

The Shareholder's Expectations Manual for British Columbia Crown Agencies

April 2006 – Review Edition

Crown Agencies Secretariat
Ministry of Finance



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The Shareholder's Expectations Manual for British Columbia Crown Agencies

The Minister of Finance has developed a policy framework for the governance of British Columbia's Crown Agencies.

The purpose of this *Crown Agency Accountability System* is to provide Crown Agencies with superior means to achieve Government's policy and performance expectations in an open, transparent and accountable manner. The system clarifies and details the respective roles of Government (as the Shareholder and mandating body for Crown Agencies) and Boards of Directors (as the stewardship/management body with fiduciary responsibility for Crown Agency operations). An effective governance system aids both Government and Crown Agencies by ensuring that Crown Agencies focus on the activities necessary to fulfill their mandates and that they are managed in the public interest.

Recent events in the private and public sectors around the world – and important developments in governance, accounting and other areas – have led to a re-examination of Government's accountabilities as Shareholder (owner) of its Crown Agencies. In British Columbia, Cabinet assumes the Shareholder role and has lead accountability with respect to Crown Agencies, while Ministers Responsible assume the role of the Shareholder's Representative and are the main interface between Cabinet and Crown Agencies.

Crown Agencies play a vital role in advancing the Government of British Columbia's policy priorities and objectives; and in providing valuable public services such as electricity, education, health and social services. Strengthening Crown Agency governance is an important element of the Province's commitment to transparent and accountable government.

This manual is a companion document to the *Governance and Disclosure Guidelines for Governing Boards of BC Public Sector Organizations*. The manual outlines the expectations that Government, in its role as the Shareholder of Crown Agencies, has of how it will work together with those agencies to ensure the effective functioning of the Crown Agency Accountability System in the best interests of British Columbians. Given the comprehensive scope of this manual, it is anticipated that full implementation will occur over the next year. This manual is published as of April 2006 as a "Review Edition." The manual will be republished in final form in January 2007. It is also important to note that the manual is a statement of Government's general expectations, and that Government may determine that specific exceptions are necessary. Government is committed to continuous improvement and expects to make adjustments to the manual over the next several years based on implementation and advances in best practices.

The Crown Agencies Secretariat is a stand-alone secretariat within the Ministry of Finance charged with implementing the governance framework for Crown Agencies.

The Crown Agencies Secretariat has lead responsibility for the Shareholder's Expectations Manual and the Crown Agency Accountability System. The Crown Agencies Secretariat provides Government and Crown Agencies with the advice, information, and support necessary to promote good governance, continuous improvement and accountability for Crown Agency results: <http://www.gov.bc.ca/cas>

April 2006

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Shareholder's Expectations Manual – Overview

1

The *Shareholder's Expectations Manual* is a summary of how Government manages its Shareholder (ownership) responsibilities for Crown Agencies.

The Crown Agency Accountability System and Shareholder's Expectations Manual are evolutionary in nature. The Crown Agency Accountability System will be reviewed and updated in response to changing needs, expectations, processes and policies. The manual and update notices will be posted on the Crown Agencies Secretariat website at <http://www.gov.bc.ca/cas>

1.1 Introduction

The Minister of Finance has developed a policy framework for the governance of British Columbia's Crown Agencies. The purpose of the Crown Agency Accountability System is to provide Crown Agencies with superior means to achieve Government's policy and performance expectations in an open, transparent and accountable manner. The system clarifies and details the respective roles of Government (as the Shareholder and mandating body for Crown Agencies) and Boards of Directors (as the stewardship/management body with fiduciary responsibility for Crown Agency operations). An effective governance system aids both Government and Crown Agencies by ensuring that Crown Agencies focus on the activities necessary to fulfill their mandates and that they are managed in the public interest.

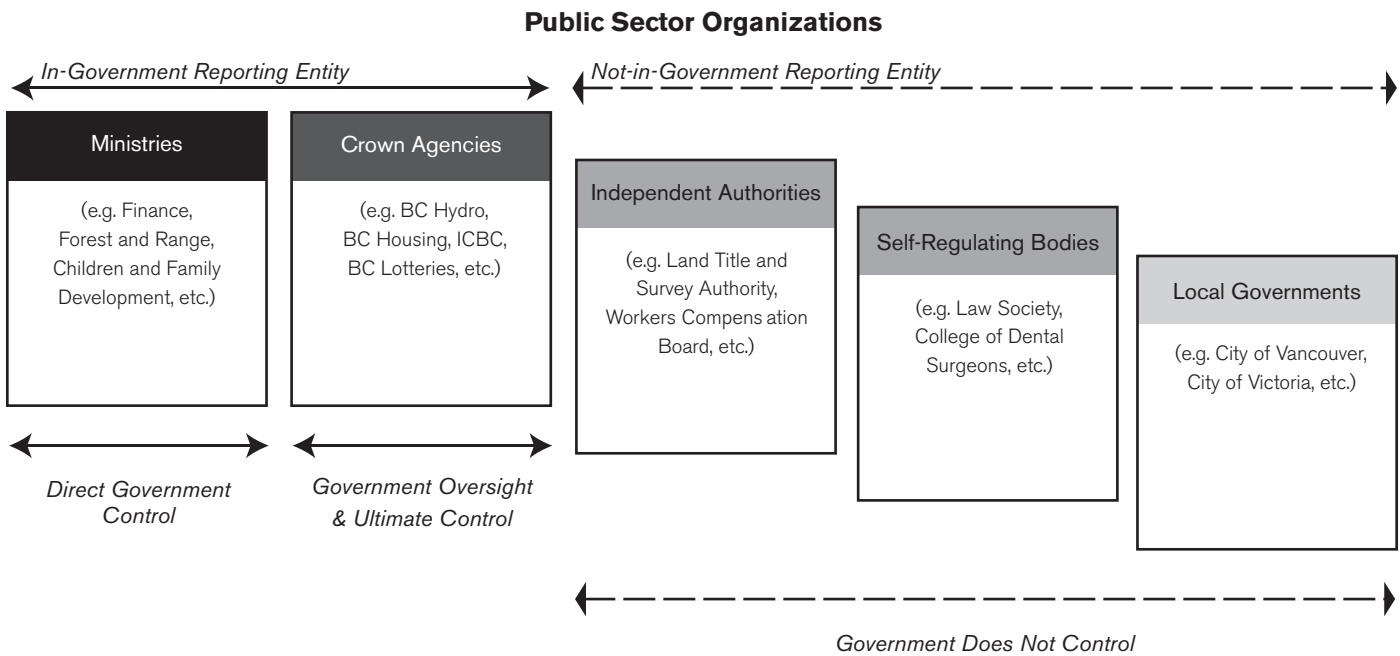
1.2 Purpose

This Shareholder's Expectations Manual is a guide to the Crown Agency Accountability System, and outlines the primary responsibilities and expectations of Government, Ministers Responsible, Crown Agency Boards of Directors, and Ministry and Crown Agency staff relative to the governance of Crown Agencies in British Columbia. The manual contains summary information on all of the key ownership functions, including:

- Establishing a Crown Agency (chapter 4);
- Selecting and appointing a Crown Agency Board of Directors (chapter 5);
- Human resources and labour relations issues within a Crown Agency (chapter 6);
- Crown Agency policy direction (chapter 7);
- Crown Agencies and the Budget process (chapter 9);
- Crown Agency planning and reporting requirements (chapters 8 and 10);
- Crown Agency mandate review (chapter 11); and
- Crown Agency dissolution (chapter 12).

1.3 What Are Crown Agencies?

Crown Agencies are organizations, other than Ministries, within the Government Reporting Entity. They are administered at arms-length from Government to varying degrees. They are, however, within Government’s control, under standards defined in the Public Sector Accounting Handbook. The primary test for control is that Government appoints more than 50 per cent of the members of Boards of Directors of Crown Agencies. This manual provides an overview of Crown Agency operation and of the applicability of the Crown Agency Accountability System.



Independent Authorities, Self Regulating Bodies and Local Governments are also public agencies, but do not meet the criteria of Government control from an accounting perspective, and are otherwise outside the Government Reporting Entity. The governance and operation of British Columbia’s Independent Authorities, Self-Regulating Bodies and Local Governments is beyond the scope of this manual.

1.4 Application of the Crown Agency Accountability System

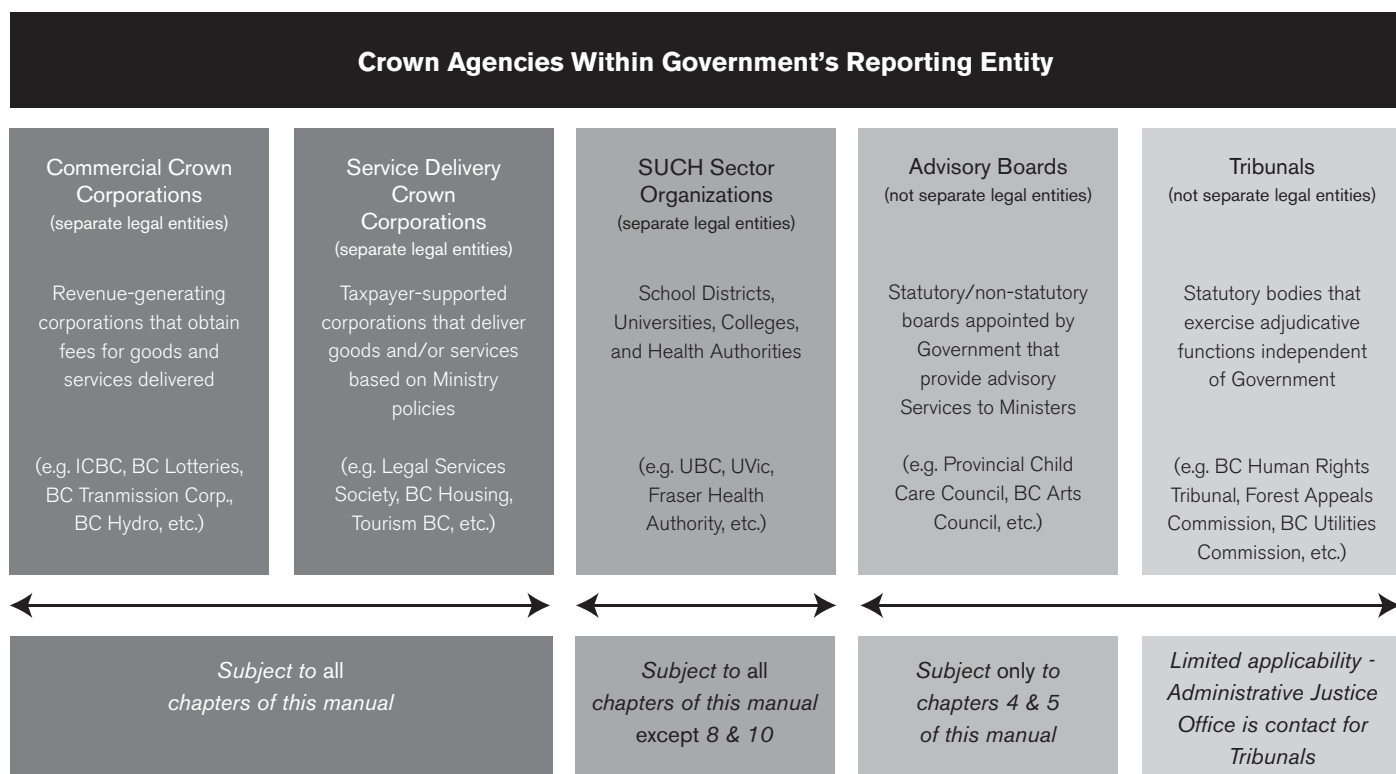
Not all of British Columbia's approximately 200 Crown Agencies are subject to the same governance and accountability requirements. As the diagram below indicates, applicability of the *Crown Agency Accountability System* to a particular Crown Agency depends on its classification.

