



Office of the Auditor General
Prince Edward Island

Strategic Plan 2025 - 2029

Office of the Auditor General
Prince Edward Island

January 2025

Message from the Auditor General



I am pleased to present the Strategic Plan 2025-2029 for the Office of the Auditor General of Prince Edward Island (the Office). It documents our vision and mission and provides future direction for the Office as we continue to serve the Legislative Assembly and the people of Prince Edward Island.

Our core values are the foundation of all of our work, and are embedded in our standards and work practices. We will be independent, reliable, adaptable, relevant, work with integrity, and be collaborative and respectful, as we carry out our mandate.

Support and Communication to our External Stakeholders

Serving the Legislative Assembly and the people of Prince Edward Island, we will remain focused on providing relevant and clear information to assist in holding government accountable, and advance government's transparency on the use of taxpayers' money. We will work to meet the expectations of the members of the Legislative Assembly, paying particular attention to maximizing the value of our work by focusing our audit resources on matters that are relevant and significant. Our collaboration with the Standing Committee on Public Accounts is imperative, and we will continue to maintain and strengthen this relationship. We need to work collaboratively to achieve our common goals.

We will continue to seek opportunities to increase our external stakeholders' awareness of our role, to support our Office, and ask for their encouragement for government to implement our audit recommendations.

Rewarding Professional Work Environment

We must retain high quality personnel who remain motivated in their work, and are adaptable to embracing new methodologies and work practices. We will optimize the competencies of our employees, offer more opportunities for growth, training and development, and seek continued improvements in our work environment. We will work to maintain a team-oriented approach, with opportunities for staff to work on both financial and performance audits.

Audit and Administrative Work Practices

We constantly strive to improve our operations. Balancing efficiency with quality audit products is always a challenge. We will work to strengthen our risk management processes and improve audit efficiencies.

The Office of the Auditor General is committed to achieving these objectives, and our team of very talented professionals will make sure it happens.



Darren Noonan, CPA, CA
Auditor General

Introduction

In May 2025, Mr. Darren Noonan, CPA, CA will reach the half-way point in his 10-year term as the Auditor General for the Province of Prince Edward Island.

This strategic plan will be used to guide the work of the Office for the majority of the second half of his term as Auditor General for the Province. It will serve as the means for directing the work of the Office as it fulfils its mandate on behalf of all Islanders.

The Office of the Auditor General of Prince Edward Island

The Auditor General is accountable to the Legislative Assembly, not Government. The Office of the Auditor General is positioned to offer independent observations, and recommendations on government operations and management practices. The *Audit Act* establishes the legal framework for an independent audit office. The key components of that framework are:

- the authority to carry out audits and examinations which the Auditor General deems necessary;
- the right of access to records and information necessary to perform audit functions;
- the power to request and receive required information and explanations;
- a Legislative Management Committee which reviews and approves the Office's annual budget; and
- the requirement to report at least annually to the Legislative Assembly.

Under the *Audit Act*, the Office has the authority to conduct audits and examinations of provincial departments, Crown corporations, agencies, various funds, and the Office is also authorized to conduct special audits of any public contractor or funding recipient, who have received government funds. Financial audits include examinations of financial statements and other financial reports on which we provide assurance that the financial information is fairly presented.

The *Audit Act* also provides authority for the Auditor General to conduct any special audit or examination considered necessary to determine whether any agency of government is achieving its purpose, is doing so economically and efficiently, and is complying with the applicable statutory provisions.

