

Office of the High Sheriff

Independent Auditor's Report




September 2023



OFFICE OF THE AUDITOR GENERAL
NEWFOUNDLAND AND LABRADOR

Objectives

To determine whether the Office of the High Sheriff had the financial control processes and related staff competencies and complement in its Judgement Enforcement and Accounts Branch to fulfill its operational responsibilities, as well as efficient processes for swipe card and camera system operations in its Court Security Branch. To also determine whether the Department of Justice and Public Safety provided effective oversight to support the responsibilities and legislative requirements of the Office.

 **Audit Period** April 2020 through December 2022

Why this Audit is Important

The Office of the High Sheriff is a division of the Department of Justice and Public Safety and is primarily responsible for providing administrative services to the Supreme Court of Newfoundland and Labrador and the Provincial Courts. The Office administers the jury system, provides court security, and executes court orders and decisions. The Office of the High Sheriff was audited because it receives funds from third parties; holds funds in trust; and distributes funds to other third parties in accordance with court orders.

In our January 2022 Annual Report, we noted that the Office's audited financial statements had not been completed since March 2017, potentially increasing the risk of undetected errors or fraud occurring. It is essential for the department to effectively oversee the Office to ensure it has appropriate financial control processes and staff to meet its operational requirements and fulfill its mandate in an efficient and effective manner.

Conclusions

The Department of Justice and Public Safety did not provide effective oversight in support of the responsibilities and legislative requirements of the Office of the High Sheriff. The Office did not have the financial control processes or the related staff competencies and complement to fulfill its operational responsibilities for receiving and distributing court-ordered payments. While no error or fraud was detected in our sample testing, the risk of undetected error or fraud could have increased. We were unable to determine whether the Office's processes for building swipe card access and camera system operations were administratively efficient. Communication between the department and the Office was informal and undocumented. The department was also slow to respond to critical financial reporting and vacancy issues within the Office. As of April 2020, annual audits had not been completed since 2017; and prior to January 2022, there was limited evidence to indicate that Justice and Public Safety took steps to seriously address this issue. In 2017, the Manager of Financial Operations position was eliminated, likely impacting the Office's ability to process and prepare legislatively required financial information for audit.

Summary of Recommendations

- The Department of Justice and Public Safety should create a formalized oversight process, including a review of the relevant legislation, to support the High Sheriff in their responsibilities and legislative requirements.
- The Office of the High Sheriff should ensure financial control processes are complete, formally documented, and implemented appropriately.
- The Office of the High Sheriff should perform a formal evaluation of its Judgement Enforcement and Accounts Branch to ensure they have the appropriate staff competencies and complement to fulfill appropriate administrative and financial control processes.

What We Found

Financial Control Processes

- Controls that existed were appropriately designed, however, at times they were not implemented appropriately. Some gaps in the financial control processes also existed.
- While policy and procedure manuals did exist, they were either in draft form or outdated. In multiple instances, staff used handwritten notes created by previous employees to guide daily financial tasks.
- For our 47 samples, there were 23 instances (49%) where the report indicating payments was recorded correctly had been completed, but there was no evidence of review.
- A gap existed in the financial controls for receipting court-ordered payments in that staff were not required to retain documentation that supported these payments.
- At the end of our audit period, there was approximately \$59,700 in stale-dated cheques outstanding: \$1,500 over five years old; \$6,600 over four years old; \$8,600 over three years old; \$24,500 over two years old; and \$18,500 over one year old.
- The amount of non-distributed court-ordered payments grew over our audit period. As of December 31, 2022, this amount totalled \$71,300, an approximate eight per cent increase from April 2020.

Staff Competencies and Complement

- The Branch did not have a Manager of Financial Operations or an equivalent from early 2017 to March 2022.
- The financial statements, required by legislation to be prepared and audited annually, were not prepared for the years March 31, 2018, to 2021 inclusive. The first missed deadline coincided with the elimination of the Manager of Financial Operations position in 2017.
- For the 13 positions examined, six (46%) were vacant for more than half the audit period, and for the positions audited within the Judgement Enforcement and Accounts Branch, the staff turnover rate was 200% during our audit period, with a retention rate of 62%.
- The Office of the High Sheriff did not have formal processes or retention strategies to address staffing challenges.

Camera Systems and Swipe Cards

- Although the Office of the High Sheriff's swipe card building access and camera systems were comparable to similar jurisdictions, the systems were not networked but rather operated on a closed-circuit system.
- There was a policy for swipe cards, but it had not been distributed or followed provincially.
- We were unable to determine whether swipe card operation processes affected administrative efficiency.
- Instances when swipe card systems failed to work were not formally tracked or documented, and as a result, we were unable to determine exactly how often this occurred.
- Security footage was only able to be retrieved manually from camera systems, requiring additional staffing action outside normal working hours.
- The existing maintenance policy was not being followed.

Oversight

- The Sheriff's Act, 1991 is outdated with the last amendment made in 2011.
- The legislative requirement for financial information to be audited annually was vague and did not state a legislated deadline. The Act also did not explicitly state that the transfer of undistributed payments to the Consolidated Revenue Fund was required, nor did it give a timeframe for when the payments should be transferred.
- Communication between the Assistant Deputy Minister of the Department of Justice and Public Safety and the Office of the High Sheriff was informal and not documented.
- Monthly bank reconciliation reports were not routinely submitted until this requirement was instituted by the department in April 2022, subsequent to our January 2022 Annual Report which discussed issues at the Office.
- Prior to January 2022, the department had only made one attempt to address the issue of outstanding financial statements.
- The Department of Justice and Public Safety was slow to respond to critical financial reporting issues within the Office of the High Sheriff. The department was also slow to respond to known vacancy issues at the Office.



After reading this report, you may want to ask the following questions of government:

1. What has the department done to improve oversight of the Office of the High Sheriff?
2. When will the financial statements for 2020, 2021, 2022 and 2023 be ready for audit?
3. When will the Sheriff's Act, 1991 be modernized?
4. What actions are being taken to deal with the findings from this audit regarding policies and control processes?



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Background

The Office of the High Sheriff is a division of the Department of Justice and Public Safety and is primarily responsible for administering the jury system, providing court security, and executing court orders and decisions. The Office administers multiple pieces of legislation, including the Sheriff's Act, 1991, the Judgement Enforcement Act, the Court Security Act, 2010 and the Jury Act, 1991 along with corresponding regulations. Our audit focused on areas related to the Sheriff's Act, 1991, which guides Office operations.

The Office of the High Sheriff has three regional offices - Eastern, Central and Western/ Labrador – in addition to Supreme and/or Provincial Court facilities and circuit court locations. The Eastern region has a head office and a dedicated Supreme Court facility. The Office has four branches which are each responsible for providing various services (such as judgement enforcement, court security, maintaining the provincial jury list, serving legal documents, including subpoenas and summons, and maintaining money in trust). Our audit focused on aspects of the Judgement Enforcement and Accounts Branch as well as the Court Security Branch.

The Judgement Enforcement and Accounts Branch is responsible for managing all funds received at the division as well as for preparing financial records and financial statements. The two main funds managed are:

1. Trust Account: amounts collected on behalf of creditors with judgements and distributed according to court orders; and
2. Service Revenues: fees collected related to registering court orders, performing searches within the Judgement Enforcement Registry, and possession orders.