Commercial and Service Delivery Crown Corporations are subject to all chapters of the manual.

SUCH Sector Organizations are exempt from the Service Plan and Annual Report requirements in chapters 8 and 10 of the manual. They prepare Business Plans and Annual Reports based on their established governance practices and requirements. As well, Service Plans and Annual Reports for the relevant Ministries include consolidated financial and performance information regarding the SUCH sector. SUCH sector Ministries have developed accountability frameworks that apply to SUCH Sector Organizations. School Boards, as elected bodies, are also exempt from chapter 5 of the manual (Board of Director requirements).

Tribunals are created by statute to exercise adjudicative functions independent of Government, but are subject to the financial and administrative accountability mechanisms that apply to Ministry branches and programs. Many Tribunals also have separate statutory reporting requirements. In addition to the authorities set out in their own enabling legislation, many Tribunals have additional powers under the *Administrative Tribunals Act*. Tribunal reforms are supported by the Administrative Justice Office (<http://www.gov.bc.ca/ajo/>), which may be contacted for advice regarding Tribunal matters.

Advisory Boards are not separate legal entities from Ministries and are subject to the financial and administrative accountability mechanisms that apply to Ministry branches and programs. There are generally two different types of Advisory Boards: program-level boards established to provide ongoing advice to support a Government program (e.g. BC Arts Council); and, special-purpose boards established to provide Government with specialized policy expertise for a fixed time (e.g., Premier's Council on Aging and Seniors' Issues). Statutory Advisory Boards may have additional requirements in their enabling legislation, such as preparation of an Annual Report. Advisory Boards are subject to the start-up and Board appointment requirements outlined in chapters 4 and 5.



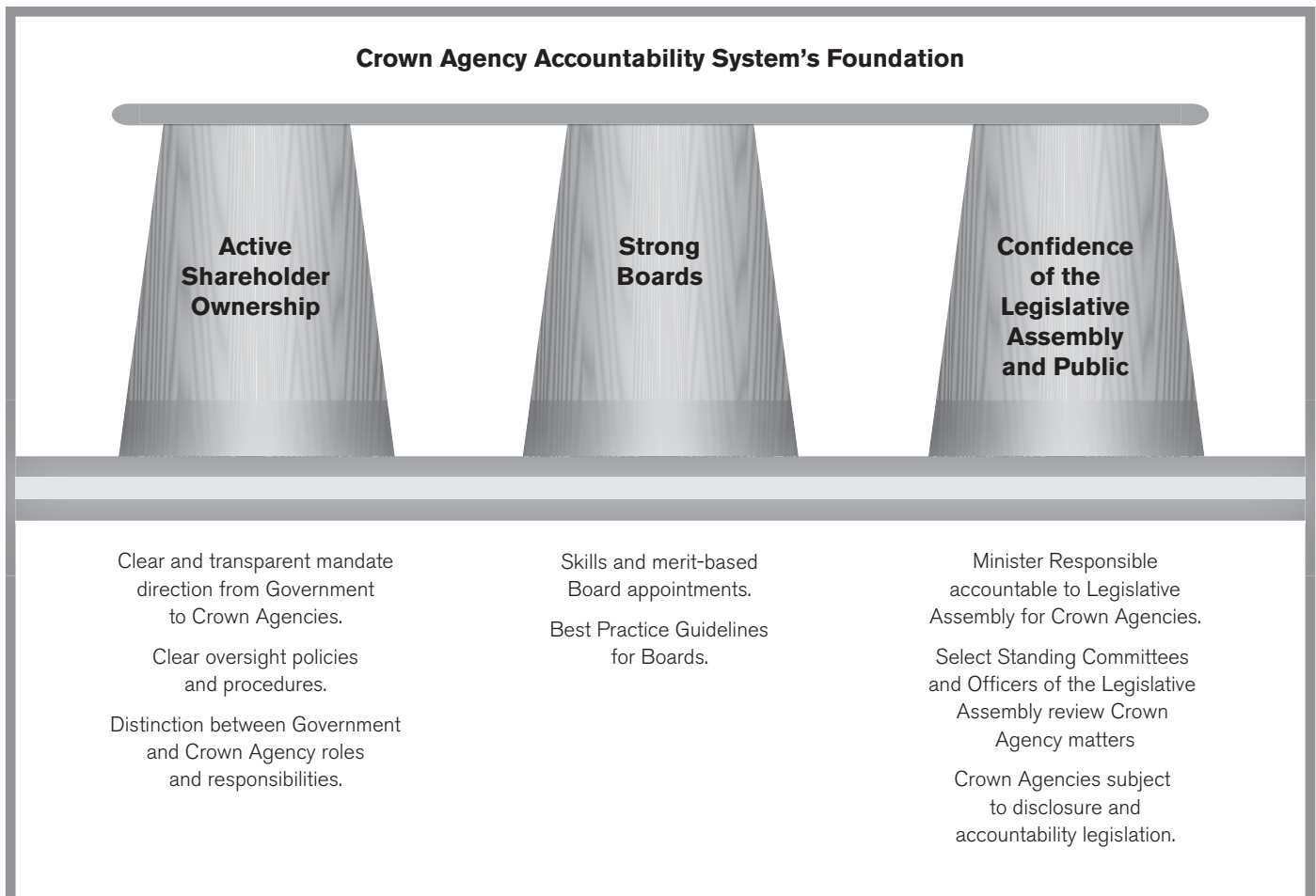
Crown Agency Accountability System Overview

2

The *Crown Agency Accountability System* clarifies how and when Government provides direction to Crown Agencies; and defines the roles, responsibilities, and accountabilities of those involved in Crown Agency governance.

2.1 The Crown Agency Accountability System's Foundation

The system is based on the following three pillars of good governance:



2.2 The Accountability Balance

Governments are always challenged with balancing the accountability and independence required to maintain good governance of Crown Agencies. Government balances its responsibility for overseeing Crown Agency performance with the need for Crown Agency operational independence. The *Crown Agency Accountability System* balances the need of Government as the Shareholder to ensure the Crown Agency's actions are consistent with government policy, and are accountable and transparent with the need of the Crown Agency to make independent decisions within its mandate and have some flexibility to operate in a commercially competitive environment (as required) and encourage investment or partnerships with non-governmental interests.



2.3 Governance Principles

The *Crown Agency Accountability System* is principle rather than rules-based:

GOVERNANCE PRINCIPLES FOR THE CROWN AGENCY ACCOUNTABILITY SYSTEM

1. *Public Interest*

Crown Agencies are instruments of public policy as mandated by Cabinet and the Legislative Assembly

2. *Strong Minister/Strong Board*

The Minister Responsible is accountable for ensuring that Cabinet's direction is provided to a Crown Agency, and for clarifying that direction to the Legislative Assembly; in addition to fiduciary duties, Crown Agency Boards are stewards accountable for governing and overseeing the management of the corporation within the direction provided by the Minister Responsible and the governance guidelines established by Government

3. *Leadership and Ethics*

Crown Agencies must adhere to uniform standards of conduct established by Government

4. *Transparency and Accountability*

Government is transparent in planning, providing direction to and reporting on its Crown Agencies; public regulators protect ratepayer interests

5. *Efficiency and Effectiveness*

Government's accountability regime for Crown Agencies is designed in a manner that is efficient for Crown Agencies and supports their superior performance

6. *Proportionality*

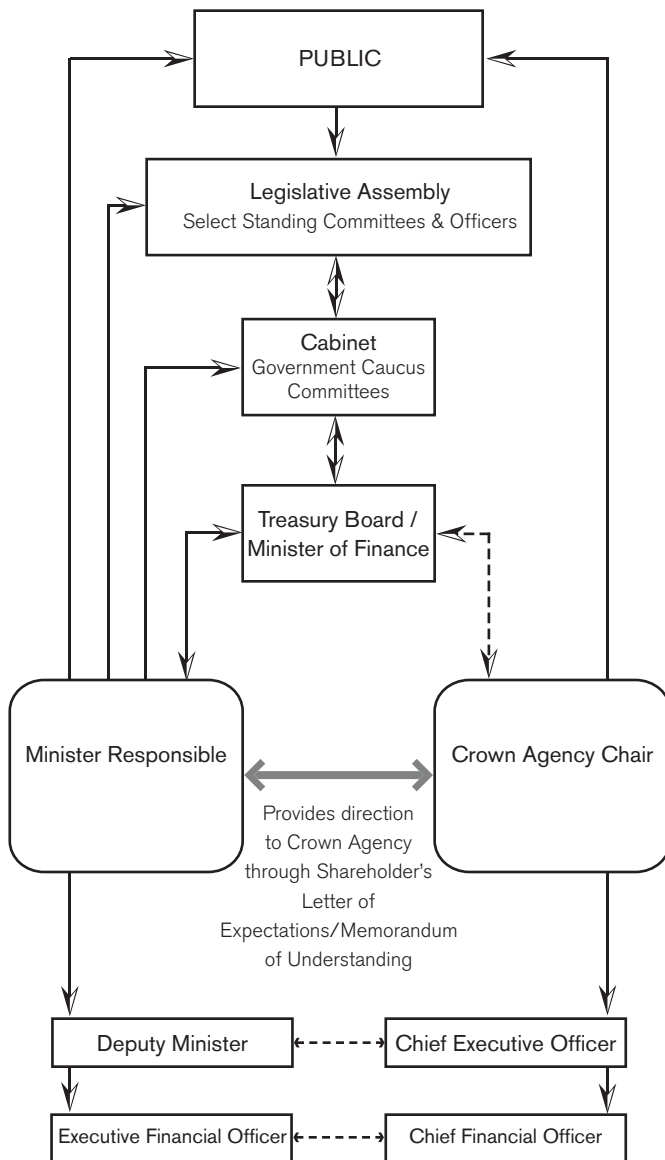
Crown Agencies are given those powers and authorities required to deliver their mandate

7. *No Surprises*

Ministers Responsible and Crown Agencies work together to ensure open communication

2.4 The Governance Model

A Minister with a relevant portfolio is appointed by Cabinet to be “responsible” to the Legislative Assembly for the Crown agency. Under this framework, the Board of Directors of each Crown Agency is accountable to Cabinet through the designated Minister Responsible, and each Minister Responsible is accountable to the Legislative Assembly for the performance of his or her portfolio of Crown Agencies.



