

UPDATING BEST PRACTICES FOR CANADIAN PUBLIC ACCOUNTS COMMITTEES

SURVEY QUESTIONNAIRE

CCAF–FCVI Inc. in Partnership with CCPAC

CONTEXT

- ❑ Recently, public confidence in financial reporting and the audit system has been shaken because of the failures of Enron and WorldCom in the business world and the recent publicity regarding lax contracting practices on the part of federal and provincial governments. These issues have highlighted the importance of good corporate governance and are spurring changes in financial reporting and auditing to restore accountability both internationally and in Canada.
- ❑ Also under scrutiny is Parliament’s role in holding Ministers and governments accountable for the appropriate expenditure of government funds, and the adequacy of its inquiries into whether the public has obtained value for money.
- ❑ In view of the foregoing, CCAF-FCVI Inc. (formerly the Canadian Comprehensive Auditing Foundation) is interested in exploring accountability and governance relationships among parliamentary committees, legislative auditors and government management including comptrollers.
- ❑ The CCAF is particularly interested in the roles, responsibilities and relationships of Canadian Public Accounts Committees (PACs):
 - Are these committees functioning as well as they could be in exercising appropriate oversight of government operations and expenditures?
 - What are the most significant factors influencing their quality and effectiveness?
 - What could be done to improve their effectiveness and results achieved?
- ❑ As a first step, CCAF is working in partnership with the Canadian Council of Public Accounts Committees (CCPAC) to find out what the current best practices are in each jurisdiction in Canada. To frame our questionnaire, we have used as a guide the recommended practices in the 1981 CCAF publication, *Improving Accountability: Canadian Public Accounts Committees and Legislative Auditors*, and in the CCPAC *Guidelines for Public Accounts Committees in Canada (1989)*.
- ❑ This questionnaire will assist us in providing some up-to-date information about PACs across Canada. It will also provide a means of assessing the relevancy of the recommendations and guidelines contained in the two aforementioned studies.
- ❑ The questionnaire will be supplemented by a separate survey for Legislative Auditors, and interviews with selected PAC Chairs and other persons involved in this accountability relationship.
- ❑ Summary research results will be made available to those completing the survey as well as CCAF members, as soon as information is available.

Thank you in advance for completing the questionnaire.

If you have any questions regarding the Survey, contact Elizabeth (Libby) MacCrae at (613) 241-6713 (Ext. 30). Please return the completed questionnaire to emacrae@ccef-fcvi.com by [date].

The quality and completeness of the survey results depend on your answers. Please take the time to review the questions and type out your responses in the spaces provided in the questionnaire. Your participation in this survey is a benefit to all PACs and their stakeholders in Canada. Results of the survey will be presented and discussed during the upcoming session of --- in August 2004.

The questionnaire is divided into two main parts – *Questions Relating to Best Practices*, and *Questions Relating to Effectiveness*. Each question has a unique number for ease of reference.

Part 1: Questions Relating to Best Practices

The topics covered under this segment are as follows:

- A. PAC Role, Tenure and Composition
- B. PAC Resources
- C. PAC Practices and Procedures
- D. PAC Reporting and Follow up
- E. Relationships

Part 2: Questions Relating to Effectiveness

The topics covered under this segment are as follows:

- A. Challenges Facing PACs
- B. Effectiveness of PACs

PART 1: QUESTIONS RELATING TO BEST PRACTICES

A. PAC ROLE, TENURE and COMPOSITION

Committee's Role and Responsibilities

The aforementioned studies, CCAF's *Improving Accountability: Canadian Public Accounts Committees and Legislative Auditors*, and CCPAC's *Guidelines for Public Accounts Committees in Canada (1989)*, identified the need for each Canadian PAC to have a written description of its mandate that contains a general statement of the Committee's purpose and function, as well as an outline of its responsibilities and how it conducts its business.

1. Has your PAC adopted such a statement yet?

Yes	No

If yes, would you please consider sharing a copy with us?

Type answer here:

If no, do you think such a statement would enhance the Committee's effectiveness?

Type answer here:

2. How has the role of your PAC to hold the government accountable for its spending of taxpayers' money and its stewardship over public assets changed since 1981?