During our audit period, there was a total of 12,781 new court-ordered judgements registered with the Office. These judgements were made up of six different types:

1. Possession orders – an order to deliver property and/or evict a tenant;
2. Notice of judgements – a money judgement as decided by the Supreme Court;
3. Ship arrest – an order directing a seizure of a ship;
4. Small claims – a money judgement as decided by the Provincial Court;
5. Wage claims – an order directing the collection of unpaid wages or benefits owed; and
6. Support orders – an order for child or spousal/partner support.

The Office of the High Sheriff uses security systems in its operations, including swipe card building access and security camera systems that are critical to operations. Swipe card terminals are located, and individually operated, at 14 sites across the province, including Circuit Court locations, combined Supreme/Provincial Court locations, Provincial Court facilities, and Supreme Court facilities. Swipe card and camera operations are managed by the Court Security Branch of the Office.

Our audit covered the period from April 2020 to December 2022 and focused on two objectives and four criteria (see Appendix A for details). Our audit procedures included selecting a sample of 47 trust and service revenue receipts and 35 trust disbursements to test internal controls and processes. Internal controls ensure the integrity of financial information and are intended to prevent and detect errors and fraud; identify problems; ensure that corrective action is taken when necessary; and help safeguard assets. For the purpose of this audit, we also analyzed staffing within the Judgement Enforcement and Accounts Branch for those positions responsible for the financial control processes. Specifically, we evaluated if the Office of the High Sheriff had the appropriate staff competency and complement to perform the required processes. We identified 13 relevant positions to include in our audit.

At the onset of our audit, the Office of the High Sheriff's audited financial statements had not been completed since the fiscal year ended March 31, 2017. As a result, the financial information provided to us during our performance audit was unaudited.

Summary of Key Findings

Financial Control Processes

- While policy and procedure manuals did exist, they were either in draft form or outdated. We noted multiple instances where staff were using handwritten notes created by previous employees to guide daily financial tasks or as a training resource.
- Staff were not required to include cheques and returned mail on a mail log listing.
- After control numbers were recorded on the back of a cheque, they were not photocopied and stored, so there was no way of verifying that the correct payment amount was logged and receipted.
- In ten of our 47 samples (21 per cent), front desk staff did not sign payment reports before transferring them to accounts staff.
- Documentation relating to the 36 web application samples was missing information for 16 application forms (44 per cent). For six (17 per cent) application samples, information within their system was different from the application with no documented reason why.
- For 16 of the 47 (34 per cent) reports that included journal entries had not been reviewed as required, which could help to reduce the risk of fraud or error.
- For our 47 samples (22 trust and 25 service revenue), we found 23 instances (49 per cent) where the report indicating payments were recorded correctly had been completed, but there was no evidence of review. We also found 26 instances (55 per cent) where the report indicating payments were deposited to the correct bank account was completed by one individual and never reviewed by anyone else.
- A gap existed in the financial controls for receipting court-ordered payments in that staff were not required to retain documentation that supported these payments. We were unable to examine any third-party documentation supporting receipt of payments.
- For two of the 22 trust samples tested (nine per cent) and eight of the 25 service revenue samples tested (32 per cent), we found that payments were not receipted the day they were received, with the longest period before receipting being seven days.
- Critical reviews in the cheque run process were not always being completed, increasing the risk of fraud or error. For our sample of 35 cheque runs, we found 94 instances out of 140 (67 per cent) where reports were not reviewed.
- Manual reconciliations for cheque disbursements were not completed in 15 of the 35 cheque run samples (43 per cent).
- One cheque (3 per cent) was issued despite not being signed. The cheque was cashed by a bank.
- There was an option within the Office's accounting software to override creditor information prior to printing cheques, however, there was no process in place to review and approve these overrides.
- There was also no policy or documented process for the timeliness required to complete bank reconciliations. Of the 33 trust reconciliations examined, 13 (39 per cent) were prepared more than 30 days after month-end and two (six per cent) were reviewed more than 30 days after the bank reconciliations were prepared. For the 33 service revenue reconciliations sampled, 15 (45 per cent) were prepared more than 30 days after month-end and 14 (42 per cent) were reviewed more than 30 days after they were prepared.
- For the 66 bank reconciliations examined (33 trust and 33 service revenue accounts), 22 (33 per cent) were not signed by the preparer and 36 (55 per cent) had no signature to indicate they had been reviewed.
- At the end of our audit period, there was approximately \$59,700 in stale-dated cheques outstanding: \$1,500 over five years old; \$6,600 over four years old; \$8,600 over three years old; \$24,500 over two years old; and \$18,500 over one year old.
- The amount of non-distributed court-ordered payments grew over our audit period. These payments were outstanding for an extended period to individuals who were legally entitled to the funds. As of December 31, 2022, this amount totalled \$71,300, approximately an eight per cent increase from the beginning of our audit period.
- There were no established processes to facilitate the use of section 19 of the Sheriff's Act, 1991 and undistributed payments had not been transferred to the Consolidated Revenue Fund during our audit period.

Summary of Key Findings

Staff Competencies and Complement

- The Branch did not have a Manager of Financial Operations or an equivalent position from early 2017 to March 2022.
- The Department of Justice and Public Safety eliminated this key control position as part of the 2017 government management restructuring initiative without analysis.
- The removal of the Manager of Financial Operations was the only significant change in structure that occurred that impacted the financial operations during our audit period.
- The financial statements, required by legislation to be prepared and audited annually, were not prepared for the years ended March 31, 2018, to 2021 inclusive. The first missed deadline coincided with the elimination of the Manager of Financial Operations position in 2017. We highlighted the significant risk of the Office's outstanding financial statements in our Annual Report in January 2022.
- In March 2022, subsequent to our January 2022 Annual Report, a new Manager of Financial Operations position was created on a temporary basis and filled.
- For the 13 positions we examined, six (46 per cent) were vacant for more than half the audit period.
- The positions audited within the Judgement Enforcement and Accounts Branch, staff turnover rate was 200 per cent during our audit period and the retention rate was 62 per cent.
- The Office of the High Sheriff did not have formal processes or retention strategies to address staffing challenges.
- There were no competitions conducted to move staff to these critical roles; it was done through temporary assignments. These temporary assignments resulted in vacancies within the positions we audited.

Camera Systems and Swipe Cards

- The Office of the High Sheriff's swipe card building access and camera systems were comparable to similar jurisdictions.
- The Office's swipe card and camera systems were not networked but rather operated on a closed-circuit system.
- There was a policy for swipe cards, but it had not been distributed or followed provincially.
- We were unable to determine whether swipe card operation processes examined during our audit period affected administrative efficiency.
- Instances, when swipe card systems stopped working, were not formally tracked or documented, and as a result, we were unable to determine exactly how often this occurred and if there was a significant human resource impact.
- We were informed that when security footage needs to be retrieved from camera systems, this could only be done manually, requiring action outside normal working hours.
- The existing maintenance policy was not being followed and maintenance logs did not exist.