2.5 Key Features of the Crown Agency Accountability System

2.5.1 Ministerial Responsibility

A Minister Responsible with a relevant portfolio is appointed by Cabinet to be responsible to the Legislative Assembly for the Crown Agency. This includes responsibility as specified under the enabling statute for the Crown Agency (if it is a statutory Crown Agency), and the responsibilities established by the *Budget Transparency and Accountability Act* and the *Balanced Budget and Ministerial Accountability Act* (including the tabling of Service Plans and Annual Reports with the Legislative Assembly). The Minister Responsible is also expected to respond to any questions in Budget-estimates debates and Question Period relating to the Crown Agency. See chapter 3 for more information about the role of Ministers Responsible.

2.5.2 Creation and Dissolution of Crown Agencies

Cabinet approval is required for the creation of Crown Agencies, along with the approval of the Legislative Assembly in the case of statutory Crown Agencies. Dissolution of Crown Agencies must be approved by Cabinet and be consistent with any statutory requirements applicable to that Crown Agency. See chapters 4 and 12 for more information on establishing and dissolving Crown Agencies.

2.5.3 Mandate and Policy Direction

Crown Agencies must ensure that they align the delivery of their functions with Government priorities and consistently operate within Government objectives. For its part, Government must ensure that clear mandate and policy direction is provided. Government does not interfere in the day-to-day operations of Crown Agencies. Government mandate and policy direction is provided in a variety of ways:

- Enabling legislation or articles of incorporation are created upon establishment of a Crown Agency. See chapter 4 for more information.
- Government and Crown Agencies enter into annual Shareholder’s Letters of Expectations and/or Memoranda of Understanding. They are reviewed by Cabinet and signed by the Minister Responsible (as the representative of Government) and by the Chair of the Board (as the representative of the Crown Agency). These documents convey Government’s broad mandate direction and high-level performance expectations, and

specify the resources required to enable the Crown Agency to meet those expectations. These documents are all publicly available and posted on Crown Agency and Government websites. See chapter 7 for more information on Shareholder's Letters of Expectations/Memoranda of Understanding.

- Directive Letters, Regulations or Special Directions are issued by either the Minister Responsible, Cabinet or Treasury Board to provide more specific policy direction and performance expectations to a Crown Agency. Government may also direct Crown Agencies to comply with broader policy directives relating to major priorities affecting all Crown Agencies (e.g. interprovincial trade agreements, procurement standards, etc.). See chapter 7 for more information on Policy Directives.
- Service Plans and Annual Reports are reviewed and tabled by Ministers Responsible. These documents are part of the larger performance management and accountability framework that covers planning, performance measurement, and reporting. Crown Agency Boards of Directors are ultimately accountable for achievement of intended results documented in the plans and reports. However, because Ministers Responsible are required under the *Budget Transparency and Accountability Act (BTAA)* to table Service Plans, they will review and approve them prior to finalization, to ensure consistency with: the BTAA, Government's *Strategic and Fiscal Plan*, the Public Accounts, and with the direction provided in Shareholder's Letters of Expectations. See chapter 8 for more information on Service Plans and chapter 10 for more information on Annual Reports.

The Minister Responsible is accountable for providing mandate and policy direction to the Crown Agency.

Budget and financial management issues may be subject to review by Treasury Board, and specified items require approval by Treasury Board.

2.5.4 Appointment and Remuneration of Board Members

Cabinet and/or Ministers Responsible appoint the majority, or all, of the members of a Crown Agency Board (except School Boards, which are locally elected). A skills matrix is used to support merit-based appointments. Government does not appoint elected provincial officials to Crown Agency Boards, and only in very rare instances are public servants appointed. (An exception being the appointment of Deputy Ministers to the Boards of Service Delivery Crown Corporations established as capital-project financing vehicles.) Treasury Board has approved guidelines for Board remuneration to ensure a consistent and transparent approach. These directives are available at <http://www.fin.gov.bc.ca/ocg/fmb/manuals/TBDirs/TBDtoc.htm>. Board members are required to sign conflict of interest declarations. See chapter 5 for additional information on the appointment of Board members, as well as the Board Resourcing and Development Office website at <http://www.fin.gov.bc.ca/oop/brdo/>.

2.5.5 Communication

In carrying out their duties, Ministers Responsible rely on a "No Surprises" commitment on the part of Crown Agencies, entailing:

- Open communications and full and timely information sharing with CEOs and Crown Agency Board Chairs, and
- Mutual support and cooperation between Ministry and Crown Agency staff.

Ministers Responsible and Board Chairs regularly inform each other of ongoing issues and provide advice on how to address them. It is recommended that Ministers Responsible and Board Chairs meet in person at least quarterly and engage in regular communication by other means in the interim.

2.5.6 Board Corporate Governance

Government has published best practice corporate governance guidelines – the *Governance and Disclosure Guidelines for Governing Boards of BC Public Sector Organizations* – to support consistent practices and application of recent advances in corporate governance. Crown Agency Boards of Directors have a fiduciary duty to the Crown Agency. These guidelines are available at: <http://www.fin.gov.bc.ca/oop/brdo/corporategovernance.pdf>

2.5.7 Financial and Performance Planning and Reporting

The *Budget Transparency and Accountability Act (BTAA)* stipulates that Commercial and Service Delivery Crown Corporations must provide their Ministers Responsible with three-year Service Plans and Annual Reports outlining performance objectives and targets. Ministers Responsible are accountable for tabling Service Plans annually in the Legislative Assembly along with the Government's Budget, and for tabling Annual Reports along with the Government's Public Accounts. The BTAA requires that the Service Plans of Crown Corporations be consistent with Government's Strategic Plan (including the Government's fiscal forecasts).

The Auditor General has initiated a process of systematically reviewing and assessing a sample of Crown Corporation Annual Reports against the *BC Reporting Principles*. These are a set of eight principles developed jointly by Government and the Auditor General, and approved by the Public Accounts Committee. The BC Reporting Principles outline the approach to reporting information by Crown Agencies (and Ministries) to ensure transparency, reliability and relevance of reporting. The Auditor General's report titled *Building Better Reports* is presented annually to the Legislative Assembly and reviewed by the Public Accounts Committee. The Select Standing Committee on Crown Corporations reviews the Service Plans and Annual Reports of Crown Agencies and tables a report in the Legislative Assembly outlining its findings and recommendations.

The BTAA also requires that Commercial and Service Delivery Crown Corporations, and SUCH Sector Organizations, provide financial reports to the Minister of Finance for inclusion in Government's Fiscal Plan, Quarterly Financial Reports and Public Accounts. Chapters 8 and 10 provide information concerning the key planning and reporting requirements for Crown Corporations, including Service Plans and annual and quarterly reporting.

2.5.8 Audit

Crown Agencies establish an audit function which is typically under the guidance of an Audit Committee of their Board of Directors. The Internal Audit and Advisory Services Branch of the Ministry of Finance may also conduct audits upon the request of Treasury Board or a Crown Agency Board. In addition, the Auditor General prepares a plan for appointment of Crown Agency auditors, which is presented to the Public Accounts Committee of the Legislative Assembly for approval. Normally the Auditor General will act as the external auditor for the first three years of a Crown Agency's existence. The Auditor General may undertake audits, special examinations or risk audits of Crown Agencies. In doing so, the Auditor General works in tandem with an independent external auditor and a Crown Agency's audit committee. Crown Agency Boards of Directors are responsible for ensuring annual external audits are completed.

2.5.9 Disclosure

Crown Agencies are normally subject to Government's disclosure legislation. This includes the *Budget Transparency and Accountability Act*, the *Freedom of Information and Protection of Privacy Act*, the *Financial Information Act*, and the *Financial Administration Act*. Crown Agencies are also generally subject to the *Ombudsman Act*.

Commercial and Service Delivery Crown Corporations are required to post their Shareholder's Letters of Expectations, Service Plans, Annual Reports and annual financial statements and supplier expenditures on their websites. Government maintains a central website through the Crown Agencies Secretariat for Crown Agencies. Ministries having responsibility for the SUCH sector include accountability documents for SUCH Sector Organizations on their websites.

2.5.10 Legislative Oversight

Crown Agencies may be subject to the oversight of the Select Standing Committees of the Legislative Assembly, including the Select Standing Committee on Crown Corporations, the Public Accounts Committee, and/or the Health and Education Select Standing Committees. The Select Standing Committees, depending on their procedures, may invite Ministers, senior Ministry staff and/or Crown Agency executives (and may include the Board Chair) to appear as witnesses. The Select Standing Committee on Crown Corporations currently has the mandate to review Commercial and Service Delivery Crown Corporation Service Plans and Annual Reports.

2.5.11 Appointment and Remuneration of Chief Executive Officers

With the exception of a very small number of statutory Crown Agencies, Crown Agency Boards of Directors appoint their CEOs. The *Public Sector Employers Act* requires that Crown Agency Boards receive the approval of the Minister of Finance, as Chair of the Public Sector Employers' Council, for their executive compensation plans, including CEO remuneration.

2.5.12 Human Resources and Labour Relations

Crown Agencies must comply with the *Public Service Employers Act* which includes requirements relating to severance and overall conditions of employment. Crown Agency labour relations mandates and executive compensation plans must be approved by the Minister of Finance. (See chapter 6 for more information.)

2.5.13 Setting of Rates and Fees

Some Crown Agencies (e.g. Commercial Crown Corporations such as BC Hydro, BC Transmission Corporation and the Insurance Corporation of British Columbia) may have their tariffs, charges or fees regulated. The BC Utilities Commission is one of the independent regulatory agencies that carries out this function. Taxpayer-supported Crown Agencies (e.g. Service Delivery Crown Corporations) must obtain Treasury Board approval for new fees, or revisions to existing fees. Revisions include increases, decreases, eliminations and exemptions. The approval requirement also applies to licenses, fines and other user charges or penalties.

The annual budget process is the only window for Treasury Board to review and approve proposals for new or revised fees. This typically begins in September. (Currently under review.)

