public education programs without funding them. Therefore, this recommendation has yet to be implemented.

Department of Transportation and Infrastructure

Capital Maintenance of Highways - 2012

Audit objective

3.70 Our objective for this work was:

To determine whether capital road repairs, identified as necessary by the Department of Transportation and Infrastructure, are made on a timely basis.

Audit Conclusion

3.71 We concluded that although the Department had appropriate tools in place to identify and prioritize required capital highway maintenance projects, current funding levels did not allow the completion of optimal maintenance treatments on a timely basis.

Seven of ten recommendations re Capital Maintenance of Highways have been implemented

3.72 We provided ten recommendations to the Department of Transportation and Infrastructure pursuant to our work. We were pleased to observe that, as of 2016, seven of these recommendations have been implemented. In particular the Department has enhanced the information captured in the Department's Asset Management System, and its use of that data in decision-making. The status of the three outstanding recommendations is discussed below.

First non-implemented recommendation

3.73 We recommended the Department complete the Road Surface policy (a policy that will guide decisions regarding the most appropriate and economical road surface given particular circumstances (i.e. chip seal versus asphalt)). Once complete, we recommended the Department incorporate the road surface selection process into the

Asset Management System optimization model.

Road surface policy only being used selectively

3.74 The Department stated, in its 2016 update:

A road surface policy was developed. It is being used on a selective basis, but more public outreach and education will be undertaken before fully implemented.

Second non-implemented recommendation

3.75 We also recommended in order to ensure sustainability of the Province's highway network at the most economical cost, the Department should include total lifecycle costs in all new road construction decisions, and that it obtain statutory funding when the decision is made to add new roads (similar to Public Private Partnership highway projects).

Models for dedicated funding for new road maintenance are still being evaluated

3.76 In its 2016 update, the Department said:

The Department used a Multi-Criteria Analysis tool that takes into account the impact of on-going maintenance for new assets. Asset Management is also used to consider ongoing lifecycle liabilities and to propose appropriate rehabilitation schedules. DTI is evaluating models and best practices for dedicated funding.

Third non-implemented recommendation

3.77 We further recommended the Department's annual report clearly state the overall highway network condition by kilometer in each condition category the Department used, (currently very good, good, fair, and poor), with the intent of highlighting the short, medium, and long term impacts of not following Asset Management System projected funding recommendations. We also recommended the Department report the level of infrastructure debt caused by deferred capital maintenance in order to present a complete picture of the highway network status and the risk to safety and sustainability.

Information on bridge and road infrastructure debt still not reported publicly

3.78 In 2016, the Department stated:

DTI revised its annual report format for 2012-2013 and going forward will report on indicators identified on its Balanced Scorecard which includes compliance to asset management, percentage of poor roads, and percentage of bridges in poor condition. Further information such as the road and bridge infrastructure debt will be added.

3.79 We encourage the Department to continue to enhance its annual reporting to include all the components included in our recommendation.

Constituency Office Costs for Members of the Legislative Assembly and Executive Council

Office of the Clerk of the Legislative Assembly

Executive Council Office - 2011

- Why follow up 5 years after 2011 report?** **3.80** This work was completed in 2011, and would normally not be followed up on again in 2016. However, due to the importance of the outstanding recommendations in ensuring the accountability of Members of the Legislative Assembly (MLAs) to taxpayers, we have again followed up on this report.
- Audit objective** **3.81** Our objective for this work was:
To determine whether payments to Members of Executive Council and/or Members of the Legislative Assembly including allowances, reimbursements and related expenses are adequately supported and in accordance with Acts, Regulations, policies and other guidelines.
- Audit conclusion** **3.82** We concluded that while there was adequate authority for constituency office expenses, policy and guidelines for consistently approving, recording and reporting constituency office expenses needed improvement. In particular, we had concerns about management practices and operating procedures in place for Ministers' constituency office expenses paid by their departments.
- Two important recommendations from 2011 have still not been implemented** **3.83** We made five recommendations to the Legislative Assembly and/or Executive Council Office. Only three of those recommendations have been implemented to date. The two outstanding recommendations are discussed below.
- First non-implemented recommendation** **3.84** In our original 2011 report chapter, we recommended all constituency office costs be authorized, paid, recorded, monitored and reported through the Office of the Clerk of the Legislative Assembly.
- All Constituency office costs for Ministers are still not being authorized, paid, recorded, monitored and reported through the Office of the Clerk** **3.85** The following updates were received in 2016 from the Legislative Assembly and the Executive Council Office respectively.
The Legislative Assembly will continue to work with the Executive Council Office in an effort to consider and address any practical complexities which may require attention in order to facilitate and move forward with the

implementation of this recommendation.

Revisions to policies and guidelines will be delayed until such time as budgetary issues associated with the constituency expenses can also be addressed.

Second non-implemented recommendation

Total constituency costs claimed by each MLA, including Ministers, are still not publicly reported

3.86 We remain concerned that a full five years after this important recommendation was made by our Office, it has not been implemented. Implementation of this recommendation would help ensure constituency office cost guidelines are respected by all MLAs, including Ministers.

3.87 We also recommended the Legislative Assembly publicly report total constituency office costs claimed by each MLA, whether paid by the Clerk or a department.

3.88 In its 2016 update, the Legislative Assembly stated, *As previously noted, the full public reporting of Members' constituency office costs would be achieved once the full constituency office costs of all Members, including Members of the Executive Council, are authorized, paid and recorded through the Office of the Clerk of the Legislative Assembly. In the interim, the Legislative Assembly will consider the feasibility of reporting on total constituency office costs claimed by each Member, whether those costs are paid through the Office of the Clerk or through a department, and the requirements that may be necessary in consultation with the Executive Branch to achieve this reporting.*

3.89 We understand the Legislative Assembly has been waiting for the implementation of the previous recommendation to facilitate its implementation of this recommendation, and that the Office of the Clerk of the Legislative Assembly has no legal authority to require departments to provide information relating to expenses incurred by Ministers. However, we continue to believe that full public reporting of MLAs' constituency office costs would provide improved accountability. Consequently, we encourage the Legislative Assembly to implement this recommendation in cooperation with the Executive Council Office as soon as possible.

Department of Social Development

CMHC Social Housing Agreement - 2011

Why follow up 5 years after 2011 report?

3.90 This work was completed in 2011, and would normally not be followed up on again in 2016. However, due to the importance of the outstanding recommendation in ensuring the Province can continue to provide appropriate housing to New Brunswick residents in need, we have again followed up on our 2011 recommendations.

Objectives

3.91 Our objectives for this work were:

- 1. To prepare for the Legislative Assembly an analysis of the financial impact to the Province due to the decline of funding under the CMHC Social Housing Agreement; and*
- 2. To assess whether the Department manages and administers the program in accordance with four key requirements (in clause 6(b)) of the agreement related to managing and administering the portfolio. Those requirements included:*

- Maintain and enforce the principles and the key elements for each program in the portfolio;*
- Ensure that only targeted households are eligible to receive the benefit of CMHC funding;*
- Set standards of housing affordability, suitability and adequacy; and*
- Comply with all reporting requirements in this Agreement.*

Conclusions

3.92 We concluded there is a need for long term planning with policies and strategies to ensure the Province can provide and maintain social housing needs in New Brunswick once the Social Housing Agreement expires in 2034. Based on our analysis, the impact of the declining funding will be more and more evident in coming years, making it vital for the Department and the province to find solutions now to address impending challenges.

3.93 We further concluded the Department has met three of the four key requirements we examined with regards to managing and administering the program. The requirement to do a program evaluation every five years was not being met.

One recommendation still outstanding

3.94 We made two recommendations in our 2011 chapter, only one of which has been implemented.

Non-implemented recommendation

3.95 Our non-implemented recommendation was that the Department develop a comprehensive long-term plan to ensure the Province can continue to provide and maintain social housing. The plan should include an effective funding and financing strategy to address the declining condition of the housing stock.

3.96 Establishment of a long-term plan is an important step in ensuring the Department can continue to provide for provincial social housing needs in the future.

No comprehensive long-term plan for social housing has been developed, but it is on the Department's 2016-2017 work plan

3.97 The Department's 2016 update stated:

A key piece to developing a comprehensive long-term plan for social housing is the involvement of the federal government. The federal government recently announced a new social infrastructure fund to improve the quality and supply of affordable housing. It is anticipated the provinces will be key stakeholders consulted in the process of developing a Federal Housing Strategy. ... The development of a long-term strategy is part of the Department's work plan for the current year.

3.98 We are encouraged by the Department's update, and plan to check on the status of this recommendation again in 2017.

3.99 Exhibit 3.4 provides a full listing of our 2012 performance audit recommendations that have still not been implemented.

Exhibit 3.4 - Summary Status of 2012 Performance Audit Recommendations Not Implemented

Department/ Commissions / Agency	Chapter Name	Year	Volume	Chapter	Paragraph	Recommendation	Status
Department of Health	Medicare- Payments to Doctors	2012	2	2	42	<p>We recommend the Department develop an action plan, with specific steps and timelines, to address the deficiencies identified by our work. The action plan is to include, but not be limited to, the following:</p> <ul style="list-style-type: none"> Improving the monitoring of doctor remuneration, including all methods of remuneration (Fee-For-Service, salary, sessional), total payments, and the cap and the “on-call group account” for salaried doctors. Improving the audit function by: expanding the audit coverage to include all Medicare payments; using a risk-based audit approach; ensuring the audit unit has the skill set and information needed; documenting procedures for authorizing, processing, recording and reviewing the reversal / repayment of recoveries; publicly reporting the actual performance of its audit function in comparison with targeted recoveries and providing a rationale for any variances; expanding the use of the Professional Review Committee, etc. Improving the Department’s enforcement of doctor compliance with legislation and departmental policies by establishing an enforcement policy and implementing ramifications for doctors who do not comply, such as those who over-charge, double bill for services relating to workplace injuries and those who do not shadow-bill. Ensuring claims submitted for radiology services comply with legislation and payments for those services are subject to the same payment controls, monitoring and auditing as other Fee-For-Service payments. Improving and automating the process of recovering Medicare payments relating to WorkSafeNB claims. 	Not Implemented
		2012	2	2	43	<p>Similar to other government reporting of employee compensation and vendor payments, and to provide better accountability, we recommend the Department publicly report total remuneration for each doctor, regardless of whether the doctor is paid via Fee-For-Service, salary, sessional or alternative payment arrangements.</p>	Not Implemented
		2012	2	2	44	<p>To provide better accountability, we recommend the Department publicly report annually summary-level information on doctor remuneration, such as: total payments for each remuneration method (Fee-For-Service, salary, sessional, other), doctor remuneration by dollar range, doctor remuneration by specialty, etc.</p>	Not Implemented

Exhibit 3.4 - Summary Status of 2012 Performance Audit Recommendations Not Implemented
(continued)

Department/ Commissions / Agency	Chapter Name	Year	Volume	Chapter	Paragraph	Recommendation	Status
Office of the Chief of Information Officer	EHealth – Procurement and Conflict of Interest	2012	2	3	85	<p>We recommend the Office of the Chief Information Officer develop and monitor compliance with a government-wide policy relating to the procurement, contracting and management of IT consultants. That policy should address and mitigate risks regarding procurement and conflict of interest of consultants, and clearly state when the use of internal IT resources is more appropriate. As a minimum, the policy should require that:</p> <ul style="list-style-type: none"> • the primary role of IT consultants be to provide specialized expertise to government, typically for development initiatives; • IT operations and maintenance work be in-sourced, with allowances made for knowledge transfer from private sector experts in the shorter term; • a competitive bidding process, in compliance with all pertinent government legislation, be followed for the selection of consultants; • any exemption from the competitive bidding process be properly authorized and made for sound business reasons defensible to the public; • there is sufficient in house government expertise to effectively oversee and manage the work of consultants before a project is started; • the opportunity for real or perceived conflict of interest on the part of contracted consultants is mitigated, in part by requiring that project managers, and members of key project committees be staffed exclusively with in-house resources; and • provincial remuneration levels for IT staff not act as a barrier to the ability of government to hire and retain needed internal IT resources on a permanent basis. 	Not Implemented

Exhibit 3.4 - Summary Status of 2012 Performance Audit Recommendations Not Implemented
(continued)

Department/ Commissions / Agency	Chapter Name	Year	Volume	Chapter	Paragraph	Recommendation	Status
Department of Environment and Local Government	Solid Waste Commissions	2012	2	4	65	We recommend all commissions provide up-to-date accountability information on their websites including, as a minimum, the following: <ul style="list-style-type: none"> • audited financial statements; • annual reports; • current commission tipping fees; and • the names of board members indicating which local government they represent. 	Not Implemented
		2012	2	4	100	We also recommend the Department design and implement additional extended producer responsibility programs to further reduce the volume of solid waste going to New Brunswick landfills.	Not Implemented
		2012	2	4	122	We recommend the Department ensure challenging diversion goals are set for regional commissions. The Department should also monitor commission performance and ensure the degree of success by individual commissions in achieving their diversion goals is publicly reported. One option may be for commissions to report their diversion performance on their websites.	Not Implemented
		2012	2	4	139	We recommend the Department ensure all construction and demolition debris disposal sites in the Province are physically inspected periodically to ensure they are accepting only materials specified in their Departmental certificate of approval to operate and identify and address other environmental concerns. Frequency of inspections of individual sites should be based upon a Departmental evaluation of the risk of non-compliance at individual disposal sites.	Not Implemented
		2012	2	4	145	We recommend the Department develop and implement a plan, in agreement with individual commissions, covering ongoing government involvement in educating the public about solid waste matters. That involvement should focus on areas of province-wide concern.	Not Implemented

Exhibit 3.4 - Summary Status of 2012 Performance Audit Recommendations Not Implemented
(continued)

Department/ Commissions / Agency	Chapter Name	Year	Volume	Chapter	Paragraph	Recommendation	Status
Department of Transportation and Infrastructure	Capital Maintenance of Highways	2012	2	5	126	We recommend the Department complete the Road Surface policy (a policy that will guide decisions regarding the most appropriate and economical road surface given particular circumstances (i.e. chip seal versus asphalt)). Once complete, we recommend the Department incorporate the road surface selection process into the Asset Management System optimization model.	Not Implemented
		2012	2	5	130	In order to ensure sustainability of the Province's highway network at the most economical cost, we recommend the Department include total lifecycle costs in all new road construction decisions. We also recommend the Department obtain statutory funding when the decision is made to add new roads (similar to Public-Private Partnership highway projects).	Not Implemented
		2012	2	5	180	We recommend the Department's annual report clearly state the overall highway network condition by kilometer in each condition category the Department uses, (currently very good, good, fair, and poor), with the intent of highlighting the short, medium, and long term impacts of not following Asset Management System projected funding recommendations. We further recommend the Department report the level of infrastructure debt caused by deferred capital maintenance in order to present a complete picture of the highway network status and the risk to safety and sustainability.	Not Implemented

**General
Comments on the
Implementation
of our
Recommendations**

3.100 As noted earlier, we encourage the Public Accounts and Crown Corporations Committees to use this chapter to hold government departments and Crown agencies accountable for implementing our performance audit recommendations. Exhibit 3.5 reports government's progress, in implementing our performance audit recommendations since 1999.

Exhibit 3.5 - Implementation of Performance Audit Recommendations

Year	Number of Recommendations	Recommendations Implemented Within		
		Two years	Three years	Four years
1999	99	35%	42%	42%
2000	90	26%	41%	49%
2001	187	53%	64%	72%
2002	147	39%	58%	63%
2003	124	31%	36%	42%
2004	110	31%	38%	49%
2005	89	27%	38%	49%
2006	65	22%	38%	N/A*
2007	47	19%	N/A*	45%**
2008	48	N/A*	60%**	57%****
2009	49	73%**	73%***	74%****
2010	44	64%***	70%***	62%****
2011	24	71%***	79%***	63%****
2012	32	69%***	81%***	61%****
2013	44	65%***	61%***	-
2014	17	71%***	-	-

* N/A as no follow-up performed in 2010
 ** As self-reported by departments, commissions and agencies with confirmation by our Office in the Department of Justice and Consumer Affairs.
 *** As self-reported by departments, commissions and agencies.
 **** As self-reported by departments, commissions and agencies and reviewed for accuracy by our Office.

We are not satisfied with the implementation rate for our recommendations

3.101 Over 60% of performance audit recommendations have been implemented for each of the past few years, which is an improvement over historical implementation percentages. However, we are not satisfied with this implementation rate.

3.102 We are committed to continuing to work with departments, commissions and Crown agencies to develop sound, practical recommendations in all our performance audit reports. Also, we will continue to use our follow-up process as a means of providing encouragement and support for departments, commissions and Crown agencies to fully implement, on a timely basis, as many of our performance audit recommendations as possible.

Appendix A

Summary of Significant Projects Conducted in Departments and Crown Agencies over the Past Ten Years

The following is a list of value-for-money projects reported in a separate chapter of our annual Reports over the last ten years, organized by department and agency. The year of reporting is in brackets following the subject of the projects. The list is organized using the current name of the department or agency, even though in some cases the project was conducted prior to government reorganization.

Department of Agriculture, Aquaculture and Fisheries

Agricultural Fair Associations (2016)

This chapter examines whether there is adequate government oversight of New Brunswick Agricultural Associations.

Department of Education and Early Childhood Development

Provincial Testing of Students – Anglophone Sector (2009)

This chapter assesses the Department's strategic direction for its provincial testing of students in the Anglophone sector. It also assesses the Department's process of administering its provincial testing of students in the Anglophone sector.

Department of Environment and Local Government

Solid Waste Commissions (2012)

This chapter examines the governance, accountability and financial management of the twelve provincial solid waste commissions. It also addresses the Province's involvement in reducing the impacts of solid waste on the environment.

