

Action Plan and Progress Assessment (APPA) for the implementation of audit recommendations from the OAG- Prepared for the Select Standing Committee of Public Accounts
Attention: Shirley Bond, Chair and Mitzi Dean, Deputy Chair of the Select Standing Committee on Public Accounts

Ministry of Citizens' Services

AN INDEPENDENT AUDIT OF THE MINISTRY OF CITIZENS' SERVICES REAL ESTATE ASSET SALES MANAGEMENT Released July 10, 2018

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PAC Meeting Plan¹ [26/11/2018] Prepared by: [Yvonne Deibert], [Real Property Division]

Reviewed by: [Sunny Dhaliwal]

1st APPA Update [25/02/2020] Prepared by: [Yvonne Deibert], [Real Property Division]

Reviewed by: [Sunny Dhaliwal]

2nd APPA Update [DD/MM/YY] Prepared by: [Name], [Organization Name]

Reviewed by: [Name of Deputy Minister or Assistant Deputy Minister]

Rec. # Accepted? Yes / No ²	OAG Recommendations	Actions Planned & Target Date(s) ³	Assessment of Progress to date ⁴ and Actions Taken ⁵ (APPA update)
1. Yes	Ministries and agencies prepare cost-benefit analyses prior to submitting real estate assets to the Surplus Properties Program for approval to sell.	Monitoring by Ministry of Citizens' Services (CITZ) will continue to ensure compliance by ministries and agencies. Target Date: October 30, 2018	Progress Assessment: Fully implemented Actions Taken & Discussion: A Triple Bottom Line Cost-Benefit Analysis (TBL-CBA) is now prepared for properties identified for disposal and valued at \$1M or more, or where CITZ identifies a sensitivity or complexity, to assess whether disposal is the preferred action.
2. Yes	That no real estate assets are added to the surplus properties list until ministries and agencies complete and submit a readiness checklist showing that they have completed the due diligence work required to prepare assets for sale.	Monitoring by CITZ will continue to ensure compliance by ministries and agencies. Target Date: October 30, 2018	Progress Assessment: Fully implemented Actions Taken & Discussion: A Surplus Declaration and Readiness Checklist has been created with mandatory actions required to be completed, to demonstrate that ministries and agencies have completed the due diligence work required to prepare the asset for sale.
3. Yes	The controls that ministries and agencies have in place are sufficient to prevent and detect real or perceived bias, bid rigging and collusion when selling real estate assets.	Monitoring by CITZ will continue to ensure compliance by ministries and agencies. Target Date: October 30, 2018	Progress Assessment: Fully implemented Actions Taken & Discussion: Transaction Guidelines and strategies have been created for all ministries and agencies which provide a clear definition of real/perceived bias, bid rigging and collusion, and information on warning signs to look for to avoid these from occurring.

¹ The audited organization will be required to present their initial action plan at this meeting (i.e. First three columns completed for each OAG recommendation included in the audit report)

² For each recommendation, the audited organization should state whether or not they have accepted the recommendation and plan to implement it fully by typing either "Yes" or "No" under the number of the recommendation.

³ Target date is the date that audited organization expects to have "fully or substantially implemented" the recommendation. If several actions are planned to implement one recommendation, indicate target dates for each if they are different.

⁴ The Select Standing Committee on Public Accounts (PAC) will request that the audited organization provide a yearly update (i.e. completed "Assessment of Progress and Actions Taken" column) until all recommendations are fully implemented or otherwise addressed to the satisfaction of the PAC. This is for the APPA update.

⁵ This action plan and the subsequent updates have not been audited by the OAG. However, at a future date that Office may undertake work to determine whether the entity has implemented the recommendations. The results of that work will be reported in a separate report prepared by the OAG.

Please provide your email response to:

Email: Comptroller General's Office of the Government of British Columbia Comptroller.General@gov.bc.ca

Cc email to: the Office of the Auditor General of British Columbia actionplans@bcauditor.com

Attention: Shirley Bond, Chair and Mitzi Dean, Deputy Chair of the Select Standing Committee on Public Accounts

Rec. # Accepted? Yes / No ²	OAG Recommendations	Actions Planned & Target Date(s) ³	Assessment of Progress to date ⁴ and Actions Taken ⁵ (APPA update)
4. Yes	Ministries and agencies establish bid submission requirements for real estate asset sales to foster increased transparency of multi-parcel property bids.	Monitoring by CITZ will continue to ensure compliance by ministries and agencies. Target Date: October 30, 2018	Progress Assessment: Fully implemented Actions Taken & Discussion: Guidelines for Solicitation of Offers have been created which will ensure that the principles of transparency and best value is followed when selecting an offer.
5. Yes	Evaluate real estate purchase bids and provide Treasury Board with an opinion as to whether bids fairly reflect market conditions, based on appraisals and other market information.	Monitoring by CITZ will continue to ensure compliance by ministries and agencies. Target Date: October 30, 2018	Progress Assessment: Fully implemented Actions Taken & Discussion: Mandatory actions required prior to property disposition have been developed, based on the value and complexity of the property. The disposal of a property valued at >\$10M will require an evaluation of the purchase bids by CITZ to be provided to the Treasury Board staff, along with an opinion as to whether the bids fairly reflect market conditions based on appraisals and other market information.
6. Yes	Engage an independent consultant to conduct an evaluation of the RAEG initiative to identify opportunities to enhance public sector strategic real estate management.	An independent consultant (Colliers) was hired through an RFP process. CITZ worked closely with Colliers to identify and implement further opportunities to enhance public sector strategic real estate management. Target Date: March 31, 2019	Progress Assessment: Fully implemented Actions Taken & Discussion: An independent consultant (Colliers) was selected through a Request for Proposals process to conduct an evaluation of the former RAEG initiative. The final report was received in July 2019 and made 12 recommendations. All of the recommendations, except for one (creating an arm's length entity to manage strategic transactions) will be fully implemented by March 2020.
7. Yes	Improve public accountability reporting on sales of surplus real estate assets.	This recommendation was included as a deliverable for Colliers as part of the evaluation of the Surplus Properties Program. A new model for publicly reporting property sales has been established. Target Date: March 31, 2020	Progress Assessment: Substantially implemented Actions Taken & Discussion: Actions taken against each of the recommendations will contribute to strengthening public accountability for the Surplus Properties program. A public accountability reporting model was developed and reviewed by the OAG to report on revenues, savings, and economic impacts of surplus property dispositions in excess of \$1M. The new public accountability reporting model will be posted online by March 31, 2020.

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