Fee instructions, checklists and the Fee Issue Paper template are available at the Treasury Board Staff intranet site at: <http://www.min.fin.gov.bc.ca/tbs/FPE/fees.htm>, or from the Fiscal Planning and Estimates Branch of Treasury Board Staff.

2.6 SUCH Sector and Tribunals

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SUCH sector Ministries have established accountability frameworks for Such Sector Organizations. The Administrative Justice Office is responsible for accountability frameworks for Tribunals.

Roles and Responsibilities

Clarity of roles and responsibilities is central to the effective functioning of the governance and accountability system for Crown Agencies. It is the foundation for clear communication with Crown Agencies, for ensuring mandate direction and performance expectations are defined and understood, and for accountability on the part of all relevant parties.

In order to meet the requirements of the *Crown Agency Accountability System*, each party involved in Crown Agency governance must fulfill their respective roles and responsibilities, which are summarized below.

3.1 Legislature

Legislative Assembly

Role:

Ultimate representative of the public's interest

Responsibilities:

- Approves Crown Agency-related legislation and appropriations (including the enabling legislation of statutory Crown Agencies).
- Establishes Legislative committees to oversee Government and Crown Agencies (e.g. Public Accounts Committee, Select Standing Committee on Crown Corporations).
- Supports Officers of the Legislative Assembly who may investigate/review Crown Agencies.

Officers of the Legislature

Role:

Independent of Government and reports directly to the Legislative Assembly

Responsibilities:

- Oversee Crown Agencies by providing assessments and advice concerning:
 - Government accountability and performance (the Auditor General);
 - fairness of administrative practices and services of public agencies (the Ombudsman);
 - collection and processing of information requests, and the use of personal information (the Information and Privacy Commissioner);
 - conflict with private interests (the Conflict of Interest Commissioner); and
 - requirements of the *Public Service Act* (the Merit Commissioner).

Auditor General

Role:

Provides assessments and advice about Government accountability and performance

As external auditor, comments on accuracy of financial statements

Responsibilities:

- Acts as the external auditor for the first three years of each Crown Agency's existence – acts as auditor or oversees private sector auditors, for a selection of Crown Agencies.
- Undertakes periodic audits and/or special examinations of Crown Agency operations and finances.
- Reviews and assesses a sample of Crown Agency Annual Reports against the *BC Reporting Principles*, which are presented to the Public Accounts Committee.

Legislative Committees

Role:

As determined by the Legislative Assembly

Responsibilities:

- Consider specific issues and report their observations and recommendations directly to the Legislative Assembly:
 - Select Standing Committee on Crown Corporations reviews Crown Agency Service Plans and Annual Reports and tables a report in the Legislative Assembly outlining its findings and recommendations; and
 - Select Standing Committee on Public Accounts reviews the reports of the Auditor General, including those relating to Building Better Reports.

3.2 Government

Cabinet

Role:

Sets mandates for Crown Agencies

Ensures Crown Agency mandates and activities are consistent with the interests and intent of Government and in compliance with applicable legislation

Responsibilities:

- Approves Crown Agency creation and dissolution.
- Sets Crown Agency mandates, powers (including funding/revenue-generation capacities), governance requirements/policies, and dividend or remittance requirements.
- Determines which legislation, regulations, cross-Crown policies, accountability mechanisms, and regulatory oversight frameworks should apply to Crown Agencies.
- Assigns a Minister Responsible to each Crown Agency.
- Approves the making and rescinding of Board appointments (except School Boards which are locally elected).
- Reviews/approves Shareholder's Letters of Expectations for Commercial and Service Delivery Crown Corporations.
- Regularly reviews Crown Agency mandates to ensure they are appropriate and consistent with Government's policy objectives.

Treasury Board

Role:

Responsible for Government's Budget and three-year Fiscal Plan, personnel management policies, and other policies that may impact the Fiscal Plan

Responsibilities:

- Recommends appropriations for Crown Agency grants.
- Approves guidelines on remuneration for Boards members and Tribunal Chairs.
- Sets mandate for Crown Agency collective bargaining.
- Ensures that each Crown Agency's financial information is incorporated in Government's Fiscal Plan.
- May establish financial, accounting, and/or dividend policies and practices for Crown Agencies.
- May review Crown Agency financial plans.

Minister of Finance

Role:

Chair of Treasury Board

Advises Cabinet on Crown Agency governance

Advises Cabinet on Government budgetary and financial matters related to Crown Agencies.

Responsibilities:

- Lead on the *Crown Agency Accountability System*
- Manages Government's liability as it relates to Crown Agencies.
- Fulfills Government's fiscal reporting responsibility to the Legislative Assembly.
- Liaises with the Public Accounts Committee, Select Standing Committee on Crown Corporations and the Auditor General.
- Obtains financial information (including the disbursement of public money) from Ministers Responsible and Crown Agencies for planning and reporting.
- Acts as Crown Agencies' fiscal agent (as applicable).
- Recommends Crown Agency exemptions from *Budget Transparency and Accountability Act* requirements for Service Plans and Annual Reports.
- Reviews and approves, where appropriate, Crown Agencies' indemnities and guarantees.
- Ensures adherence to the *Public Sector Employers Act*, and establishes and approves Crown Agency executive compensation plans and collective bargaining mandates (unless a Crown Agency is scheduled under the *Public Service Act*).
- Develops, refines and maintains governance framework for Government's Crown Agency management.
- Publishes the Province's annual Budget, Fiscal Plan, Financial and Economic Review, Estimates, Budget Consultation Paper, Public Accounts and Quarterly Reports.
- Provides banking, accounting, financial and economic planning and reporting.
- Provides risk and debt-management and capital-project oversight services.
- Develops policy for regulating financial and real estate sectors.

Ministers Responsible

Role:

Key link between Government and Crown Agencies

Ultimately accountable to Government for Crown Agencies from creation to dissolution

Responsibilities:

- Are accountable for clarifying Government's direction to a Crown Agency in the Legislative Assembly.
- Seek Treasury Board and Cabinet approval for Crown Agency start-up and dissolution.
- Approve start-up and dissolution of Advisory Boards.
- Seek Treasury Board and Legislative approval for appropriations to support Crown Agency operations.
- Seek Treasury Board approval for specific Crown Agency requests.
- Approve, and/or seek Cabinet approval for, appointment of Crown Agency Board members.
- Foster an effective working relationship with Crown Agency Board Chairs, including informing Chairs of policy directions or information requirements that may materially impact operations.
- Communicate Cabinet mandate, commitments, performance expectations and ongoing policy direction to Crown Agency Boards through the Shareholder's Letters of Expectations/Memoranda of Understanding and Directive Letters.
- Sponsor and seek Cabinet approval (and Legislative approval if required) for legislation, regulations, and/or orders necessary for fulfillment of Crown Agency mandate direction.
- Fulfill any ministerial roles and responsibilities indicated in Crown Agency enabling statutes.
- Set Ministry-specific policies that may be relevant to Crown Agency operation.
- Ensure Crown Agency implementation of Cabinet mandate direction (or seek Cabinet approval for proposed mandate changes).
- Review and table Commercial and Service Delivery Crown Corporation Service Plans and Annual Reports in the Legislative Assembly.
- Respond to public enquiries regarding Government's direction to Crown Agencies.
- Inform the Minister of Finance of Crown Agency issues that may materially impact Government's financial reporting or planning.

Deputy Ministers

Role:

Main advisor to Minister Responsible

Responsibilities:

- May be delegated authorities of a Minister Responsible for specified purposes.
- Act as main advisor to Minister Responsible on Crown Agency matters.
- Liaise with Crown Agency CEO and senior staff (and Chair as required).

3.3 Crown Agencies

Board Chairs

Role:

Key link between Government and Crown Agency

Advise Ministers Responsible of issues that materially impact Agency business or the Ministers' interests and accountabilities

Responsibilities:

- Foster an effective working relationship with the Minister Responsible, including ensuring he or she (or his/her representative) is provided with the information and advice needed to respond to questions from members of the Legislative Assembly and to fulfill Government's responsibilities.
- Remain cognizant of how Crown Agency issues might affect Government and inform the Minister Responsible of potentially contentious issues, major financial changes and any potential new initiatives that could materially impact Government interests.
- Receive Government's mandate direction through Shareholder's Letters of Expectations / Memoranda of Understanding.

Boards of Directors

Role:

Govern Crown Agencies in a manner consistent with Cabinet's mandate and policy directions

Ensure Crown Agencies comply with Government's financial and other policies and applicable legislation

Responsibilities:

- Establish Board policies and procedures that are consistent with and meet Government's governance standards as set out in the *Best Practice Guidelines*.
- Ensure Crown Agency management in compliance with statutory obligations and applicable legislation (e.g. *Public Service Employers Act* requirements for employment conditions and severance packages).
- Approve the strategies, policies and plans necessary to fulfill Government's direction.
- Hire and fire Crown Agency CEOs (unless otherwise specified in the Crown Agency's enabling legislation).
- Ensure Crown Agency adherence to financial and other reporting obligations to Government.
- Fulfill any responsibilities under enabling legislation (e.g., statutory decision-making powers).
- Monitor and report on Crown Agency progress in

fulfilling Government direction and inform the Minister Responsible of any significant variances from planned targets (reflecting either unexpected successes or shortfalls).

- Oversee the development of and approve (based on Minister Responsible's review) the annual Service Plans and Annual Reports for Commercial and Service Delivery Crown Corporations.
- Appear as witnesses at Legislative Committees, as required.
- Respond to enquiries from Officers of the Legislative Assembly.
- Meet the fiduciary obligation to act in the best interests of the Crown Agency.

CEOs / Senior Executives

Role:

Manage Crown Agency daily operations under the Board's stewardship and direction

Responsibilities:

- Provide leadership, general supervision, management and control of Crown Agency operations on a day-to-day basis in accordance with Board-approved plans and policies.
- Provide leadership and vision in developing the tactics and plans necessary to realize operational objectives.
- Manage Crown Agencies to ensure business plans are effectively implemented, results monitored and reported to the Board, and financial and operational objectives attained.
- Liaise with Government staff as required.