Oversight

- The Sheriff's Act, 1991 was outdated - the Act was 32 years old and last amended in 2011.
- The legislative requirement for financial information to be audited annually was vague since it did not state a legislated deadline. The Act also did not explicitly state that the transfer of undistributed payments to the Consolidated Revenue Fund was required nor did it give a timeframe for when payments should be transferred.
- Communication between the Assistant Deputy Minister of the Department of Justice and Public Safety and the Office of the High Sheriff was informal and not documented.
- Monthly bank reconciliation reports were not routinely submitted until this requirement was instituted by the department in April 2022, subsequent to our January 2022 Annual Report which discussed issues at the Office of the High Sheriff.
- The Department of Justice and Public Safety was also slow to respond to known vacancy issues at the Office of the High Sheriff.
- Prior to January 2022, the department had only made one attempt to address the issue of outstanding financial statements.
- The Department of Justice and Public Safety was slow to respond to critical financial reporting issues within the Office of the High Sheriff.

Findings - Financial Control Processes

Objective 1

To determine whether the Office of the High Sheriff has the financial control processes, related staff competencies and complement in its Judgement Enforcement and Accounts Branch to fulfill its operational responsibilities, as well as efficient processes pertaining to the operations of swipe cards and cameras within the Court Security Branch.

Criteria 1

The Office of the High Sheriff's financial control processes, related to trust and service revenue fund inflows and outflows, are designed and implemented appropriately.



What We Expected

We expected the Office of the High Sheriff would have financial control policy and procedure manuals that were up-to-date and approved by management. We expected the Office to have financial control processes to help prevent and detect errors and fraud. We expected that those processes would help to ensure the integrity of financial information and facilitate collecting and disbursing court order judgements accurately and appropriately. We expected financial control processes were complete, meaning that all necessary controls were appropriately designed for receiving trust and service revenue payments and disbursing trust payments. It is reasonable to expect that these financial control processes would be implemented appropriately within the organization. We also expected to find bank reconciliations and other internal checks were performed in a timely manner.





What We Learned

Policy and Procedures Manuals

We found that while policy and procedure manuals did exist, they were either in draft form or outdated. For example, the Office of the High Sheriff's Financial Policy and Procedures Manual was over 14 years old (dated November 2008). The Front Desk Procedural Manual, the Accounts Administration Manual, and the Judgement Enforcement Administration Manual, which contained instructions on the processes of accounting for payments in and out of the trust and service revenue accounts, were all in draft form since September 2019. **We noted multiple instances where staff were using handwritten notes created by previous employees to guide daily financial tasks or as a training resource.** There was no evidence to indicate these notes had been formally reviewed by management to ensure that the guidance or instruction within these notes was accurate or appropriate.

Receipt of Payments

We found that some control processes were appropriately designed; such as logging payments, which ensured that payments were entered into the Office's system; the creation of control numbers for payments, which ensured payments were associated with the correct court order; and completing reviews, which ensured the accuracy of receipted information. These controls help prevent and detect fraud and errors by ensuring received payments were properly accounted for as they flowed through the Office of the High Sheriff.

However, we did find gaps in control process design. **We found that staff were not required to include cheques and returned mail on a mail log listing.** Logging cheques on mail log listings acts as additional proof of existence and assists in verifying receipt of the cheque if an inquiry was made. **We found that after control numbers were recorded on the back of a cheque, they were not photocopied and stored, so there was no way of verifying that the correct payment amount was logged and receipted.**

We found instances where control processes were not implemented appropriately for receiving payments. **We found that in ten of our 47 samples (21 per cent), front desk staff did not sign payment reports before transferring them to accounts staff.** This signoff would provide evidence of the accuracy of information.

While we found that controls around web application payment processes were appropriately designed, they were not always implemented appropriately. To gain access to the Office's web-based payment process system, an application had to be completed by the applicant and a user profile created by staff of the Office. We found applications were not always complete and accurate, making it difficult to confirm that all users were appropriately authorized to have access to the system. **Documentation relating to 36 web application samples was missing information for 16 application forms (44 per cent). For six (17 per cent) application samples, information within their system was different from the application with no documented reason why.**

With respect to web payment processing, we found that controls were designed and generally implemented appropriately for recording transactions. **However, we did find that 16 of the 47 (34 per cent) reports that included journal entries had not been reviewed as required, which could help to reduce the risk of fraud or error.** Lack of journal entry approval was also noted in our 2018 and 2019 financial statement management letters that were both issued in 2023.

We found the controls for receipting were designed and implemented appropriately, including: applying trust payment to accounts - a software requirement to identify a court order when applying trust payments to accounts before receipt generation; daily reconciliations of payments; and the creation and retention of deposit receipts for both the trust and revenue payments.

However, we found that required reviews of receipting activities were not always completed, resulting in an increased risk of fraud or error. **For our 47 samples (22 trust and 25 service revenue), we found 23 instances (49 per cent) where the report indicating payments were recorded correctly had been completed, but there was no evidence of review. We also found 26 instances (55 per cent) where the report indicating payments were deposited to the correct bank account was completed by one individual and never reviewed by anyone else.** As part of the receipting process, and in order to reduce the risk of fraud and error, daily reconciliations were required to be reviewed by someone other than the person completing the reconciliation.

We also found that a gap existed in the financial controls for receipting court-ordered payments in that staff were not required to retain documentation that supported these payments. It was the Office's practice that third-party documentation was required to accompany payments, which was often in the form of a registration number written on the back of a cheque. In those cases, cheques were not photocopied so when they were sent for deposit, the third-party support was lost and thus there was no way to ensure payments were receipted to the correct debtor (the person ordered to make the payments). Officials advised us that any third-party documentation that was submitted with a payment would be saved. However, they also advised that they were behind on filing by a number of years, and any third-party support that was retained would be difficult to locate. **As a result, we were unable to examine any third-party documentation supporting receipt of payments.**

We also found that payments received were not always receipted on the same day. **For two of the 22 trust samples tested (nine per cent) and eight of the 25 service revenue samples tested (32 per cent), we found that payments were not receipted the day they were received, with the longest period before receipting being seven days.** As a result, daily reconciliations of received payments could not happen, a process which was meant to ensure payments were made to the correct trust or service revenue account.

Payment Disbursements

Payment disbursement included any amount collected on behalf of creditors with court-ordered judgements and consequently distributed according to the order; these payments were also known as cheque runs. We found that controls existed and were designed appropriately related to cheque runs. For example, payments required to be held for a specified reason and time period were reviewed each cheque run to determine whether payments should continue to be held or released.

However, we found some controls were not always implemented appropriately. **We found critical reviews in the cheque run process were not always being completed, increasing the risk of fraud or error.** As part of the cheque run process, disbursement reports were intended to be reviewed by someone other than the person completing the work; a control intended to ensure payments were correctly disbursed to the right person and for the right amount. **For our sample of 35 cheque runs, we found 94 instances out of 140 (67 per cent) where reports were not reviewed.**

We also found that manual reconciliations, required as part of internal controls for cheque disbursements, were not completed in 15 of the 35 cheque run samples (43 per cent). When discussed with officials, they advised that a number of older reconciliations were not provided for this audit because if a variance was not noted, staff did not complete the manual reconciliations. However, our testing indicated there was a variance in five of these 15 samples (33 per cent).

The Office of the High Sheriff required each cheque to be manually signed by two staff members with appropriate signing authority. **During our testing, we found one cheque (3 per cent) that had been issued despite not being signed by anyone. The cheque was cashed by a bank.**

We also found that there was an option within the Office's accounting software to override creditor information prior to printing cheques, however, there was no process in place to review and approve these overrides. This ability to override could increase the risk of fraud or errors given that cheques could be disbursed to someone other than the intended recipient.

