

MODULE 1 - Reporting Principles for British Columbia

This module elaborates on what the public performance reporting principles for the BC public sector are, how they were developed, how they differ from the national reporting principles developed by CCAF-FCVI, and how they are intended to be implemented.

In January 2002, the Select Standing Committee of the Legislature on Public Accounts (PAC) reviewed the December 2001 report of the Office of the Auditor General called *Building Better Reports - Public Performance Reporting Practices in British Columbia*. After this review, the Select Standing Committee of the Legislature on Public Accounts recommended that the government work with the Auditor General and legislators to seek consensus on the public performance reporting principles and the criteria that should be used for the B.C. public sector.

The set of eight principles was developed by a Steering Committee on Reporting Principles and Assurance, which is comprised of senior officers from the government and the Auditor General's Office of B.C (OAG). Once approved by the PAC, these principles will become the guiding principles for annual reports and service plans. Over time, these principles will support the development of generally accepted performance reporting standards for the B.C. public sector. Although the PAC has not formally approved these principles, the Crown Agencies Secretariat (CAS) and Treasury Board Staff (TBS) have incorporated them into service plan guidelines. This is because CAS, TBS, and the OAG believe that these principles are consistent with best practices.

B.C.'S REPORTING PRINCIPLES

1. Explain the public purpose served
2. Link goals and results
3. Focus on the few, critical aspects of performance
4. Relate results to risk and capacity
5. Link resources, strategies and results
6. Provide comparative information
7. Present credible information, fairly interpreted
8. Disclose the basis for key reporting judgements

B.C. Reporting Principles versus CCAF-FCVI Reporting Principles

The B.C. reporting principles were developed after a review of similar statements from other jurisdictions and, in particular, the public performance reporting project of the CCAF-FCVI. This is because the work of the CCAF-FCVI entailed extensive

consultation with legislators, auditors and government managers over the last couple of years on principles for performance reporting. The B.C. reporting principles covers essentially the same ground as those of the CCAF-FCVI, however, there are differences in the way some of the principles are expressed to reflect the governing legislation in B.C., as well as current reporting practices in B.C. In summary, the B.C. principles strengthened the link between concepts by combining principles, such as risk and capacity; increased the emphasis for information to be verifiable; and included a principle entitled "Explain the public purpose served".

Summary of B.C. Reporting Principles

In summary, these principles are:

- highly consistent with the national reporting principles of the CCAF-FCVI. Their report "*Guiding Principles for Public Performance Reporting - Detailed Report*" is available at http://www.ccaf-fcvi.com/ccaf_pprp/network_e.html;
- similar to the reporting principles and practices of other jurisdictions;
- consistent with general thinking in B.C., as found in:
 - the *Budget Transparency and Accountability Act*;
 - *Credibility, Transparency and Accountability*, report of the Budget Process Review Panel (the Enns Report);
 - the accountability framework set out in the joint report of the Deputy Ministers' Council and the Auditor General of B.C., *Enhancing Accountability for Performance: A Framework and An Implementation Plan*, 1996;
 - Assessment Guide contained in the report, *Building Better Reports – Public Performance Reporting Practices in British Columbia* (Auditor General of B.C., 2001/2002, Report 3); and
 - Model for Effective Performance Management and Accountability (Office of the Comptroller General, B.C., Ministry of Finance, B.C.), February 2002;
- supported by criteria or self-assessment questions for each of the principles; and
- illustrated with examples of good reporting practices from B.C. and other jurisdictions.¹

Self-Assessment Criteria and Examples

Included with the reporting principles are criteria. Structured as self-assessment questions, the criteria elaborate on each principle and serve as a guide to incorporating the principles in a plan or report. Examples are also provided to help organizations think about different ways to incorporate the principles in their reporting. These examples are

¹ Draft Progress Report on the February 2002 Recommendations of the Public Accounts Committee of British Columbia Related to Building Better Reports. (March, 2003). Provided by the Government of BC and the Auditor General of BC.

not intended to serve as a template that all organizations should follow. In addition, some of the plans and reports listed as an example are significantly longer than recommended, as they go beyond the principle of “focusing on the few critical aspects of performance”. Nonetheless, they have been highlighted because they may stimulate thought as to how a particular reporting principle might be addressed. Naturally, these criteria and the supporting examples accompanying the B.C. reporting principles will need to be revisited as practice in public performance reporting improves in B.C. and elsewhere.²

Implementation of Public Performance Reporting Principles

The intention of the reporting principles is to be more than a public reporting requirement. Rather it is intended that the principles support the government in using planning and reporting as a tool for managing and integrating them into its ongoing management practices.

