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Reflections

We make recommendations each year in our value-for-money audits after spending considerable time with these organizations reviewing how they deliver their programs and services. We look at improvements that can be made in areas such as accountability and transparency, operational efficiency and cost-effectiveness, and compliance with applicable legislation.

A central focus of our work with the organizations we audit is whether the resources they use are achieving the desired outcomes, and how these organizations can better serve Ontarians. Once we conclude our audit work, we issue value-for-money reports that contain considerable information about the subjects we audit and a series of recommended actions addressed to senior decision-makers in ministries and the broader public sector. These recommendations are a critical part of our audit reports; we believe that implementing them is important to drive positive improvements in the delivery of programs and services for Ontarians.

Our Annual Report this year includes 15 follow-ups to value-for-money audits (including follow-up

work on our audit of the Public Accounts of Ontario) completed in 2020, and three follow-ups related to our value-for-money special audit also completed in 2020. Of the 15 follow-up reports, we found positive results this year—on average, 42% of the actions have been fully implemented; 28% are in the process of being implemented; little or no progress had been made for 26%; and 4% are either no longer applicable or no longer planned to be implemented. See **Chapter 1, Figure 1**.

Excellent progress was made by the Ministry of Health in implementing our recommendations on Virtual Care: Use of Communication Technologies for Patient Care; by Metrolinx on implementing the recommendations in both of our reports on Information Technology (IT) Systems and Cybersecurity at Metrolinx, and Metrolinx Operations and Governance; by the Electrical Safety Authority on the recommendations from our audit on the operations of this delegated authority; and by the Bereavement Authority of Ontario, another delegated authority, on their recommendations. The Retirement Homes Regulatory Authority has implemented 44% of its recommended

actions and has another 43% in progress. The Canadian Blood Services has implemented 20% of its recommended actions, but also has another 73% in progress. Along with the Ministry of Tourism, Culture and Sport, both the McMichael Canadian Art Collection and the Royal Ontario Museum are progressing on implementing the recommended actions from our audits of their operations.

Surprisingly, the slowest progress in implementing improvements has been by the Art Gallery of Ontario, which has either implemented or is in the process of implementing only 30% of the recommended actions to strengthen its operations. Slower progress is also being made in the areas of Supportive Services for Adults with Developmental Disabilities by the Ministry of Children, Community and Social Services; the Condominium Oversight Authority; Indigenous Affairs in Ontario; and Curriculum Development, Implementation and Delivery. Implementation of our recommended actions from our report on Business Case Development in the Ontario Public Service has also been slower than expected. The audit's focus and recommended actions were aimed at improving the information prepared by ministries for submission to elected decision-makers at the Treasury Board/Management Board of Cabinet.

Although the Alcohol and Gaming Commission of Ontario (AGCO) has either fully implemented or is in the process of implementing 61% of the recommended actions, it was very unexpected to see which recommendations, as a regulator, they indicated they would not be implementing. The response here should be read in conjunction with our audit conducted this year of the Ontario Lottery and Gaming Corporation. For example, AGCO indicated that they would not:

- amend the Registrar's Gaming Standards to require gaming operators to verify the source of funds for patrons who bring large amounts of cash into casinos;
- require all casinos to provide it with all reports (or a summary) sent to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC);
- ensure that each electronic gaming machine is paying out the approved 85% rate, directly and consistently monitor the actual payout amounts of electronic gaming machines in gaming establishments, and take immediate corrective action where necessary; and
- require compliance officials to follow up and inspect electronic gaming machines that are identified as being offline while on the gaming floor, and perform unannounced inspections of casinos based on risk.

We also followed up on three chapters of our 2020 Special Report on COVID-19 Preparedness and Management and noted positive actions have been taken to implement the recommendations in those reports. The three reports are titled: Emergency Management in Ontario—Pandemic Response; Outbreak Planning and Decision-Making; and Laboratory Testing, Case Management and Contract Tracing. In our follow-up work we found that about 66% of the recommended actions have been fully implemented; 22% are in the process of being implemented; little or no progress has been made for 9%; and 3% are either no longer applicable or no longer planned to be implemented. See **Chapter 1, Figure 2**.

In this report, we also have a section on the status of audit recommendations from 2015 to 2021 that we continue to follow up on. Overall, we see that through our continuous follow-up work, the recommendation implementation rate is slowly increasing. Our aim is to see that these actions are fully implemented or, if we are told this has not been possible, to understand why and to report on the reasons to Ontarians. For instance, sometimes a recommendation may no longer be applicable—for

example, if there have been policy and program changes since our report was issued. This is reasonable and expected. At other times, some alternative actions meet the intent of our recommendation and we conclude that our recommendation has been implemented.

Other recommendations may still be in the process of being implemented when we follow up after two years. This too may be reasonable if the recommended actions are complex and take longer to be put into effect. In cases like these, our Office takes its responsibility to follow up several steps further—we ask if progress is still being made toward fully implementing them. The answer comes through further investigation and inquiry to verify whether the organizations we have audited are still committed to completing the work they undertook to do years earlier.

This is why six years ago we set up a team with the responsibility to follow up on our recommendations older than two years, beginning with recommendations from our *2012 Annual Report*. The team's expanded follow-ups have let us see patterns in how organizations address our recommendations. The lowest implementation rates are in areas of public reporting, access to care or services, and human resources and effectiveness, while the highest are in governance and IT. The auditees that were most responsive to implementing our recommended actions have been the Treasury Board Secretariat, Metrolinx and hospitals. The ministries that have been slowest to implement our recommended actions are the Ministry of Children, Community and Social Services; the Ministry of the Attorney General; the Ministry of Education; the Ministry of Health; and the Ministry of the Environment, Conservation and Parks.

I encourage those whose responsibility it is to oversee that Ontarians receive the best possible services from their government to revisit our past

recommendations and implement the agreed-upon actions. On many occasions we have observed situations where subsequent problematic issues may not have arisen if our recommendations had been implemented. A case in point relates to our 2013 audit of Health Human Resources in Ontario where we highlighted the need and importance of planning for sufficient physicians and nurses in Ontario.

As part of our role under the *Auditor General Act*, we assist the Standing Committee on Public Accounts by following up on the implementation of their recommended actions from their reports written on hearings held on the topics of our value-for-money audit reports. This follow-up work is reported in our Annual Report under the heading “The Standing Committee on Public Accounts.”

Acknowledgements

I would like to thank the many people in the public and broader public sectors who have assisted us with completing this year's follow-up work. The information contained in this volume of our *2022 Annual Report* is the result of the excellent work of the dedicated staff of my Office. We look forward to continuing to serve the Members of Provincial Parliament and, through them, the citizens of Ontario by recommending program and service delivery improvements for the benefit of Ontarians.

Sincerely,



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