Comment:

3. How much of committee business is spent on value-for-money or performance auditing as opposed to traditional financial audits during the past four sessions?

2000-01: %	2001-02: %	2002-03: %	2003-04: %

4. Are there other committees in your jurisdiction that play an oversight or scrutiny function with respect to government expenditures? Answer yes or no.

Audit Committee	Crown Corporations Commit.	Finance Committee	Other (specify)

Documents Referred for Review

5. Are the following documents automatically referred by the House to your PAC as soon as they become available? Answer yes or no.

Government Public Accounts	Legislative Auditor's reports	Other (specify)

6. Does your PAC have the power to send for papers and records,

Yes	No

including the right to access cabinet and other privileged documents?

Yes	No

7. Does your PAC review government-wide or ministry service plans and annual performance reports?

Yes	No

If no, please indicate if other standing committees review these documents.

Type answer here:

8. Does your PAC review any other documents in carrying out oversight and scrutiny of government expenditures?

Please provide details:

Life of Committee and Continuity
Both studies suggested that a new PAC be appointed by the House at the beginning of the first session to serve for the life of a parliament and be permitted to meet when the House is in session, recessed or prorogued.

9. Is your PAC appointed by the House at the beginning of the first session to serve for the life of the Parliament, or until replaced on a sessional basis? Answer yes or no.

<i>Beginning of first session for life of the Parliament</i>	<i>Until replaced on a sessional basis</i>

Comment:

10. Does the House permit your PAC to meet when the House is in session, is recessed or prorogued? Answer yes or no.

<i>In session</i>	<i>Recessed</i>	<i>Prorogued</i>

If no, please explain what the difference(s) in practices are.

Type answer here:

Role of Chairs and Vice-Chairs
Both studies suggested that the best practice would be to have an opposition member as the Chair of PAC and a government member as the Vice-Chair.

11. Has your PAC incorporated this practice?

<i>Yes</i>	<i>No</i>

If yes, when did the practice start?

If no, please provide details:

12. Are the Chair’s powers, roles and responsibilities, and duties specified in writing? Answer yes or no.

<i>Powers</i>	<i>Roles and responsibilities</i>	<i>Duties</i>

13. Does the Chair serve for the life of the parliament, or until replaced on a sessional basis? Answer yes or no.

<i>For the life of the Parliament</i>	<i>Until replaced on a sessional basis</i>

14. Does the Chair explain to witnesses their legal position in regard to future actions that may arise from testimony?

<i>Yes</i>	<i>No</i>

15. Does the Chair play a leading role in all aspects of committee work and participate in the questioning of witnesses and in other committee deliberations? Answer yes or no.

<i>Leading role in committee work</i>	<i>Participates in questioning witnesses</i>	<i>Other committee deliberations</i>

16. Does the Vice-Chair have a specified role?

<i>Yes</i>	<i>No</i>

Comment:

Size and Composition

The two studies proposed that the ideal size for a PAC be between 5 and 11 members.

17. Does your PAC normally meet the recommended size?

<i>Yes</i>	<i>No</i>

If no, is this particular criterion still important?

Type answer here:

18. Does each political party have the same proportion of members on the PAC as they have in the legislature?

Yes	No

If no, please provide details.

Type answer here:

19. How many committee members are there currently?

<i>Government</i>	<i>Opposition</i>	<i>Total</i>

20. Does your PAC allow for substitution of PAC members?

Yes	No

21. Are there specific qualifications or experience required to become a PAC member?

Yes	No

If yes, please provide details.

Type answer here:

22. Is orientation/training provided to new members on their roles and responsibilities?

Yes	No

23. Is provision made for legislators who are not PAC members to attend meetings and participate in the questioning of witnesses, and to vote? Answer yes or no.

<i>Attend meetings</i>	<i>Participate in questioning of witnesses</i>	<i>Vote</i>

B. PAC RESOURCES

Both studies stressed the importance of Public Accounts Committees having adequate financial, human and physical resources to fulfill their mandate and responsibilities.

Financial Resources

24. Does your PAC have a budget adequate to carry out its mandate?

Yes	No

25. Is remuneration paid?

	Yes	No
For being a PAC Chair?		
For being a PAC Vice-Chair?		
For PAC members attending meetings when the legislature is not in session?		