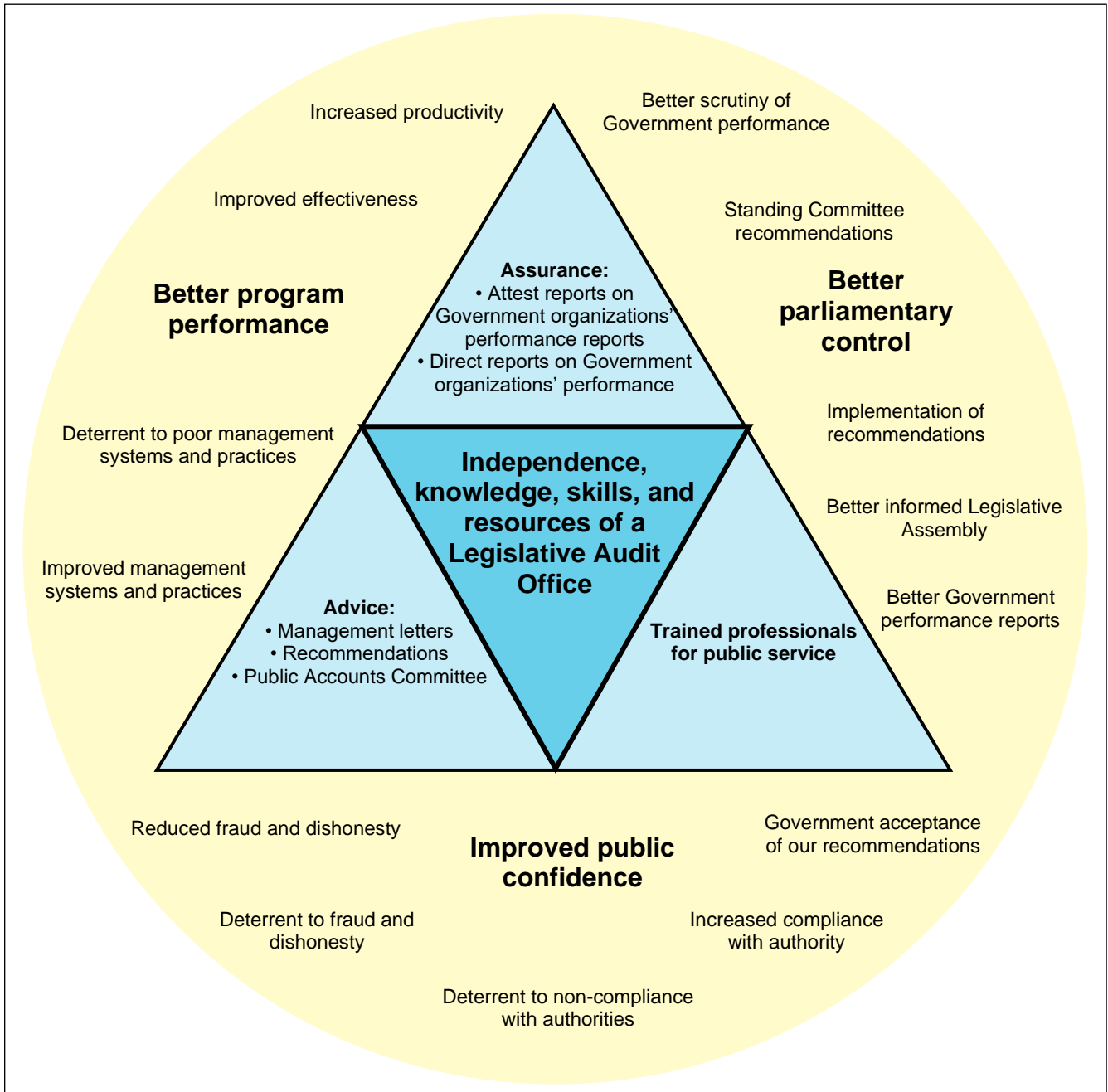
The reports of the Auditor General to the Legislative Assembly:

- provide independent observations, recommendations, and information pertaining to the audits and examinations of government operations conducted by the Office during the year;
- call attention to anything that the Auditor General considers necessary to be brought to the attention of the Legislative Assembly; and
- include other specific reporting requirements pursuant to the *Audit Act* and the *Government Advertising Standards Act*.

The Office of the Auditor General conducts its work in accordance with professional auditing standards issued by the Chartered Professional Accountants of Canada and abides by the rules of professional conduct and ethics of the Chartered Professional Accountants of Prince Edward Island.

The Office of the Auditor General is a member of the Canadian Council of Legislative Auditors which brings together legislative auditors of the federal government, the provinces, and the territories. The Council provides an opportunity for professional development through information exchange, discussion, development, and enhancement of legislative audit practices. The Office is also a member of the Canadian Audit and Accountability Foundation, an organization dedicated to promoting and strengthening public sector performance audit, oversight, and accountability in Canada and abroad, through research, education, and knowledge sharing.