It is recognized that certain principles will be more challenging to incorporate in the plans and reports than others. As a result, some organizations may take longer to build the processes and structures necessary to support good performance reporting. Clearly organizations will be at different stages toward fully incorporating the principles but, as they gain experience and as practice evolves, organizations should be able to demonstrate steady progress over time. The principles were devised to be adaptable to either a service plan or an annual service plan report. Ultimately, organizations will make the decision, based on guidance from the Treasury Board Secretariat and the Crown Agencies Secretariat and on their own best judgement; as to the degree of duplication and level of detail required in the service plan and annual service plan reports. Organizations should view the principles as a general guide for good public performance reporting.³

² Draft Progress Report on the February 2002 Recommendations of the Public Accounts Committee of British Columbia Related to Building Better Reports. (March, 2003). Provided by the Government of BC and the Auditor General of BC.

³ Make public is defined in the BTAA to mean:

- a) either, as applicable,
 - i) laying the document before the Legislative Assembly, if it is in session, and
 - ii) filing the document with the Clerk of the Legislative Assembly, if the Legislative Assembly is not in session, and
- b) making the document available to the general public in a reasonable manner, which may include by electronic means.

If the Legislative Assembly is not sitting at the applicable time, service plans should be filed with the Clerk of the Legislative Assembly.

BC's Eight Reporting Principles	
<p>1. EXPLAIN THE PUBLIC PURPOSE SERVED</p> <p>2. Link goals and results</p> <p>3. Focus on the few, critical aspects of performance</p> <p>4. Relate results to risk and capacity</p>	<p>5. Link resources, strategies and results</p> <p>6. Provide comparative information</p> <p>7. Present credible information, fairly interpreted</p> <p>8. Disclose the basis for key reporting judgements</p>
REPORTING PRINCIPLE	SELF-ASSESSMENT CRITERIA
<p>1. Explain the Public Purpose Served</p> <p>Public performance reporting should explain why an organization exists and how it conducts its business, both in terms of its operations and in the fundamental values that guide it. This is important to interpreting the meaning and significance of the performance information being reported.</p> <p>It is not just the raison d'etre of an organization that matters in understanding its performance. How an organization delivers its programs, products and services is also key. Several ministries, for example, rely on contractors, private/public partnerships, and transfer payment organizations (such as schools, universities, colleges and health authorities) to deliver government programs, products and services. In these cases, achieving the ministry's goals and objectives is a collective, rather than individual, responsibility.</p> <p>The issue may be somewhat different for Crown corporations. Their governance structures and the roles and responsibilities of the various parties (board, government and the Legislative Assembly) are often complex. Moreover, Crown corporations must balance their public purpose with sometimes competing business interests.</p> <p>Public sector organizations are expected to carry out their roles and responsibilities consistent with public sector values. In the conduct of public business, how you deliver your programs, products and services matters.</p>	<p>Overall, have you explained the public interest served through your organization, and how it conducts its business?</p> <hr/> <p>Have you adequately explained the organization's purpose, as derived from enabling legislation, and its mission?</p> <p>What are your core business areas and/or the principal markets you serve?</p> <p>Is it clear who you serve – the clients or stakeholders who rely on your programs, products and/or services?</p> <p>Have you provided an overview of the programs and services your organization delivers?</p> <p>Will the reader understand the governance structure of your organization – that is, its key reporting relationships, particularly those that are externally focused?</p> <p>In the case of subsidiaries, have you described how their mission is aligned with the mission of your organization?</p> <p>Have you explained how you deliver your programs, products or services through others? And how you ensure they deliver what you want?</p> <p>Is it clear that your organization is guided by public sector values in delivering its programs, products and services? E.g.:</p> <ul style="list-style-type: none"> ▪ in an ethical manner ▪ with fair access to business ▪ without personal benefit ▪ in accordance with professional conduct <p>Have you explained any other factors that are critical to understanding your performance?</p>

Examples to Consider:

BC Buildings Corporation, Service/ Strategic Plan 2002 – 2005

http://www.bcbc.bc.ca/Corporate/Service-Strategic_Plan/Service-Strategic_Plan_2002-05.pdf

See pages 3 to 5, good explanation of organizations mandate, vision and mission, core services and core values that guide organization.