Human Resources

26. Is a Clerk specifically assigned to serve the Public Accounts Committee?

Yes	No

27. Is in-house research staff provided?

Yes	No

28. Does your PAC use external consultants and/or other experts (e.g. forensic auditors)?

Yes	No

If yes, please provide details.

Type answer here:

29. How many staff members does your PAC currently have?

<i>Clerk(s)</i>	<i>Researcher(s)</i>	<i>Other</i>	<i>Total</i>

Physical Facilities

30. Is suitable meeting space provided for PAC meetings?

<i>Yes</i>	<i>No</i>

31. Are appropriate electronic recording facilities available at committee meetings?

<i>Yes</i>	<i>No</i>

32. Is there adequate seating for the news media and the public?

<i>Yes</i>	<i>No</i>

C. PAC PRACTICES AND PROCEDURES

The previous studies made many suggestions regarding the way a model PAC would carry out the work assigned by the House. Their specific proposals are grouped under meetings, proceedings and records for the purposes of this survey.

Meetings: Planning and Regularity of Meetings

33. Are sufficient, regular meetings scheduled and held for your PAC to discharge its responsibilities?

<i>Yes</i>	<i>No</i>

If no, please provide details.

Type answer here:

34. How active has your PAC been in the past four sessions? Please provide number of meetings.

<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>	<i>2003-04</i>

35. Are formal agendas prepared for distribution at least one week ahead of each meeting?

Yes	No

36. Does PAC staff arrange for suitable briefing material to be available to committee members prior to hearings,

Yes	No

and if necessary set time aside to review it?

Yes	No

37. Does your PAC have a planning or steering subcommittee comprising the PAC Chair and one member from each party caucus?

Yes	No

38. Does the subcommittee:

	Yes	No
Plan the future work of the committee?		
Bring forward copies of draft reports?		
Review sensitive documents?		

Other task(s) (specify):

39. Does your PAC establish other subcommittees for specific purposes?

Yes	No

If yes, please provide details.

Type answer here:

Meetings: Open and Closed Meetings

40. Are your PAC hearings televised?

Yes	No

If yes, how has TV coverage affected the work of the Committee?

Type answer here:

41. Are all PAC meetings for hearing witnesses' testimony open to the news media and public?

Yes	No

If no, please provide details.

Type answer here:

42. Under what circumstances would the whole committee hold in-camera meetings?

	Yes	No
To brief members on the work plan?		
To discuss personnel matters?		
To draft and approve committee reports?		
To plan strategies regarding PAC's relationships with other parliamentary committees and House leaders?		

Other circumstances (specify):

43. Are subcommittee meetings always held in camera?

Yes	No

Proceedings

44. Does your PAC require a quorum to conduct business,

Yes	No

as well as for voting on motions at a meeting?

Yes	No

45. Are motions made at a PAC meeting voted on at the time or dealt with by the Committee at a later date? Answer yes or no.

<i>Voted on at the time</i>	<i>Dealt with by the Committee at a later date</i>

46. Does your PAC have the right to call public servants, cabinet ministers, expert witnesses and private citizens — including individuals currently responsible for matters under consideration by the Committee and those responsible at the time of the events?

Yes	No

Please provide details::

47. Has your PAC adopted practices that permit productive lines of questioning to be taken to their conclusion and allow all members an opportunity to participate?

Yes	No

If no, please provide details.

Type answer here:

48. Does the Committee's inquiry usually focus on significant issues related to financial and managerial accountability?

Yes	No

49. Does your PAC normally operate in a non-partisan fashion when carrying out its scrutiny function?

Yes	No

Records

50. Are verbatim transcripts prepared for all PAC hearings

Yes	No

and posted promptly on your legislative website?

Yes	No

51. Are verbatim transcripts also produced for in camera meetings of the whole Committee and/or subcommittee(s)

Yes	No

and distributed only to PAC members?

Yes	No

52. Does your PAC prepare and post formal minutes of proceedings for all PAC meetings, including sub-committee meetings? Answer yes or no.

<i>Prepare formal minutes for all meetings</i>	<i>Post minutes</i>	<i>Including sub-committee meetings</i>

D. PAC REPORTING AND FOLLOW UP

Both studies identified best practices for PAC reporting and the follow-up process.