Wastewater Commissions (2011)

This chapter examines the governance, accountability and financial practices of the three largest wastewater commissions: the Greater Moncton Sewerage Commission, the Greater Shediac Sewerage Commission and the Fredericton Area Pollution Control Commission. The report

addresses concerns with respect to board governance, accountability and questionable financial practices of the Greater Moncton Sewerage Commission.

Environmental Trust Fund (2009)

This chapter examines whether the purpose of the Environmental Trust Fund is clearly established, and whether the Fund is measuring and reporting the achievement of its goals and objectives. It also examines whether the Fund is operating as intended with respect to grants.

Environmental Impact Assessment (2008)

This chapter examines whether the Department is carrying out its key roles and responsibilities under the NB Environmental Impact Assessment (EIA) Regulation and related Departmental guidelines with due regard for economy, efficiency and effectiveness. It also identifies key risks associated with the provincial EIA process and determines the extent to which those risks are being managed.

Executive Council Office

Constituency Office Costs for Members of the Legislative Assembly and Executive Council (2011)

This chapter reports observations, findings and recommendations regarding Members' constituency office costs with respect to the authority and management by both the Office of the Clerk of the Legislative Assembly and departments. It identifies positive features, as well as issues that need improvement to ensure proper stewardship and accountability.

Department of Finance

Agricultural Fair Associations (2016)

This chapter examines whether there is adequate government oversight of New Brunswick Agricultural Associations.

Atlantic Lottery Corporation (2016)

This volume examines whether Atlantic Lottery Corporation('s):

- governance structures and processes create a framework for effective governance and are working well;
- executive and employee compensation and benefits are appropriately managed;
- travel, hospitality, and board expenses are managed in a transparent manner that promotes the appropriate use of shareholder money;
- significant contracts are monitored to ensure services are received, and payments made, in accordance with contract terms;
- significant contracts are effective in meeting its objectives and achieving enterprise value; and
- procures required services in an efficient and economical manner.

Collection of Accounts Receivable (2013)

This chapter provides information on provincial policies and initiatives currently underway to improve the collection of accounts receivable, and our comments relating to those policies and initiatives.

Department of Government Services

Procurement of Goods and Services – Phase 1 (2013)

This chapter examines whether public purchasing practices used by the Department comply with key components of the regulatory framework and best practices, and if it publicly reports on the effectiveness of the procurement function.

Department of Health

Meat Safety – Food Premises Program (2016)

This chapter determines if the Department of Health monitors and enforces compliance with the legislation, regulations and policies in place to ensure the safety of meat for public consumption.

Nursing Homes (2016)

This chapter provides information on the current status of nursing homes. It looks at the current situation in the province concerning nursing homes and the capacity within the system to meet the growing demand for services.

Infection Prevention and Control in Hospitals (2015)

This chapter determines if the Department of Health and the Regional Health Authorities have an infection prevention and control program to protect people from hospital-acquired infections.

Medicare - Payments to Doctors (2012)

This chapter examines whether the Department of Health is maximizing its recovery of incorrect Medicare payments to doctors, through the practitioner audit function. It also highlights unusual items that warrant further investigation by the Department.

EHealth – Procurement and Conflict of Interest (2012)

This chapter examines the government procurement policy for purchases of services related to the E-Health initiative. It also examines whether a conflict of interest exists in the use of consultants.

Program Evaluation (2007)

This chapter examines whether adequate systems and practices have been established to regularly evaluate programs funded by the Department of Health.

Department of Justice and Public Safety

Public Trustee Services (2016)

This chapter examines whether the Public Trustee properly safeguards and administers client assets held in trust, whether the Public Trustee's processes for making care decisions on behalf of its clients are in accordance with legislation and policies, and whether the Public Trustee publicly reports on the performance of its services.

Agricultural Fair Associations (2016)

This chapter examines whether there is adequate government oversight of New Brunswick Agricultural Associations.

Superintendent of Credit Unions (2008)

This chapter examines whether the Superintendent of Credit Unions is fulfilling his duties and responsibilities to oversee the financial stability and solvency of credit unions and caisses populaires for the protection of New Brunswick depositors.

New Brunswick Credit Union Deposit Insurance Corporation (2007)

This chapter examines whether the New Brunswick Credit Union Deposit Insurance Corporation has adequate structures, processes and procedures in place to fulfill its obligation to protect the deposits of members of credit unions and caisses populaires in New Brunswick.

Legislative Assembly

Constituency Office Costs for Members of the Legislative Assembly and Executive Council (2011)

This chapter reports observations, findings and recommendations regarding Members' constituency office costs with respect to the authority and management by both the Office of the Clerk of the Legislative Assembly and departments. It identifies positive features, as well as issues that need improvement to ensure proper stewardship and accountability.

Department of Natural Resources

Silviculture (2015)

This chapter determines whether the Department is meeting its responsibilities to enhance the quality and quantity of future timber supply through silviculture and acquires silviculture services with due regard for economy and efficiency.

Private Wood Supply (2015)

This chapter determines whether the Department is meeting its responsibilities respecting timber supply from private woodlots and if the New Brunswick Forest Products Commission provides adequate oversight of Forest Products Marketing Boards.

Timber Royalties (2008)

This chapter describes timber royalties and the processes and requirements surrounding them. It also examines whether the Department is complying with its legislated requirements.

Wildlife Trust Fund (2007)

This chapter reports the results of an audit of a sample of grants issued by the fund and our testing of the conservation revenue fee.

Department of Post-Secondary Education, Training and Labour

Immigration with the Provincial Nominee Program (2010)

This chapter examines whether the Population Growth Secretariat has identified and documented significant planning measures for New Brunswick's Provincial Nominee Program. It also examines whether the Secretariat has adequate processes and controls for delivering the Provincial Nominee Program in New Brunswick, and if it supports the program in achieving its objective "to increase the economic benefits of immigration to New Brunswick." Finally, it examines whether the Secretariat measures performance for the Provincial Nominee Program and if it publicly reports the program's performance.

Adult Literacy Services (2008)

This chapter examines the Department's strategic direction, control procedures, and performance measurement and reporting for its adult literacy support.

Private Occupational Training Act (2007)

This chapter examines whether the Department, and the New Brunswick Private Occupational Training Corporation, are fulfilling their mandate to provide effective consumer protection to students of private occupational training organizations in New Brunswick.

Department of Social Development

Nursing Homes (2016)

This chapter provides information on the current status of nursing homes. It looks at the current situation in the province concerning nursing homes and the capacity within the system to meet the growing demand for services.

Foster Homes (2013)

This chapter examines whether the Department complies with its documented foster home standards, and if it publicly reports on the effectiveness of its Children's Residential Services program.

CMHC Social Housing Agreement (2011)

This chapter examines the future of the financial impact to the Province due to the decline of funding under the CMHC Social Housing Agreement; and assesses whether the Department managed and administered the programs in accordance with four key agreement requirements.

Review of Nursing Home Contract with Shannex Inc. (2009)

This chapter examines various questions surrounding the contract with Shannex Inc. to supply nursing home beds.

Department of Tourism, Heritage and Culture

New Brunswick Art Bank (2010)

Our objective for this project was to ensure that all art works acquired for the provincial Art Bank can be accounted for and are being adequately protected, maintained and conserved.

Department of Transportation and Infrastructure

Provincial Bridges (2013)

This chapter examines whether the Department performs bridge inspections in accordance with accepted professional standards and used the inspection results to identify and prioritize necessary capital maintenance and other remedial measures. The chapter also examines whether the Department maintains the service level of its bridge inventory based on a long term least life cycle cost approach, and whether it publicly reports on the condition of designated Provincial bridges and the effectiveness of its bridge inspection activities.

Premixed Asphalt Procurement (2013)

This chapter discusses our planned project to determine if the Department's exempt purchases of pre-mixed asphalt are being made with due regard of economy and transparency, and the reasons why we chose to temporarily defer this project.

Capital Maintenance of Highways (2012)

This chapter examines whether capital road repairs, identified as necessary by the Department, are made on a timely basis.

Public-Private Partnership: Eleanor W. Graham Middle School and Moncton North School (2011)

This chapter examines the process for identifying the two school project as potential P3 agreements and evaluates the value for money assessment on which the Department's decision to recommend the P3 approach for the two school project was based.

Review of Nursing Home Contract with Shannex Inc. (2009)

This chapter examines various questions surrounding the contract with Shannex Inc. to supply nursing home beds.

Government-wide projects

Office of the Chief Information Officer Data Centre Power Interruption (2014)

This chapter examines the events and circumstances surrounding the data centre outage of 9 June 2014. It reports findings on the impact to government operations and the level of emergency preparedness of IT operations. It provides recommendations on improvements to business continuity and disaster recovery planning as well as defining roles and responsibilities of those involved in providing IT services.

Review of Departmental Annual Reports (2008)

Our primary objective for this project was to determine the degree to which departmental annual reports and our government's reporting on performance could be improved by applying state-of-the-art principles. Our secondary objective was to determine what enhancements might be recommended for the Province's annual report policy.

Crown Agency and Crown Corporation Projects

Atlantic Lottery Corporation (2016) New Brunswick Lotteries and Gaming Corporation

This volume examines whether Atlantic Lottery Corporation's:

- governance structures and processes create a framework for effective governance and are working well;
- executive and employee compensation and benefits are appropriately managed,
- travel, hospitality, and board expenses are managed in a transparent manner that promotes the appropriate use of shareholder money;
- significant contracts are monitored to ensure services are received, and payments made, in accordance with contract terms;
- significant contracts are effective in meeting its objectives and achieving enterprise value; and
- services are procured in an efficient and economical manner.

Legal Aid Services Commission Public Trustee Services (2016)

This chapter examines whether the Public Trustee properly safeguards and administers client assets held in trust, whether the Public Trustee's processes for making care decisions on behalf of its clients are in accordance with legislation and policies, and whether the Public Trustee publicly reports on the performance of its services.

Service New Brunswick Agricultural Fair Associations (2016)

This chapter examines whether there is adequate government oversight of New Brunswick Agricultural Associations.

Service New Brunswick (formerly New Brunswick Internal Services Agency) Data Centre Power Interruption (2014)

This chapter examines the events and circumstances surrounding the data centre outage of 9 June 2014. It reports findings on the impact to government operations and the level of emergency preparedness of IT operations. It provides recommendations on improvements to business continuity and disaster recovery planning as well as defining roles and responsibilities of those involved in providing IT services.

New Brunswick Investment Management Corporation Investment Performance and Cost Analysis (2008)

This chapter looks at some indicators of the New Brunswick Investment Management Corporation's investment performance, and provides an analysis of the costs of the organization.

New Brunswick Liquor Corporation Agency stores (2010)

This chapter examines whether the New Brunswick Liquor Corporation has appropriate control procedures for its agency store program.

NB Power

Point Lepreau Generating Station Refurbishment – Phase II (2014)

This chapter assesses the reasonableness of key project costs of the Point Lepreau Generating Station Refurbishment Project.

Point Lepreau Generating Station Refurbishment – Phase I (2013)

This chapter describes key aspects of NB Power's planning and execution of the Point Lepreau refurbishment, and presents summaries of amounts making up the \$1.4 billion asset account and the \$1.0 billion deferral account related to the refurbishment.

Opportunities NB

Financial Assistance to Atcon Holdings Inc. and Industry (2015)

This chapter assesses whether the government exercised due diligence in granting financial assistance to the Atcon group of companies and determines if provincial government organizations coordinate the provision of assistance to industry to limit provincial exposure. It also determines whether the Department has implemented recommendations made in previous performance audits of assistance it provides to industry as well as the effectiveness of the Department's public reporting of the financial assistance it provides.

Financial Assistance to Industry (2010)

This chapter assesses whether the Department has adequate procedures in place to measure and report on the effectiveness of the financial assistance it provides to industry.

New Brunswick Innovation Foundation (2009)

This chapter examines whether governance structures and practices established by the Department in connection with the delivery of innovation funding through the New Brunswick Innovation Foundation ensure accountability and protection of the public interest.

Regional Health Authorities – Horizon and Vitalité Health Networks

Infection Prevention and Control in Hospitals (2015)

This chapter determines if the Department of Health and the Regional Health Authorities have an infection prevention and control program to protect people from hospital-acquired infections.

