

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 – PEI Alliance for Mental Well-Being with the Legislative Assembly today, July 30, 2024.

The main highlights from this 2024 Report include:

PEI Alliance for Mental Well-Being Highlights

Why we did this audit

- In the 2021 Speech from the Throne, Government committed to the establishment of the PEI Centre for Mental Well-Being, made up of representation from community partners engaged in the delivery of mental health services. The initiative was later renamed the Prince Edward Island Alliance for Mental Well-Being (the Alliance).
- In April 2022, the Department of Health and Wellness (the Department) entered into a funding agreement with the Alliance. A significant deliverable within the funding agreement was the *Focusing Action for Positive Change Grant Program* to provide funding to organizations for initiatives focused on helping to improve the mental well-being of individuals, families, and communities.
- As of March 31, 2023, the Department was authorized to spend up to \$7.8 million on this initiative, including operating expenditures incurred as part of planning efforts.
- The Alliance approved 46 applications and provided approximately \$5.35 million to community organizations through this grant program as of March 31, 2023.

Objectives

To determine whether

- the Department of Health and Wellness managed the grant funding provided to the PEI Alliance for Mental Well-Being in accordance with applicable policies; and
- the PEI Alliance for Mental Well-Being administered its grant program with effective processes and controls.

Conclusions

- The Department of Health and Wellness did not manage the grant funding provided to the PEI Alliance for Mental Well-Being in accordance with all applicable policies.
- The PEI Alliance for Mental Well-Being did not consistently administer its grant program with effective processes and controls.

Audit Scope Period: April 1, 2021 to March 31, 2023

What we found

Funding Agreement	<ul style="list-style-type: none"> o The funding agreement between the Department and the Alliance contained the required elements and was approved in accordance with Treasury Board policies. o <u>Payments to the Alliance were appropriately authorized and made in accordance with the approved funding agreement.</u>
Monitoring and Evaluation	<ul style="list-style-type: none"> o The Department could not provide documentation to support its review of any of the reports received from the Alliance. o There was approximately \$569,000 in unused funds as at March 31, 2023. The funding agreement did not stipulate what should happen in the event of unused funds and the Department indicated it didn't intend to follow up on these unused funds. o The business plan submitted to Treasury Board by the Department did not have performance measurement frameworks, including key performance indicators, for the Alliance or the grant program.
RECOMMENDATIONS (paragraphs 28, 29, 33 & 37)	
Grant Program Information	<ul style="list-style-type: none"> o The Alliance had documented guidelines for administering the grant program. o The information contained within the grant program guidelines used by the Alliance was consistent with grant program details approved by Treasury Board.
Application Assessment and Approval	<ul style="list-style-type: none"> o The Alliance did not document its assessment of applicant expenses; therefore, we could not conclude on whether all expenses were eligible in the applications tested. o A third peer review assessment was not always conducted as required by the Alliance's grant program guidelines. o <u>The Alliance did not retain all documentation to support the rationale for funding recommendations made to the Board.</u>
Grant Payments	<ul style="list-style-type: none"> o Grant payments were disbursed for the correct amount and paid to the appropriate party consistent with the terms of the funding agreement. o Cheques issued for grant payments were not signed in accordance with the Alliance's by-laws.
Project Monitoring and Evaluation	<ul style="list-style-type: none"> o The Alliance did not receive reports from all grant recipients tested in accordance with the timelines established in the funding agreements. o The Alliance had only documented its assessment of the reports submitted for six of the projects tested and did not document how issues identified were resolved.
Conflict-of-Interest	<ul style="list-style-type: none"> o The Alliance did not have a conflict-of-interest policy for employees, and the policy for peer reviewers did not require the disclosure of private interests. o Employees, peer reviewers or board members did not disclose their private interests. o Apparent conflicts-of-interest were identified for two board members which were not declared and documented in meeting minutes.
RECOMMENDATIONS (paragraphs 54, 59, 66, 67, 72, 77, 82, 83, 94, 95, 96, 97 & 103)	

A Report of the Office of the Auditor General of Prince Edward Island was tabled with the Legislative Assembly of Prince Edward Island, and is available on our website at www.assembly.pe.ca/auditorgeneral.

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