Reports

53. Does your PAC prepare substantive reports, at least annually, containing a summary of the committee’s inquiry and recommendations for government to take action on?

<i>Yes</i>	<i>No</i>

Comment:

54. How many reports has your PAC issued in the past four sessions?

<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>	<i>2003-04</i>	<i>Not applicable</i>

55. Do your PAC reports ever make reference to any reviews of confidential evidence?

<i>Yes</i>	<i>No</i>	<i>Not Applicable</i>

56. Do your PAC reports include the positions rather than the names of witnesses?

<i>Yes</i>	<i>No</i>	<i>Not Applicable</i>

Under what circumstances would the names of individuals be included?

Type answer here:

57. Does the content of the PAC report represent the views of all committee members?

<i>Yes</i>	<i>No</i>	<i>Not Applicable</i>

If no, please provide details.

Type answer here:

58. Does your House permit minority reports to be included in committee reports?

Yes	No	Not Applicable

If yes, how many minority reports have been issued in the past four sessions?

Type answer here:

59. Does the Chair make a short statement about the PAC report after it is tabled in the House?

Yes	No	Not Applicable

60. Does the legislature set aside time to debate PAC reports, at least annually?

Yes	No	Not Applicable

61. Does your PAC have the right to request government to table a comprehensive response to the Committee's report within a specified time frame?

Yes	No	Not Applicable

Please provide details as to timing.

Type answer here:

Follow-up Process

62. Has your PAC adopted an effective follow-up process to determine if action has been taken by government to implement the committee's recommendations?

Yes	No

63. Does your PAC rely on the services of the audit office to follow up on the committee's recommendations?

Yes	No	Not Applicable

64. Does your PAC receive regular updates from the Legislative Auditor on the implementation status of the committee's recommendations?

Yes	No	Not Applicable

65. Does your PAC also hear directly from government witnesses on the actions taken to date in response to the committee’s recommendations?

Yes	No	Not Applicable

E. PAC RELATIONSHIPS

Both studies looked at the relationships between PACs and Ministers and with Legislative Auditors. Today PACs’ interactions with government management including Comptrollers and internal auditors are also important and, as such, questions regarding these relationships are also included in this section.

Ministers and Government

66. Are Ministers precluded from serving as members of your PAC?

Yes	No

If no, please provide details.

Type answer here:

67. Are Ministers called as witnesses only when they have been personally involved in decisions under examination?

Yes	No

If no, please provide details.

Type answer here:

68. Does your PAC hold public servants accountable for their performance of the administrative duties and implementation activities that have been delegated to them?

Yes	No

69. Is your PAC consulted about government initiatives to reform financial management and internal control structures and processes so as to ensure that due regard is given to maintaining and enhancing legislative accountability?

Yes	No

Legislative Auditors: Auditor's Role at PAC Meetings

70. Do PAC members set aside time to familiarize themselves with the nature of the work and the responsibilities of the Legislative Auditor, within the context of government financial administration?

Yes	No

71. Does the Legislative Auditor, and/or staff of the audit office, attend all PAC meetings to act and be used as a source of expert advice to the committee?

Yes	No

72. Does your PAC regard the Legislative Auditor as an expert advisor to be consulted when preparing its work plan and reports, as opposed to simply being an expert witness?

Yes	No

Legislative Auditors: Helping the Committee Plan and Report

73. Does your PAC hold a retreat with officials of the audit office to plan future work and schedules, discuss subjects of inquiry, etc.?

Yes	No

74. Do the Legislative Auditor and audit office staff brief new committee members on PAC's role and responsibilities and the Committee's relationship with the Auditor?

Yes	No

If yes, please provide details.

Type answer here:

75. Does the Legislative Auditor discuss the general format and style of her or his reports with your PAC?

Yes	No

76. Does the Auditor prepare reports with the information needs of PAC members and the parliamentary cycle in mind?

Yes	No

Please provide details.

Type answer here:

77. Does the Auditor ensure that the responses resulting from follow-up inquiries to their own and PAC recommendations are made known to the Public Accounts Committees?

Yes	No

78. Does your PAC rely on the audit office to keep track in a systematic way of the recommendations accepted and implemented?