Treasury Board of Canada Secretariat Health CDA Departmental Performance Report 2000-2001

http://www.tbs-sct.gc.ca/rma/dpr/00-01/HCan00dpr/hcan0001dpr01_e.asp

See Section II: Departmental Overview. Provides good description of how Health Canada conducts its business and identifies and explains its core services and core business areas.

Please note that page references are the page numbers as they appear in the report, not the pdf number that appears on the sidebar of your computer.

BC's Eight Reporting Principles	
1. Explain the public purpose served 2. LINK GOALS AND RESULTS 3. Focus on the few, critical aspects of performance 4. Relate results to risk and capacity	5. Link resources, strategies and results 6. Provide comparative information 7. Present credible information, fairly interpreted 8. Disclose the basis for key reporting judgements
REPORTING PRINCIPLE	SELF-ASSESSMENT CRITERIA
<p><i>2. LINK GOALS AND RESULTS</i></p> <p>Public performance reporting should identify and explain the organization's goals, objectives and strategies and how the results relate to them.</p> <p>Planning and reporting should be part of an organization's ongoing operations, systems, and decision-making. This suggests there is a logical flow or an inter-related "chain of events" an organization follows, from its vision, mission and mandate, to its goals, objectives, and strategies, through to its performance monitoring and measuring, to its public reporting.</p> <p>By monitoring performance, organizations can learn from what has happened and make adjustments to their plan. These adjustments should be reflected in the annual report as an indication to readers that the organization is aware of its successes and is planning steps, where necessary, to address any shortcomings or changes in its environment. Planning and reporting are part of a continuous cycle: the monitoring and reporting of results helps inform future planning, while the planning process sets out the intended results and the strategies to achieve them. In essence, by linking the goals and results of an organization, it will be looking forward as well as back at its performance.</p>	<p>Overall, will the reader understand:</p> <ul style="list-style-type: none"> ■ what your organization intends to achieve? ■ what it actually achieved? and ■ the impact your results will have on your future direction? <hr/> <p>Will readers understand the logical framework – the "chain of events" – that links your plan and report?</p> <p>Are your goals and objectives well-defined and supportive of your vision and purpose?</p> <p>Are there clear links between your goals/objectives (i.e. your plan) and your results (i.e. your report)?</p> <p>Is your assessment of intended and actual results based on good short and long-term performance measures?</p> <p>Have you explained how short term achievements affect long term goals?</p> <p>Have you explained any differences between actual versus planned results? And what your organization intends to do about it?</p> <p>Do your measures and targets reflect the range of issues that:</p> <ul style="list-style-type: none"> concern the public and legislators? E.g. outcomes as well as outputs, and quality and efficiency measures. are relevant to the organization's goals and objectives? <p>If your organization relies on alternative delivery systems (such as contractors or public/private partnerships), have you described the performance of the overall system?</p> <p>Are the outcomes you're seeking reasonable – that is, is there a plausible link between your actions and your intended outcomes?</p>

Examples to Consider:

Ministry of Forests 2001/02 Annual Report A New Era Update

http://www.gov.bc.ca/prem/down/annual_rpts/11FORWEB.pdf

See pages 17 to 21 for good linkages of goals to business areas, measures, targets and actual results.

U.S. Department of Housing and Urban Development Performance Information

<http://www.hud.gov/offices/cfo/reports/7perinfo2001.pdf>

See Page 159 to see how goals, objectives and performance measures (referenced as outcome indicator) are linked. Includes a discussion of results for each measure. Even though this

document is lengthy, we have highlighted it because it provides examples, including graphs, of linking goals and results over several years.

