
To the Minister of Transport (“Minister” or “Minister’s delegate”) and to the Administrator of the Ship-source Oil Pollution Fund.

Summary report – Special Examination

The Administrator directs money to be paid out of the Fund for the purpose of furthering its mandate and is accountable to Parliament, through the Minister of Transport for the fulfillment of its corporate duties.

The Marine Liability Act requires the Administrator to carry out a special examination of systems and practices at least every five years to determine if they are maintained in a manner that provided reasonable assurance that they met the requirements of paragraphs 120(2)(b) and (c).

Our responsibility is to determine a conclusion on whether during the time period under examination (March 2015 to September 2020) there was reasonable assurance that there were no significant deficiencies in the systems and practices examined.

The SOPF office’s systems and practices reviewed for this examination were the ones related to the five areas under examination which were selected by the Administrator. A plan for the examination was prepared by us and approved by the Administrator. The areas examined and criteria are shown in Appendix A.

Our examination was made in accordance with the approved plan and included such tests and other procedures as we considered necessary in the circumstances.

Overall, the Special Examination found, for the period under examination, there was reasonable assurance that there were no significant deficiencies in the office of the Administrator’s systems and practices we examined. We identified some opportunities for improvement in three of the five areas under examination and made recommendations accordingly on Governance, Human Resources and Information technology and information management. The Administrator agreed with all of the recommendations.

APPENDIX A

GOVERNANCE AND RISK MANAGEMENT
<p>Strategic Planning Processes The Administrator establishes a strategic plan and strategic objectives that are aligned with its mandate to promote and implement best practices in terms of governance.</p>
<p>Governance Structure and Responsibilities The governance structure and responsibilities are clearly, defined, documented, and communicated.</p>
<p>Management Oversight The Administrator receives appropriate and timely information to support decision-making.</p>
<p>Risk Management The Administrator identifies, assesses, monitors and reports risks to achieving strategic objectives.</p>
INTERNAL MANAGEMENT, PERFORMANCE MEASUREMENT AND REPORTING
<p>Performance Measurement The Administrator establishes measurable annual performance expectations that support its strategic objectives and designs measurable performance indicators.</p>
<p>Performance Reporting The Administrator collects performance indicator data that measures its success in achieving its operational targets and this information is communicated to the users.</p>
<p>Effective Internal Management The Administrator has effective financial controls and systems in place for its administration to achieve sound management (including cost allocation).</p>
OPERATIONS MANAGEMENT: REVIEW OF CLAIMS PROCESS
<p>Process Effectiveness The Administrator has systems and practices in place to ensure efficient and effective processing of claims</p>
<p>Performance Monitoring and Reporting The Administrator monitors and reports on its operational results.</p>
HUMAN RESOURCES
<p>HR Strategy The Administrator carries out a strategic planning process for human resources to assess workforce needs for supporting its objectives.</p>
<p>Recruitment / Staffing The Administrator recruits staff in a way that ensures a competent and inclusive workforce.</p>
<p>Employee Retention The Administrator promotes employee retention through compensation, training, coaching, career development, and other employee engagement initiatives.</p>
<p>Succession (Management / Critical Position) The Administrator performs succession planning for key positions to ensure that the organization achieves corporate objectives.</p>
<p>Performance Management The Administrator assesses its employees' performance against objectives that are aligned with its objectives, so that it recognizes good performance and takes corrective action to address poor performance.</p>

<p>Training and Development</p> <p>The Administrator has training and development programs that enable employees to acquire, maintain, and develop skills and competencies needed to carry out required work and meet objectives.</p>
<p>INFORMATION TECHNOLOGY AND INFORMATION MANAGEMENT</p>
<p>IT Strategic and Operational Planning</p> <p>The Administrator has strategic and operational information technology plans that are aligned with and support its operational and information needs.</p>
<p>IT Security and Business Continuity / Recovery Plan</p> <p>The Administrator has information systems that are available and accessible when needed, and that resist attacks and recover from failures.</p>
<p>Information Management Practices</p> <p>The Administrator conducts information management and technology activities that provide quality customer service while ensuring efficient and effective processes and operations.</p>
<p>System Development Maintenance, and Monitoring</p> <p>The Administrator acquires computer-based systems after considering the needs of both individual users and the Administrator's office as a whole and identifying risks and risk tolerances.</p>