Appendix B
Detailed Status Report of
Recommendations
Since 2012

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Medicare Payments to Doctors	Health	2012	2	2	42	<p>We recommend the Department develop an action plan, with specific steps and timelines, to address the deficiencies identified by our work. The action plan is to include, but not be limited to, the following:</p> <ul style="list-style-type: none"> • Improving the monitoring of doctor remuneration, including all methods of remuneration (Fee-For-Service, salary, sessional), total payments, and the cap and the “on-call group account” for salaried doctors. • Improving the audit function by: expanding the audit coverage to include all Medicare payments; using a risk-based audit approach; ensuring the audit unit has the skill set and information needed; documenting procedures for authorizing, processing, recording and reviewing the reversal / repayment of recoveries; publicly reporting the actual performance of its audit function in comparison with targeted recoveries and providing a rationale for any variances; expanding the use of the Professional Review Committee, etc. • Improving the Department’s enforcement of doctor compliance with legislation and departmental policies by establishing an enforcement policy and implementing ramifications for doctors who do not comply, such as those who over-charge, double bill for services relating to workplace injuries and those who do not shadow-bill. • Ensuring claims submitted for radiology services comply with legislation and payments for those services are subject to the same payment controls, monitoring and auditing as other Fee-For-Service payments 	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Medicare Payments to Doctors	Health	2012	2	2	42	<ul style="list-style-type: none"> Improving and automating the process of recovering Medicare payments relating to WorkSafeNB claims. 	Not Implemented
Medicare Payments to Doctors	Health	2012	2	2	43	Similar to other government reporting of employee compensation and vendor payments, and to provide better accountability, we recommend the Department publicly report total remuneration for each doctor, regardless of whether the doctor is paid via Fee-For-Service, salary, sessional or alternative payment arrangements.	Not Implemented
Medicare Payments to Doctors	Health	2012	2	2	44	To provide better accountability, we recommend the Department publicly report annually summary-level information on doctor remuneration, such as: total payments for each remuneration method (Fee-For-Service, salary, sessional, other), doctor remuneration by dollar range, doctor remuneration by specialty, etc.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
EHealth – Procurement and Conflict of Interest	Health	2012	2	3	50	<p>The findings in the OoC’s report are consistent with ours. Recommendations regarding the procurement process from the OoC’s report are applicable to our findings as well. The OoC’s recommendations included:</p> <ul style="list-style-type: none"> • Contract managers should ensure that the requirements of the <i>Public Purchasing Act</i> are followed. Documentation should be maintained supporting Minister’s exemptions particularly when the exemption for Specific Skills or Sole Source of supply is used. • A purchase order should be obtained prior to the payment of any amounts and the value of the purchase order should not be exceeded. • A signed statement of work should always be obtained prior to the commencement of the project. • When contracts are negotiated and signed with vendors, only contracts drafted by PNB should be utilized. Vendor contracts should not be used. 	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
EHealth – Procurement and Conflict of Interest	Health	2012	2	3	51	<p>In addition to the recommendations made by the OoC, we recommend:</p> <ul style="list-style-type: none"> To avoid frequent contract amendments, the Department of Health adequately plan and define the scope, deliverables, timelines and costs for each IT contract and complete all required documentation before signing contracts or allowing work to commence; and In the event contract amendments are required, the Department of Health properly prepare and approve change requests and amendments to original contract agreements. 	Implemented
EHealth – Procurement and Conflict of Interest	Health	2012	2	3	69	<p>In general, the findings in the OoC's report were consistent with ours. The OoC's recommendations related to conflict of interest are applicable to our findings in this area as well. The OoC's recommendations included:</p> <ul style="list-style-type: none"> Employees and contractors should sign off as having read and understood AD-2915 (Conflict of Interest) on an annual basis. For employees, this could be incorporated as part of their annual performance review. As stated in AD-2915 employees must advise the Senior Executive Officer of any conflict of interest situation in which they find themselves. Documentation should be maintained. Managers and directors should familiarize themselves with the meaning and definition of an "apparent conflict of interest". A suggested reading could be the document on this topic published by the Treasury Board of Canada Secretariat. 	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
EHealth – Procurement and Conflict of Interest	Health	2012	2	3	69	<ul style="list-style-type: none"> Contractors should not occupy management positions within the department. Where the situation is unavoidable, the contractor should be strictly limited to the financial information which they can access particularly with respect to competitor's information. Where contractors are members of project steering committees, they should not take part in any discussions surrounding the contracting/outsourcing of any work for the project. Contractors should be required to disclose business relationships with other contractors working in the department when a partnership or joint venture type relationship exists. If a Project Manager or member of a Steering Committee is a contractor and also a partner or principal of a consulting firm, the department should refrain from hiring other contractors from the same company on the project. 	Implemented
EHealth – Procurement and Conflict of Interest	Health	2012	2	3	70	We recommend the Department of Health develop and implement a plan to eliminate reliance on consultants serving as project managers and prohibit consultants from serving as members of RFP evaluation committees or project steering committees.	Implemented
EHealth – Procurement and Conflict of Interest	Health	2012	2	3	81	We recommend the Department of Health develop and implement a plan to in-source all IT operation and maintenance functions over the next two years.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
EHealth – Procurement and Conflict of Interest	Office of the Chief Information Officer	2012	2	3	85	<p>We recommend the Office of the Chief Information Officer develop and monitor compliance with a government-wide policy relating to the procurement, contracting and management of IT consultants. That policy should address and mitigate risks regarding procurement and conflict of interest of consultants, and clearly state when the use of internal IT resources is more appropriate. As a minimum, the policy should require that:</p> <ul style="list-style-type: none"> • the primary role of IT consultants be to provide specialized expertise to government, typically for development initiatives; • IT operations and maintenance work be in-sourced, with allowances made for knowledge transfer from private sector experts in the shorter term; • a competitive bidding process, in compliance with all pertinent government legislation, be followed for the selection of consultants; • any exemption from the competitive bidding process be properly authorized and made for sound business reasons defensible to the public; • there is sufficient in house government expertise to effectively oversee and manage the work of consultants before a project is started; • the opportunity for real or perceived conflict of interest on the part of contracted consultants is mitigated, in part by requiring that project managers, and members of key project committees be staffed exclusively with in-house resources; and • provincial remuneration levels for IT staff not act as a barrier to the ability of government to hire and retain needed internal IT resources on a permanent basis. 	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Solid Waste Commissions	Environment and Local Government	2012	2	4	49	We recommend the Department of Environment and Local Government include a dispute resolution mechanism in the planned Solid Waste Commissions Regulation under the <i>Regional Service Delivery Act</i> to address situations where a commission board has been unable to obtain the two-thirds majority needed to approve an annual budget, commission borrowing, or the election of board officers.	Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	51	We recommend the Province, through the Minister of Environment and Local Government, ensure future appointments of local service district representatives to the new Regional Delivery Commission boards are made within three months of a vacancy occurring.	Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	58	We recommend each new Regional Delivery Commission adopt the following good governance practices: <ul style="list-style-type: none"> • document the roles and responsibilities of their board, individual board members, and board executive members; • document and approve terms of reference for each of their board committees; • provide all new board members with orientation sessions; • document a code of conduct for board, management and staff; and • create a governance committee of the board to oversee the development and implementation of good governance practices. 	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Solid Waste Commissions	Environment and Local Government	2012	2	4	65	We recommend all commissions provide up-to-date accountability information on their websites including, as a minimum, the following: <ul style="list-style-type: none"> • audited financial statements; • annual reports; • current commission tipping fees; and • the names of board members indicating which local government they represent. 	Not Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	79	We recommend commissions negotiating solid waste transfer agreements in future consider: <ul style="list-style-type: none"> • what direct and administrative costs are being incurred by landfill commissions in providing service to transfer station commissions; and • how these costs may be most fairly allocated in establishing landfill tipping fees under the agreement. 	N/A
Solid Waste Commissions	Environment and Local Government	2012	2	4	80	We recommend Transfer Station Commissions investigate the potential for cost savings by shipping their solid waste to alternative provincial landfills, prior to renewing their existing transfer agreements.	Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	99	We recommend the Department finalize and request government approval for additions to the Designated Materials Regulation covering used oil, glycol, and e-waste.	Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	100	We also recommend the Department design and implement additional extended producer responsibility programs to further reduce the volume of solid waste going to New Brunswick landfills.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Solid Waste Commissions	Environment and Local Government	2012	2	4	122	We recommend the Department ensure challenging diversion goals are set for regional commissions. The Department should also monitor commission performance and ensure the degree of success by individual commissions in achieving their diversion goals is publicly reported. One option may be for commissions to report their diversion performance on their websites.	Not Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	123	We also recommend the Department support the delivery of enhanced diversion programs by regional solid waste commissions to help them meet their diversion goals.	Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	135	Given the environmental risks and financial costs associated with illegal dumping, we recommend the Department develop a standardized compliance and enforcement approach to better manage illegal dumping in the Province.	Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	139	We recommend the Department ensure all construction and demolition debris disposal sites in the Province are physically inspected periodically to ensure they are accepting only materials specified in their Departmental certificate of approval to operate and identify and address other environmental concerns. Frequency of inspections of individual sites should be based upon a Departmental evaluation of the risk of non-compliance at individual disposal sites.	Not Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	145	We recommend the Department develop and implement a plan, in agreement with individual commissions, covering ongoing government involvement in educating the public about solid waste matters. That involvement should focus on areas of province-wide concern.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	78	We recommend, in order to optimize decisions and reduce long term costs from asset management, the Department prioritize the addition of all significant asset categories not currently modeled in the system with timelines for their inclusion.	Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	83	We recommend the Department report on roads that are in very poor condition and develop optimization targets specific to that category of roads within the Asset Management System.	Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	89	We recommend the Department further enhance the Asset Management System to incorporate non-road condition based factors such as traffic counts, safety indicators, and environmental concerns that significantly impact project selection.	Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	114	We recommend the Department establish guidelines to govern projects selected outside the Asset Management System and document the rationale and benefits of these projects against the Asset Management System optimization criteria.	Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	115	We recommend the Department, in its annual report, communicate the implications of selecting and completing projects that do not meet Asset Management System optimization criteria.	Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	118	We recommend the Department provide sufficient training for additional staff to be competent in utilizing the Asset Management System. Training should include, but not be limited to, knowledge of optimization process rules.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	126	We recommend the Department complete the Road Surface policy (a policy that will guide decisions regarding the most appropriate and economical road surface given particular circumstances (i.e. chip seal versus asphalt)). Once complete, we recommend the Department incorporate the road surface selection process into the Asset Management System optimization model.	Not Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	130	In order to ensure sustainability of the Province's highway network at the most economical cost, we recommend the Department include total lifecycle costs in all new road construction decisions. We also recommend the Department obtain statutory funding when the decision is made to add new roads (similar to Public-Private Partnership highway projects).	Not Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	179	We recommend the Department develop effective program performance measures for its stated goals and objectives that include specific, relevant targets against which performance can be measured.	Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	180	We recommend the Department's annual report clearly state the overall highway network condition by kilometer in each condition category the Department uses, (currently very good, good, fair, and poor), with the intent of highlighting the short, medium, and long term impacts of not following Asset Management System projected funding recommendations. We further recommend the Department report the level of infrastructure debt caused by deferred capital maintenance in order to present a complete picture of the highway network status and the risk to safety and sustainability.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Long Term Infrastructure Sustainability Plan	Transportation and Infrastructure	2013	2	1	1	<p>We recommend the Department of Transportation and Infrastructure develop and implement a comprehensive long-term infrastructure plan that will ensure the sustainability and safety of highways, hospitals, schools, bridges, and other essential provincial infrastructure while respecting the fiscal challenges faced by the Province.</p> <p>Key elements of the plan should include:</p> <ol style="list-style-type: none"> 1. the rationalization of assets (i.e. if not considered essential, remove from service and dispose in an appropriate manner); 2. a long term approach to budgeting which includes life cycle maintenance of capital assets; 3. a protected stream of a base level of funding determined necessary to adequately maintain assets in service; 4. a 20 year planning horizon; 5. a process whereby new assets are constructed only when there is a business case to support the need. This should include redirecting savings from rationalized assets to the new asset life cycle maintenance costs; 6. apply the current DTI strategy and asset management system to all essential assets. This would result in a corporate approach which applies the least cost lifecycle prioritization to all essential assets; 7. provide annual public performance reporting, which includes the actual physical condition of our essential assets versus pre-established targets, explaining the reason for any significant variances; and 8. a process or mechanism that ensures fiscal discipline is adhered to over the long-term (such as legislative change, statutory funding, contractual arrangements). 	Not implemented
Foster Homes	Social Development	2013	2	2	57	We recommend the Department of Social Development establish standards for contracting with foster families.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Foster Homes	Social Development	2013	2	2	58	We recommend the Department of Social Development amend its standards to provide comprehensive and consistent direction for approving and monitoring provisional (foster) homes.	Implemented
Foster Homes	Social Development	2013	2	2	72	We recommend the Department of Social Development comply with its documented foster home standards for providing a safe and secure environment for children who have to be separated from their families.	Implemented
Foster Homes	Social Development	2013	2	2	86	We recommend the Department of Social Development implement regular monitoring procedures for both regional and central office to ensure compliance with its standards. The procedures could include, but not necessarily be limited to, the following: <ul style="list-style-type: none"> • a periodic review of a sample of files to determine compliance with standards; and • a regular review of “expired approval dates” recorded in the electronic information system, with follow-up to ensure the foster family’s annual review is completed on time. 	Implemented
Foster Homes	Social Development	2013	2	2	107	We recommend the Department of Social Development develop a long-term strategy to ensure sufficient appropriate foster homes are available to meet regional needs and to help meet, “The Children's Residential Services program primary goal ... to ensure consistent, high quality residential services to children who are in the temporary or permanent care of the Minister.”	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Foster Homes	Social Development	2013	2	2	122	We recommend the Department of Social Development review all rates and funding relating to foster homes and propose changes to Government as appropriate to eliminate any disincentive to current or prospective foster parents. This should be completed within twelve months of the release of our report.	Implemented
Foster Homes	Social Development	2013	2	2	123	We recommend the Department of Social Development review rates and funding relating to foster homes on a regular and ongoing basis.	Implemented
Foster Homes	Social Development	2013	2	2	124	We recommend the Department of Social Development take steps to increase the awareness of costs available for reimbursement to foster families.	Not Implemented
Foster Homes	Social Development	2013	2	2	125	We recommend the Department of Social Development be consistent in the amounts reimbursed to foster families.	Implemented
Foster Homes	Social Development	2013	2	2	129	We recommend the Department of Social Development reconcile its foster family information (statistics, data, names) with each of the regions on a regular basis to ensure information used by central office for program planning is complete and accurate.	Implemented
Foster Homes	Social Development	2013	2	2	134	We recommend the Department of Social Development publicly report on the effectiveness of its Children's Residential Services program. Such performance information should be included in the Department's annual report and on its website.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Provincial Bridges	Transportation and Infrastructure	2013	2	3	46	We recommend the Department document its bridge inspection processes in a single comprehensive manual.	Not Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	47	We recommend the Department have readily accessible to all staff the most current and complete copy of any manual or other documentation referenced in the inspection process.	Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	62	We recommend the Department follow the Ontario Structures Inspection Manual guidelines for reporting bridge component deterioration and record the quantitative information such as the width and extent of cracks in the inspection reports. The recording of actual quantities of the defects leads to a better estimation of rehabilitation needs.	Not Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	63	We recommend the Department include suggested completion dates within the maintenance recommendations in the inspection reports. This will provide additional detailed information for use by senior department officials and members of the Legislative Assembly, inventory data analysis and performance reporting.	Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	69	We recommend the Department add a severity rating component to their material rating process similar to the Ontario Structures Inspection Manual. Standardized material ratings should be used.	Not Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	75	We recommend the Department standardize the use of priority codes within the inspection reporting process.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Provincial Bridges	Transportation and Infrastructure	2013	2	3	79	<p>We recommend the Department implement and document a formal quality control and assurance procedure for inspections and reporting. In conjunction with this, the Department should formalize supervision of the inspection team by a qualified structural engineer. This could include, but not be limited to:</p> <ul style="list-style-type: none"> • documented review by a professional engineer of a random sample of completed bridge inspection reports and photo files; • direct observation; and • re-performance of field inspections. 	Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	88	We recommend the Department establish guidelines for bridge repair and replacement project selection and document the rationale for the projects selected.	Not Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	104	We recommend the Department clearly define the least life cycle cost for a bridge and adopt this approach in prioritizing all capital bridge work, as stated in the Department's Bridges and Culverts Asset Management Plan.	Not Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	115	We recommend the Department publicly report the Bridge Condition Index of all designated Provincial bridges on an annual basis.	Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	116	We recommend the Department have measurable objectives relating to the condition of Provincial bridges. Such objectives might include setting a target Bridge Condition Index.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Provincial Bridges	Transportation and Infrastructure	2013	2	3	124	We recommend the Department set targets for its bridge inspection program and publicly report the targets, actual results and the rationale for variances in its annual report.	Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	136	The Department should develop and implement a long term plan to address current and expected future funding shortfalls in ordinary and capital bridge maintenance. This plan should be communicated annually during the capital budget process in order to appropriately inform senior officials and Cabinet Ministers.	Implemented
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	58	We recommend the DGS (Department of Government Services) ensure that provincial regulation, policies and practices are internally consistent, and are consistent with trade agreements signed by the Province.	Implemented
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	71	We recommend the DGS (Department of Government Services) require the use of the NBO system by client departments or implement a mechanism to accurately capture contract of supply draw down information and changes to purchase orders.	Implemented
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	72	We recommend the DGS (Department of Government Services) establish a plan to undertake periodic reviews of significant contracts to ensure all of the benefits such as discounted pricing of the contract are received by government entities and vendors meet their contracted obligations.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	79	We recommend the DGS (Department of Government Services) modernize and update the procurement policy and procedural framework used by government to include the establishment of a policy defining the roles and responsibilities of the entities involved in critical procurement functions, particularly between DGS as the central agency and client departments.	Implemented
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	85	We recommend the DGS (Department of Government Services) develop an exemption approval policy that balances procurement risk and value against timeframe considerations to better meet client department and DGS approval requirements.	Implemented
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	118	We recommend the DGS (Department of Government Services): <ul style="list-style-type: none"> design criteria effective in determining when significant procurements should fall under the <i>Public Purchasing Act</i>, adhere to the criteria, and establish procedures to ensure this decision is supported and documented; design an effective review process to ensure that no single individual can complete the evaluation of a procurement project and award a purchase order; and enforce compliant procurement practices and ensure adequate file documentation is maintained to demonstrate compliance with the Act, regulations, and policy. 	Implemented
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	129	We recommend the DGS (Department of Government Services) ensure all of the required information is included with exemption requests to provide sufficient support for their approval.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	163	<p>We recommend the DGS create best practice policies and procedural guidelines including but not limited to:</p> <ul style="list-style-type: none"> enhancing the role of the procurement specialist to include the level of involvement in critical functions such as mandatory site visits and membership on Request for Proposal (RFP) evaluation committees; improving records management practices to ensure consistency, completeness, and adequate decision support for vendor debriefing sessions, final contracts, and RFP bid evaluations to address issues such as: <ul style="list-style-type: none"> missing and incomplete evaluation documents; potential conflict of interest situations; and enhancing continuous improvement processes to improve forward planning by including practices such as soliciting vendor and client department feedback, completing procurement summaries and vendor performance reports, and undertaking periodic file reviews. 	Not Implemented
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	171	<p>We recommend the DGS publicly report on the goals, objectives, performance targets and actual results achieved by the Strategic Procurement business unit with explanations for any variances between actual results and targets.</p>	Not Implemented
Collection of Accounts Receivable	Finance	2013	2	5	49	<p>We recommend departments identify those accounts at risk of becoming statute-barred and implement collection procedures in order to maximize their collection prior to the expiry of the May 2016 standstill provision.</p>	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Collection of Accounts Receivable	Finance	2013	2	5	61	We recommend departments share debtor contact information, where legislation permits (for example, the <i>Family Income Security Act</i> or <i>Right to Information and Protection of Privacy Act</i>), for the purpose of collecting accounts receivable.	Not Implemented
Collection of Accounts Receivable	Post-Secondary Education, Training, and Labour	2013	2	5	77	Given the recent rapid growth in the student loans Return to Government portfolio and the limited resources of the Portfolio Debt Management group, we recommend the Department of Post-Secondary Education Training and Labour continue to develop, in conjunction with the central collection unit, a collection strategy for the Return to Government portfolio including establishing collection targets and active monitoring of targets.	Not Implemented
Collection of Accounts Receivable	Post-Secondary Education, Training, and Labour	2013	2	5	81	We recommend the Department of Post-Secondary Education, Training and Labour register employment program overpayments with the Canada Revenue Agency Refund Set-off Program.	Not Implemented
Collection of Accounts Receivable	Economic Development (Opportunities NB)	2013	2	5	88	To improve the recovery of loans receivable from businesses, we recommend that independent expertise in collection of business accounts be engaged to assist either the Department of Economic Development or the central collection unit. The expert engagement should include the development of an action plan to address the historic high delinquency rate of economic development loans to businesses.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Collection of Accounts Receivable	Agriculture, Aquaculture and Fisheries	2013	2	5	99	We recommend a matching process be undertaken to identify provincial employees with past due accounts for veterinary services or with any other amounts in arrears. Payment arrangements should be established or payroll set-off applied. In the future, departments should collect a “unique identifier” from individuals in order to facilitate recovery (through matching) should default occur.	Not Implemented
Collection of Accounts Receivable	Finance	2013	2	5	105	We recommend the Department of Finance complete its work to routinely register overdue property tax receivable accounts with the Canada Revenue Agency Refund Set-off Program.	Implemented
Collection of Accounts Receivable	Education and Early Childhood Development	2013	2	5	124	Given the current five year Enhanced Agreements with First Nations are ending in 2013, we recommend the Aboriginal Affairs Secretariat and the Department of Education and Early Childhood Development establish payment arrangements for all arrears owing prior to the signing of new Enhanced Agreements. Reinvestment of provincial funds (under the new Agreements) should not take place until payment arrangements have been negotiated.	Implemented
Collection of Accounts Receivable	Finance	2013	2	5	129	We recommend the Department of Finance establish collection guidelines to ensure equitable treatment of debtors.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Point Lepreau Generating Station Refurbishment – Phase I	NB Power	2013	2	6	29	<p>Based upon our observations relating to the decision-making process for the Point Lepreau Generating Station refurbishment, we recommend for future major capital projects undertaken by NB Power:</p> <ul style="list-style-type: none"> the decision-making process be clearly documented, including identifying the roles and responsibilities of key players (i.e. NB Power, the Province, external contractors, regulators such as the Energy and Utilities Board, etc.) before significant amounts are expended; a planned decision-making timeline be developed and agreed upon by key players; all feasible options be identified and fully investigated as early in the process as possible; pre-decision spending be limited to that needed to adequately evaluate and mitigate risks associated with options under consideration prior to selecting a preferred option; an independent, third-party expert be contracted to guide the process of selecting the best option, identifying and developing mitigation strategies for all significant risks, identifying a preferred proponent, and ensuring that the corporation gets the best possible outcome for provincial ratepayers; and the process be transparent and the public made aware of the criteria to be used for decision making, progress towards making a decision and key reasons for the selection of a preferred alternative. 	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	51	We recommend NB Power obtain competitive bids for all significant engineering services, even if not required by legislation to do so.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	60	We recommend NB Power use industry standardized formats for all external contracts. The International Federation of Consulting Engineers offers standardized contract templates which can be used as a model.	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	61	We recommend NB Power use a consistent approach to perform post contract reviews and document any areas for improvement.	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	77	We recommend NB Power: <ul style="list-style-type: none"> • contract directly with vendors providing major components or equipment; • require the contractors and subcontractors demonstrate that they have appropriate safety and risk mitigation procedures in place; • include provisions in contracts which provide sufficient liability protection based on NB Power's assessment of risks; and • increase oversight on the transportation of major equipment with the contractor and transportation vendor. 	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	82	We recommend for future building construction contracts NB Power perform sufficient due diligence and preparatory work prior to proceeding to the procurement process to avoid cost overruns.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	95	We recommend NB Power conduct an annual review of all major ongoing time and materials contracts. This review should assess the level of success achieved by the vendor over the past year based on set criteria including results achieved and value for money. During an annual review NB Power should conduct interviews with key vendor personnel and perform internal assessments by NB Power staff responsible for interaction with that vendor.	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	96	We recommend NB Power benchmark market rates for similar services and retain this support with procurement documentation to support the contractor choice.	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	106	We recommend NB Power assess its project cost management methodology for large projects. Earned Value Management System, which is an industry best practice, could be used as a model.	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	121	We recommend NB Power develop contingency plans to manage overtime during project delays, including: <ul style="list-style-type: none"> periodically reevaluating during the project to account for major changes in project timelines; sufficiently analyzing the new circumstances and revise the plan as necessary, when a major unanticipated event impacts a project; and carrying out sufficient equipment testing to address any equipment challenges resulting from extended delays. 	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	136	We recommend NB Power prepare a staffing plan for each major project and revise when it is determined that major project changes have occurred.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Data Centre Power Interruption	NB Internal Services Agency	2014	2	3	71	We recommend the NBISA identify critical infrastructure components and establish replacement plans. We also recommend the NBISA develop and implement a refresh program for such equipment.	Implemented
Data Centre Power Interruption	NB Internal Services Agency	2014	2	3	72	We recommend the Office of the Chief Information Officer (OCIO) define roles and responsibilities related to development of corporate IT strategic development for all departments and take recommendations to cabinet that clarify corporate IT roles and responsibilities and ensure strategic goals of the OCIO, the NBISA and the departments are aligned.	Not Implemented
Data Centre Power Interruption	NB Internal Services Agency	2014	2	3	81	We recommend the NBISA prepare threat risk assessments, as part of its corporate IT continuity planning, and take recommendations to cabinet to further mitigate risk of failure of IT services.	Not Implemented
Data Centre Power Interruption	NB Internal Services Agency	2014	2	3	82	We recommend the NBISA develop a data centre availability strategy to provide a level of service congruent with industry standards. We also recommend NBISA develop a monitoring process to ensure strategies are implemented to achieve the strategic vision.	Not Implemented
Data Centre Power Interruption	NB Internal Services Agency	2014	2	3	92	We recommend the OCIO, in consultation with departments, develop a government-wide IT continuity plan, which considers all aspects of government programs, services and operations. This plan should be tested annually to ensure its adequacy.	Not Implemented
Data Centre Power Interruption	NB Internal Services Agency	2014	2	3	93	We recommend the OCIO, as part of IT continuity planning, obtain an assessment of services from each department to identify and prioritize critical systems, which require uninterrupted IT continuity.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Data Centre Power Interruption	NB Internal Services Agency	2014	2	3	94	We recommend the NBISA, in consultation with departments, develop a disaster recovery plan, which prioritizes the restoration of government IT systems.	Not Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	38	We recommend the Department establish clear guidelines for applications for assistance with documented analysis maintained in the client file to ensure decisions are supported.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	39	We recommend the Department ensure all requests for assistance include an application properly prepared and signed as complete and accurate by the client.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	41	We recommend the Department establish minimum standards and criteria, such as number of jobs to be created or maintained per dollar advanced, for use in evaluating applications for assistance.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	45	We recommend the Department include a complete version of the most recent audited financial statements with Memorandums to Executive Council requesting financial assistance.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	57	We recommend the financial considerations included in the Memorandum to Executive Council clearly state the financial impact on the accounts of the Province, including the need for a provision for loss.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	61	To improve future economic development decision making, we recommend the Department quantify the risks and rewards to the Province in order to clearly establish and balance the value received for the output of funding and the risk assumed by the Province.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	64	We recommend the Department establish guidelines for verification of claims and assumptions underlying projections included in applications for financial assistance.	Not Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	65	We recommend all claims of job creation or maintenance, in connection with the application, be made in writing, supported by documentation and signed by a company representative indicating the accuracy of the documentation and the company's commitment.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	72	We recommend the Department, in collaboration with others, propose an update to the <i>Economic Development Act</i> and Regulation to clarify the authority to amend security.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	82	Where it would improve the security taken by the Province on loan agreements, we recommend the Department seek an independent assessment of assets when assets are provided as security on loan or guarantee agreements, especially where the value is significant. Should further financial assistance be requested, the Department should reassess the value of these assets as this may affect the realizable value of the security.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	83	When personal guarantees are provided, we recommend the Province ensure there is adequate evidence to support the value of the personal assets such that there is sufficient net worth to safeguard taxpayers' money.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	85	We recommend the Department clearly identify companies and individuals involved in past defaults on government financial assistance as part of the Memorandum to Executive Council (MEC). Where there is a recommendation to approve assistance to such a company or individual, the justification should be clearly stated on the MEC.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	95	We recommend the Department establish a limit on the amount of assistance/level of provincial exposure that can be granted to a single company or group of related companies.	Not Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	96	We recommend the Department implement a process whereby financial assistance to industry provided by all government departments/agencies is monitored to determine the extent of financial assistance granted by all agents in the government reporting entity.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	97	We recommend, as an efficiency measure and to streamline administration, the Department of Economic Development make recommendations to Cabinet to rationalize the number of provincial entities that provide financial assistance to industry.	Not Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	98	We recommend the Executive Council Office take responsibility for coordinating the implementation by all departments/agencies providing financial assistance to industry of recommendations of this report.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	113	We recommend the Department report both expected and actual results of job creation and job maintenance in their annual report.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	123	We recommend the Department annually track and report the 10-year history of actual performance of assistance provided to industry, based on the 2010 analysis performed by the Office of the Comptroller.	Not Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	127	We recommend the Department establish goals, objectives and measurable targets for its financial assistance to industry programs.	Implemented
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	112	<p>We recommend the Horizon and Vitalité Health Networks address deficiencies in infection prevention and control practices within their respective programs, including but not limited to those reported in Exhibit 2.9 such as:</p> <ul style="list-style-type: none"> • hand hygiene not done when required by policy, healthcare workers wearing rings and bracelets, areas with inadequate signage and gel; • biomedical waste improperly stored; • overcrowding in hemodialysis and oncology areas whose patients have an increased risk of acquiring an infectious disease; • no cleaning between patients treated in the same chemotherapy chair; • isolation inadequacies (signage, carts supplies, use of personal protective equipment, etc.); • linen deficiencies (clean laundry arriving at hospitals without being properly covered, linen delivery trucks not properly cleaned, uncovered clean linen transported through the hospital, inadequate washing or replacing of the cloth cart covers protecting clean linen, excessive linen inventories, improper storage of clothing worn in the operating room, etc.); • containers of disinfectant wipes left open; • inadequate separation of clean and 	