Please note that page references are the page numbers as they appear in the report, not the pdf number that appears on the sidebar of your computer.

BC's Eight Reporting Principles	
1. Explain the public purpose served 2. Link goals and results 3. FOCUS ON THE FEW, CRITICAL ASPECTS OF PERFORMANCE 4. Relate results to risk and capacity	5. Link resources, strategies and results 6. Provide comparative information 7. Present credible information, fairly interpreted 8. Disclose the basis for key reporting judgements
3. Focus on the Few, Critical Aspects of Performance Public performance reporting should focus on the few, critical aspects of performance. This principle reflects the interest of the audience in the larger, overall picture. Few means that the number of goals, objectives and particularly performance measures described are limited in number in the published documents that are directed to legislators and the public. Critical aspects of performance address significance, relevance and the focus on results. What is critical is determined, in part, by: <ul style="list-style-type: none"> ▪ what is of importance to the intended users – hence, the focus of reporting should be driven by the likely use of the information as much as by government's obligation to report; ▪ aspects of performance that the government judges as critical to the organization's success; and ▪ what is vital to the organization as reflected in its goals, objectives and intended versus actual results. 	Overall, have you presented a clear, concise and balanced picture of your performance? <hr/> Does your organization's plan and report address what's important to the government at the overall corporate level as reflected in the government's strategic plan? Does your plan and report focus on what's important to the public and legislators? Is it clear what the achievement of the goal means to them? Are your key results (financial and non-financial) clear and readily apparent? Have you explained what's critical to your organization in achieving these goals and objectives? Does the reader know that more detailed information (such as operating or divisional plans) is available and where it can be accessed? Are your over-riding goals, objectives and planned and actual results obscured by unnecessary detail or complexity?

Examples to Consider:

BC Hydro Annual Report 2002

http://www.bchydro.com/rx_files/info/info3016.pdf

See pages 46 to 53 for a good explanation of how it focused on and presented the few and critical measures in their report.

Alberta Ministry of Human Resources and Employment Business Plan 2002 – 2005

<http://www.finance.gov.ab.ca/publications/budget/budget2002/human.pdf>

See pages 219 to 225 of the report. Core businesses on page 219 identifies and explains how HRE's plan links to overall government plan. Desired Results and Strategies on pages 220 to 225 explains what is critical to achieve each goal in the strategies and what initiatives will result in goal.

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BC's Eight Reporting Principles	
<p>1. Explain the public purpose served</p> <p>2. Link goals and results</p> <p>3. Focus on the few, critical aspects of performance</p> <p>4. RELATE RESULTS TO RISK AND CAPACITY</p>	<p>5. Link resources, strategies and results</p> <p>6. Provide comparative information</p> <p>7. Present credible information, fairly interpreted</p> <p>8. Disclose the basis for key reporting judgements</p>
REPORTING PRINCIPLE	SELF-ASSESSMENT CRITERIA
<p>4. Relate Results to Risk and Capacity</p> <p>Good performance reporting should report results in the context of an organization's risks and its capacity to deliver on its programs, products and services.</p> <p>Risk is "the chance of something happening that will have an impact upon objectives. It is measured in terms of consequences and likelihood."⁴ Risk management is an integral facet of all business processes.</p> <p>Capacity refers to the ability of an organization to achieve its intended results into the future. Put another way, "a capable organization is one that can continue to do what it does currently, and is flexible enough to do what is required in the future".⁵</p> <p>In practical terms, capacity is the appropriate combination of authority, funding, people, and infrastructure (including assets, systems and processes) that will allow an organization to achieve its intended results over the long term. This encompasses:</p> <ul style="list-style-type: none"> ▪ Leadership and Direction ▪ People ▪ Tangible Assets ▪ Resources ▪ Reputation <p>Capacity building is typically the response to an organization's risk assessment.</p> <p>Reporting would identify:</p> <ul style="list-style-type: none"> ▪ Significant risks and their tolerability; ▪ specific dimensions of capacity involved – risk treatment and monitoring; ▪ explain their importance to the organization's mission, goals or results; and ▪ describe the steps being taken to adjust capacity and/or expectations; or ▪ where capacity is not a consideration, provide a representation to that effect <p>What is appropriate will depend on the public purpose to be served by the organization and the resources available to it.</p>	<p>Overall, do you report whether your organization has sufficient capacity to meet its objectives in the future and manage its risks?</p> <hr/> <p>Has there been a shift in your organization's mandate, goals, strategies and/or program delivery? If so, have you explained what the consequences have been or will likely be on your ability to deliver results in the future?</p> <p>In what respect were your results affected by your:</p> <ul style="list-style-type: none"> ▪ risk management? ▪ current capacity? ▪ the capacity of others (such as partners or the private sector)? <p>Have you identified the critical areas where you will need to build your capacity in order to succeed over the long term?</p> <p>Does your organization have the necessary funds, infrastructure and people in place to meet your objectives?</p> <p>Does your plan concisely explain the major risks confronting your organization – in the short term and over the long term?</p> <p>Have you briefly described what is acceptable to your organization in terms of its tolerance for risk? *</p> <p>Have you summarized your strategies for prioritizing and dealing with the risks you face?</p> <p>Have you briefly explained how your key risks have influenced the choices you made about your goals, objectives and strategies for delivering your programs and services?</p> <p>Did you summarize the impact of your strategies and actions in managing risks or capitalizing on your opportunities?</p>