Bank Reconciliations

We found control weaknesses in the bank reconciliation process at the Office of the High Sheriff. The timely and accurate completion of bank reconciliations help identify accounting and bank errors as well as prevent and detect fraud. Although best practice would be to complete and review bank reconciliations within 30 days of month-end, **we found that there was no policy or documented process for the timeliness required to complete bank reconciliations. Of the 33 trust reconciliations examined, 13 (39 per cent) were prepared more than 30 days after month-end and two (six per cent) were reviewed more than 30 days after the bank reconciliations were prepared. For the 33 service revenue reconciliations sampled, 15 (45 per cent) were prepared more than 30 days after month-end and 14 (42 per cent) were reviewed more than 30 days after they were prepared.**

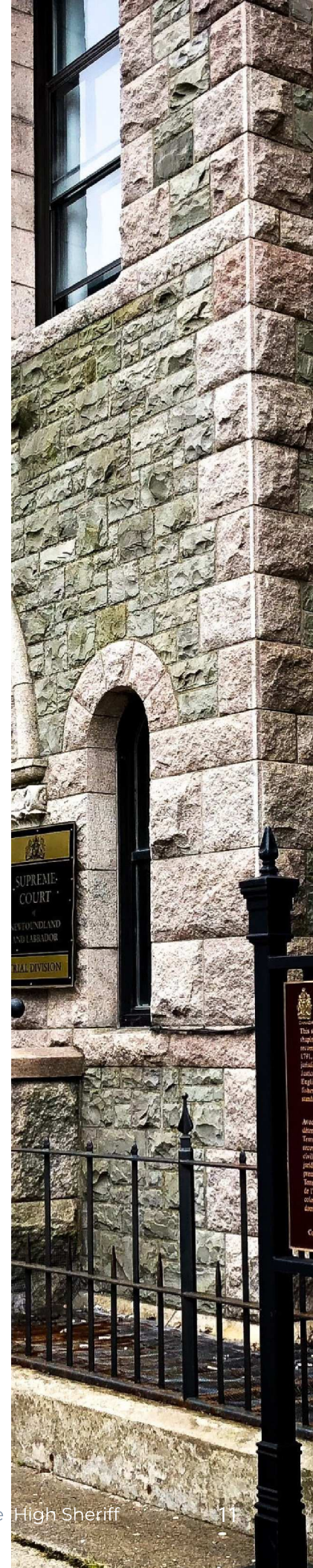
We found bank reconciliations were not always signed by the preparer, nor was there always evidence that they had been reviewed. **For the 66 bank reconciliations examined (33 trust and 33 service revenue accounts), 22 (33 per cent) were not signed by the preparer and 36 (55 per cent) had no signature to indicate they had been reviewed.** The issue of lack of review was also noted in our 2018 and 2019 financial statement management letters which were both issued in 2023.

We also found that the Office of the High Sheriff had no established processes to deal with stale-dated cheques. Stale-dated cheques cannot be cashed but remain a liability for the Office of the High Sheriff. **At the end of our audit period, we found there was approximately \$59,700 in stale-dated cheques outstanding: \$1,500 over five years old; \$6,600 over four years old; \$8,600 over three years old; \$24,500 over two years old; and \$18,500 over one year old.** This issue was also noted in our 2018 and 2019 financial statement management letters which were both issued in 2023. The findings related to the financial statement management letters, as noted above, were independent of this performance audit.

Court Order Payments Not Distributed

We found that the amount of non-distributed court-ordered payments grew over our audit period. These payments were outstanding for an extended period to individuals who were legally entitled to the funds. As of December 31, 2022, this amount totalled \$71,300, approximately an eight per cent increase from the beginning of our audit period. We reviewed a sample of 12 balances, which represented 50 per cent of the overall balance, and found that seven had explicit notes that the creditor could not be reached or located. The other five had no notes to indicate why those entitled to the payments had not received their money. We found that the Office did not have a formal process in place to locate those legally entitled to payments; for example, the use of other government information sources such as taxes, collections, or registries was not part of the Office's procedures. Court-ordered payments not distributed were also noted in our 2018 and 2019 financial statement management letters with balances of \$23,399 and \$50,670 respectively at that time.

The Sheriff's Act 1991, Section 19 states money paid into the office and held in trust that cannot be distributed for various specified reasons may be paid by the Sheriff into the Consolidated Revenue Fund. **We found that there were no established processes to facilitate the use of this section of the Act and that undistributed payments had not been transferred to the Consolidated Revenue Fund during our audit period.** This was further compounded by the annual financial statements not being available for audit, a control that would have helped to identify the growing balance of non-distributed court-ordered payments that were not transferred to the Consolidated Revenue Fund.





Why It Matters

Without up-to-date policies and procedures, it is difficult to ensure financial control processes are followed appropriately, completely and operating as intended. The Office of the High Sheriff receives and disburses money on behalf of the court system associated with court orders – the public trusts that the Office’s transactions are easily tracked through the financial system to ensure fraud or error does not occur.

Financial control processes need to be performed in a timely manner, in order to create an environment where important information is retained, errors corrected, or fraud detected. By not retaining all documentation, filing it in a timely manner, or ensuring all payments are recorded the day they are received, the Office of the High Sheriff’s ability to efficiently ensure payments are being applied accurately and timely is reduced. Without a supervisor or managerial review of work (by someone other than the person who originally performed the work), there is an increased risk that payments could be misappropriated or errors could go undetected in the Office’s financial records. In addition, without formal processes that prompt staff to review payments that have been outstanding for an extended period, the risk of funds not being transferred to those legally entitled to the payments or the Consolidated Revenue Fund (per legislation) increases.



Findings - Staff Competencies & Complement

Objective 1

To determine whether the Office of the High Sheriff has the financial control processes, related staff competencies and complement in its Judgement Enforcement and Accounts branch to fulfill its operational responsibilities as well as, efficient processes pertaining to the operations of swipe cards and cameras within the Court Security Branch.

Criteria 2

The Office of the High Sheriff has the appropriate staff competencies and complement to fulfill its operational responsibilities related to its financial control processes.



What We Expected

We expected the Office of the High Sheriff would have the appropriate complement of staff with the managerial, financial, and administrative competencies to perform the work required to meet the operational requirements of the Judgement Enforcement and Accounts Branch. We also expected an analysis would have been completed and documented before any key control or oversight position would be considered for elimination. We expected this analysis would have included the potential impact on the operation of the Office or would define alternative processes necessary if a key control position was considered for elimination. We expected the same analysis would have assessed and confirmed that the remaining positions would have had the tools and competencies to manage staff, maintain internal controls and satisfy work requirements, such as trust and service revenue accounting, court-ordered payment distribution, and annual financial statement preparation.





What We Learned

We found the Office of the High Sheriff did not have the appropriate staff complement and competencies within the Judgement Enforcement and Accounts Branch's organizational structure for the majority of our audit period. In particular, **we found that the Branch did not have a Manager of Financial Operations or an equivalent position from early 2017 to March 2022.** This type of key position would be the sole senior financial resource responsible for supervising, directing and controlling the financial activities of the Office. They would also be responsible for ensuring that all trust and service revenue transactions were properly accounted for and dispersed, and that financial statements were prepared and approved annually.

We found that the Department of Justice and Public Safety had eliminated a key control position, the Manager of Financial Operations, as part of the 2017 government management restructuring initiative, without any analysis. During our audit, we asked the department for documentation or analysis regarding the elimination of this position. They advised that analysis existed but were unable to provide anything to us for review or assessment.