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						<p>dirty items and storage space (clean linen stored in poor locations, inadequate separation within nursing units and Medical Device Reprocessing units, equipment and testing supplies stored in patient's washrooms, poor placement of soiled linen hampers, etc.);</p> <ul style="list-style-type: none"> • doors missing or being left open; • permanent placement of patients in beds in the corridor; • inadequate cleaning, labelling and storage of shared equipment; • insufficient signage (public entrances) and labelling ("clean" and "soiled" items, storage areas, etc.); and • construction areas not properly sealed-off from patient areas (with proper ventilation and signs restricting access). 	*
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	113	We recommend the infection prevention and control professionals and all managers do regular "walk-arounds" observing for compliance with policies and standards, reporting deficiencies to the units/departments, and ensuring corrective action is taken by those units/departments. Deficiencies should be monitored and reported to appropriate committees and/or department heads.	*
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	114	In smaller hospitals without on-site managers, we recommend the infection prevention and control professional and unit/department managers perform site visits on a regular basis. These visits will provide the opportunity to better monitor the smaller facility. Also, it will provide staff members with the opportunity to ask questions and identify challenges with which they are dealing.	*

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Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	115	We recommend the Horizon and Vitalité Health Networks enforce compliance with infection prevention and control policies by all staff members, in all hospitals.	*
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	146	We recommend the Department of Health in consultation with the Horizon and Vitalité Health Networks develop a provincial infection prevention and control program and strategy for use in all New Brunswick hospitals. This should address both routine practices and additional precautions. The provincial program should include, but not be limited to, the following: <ul style="list-style-type: none"> • documented provincial infection prevention and control policies, standards and practices; • a strategy for monitoring compliance with infection control standards; and • a comprehensive hand hygiene strategy. 	*
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	147	We recommend the Horizon and Vitalité Health Networks engage sufficient resources for their programs to ensure all zones have access to Infection Prevention and Control Professionals (ICPs), experts and administrative support.	*
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	148	We recommend the Vitalité Health Network require their ICPs obtain specialized training in infection prevention and control.	*
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	149	We recommend the Horizon and Vitalité Health Networks address the inconsistencies within their respective programs, including but not limited to: <ul style="list-style-type: none"> • inconsistencies in ICPs' knowledge of appropriate practices and standards; • variations in the ICPs' work in different zones; and • inconsistencies with isolation gowns. 	*

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Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	180	<p>We recommend the Horizon and Vitalité Health Networks improve monitoring for compliance with infection prevention and control standards, including the monitoring of routine practices. This should include, but not be limited to, establishing policies and procedures for:</p> <ul style="list-style-type: none"> • consistent unbiased hand hygiene auditing of appropriate quantity and including coverage of all areas in the hospitals; • auditing jewelry and nails of healthcare workers to ensure compliance with the hand hygiene policy; • auditing of linen management, including delivery trucks; • auditing of waste management, including all types of waste; and • auditing of shared equipment (proper cleaning, storage, etc.). 	*
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	202	<p>We recommend the Department of Health and/or the Regional Health Authorities enhance its public reporting on the effectiveness of its infection prevention and control program(s) by reporting on hand hygiene and other infection prevention and control program performance indicators.</p>	*
Silviculture	Natural Resources	2015	2	3	76	<p>We recommend the Department adhere to a regulated and predictable forest management planning cycle and ensure compliance with the <i>Crown Lands and Forests Act</i> by obtaining revised forest management plans from each licensee every five years.</p>	*
Silviculture	Natural Resources	2015	2	3	83	<p>We recommend the Department regularly obtain forest management plans for all industrial freehold managed by Crown licensees and compare silviculture levels between licensee freehold and Crown land.</p>	*

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Silviculture	Natural Resources	2015	2	3	104	We recommend the Department complete and finalize a silviculture manual with performance standards based on best practices.	*
Silviculture	Natural Resources	2015	2	3	105	We recommend the Department enforce adherence to forest management standards and make amendments and exceptions only in light of new scientific knowledge and analysis of the effect of past treatments.	*
Silviculture	Natural Resources	2015	2	3	106	We recommend the area of Crown forest, subject to clear cut harvest, be reduced in favor of non clearcut harvest treatments as per the updated forest management strategy "A Strategy for Crown Lands Forest Management Putting our Resources to Work".	*
Silviculture	Natural Resources	2015	2	3	118	We recommend the Department continue with the silviculture annual monitoring program and apply consistent controls on silviculture services acquired.	*
Silviculture	Natural Resources	2015	2	3	122	We recommend the Department complete licensee performance evaluations every five years per the <i>Crown Lands and Forests Act</i> .	*
Silviculture	Natural Resources	2015	2	3	123	We recommend evaluation data be verified by the Department for completeness and accuracy.	*
Silviculture	Natural Resources	2015	2	3	131	We recommend the Department monitor the results of silviculture treatments over time and hold licensees accountable through performance based measures.	*
Silviculture	Natural Resources	2015	2	3	132	We recommend information self-reported by licensees be verified for completeness and accuracy.	*
Silviculture	Natural Resources	2015	2	3	142	We recommend the Department regularly report to the Legislative Assembly and the public on the status of New Brunswick's forest and its management.	*

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Silviculture	Natural Resources	2015	2	3	143	We recommend pending the development and issuance of a consolidated “State of the Forest” report by the Department, the most recent forest management plans for all Crown licenses be made available to the Legislative Assembly and the public.	*
Silviculture	Natural Resources	2015	2	3	158	We recommend the Department include the use of an economic payback model when analysing resource allocations for silviculture program activities.	*
Silviculture	Natural Resources	2015	2	3	159	We recommend the Department implement a previous recommendation made by the Select Committee on Wood Supply to commit to, on a five year basis, the level of silviculture funding deemed appropriate to achieve stated timber and non-timber objectives.	*
Silviculture	Natural Resources	2015	2	3	163	We recommend the Department, in consultation with the Office of the Comptroller, calculate and record the value of the Crown timber asset in the Department’s annual report and adjust this valuation to reflect harvest, silviculture and other changes. This valuation will quantify the impact of their management decisions.	*
Silviculture	Natural Resources	2015	2	3	167	We recommend the Department include long-term regeneration needs of the Crown forest and harvest trends to support distribution of silviculture funding.	*
Silviculture	Natural Resources	2015	2	3	181	We recommend the Department regularly benchmark silviculture rates from other jurisdictions in addition to using the costing model.	*

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Silviculture	Natural Resources	2015	2	3	182	We recommend the Department require licensees to provide a reconciliation of actual costs incurred for silviculture services provided on Crown land against fees paid and that cost efficiencies realized be proportioned between the Crown and licensee.	*
Silviculture	Natural Resources	2015	2	3	194	We recommend the standard reporting package prepared by the Forest Products Marketing Board include reconciliation between the audited financial statements and the schedule of silviculture funding and related costs.	*
Silviculture	Natural Resources	2015	2	3	196	We recommend the Department ensure a forest management agreement is signed by all current licensees to ensure compliance with the <i>Crown Lands and Forests Act</i> .	*
Silviculture	Natural Resources	2015	2	3	206	We recommend the Province adopt a more equitable cost sharing arrangement for silviculture work that recognizes the direct benefits realized by the forestry companies.	*
Private Wood Supply	Natural Resources	2015	2	4	96	We recommend the Department comply with the <i>Crown Lands and Forests Act</i> and regulations in meeting their responsibilities related to proportional supply and sustained yield. If current principles of proportional supply and sustained yield required under the Act are no longer relevant or applicable, the Department should pursue changes to the Act and regulations in order to facilitate accomplishment of its mandate.	*
Private Wood Supply	Natural Resources	2015	2	4	105	We recommend the Department establish a policy for sustained yield, set objectives and measurable targets, and monitor and publicly report on its performance in ensuring sustainable yield from private woodlots.	*

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Private Wood Supply	Natural Resources	2015	2	4	113	We recommend the Department implement a single private land silviculture agreement for all marketing boards in order to limit duplication of effort.	*
Private Wood Supply	Natural Resources	2015	2	4	124	We recommend the Department set separate goals and objectives against which to measure its success in fulfilling its mandate regarding private woodlots. In addition, we recommend the Department establish goals and objectives for the Private Land Silviculture program to measure the benefits of the program to the Province.	*
Private Wood Supply	Natural Resources	2015	2	4	128	We recommend the Department publicly report on the goals, objectives, performance targets and actual results of their work and programs in regards to private wood supply. This should include providing explanations for variances between planned and actual performance.	*
Private Wood Supply	Natural Resources	2015	2	4	149	We recommend the Commission establish member position profiles and criteria against which potential appointees can be evaluated.	*
Private Wood Supply	Natural Resources	2015	2	4	154	We recommend the Commission make appointment requests in a manner that effectively staggers member appointments to promote continuity.	*
Private Wood Supply	Natural Resources	2015	2	4	159	We recommend the Department review the Commission's mandate and performance to ensure government objectives for the Commission's work are being achieved, and the Commission's role and responsibilities are well communicated and understood.	*

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Private Wood Supply	Natural Resources	2015	2	4	161	We recommend the Commission review and compare their current governance policies and procedures against the Province's Agencies, Boards, and Commissions appointment policy as well as accepted governance best practices in order to define and implement tools to enhance current Commission practices.	*
Private Wood Supply	Natural Resources	2015	2	4	169	We recommend the Commission complete its strategic plan to reflect its mandate under legislation and articulate its strategic priorities.	*
Private Wood Supply	Natural Resources	2015	2	4	175	We recommend the Commission review its current policies and manuals to ensure these accurately and consistently reflect necessary requirements in accordance with accepted financial reporting standards. We further recommend current copies of these documents be provided to marketing boards.	*
Private Wood Supply	Natural Resources	2015	2	4	193	We recommend the Commission evaluate its reporting requirements from marketing boards to ensure that what is being requested provides the benefits intended. We further recommend the Commission enforce its Orders to ensure marketing board compliance with regulation.	*
Private Wood Supply	Natural Resources	2015	2	4	205	We recommend the Department and Commission document how financial reviews of marketing boards will be undertaken, assign personnel with the appropriate background and expertise to do the analysis, and report on the results of this analysis with recommendations, if required.	*

