

NEWS RELEASE

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Auditor General releases 2022 Annual Report

Edmonton, Alberta, Canada... The findings and recommendations contained in the *Report of the Auditor General—November 2022* speak to the importance of reporting on program results and serve as learnings for government in the design of future benefit programs, particularly during a crisis.

Highlights of the report include the results of the audit of the *2021-2022 Consolidated Financial Statements of the Province of Alberta* along with the results of three new COVID-19 performance audits, our *Summary of the 2021 Financial Audit Results of School Jurisdictions in Alberta*, and one assessment of implementation report.

2021-2022 Consolidated Financial Statements of the Province of Alberta

“I am pleased to share with Albertans that we issued an unqualified (clean) audit opinion on the Province’s Consolidated Financial Statements for the year ended March 31, 2022,” said Auditor General Doug Wylie. “This means Albertans can be confident that the financial statements of the province are free of material misstatements and are presented fairly in accordance with Public Sector Accounting Standards.”

COVID-19 Performance Audit Work

The November 2022 report includes three separate performance audits at the departments that delivered the largest COVID-19 response programs during 2020-2021 and 2021-2022. The effectiveness of department processes to design, deliver, monitor and report were the focus of three programs:

- Small and Medium Enterprise Relaunch Grant Program (\$670 million) (Alberta Jobs, Economy and Innovation)
- Municipal Operating Support Transfer (\$606 million) and Municipal Stimulus Program (\$500 million) COVID-19 Response Programs (Alberta Municipal Affairs)
- COVID-19 Capital Stimulus Initiative (\$2 billion) (Alberta Treasury Board and Finance)

“Albertans can be confident that COVID-19 funding was provided quickly in this unprecedented time of need,” said Wylie. “Overall, our audit findings demonstrate that these departments had processes to design, deliver and monitor these COVID-19 programs.”

However, the Auditor General did note areas for improvement relating to post-payment eligibility verification and reporting on results to Albertans.

“We found in our audit of the Small and Medium Enterprise Relaunch Grant Program, the department cannot conclude the majority of program recipients were eligible for the program. Similarly, we noted in a followup to our March 2022 report *Delivery of the COVID-19 Emergency Isolation Support Program*, Alberta Labour and Immigration did not complete sufficient post-payment work to confirm benefit recipient eligibility. Our work also resulted in findings regarding the lack of reporting to Albertans on the results achieved by these COVID-19 programs in ministry annual reports,” Wylie concluded.

Summary of the 2021 Financial Audit Results of School Jurisdictions in Alberta

The November 2022 report also includes a summary of the results of examination of audits performed by the independent auditors of all school jurisdictions in Alberta. The purpose of the summary of the financial information and recommendations made to school jurisdictions is to identify trends across the sector. The Department of Education and school jurisdictions can use information on recommendations to work together to rectify identified common control weaknesses. Management of individual school jurisdictions can also use this information to proactively consider the sustainability of their jurisdiction’s control environment.

This report includes commentary on the \$262.8 million COVID-19 Safe Return to Class program spending. The department verified through financial reporting and monitoring processes that school jurisdictions spent 70 per cent of the program funding on eligible expenditures such as: salary and benefits for teachers and staff to support at home/online learning; enhanced learning; substitute teacher coverage; and health and safety training. Cleaning supplies, disinfection and additional custodial services made up a further 21 per cent of eligible expenditures.

The November 2022 report also highlights the implementation of 22 previous recommendations since the release of the Auditor General’s November 2021 report.

The Report of the Auditor General—November 2022 was tabled earlier today in the Legislative Assembly and is available online at oag.ab.ca.

-30-

Appointed under Alberta’s *Auditor General Act*, the Auditor General is the legislated auditor of every provincial ministry, department, and most provincial agencies, boards, commissions, and regulated funds. The audits conducted by the Office report on how government is managing both its responsibilities and the province’s resources and informs Members of the Legislative Assembly and all Albertans, that public money is properly accounted for.

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