⁴ Risk Management Standard AS/NZS 4360:1999

⁵ *Measuring Human Resource Capability*, Occasional Paper #13, State Services Commission, Wellington, New Zealand, August 1999, p. 8.

Examples to Consider:

BC Hydro's Service Plan for Fiscal Years 2002/03 – 2004/05

http://www.bchydro.com/rx_files/info/info1615.pdf

See pages 18 to 20 of the report for sensitivity analysis, which identifies and explains the major risks for the organization and what may impact their performance.

BC Hydro Annual Report 2002

http://www.bchydro.com/rx_files/info/info3016.pdf

See pages 19 to 24 of the report for a good description of its risks and how it has chosen to manage them.

Public Guardian and Trustee of British Columbia 2001-2002 Annual Report

<http://www.trustee.bc.ca/2001-2002%20Annual%20Report%20ws.pdf>

See pages 26 to 27 of the report for a discussion on its risk management strategies and its capacity limitations.

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BC's Eight Reporting Principles	
<ol style="list-style-type: none"> 1. Explain the public purpose served 2. Link goals and results 3. Focus on the few, critical aspects of performance 4. Relate results to risk and capacity 	<ol style="list-style-type: none"> 5. LINK RESOURCES, STRATEGIES AND RESULTS 6. Provide comparative information 7. Present credible information, fairly interpreted 8. Disclose the basis for key reporting judgements
REPORTING PRINCIPLE	SELF-ASSESSMENT CRITERIA
<p>5. Link Resources, Strategies and Results</p> <p>Public performance reporting should link financial and performance information to show how resources and strategies influence results. Related to this is how efficiently the organization achieves its results.</p> <p>This principle is directed at understanding the link between financial and human resources and the organization's performance. It views funding as a means to an end – more specifically, an organization's ability to deliver on its plan – but also recognizes funding as a critical element in an organization's ability to manage its risks and continue operations. Thus linking financial and operational goals, objectives and results is important to any public sector organization.</p>	<p>Overall, is it clear how your funding has influenced your:</p> <ul style="list-style-type: none"> ▪ goals, objectives and strategies; and ▪ actual results? <hr/> <p><i>Is the nature of your funding clear? Have you explained what key activities account for your major funding?</i></p> <p>Can the reader make meaningful judgements about your funding decisions? Have you explained your planned and actual costs in terms of your:</p> <ul style="list-style-type: none"> ▪ core business areas (for example, by program, products or services); ▪ key goals, objectives and strategies; and ▪ results achieved? <p>Does the reader understand how your current funding compares to past and forecasted funding?</p> <p>Have you explained the key service planning and delivery assumptions that drive your financial plan?</p> <p>Have you provided the reader with trend information about your planned and actual expenditures?</p> <p>Where there are variances, have you explained what happened and why, and what adjustments the organization will be making?</p> <p>Are your resources (inputs such as dollars and FTEs) linked to your volume/units of services (outputs) in a way that will help the reader to understand the efficiency and economy of your operations?</p> <p>Are your decisions surrounding the organization's strategies explained within the context of available funding?</p> <p>Is it clear how the level of funding or any changes affected the results you were seeking?</p> <p>Have you included information about major capital plans?</p> <p>Have you provided basic financial information (such as financial statements, in the case of Crown corporations)? Are they supported by management's discussion and analysis?</p>