In the absence of an analysis from the Office or department, we completed a comparison of the organizational structure of the branch prior to the 2017 initiative and the structure at the time of our audit. **We found that the removal of the Manager of Financial Operations was the only significant change in structure that occurred that impacted the financial operations during our audit period.** Before the restructuring, there were two Accounting Clerk II positions and a Court Clerk I position to perform daily transactional work; a Management Analyst II position to review transactional work performed; and the Manager of Financial Operations to oversee operations and ensure financial statements were prepared. After the restructuring, the four clerical positions maintained their same roles but the Management Analyst II reported directly to the High Sheriff. In March 2018, the operational budget responsibilities were transferred to the Manager of Training and Inventory Control. Prior to the restructuring, that responsibility was held by the Manager of Financial Operations.

We found that the financial statements, required by legislation to be prepared and audited annually, were not prepared for the year ended March 31, 2018 to 2021 inclusive, as required during our audit period. The first missed deadline coincided with the elimination of the Manager of Financial Operations position in 2017. We highlighted the significant risk of the Office's outstanding financial statements in our Annual Report in January 2022.

The Department of Justice and Public Safety requested assistance from the Department of Finance to assist in the completion of the outstanding financial statements. Officials with the Professional Services and Internal Audit Division were brought in during June 2020 to help prepare financial statements as well as provide guidelines on accounting for revenues and how to complete reconciliations.

We found that in March 2022, subsequent to our January 2022 Annual Report, a new Manager of Financial Operations position was created on a temporary basis and filled. The qualifications for this position included knowledge of both accounting principles; legislation; experience working with information systems; and preparing and reviewing financial statements. The key difference between the qualifications for the previous permanent position and the temporary position related to operational budget responsibilities. As indicated above, the operational budget responsibilities were transferred to the Manager of Training and Inventory Control in March 2018. The temporary position essentially replaced the Manager position that was eliminated in early 2017, since the classification of the temporary position matched the former position, even with the removal of budget responsibility.

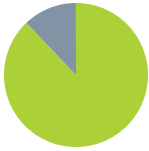
**Position Vacancies in the Judgement Enforcement and Accounts Branch
(Financial Control Process Responsibilities) April 2020 - December 2022**

Manager of Financial Operations



● 9 months filled ● 24 months Position did not exist

Management Analyst II



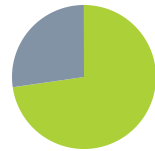
● 29 months filled ● 4 months vacant

Accounting Clerk II



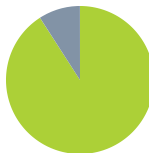
● 9 months filled ● 24 months vacant

Accounting Clerk II



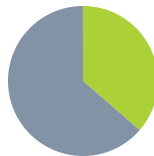
● 24 months filled ● 9 months vacant

Judgement Enforcement Officer



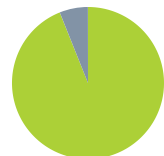
● 30 months filled ● 3 months vacant

Court Officer I/IA



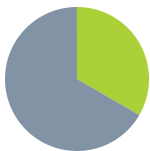
● 12 months filled ● 21 months vacant

Clerk Typist III



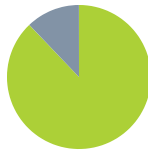
● 31 months filled ● 2 months vacant

Clerk Typist III



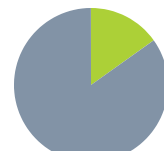
● 11 months filled ● 22 months vacant

Court Clerk I



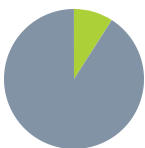
● 29 months filled ● 4 months vacant

Court Clerk I



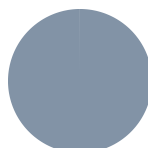
● 5 months filled ● 28 months vacant

Court Clerk I



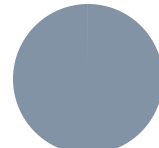
● 3 months filled ● 30 months vacant

Court Clerk I



● 33 months vacant

Court Clerk I



● 33 months vacant

We found throughout our audit period that the Judgement Enforcement and Accounts Branch had significant staff vacancies. **Of the 13 positions we examined, six (46 per cent) were vacant for more than half the audit period.** Five positions within the Judgement Enforcement and Accounts Branch were Court Clerk I positions; two of those positions (40 per cent) were vacant for our entire audit period, and we found two (40 per cent) other Court Clerk I positions had significant vacancy periods. These positions were responsible for administrative and legal procedures, such as entering cheques into the Judgement Enforcement Registry and entering correspondence received into the mail log. One of two Clerk Typist III positions, responsible for clerical and administrative work such as front counter service and record keeping, had a significant vacancy period. One of the two Accounting Clerk II positions also had a significant vacancy during our audit period. This position was responsible for completing accounting work such as the receipting and disbursements of court-ordered payments that would aid in the preparation of financial information in support of the financial statements.

We found for the positions audited within the Judgement Enforcement and Accounts Branch, the staff turnover rate was 200 per cent during our audit period and the retention rate was 62 per cent. We found the average employment length for those positions was approximately eleven months. **We found the Office of the High Sheriff did not have formal processes or retention strategies to address staffing challenges,** such as job-specific training and orientation. We also found that formalized employee exit processes did not exist, which may have indicated issues that were impacting staff retention.

Given the degree of vacancies, the Office of the High Sheriff advised us during our audit that they addressed work requirements by redeploying internal staff. If a position with responsibilities deemed more critical became vacant, existing staff would be temporarily assigned to that position, leaving their previous position vacant. They would be responsible for the duties of their new position and to assist where necessary in completing duties of their previous position. **There were no competitions conducted to move staff to these critical roles. It was done through temporary assignments.** We were advised that an individual's experience, education, and understanding of the position were considered, but there was no formal assessment as to whether they could fulfill the responsibilities of the new job. Four examples of temporary assignments occurred during our audit period:

- Accounting Clerk II to a Clerk IV;
- Court Clerk I to a Judgement Enforcement Officer;
- Clerk Typist III to Department Program Coordinator (Jury Administration); and
- Clerk Typist III to Administration Officer.

We found these temporary assignments resulted in vacancies within the control process positions we audited. Specifically, we noted that these temporary assignments negatively impacted the available financial capacity. During our audit, we did not assess whether the staff that assumed these new temporary roles had the qualifications to fulfill the job requirements.



Why It Matters

Adequate staff complements with appropriate competencies ensure that organizational objectives can be achieved efficiently and effectively. Staff vacancy issues impact an organization's ability to manage workloads, perform operational functions appropriately and ensure that legislative and administrative responsibilities are fulfilled.

By not having the appropriate complement and competencies, the Office of the High Sheriff's Judgment Enforcement and Accounts Branch was unable to fulfill its critical operational and legislative responsibilities. These include internal financial control processes, appropriately designed and implemented to prevent or detect fraud and error of public funds. For example, financial statements, which would provide a picture of the Office of the High Sheriff's financial information pertaining to the funds they manage, have not been prepared in a timely manner since March 2017, around the same time the Manager of Financial Operations position was eliminated.

Review of work performed is another key financial control process. In many of the Branch's financial processes, there were numerous examples where reviews did not happen because the appropriate staff competency and complement did not exist. This could potentially increase the risk of error and fraud occurring and going undetected.

