



PRESS RELEASE



The report of the Auditor General of Québec is tabled in the National Assembly – Press Release no. 1

Québec, March 22, 2017 – Today, Ms. Guylaine Leclerc, Auditor General, makes public the Winter 2017 Volume. It includes nine chapters that describe work carried out this past year.

Observations (Chapter 1)

The Auditor General must provide an opinion on the plausibility of the forecasts and assumptions presented in the pre-election report that will be published by the Minister of Finance in August 2018. This chapter presents the objectives that will form the basis for the Auditor General's opinion. Moreover, it briefly describes the process leading to the establishment of budget forecasts that the Auditor General reviews.

Government's Consolidated Financial Statements and Other Elements of Interest (Chapter 2)

The government's consolidated financial statements continue to respect the Canadian Public Sector Accounting Standards, with the exception of the effects of the accounting treatment of certain infrastructure-related subsidies granted through Government of Québec assistance programs. The Auditor General considers that the government's current practice with regard to the accounting of these subsidies is not the most appropriate.

Modified Opinions, Emphasis of Matter Paragraphs and Comments in the Independent Auditor's Report (Chapter 3)

Each year, the Auditor General audits the financial statements of several public-sector entities. This chapter presents the observations made in a few independent auditor's reports and the recommendations arising from them.

Health and Social Services Network (Chapter 4)

The *Act to provide for balanced budgets in the public health and social services network*, which has been in force for 16 years, is still not complied with by many institutions. Around 40% of institutions posted deficits totalling \$87 million for the fiscal year ended March 31, 2016. This chapter also presents a follow-up on recommendations we made in the past, as well as qualifications contained in the independent auditor's reports of network entities.

Ministère des Transports, de la Mobilité durable et de l'Électrification des transports: Contract Management – Special Audit (Part 1) (Chapter 5)

The initial results of the audit concern the mechanisms implemented by the Department to ensure good governance of activities associated with the contract management process. Several deficiencies were observed, mainly in relation to the Department's operating structure, its risk management method and the support provided by senior management to direct the organization's efforts toward optimal contract management. A second report will be published in the coming months.

Application of the *Sustainable Development Act* (Chapter 6)

The Sustainable Development Commissioner looked at the implementation of the Government Sustainable Development Strategy 2015-2020, which is coordinated by the Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques. After more than one year, the Strategy has fallen behind. The Department has no comprehensive planning for the work that must be carried out. Moreover, the monitoring that it conducts does not enable it to assess the status of deliverables related to the Strategy.

Recruitment of Syscor Employees by Institutions of the Health and Social Services Network (Chapter 7)

The audit conducted among the Centre intégré universitaire de santé et de services sociaux du Centre-Sud-de-l'Île-de-Montréal and the McGill University Health Centre (MUHC) revealed differences between the salary conditions of the network and those of Syscor. Syscor employees hired by the MUHC received a higher salary than what they would have obtained if the network's recruitment rules had prevailed. The difference associated with the 15 files examined is estimated at \$349,000 (salaries and pension plan) for the 2015-2016 fiscal year.

Reporting of Entities in the Health and Social Services and Education Networks (Chapter 8)

The reporting that organizations in the health and social services network and school boards submit to their respective department is essential. Yet, both departments do not have an overall picture of the information they require and do not know the costs of this reporting. We note, among other things, that the processes for collecting information could be more efficient. In addition, the departments have not put in place an effective process to evaluate periodically the relevance of the information requested.

Picture of Information Technology Governance and Management within the Government of Québec (Chapter 9)

This study, which was based on a self-assessment performed by respondents from 43 entities, had three objectives: to determine the most vulnerable areas with regard to information technology governance and management, to allow the surveyed entities to compare themselves and to guide the future performance audit work in this field. The respondents expressed certain reservations about a few particular aspects.

The Highlights are available at www.vgq.qc.ca. The full report and the videos presenting the work results for Chapters 5 to 9 are available only in French.