Examples to Consider:

Ministry of Forests Performance Plan 2001/02 - 2003/04

http://www.for.gov.bc.ca/pab/publctns/perf_plans/2001_02/MOFPerfPlan2001_02.pdf

See page 33 for good linkages between goals, business areas and expenditures.

British Columbia Securities Commission Annual Report 2001-02

http://www.gov.bc.ca/cas/down/2001_02_annual_reports/bcsc_ar_2001_02.pdf

See pages 28 to 30 of the report for linkages between expenses and business areas.

Alberta Learning Annual Report 2002 Chapter 7 Results Analysis

<http://www.learning.gov.ab.ca/annualreport/2002/results.pdf>

See page 38 to 41 of the report for linking resources to strategies.

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BC's Eight Reporting Principles	
1. Explain the public purpose served 2. Link goals and results 3. Focus on the few, critical aspects of performance 4. Relate results to risk and capacity	5. Link resources, strategies and results 6. PROVIDE COMPARATIVE INFORMATION 7. Present credible information, fairly interpreted 8. Disclose the basis for key reporting judgements
REPORTING PRINCIPLE	SELF-ASSESSMENT CRITERIA
<p><i>6. PROVIDE COMPARATIVE INFORMATION</i></p> <p>Public performance reporting should provide comparative information about past and expected future performance and about the performance of similar organizations when it would significantly enhance a reader's ability to use the information being reported.</p> <p>Comparability refers to the ability to compare information about an organization's performance with:</p> <ul style="list-style-type: none"> ▪ relevant baseline information drawn from previous periods and/or ▪ internal/external benchmarks drawn from other organizations, statutory regulation and/or non-statutory norms <p>Comparative information puts the organization's performance in context, allowing a reader to judge:</p> <ul style="list-style-type: none"> ▪ whether an organization's performance is improving, deteriorating or remaining unchanged; and ▪ whether targets are ambitious, mediocre or attainable. <p>To allow for comparisons, there must be consistency in the way information is measured and presented. This includes consistency in the organization's form and content of reporting over time. It should also allow for comparisons with similar organizations.</p>	<p>Overall, does the reader understand:</p> <ul style="list-style-type: none"> ▪ whether your performance is improving, deteriorating or remaining static, and why? ▪ what your expectations are for the future? <hr/> <p>Are there clear comparisons in form and content between your:</p> <ul style="list-style-type: none"> ▪ plan and your report? ▪ plans and previous results? <p>Have you provided sufficient information for the reader to judge your performance relative to:</p> <ul style="list-style-type: none"> ▪ your past performance? ▪ the performance of others in your sector or industry? ▪ sector or industry standards, benchmarks or best practices? <p>Have you explained any year over year data inconsistencies that impact the reader's understanding of the organization's performance?</p> <p>Have you included multi-year trend data, for your funding, outputs and outcomes, including to the extent possible, forecasting information?</p> <p>Have you provided relevant economic, social or demographic information to put results into context?</p>

Examples to Consider:

BC Hydro Annual Report 2002

http://www.bchydro.com/rx_files/info/info3016.pdf

See pages 46 to 56 of the report for the corporation's performance measures, most of which have trends and/or benchmarks.

The Alberta Children and Youth Initiative (ACYI) 2000 – 2001 Annual Report

http://www.child.gov.ab.ca/acyi/pdf/ab_child_initiative.pdf

See pages 21 – 37 of the report for multi-year trend data and some forecasting information and benchmarks. Most measures include explanations so reader can understand if performance is improving, deteriorating or remaining static.