Findings - Camera Systems & Swipe Cards

Objective 1

To determine whether the Office of the High Sheriff has the financial control processes, related staff competencies and complement in its Judgement Enforcement and Accounts branch to fulfill its operational responsibilities as well as, efficient processes pertaining to the operations of swipe cards and cameras within the Court Security Branch.

Criteria 3

The Office of the High Sheriff has swipe card and camera systems in place that provide administrative efficiency that is comparable to similar jurisdictions.



What We Expected

We expected the Office of the High Sheriff would have a swipe card system to control building access as well as appropriate camera systems in place, similar to comparable jurisdictions. We expected the policies and procedures regarding the operation of the swipe card building access and camera systems were being followed province-wide and were administratively efficient.



What We Learned

We found that the Office of the High Sheriff's swipe card building access and camera systems were comparable to similar jurisdictions. In particular, we found that for the five provinces and territories included in our comparison (Manitoba, Northwest Territories, New Brunswick, British Columbia, and Prince Edward Island), all five indicated that they used swipe cards and camera systems in their court security processes.

We found that the Office's swipe card and camera systems were not networked, but rather operated on a closed circuit system. Such a standalone system would not be connected to the internet/intranet and a technician would have to have physical access to the system in order to perform maintenance/updates and access information. Two of the five provinces in our jurisdictional scan (40 per cent) indicated that their systems operate on a networked system; which could be accessed remotely to view cameras/control doors and perform maintenance. We found that networking swipe card building access systems was discussed in 2009, and again in 2019, but did not occur.

We found that the Office of the High Sheriff did have provincial policies and procedures related to camera system operation. However, **while there was a policy for swipe cards, it had not been distributed or followed provincially.**

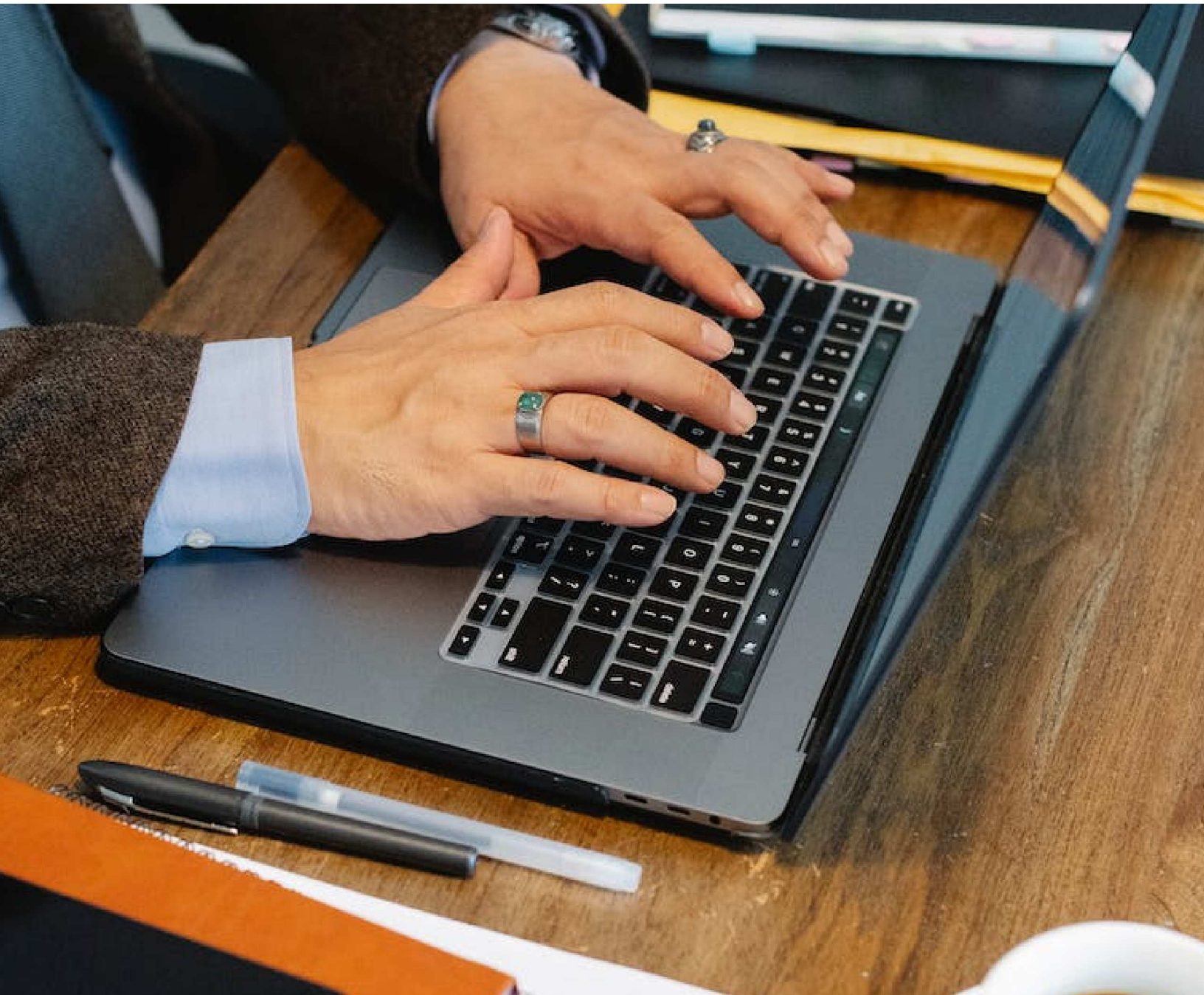
We were unable to determine whether swipe card operation processes examined during our audit period affected administrative efficiency. We were informed that swipe card systems often stopped working, requiring significant human resources to correct. **We found that instances, when swipe card systems stopped working, were not formally tracked or documented, and as a result, we were unable to determine exactly how often this occurred throughout our audit period and if there was a significant human resource impact.** Office officials estimated the need for a system restart happened between six and eight times over the course of our 33-month audit period.

We were also informed that when security footage needs to be retrieved from camera systems, this could only be done manually sometimes, requiring action outside normal working hours. The Office of the High Sheriff did not track when staff were required to retrieve camera footage, and as a result, we were unable to determine its impact on administrative efficiency.

We found an existing maintenance policy that stated daily equipment checks were required to be completed and recorded. To assess administrative efficiency, we attempted to review these maintenance logs, **but found the policy was not being followed and that these records did not exist.**

Why It Matters

The swipe card and camera systems are key components of the security and operation of the Office and the court system. By not networking its swipe card and camera systems, the Office of the High Sheriff cannot remotely access its systems to perform checks and maintenance, potentially creating inefficiencies. By not following the province-wide policy on the operations of camera systems, it is difficult to ensure that maintenance is being completed when required. Additionally, by not having formal documented processes for restarting its swipe card system, issues may not be tracked and could require significant Office of the High Sheriff staff resources to correct, further creating inefficiencies.



Findings - Oversight

Objective 2

To determine whether the Department of Justice and Public Safety is providing effective oversight in support of the responsibilities and legislative requirements of the Office of the High Sheriff.

Criteria 1

The Department of Justice and Public Safety monitors the Office of the High Sheriff's fulfillment of responsibilities and legislative requirements and takes appropriate action as required.