THE VALUE AND BENEFITS OF A LEGISLATIVE AUDIT OFFICE



Light yellow: Value and benefits of a Legislative Audit Office

Light blue: Key services and products of a Legislative Audit Office

Adapted from a Canadian Legislative Auditors Working Group

Strategic Plan

Our Strategic Plan comprises six components: our vision, our mission, our values, risks and trends, our strategic objectives, and key performance indicators. We have identified three strategic objectives as our current priorities and each is supported by actions we will undertake to achieve these objectives.

Our Vision

To be an independent and trusted audit office, highly valued by Islanders, for our contributions to a sustainable and prosperous future for Prince Edward Island.

Our Mission

The Office of the Auditor General conducts independent audits and examinations that provide objective information, advice, and assurance to the Legislative Assembly. The Office works to advance government's accountability, transparency, and management of public resources.

Our Values

Independence

Integrity

Reliability

Relevance

Adaptability

Collaboration

Respect

Our values guide us in achieving our vision and mission. They guide our day-to-day actions and serve as constant reminders of our commitments. They are a statement of the high standards we apply to ourselves and our work.

Independence

We report to the Legislative Assembly and are fair, objective, and non-partisan in our approach. We adhere to our independence standards and professional codes of ethics, avoiding real and perceived conflicts in our relationships and in the conduct of our work.

Integrity

We are professional, credible, trustworthy and objective.

Reliability

We work together and with others in an open, honest, and trustworthy manner. We strive every day to meet the highest standards of professional conduct and to produce work that is consistently of high quality.

Relevance

We select our audits on the basis of significance and risk, with the goal of making a positive difference for Islanders. Our reports present findings on matters of importance to the Legislature and the public.

Adaptability

We seek opportunities for creative problem solving and continuous improvement, supported by advancements in technology.

Collaboration

We encourage strong relationships, shared responsibilities, and effective communication.

Respect

We value diverse opinions, an inclusive workplace, and fair treatment of all.

Risks and Trends

The office sets its strategic objectives within the context of its key risks, and trends in the current environment to allow us to achieve our mandate.

RISKS

Careful and prudent management of key risks, and appropriate consideration of current trends, are critical to the Office in achieving its goals.

Risks include

- interested parties (e.g., MLAs, government agencies, the public) do not support our goals and objectives;
- government does not act on our recommendations;
- the Standing Committee on Public Accounts does not fulfill their responsibilities;
- we do not have the required competencies and resources to deliver our products and services;
- we do not manage our resources effectively;
- we do not understand or respond to the challenges faced by interested parties;
- we lose, or are perceived to lose, our independence;
- we provide inappropriate or incorrect assurance and advice;
- lack of interest in our work; and
- the loss of communication channels, such as our local newspaper.

TRENDS

The following trends affect both the Office and our interested parties.

Changing Demographics

Diversity and growth in the population of Prince Edward Island: an aging population, an increasing population, increase in mental health needs, demands on health care delivery, and infrastructure needs.

Technological Change

Increased complexity and use of artificial intelligence, data analytics and electronic services; growing cybersecurity incidents, and increasing amount of misinformation.

Changes in the Public Sector Workforce

Attitudes/expectations, alternative work arrangements, competition for best employees, loss of corporate knowledge, and high vacancy rates.

Focus on Sustainability and the Environment

Aging infrastructure, climate change risks, emergency response readiness, longer term planning, strategies, reporting, and reliance on federal government transfers.

Our Strategic Objectives

The following three strategic objectives support the realization of our vision. A number of planned actions have been identified for each strategic objective.

Our strategic objectives and planned actions are:

1. Increase support from and communications with our external stakeholders

Actions:

- Deliver the best mix of audit products consistent with our mandate that maximizes the impact and value of our audit work.
- Seek opportunities to enhance the understanding of the work of our Office with:
 - Members of the Legislative Assembly;
 - Standing Committee on Public Accounts;
 - Management within government;
 - Governing bodies; and
 - Islanders.
- Meet on a more regular basis with the Standing Committee on Public Accounts.
- Consult with external stakeholders on our audits.
- Focus on social and environmental issues.
- Seek out additional delivery methods for issuing our reports to the public.
- Strengthen the wording in the *Audit Act* in the area of access to information, to ensure no challenges can be made to the authority of the Auditor General to have access to information.