3.4 Government Staff

Ministry of Finance –

Crown Agencies Secretariat (CAS)

- Maintain and implement the *Crown Agency Accountability System*
- Support implementation of *Best Practice Corporate Governance for Crown Corporation Boards*
- Provide guidelines and advice to Ministries on meeting *Crown Agency Accountability System* requirements, such as Service Plans, Annual Reports and Shareholder's Letters of Expectations
- Provide policy advice on governance issues that apply to Crown Agencies
- Provide performance oversight for Commercial Crown Corporations, including reviews of Service Plans and Annual Reports
- Provide advice on the establishment and dissolution of Crown Agencies

Ministry of Finance –

Treasury Board Staff (TBS)

- Support Treasury Board in the development and management of Government's Budget and three-year Fiscal Plan
- Provide financial oversight and policy input for Ministries, Service Delivery Crown Corporations and SUCH Sector Organizations
- Compile quarterly planned and actual financial forecast information from Crown Agencies for incorporation into Budget and Fiscal Plan, Estimates, and Quarterly Reports; monitor risks and variances to the Fiscal Plan; advise Treasury Board on policy proposals with financial implications
- Review requests from Ministries for Crown Agency funding
- Provide advice on Crown Agency establishment and dissolution

Ministry of Finance –

Office of the Comptroller General (OCG)

- Collect quarterly Summary Financial Information from Crown Agencies and prepares the Public Accounts
- Provide accounting policy advice to Government and Crown Agencies (as requested)
- Provide internal audit services (as requested)
- Provide advice on Crown Agency establishment and dissolution

Ministry of Finance – Provincial Treasury

- Review and approve indemnities and guarantees issued by Crown Agencies (as applicable)
- Crown Agencies may use Provincial Treasury services for borrowing, procurement of banking activities, offset interest program, and risk management advisory, financing and consulting services
- Crown Agencies are generally required to use Provincial Treasury for borrowing (as representative of the Minister of Finance as fiscal agent); the debt-management and advisory services of Provincial Treasury may be used by Crown Agencies for project financing
- Provide advice on Crown Agency establishment and dissolution

Ministry of Finance – Public Sector Employers Council (PSEC) Secretariat

- Review and provide advice to Minister of Finance concerning Crown Agency labour relations mandates and executive compensation plans
- Set and coordinate strategic direction and policies affecting Crown Agency human resources and labour relations practices
- Chair the Agency, Boards and Commissions Remuneration Committee and oversee implementation of Treasury Board Directives on Board remuneration

Ministry of Attorney General – Administrative Justice Office

- Involved in the establishment, support, and dissolution of Tribunals
- Involved in the creation and negotiation of the Memorandum of Understanding between Tribunals and Ministers Responsible
- Oversee implementation of Treasury Board direction on Tribunal Chair remuneration

Ministry of Attorney General – Legal Services Branch

- In conjunction with CAS, TBS, and OGC, provide legal advice to Government regarding Crown Agencies
- Identify legislative implications related to Crown Agencies and their possible establishment, mandate review, dissolution, intergovernmental agreements or obligations, contractual obligations, and enabling legislation
- Prepare Requests for Legislation for Crown Agencies

Ministry of Labour and Citizen's Services – Board Resourcing and Development Office

- Provide advice and recommendations to Cabinet or the Responsible Minister related to the appointment of Crown Agency Board members
- Responsible for appointment guidelines for Crown Agency Boards of Directors
- Provide best practice guidelines for corporate governance and disclosure practices

Ministry Staff (Minister Responsible)

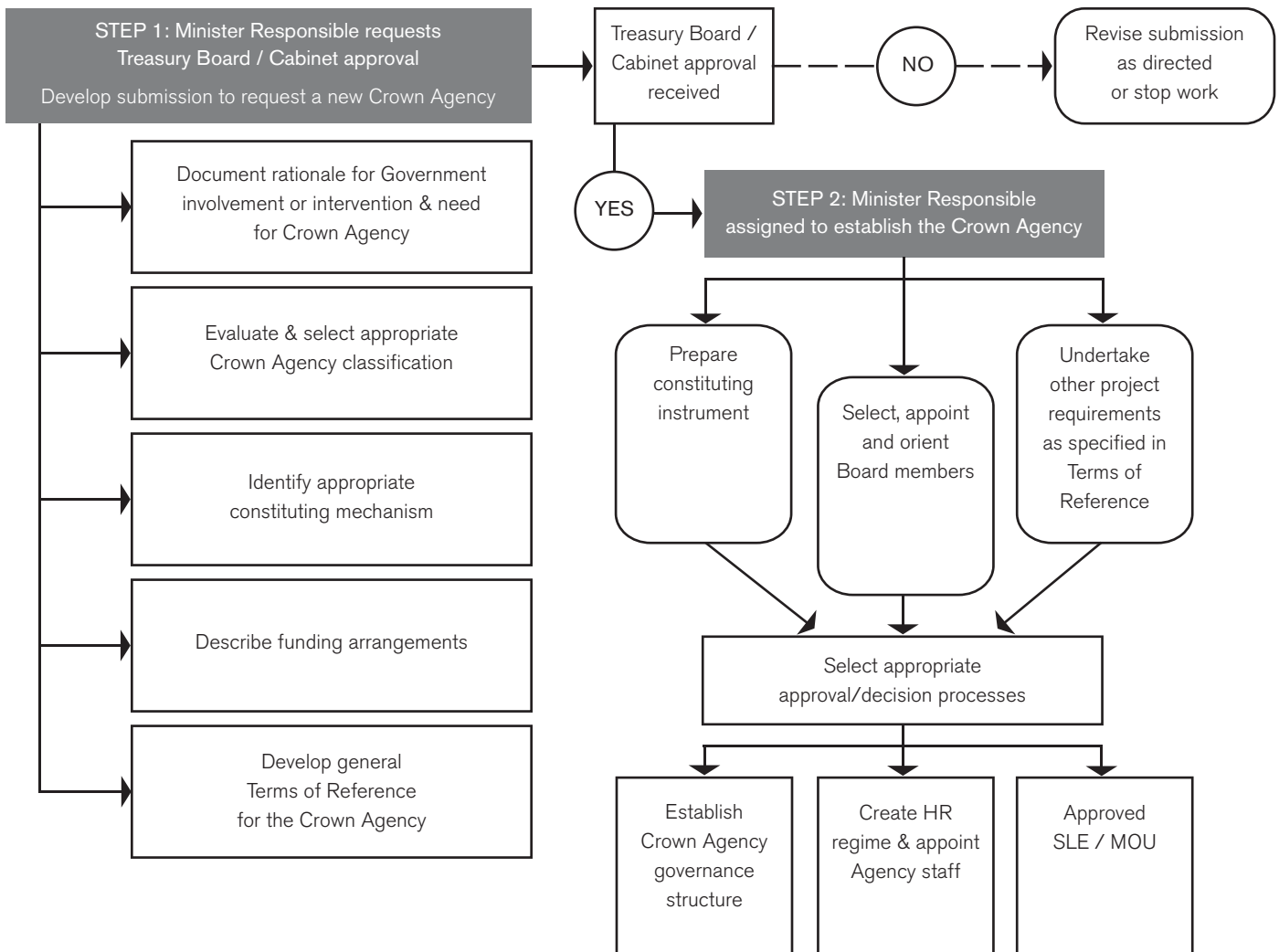
- Provide support to Crown Agencies regarding *Crown Agency Accountability System* requirements, such as review of Service Plans and Annual Reports
- Provide advice to the Minister Responsible supporting the development of Shareholder's Letter of Expectations / Memorandum of Understanding and Service/Funding Agreements
- Provide advice to the Minister Responsible regarding Crown Agency establishment or dissolution
- Ensure Crown Agency budget and financial reporting requirements are met
- Ensure administration of remuneration for Advisory Board members and Tribunal Chairs is consistent with Treasury Board direction

Establishing a Crown Agency

Cabinet/Treasury Board approval is required to create a Crown Agency. Crown Agencies must be established accordingly to the governance, accountability and reporting requirements of the *Crown Agency Accountability System*.

4.1 Requirements for Approval to Establish a Crown Agency

A summary diagram of the approval process is provided below. Detailed guidelines for Crown Agency establishment are available from the Crown Agencies Secretariat.



4.1.1 Developing a Cabinet/Treasury Board Submission to Establish a New Crown Agency

A Minister Responsible will sponsor a Cabinet/Treasury Board submission requesting approval to establish a new Crown Agency. This submission must include:

- The rationale for Government involvement;
- Crown Agency type and structure;
- Constituting instrument;
- Funding arrangements; and
- Terms of reference for the Crown Agency.

Key Steps in Developing the Submission

1. Assess rationale for Government involvement and need for Crown Agency

The submission must demonstrate the need for direct Government involvement in the proposed Crown Agency's mandate area, and how the functions of the Crown Agency align with Government's priorities. Generally, the submission should include:

- The proposed Crown Agency's goods or services; and
- An explanation of why a Crown Agency is the optimal organizational structure to provide the goods or services.

Government intervention or involvement in a field of activity can generally be justified based on the need for:

- Ongoing Government input relating to the policy/mandate of the Crown Agency;
- Government control (e.g. appointment of board members);
- Decision making at arms-length from a Minister;
- Business and other expertise from a Board of Directors;
- Delivery of goods and services that are outside the scope

of Ministry activities and not appropriate for private or volunteer-sector delivery (due to market failure or lack of capacity, respectively);

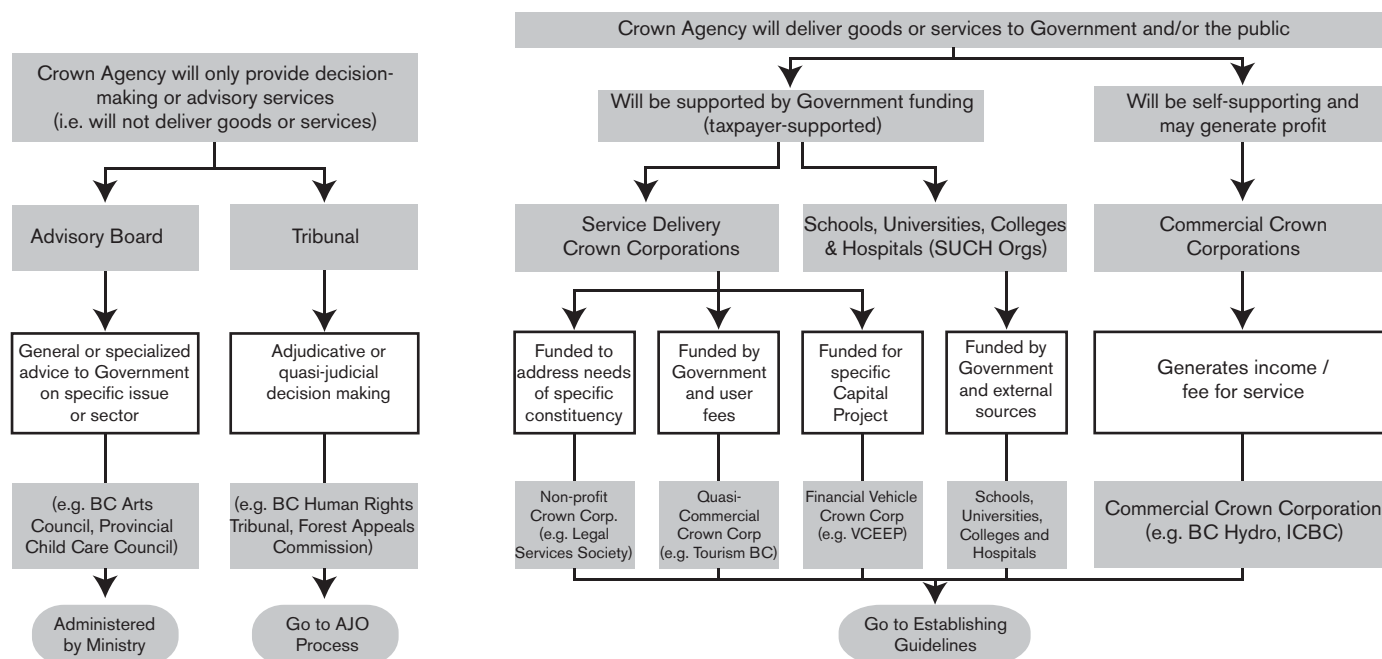
- More operational flexibility than is available in a Ministry structure;
- Goods or services that cannot be delivered by an existing Crown Agency; or
- Broad expertise to advise Government on policy issues or resource allocations.