What We Expected

We expected the Department of Justice and Public Safety to provide effective oversight of the Office of the High Sheriff to ensure they were fulfilling their mandate and meeting legislative requirements. We expected the department to achieve this through formal and documented communication with the High Sheriff. We expected the department would ensure that the reporting requirements of the Office were being fulfilled in a timely manner. We expected the department to have a formal process in place to analyze and review any financial information and reports required or requested from the Office to ensure accuracy. We expected the department to ensure that identified fraud risks were mitigated in a timely manner. We also expected that staffing issues brought forward by the Office would be evaluated and support would be provided by the department where necessary.



What We Learned

The Sheriff's Act, 1991 guides the operations of the Office of the High Sheriff. The Assistant Deputy Minister of Public Safety and Correctional Services was appointed under the Executive Council Act and was responsible for Branch oversight, including the Office of the High Sheriff. While the Assistant Deputy Minister had executive responsibility for the Branch, the Minister of Justice and Public Safety ultimately remained responsible for ensuring its mandate was achieved.

We found the Sheriff's Act, 1991 was outdated - the Act was 32 years old and the last amendment occurred in 2011. We also found the legislative requirement for financial information to be audited annually was vague since it did not state a legislated deadline. This was also noted in our 2018 and 2019 financial statement management letters, at which time we recommended that the department seek to amend the Act for a legislated deadline.

Section 19 of the Act discussed certain situations where payments go undistributed and could be paid to the Consolidated Revenue Fund. However, **we found that the Act also did not explicitly state that the transfer of undistributed payments was required nor did it give a timeframe for when the payments should be transferred.**

We found communication between the Assistant Deputy Minister of the Department of Justice and Public Safety and the Office of the High Sheriff was informal and not documented. The High Sheriff, the highest-ranking position in the division, reported to Justice and Public Safety's executive through the Assistant Deputy Minister. Officials indicated that meetings were scheduled but were informal in nature, and no meeting minutes were taken. As a result, it was difficult to confirm whether or not these meetings occurred.

We found the only other communication between the Office of the High Sheriff and the department concerned the provision of budget or year-end and monthly financial reports:

- Budget monitoring documents were sent when requested by the department.
- Public Accounts submissions were sent annually as requested.
- **Monthly bank reconciliation reports were not routinely submitted until, as noted earlier, this requirement was instituted by the department in April 2022, subsequent to our January 2022 Annual Report which discussed issues at the Office of the High Sheriff.**

When we asked the department about the use and review of these reports, we were informed that bank reconciliation reports were reviewed on an 'ad hoc' basis, meaning financial officers were generally looking for whether accounts reconciled with supporting documentation, and no analysis was conducted on the report content. However, the department could not provide evidence to substantiate this.

The Department of Justice and Public Safety was slow to respond to known vacancy issues at the Office of the High Sheriff. We found that salary costs were consistently below budget during our audit period which was expected given the Office did not have a full complement of staff most of the time. High Sheriff Officials informed us that they were in constant communication with the department regarding vacancies and the department indicated they had taken some action however, multiple positions were vacant for more than half of our 33-month audit period.

At the onset of our audit, we knew that the Office of the High Sheriff's annual financial statements had not been completed since March 31, 2017, which was highlighted in the Auditor General's January 2022 Annual Report. **Prior to January 2022, the department had only made one attempt to address the issue of outstanding financial statements.** In June 2020, the Department of Justice and Public Safety obtained assistance from the Department of Finance's Professional Services and Internal Audit Division to prepare the 2018 and 2019 financial information. As previously noted in the financial controls section of this report, there was a growing balance pertaining to the trust accounts payable balances and a significant amount of stale-dated cheques. As discussed above, undistributed payments could be transferred to the Consolidated Revenue Fund per section 19 of the Act, however, this did not occur during our audit period. We also noted these issues in our 2018 and 2019 financial statement management letters that were issued to both the Office of the High Sheriff and the Minister of Justice and Public Safety in 2023.

We found the Department of Justice and Public Safety was also slow to respond to critical financial reporting issues within the Office of the High Sheriff. As previously noted, in 2017, when the Manager of Financial Operations was eliminated, key financial information and reporting stopped. The Auditor General brought these concerns forward in the fall of 2019. Also, in the Office's 2018 fraud risk assessment that had been submitted to the department, it was noted that there was an issue in that bank reconciliations were not being completed. After the release of the Auditor General's January 2022 Annual Report, the Office of the High Sheriff requested the Department of Justice and Public Safety create a Manager of Financial Operations position, which was advertised as a temporary position and filled in March 2022.



Why It Matters

The Department of Justice and Public Safety is ultimately responsible for ensuring that the Office of the High Sheriff fulfills its mandate in a manner that ensures optimal service to the public. The department is also responsible for ensuring that, via the Office of the High Sheriff, those legally entitled to receive court-ordered payments receive them in an efficient and effective manner and that public funds are handled responsibly and appropriately. Effective oversight, in the form of a comprehensive review of financial information received from the Office of the High Sheriff, by the department would promote the timely management and accountability of the Office and its operational responsibilities. By not having frequent and formally documented communication, it is impossible to monitor whether responsibilities are being fulfilled in a timely manner and in line with legislative requirements. Effective oversight provides another layer of protection helping to reduce the risk of fraud and error from occurring. It also ensures that appropriate support and guidance is available to the Office of the High Sheriff where necessary.

Subsequent Events

The audit of the financial statements, for the fiscal years ending March 31, 2018 and 2019 were completed by the Office of the Auditor General in May and July 2023 respectively.

The financial statements for 2020, 2021, 2022 and 2023 are outstanding. The four years of records needed to conduct the financial statement audits for the fiscal years ending March 31, 2020, to 2023 have not been received by our Office as of the date of this report.

Our Office has been advised by the Office of the High Sheriff that they have filled three positions and extended offers for two others within the Judgement Enforcement and Accounts Branch in 2023.

Conclusions

Our audit concluded that the Department of Justice and Public Safety did not provide effective oversight in support of the responsibilities and legislative requirements of the Office of the High Sheriff. We also concluded that the Office of the High Sheriff did not have the financial control processes or the related staff competencies and complement to fulfill its operational responsibilities regarding receiving and distributing court-ordered payments. While no error or fraud was detected in our sample testing, the risk of undetected error or fraud could have increased. We were unable to determine whether the Office's processes for swipe card building access and camera system operations were administratively efficient; which may have increased the risk of the division not effectively fulfilling its role and operational responsibilities.

Communication between the Department of Justice and Public Safety and the Office of the High Sheriff was informal and not documented. We found the Department of Justice and Public Safety was slow to respond to critical financial reporting issues and vacancy issues within the Office of the High Sheriff. The Sheriff's Act, 1991 is vague in that it requires an annual audit of the accounts of the Office of the High Sheriff, but it does not include a legislated deadline. At the beginning of our audit, these annual audits had not been completed since 2017, and prior to January 2022, there was limited evidence to indicate that Justice and Public Safety took steps to seriously address this issue.

The Office of the High Sheriff's Judgement Enforcement and Accounts Branch did not have the appropriate complement and competencies to fulfill its operational responsibilities regarding its financial control processes. In 2017, the Manager of Financial Operations position was eliminated and it was also around this time that the financial information required for audit stopped being available.

Where financial control processes existed, they were designed appropriately but not always implemented. For example, there were often times when required work reviews were not completed. There were also gaps in the financial control processes. For example, support documentation pertaining to court order payments was not required to be retained. There were no established processes to deal with stale-dated cheques or court-ordered payments undistributed. At the end of our audit period, there was approximately \$60,000 of stale-dated cheques, some of which were over five years old, and \$71,000 of court order payments that had yet to be distributed.