2. Provide a more rewarding professional work environment

Actions:

- Increase opportunities to challenge employees, and acknowledge good work.
- Recruit and retain qualified staff.
- Increase professional development and training opportunities for staff.
- Introduce a new competency-based performance evaluation process to assist staff in developing professional development plans and identifying skills to be developed.
- Train more staff in the area of performance auditing.
- Enhance internal office communication.
- Continue to improve our team-oriented collaborative environment.
- Strengthen the quality and diversity in the workplace by having a balanced staff compliment.
- Ensure benefits and values of all genders and ethnicity are considered when carrying out our work, and holding staff events.

3. Issue quality reports

Actions:

- Continually monitor our risk management program.
- Improve audit efficiency while continuing to meet professional standards.
- Enhance our internal Quality Assurance Review practices.
- Explore partnering opportunities within the legislative audit community in Canada.
- Effectively manage resources and timing of audits.
- Modernize the look/appearance of our reports.
- Advance the use of data analytics and artificial intelligence.
- Update technology as innovation continues.
- Consider lower assurance types of engagements to allow for more timely reporting.

Our strategic objectives and planned actions set the framework for directing our efforts. We will continue to measure our performance against our key performance indicators, and we will report annually on our progress.

Key Performance Indicators

Our key performance indicators allow our Office to assess success toward achieving our strategic objectives and realizing our vision and mission.

Strategic Objective 1 – Increase support from and communications with our external stakeholders

<u>Key Performance Indicators</u>	<u>Target</u>
1) Number of recommendations in our reports that are accepted by the Standing Committee on Public Accounts.	100%
2) Percentage of recommendations that are completed by the final year of our follow-up work (4 years after original performance audit).	90%
3) Positive response from auditees on the importance of our work through post-audit surveys.	80%
4) Positive response from members of the Standing Committee on Public Accounts on the value of our work, based on annual survey of the members.	95%
5) Meet regularly with the Standing Committee on Public Accounts, not just when reports are tabled.	6 times per year
6) Annual reports of government departments and reporting entities are tabled within the required timelines established through legislation or Treasury Board policies.	
7) Improved reporting content in the annual reports of government departments and reporting entities, including all items listed in Treasury Board Policy 10.01.	

Strategic Objective 2 – Provide a more rewarding professional work environment

<u>Key Performance Indicators</u>	<u>Target</u>
1) Employee retention.	90%
2) Positive employee job satisfaction, based on the results of annual employee engagement survey.	90%