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Private Wood Supply	Natural Resources	2015	2	4	219	We recommend the Commission require Marketing Boards to provide them with a signed agreement between the Marketing Board and its associated agent(s) that defines the nature of the agent relationship and the roles and responsibilities of each party as they pertain to the mandate of the Marketing Board.	*
Private Wood Supply	Natural Resources	2015	2	4	224	We recommend the Commission undertake regular meetings with the marketing boards, individually or in a group setting as required, and attend random district meetings to identify and act on areas of concern.	*
Private Wood Supply	Natural Resources	2015	2	4	226	We recommend the Commission document a framework, proactively identifying and addressing areas of risk in marketing board governance, to ensure that marketing boards operate as intended by legislation.	*
Private Wood Supply	Natural Resources	2015	2	4	234	We recommend the Commission establish and document an administrative process for the use of its investigative powers and formalize a series of escalating enforcement measures/mechanisms to be used in cases of non-compliance with Orders, regulations and policy directives.	*
Private Wood Supply	Natural Resources	2015	2	4	237	We recommend the Department and the Commission jointly review the Commission's mandate and structure and make the changes required to ensure the Commission can effectively perform its legislated mandate.	*

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Private Wood Supply	Natural Resources	2015	2	4	241	We recommend the Commission establish performance targets for its own oversight work and for marketing boards against which the Commission can evaluate marketing board performance in critical areas. We further recommend the Commission report on the effectiveness of both its own work and marketing board operations against the predetermined targets.	*
Nursing Homes	Social Development	2016	1	2	33	We recommend the Department of Social Development evaluate whether there is an economic benefit to providing nursing home beds under the public-private model versus the traditional model.	**
Nursing Homes	Social Development	2016	1	2	70	We recommend the Department of Social Development, in consultation with the Department of Health, develop a comprehensive long term plan to ensure the Province can continue to provide sustainable services to New Brunswick seniors.	**
Nursing Homes	Social Development	2016	1	2	71	We also recommend the Department report publicly on the measures and outcomes of current and future initiatives as part of the comprehensive long term plan.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	39	We recommend the Public Trustee develop comprehensive policies and procedures for trust officers to assist trust officers in their work, to help in training new trust officers, and to ensure consistency of client files.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	40	We recommend the Public Trustee amend and implement the investment policy for client funds.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	41	We recommend the Public Trustee upgrade or replace its current case management information system in order to meet user needs.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	42	We recommend the Public Trustee review its insurance coverage to ensure client assets are adequately insured.	**

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Public Trustee Services	Legal Aid Services Commission	2016	1	3	43	We recommend the Public Trustee implement regular supervisory review of client files.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	44	We recommend the Public Trustee implement an internal audit function.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	50	We recommend the Public Trustee ensure guardianship officers sufficiently document the rationale for all personal care and healthcare decisions in the case management system.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	59	We recommend the Public Trustee establish goals, objectives and measurable targets for its services, measure its performance against the targets and publicly report on its performance.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	60	We recommend the Public Trustee make available publicly all audited financial statements of Trusts under the Administration of the Public Trustee.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	69	We recommend the Public Trustee identify legislation changes needed to address the following, and work with the responsible department to implement them: <ul style="list-style-type: none"> • lack of timeliness in obtaining authority to act as Public Trustee for a client; • loss of authority upon death of a client; • limitations in fees that can be charged to clients; and • administration of unclaimed property. 	**

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Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	55	We recommend the Department of Agriculture, Aquaculture and Fisheries fulfill its legislated mandate under the <i>Agricultural Associations Act</i> . We recommend DAAF develop a strategy to further define its mandate, including a clear definition of its role and responsibilities as well as goals and objectives for its work with agricultural societies and agricultural fair associations.	**
Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	56	We recommend, alternatively, if the Department of Agriculture, Aquaculture and Fisheries does not intend to meet its current mandate under the <i>Agricultural Associations Act</i> and regulations, it pursue legislative amendments to the <i>Agricultural Associations Act</i> and regulations. This would define and clarify its commitment to these entities.	**
Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	72	We recommend the Department of Agriculture Aquaculture and Fisheries define, communicate, and monitor minimum reporting requirements for all agricultural associations and societies it is required to oversee under the <i>Agricultural Associations Act</i> .	**
Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	81	We recommend the Department of Agriculture, Aquaculture and Fisheries distribute funding directly to agricultural fair associations without the assistance of a third-party entity. Accordingly, we recommend DAAF develop and implement a grant allocation process with applicable controls to ensure proper use of public funds.	**

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Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	104	We recommend, at a minimum, Service New Brunswick follow its internal standard and re-assess any agricultural fair association exceeding the 10-year assessment cycle, including Fredericton, Saint John, Miramichi and Queens County associations. We recommend SNB evaluate the eligibility of these organizations for exemption from property tax.	**
Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	109	We recommend Service New Brunswick develop, document, and implement a standardized process and procedures to evaluate the eligibility of requests for property tax exemptions (tax class 50) and undertake regular monitoring to ensure organizations with exemptions have sustained their eligible status.	**
Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	143	We recommend the Department of Public Safety develop a standardized process and implement associated procedures for evaluating initial and ongoing eligibility of agricultural fair associations for licensing under the Charitable Gaming program.	**
Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	154	We recommend the Department of Finance request Canada Revenue Agency undertake audits of Agricultural Fair Associations currently exempted from provincial income tax to verify the eligibility status of these organizations.	**

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Glossary

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Collège communautaire du Nouveau-Brunswick	Volume 4	Chapter 5	105, 107-109, 111-112
Department of Economic Development	Volume 3	Chapter 3	92
Department of Education and Early Childhood Development	Volume 4	Chapter 4	74, 75, 79-81, 84, 88, 95
Department of Energy and Resource Development	Volume 4	Chapter 4	97
Department of Environment and Local Government	Volume 3	Chapter 3	84, 88, 90, 100, 111

Executive Council Office	Volume 3	Chapter 1	3-6
		Chapter 3	85, 87, 92, 105, 106
	Volume 4	Chapter 3	49
Department of Finance	Volume 1	Chapter 1	5
		Chapter 4	78, 79, 83, 87, 88, 106-109
	Volume 4	Chapter 1	6
		Chapter 4	74-76, 79, 80, 82, 84- 86, 92, 101
Department of Government Services	Volume 3	Chapter 3	88, 90
Department of Health	Volume 1	Chapter 2	12- 15, 17, 26, 38- 42
	Volume 3	Chapter 1	3, 4
		Chapter 2	13, 15, 17-22, 24, 25, 27, 39, 44, 46, 50, 55, 57, 59, 61, 63-65, 67, 68, 73, 74, 76, 77, 79, 80
		Chapter 3	84, 95, 98, 99, 109
	Volume 4	Chapter 4	79, 80
Invest New Brunswick	Volume 4	Chapter 5	110
Department of Justice and Attorney General	Volume 1	Chapter 3	52, 64, 72
	Volume 3	Chapter 3	113
	Volume 4	Chapter 4	76
Kings Landing Corporation	Volume 4	Chapter 5	105, 107-109
Legislative Assembly	Volume 3	Chapter 1	6
		Chapter 3	85, 105, 106
Department of Natural Resources	Volume 1	Chapter 4	96, 97
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New Brunswick Agricultural Insurance Commission	Volume 4	Chapter 5	105, 107-109, 112
New Brunswick Community College	Volume 4	Chapter 5	105, 107-112
New Brunswick Electric Finance Corporation	Volume 4	Chapter 2	34, 38
New Brunswick Highway Corporation	Volume 4	Chapter 5	105, 107-110
New Brunswick Immigrant Investor Fund (2009) Ltd.	Volume 4	Chapter 5	110
New Brunswick Internal Services Agency	Volume 4	Chapter 4	79
		Chapter 5	107, 110
New Brunswick Investment Management Corporation	Volume 4	Chapter 3	58, 59
New Brunswick Legal Aid Services Commission	Volume 1	Chapter 3	45, 52-57, 64
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New Brunswick Lotteries and Gaming Corporation	Volume 2	Chapter 2	13
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	Volume 4	Chapter 1	5, 6
		Chapter 5	105, 107-109, 113, 115
New Brunswick Municipal Finance Corporation	Volume 4	Chapter 5	105
New Brunswick Power Corporation	Volume 3	Chapter 3	89, 90
	Volume 4	Chapter 2	34, 38, 39
Office of the Comptroller	Volume 1	Chapter 3	50, 59
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		Chapter 3	46, 60-62, 64
		Chapter 4	71, 74- 76, 79, 80, 82, 83, 86, 89-100
Opportunities NB	Volume 3	Chapter 1	5
		Chapter 3	85, 93, 94
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Department of Post-Secondary Education, Training and Labour	Volume 4	Chapter 4	74, 76, 88
Premier's Council on the Status of Disabled Persons	Volume 4	Chapter 5	105, 108, 109
Department of Public Safety	Volume 1	Chapter 1	5
		Chapter 4	77- 79, 83, 87, 88, 102-107
	Volume 4	Chapter 4	74, 75
Public Trustee – Trusts Administered	Volume 1	Chapter 1	3, 5
		Chapter 3	45-72
	Volume 4	Chapter 5	105, 107-109
Regional Development Corporation	Volume 4	Chapter 5	105, 107-109, 111
Service New Brunswick	Volume 1	Chapter 1	5, 6
		Chapter 4	77, 79, 82, 87, 88, 96-102, 104, 105, 110
	Volume 3	Chapter 3	88, 90, 99, 100
	Volume 4	Chapter 4	74, 75, 79-84, 94, 101
		Chapter 5	105, 107-110, 114, 115
Department of Social Development	Volume 1	Chapter 1	4
		Chapter 2	9, 10, 12, 14-17, 19-31, 33-36, 38-42
	Volume 3	Chapter 3	86, 88, 90
	Volume 4	Chapter 3	60
		Chapter 4	74, 76, 79, 80, 84, 94
Department of Transportation and Infrastructure	Volume 3	Chapter 1	6, 7, 9, 10
		Chapter 3	85, 88, 90, 103, 104, 112
	Volume 4	Chapter 4	74, 75, 80, 88, 97
WorkSafe NB	Volume 3	Chapter 1	7
		Chapter 3	84, 96, 97, 98, 109

Appendix A

Summary of Significant Projects Conducted in Departments and Crown Agencies over the Past Ten Years

The following is a list of value-for-money projects reported in a separate chapter of our annual Reports over the last ten years, organized by department and agency. The year of reporting is in brackets following the subject of the projects. The list is organized using the current name of the department or agency, even though in some cases the project was conducted prior to government reorganization.

Department of Agriculture, Aquaculture and Fisheries

Agricultural Fair Associations (2016)

This chapter examines whether there is adequate government oversight of New Brunswick Agricultural Associations.

Department of Education and Early Childhood Development

Provincial Testing of Students – Anglophone Sector (2009)

This chapter assesses the Department's strategic direction for its provincial testing of students in the Anglophone sector. It also assesses the Department's process of administering its provincial testing of students in the Anglophone sector.

Department of Environment and Local Government

Solid Waste Commissions (2012)

This chapter examines the governance, accountability and financial management of the twelve provincial solid waste commissions. It also addresses the Province's involvement in reducing the impacts of solid waste on the environment.

Wastewater Commissions (2011)

This chapter examines the governance, accountability and financial practices of the three largest wastewater commissions: the Greater Moncton Sewerage Commission, the Greater Shediac Sewerage Commission and the Fredericton Area Pollution Control Commission. The report

addresses concerns with respect to board governance, accountability and questionable financial practices of the Greater Moncton Sewerage Commission.

Environmental Trust Fund (2009)

This chapter examines whether the purpose of the Environmental Trust Fund is clearly established, and whether the Fund is measuring and reporting the achievement of its goals and objectives. It also examines whether the Fund is operating as intended with respect to grants.

Environmental Impact Assessment (2008)

This chapter examines whether the Department is carrying out its key roles and responsibilities under the NB Environmental Impact Assessment (EIA) Regulation and related Departmental guidelines with due regard for economy, efficiency and effectiveness. It also identifies key risks associated with the provincial EIA process and determines the extent to which those risks are being managed.

Executive Council Office

Constituency Office Costs for Members of the Legislative Assembly and Executive Council (2011)

This chapter reports observations, findings and recommendations regarding Members' constituency office costs with respect to the authority and management by both the Office of the Clerk of the Legislative Assembly and departments. It identifies positive features, as well as issues that need improvement to ensure proper stewardship and accountability.

Department of Finance

Agricultural Fair Associations (2016)

This chapter examines whether there is adequate government oversight of New Brunswick Agricultural Associations.

Atlantic Lottery Corporation (2016)

This volume examines whether Atlantic Lottery Corporation('s):

- governance structures and processes create a framework for effective governance and are working well;
- executive and employee compensation and benefits are appropriately managed;
- travel, hospitality, and board expenses are managed in a transparent manner that promotes the appropriate use of shareholder money;
- significant contracts are monitored to ensure services are received, and payments made, in accordance with contract terms;
- significant contracts are effective in meeting its objectives and achieving enterprise value; and
- procures required services in an efficient and economical manner.

Collection of Accounts Receivable (2013)

This chapter provides information on provincial policies and initiatives currently underway to improve the collection of accounts receivable, and our comments relating to those policies and initiatives.

Department of Government Services

Procurement of Goods and Services – Phase 1 (2013)

This chapter examines whether public purchasing practices used by the Department comply with key components of the regulatory framework and best practices, and if it publicly reports on the effectiveness of the procurement function.

Department of Health

Meat Safety – Food Premises Program (2016)

This chapter determines if the Department of Health monitors and enforces compliance with the legislation, regulations and policies in place to ensure the safety of meat for public consumption.

Nursing Homes (2016)

This chapter provides information on the current status of nursing homes. It looks at the current situation in the province concerning nursing homes and the capacity within the system to meet the growing demand for services.

Infection Prevention and Control in Hospitals (2015)

This chapter determines if the Department of Health and the Regional Health Authorities have an infection prevention and control program to protect people from hospital-acquired infections.

Medicare - Payments to Doctors (2012)

This chapter examines whether the Department of Health is maximizing its recovery of incorrect Medicare payments to doctors, through the practitioner audit function. It also highlights unusual items that warrant further investigation by the Department.

EHealth – Procurement and Conflict of Interest (2012)

This chapter examines the government procurement policy for purchases of services related to the E-Health initiative. It also examines whether a conflict of interest exists in the use of consultants.

Program Evaluation (2007)

This chapter examines whether adequate systems and practices have been established to regularly evaluate programs funded by the Department of Health.

Department of Justice and Public Safety

Public Trustee Services (2016)

This chapter examines whether the Public Trustee properly safeguards and administers client assets held in trust, whether the Public Trustee's processes for making care decisions on behalf of its clients are in accordance with legislation and policies, and whether the Public Trustee publicly reports on the performance of its services.

Agricultural Fair Associations (2016)

This chapter examines whether there is adequate government oversight of New Brunswick Agricultural Associations.

Superintendent of Credit Unions (2008)

This chapter examines whether the Superintendent of Credit Unions is fulfilling his duties and responsibilities to oversee the financial stability and solvency of credit unions and caisses populaires for the protection of New Brunswick depositors.

New Brunswick Credit Union Deposit Insurance Corporation (2007)

This chapter examines whether the New Brunswick Credit Union Deposit Insurance Corporation has adequate structures, processes and procedures in place to fulfill its obligation to protect the deposits of members of credit unions and caisses populaires in New Brunswick.

Legislative Assembly

Constituency Office Costs for Members of the Legislative Assembly and Executive Council (2011)

This chapter reports observations, findings and recommendations regarding Members' constituency office costs with respect to the authority and management by both the Office of the Clerk of the Legislative Assembly and departments. It identifies positive features, as well as issues that need improvement to ensure proper stewardship and accountability.

Department of Natural Resources

Silviculture (2015)

This chapter determines whether the Department is meeting its responsibilities to enhance the quality and quantity of future timber supply through silviculture and acquires silviculture services with due regard for economy and efficiency.

Private Wood Supply (2015)

This chapter determines whether the Department is meeting its responsibilities respecting timber supply from private woodlots and if the New Brunswick Forest Products Commission provides adequate oversight of Forest Products Marketing Boards.

Timber Royalties (2008)

This chapter describes timber royalties and the processes and requirements surrounding them. It also examines whether the Department is complying with its legislated requirements.

Wildlife Trust Fund (2007)

This chapter reports the results of an audit of a sample of grants issued by the fund and our testing of the conservation revenue fee.

Department of Post-Secondary Education, Training and Labour

Immigration with the Provincial Nominee Program (2010)

This chapter examines whether the Population Growth Secretariat has identified and documented significant planning measures for New Brunswick's Provincial Nominee Program. It also examines whether the Secretariat has adequate processes and controls for delivering the Provincial Nominee Program in New Brunswick, and if it supports the program in achieving its objective "to increase the economic benefits of immigration to New Brunswick." Finally, it examines whether the Secretariat measures performance for the Provincial Nominee Program and if it publicly reports the program's performance.

Adult Literacy Services (2008)

This chapter examines the Department's strategic direction, control procedures, and performance measurement and reporting for its adult literacy support.

Private Occupational Training Act (2007)

This chapter examines whether the Department, and the New Brunswick Private Occupational Training Corporation, are fulfilling their mandate to provide effective consumer protection to students of private occupational training organizations in New Brunswick.

Department of Social Development

Nursing Homes (2016)

This chapter provides information on the current status of nursing homes. It looks at the current situation in the province concerning nursing homes and the capacity within the system to meet the growing demand for services.