Performance Measures by Organization and Program (from the United States Department of Veterans Affairs FY 2002 Performance and Accountability Report)

http://www.va.gov/budget/report/Performance_Measures_by_Org_2002.pdf

Tables provide comparisons over time as they show trend data for 5-year period and associated target levels. Some data displayed in tables with goal status (met/ not met). Good descriptions provided for each measure. 15 page document, see page 128 of the report for example.

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BC's Eight Reporting Principles	
<ol style="list-style-type: none"> 1. Explain the public purpose served 2. Link goals and results 3. Focus on the few, critical aspects of performance 4. Relate results to risk and capacity 	<ol style="list-style-type: none"> 5. Link resources, strategies and results 6. Provide comparative information 7. PRESENT CREDIBLE INFORMATION, FAIRLY INTERPRETED 8. Disclose the basis for key reporting judgements
REPORTING PRINCIPLE	SELF-ASSESSMENT CRITERIA
<p>7. Present Credible Information, Fairly Interpreted</p> <p>Public performance reporting should be credible – that is, based on quantitative and qualitative information that is fairly interpreted and presented, based on the best judgement of those reporting.</p> <p>The information presented should strike a balance among the following attributes:</p> <p>Consistency – means measuring and presenting information consistently from one period to the next, and clearly explaining any breaks in the consistency of reported information.</p> <p>Fairness – means the information is honestly reported and is neutral or free from bias, with checks and balances against subjectivity.</p> <p>Relevance – means that information relates to the organization's objectives and the extent to which results are achieved. Results should deal with effectiveness, efficiency and costs.</p> <p>Reliable – means the information is, in all significant respects, <i>complete</i> or free from significant omissions. Reliable also means the information is reasonably <i>accurate</i> or free from material error. "Reasonably accurate" refers to the cost-benefit of producing reliable information.</p> <p>Verifiable - means the information can be reproduced or traced and independently verified.</p> <p>Understandable – means the reporting avoids jargon and vagueness, and is succinct. The information is presented in a format and using language that helps the reader appreciate its significance.</p> <p>Timely – means received in sufficient time to inform decision making. Timeliness for management means information is available for management decision making on a routine basis. Timeliness for legislators and the public means meeting legislated public reporting timeframe commitments that are designed to inform future policy decisions.</p>	<p>Overall, is the information you report credible (i.e. has integrity) and does it enable the user to readily assess performance?</p> <hr/> <p>Have you been complete in your reporting, covering all key aspects of performance?</p> <p>Are your performance measures relevant? Are they measuring what they purport to measure?</p> <p>Are you consistent in your reporting of performance measures from one year to the next? If not, have you explained why not?</p> <p>Are your measures generally accepted as reasonable measures? Are they widely used within your sector or industry?</p> <p>Is the data you report accurate?</p> <p>Is the content of your plan and report written in a precise and readily understandable manner?</p> <p>Have you reported both successes and shortcomings in a neutral manner?</p> <p>Is the information you report accurate?</p> <p>Has the source of the data been identified?</p> <p>Can the information be traced to a reliable source?</p> <p>Can the information be replicated or reconstructed, if necessary, from supporting documentation?</p> <p>Are the conclusions you state in your report fair and sound?</p>

Examples to Consider:

BC Progress Board 2002 Report, Chapter 3 Environment, Health and Society

<http://www.bcprogressboard.com/2002Report/RptCh3.pdf>

See page 82 of the report for an example of how to represent source and data limitations.

Alberta Learning Results Report 2001/2002

<http://www.learning.gov.ab.ca/annualreport/2002/ResultsReport.pdf>

See pages 11 to 15 of the report for layout of outcomes, performance highlights and opportunities for improvement. Each highlight and opportunity is rated against performance targets.

Appendix E: Performance Measure Methodologies (supporting document to the *Ministry of Management Services 2002/05 Service Plan*)

<http://www.msers.gov.bc.ca/rpts/methodology.pdf>

See Appendix E which goes beyond Principle 3 – Focus on the Few Critical Aspects of Performance. While detailed, the report does provide an example of how to present credible information.