The choice of the appropriate delivery mechanism will depend on the degree of required independence from Government, and the required degree of Government control over Crown Agency appointments and operations. Where Government does not require a controlling interest in the delivery of the service or management of the Crown Agency, consideration may be given to the creation of an Independent Authority that is outside of the Government Reporting Entity or the creation of a public-private partnership.

2. Choice of Crown Agency Classification

The selection of the appropriate classification for a proposed Crown Agency should be based on an analysis of the functions to be performed. The diagram below provides an overview of the relationship between Crown Agency function and classification.

Some classifications of Crown Agencies are incorporated and therefore referred to as Crown Corporations (Commercial and Service Delivery Crown Corporations). Advisory Boards and Tribunals are generally not incorporated. SUCH Sector Organizations are generally legal structures constituted by statute.



3. *Identify Appropriate Constituting Instrument for Crown Agency*

Specific enabling legislation is the preferred constituting instrument for the creation of a new Crown Agency. It affords the best opportunity to match delegated powers and authorities to the Crown Agency's mandate, and provides the best mechanism to ensure that transparency and accountability mechanisms meet the requirements of the *Crown Agency Accountability System*.

The exception to this is Financial Vehicle/Capital Project Crown Corporations, which are often constituted using the *Business Corporations Act*. These are usually established in connection with fixed-term capital projects that are suited to the private-sector corporate provisions of the *Business Corporations Act*. The *Society Act* should not normally be used for the creation of a Crown Agency, even if the proposed corporation has functions or objectives consistent with those of a society.

An omnibus act may be used to create a cluster of Crown Agencies (e.g. Health Authorities are created by regulation under the *Health Authorities Act*).

4. *Determine Legislative Requirements*

Early consideration must be given to the legislative provisions required to ensure the proposed Crown Agency:

- Has the specific powers and flexibilities needed to deliver its mandate; and
- Is subject to appropriate disclosure and accountability provisions and legislation (e.g. *Budget Transparency and Accountability Act*, *Freedom of Information and Protection of Privacy Act*, *Financial Administration Act*, *Financial Information Act*, and *Ombudsman Act*).

A detailed checklist for assessing legislative requirements is contained in the Guidelines for Establishing Crown Agencies, and is available at <http://www.gov.bc.ca/cas/down>

5. *Determine Funding Arrangements*

The funding arrangements for a proposed Crown Agency must be defined in the submission, and any funding from Government or proposed transfer of any assets and liabilities required to establish or operate the Crown Agency must be clearly identified. The impact on Government's Fiscal Plan must also be determined in consultation with Treasury Board staff.

6. *Develop a Terms of Reference for Proposed Crown Agency*

The terms of reference for the creation of a Crown Agency must be provided in the submission and should include the following components:

- Mandate and key lines of business/activity;
- High level performance objectives;
- Proposed outcomes and performance targets;
- Structure (size, location, classification, constituting instrument, composition of Board, regulatory regime);
- Critical milestones and undertakings;
- Proposed human resources and labour relations strategy; and
- Implementation Plan.

If approval is granted to establish a new Crown Agency, Cabinet will decide who the Minister Responsible will be for the Crown Agency.

4.1.2 **Approval Process for the Creation of Subsidiaries**

Crown Agencies must consult with their Minister Responsible prior to proceeding to create a subsidiary. Crown Agencies may create subsidiaries in the following circumstances:

- Ministry of Attorney General advises that the Crown Agency has legal authority to create a subsidiary; and
- Minister Responsible agrees the proposed subsidiary mandate is consistent with the Shareholder's mandate direction to the Crown Agency.

If the absence of these circumstances, the Minister Responsible will be required to develop a Cabinet/Treasury Board submission to gain approval to establish the subsidiary, or gain approval to expand the Crown Agency mandate.

Crown Agencies must ensure that their Service Plans and Annual Reports include mandate and performance information regarding subsidiaries.

4.2 Steps to Establish a Crown Agency

See section 4.3 regarding the creation of Advisory Boards and Tribunals.

The steps required to move from approval of the Crown Agency to its creation include:

1) *Preparation of Constituting Instrument/Enabling Legislation*

The process for obtaining approval for, and implementing, the completed constituting instrument is subject to general Government policy requirements associated with the preparation of requests for new legislation, and/or to the requirements for incorporation under the *Business Corporations Act*.

The request for legislation or incorporation should ensure compliance with the *Crown Agency Accountability System*. Staff should consult with legal counsel in the Ministry of the Attorney General and refer to the Legislative Checklist in the *Establishing a Crown Agency Guidelines*.

2) *Selection, Appointment and Orientation of Board Members*

Crown Agencies that require Boards of Directors will need to ensure that such Boards are properly constituted, and that the guidelines for Board appointments are followed. The Board Resourcing and Development Office (BRDO) supports this process. The BRDO must review and approve all Board appointments. Appointment guidelines are available at: http://www.fin.gov.bc.ca/abc/infopages/appoint.htm#policy_full).

The level of remuneration for Board members is determined pursuant to Treasury Board Directives as administered by the Agency Boards and Commissions Remuneration Committee.

Plans for the recruitment and appointment of Board members need to be developed early in the process and may occur concurrently with the preparation of the enabling legislation. Crown Agency Boards do not include elected provincial officials and should not – except in rare circumstances – include the Crown Agency’s CEO or other officials, or Government staff.

3) *Implementation of Board Structure*

Ministry staff and the newly established Crown Agency Board should work with the BRDO and Crown Agencies Secretariat to ensure that their corporate governance structure is consistent with the *Best Practice Guidelines: Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations and the Crown Agency Accountability System*. This means that the Boards will need to develop some or all of the following:

- Governance principles;
- Policies;
- Procedures;
- Internal financial control and reporting regime;
- Human resources and labour relations strategy;
- Bylaws;
- Key roles and responsibilities;
- Board committees (audit/risk management, human resource, governance, etc.); and
- Standards of ethical conduct

4) *Appointment of Crown Agency Staff / Creation of Human Resources and Labour Relations Regime*

The Board of Directors will appoint its Chief Executive Officer and other senior executives. When making appointments, Boards must work with the Public Sector Employers’ Council (PSEC) Secretariat to ensure that executive appointments and remuneration are within Government-approved compensation guidelines. PSEC can also advise on labour relations matters and must be consulted in labour relations negotiations. A Crown Agency must establish clear human resources and labour relations policies and procedures (see chapter 6). Government may decide to make the Crown Agency subject to the *Public Service Act*.

5) *Shareholders Letters of Expectations / Memoranda Of Understanding*

See chapter 7 for more information.

4.3 Requirements to Establish an Advisory Board or Tribunal

Advisory Board – Ministry staff must ensure Advisory Boards are constituted properly and work with the Agency Boards and Commissions Remuneration Committee to ensure remuneration is consistent with Treasury Board Directives.

Tribunal – The Administrative Justice Office must be involved in or consulted concerning all steps in establishing a Tribunal and should be contacted for advice early in the process.

4.4 The Crown Agency Registry

The Crown Agencies Secretariat maintains a registry on its web site of all Crown Agencies. Ministry staff must advise the Crown Agencies Secretariat of the establishment and dissolution of Crown Agencies so that this list is accurate (see Appendices III and IV).

4.5 Staff Roles and Responsibilities

Crown Agencies Secretariat

- Provides guidelines and advice to Crown Agencies, their Boards, Cabinet and Ministers Responsible. Provides advice and guidance during the development of the submission and creation of a Crown Agency. Crown Agency Secretariat also provides advice to Cabinet and/or Treasury Board on the proposed establishment of new Crown Agencies.
- Provides orientation services for new Crown Agency Boards.
- Maintains Government's registry of Crown Agencies.

Administrative Justice Office

- Responsible for supporting Ministry staff in establishment and administration of Tribunals and has established procedures related to the preparation of documentation required for approval of a new administrative Tribunal, regulatory or advisory body. The AJO will assist with the creation of these Crown Agencies if approval is granted.

Treasury Board Staff

- Treasury Board will review submissions for new Crown Agencies. It is required that Treasury Board staff be consulted early in the process.
- Treasury Board Staff should be consulted on any new proposed fees.

Ministry Staff (Minister Responsible)

- The sponsoring Minister's staff will have primary responsibility for the preparation of the submission and the process for the creation of the approved Crown Agency.

Ministry of the Attorney General – Legal Counsel

Ministry of Attorney General – Legislative Counsel

- Provides legal advice on Crown Agency establishment, identifies legislative implications related to intergovernmental agreements or obligations, contractual obligations and enabling legislation.
- Drafts legislation based on direction from the sponsoring Ministry.

Office of the Comptroller General

- Should be consulted as required throughout the process with regard to accounting treatment.
- Advises Government on requirements to ensure Crown Agencies are in the Government Reporting Entity.

Provincial Treasury – Debt Management Branch

- Should be consulted as required throughout the process with regard to borrowing, debt management and investment powers.

Provincial Treasury – Risk Management Branch

- Should be consulted as required throughout the process with regard to risk and impact on Government, indemnities, etc.
- Administers directors and officers indemnification program.

Ministry of Finance – Tax Policy Branch

- Should be consulted as required throughout the process with regard to the tax status of the Crown Agency.

Ministry of Finance – First Nations Fiscal Branch

- Should be consulted on First Nations issues with financial implications.

Public Sector Employers' Council Secretariat or the Public Service Agency

- Should be consulted as required throughout the process with regard to executive compensation planning, human resources regimes and labour relations mandates of proposed Crown Agency.

Board Resourcing and Development Office

- Should be consulted as required throughout the process with regard to Board appointments and Board governance structure and requirements.

Agency Boards and Commissions Remuneration Committee

- Will classify Crown Agency for the purposes of Treasury Board Directives on remuneration level.