Foster Homes (2013)

This chapter examines whether the Department complies with its documented foster home standards, and if it publicly reports on the effectiveness of its Children's Residential Services program.

CMHC Social Housing Agreement (2011)

This chapter examines the future of the financial impact to the Province due to the decline of funding under the CMHC Social Housing Agreement; and assesses whether the Department managed and administered the programs in accordance with four key agreement requirements.

Review of Nursing Home Contract with Shannex Inc. (2009)

This chapter examines various questions surrounding the contract with Shannex Inc. to supply nursing home beds.

Department of Tourism, Heritage and Culture

New Brunswick Art Bank (2010)

Our objective for this project was to ensure that all art works acquired for the provincial Art Bank can be accounted for and are being adequately protected, maintained and conserved.

Department of Transportation and Infrastructure

Provincial Bridges (2013)

This chapter examines whether the Department performs bridge inspections in accordance with accepted professional standards and used the inspection results to identify and prioritize necessary capital maintenance and other remedial measures. The chapter also examines whether the Department maintains the service level of its bridge inventory based on a long term least life cycle cost approach, and whether it publicly reports on the condition of designated Provincial bridges and the effectiveness of its bridge inspection activities.

Premixed Asphalt Procurement (2013)

This chapter discusses our planned project to determine if the Department's exempt purchases of pre-mixed asphalt are being made with due regard of economy and transparency, and the reasons why we chose to temporarily defer this project.

Capital Maintenance of Highways (2012)

This chapter examines whether capital road repairs, identified as necessary by the Department, are made on a timely basis.

Public-Private Partnership: Eleanor W. Graham Middle School and Moncton North School (2011)

This chapter examines the process for identifying the two school project as potential P3 agreements and evaluates the value for money assessment on which the Department's decision to recommend the P3 approach for the two school project was based.

Review of Nursing Home Contract with Shannex Inc. (2009)

This chapter examines various questions surrounding the contract with Shannex Inc. to supply nursing home beds.

Government-wide projects

Office of the Chief Information Officer Data Centre Power Interruption (2014)

This chapter examines the events and circumstances surrounding the data centre outage of 9 June 2014. It reports findings on the impact to government operations and the level of emergency preparedness of IT operations. It provides recommendations on improvements to business continuity and disaster recovery planning as well as defining roles and responsibilities of those involved in providing IT services.

Review of Departmental Annual Reports (2008)

Our primary objective for this project was to determine the degree to which departmental annual reports and our government's reporting on performance could be improved by applying state-of-the-art principles. Our secondary objective was to determine what enhancements might be recommended for the Province's annual report policy.

Crown Agency and Crown Corporation Projects

Atlantic Lottery Corporation (2016) New Brunswick Lotteries and Gaming Corporation

This volume examines whether Atlantic Lottery Corporation's:

- governance structures and processes create a framework for effective governance and are working well;
- executive and employee compensation and benefits are appropriately managed,
- travel, hospitality, and board expenses are managed in a transparent manner that promotes the appropriate use of shareholder money;
- significant contracts are monitored to ensure services are received, and payments made, in accordance with contract terms;
- significant contracts are effective in meeting its objectives and achieving enterprise value; and
- services are procured in an efficient and economical manner.

Legal Aid Services Commission Public Trustee Services (2016)

This chapter examines whether the Public Trustee properly safeguards and administers client assets held in trust, whether the Public Trustee's processes for making care decisions on behalf of its clients are in accordance with legislation and policies, and whether the Public Trustee publicly reports on the performance of its services.

Service New Brunswick Agricultural Fair Associations (2016)

This chapter examines whether there is adequate government oversight of New Brunswick Agricultural Associations.

Service New Brunswick (formerly New Brunswick Internal Services Agency) Data Centre Power Interruption (2014)

This chapter examines the events and circumstances surrounding the data centre outage of 9 June 2014. It reports findings on the impact to government operations and the level of emergency preparedness of IT operations. It provides recommendations on improvements to business continuity and disaster recovery planning as well as defining roles and responsibilities of those involved in providing IT services.

New Brunswick Investment Management Corporation Investment Performance and Cost Analysis (2008)

This chapter looks at some indicators of the New Brunswick Investment Management Corporation's investment performance, and provides an analysis of the costs of the organization.

New Brunswick Liquor Corporation **Agency stores (2010)**

This chapter examines whether the New Brunswick Liquor Corporation has appropriate control procedures for its agency store program.

NB Power

Point Lepreau Generating Station Refurbishment – Phase II (2014)

This chapter assesses the reasonableness of key project costs of the Point Lepreau Generating Station Refurbishment Project.

Point Lepreau Generating Station Refurbishment – Phase I (2013)

This chapter describes key aspects of NB Power's planning and execution of the Point Lepreau refurbishment, and presents summaries of amounts making up the \$1.4 billion asset account and the \$1.0 billion deferral account related to the refurbishment.

Opportunities NB

Financial Assistance to Atcon Holdings Inc. and Industry (2015)

This chapter assesses whether the government exercised due diligence in granting financial assistance to the Atcon group of companies and determines if provincial government organizations coordinate the provision of assistance to industry to limit provincial exposure. It also determines whether the Department has implemented recommendations made in previous performance audits of assistance it provides to industry as well as the effectiveness of the Department's public reporting of the financial assistance it provides.

Financial Assistance to Industry (2010)

This chapter assesses whether the Department has adequate procedures in place to measure and report on the effectiveness of the financial assistance it provides to industry.

New Brunswick Innovation Foundation (2009)

This chapter examines whether governance structures and practices established by the Department in connection with the delivery of innovation funding through the New Brunswick Innovation Foundation ensure accountability and protection of the public interest.

Regional Health Authorities – Horizon and Vitalité Health Networks

Infection Prevention and Control in Hospitals (2015)

This chapter determines if the Department of Health and the Regional Health Authorities have an infection prevention and control program to protect people from hospital-acquired infections.