The Office of the High Sheriff's swipe card and camera systems were comparable to similar jurisdictions. We were unable to determine whether there were efficient processes pertaining to the Office's operations of these systems.

Recommendations

Recommendation 1

The Department of Justice and Public Safety should create a formalized oversight process, including a review of the relevant legislation, to support the High Sheriff in their responsibilities and legislative requirements.

Department Response: The Department accepts the recommendation that it conduct a review of the relevant legislation. In addition to the oversight that currently exists between the Office and the Department, the Department suggests that it review best practices that complement and reinforce effective oversight and implement appropriate new measures based on that review.

Recommendation 2

The Office of the High Sheriff should ensure financial control processes are complete, formally documented, and implemented appropriately.

Department Response: The Department accepts the recommendation.

Recommendation 3

The Office of the High Sheriff should perform a formal evaluation of its Judgement Enforcement and Accounts branch to ensure they have the appropriate staff competencies and complement to fulfill appropriate administrative and financial control processes.

Department Response: Further clarification is required as it is unclear from the recommendation what is contemplated by a formal evaluation. It must also be acknowledged that certain elements associated with this recommendation do not fall within the realm of Department control and engage wider government systems, programs and policies which will likely impact the Departments' ability to fulfill this recommendation.

Appendix - About This Audit

Why this Audit is Important

The Office of the High Sheriff is a division of the Department of Justice and Public Safety and is primarily responsible for providing administrative services to the Supreme Court of Newfoundland and Labrador and the Provincial Courts. The Office administers the jury system, provides court security, and executes court orders and decisions. We audited the Office of the High Sheriff because they receive funds from third parties; hold funds in trust; and distribute funds to other third parties in accordance with court orders. It was noted in the January 2022 Auditor General's Annual Report that audited financial statements had not been completed since March 2017, which may have increased the risk of undetected errors or fraud occurring. It is essential for the department to effectively oversee the Office of the High Sheriff to ensure it has appropriate financial control processes and staff to meet its operational requirements and fulfill its mandate in an efficient and effective manner.

Objectives

The objectives of our audit of the Office of the High Sheriff were to determine whether:

1. They had the financial control processes, related staff competencies and complement in its Judgment Enforcement and Accounts branch to fulfill its operational responsibilities as well as, efficient processes pertaining to the operations of swipe cards and cameras within the Court Security branch.
2. The Department of Justice and Public Safety was providing effective oversight in support of the responsibilities and legislative requirements of the Office of the High Sheriff.

Criteria

The Office of the Auditor General developed criteria for this audit based upon discussions with entity and department management and officials, review of relevant documentation, guidelines, legislation, the Office of the High Sheriff and department policies and procedures, and literature reviews, including reports of other legislative auditors. The Office of the Auditor General defined four criteria for the two objectives. The senior management of the department including the High Sheriff accepted the criteria as suitable.

The Office of the Auditor General assessed whether the Office of the High Sheriff had the financial control processes, related staff competencies and complement in its Judgment Enforcement and Accounts branch to fulfill its operational responsibilities as well as, efficient processes pertaining to the operations of swipe cards and cameras within the Court Security branch against the following criteria:

- The Office of the High Sheriff's financial control processes related to trust and service revenue fund inflows and outflows are designed and implemented appropriately.
- The Office of the High Sheriff has the appropriate staff competencies and complement to fulfill its operational responsibilities related to its financial control processes.
- The Office of the High Sheriff has swipe card and camera systems in place that provide administrative efficiency that is comparable to similar jurisdictions.

The Office of the Auditor General assessed whether the Department of Justice and Public Safety was providing effective oversight in support of the responsibilities and legislative requirements of the Office of the High Sheriff against the following criteria:

- The Department of Justice and Public Safety monitors the Office of the High Sheriff's fulfillment of responsibilities and legislative requirements and takes appropriate action as required.

Scope and Approach

Our audit planning began in December 2021. The audit period covered from April 1, 2020, to December 31, 2022. We conducted our audit using a risk-based approach based on our understanding of the responsibilities, systems, risk factors and activities of the Office of the High Sheriff related to its financial control processes, staff competencies and complement, and certain security equipment systems, as well as the department's oversight of the Office.

Appendix - About This Audit

Audit procedures included conducting interviews with entity and department officials with consideration of industry best practices where appropriate. Our procedures also included a detailed inspection of financial control processes documentation; human resources and information systems; examination of policies and procedures; and reports from other legislative offices and entities in other jurisdictions. Our sample selections were non-statistical.

Audit Standards

This independent assurance report was prepared by the Office of the Auditor General of Newfoundland and Labrador on the financial control processes, staff competencies and complement, operations of swipe cards and cameras within the Court Security branch as well as oversight by the Department of Justice and Public Safety. Our responsibility was to independently audit these areas to provide objective information and recommendations. Officials from the Office of the High Sheriff and the Department of Justice and Public Safety acknowledged their responsibility for the audit subject matter and the terms of the audit, including audit objective, scope, and approach.

This audit was performed to a reasonable level of assurance in accordance with the Canadian Standard on Assurance Engagements 3001 – Direct Engagements set out by the Chartered Professional Accountants of Canada and under the authority of the Auditor General Act, 2021.

The Office applies the Canadian Standard on Quality Management 1. This standard requires our Office to design, implement, and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

In conducting the audit work, we have complied with the independence and other ethical requirements of the Rules of Professional Conduct of the Association of Chartered Professional Accountants of Newfoundland and Labrador.

Management Representation

The High Sheriff and the Deputy Minister of the Department of Justice and Public Safety confirmed that senior management had provided the Office of the Auditor General with all the information they were aware of that had been requested or that could significantly affect the findings or conclusions of the audit report on behalf of the department and the Office of the High Sheriff.

Date Conclusion Reached

We obtained sufficient and appropriate audit evidence on which to base our conclusions on September 22, 2023, in St. John's, Newfoundland and Labrador.



DENISE HANRAHAN, CPA, CMA, MBA, ICD.D
Auditor General

About Us

Vision

Promoting positive change and accountability in the public sector through impactful audits.

Mission

To promote accountability in government's management and use of public resources and encourage positive change in its delivery of programs and services.

Values

Above all else, the Office of the Auditor General must have independence, credibility and integrity. These are essential to everything we do; and critical to our success. The Office of the Auditor General complies with professional and office standards to produce relevant and reliable audit reports. The Office of the Auditor General's independence of government, in fact, and in appearance, provides objective conclusions, opinions and recommendations on the operations of government and crown agencies. Our staff work in a professional and ethical manner, ensuring respect, objectivity, trust, honesty and fairness.

Audit Team

The Auditor General wishes to thank the diligent audit team who performed their work with independence, credibility and integrity:

Sandra Russell, CPA, CA – Deputy Auditor General

Lindy Stanley, CPA, CA – Assistant Auditor General

Jennifer Tuttle, CPA, CGA – Audit Principal

Sarah Reynolds, CPA – Audit Manager

Sujin Gu, CPA – Audit Senior

Adam Lippa CPA, CMA, CISA, CISM – Engagement Quality Reviewer

The Auditor General also would like to thank Chrysta Collins for report editing and design, as well as stakeholder management.

Independence. Credibility. Integrity.

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