

**Office of the Auditor General of Prince Edward Island**  
**Press Release**

Charlottetown, PEI – The Office of the Auditor General of Prince Edward Island has tabled a Performance Audit Report – Health PEI Executive Leadership Team Compensation with the Legislative Assembly today, October 29, 2024.

The main highlights from this 2024 Report include:

## Health PEI Executive Leadership Team Compensation - Highlights

### Why we did this audit

- The 2024-25 provincial budget included over \$2 million in salaries for the employees of Health PEI's Executive Leadership Team.
- The budget for Health PEI's Executive Leadership Team salaries increased by 25 percent from fiscal 2022-23 to 2024-25.
- Legislation and policies are in place to establish the compensation provided to civil servants in the province.
- As a Crown corporation, it is important that Health PEI follow policies set out by the Health PEI Board of Directors, Public Service Commission, and Treasury Board to ensure a fair and transparent compensation approach that aims to achieve the best possible use of public money.

### Objectives

To determine whether:

- employees of Health PEI's Executive Leadership Team held positions that were classified in accordance with legislation and policies; and
- employment contracts with Health PEI's Executive Leadership Team were authorized in accordance with Treasury Board policies.

### Conclusions

- Five of the eight employees of Health PEI's Executive Leadership Team held positions that were classified in accordance with legislation and policies. However, salaries paid to these employees did not always agree to the salary ranges assigned to the classification level.
- Employment contracts with Health PEI's Executive Leadership Team were not authorized in accordance with Treasury Board policies.

**Audit Scope Period: January 22, 2021 to December 31, 2023**

**What we found**

- Classification of Employees
- Five of eight Executive Leadership Team (ELT) positions were classified following the Public Service Commission’s (PSC) classification process.
  - The remaining three positions, established when Health PEI’s new leadership structure took effect in January 2021, were never classified.
  - Wages paid to two ELT employees did not agree to the salary ranges of the assigned classification level.

**RECOMMENDATION (paragraph 26)**

- Employment Contracts
- Employment contracts of the ELT were not approved by the Minister of Health and Wellness, Health PEI’s Board of Directors, or Treasury Board.
  - Many of the contracts had an effective date more than 60 working days prior to the date the contracts were signed. Two of which were effective two years prior to the date the contracts were signed, resulting in significant amounts of backpay.

**RECOMMENDATIONS (paragraphs 36, 37, 40, 42 & 46)**

This Report of the Office of the Auditor General of Prince Edward Island is available on our website at [www.assembly.pe.ca/auditorgeneral](http://www.assembly.pe.ca/auditorgeneral).

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