

Provincial Update on the Auditor General Recommendations Economic & Rural Development and Tourism November 2011

The Department is in the process of establishing a new fund to replace the Industrial Expansion Fund, in response to Recommendation 3.14. Responses to other Auditor General's recommendations will be developed and implemented as part of the implementation of the new fund.

Recommendations assigned to Economic & Rural Development and Tourism:

Economic and Rural Development and Tourism	Complete	Work In Progress	Action no Longer Required	Do not Intend to Implement	Total Recommendations
June 2010					
Chapter 2: Financial Assistance to Businesses Through NSBI and IEF	1	3	-	1	5
May 2011					
Chapter 3: Financial Assistance to Businesses through NSBI and IEF	3	15	-	-	18
Total	4	18	-	1	23
Percentage	17%	78%	0%	4%	100%

Recommendations in Detail:

Month & Year	Chapter	Recommendation	Status	Brief summary of actions taken
June 2010	2	2	Complete	As noted in 2011 AG Report, NSBI now has two sets of policies in place that reflect both types of payroll rebates.
June 2010	2	3	Work in Progress	Client application, check list and risk assessment procedures will be piloted as part of the development of the new fund.
June 2010	2	4	Work in Progress	An annual client review template has been developed and will be piloted as part of the development of the new fund. A new arrears management process is in place.
June 2010	2	5	Work in Progress	A procedure to identify and follow-up loans in arrears has been developed and will be piloted as part of the development of the new fund.

Provincial Update on the Auditor General Recommendations
Economic & Rural Development and Tourism
November 2011

Recommendations in Detail:

Month & Year	Chapter	Recommendation	Status	Brief summary of actions taken
June 2010	2	6	Do not intend to implement this recommendation	Performance management in the new fund will be based on a continuous improvement process rather than by setting annual targets.
May 2011	3	1	Work in Progress	Development of client application, assessment and approval processes are part of the development of the new fund.
May 2011	3	2	Work in Progress	A formal risk assessment process is part of the development of the new fund.
May 2011	3	3	Work in Progress	A new filing system is part of the development of the new fund.
May 2011	3	4	Work in Progress	Standard checklists are part of the development of the new fund.
May 2011	3	5	Work in Progress	Procedures to ensure assessments will be fully supported are part of the development of the new fund.
May 2011	3	6	Work in Progress	An Initial Inquiry Form and Ineligible Applicant's List will be piloted prior to the implementation of the new fund.
May 2011	3	7	Work in Progress (Planning Stage)	Processes that ensure development incentive conditions are met and loan agreements are followed are part of the development of the new fund.
May 2011	3	8	Work in Progress (Planning Stage)	Checklists to track status of all information required are part of the development of the new fund.
May 2011	3	9	Complete	A procedure to ensure payments are on time has been developed and implemented.

Provincial Update on the Auditor General Recommendations
Economic & Rural Development and Tourism
November 2011

Recommendations in Detail:

Month & Year	Chapter	Recommendation	Status	Brief summary of actions taken
May 2011	3	10	Complete	An arrears management process that produces monthly arrears summaries has been developed and implemented.
May 2011	3	11	Work in Progress	An annual review summative process, including detailing client risk, is being developed as part of the new fund.
May 2011	3	12	Work in Progress (Planning stage)	Procedures for documenting follow-up actions are being developed as part of the new fund.
May 2011	3	13	Work in Progress	Processes for monthly arrears reports are being developed as part of the new fund.
May 2011	3	14	Work in Progress	The schedule for establishment of a new fund to replace the Industrial Expansion Fund was announced on July 31, 2011. The development of the new fund, with review of governance, controls and policies is continuing. The new fund will be implemented April 2012.
May 2011	3	15	Work in Progress	NSBI is in the process amending the loan policies and procedures.
May 2011	3	16	Complete	NSBI has included a new section for each proposal to ensure policy exceptions are separately identified.
May 2011	3	17	Work in Progress (Planning Stage)	Since NSBI and ERDT use the same accounting system for loans, changes to the system will be implemented in tandem with ERDT when the new fund is implemented.
May 2011	3	18	Work in Progress	A report of payroll rebates that did not move forward is being developed.