The Board Resourcing and Development Office has established guidelines and processes for Board appointment and governance and should be consulted through the process of starting up a Crown Agency and making initial Board appointments and subsequent re-appointments. Government is committed to ensuring best practices in Board governance and public accountability.

More detailed information on the Board-appointment process is available at <http://www.fin.gov.bc.ca/oop/brdo.appoint.htm>

5.1 Board of Director Appointments

Cabinet and/or Ministers Responsible appoint the members of Crown Agency Boards (except School Boards, which are locally elected). A skills matrix is used to support merit-based appointments. Treasury Board has approved mandatory guidelines for Board remuneration. Board members are required to sign conflict-of-interest declarations prior to appointment. Government does not appoint elected provincial officials, or chief executives or other Crown Agency officers to Crown Agency Boards and only in very rare instances are public servants appointed. Board appointments for subsidiaries are subject to the same guidelines.

5.1.1 Governing Principles of the Appointment Process

The Board Resourcing and Development Office (BRDO) has established the following principles to guide the appointment process:

Merit-Based: Appointments are governed by the overriding principle of selection based on merit – an objective assessment of the fit between the skills and qualifications of the prospective candidate and the needs of the Crown Agency.

Transparent: The appointment process guidelines are clear and understandable and available to the public.

Consistent: The appointment process is applied consistently to all appointments to Crown Agencies.

Probity: Crown Agency Board members must be committed to the principles and values of public service and perform their duties with integrity.

Proportionate: The appointments process is subject to the principle of proportionality, that is, the process is to be appropriate for the nature of the post and its responsibilities.

5.1.2 Best Practices Concerning Board Composition and Succession

- A Board of Directors is made up of individuals who, collectively, have the required competencies and personal attributes to carry out their responsibilities effectively.
- Unless specified in the governing legislation, Board members are independent from management and have no material interest in the organization.
- The Board has a committee that develops director selection criteria and identifies and evaluates potential candidates.
- The Board has a competency matrix that is updated annually and when vacancies arise. The competency matrix is used to identify competency gaps on the Board and to direct the search for new candidates.
- The Board has a succession plan to recommend to Government the orderly turnover of directors.
- The Board publishes the name, appointment term and a comprehensive biography of each director.

5.1.3 Key Steps in the Appointment Process

A successful recruitment initiative requires excellent cooperation and communication among the Crown Agency, the Minister Responsible, the Ministry, the BRDO, applicants, successful candidates and, where appropriate, interested stakeholders.

The major steps to be followed in filling a vacancy are set out below, and an overview of the timelines and the responsibilities of the various parties are set out in the table following.

- Identify the need for an appointment
- Confirm Board composition criteria and vacancy skills profile
- Prepare a Vacancy Notice or Notice of Position
- Confirm recruitment and evaluation process
- Submit Request for Appointment
- Identify candidates
- Assess candidates
- Complete a due diligence process on short listed candidates
- Consultation and review
- Final selection
- Process to formalize appointment
- Finalize communications
- Notify the public

The table below illustrates the steps, completion dates and responsible parties for a typical appointment to a public-sector organization.

Note that Board remuneration must be in accordance with the Treasury Board directive on Board remuneration. Ministry staff will work with the Agencies, Boards and Commissions Remuneration Committee and with Treasury Board staff to ensure compliance.

DUE DATE	ACTION	RESPONSIBILITY
6 months prior	• Identify need for appointment	Organization and Ministry Appointment Coordinator
	• Complete needs assessment and competency matrix	Organization (in consultation with BRDO)
	• Prepare draft Notice of Position	Organization (in consultation with BRDO) BRDO to finalize draft
5 months prior	• Confirm recruitment and evaluation process	Organization and BRDO (in consultation with Host Ministry and Responsible Minister)
	• Send completed Request for Appointment to BRDO (after sign-off from host Ministry and Minister Responsible)	Organization and BRDO
2 months prior	• Identify recommended candidates and conduct due diligence on short-listed candidates	BRDO (in consultation with Organization and Host Ministry)
	• Provide Responsible Minister with a shortlist of potential candidates based upon: <ul style="list-style-type: none"> – Assessment of skills and qualifications against the skills identified in the Notice of Position – Due diligence 	BRDO
	• Confirm recommended candidates to fill vacancy	Minister Responsible
1 month prior	• Forward signed cover page to Ministry of the Attorney General (and the MA, for his or her information) for processing	BRDO
	• Obtain approvals and signatures using either (as applicable): <ul style="list-style-type: none"> a. Order-In-Council or b. Ministerial Order 	Ministry Appointment Coordinator

5.2 Board of Directors Governance Guidelines

The BRDO has developed a number of resources to support the goal of sound governance for Crown Agency Boards, including the publication of the *Best Practice Guidelines* related to Board governance and disclosure. These guidelines and other resources related to corporate governance are available at: <http://www.fin.gov.bc.ca/oop/brdo/corporategovernance.htm>

Information about the appointment process, including the public appointment policy guidelines, are available at: <http://www.fin.gov.bc.ca/oop/brdo/appoint.htm>

Guidelines related to standards of conduct are available at: <http://www.fin.gov.bc.ca/oop/brdo/guidecond.htm>

Crown Agencies are normally subject to Government's disclosure legislation (including the *Budget Transparency and Accountability Act*, *Freedom of Information and Protection of Privacy Act*, *Financial Information Act*, *Financial Administration Act* and *Public Sector Employers Act*). Crown Agencies have a general responsibility to provide Government, staff and all manner of stakeholders and the public with access to information about their operation. To ensure that public sector transparency and accountability are maintained, Crown Agencies must establish sound communications strategies to ensure that information provided is accurate, appropriate and timely.

Crown Agencies should make general information about the organization readily available, including descriptions of mandate and activities, and promote good two-way communication between the Crown Agency and interested parties. Crown Agencies should post their Shareholder's Letters of Expectation, Service Plans, Annual Reports and annual financial statements and supplier expenditures on their websites.

The Board Resourcing and Development Office and Crown Agencies Secretariat provide support to Crown Agencies in adopting these guidelines.

5.3 Staff Roles and Responsibilities

Board Resourcing and Development Office

- Provides advice and recommendations to Cabinet or the Minister Responsible on appointments of Board members for Crown Agencies.
- Supports Board orientation and training in partnership with Crown Agencies Secretariat.
- Provides best practice guidelines for corporate governance practices.

Crown Agencies Secretariat

- Supports Board orientation and training in partnership with the BRDO.

Addressing Crown Agency Labour Relations & Human Resources Issues

6

All Crown Agencies are subject to the *Public Sector Employers Act*, which provides that they:

- Collectively bargain with unionized employees only in accordance with a mandate approved by the Public Sector Employers' Council (PSEC) Secretariat;
- Compensate non-union staff only in accordance with approved compensation plans;
- Make terms and conditions of employment of senior employees available to the public and report any changes in these terms and conditions to the PSEC Secretariat; and
- Dismiss employees only in accordance with the *Employment Termination Standards Regulation*.

Crown Agencies may also be subject to the *Public Service Act* which specifies terms and conditions of employment for all union and non-union employees, including managers and executives.

6.1 *Public Sector Employers Act and the PSEC Model*

All Crown Agencies are subject to the provisions of the *Public Sector Employers Act* and the "PSEC Model". The PSEC Model governs how Crown Agencies set and manage union and non-union compensation.

Central to the PSEC Model is the PSEC Secretariat, which administers the *Public Sector Employers Act* and carries out functions on behalf of the Minister of Finance under it. These functions include managing the development and implementation of the labour relations policies and non-union compensation practices of Crown Agencies. Most importantly, the Secretariat administers the Province's collective bargaining and the non-union compensation mandates. These mandates, approved by the Minister of Finance and developed by the Secretariat in conjunction with line Ministries and individual Crown Agencies, govern what Crown Agencies may agree to in collective bargaining, and what policies they may implement regarding non-union compensation.

6.2 *Public Service Act*

Some Crown Agencies are also subject to the *Public Service Act*, and the policies developed and administered by the Public Service Agency. For a Crown Agency's unionized staff, the Public Service Agency negotiates and administers collective agreements. For a Crown Agency's non-union staff, the Public Service's excluded compensation policies and procedures apply. They incorporate all the provisions of the *Public Sector Employers Act*, and the Public Service Agency (in conjunction with the PSEC Secretariat) administers those provisions on behalf of the Crown Agency.

6.3 Labour Relations and Human Resources Issues during the Life Cycle of a Crown Agency

6.3.1 Creation of Crown Agency

Upon Crown Agency creation, its Board of Directors is responsible for hiring the Chief Executive Officer, and for setting terms and conditions of employment for the position (including salary, benefits, all perquisites, and entitlements upon cessation of employment) in accordance with a compensation plan approved by the PSEC Secretariat. Boards work closely with the PSEC Secretariat to develop an appropriate compensation plan prior to commencing a CEO search.

The CEO, in turn, is responsible for hiring and setting the terms and conditions of employment of the rest of the Crown Agency's staff (note, however, that the Board ratifies collective agreements on behalf of the Crown Agency). The CEO must ensure that the collective agreement governing the terms and conditions of employment of unionized staff is negotiated and concluded in accordance with an approved mandate from the PSEC Secretariat. The CEO must ensure that terms and conditions of employment for non-union staff are in accordance with a compensation plan approved by the PSEC Secretariat.

When a Crown Agency is created, the Board of Directors and Minister Responsible have the option of making it subject to the *Public Service Act*. This will have significant implications for the ongoing operation of the Agency. Public Service Agency staff should be consulted early on in the decision-making process leading to the creation of the Agency in order to address the question of whether the Agency should be covered by the *Public Service Act*.

6.3.2 Ongoing Operation

The CEO of a Crown Agency is responsible for the ongoing management of terms and conditions of employment of Crown Agency staff (both union and non-union), while the Board of Directors is ultimately responsible for ensuring that these terms and conditions comply with the *Public Sector Employers Act* and the *Public Service Act* (if applicable).

Union Staff

Terms and conditions of employment for unionized staff are governed by collective agreements negotiated by the Crown Agency and the union(s) certified to represent its employees. The Board of Directors ratifies the collective agreement, binding the Crown Agency to the agreement.

Collective agreements must be consistent with the collective bargaining mandate provided to the Crown Agency by the PSEC Secretariat. Crown Agency staff work closely with the PSEC Secretariat prior to bargaining to develop a mandate that is appropriate for the Crown Agency and consistent with Government's broad public policy goals. The Board of Directors of the Crown Agency must ensure that a tentative agreement has been approved by the PSEC Secretariat as being within the mandate before ratifying the agreement.

