

**Release of the Report
Winnipeg Regional Health Authority –
Administration of the Value Added Policy**

WINNIPEG – Auditor General, Carol Bellringer, today is releasing her report, *Winnipeg Regional Health Authority – Administration of the Value Added Policy*, to the Speaker of the House for distribution to members of the Manitoba Legislature.

The audit was initiated in 2009 following concerns around WRHA’s administration of the Value-Added Policy which took the form of cheques as well as product, equipment and education received from suppliers. The audit focused on the administration of the policy but also assessed the competitive bid process, verified prices paid for goods and services, evaluated the selection process for major construction projects and assessed the adequacy of public reporting for items procured. The audit was also designed to determine if WRHA Board or Committee members, senior management, or other employees benefited personally from Value-Adds.

The Auditor General states that “We found no evidence that anyone benefitted personally from Value-Adds.” and that “There was no indication that there was ever any “cash” in “brown envelopes”. “The report explains that the cheques were received in the form of unrestricted or restricted funding and that all such funding was properly recorded by WRHA. The report goes on to describe the controls around the Value-Adds for product, equipment and education as weak, but that this control weakness was isolated to these items. The Auditor General found that tendering for goods and services and construction contracts was well controlled and included a competitive bidding process, except for the project consultants for construction contracts, which were not tendered. The report recommends the public disclosure of vendor payments and Value-Adds.

The full report can be found on the Office of the Auditor General’s website – www.oag.mb.ca. The Office of the Auditor General is an independent office of the Legislative Assembly providing independent assurance and advice to Members of the Legislative Assembly, with a strong focus on promoting enhanced accountability of government to the citizens of Manitoba.

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Copies of this report available in: **ROOM 29 – LEGISLATIVE BUILDING**

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