Appendix B
Detailed Status Report of
Recommendations
Since 2012

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Medicare Payments to Doctors	Health	2012	2	2	42	<p>We recommend the Department develop an action plan, with specific steps and timelines, to address the deficiencies identified by our work. The action plan is to include, but not be limited to, the following:</p> <ul style="list-style-type: none"> • Improving the monitoring of doctor remuneration, including all methods of remuneration (Fee-For-Service, salary, sessional), total payments, and the cap and the “on-call group account” for salaried doctors. • Improving the audit function by: expanding the audit coverage to include all Medicare payments; using a risk-based audit approach; ensuring the audit unit has the skill set and information needed; documenting procedures for authorizing, processing, recording and reviewing the reversal / repayment of recoveries; publicly reporting the actual performance of its audit function in comparison with targeted recoveries and providing a rationale for any variances; expanding the use of the Professional Review Committee, etc. • Improving the Department’s enforcement of doctor compliance with legislation and departmental policies by establishing an enforcement policy and implementing ramifications for doctors who do not comply, such as those who over-charge, double bill for services relating to workplace injuries and those who do not shadow-bill. • Ensuring claims submitted for radiology services comply with legislation and payments for those services are subject to the same payment controls, monitoring and auditing as other Fee-For-Service payments 	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Medicare Payments to Doctors	Health	2012	2	2	42	<ul style="list-style-type: none"> Improving and automating the process of recovering Medicare payments relating to WorkSafeNB claims. 	Not Implemented
Medicare Payments to Doctors	Health	2012	2	2	43	Similar to other government reporting of employee compensation and vendor payments, and to provide better accountability, we recommend the Department publicly report total remuneration for each doctor, regardless of whether the doctor is paid via Fee-For-Service, salary, sessional or alternative payment arrangements.	Not Implemented
Medicare Payments to Doctors	Health	2012	2	2	44	To provide better accountability, we recommend the Department publicly report annually summary-level information on doctor remuneration, such as: total payments for each remuneration method (Fee-For-Service, salary, sessional, other), doctor remuneration by dollar range, doctor remuneration by specialty, etc.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
EHealth – Procurement and Conflict of Interest	Health	2012	2	3	50	<p>The findings in the OoC’s report are consistent with ours. Recommendations regarding the procurement process from the OoC’s report are applicable to our findings as well. The OoC’s recommendations included:</p> <ul style="list-style-type: none"> • Contract managers should ensure that the requirements of the <i>Public Purchasing Act</i> are followed. Documentation should be maintained supporting Minister’s exemptions particularly when the exemption for Specific Skills or Sole Source of supply is used. • A purchase order should be obtained prior to the payment of any amounts and the value of the purchase order should not be exceeded. • A signed statement of work should always be obtained prior to the commencement of the project. • When contracts are negotiated and signed with vendors, only contracts drafted by PNB should be utilized. Vendor contracts should not be used. 	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
EHealth – Procurement and Conflict of Interest	Health	2012	2	3	51	<p>In addition to the recommendations made by the OoC, we recommend:</p> <ul style="list-style-type: none"> To avoid frequent contract amendments, the Department of Health adequately plan and define the scope, deliverables, timelines and costs for each IT contract and complete all required documentation before signing contracts or allowing work to commence; and In the event contract amendments are required, the Department of Health properly prepare and approve change requests and amendments to original contract agreements. 	Implemented
EHealth – Procurement and Conflict of Interest	Health	2012	2	3	69	<p>In general, the findings in the OoC's report were consistent with ours. The OoC's recommendations related to conflict of interest are applicable to our findings in this area as well. The OoC's recommendations included:</p> <ul style="list-style-type: none"> Employees and contractors should sign off as having read and understood AD-2915 (Conflict of Interest) on an annual basis. For employees, this could be incorporated as part of their annual performance review. As stated in AD-2915 employees must advise the Senior Executive Officer of any conflict of interest situation in which they find themselves. Documentation should be maintained. Managers and directors should familiarize themselves with the meaning and definition of an "apparent conflict of interest". A suggested reading could be the document on this topic published by the Treasury Board of Canada Secretariat. 	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
EHealth – Procurement and Conflict of Interest	Health	2012	2	3	69	<ul style="list-style-type: none"> Contractors should not occupy management positions within the department. Where the situation is unavoidable, the contractor should be strictly limited to the financial information which they can access particularly with respect to competitor's information. Where contractors are members of project steering committees, they should not take part in any discussions surrounding the contracting/outsourcing of any work for the project. Contractors should be required to disclose business relationships with other contractors working in the department when a partnership or joint venture type relationship exists. If a Project Manager or member of a Steering Committee is a contractor and also a partner or principal of a consulting firm, the department should refrain from hiring other contractors from the same company on the project. 	Implemented
EHealth – Procurement and Conflict of Interest	Health	2012	2	3	70	We recommend the Department of Health develop and implement a plan to eliminate reliance on consultants serving as project managers and prohibit consultants from serving as members of RFP evaluation committees or project steering committees.	Implemented
EHealth – Procurement and Conflict of Interest	Health	2012	2	3	81	We recommend the Department of Health develop and implement a plan to in-source all IT operation and maintenance functions over the next two years.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
EHealth – Procurement and Conflict of Interest	Office of the Chief Information Officer	2012	2	3	85	<p>We recommend the Office of the Chief Information Officer develop and monitor compliance with a government-wide policy relating to the procurement, contracting and management of IT consultants. That policy should address and mitigate risks regarding procurement and conflict of interest of consultants, and clearly state when the use of internal IT resources is more appropriate. As a minimum, the policy should require that:</p> <ul style="list-style-type: none"> • the primary role of IT consultants be to provide specialized expertise to government, typically for development initiatives; • IT operations and maintenance work be in-sourced, with allowances made for knowledge transfer from private sector experts in the shorter term; • a competitive bidding process, in compliance with all pertinent government legislation, be followed for the selection of consultants; • any exemption from the competitive bidding process be properly authorized and made for sound business reasons defensible to the public; • there is sufficient in house government expertise to effectively oversee and manage the work of consultants before a project is started; • the opportunity for real or perceived conflict of interest on the part of contracted consultants is mitigated, in part by requiring that project managers, and members of key project committees be staffed exclusively with in-house resources; and • provincial remuneration levels for IT staff not act as a barrier to the ability of government to hire and retain needed internal IT resources on a permanent basis. 	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Solid Waste Commissions	Environment and Local Government	2012	2	4	49	We recommend the Department of Environment and Local Government include a dispute resolution mechanism in the planned Solid Waste Commissions Regulation under the <i>Regional Service Delivery Act</i> to address situations where a commission board has been unable to obtain the two-thirds majority needed to approve an annual budget, commission borrowing, or the election of board officers.	Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	51	We recommend the Province, through the Minister of Environment and Local Government, ensure future appointments of local service district representatives to the new Regional Delivery Commission boards are made within three months of a vacancy occurring.	Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	58	We recommend each new Regional Delivery Commission adopt the following good governance practices: <ul style="list-style-type: none"> • document the roles and responsibilities of their board, individual board members, and board executive members; • document and approve terms of reference for each of their board committees; • provide all new board members with orientation sessions; • document a code of conduct for board, management and staff; and • create a governance committee of the board to oversee the development and implementation of good governance practices. 	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Solid Waste Commissions	Environment and Local Government	2012	2	4	65	<p>We recommend all commissions provide up-to-date accountability information on their websites including, as a minimum, the following:</p> <ul style="list-style-type: none"> • audited financial statements; • annual reports; • current commission tipping fees; and • the names of board members indicating which local government they represent. 	Not Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	79	<p>We recommend commissions negotiating solid waste transfer agreements in future consider:</p> <ul style="list-style-type: none"> • what direct and administrative costs are being incurred by landfill commissions in providing service to transfer station commissions; and • how these costs may be most fairly allocated in establishing landfill tipping fees under the agreement. 	N/A
Solid Waste Commissions	Environment and Local Government	2012	2	4	80	<p>We recommend Transfer Station Commissions investigate the potential for cost savings by shipping their solid waste to alternative provincial landfills, prior to renewing their existing transfer agreements.</p>	Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	99	<p>We recommend the Department finalize and request government approval for additions to the Designated Materials Regulation covering used oil, glycol, and e-waste.</p>	Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	100	<p>We also recommend the Department design and implement additional extended producer responsibility programs to further reduce the volume of solid waste going to New Brunswick landfills.</p>	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Solid Waste Commissions	Environment and Local Government	2012	2	4	122	We recommend the Department ensure challenging diversion goals are set for regional commissions. The Department should also monitor commission performance and ensure the degree of success by individual commissions in achieving their diversion goals is publicly reported. One option may be for commissions to report their diversion performance on their websites.	Not Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	123	We also recommend the Department support the delivery of enhanced diversion programs by regional solid waste commissions to help them meet their diversion goals.	Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	135	Given the environmental risks and financial costs associated with illegal dumping, we recommend the Department develop a standardized compliance and enforcement approach to better manage illegal dumping in the Province.	Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	139	We recommend the Department ensure all construction and demolition debris disposal sites in the Province are physically inspected periodically to ensure they are accepting only materials specified in their Departmental certificate of approval to operate and identify and address other environmental concerns. Frequency of inspections of individual sites should be based upon a Departmental evaluation of the risk of non-compliance at individual disposal sites.	Not Implemented
Solid Waste Commissions	Environment and Local Government	2012	2	4	145	We recommend the Department develop and implement a plan, in agreement with individual commissions, covering ongoing government involvement in educating the public about solid waste matters. That involvement should focus on areas of province-wide concern.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	78	We recommend, in order to optimize decisions and reduce long term costs from asset management, the Department prioritize the addition of all significant asset categories not currently modeled in the system with timelines for their inclusion.	Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	83	We recommend the Department report on roads that are in very poor condition and develop optimization targets specific to that category of roads within the Asset Management System.	Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	89	We recommend the Department further enhance the Asset Management System to incorporate non-road condition based factors such as traffic counts, safety indicators, and environmental concerns that significantly impact project selection.	Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	114	We recommend the Department establish guidelines to govern projects selected outside the Asset Management System and document the rationale and benefits of these projects against the Asset Management System optimization criteria.	Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	115	We recommend the Department, in its annual report, communicate the implications of selecting and completing projects that do not meet Asset Management System optimization criteria.	Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	118	We recommend the Department provide sufficient training for additional staff to be competent in utilizing the Asset Management System. Training should include, but not be limited to, knowledge of optimization process rules.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	126	We recommend the Department complete the Road Surface policy (a policy that will guide decisions regarding the most appropriate and economical road surface given particular circumstances (i.e. chip seal versus asphalt)). Once complete, we recommend the Department incorporate the road surface selection process into the Asset Management System optimization model.	Not Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	130	In order to ensure sustainability of the Province's highway network at the most economical cost, we recommend the Department include total lifecycle costs in all new road construction decisions. We also recommend the Department obtain statutory funding when the decision is made to add new roads (similar to Public-Private Partnership highway projects).	Not Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	179	We recommend the Department develop effective program performance measures for its stated goals and objectives that include specific, relevant targets against which performance can be measured.	Implemented
Capital Maintenance of Highways	Transportation and Infrastructure	2012	2	5	180	We recommend the Department's annual report clearly state the overall highway network condition by kilometer in each condition category the Department uses, (currently very good, good, fair, and poor), with the intent of highlighting the short, medium, and long term impacts of not following Asset Management System projected funding recommendations. We further recommend the Department report the level of infrastructure debt caused by deferred capital maintenance in order to present a complete picture of the highway network status and the risk to safety and sustainability.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Long Term Infrastructure Sustainability Plan	Transportation and Infrastructure	2013	2	1	1	<p>We recommend the Department of Transportation and Infrastructure develop and implement a comprehensive long-term infrastructure plan that will ensure the sustainability and safety of highways, hospitals, schools, bridges, and other essential provincial infrastructure while respecting the fiscal challenges faced by the Province.</p> <p>Key elements of the plan should include:</p> <ol style="list-style-type: none"> 1. the rationalization of assets (i.e. if not considered essential, remove from service and dispose in an appropriate manner); 2. a long term approach to budgeting which includes life cycle maintenance of capital assets; 3. a protected stream of a base level of funding determined necessary to adequately maintain assets in service; 4. a 20 year planning horizon; 5. a process whereby new assets are constructed only when there is a business case to support the need. This should include redirecting savings from rationalized assets to the new asset life cycle maintenance costs; 6. apply the current DTI strategy and asset management system to all essential assets. This would result in a corporate approach which applies the least cost lifecycle prioritization to all essential assets; 7. provide annual public performance reporting, which includes the actual physical condition of our essential assets versus pre-established targets, explaining the reason for any significant variances; and 8. a process or mechanism that ensures fiscal discipline is adhered to over the long-term (such as legislative change, statutory funding, contractual arrangements). 	Not implemented
Foster Homes	Social Development	2013	2	2	57	We recommend the Department of Social Development establish standards for contracting with foster families.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Foster Homes	Social Development	2013	2	2	58	We recommend the Department of Social Development amend its standards to provide comprehensive and consistent direction for approving and monitoring provisional (foster) homes.	Implemented
Foster Homes	Social Development	2013	2	2	72	We recommend the Department of Social Development comply with its documented foster home standards for providing a safe and secure environment for children who have to be separated from their families.	Implemented
Foster Homes	Social Development	2013	2	2	86	We recommend the Department of Social Development implement regular monitoring procedures for both regional and central office to ensure compliance with its standards. The procedures could include, but not necessarily be limited to, the following: <ul style="list-style-type: none"> • a periodic review of a sample of files to determine compliance with standards; and • a regular review of “expired approval dates” recorded in the electronic information system, with follow-up to ensure the foster family’s annual review is completed on time. 	Implemented
Foster Homes	Social Development	2013	2	2	107	We recommend the Department of Social Development develop a long-term strategy to ensure sufficient appropriate foster homes are available to meet regional needs and to help meet, “The Children's Residential Services program primary goal ... to ensure consistent, high quality residential services to children who are in the temporary or permanent care of the Minister.”	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Foster Homes	Social Development	2013	2	2	122	We recommend the Department of Social Development review all rates and funding relating to foster homes and propose changes to Government as appropriate to eliminate any disincentive to current or prospective foster parents. This should be completed within twelve months of the release of our report.	Implemented
Foster Homes	Social Development	2013	2	2	123	We recommend the Department of Social Development review rates and funding relating to foster homes on a regular and ongoing basis.	Implemented
Foster Homes	Social Development	2013	2	2	124	We recommend the Department of Social Development take steps to increase the awareness of costs available for reimbursement to foster families.	Not Implemented
Foster Homes	Social Development	2013	2	2	125	We recommend the Department of Social Development be consistent in the amounts reimbursed to foster families.	Implemented
Foster Homes	Social Development	2013	2	2	129	We recommend the Department of Social Development reconcile its foster family information (statistics, data, names) with each of the regions on a regular basis to ensure information used by central office for program planning is complete and accurate.	Implemented
Foster Homes	Social Development	2013	2	2	134	We recommend the Department of Social Development publicly report on the effectiveness of its Children's Residential Services program. Such performance information should be included in the Department's annual report and on its website.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Provincial Bridges	Transportation and Infrastructure	2013	2	3	46	We recommend the Department document its bridge inspection processes in a single comprehensive manual.	Not Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	47	We recommend the Department have readily accessible to all staff the most current and complete copy of any manual or other documentation referenced in the inspection process.	Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	62	We recommend the Department follow the Ontario Structures Inspection Manual guidelines for reporting bridge component deterioration and record the quantitative information such as the width and extent of cracks in the inspection reports. The recording of actual quantities of the defects leads to a better estimation of rehabilitation needs.	Not Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	63	We recommend the Department include suggested completion dates within the maintenance recommendations in the inspection reports. This will provide additional detailed information for use by senior department officials and members of the Legislative Assembly, inventory data analysis and performance reporting.	Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	69	We recommend the Department add a severity rating component to their material rating process similar to the Ontario Structures Inspection Manual. Standardized material ratings should be used.	Not Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	75	We recommend the Department standardize the use of priority codes within the inspection reporting process.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Provincial Bridges	Transportation and Infrastructure	2013	2	3	79	<p>We recommend the Department implement and document a formal quality control and assurance procedure for inspections and reporting. In conjunction with this, the Department should formalize supervision of the inspection team by a qualified structural engineer. This could include, but not be limited to:</p> <ul style="list-style-type: none"> • documented review by a professional engineer of a random sample of completed bridge inspection reports and photo files; • direct observation; and • re-performance of field inspections. 	Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	88	We recommend the Department establish guidelines for bridge repair and replacement project selection and document the rationale for the projects selected.	Not Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	104	We recommend the Department clearly define the least life cycle cost for a bridge and adopt this approach in prioritizing all capital bridge work, as stated in the Department's Bridges and Culverts Asset Management Plan.	Not Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	115	We recommend the Department publicly report the Bridge Condition Index of all designated Provincial bridges on an annual basis.	Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	116	We recommend the Department have measurable objectives relating to the condition of Provincial bridges. Such objectives might include setting a target Bridge Condition Index.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Provincial Bridges	Transportation and Infrastructure	2013	2	3	124	We recommend the Department set targets for its bridge inspection program and publicly report the targets, actual results and the rationale for variances in its annual report.	Implemented
Provincial Bridges	Transportation and Infrastructure	2013	2	3	136	The Department should develop and implement a long term plan to address current and expected future funding shortfalls in ordinary and capital bridge maintenance. This plan should be communicated annually during the capital budget process in order to appropriately inform senior officials and Cabinet Ministers.	Implemented
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	58	We recommend the DGS (Department of Government Services) ensure that provincial regulation, policies and practices are internally consistent, and are consistent with trade agreements signed by the Province.	Implemented
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	71	We recommend the DGS (Department of Government Services) require the use of the NBO system by client departments or implement a mechanism to accurately capture contract of supply draw down information and changes to purchase orders.	Implemented
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	72	We recommend the DGS (Department of Government Services) establish a plan to undertake periodic reviews of significant contracts to ensure all of the benefits such as discounted pricing of the contract are received by government entities and vendors meet their contracted obligations.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	79	We recommend the DGS (Department of Government Services) modernize and update the procurement policy and procedural framework used by government to include the establishment of a policy defining the roles and responsibilities of the entities involved in critical procurement functions, particularly between DGS as the central agency and client departments.	Implemented
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	85	We recommend the DGS (Department of Government Services) develop an exemption approval policy that balances procurement risk and value against timeframe considerations to better meet client department and DGS approval requirements.	Implemented
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	118	We recommend the DGS (Department of Government Services): <ul style="list-style-type: none"> design criteria effective in determining when significant procurements should fall under the <i>Public Purchasing Act</i>, adhere to the criteria, and establish procedures to ensure this decision is supported and documented; design an effective review process to ensure that no single individual can complete the evaluation of a procurement project and award a purchase order; and enforce compliant procurement practices and ensure adequate file documentation is maintained to demonstrate compliance with the Act, regulations, and policy. 	Implemented
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	129	We recommend the DGS (Department of Government Services) ensure all of the required information is included with exemption requests to provide sufficient support for their approval.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	163	<p>We recommend the DGS create best practice policies and procedural guidelines including but not limited to:</p> <ul style="list-style-type: none"> enhancing the role of the procurement specialist to include the level of involvement in critical functions such as mandatory site visits and membership on Request for Proposal (RFP) evaluation committees; improving records management practices to ensure consistency, completeness, and adequate decision support for vendor debriefing sessions, final contracts, and RFP bid evaluations to address issues such as: <ul style="list-style-type: none"> missing and incomplete evaluation documents; potential conflict of interest situations; and enhancing continuous improvement processes to improve forward planning by including practices such as soliciting vendor and client department feedback, completing procurement summaries and vendor performance reports, and undertaking periodic file reviews. 	Not Implemented
Procurement of Goods and Services – Phase I	Government Services	2013	2	4	171	<p>We recommend the DGS publicly report on the goals, objectives, performance targets and actual results achieved by the Strategic Procurement business unit with explanations for any variances between actual results and targets.</p>	Not Implemented
Collection of Accounts Receivable	Finance	2013	2	5	49	<p>We recommend departments identify those accounts at risk of becoming statute-barred and implement collection procedures in order to maximize their collection prior to the expiry of the May 2016 standstill provision.</p>	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Collection of Accounts Receivable	Finance	2013	2	5	61	We recommend departments share debtor contact information, where legislation permits (for example, the <i>Family Income Security Act</i> or <i>Right to Information and Protection of Privacy Act</i>), for the purpose of collecting accounts receivable.	Not Implemented
Collection of Accounts Receivable	Post-Secondary Education, Training, and Labour	2013	2	5	77	Given the recent rapid growth in the student loans Return to Government portfolio and the limited resources of the Portfolio Debt Management group, we recommend the Department of Post-Secondary Education Training and Labour continue to develop, in conjunction with the central collection unit, a collection strategy for the Return to Government portfolio including establishing collection targets and active monitoring of targets.	Not Implemented
Collection of Accounts Receivable	Post-Secondary Education, Training, and Labour	2013	2	5	81	We recommend the Department of Post-Secondary Education, Training and Labour register employment program overpayments with the Canada Revenue Agency Refund Set-off Program.	Not Implemented
Collection of Accounts Receivable	Economic Development (Opportunities NB)	2013	2	5	88	To improve the recovery of loans receivable from businesses, we recommend that independent expertise in collection of business accounts be engaged to assist either the Department of Economic Development or the central collection unit. The expert engagement should include the development of an action plan to address the historic high delinquency rate of economic development loans to businesses.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Collection of Accounts Receivable	Agriculture, Aquaculture and Fisheries	2013	2	5	99	We recommend a matching process be undertaken to identify provincial employees with past due accounts for veterinary services or with any other amounts in arrears. Payment arrangements should be established or payroll set-off applied. In the future, departments should collect a “unique identifier” from individuals in order to facilitate recovery (through matching) should default occur.	Not Implemented
Collection of Accounts Receivable	Finance	2013	2	5	105	We recommend the Department of Finance complete its work to routinely register overdue property tax receivable accounts with the Canada Revenue Agency Refund Set-off Program.	Implemented
Collection of Accounts Receivable	Education and Early Childhood Development	2013	2	5	124	Given the current five year Enhanced Agreements with First Nations are ending in 2013, we recommend the Aboriginal Affairs Secretariat and the Department of Education and Early Childhood Development establish payment arrangements for all arrears owing prior to the signing of new Enhanced Agreements. Reinvestment of provincial funds (under the new Agreements) should not take place until payment arrangements have been negotiated.	Implemented
Collection of Accounts Receivable	Finance	2013	2	5	129	We recommend the Department of Finance establish collection guidelines to ensure equitable treatment of debtors.	Not Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Point Lepreau Generating Station Refurbishment – Phase I	NB Power	2013	2	6	29	<p>Based upon our observations relating to the decision-making process for the Point Lepreau Generating Station refurbishment, we recommend for future major capital projects undertaken by NB Power:</p> <ul style="list-style-type: none"> the decision-making process be clearly documented, including identifying the roles and responsibilities of key players (i.e. NB Power, the Province, external contractors, regulators such as the Energy and Utilities Board, etc.) before significant amounts are expended; a planned decision-making timeline be developed and agreed upon by key players; all feasible options be identified and fully investigated as early in the process as possible; pre-decision spending be limited to that needed to adequately evaluate and mitigate risks associated with options under consideration prior to selecting a preferred option; an independent, third-party expert be contracted to guide the process of selecting the best option, identifying and developing mitigation strategies for all significant risks, identifying a preferred proponent, and ensuring that the corporation gets the best possible outcome for provincial ratepayers; and the process be transparent and the public made aware of the criteria to be used for decision making, progress towards making a decision and key reasons for the selection of a preferred alternative. 	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	51	We recommend NB Power obtain competitive bids for all significant engineering services, even if not required by legislation to do so.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	60	We recommend NB Power use industry standardized formats for all external contracts. The International Federation of Consulting Engineers offers standardized contract templates which can be used as a model.	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	61	We recommend NB Power use a consistent approach to perform post contract reviews and document any areas for improvement.	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	77	We recommend NB Power: <ul style="list-style-type: none"> contract directly with vendors providing major components or equipment; require the contractors and subcontractors demonstrate that they have appropriate safety and risk mitigation procedures in place; include provisions in contracts which provide sufficient liability protection based on NB Power's assessment of risks; and increase oversight on the transportation of major equipment with the contractor and transportation vendor. 	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	82	We recommend for future building construction contracts NB Power perform sufficient due diligence and preparatory work prior to proceeding to the procurement process to avoid cost overruns.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	95	We recommend NB Power conduct an annual review of all major ongoing time and materials contracts. This review should assess the level of success achieved by the vendor over the past year based on set criteria including results achieved and value for money. During an annual review NB Power should conduct interviews with key vendor personnel and perform internal assessments by NB Power staff responsible for interaction with that vendor.	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	96	We recommend NB Power benchmark market rates for similar services and retain this support with procurement documentation to support the contractor choice.	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	106	We recommend NB Power assess its project cost management methodology for large projects. Earned Value Management System, which is an industry best practice, could be used as a model.	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	121	We recommend NB Power develop contingency plans to manage overtime during project delays, including: <ul style="list-style-type: none"> periodically reevaluating during the project to account for major changes in project timelines; sufficiently analyzing the new circumstances and revise the plan as necessary, when a major unanticipated event impacts a project; and carrying out sufficient equipment testing to address any equipment challenges resulting from extended delays. 	Implemented
Point Lepreau Generating Station Refurbishment – Phase II	NB Power	2014	2	2	136	We recommend NB Power prepare a staffing plan for each major project and revise when it is determined that major project changes have occurred.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Data Centre Power Interruption	NB Internal Services Agency	2014	2	3	71	We recommend the NBISA identify critical infrastructure components and establish replacement plans. We also recommend the NBISA develop and implement a refresh program for such equipment.	Implemented
Data Centre Power Interruption	NB Internal Services Agency	2014	2	3	72	We recommend the Office of the Chief Information Officer (OCIO) define roles and responsibilities related to development of corporate IT strategic development for all departments and take recommendations to cabinet that clarify corporate IT roles and responsibilities and ensure strategic goals of the OCIO, the NBISA and the departments are aligned.	Not Implemented
Data Centre Power Interruption	NB Internal Services Agency	2014	2	3	81	We recommend the NBISA prepare threat risk assessments, as part of its corporate IT continuity planning, and take recommendations to cabinet to further mitigate risk of failure of IT services.	Not Implemented
Data Centre Power Interruption	NB Internal Services Agency	2014	2	3	82	We recommend the NBISA develop a data centre availability strategy to provide a level of service congruent with industry standards. We also recommend NBISA develop a monitoring process to ensure strategies are implemented to achieve the strategic vision.	Not Implemented
Data Centre Power Interruption	NB Internal Services Agency	2014	2	3	92	We recommend the OCIO, in consultation with departments, develop a government-wide IT continuity plan, which considers all aspects of government programs, services and operations. This plan should be tested annually to ensure its adequacy.	Not Implemented
Data Centre Power Interruption	NB Internal Services Agency	2014	2	3	93	We recommend the OCIO, as part of IT continuity planning, obtain an assessment of services from each department to identify and prioritize critical systems, which require uninterrupted IT continuity.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Data Centre Power Interruption	NB Internal Services Agency	2014	2	3	94	We recommend the NBISA, in consultation with departments, develop a disaster recovery plan, which prioritizes the restoration of government IT systems.	Not Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	38	We recommend the Department establish clear guidelines for applications for assistance with documented analysis maintained in the client file to ensure decisions are supported.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	39	We recommend the Department ensure all requests for assistance include an application properly prepared and signed as complete and accurate by the client.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	41	We recommend the Department establish minimum standards and criteria, such as number of jobs to be created or maintained per dollar advanced, for use in evaluating applications for assistance.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	45	We recommend the Department include a complete version of the most recent audited financial statements with Memorandums to Executive Council requesting financial assistance.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	57	We recommend the financial considerations included in the Memorandum to Executive Council clearly state the financial impact on the accounts of the Province, including the need for a provision for loss.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	61	To improve future economic development decision making, we recommend the Department quantify the risks and rewards to the Province in order to clearly establish and balance the value received for the output of funding and the risk assumed by the Province.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	64	We recommend the Department establish guidelines for verification of claims and assumptions underlying projections included in applications for financial assistance.	Not Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	65	We recommend all claims of job creation or maintenance, in connection with the application, be made in writing, supported by documentation and signed by a company representative indicating the accuracy of the documentation and the company's commitment.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	72	We recommend the Department, in collaboration with others, propose an update to the <i>Economic Development Act</i> and Regulation to clarify the authority to amend security.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	82	Where it would improve the security taken by the Province on loan agreements, we recommend the Department seek an independent assessment of assets when assets are provided as security on loan or guarantee agreements, especially where the value is significant. Should further financial assistance be requested, the Department should reassess the value of these assets as this may affect the realizable value of the security.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	83	When personal guarantees are provided, we recommend the Province ensure there is adequate evidence to support the value of the personal assets such that there is sufficient net worth to safeguard taxpayers' money.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	85	We recommend the Department clearly identify companies and individuals involved in past defaults on government financial assistance as part of the Memorandum to Executive Council (MEC). Where there is a recommendation to approve assistance to such a company or individual, the justification should be clearly stated on the MEC.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	95	We recommend the Department establish a limit on the amount of assistance/level of provincial exposure that can be granted to a single company or group of related companies.	Not Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	96	We recommend the Department implement a process whereby financial assistance to industry provided by all government departments/agencies is monitored to determine the extent of financial assistance granted by all agents in the government reporting entity.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	97	We recommend, as an efficiency measure and to streamline administration, the Department of Economic Development make recommendations to Cabinet to rationalize the number of provincial entities that provide financial assistance to industry.	Not Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	98	We recommend the Executive Council Office take responsibility for coordinating the implementation by all departments/agencies providing financial assistance to industry of recommendations of this report.	Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	113	We recommend the Department report both expected and actual results of job creation and job maintenance in their annual report.	Implemented