Type answer here:

79. Does your PAC work cooperatively with the Auditor to achieve maximum accountability to the legislature?

Yes	No

Legislative Auditors: Accepting Committee Assignments and Other Forms of Scrutiny

80. Does your PAC have the right to request, on its own initiative, the Auditor to conduct specific financial reviews or value-for-money audits?

Yes	No

81. Does your PAC have the right to review new legislation and amendments dealing with the Audit Act or pertaining to the Committee's own terms of reference?

Yes	No

82. Does your House permit PAC to scrutinize certain activities of the audit office:

	Yes	No
By having input into the selection and reappointment of the Auditor?		
By reviewing, amending and approving its annual audit plan?		
By reviewing and approving its annual service plan and estimates?		
By approving its fees for service and expenditure of fees?		
By appointing an external independent auditor for the audit office?		

Comptrollers

83. Do your PAC members set aside time to familiarize themselves with the nature of the work and the responsibilities of the Comptroller's office, within the context of government financial administration?

Yes	No

84. Does your PAC consult the Comptroller when preparing its work plans and reports?

Yes	No

85. Does the Comptroller and/or office staff attend all PAC meetings?

Yes	No

86. Does the Comptroller make the arrangements for the attendance of government witnesses at public hearings to respond to the Auditor's reports?

Yes	No

87. Does the Comptroller prepare and make available (e.g., post) a guide for the government witnesses invited to make presentations? *Answer yes or no.*

<i>Prepare</i>	<i>Make available</i>

88. Does the Comptroller act as the government witness when the Auditor reports on the financial statements and on other topics?

Yes	No

Internal Auditors

89. Are government internal audit reports obtained and reviewed by your PAC?

Yes	No

90. Is the government's chief internal auditor ever called as a witness at PAC meetings?

Yes	No

If yes, please provide details.

Type answer here:

The News Media

91. Does your PAC promote its work as a scrutiny or oversight committee to the news media and the public at large?

Yes	No

If yes, please provide details.

Type answer here:

92. Has your PAC developed a good relationship with the news media in the legislative press gallery?

Yes	No

If yes, please consider sharing examples with us.

Type answer here:

Parliamentary Committees

93. Has your PAC ever worked jointly with other oversight or policy-oriented parliamentary committees?

Yes	No

If yes, please provide details.

Type answer here:

94. Does your PAC share resources (including information and advice) with other standing committees?

Yes	No

If yes, please provide details.

Type answer here:

95. How often in the past four years has your PAC hosted a visiting delegation of PAC members from another jurisdiction inside or outside Canada?

Please provide details:

PART 2: QUESTIONS RELATING TO PAC EFFECTIVENESS

In the two earlier studies, as well as in recent surveys, various constraints facing PACs have been identified that inhibit their effectiveness in carrying out their mandates. At the same time jurisdictions across Canada are increasingly having to counter claims that Parliament and, by extension, its committees are ineffective accountability mechanisms. The final section seeks to find out what the contemporary challenges and successes are.

A. Challenges Facing PACs

96. Please indicate which of the following affect your PAC:

	Yes	No
Lack of appropriate resources		
Highly partisan climate		
Lack of public involvement		
Difficulty separating policy from administrative issues		
Lack of shared values among the various players		

Comments:

97. Are there any other current challenges facing your PAC?

Please provide details:

B. Effectiveness Measures

98. How does your PAC assess its own effectiveness? (In other words, how do you measure whether your PAC has made a difference?)

Type answer here:

99. Has your PAC established any indicators/critical success factors to measure its performance or results achieved, such as:

	Yes	No
Recommendations accepted		
Recommendations implemented		
Changes made in legislation		
Improvements in financial and control structures in government programs and operations		
Stronger powers for legislative auditors		
Legal action taken against officials who break the law		
Disciplinary action against officials who contravene administrative policies		
Better compliance with laws or regulations		
More accurate, timely government information		
Enhanced public awareness of government programs		
Enhanced knowledge of legislators about the state of government programs		

Other indicators (specify):

Comments:

100. Finally, what current best practices of your PAC are contributing to its effectiveness?

Type answer here:

Thank you for completing the CCAF/CCPAC questionnaire.

Please return the completed questionnaire to emacrae@ccaf-fcvi.com by [date].