

Status of Recommendations

Recommendation 3.24

When engaging in joint initiatives with external parties, government should ensure taxpayers' interests are protected through written agreements. These agreements should address, at a minimum, roles and responsibilities, conflict of interest, confidentiality and government access to files and information.

What action will be taken?

To reinforce the significance of the measures prescribed in Section 13 of the Treasury Board Policy and Procedures Manual – Contract Services, Conditional Grants and Funding Agreements – a clause was added to the policy to address conflict of interest situations with contractors. The existing contract template within the policy was strengthened to address the subject of conflict of interest.

What is the timeline?

Completed.

Recommendation 3.56

Innovation PEI should ensure grant approval documents and agreements accurately reflect the project being funded.

What action will be taken?

Innovation PEI has amended its approval process to include confirmation that in all instances an application is on file, that eligible expenditures are clearly defined in the letter of offer, and that documentation on file clearly describes the activities to be funded.

What is the timeline?

Completed

Recommendation 3.57

Innovation PEI should monitor grant funding in accordance with the terms and conditions in the letter of offer.

What action will be taken?

Innovation PEI has amended its disbursement approval sheet to include confirmation that the funds are being disbursed in accordance with the terms in the letter of offer.

What is the timeline?

Completed

Recommendation 3.58

IIDI should not disburse loan proceeds prior to signing loan agreements and obtaining security.

What action will be taken?

It is an established practice of Island Investment Development Inc. to not advance funds before the offer to finance and security is in place. This policy will be adhered to without exception.

What is the timeline?

Completed

Recommendation 3.59

In accordance with the *Financial Administration Act* and Treasury Board policy, government loan guarantees should be authorized by the Lieutenant Governor in Council.

What action will be taken?

Treasury Board will ensure loan guarantees adhere to the policies set out in Section 15.03 of the Treasury Board Policy and Procedures Manual - Loan Guarantees - and that they meet the criteria set out the *Financial Administration Act*, Section 32.(1).

What is the timeline?

Completed.

Recommendation 3.66

The Department of Finance should strengthen its financial reporting practices to ensure all loss provisions are reflected in the consolidated financial statements of the province.

What action will be taken?

Government's consolidated financial statements are prepared and audited in accordance with the *Financial Administration Act* and Public Sector Accounting Board (PSAB) standards. These standards include specific guidance for establishing and reporting loss provisions. The Comptroller's Office works closely with departments and crown corporations to present timely and reliable financial information. Recent changes to the *Financial Administration Act* in the area of write-offs and cancellation of debts due to Government will further strengthen the reporting of loss provisions.

What is the timeline?

Completed

Recommendation 3.67

IIDI should strengthen its financial reporting practices and ensure all significant information is disclosed.

What action will be taken?

As part of its annual audit, staff of Island Investment Development Inc. will ensure the external auditor is informed of any related party transactions.

What is the timeline?

Completed

Recommendation Number 3.68

In accordance with the *Financial Administration Act*, IIDl should recommend to Executive Council the write off of the loan to MCPEI.

What action will be taken?

Island Investment Development Inc. has recommended and Executive Council has approved the cancellation of the loan to MCPEI.

What is the timeline?

Completed

Recommendation Number 3.69

IIDI should provide the required information on its loan portfolio in its quarterly reporting to Treasury Board.

What action will be taken?

Island Investment Development Inc. will consult with Treasury Board to ensure that it is compliant with Treasury Board's Quarterly Reporting expectations.

What is the timeline?

Initial consultation by November 16, 2016 with ongoing monitoring thereafter.

Recommendation Number 5.17

Innovation PEI should perform adequate due diligence prior to entering into commitments or agreements with external parties.

What action will be taken?

Innovation PEI has implemented a policy that dictates the minimum due diligence required prior to execution of any commitments or agreements

What is the timeline?

Completed

Recommendation Number 5.18

Treasury Board policy on contracting should be expanded to address conflict of interest situations with contractors.

What action will be taken?

To reinforce the significance of the measures prescribed in Section 13 of the Treasury Board Policy and Procedures Manual – Contract Services, Conditional Grants and Funding Agreements – a clause was added to the policy to address conflict of interest situations with contractors. The existing contract template within the policy was strengthened to address the subject of conflict of interest.

What is the timeline?

Completed.

Recommendation Number 7.14

The Public Archives and Records Office, in cooperation with public bodies, should monitor compliance with records management policies and procedures and submit compliance reports to the Minister of Education.

What action will be taken?

A draft action plan has been developed by Education, Early Learning and Culture and IT Shared Services staff to ensure compliance with the *Archives and Records Act*. The plan identifies the need to: improve training for all departmental records staff and all employees; increase staff resources for records management within departments; adopt records retention schedules in all departments and public bodies; implement an electronic records management system; and increase the level of secure space for government records.

What is the timeline?

A plan has been developed and departmental recorded information management assessments are being undertaken with a targeted completion date of December, 2016. A secondary Provincial Records Centre location has already been identified. Additionally, new protocols adopted in July 2016 ensure compliance with records management policies prior to the removal of email accounts.

Recommendation Number 7.15

The Minister of Education, as the Minister responsible for the *Archives and Records Act*, should take necessary action to enforce compliance with the Act.

What action will be taken?

The *Archives and Records Act* will be amended to include duty to comply and penalties for failure to comply. The Treasury Board Policy and Procedures Manual, Section 5 (Recorded Information Management) will also be revised.

What is the timeline?

The Act is being reviewed and revised legislation will be introduced in spring 2017.

Recommendation Number 8.9

Treasury Board should take action to enforce compliance with its polices on contracting.

What action will be taken?

Treasury Board is currently monitoring this in each submission it receives.

What is the timeline?

Completed.

Recommendation Number 8.10

Government should consider adopting whistleblower legislation.

What action will be taken?

The development of whistleblower legislation will create a comprehensive process for reporting disclosures of alleged wrongdoing, investigating disclosures, protecting whistle blowers and addressing valid complaints.

What is the timeline?

Upon taking office, a whistleblower protection policy was introduced in 2015. This policy will be strengthened with legislation that will be ready to be introduced in the spring of 2017.