

**Main points** ..... 106

**Introduction** ..... 107

**Our audit conclusions and findings** ..... 107

    Audit findings ..... 107

        Better control over employees' pay needed ..... 108

        Status of previous recommendations ..... 108

## **Main points**

The Office of the Executive Council (Department) needs to review the accuracy of payroll prior to paying employees. Lack of prior review of payroll accuracy increases the risk that employees may be paid incorrect amounts without timely detection.

The Department needs to provide the Legislative Assembly with a performance plan and annual report each year. It also needs to develop systems to measure the results achieved for its key performance measures.

## Introduction

The Office of the Executive Council (Department) facilitates and communicates decisions of the Executive Council (Cabinet). The Department:

- ◆ provides research, analysis, and policy advice to Cabinet and its committees
- ◆ coordinates policy development and government communications
- ◆ manages Cabinet's records

The Department provides support to the Premier in his role as: Head of Government; Chair of Cabinet; and Head of the political party with a mandate to govern.

The Department received \$8.9 million from the General Revenue Fund in 2006-2007 and spent this money on its programs.

## Our audit conclusions and findings

**In our opinion, for the year ended March 31, 2007:**

- ◆ **the Department had adequate rules and procedures to safeguard public resources except for the matters described below**
- ◆ **the Department complied with authorities governing its activities relating to financial reporting , safeguarding public resources, revenue raising , spending, borrowing, and investing except for the matter related to approving employees' pay reported in this chapter**

### Audit findings

The following summarizes our key findings and includes an update on the status of previously reported outstanding recommendations.

***Better control over employees’ pay needed***

The Department needs to better control employees’ pay.

During the year, the Department reviewed its payroll costs during its review of monthly financial reports. However, the Department did not adequately review the accuracy of key payroll data for each pay period prior to paying employees. As a result, employees’ pay has not been approved in accordance with *The Financial Administration Act, 1993*.

This weakness increases the risk that employees may be paid incorrect amounts.

- We recommend that the Office of the Executive Council adequately review the payroll for accuracy prior to paying its employees to ensure that all employees’ pay is approved in accordance with *The Financial Administration Act, 1993*.**

***Status of previous recommendations***

The table below provides an update on the outstanding matters previously reported. We provide the recommendation, the name of the report in which we initially made the recommendation, key related actions taken in the year, and the status of the recommendation at the time of this report.

**Table 1**

<b>Previous Recommendation</b>	<b>Key actions or activity during audit period</b>	<b>Implemented (No/Partial)</b>
<p>We recommend the Office of the Executive Council table in the Legislative Assembly each year its performance plan and annual report prepared using the Government’s Accountability Framework (2005 Report – Volume 3)</p> <p>On February 6, 2006, the Standing Committee on Public Accounts noted that it did not concur with this recommendation.</p>	<p>Management stated that it has decided not to publish an annual report publicly for this year or for the 2007/08 year. Management indicated that they are still considering publishing an annual report at some point in the future. The performance plan will be made public in 2007/08.</p>	<p>Not implemented</p>

Previous Recommendation	Key actions or activity during audit period	Implemented (No/Partial)
<p>We recommend that the Office of the Executive Council complete the development of systems to measure work performed and results achieved for its key performance measures. (2005 Report – Volume 3)</p> <p>The Standing Committee on Public Accounts considered this matter on February 6, 2006 and concurred with this recommendation.</p>	<p>The Department developed a strategic plan to cover the period 2001-02 to 2004-05 (Plan). The Department continues to use this plan to guide its operations. The Plan sets out the Department's goals, objectives, twenty-three performance measures, and selected targets. It does not contain all of the information expected under the Government's Accountability Framework at March 31, 2007. For example, the Plan does not identify which measures are key to its operations or provide baseline data for these measures.</p> <p>Management stated that a new plan has been developed and it is in the final stages of being approved.</p>	<p>Not implemented</p>

This page left blank intentionally.