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	123	We recommend the Department annually track and report the 10-year history of actual performance of assistance provided to industry, based on the 2010 analysis performed by the Office of the Comptroller.	Not Implemented
Financial Assistance to Atcon Holdings Inc. and Industry	Economic Development (Opportunities NB)	2015	1	2	127	We recommend the Department establish goals, objectives and measurable targets for its financial assistance to industry programs.	Implemented
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	112	<p>We recommend the Horizon and Vitalité Health Networks address deficiencies in infection prevention and control practices within their respective programs, including but not limited to those reported in Exhibit 2.9 such as:</p> <ul style="list-style-type: none"> • hand hygiene not done when required by policy, healthcare workers wearing rings and bracelets, areas with inadequate signage and gel; • biomedical waste improperly stored; • overcrowding in hemodialysis and oncology areas whose patients have an increased risk of acquiring an infectious disease; • no cleaning between patients treated in the same chemotherapy chair; • isolation inadequacies (signage, carts supplies, use of personal protective equipment, etc.); • linen deficiencies (clean laundry arriving at hospitals without being properly covered, linen delivery trucks not properly cleaned, uncovered clean linen transported through the hospital, inadequate washing or replacing of the cloth cart covers protecting clean linen, excessive linen inventories, improper storage of clothing worn in the operating room, etc.); • containers of disinfectant wipes left open; • inadequate separation of clean and 	

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						<p>dirty items and storage space (clean linen stored in poor locations, inadequate separation within nursing units and Medical Device Reprocessing units, equipment and testing supplies stored in patient's washrooms, poor placement of soiled linen hampers, etc.);</p> <ul style="list-style-type: none"> • doors missing or being left open; • permanent placement of patients in beds in the corridor; • inadequate cleaning, labelling and storage of shared equipment; • insufficient signage (public entrances) and labelling ("clean" and "soiled" items, storage areas, etc.); and • construction areas not properly sealed-off from patient areas (with proper ventilation and signs restricting access). 	*
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	113	We recommend the infection prevention and control professionals and all managers do regular "walk-arounds" observing for compliance with policies and standards, reporting deficiencies to the units/departments, and ensuring corrective action is taken by those units/departments. Deficiencies should be monitored and reported to appropriate committees and/or department heads.	*
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	114	In smaller hospitals without on-site managers, we recommend the infection prevention and control professional and unit/department managers perform site visits on a regular basis. These visits will provide the opportunity to better monitor the smaller facility. Also, it will provide staff members with the opportunity to ask questions and identify challenges with which they are dealing.	*

**Our practice is to track the status of our value for money recommendations starting in the second year after the original Report is released. Follow up work on this chapter will be conducted as part of our 2017 work plan.*

Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	115	We recommend the Horizon and Vitalité Health Networks enforce compliance with infection prevention and control policies by all staff members, in all hospitals.	*
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	146	We recommend the Department of Health in consultation with the Horizon and Vitalité Health Networks develop a provincial infection prevention and control program and strategy for use in all New Brunswick hospitals. This should address both routine practices and additional precautions. The provincial program should include, but not be limited to, the following: <ul style="list-style-type: none"> • documented provincial infection prevention and control policies, standards and practices; • a strategy for monitoring compliance with infection control standards; and • a comprehensive hand hygiene strategy. 	*
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	147	We recommend the Horizon and Vitalité Health Networks engage sufficient resources for their programs to ensure all zones have access to Infection Prevention and Control Professionals (ICPs), experts and administrative support.	*
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	148	We recommend the Vitalité Health Network require their ICPs obtain specialized training in infection prevention and control.	*
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	149	We recommend the Horizon and Vitalité Health Networks address the inconsistencies within their respective programs, including but not limited to: <ul style="list-style-type: none"> • inconsistencies in ICPs' knowledge of appropriate practices and standards; • variations in the ICPs' work in different zones; and • inconsistencies with isolation gowns. 	*

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	180	<p>We recommend the Horizon and Vitalité Health Networks improve monitoring for compliance with infection prevention and control standards, including the monitoring of routine practices. This should include, but not be limited to, establishing policies and procedures for:</p> <ul style="list-style-type: none"> • consistent unbiased hand hygiene auditing of appropriate quantity and including coverage of all areas in the hospitals; • auditing jewelry and nails of healthcare workers to ensure compliance with the hand hygiene policy; • auditing of linen management, including delivery trucks; • auditing of waste management, including all types of waste; and • auditing of shared equipment (proper cleaning, storage, etc.). 	*
Infection Prevention and Control in Hospitals	Horizon and Vitalité Health Networks and the Department of Health	2015	2	2	202	<p>We recommend the Department of Health and/or the Regional Health Authorities enhance its public reporting on the effectiveness of its infection prevention and control program(s) by reporting on hand hygiene and other infection prevention and control program performance indicators.</p>	*
Silviculture	Natural Resources	2015	2	3	76	<p>We recommend the Department adhere to a regulated and predictable forest management planning cycle and ensure compliance with the <i>Crown Lands and Forests Act</i> by obtaining revised forest management plans from each licensee every five years.</p>	*
Silviculture	Natural Resources	2015	2	3	83	<p>We recommend the Department regularly obtain forest management plans for all industrial freehold managed by Crown licensees and compare silviculture levels between licensee freehold and Crown land.</p>	*

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Silviculture	Natural Resources	2015	2	3	104	We recommend the Department complete and finalize a silviculture manual with performance standards based on best practices.	*
Silviculture	Natural Resources	2015	2	3	105	We recommend the Department enforce adherence to forest management standards and make amendments and exceptions only in light of new scientific knowledge and analysis of the effect of past treatments.	*
Silviculture	Natural Resources	2015	2	3	106	We recommend the area of Crown forest, subject to clear cut harvest, be reduced in favor of non clearcut harvest treatments as per the updated forest management strategy "A Strategy for Crown Lands Forest Management Putting our Resources to Work".	*
Silviculture	Natural Resources	2015	2	3	118	We recommend the Department continue with the silviculture annual monitoring program and apply consistent controls on silviculture services acquired.	*
Silviculture	Natural Resources	2015	2	3	122	We recommend the Department complete licensee performance evaluations every five years per the <i>Crown Lands and Forests Act</i> .	*
Silviculture	Natural Resources	2015	2	3	123	We recommend evaluation data be verified by the Department for completeness and accuracy.	*
Silviculture	Natural Resources	2015	2	3	131	We recommend the Department monitor the results of silviculture treatments over time and hold licensees accountable through performance based measures.	*
Silviculture	Natural Resources	2015	2	3	132	We recommend information self-reported by licensees be verified for completeness and accuracy.	*
Silviculture	Natural Resources	2015	2	3	142	We recommend the Department regularly report to the Legislative Assembly and the public on the status of New Brunswick's forest and its management.	*

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Silviculture	Natural Resources	2015	2	3	143	We recommend pending the development and issuance of a consolidated “State of the Forest” report by the Department, the most recent forest management plans for all Crown licenses be made available to the Legislative Assembly and the public.	*
Silviculture	Natural Resources	2015	2	3	158	We recommend the Department include the use of an economic payback model when analysing resource allocations for silviculture program activities.	*
Silviculture	Natural Resources	2015	2	3	159	We recommend the Department implement a previous recommendation made by the Select Committee on Wood Supply to commit to, on a five year basis, the level of silviculture funding deemed appropriate to achieve stated timber and non-timber objectives.	*
Silviculture	Natural Resources	2015	2	3	163	We recommend the Department, in consultation with the Office of the Comptroller, calculate and record the value of the Crown timber asset in the Department’s annual report and adjust this valuation to reflect harvest, silviculture and other changes. This valuation will quantify the impact of their management decisions.	*
Silviculture	Natural Resources	2015	2	3	167	We recommend the Department include long-term regeneration needs of the Crown forest and harvest trends to support distribution of silviculture funding.	*
Silviculture	Natural Resources	2015	2	3	181	We recommend the Department regularly benchmark silviculture rates from other jurisdictions in addition to using the costing model.	*

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Silviculture	Natural Resources	2015	2	3	182	We recommend the Department require licensees to provide a reconciliation of actual costs incurred for silviculture services provided on Crown land against fees paid and that cost efficiencies realized be proportioned between the Crown and licensee.	*
Silviculture	Natural Resources	2015	2	3	194	We recommend the standard reporting package prepared by the Forest Products Marketing Board include reconciliation between the audited financial statements and the schedule of silviculture funding and related costs.	*
Silviculture	Natural Resources	2015	2	3	196	We recommend the Department ensure a forest management agreement is signed by all current licensees to ensure compliance with the <i>Crown Lands and Forests Act</i> .	*
Silviculture	Natural Resources	2015	2	3	206	We recommend the Province adopt a more equitable cost sharing arrangement for silviculture work that recognizes the direct benefits realized by the forestry companies.	*
Private Wood Supply	Natural Resources	2015	2	4	96	We recommend the Department comply with the <i>Crown Lands and Forests Act</i> and regulations in meeting their responsibilities related to proportional supply and sustained yield. If current principles of proportional supply and sustained yield required under the Act are no longer relevant or applicable, the Department should pursue changes to the Act and regulations in order to facilitate accomplishment of its mandate.	*
Private Wood Supply	Natural Resources	2015	2	4	105	We recommend the Department establish a policy for sustained yield, set objectives and measurable targets, and monitor and publicly report on its performance in ensuring sustainable yield from private woodlots.	*

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Private Wood Supply	Natural Resources	2015	2	4	113	We recommend the Department implement a single private land silviculture agreement for all marketing boards in order to limit duplication of effort.	*
Private Wood Supply	Natural Resources	2015	2	4	124	We recommend the Department set separate goals and objectives against which to measure its success in fulfilling its mandate regarding private woodlots. In addition, we recommend the Department establish goals and objectives for the Private Land Silviculture program to measure the benefits of the program to the Province.	*
Private Wood Supply	Natural Resources	2015	2	4	128	We recommend the Department publicly report on the goals, objectives, performance targets and actual results of their work and programs in regards to private wood supply. This should include providing explanations for variances between planned and actual performance.	*
Private Wood Supply	Natural Resources	2015	2	4	149	We recommend the Commission establish member position profiles and criteria against which potential appointees can be evaluated.	*
Private Wood Supply	Natural Resources	2015	2	4	154	We recommend the Commission make appointment requests in a manner that effectively staggers member appointments to promote continuity.	*
Private Wood Supply	Natural Resources	2015	2	4	159	We recommend the Department review the Commission's mandate and performance to ensure government objectives for the Commission's work are being achieved, and the Commission's role and responsibilities are well communicated and understood.	*

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Private Wood Supply	Natural Resources	2015	2	4	161	We recommend the Commission review and compare their current governance policies and procedures against the Province's Agencies, Boards, and Commissions appointment policy as well as accepted governance best practices in order to define and implement tools to enhance current Commission practices.	*
Private Wood Supply	Natural Resources	2015	2	4	169	We recommend the Commission complete its strategic plan to reflect its mandate under legislation and articulate its strategic priorities.	*
Private Wood Supply	Natural Resources	2015	2	4	175	We recommend the Commission review its current policies and manuals to ensure these accurately and consistently reflect necessary requirements in accordance with accepted financial reporting standards. We further recommend current copies of these documents be provided to marketing boards.	*
Private Wood Supply	Natural Resources	2015	2	4	193	We recommend the Commission evaluate its reporting requirements from marketing boards to ensure that what is being requested provides the benefits intended. We further recommend the Commission enforce its Orders to ensure marketing board compliance with regulation.	*
Private Wood Supply	Natural Resources	2015	2	4	205	We recommend the Department and Commission document how financial reviews of marketing boards will be undertaken, assign personnel with the appropriate background and expertise to do the analysis, and report on the results of this analysis with recommendations, if required.	*

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Private Wood Supply	Natural Resources	2015	2	4	219	We recommend the Commission require Marketing Boards to provide them with a signed agreement between the Marketing Board and its associated agent(s) that defines the nature of the agent relationship and the roles and responsibilities of each party as they pertain to the mandate of the Marketing Board.	*
Private Wood Supply	Natural Resources	2015	2	4	224	We recommend the Commission undertake regular meetings with the marketing boards, individually or in a group setting as required, and attend random district meetings to identify and act on areas of concern.	*
Private Wood Supply	Natural Resources	2015	2	4	226	We recommend the Commission document a framework, proactively identifying and addressing areas of risk in marketing board governance, to ensure that marketing boards operate as intended by legislation.	*
Private Wood Supply	Natural Resources	2015	2	4	234	We recommend the Commission establish and document an administrative process for the use of its investigative powers and formalize a series of escalating enforcement measures/mechanisms to be used in cases of non-compliance with Orders, regulations and policy directives.	*
Private Wood Supply	Natural Resources	2015	2	4	237	We recommend the Department and the Commission jointly review the Commission's mandate and structure and make the changes required to ensure the Commission can effectively perform its legislated mandate.	*

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Private Wood Supply	Natural Resources	2015	2	4	241	We recommend the Commission establish performance targets for its own oversight work and for marketing boards against which the Commission can evaluate marketing board performance in critical areas. We further recommend the Commission report on the effectiveness of both its own work and marketing board operations against the predetermined targets.	*
Nursing Homes	Social Development	2016	1	2	33	We recommend the Department of Social Development evaluate whether there is an economic benefit to providing nursing home beds under the public-private model versus the traditional model.	**
Nursing Homes	Social Development	2016	1	2	70	We recommend the Department of Social Development, in consultation with the Department of Health, develop a comprehensive long term plan to ensure the Province can continue to provide sustainable services to New Brunswick seniors.	**
Nursing Homes	Social Development	2016	1	2	71	We also recommend the Department report publicly on the measures and outcomes of current and future initiatives as part of the comprehensive long term plan.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	39	We recommend the Public Trustee develop comprehensive policies and procedures for trust officers to assist trust officers in their work, to help in training new trust officers, and to ensure consistency of client files.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	40	We recommend the Public Trustee amend and implement the investment policy for client funds.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	41	We recommend the Public Trustee upgrade or replace its current case management information system in order to meet user needs.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	42	We recommend the Public Trustee review its insurance coverage to ensure client assets are adequately insured.	**

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Public Trustee Services	Legal Aid Services Commission	2016	1	3	43	We recommend the Public Trustee implement regular supervisory review of client files.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	44	We recommend the Public Trustee implement an internal audit function.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	50	We recommend the Public Trustee ensure guardianship officers sufficiently document the rationale for all personal care and healthcare decisions in the case management system.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	59	We recommend the Public Trustee establish goals, objectives and measurable targets for its services, measure its performance against the targets and publicly report on its performance.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	60	We recommend the Public Trustee make available publicly all audited financial statements of Trusts under the Administration of the Public Trustee.	**
Public Trustee Services	Legal Aid Services Commission	2016	1	3	69	We recommend the Public Trustee identify legislation changes needed to address the following, and work with the responsible department to implement them: <ul style="list-style-type: none"> • lack of timeliness in obtaining authority to act as Public Trustee for a client; • loss of authority upon death of a client; • limitations in fees that can be charged to clients; and • administration of unclaimed property. 	**

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Chapter Name	Department/ Agency	Year	Volume	Chapter	Par.	Recommendation	Self Reported Status
Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	55	We recommend the Department of Agriculture, Aquaculture and Fisheries fulfill its legislated mandate under the <i>Agricultural Associations Act</i> . We recommend DAAF develop a strategy to further define its mandate, including a clear definition of its role and responsibilities as well as goals and objectives for its work with agricultural societies and agricultural fair associations.	**
Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	56	We recommend, alternatively, if the Department of Agriculture, Aquaculture and Fisheries does not intend to meet its current mandate under the <i>Agricultural Associations Act</i> and regulations, it pursue legislative amendments to the <i>Agricultural Associations Act</i> and regulations. This would define and clarify its commitment to these entities.	**
Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	72	We recommend the Department of Agriculture Aquaculture and Fisheries define, communicate, and monitor minimum reporting requirements for all agricultural associations and societies it is required to oversee under the <i>Agricultural Associations Act</i> .	**
Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	81	We recommend the Department of Agriculture, Aquaculture and Fisheries distribute funding directly to agricultural fair associations without the assistance of a third-party entity. Accordingly, we recommend DAAF develop and implement a grant allocation process with applicable controls to ensure proper use of public funds.	**

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Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	104	We recommend, at a minimum, Service New Brunswick follow its internal standard and re-assess any agricultural fair association exceeding the 10-year assessment cycle, including Fredericton, Saint John, Miramichi and Queens County associations. We recommend SNB evaluate the eligibility of these organizations for exemption from property tax.	**
Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	109	We recommend Service New Brunswick develop, document, and implement a standardized process and procedures to evaluate the eligibility of requests for property tax exemptions (tax class 50) and undertake regular monitoring to ensure organizations with exemptions have sustained their eligible status.	**
Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	143	We recommend the Department of Public Safety develop a standardized process and implement associated procedures for evaluating initial and ongoing eligibility of agricultural fair associations for licensing under the Charitable Gaming program.	**
Agricultural Fair Associations	Agriculture, Aquaculture and Fisheries	2016	1	4	154	We recommend the Department of Finance request Canada Revenue Agency undertake audits of Agricultural Fair Associations currently exempted from provincial income tax to verify the eligibility status of these organizations.	**

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