Canada Deposit Insurance Corporation 2001/2002 Annual Report

http://www.cdic.ca/bin/report_e_final.pdf

See pages 2-6 for layout of objectives, measures, targets and performance against targets.

Performance Data and Performance Measurement (from the United States Department of Transportation 2001 Performance Report)

<http://www.dot.gov/performance/appendix1.html>

See pages 1-4 of the report for discussion on data completeness, reliability, verification, validity and data limitations. See page 5 of the report for an example of identifying measures and including descriptions on the scope, source, limitations, statistical issues, verification and validation, and a comment for each measure. Even though this document is lengthy, we have highlighted it because it provides examples of presenting credible information.

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BC's Eight Reporting Principles	
1. Explain the public purpose served 2. Link goals and results 3. Focus on the few, critical aspects of performance 4. Relate results to risk and capacity	5. Link resources, strategies and results 6. Provide comparative information 7. Present credible information, fairly interpreted 8. DISCLOSE THE BASIS FOR KEY REPORTING JUDGEMENTS
REPORTING PRINCIPLE	SELF-ASSESSMENT CRITERIA
<p>8. Disclose the Basis for Key Reporting Judgements</p> <p>Public performance reporting should disclose the basis on which information has been prepared and the limitations that should apply to its use.</p> <p>In particular, public performance reports should explain:</p> <ul style="list-style-type: none"> ▪ the basis for selecting the few, critical aspects of performance on which to focus; ▪ changes in the way performance is measured or presented compared to previous year(s); ▪ the rationale for choosing the performance measures (recognizing, for example, that meaningful quantitative measures may not be easy to identify for some programs) ▪ the means of providing assurance on the veracity and completeness of information presented; this may mean external validation, such as through studies done on a national basis comparing provinces or through independent assurance, and ▪ the basis on which those responsible for the report hold confidence in the reliability of the information being reported. 	<p>Overall, will the reader:</p> <ul style="list-style-type: none"> ▪ understand the choices you've made in reporting? and ▪ have confidence in what you report? <hr/> <p>Will the reader understand the basis on which the few, critical things that matter have been determined?</p> <p>Where changes have occurred in your goals, objectives, or performance measures, have you made this clear to the reader? Have you explained why these changes were made?</p> <p>On what basis are you confident that the data you report is relevant and reliable?</p> <p>On what basis are you confident that your interpretation of the data is reasonable?</p> <p>Have you explained the rationale for choosing the performance measures and targets you have?</p> <p>Have you identified the source and reporting date of your data, and any limitations in its use?</p> <p>Where your information is incomplete, have you:</p> <ul style="list-style-type: none"> ▪ provided baseline data instead; or ▪ indicated when the information will be available? <p>Has the information been corroborated to other sources to ensure its validity?</p> <p>Has the information been verified by independent parties? The scope of the verification may vary, from confirming the accuracy of statistics presented, through expressing opinions on systems of control, to commenting on the relevance of the information presented and whether it was fairly interpreted. (Note that an approach to independent assurance is under development in B.C.)</p>

Examples to Consider:

BC Progress Board 2002 Report, Chapter 3 Environment, Health and Society
<http://www.bcprogressboard.com/2002Report/RptCh3.pdf>

See page 79 of the report for a description of why the BC Progress Board chose the performance indicators it did.

Audit of the Social Security Administration's Fiscal Year 2001 Financial Statements
<http://www.ssa.gov/finance/2001/01oigfs.pdf>

See pages 223-229 of the report as this organization included an audit report as a means of providing assurance on information that they provide. We recognize that this document is very long and it goes beyond the principle of focusing on the few critical aspects of performance. Even though this document is lengthy, we have highlighted it because it provides one approach to providing assurance.

Report on Government Services 2002, Chapter 5 Public Hospitals, Steering Committee Publication, Australia

<http://www.pc.gov.au/gsp/2002/chapter05.pdf>

See page 238 of the report as an example for basis for key reporting judgements further improvements.

Report on Government Services 2002, Chapter 5 Public Hospitals, Steering Committee Publication, Australia

<http://www.pc.gov.au/gsp/2002/chapter05.pdf>

See page 202 of the report as an example for key reporting judgements disclosed.

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