Strategic Objective 3 – Issue Quality Reports

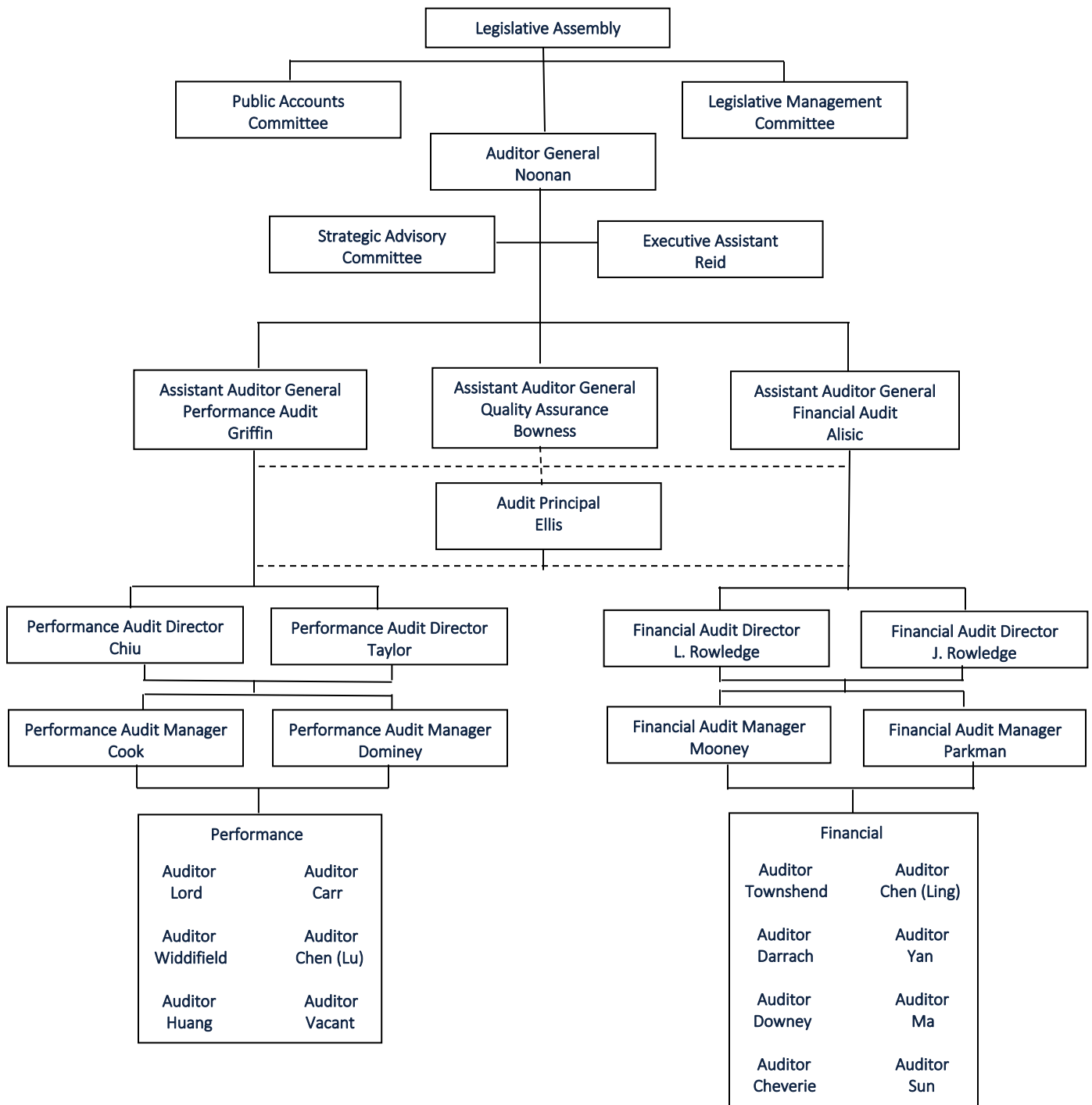
<u>Key Performance Indicators</u>	<u>Target</u>
1) Financial audits for entities with a March 31 year end completed by our Office within legislated statutory deadlines.	100%
2) Positive annual peer reviews of one of our performance audit files completed by the Office of the Auditor General of another jurisdiction.	less than 5 recommendations
3) Positive practice inspection results of our files completed by CPA PEI.	less than 3 recommendations
4) The number of performance audits issued annually.	6 audits per year

Visit our website www.assembly.pe.ca/auditorgeneral for further information about our Office, previously issued Annual Reports and previously issued Performance Audit Reports.

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**OFFICE OF THE AUDITOR GENERAL
ORGANIZATION CHART**



Performance Audit Work Plan - Office of the Auditor General of PEI

2025/2026

- Annual Report
- Health PEI – Payroll
- Government Travel Expense Claims – Out of Province Travel
- Follow-up on Previous Audits
- Cell Phone Tower Infrastructure
- Health PEI – Physician Billings
- Correctional Centers – Capacity, Training, Diversity
- Foster Care Families
- Diversity, Equity, Inclusion Strategy Outcomes
- Travel Nurses

2026/2027

- Island EMS – Contract Deliverables
- Public Service Commission – Classification & Reconciliation of Pay Levels
- Addiction Facilities – Capacity and Access
- Maintenance Enforcement – Collection Efforts
- Human Rights Commission – Claims Process
- Long-term Care Standards (Public vs Private)
- Long-term Care Beds Needs Assessment
- Management of Government Capital Projects
- Access to Mental Health Professionals – Youth
- Extended Services – Children Aging out of the Care of the Director

Future Possible Topic Areas

- Governance – Finance PEI & IIDI Monitoring Activities, Decision Making
- Population Growth Strategy
- Access to Mental Health Professionals – Adults
- Cannabis PEI
- Island Waste Management – Governance
- Pharma Care Program – Drug Store Claims
- Transportation – Road Replacement, Vehicles & Inventory Maintenance
- Aquaculture Monitoring
- PEI Grain Elevators – Governance
- Procurement Services
- United Nations Sustainable Development Goals
- Education and Lifelong Learning – Best Start Program
- Maintenance of Windmills Contracts
- Telehealth Services
- Highway Maintenance – Long-term Planning Priorities
- Education – Resources for Special Needs Students
- Climate/Disaster Preparedness
- Energy Sustainability
- Cyber Security