Non-union Staff

(e.g., managers, executives and senior executives)

All terms and conditions of employment for non-union employees (including executives) must be in accordance with a compensation plan approved by the PSEC Secretariat. Compensation plans cover all terms and conditions of employment of non-union staff, including wage rates, benefit levels, and incentive/bonus compensation. The *Public Sector Employers Act* also contains specific limitations regarding vacation, sick leave, and severance. The CEO is responsible for ensuring these limitations are incorporated into a Crown Agency's non-union compensation plan.

The CEO, and/or his or her delegate, works with the PSEC Secretariat to amend the compensation plan when required and to ensure the compensation plan remains consistent with public sector policies and best practices.

Chief Executive Officer

The Board of Directors is responsible for managing terms and conditions of employment of the CEO. If the Board wishes to change the terms and conditions of CEO, the Board works with the PSEC Secretariat, and ensures that any proposed changes are approved by the Secretariat prior to being offered or implemented.

Severance pay for a CEO is limited by the *Public Sector Employers Act*, and the Board of Directors is responsible for ensuring that any severance paid to a departing CEO is consistent with these limitations. Again, Boards work closely with the PSEC Secretariat in advance of termination in order to ensure that any severance package is appropriate. As senior executive terminations can often have a high public profile, the Board alerts the PSEC Secretariat (who in turn will brief the Minister of Finance) in advance of any high profile termination, consistent with the "No Surprises" policy.

6.3.3 Directions from the Minister of Finance

The Minister of Finance may require a Crown Agency to prepare a specific compensation plan for some or all non-union staff at the Agency. When the Minister does so, the Board of Directors must ensure that all existing terms and conditions of employment are maintained until the new compensation plan is developed and implemented. The Board must also ensure that the new compensation plan is developed and implemented in accordance with the original direction of the Minister of Finance.

6.3.4 Dissolution of Crown Agencies

Significant labour relations and human resources issues arise upon Crown Agency dissolution. In particular, there will likely be severance obligations to union and non-union staff. If the Crown Agency's function is being absorbed by another Crown Agency or by a Ministry, unionized staff may have preferential hiring rights.

Boards of Directors, the Chief Executive Officer, Ministry staff (Minister Responsible), the PSEC Secretariat, and the Public Service Agency (if applicable) work closely together to ensure that legal and legislative obligations are met, and that the terms and conditions of employment of all staff are discharged appropriately.

6.4 Disclosures and Reporting

Crown Agencies are subject to the disclosure provisions of the *Public Sector Employers Act*, which requires that, for any employee earning more than \$125,000 per annum in base salary:

- The Crown Agency make available to the public a description of the terms and conditions of employment of the employee; and
- The Crown Agency report to the PSEC Secretariat any change to the employee's terms and conditions of employment within 15 days of the change (including hiring, salary increase, bonus payouts, and cessation of employment).

Crown Agencies are also generally subject to the *Financial Information Act* requirements regarding disclosure of supplier and employee remuneration.

6.5 Roles and Responsibilities

Minister of Finance

- Responsible for the *Public Sector Employers Act*. Sets the collective bargaining mandate for the broad public sector and compensation standards for non-union employees.

Public Sector Employers' Council Secretariat

- Administers the *Public Sector Employers Act* on behalf of the Minister of Finance, including administering the Province's collective bargaining and non-union compensation mandates.

Crown Agency Board/Governing Body

- Responsible for managing the Crown Agency within the parameters of the *Public Sector Employers Act*, including:
- Hiring, terminating and setting the terms and conditions of employment for the CEO only in accordance with a compensation plan approved by the PSEC Secretariat; and
- Ensuring tentative collective agreements have been approved by the PSEC Secretariat as within mandate prior to ratifying the agreement.

Public Service Agency

- Where the Crown Agency is subject to the *Public Service Act*, the Agency develops and administers all human resources and labour relations-related policies and related issues on behalf of the Crown Agency.

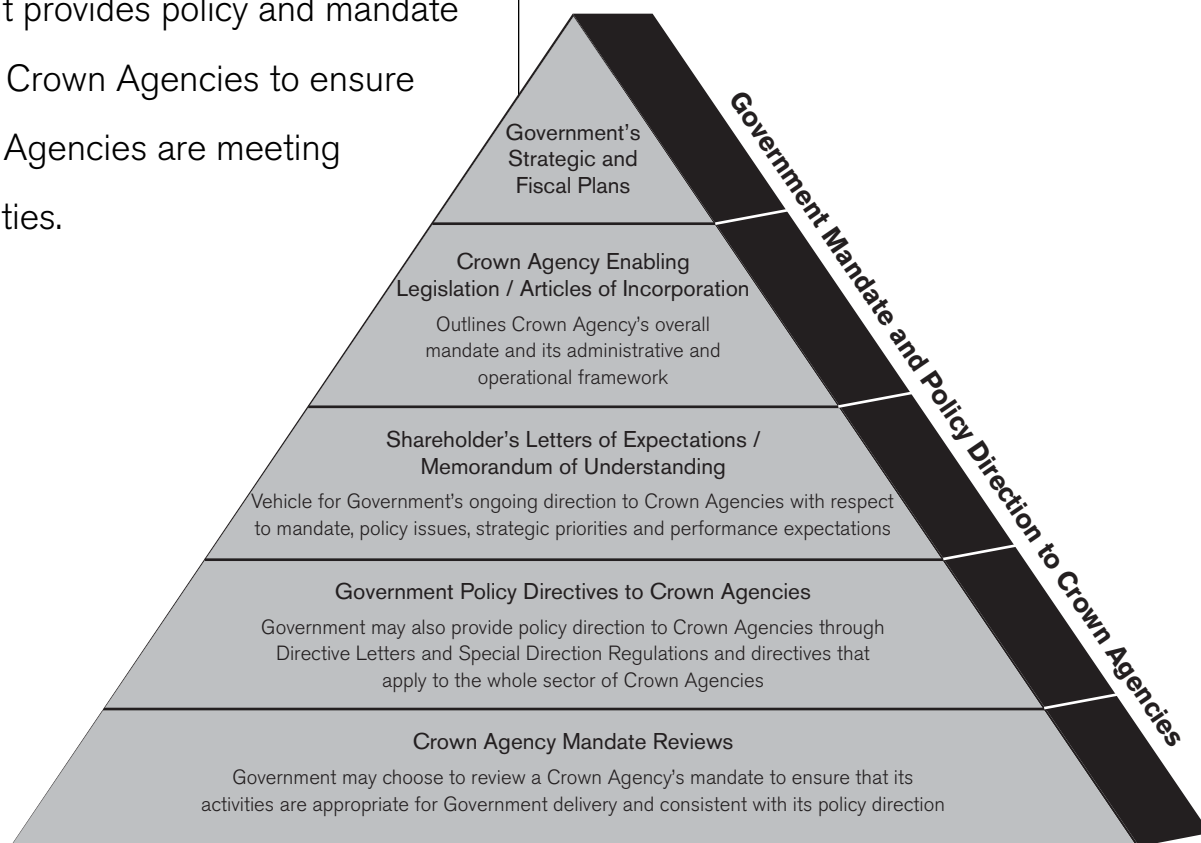
Providing Government Policy Direction to a Crown Agency

Crown Agencies play a vital role in advancing Government's policy priorities and objectives within Government's Strategic Plan.

Government provides policy and mandate direction to Crown Agencies to ensure that Crown Agencies are meeting public priorities.

7.1 Overview

Government provides mandate and policy direction to individual Crown Agencies to ensure consistency of Crown Agency performance with Government's Strategic Plan.



More details on Shareholder's Letter of Expectations – relevant to Commercial and Service Delivery Crown Corporations – are available at: www.gov.bc.ca/cas

7.2 Crown Agency Legislation and Articles of Incorporation

The overall mandate and administrative framework for a Crown Agency will be outlined in its enabling legislation and/or Articles of Incorporation.

7.3 Shareholder's Letter of Expectations / Memorandum of Understanding

7.3.1 Purpose and Content

The Shareholder's Letter of Expectations provides a formal means of communicating direction and priorities to Commercial and Service Delivery Crown Corporation Boards of Directors. The Shareholder's Letter of Expectations should be reviewed and updated regularly (e.g. annually) to ensure evolving Government priorities and mandate direction are appropriately reflected.

The Shareholder's Letter of Expectations is reviewed and approved by the Shareholder (Cabinet), and is jointly signed by the Shareholder's Representative (the Minister Responsible), and the Chair of the Crown Agency Board. The Shareholder's Letter of Expectations also includes basic governance and reporting requirements for the Crown Agency. Crown Agency Service Plans and Annual Reports need to be consistent with the Shareholder's Letter of Expectations and Government's mandate direction. See chapter 10 for details.

In the case of SUCH Sector Organizations and Tribunals, Memoranda of Understanding are used to communicate Government direction, expectations and requirements.

Key Features of Shareholder's Letter of Expectations / Memorandum of Understanding

- Reiterates Government's mandate direction to the Crown Agency, including strategic priorities and key performance objectives
- Identifies Government policies that apply to the Crown Agency
- Outlines the overall relationship between the Minister Responsible and the Crown Agency
- Identifies basic accountability and reporting requirements of the Crown Agency

SUCH Sector Organizations are exempted from Service Plan and Annual Report requirements under the *Budget Transparency and Accountability Act*.

7.3.2 Procedures

The Minister Responsible initiates the process of putting a new Shareholder's Letter of Expectations or Memorandum of Understanding in place by reviewing the existing document and preparing proposed revisions, including updated performance expectations

The Minister Responsible submits the proposed new Shareholder's Letter of Expectations or Memorandum of Understanding to Cabinet for review. Once approved, it is signed by both the Minister and the Chair of the Crown Agency Board.

The Minister is responsible for supporting the Crown Agency in its efforts to achieve the expectations set out in an approved Shareholder's Letter of Expectations or Memorandum of Understanding.

The Board is responsible for ensuring that Government's direction and performance expectations are incorporated into the Crown Agency Service Plan.

Shareholder's Letters of Expectations and the Memoranda of Understanding are public documents, and are posted on both the Government web site and the relevant Crown Agency web site.

7.3.3 Service/Funding Agreements

A Service Agreement is a specific contract between a Crown Agency and a Ministry. The Agreement typically sets out a funding arrangement for services to be provided by the Crown Agency on behalf of a Ministry. Ministries can establish Service Agreements – irrespective of whether funding flows to or from the Crown Agency in the form of a remittance or a grant – to ensure the requirements and expectations of both parties are clearly defined. Service Agreements should be referenced in the Shareholder's Letter of Expectations.

7.4 Government Policy Directives to Crown Agencies

7.4.1 Directive Letters and Special Direction Regulations

Government may determine during the course of a planning cycle that one or more Crown Agencies are to participate in a new initiative (i.e. one that is not identified in the current Shareholder's Letter of Expectations/Memorandum of Understanding). In these cases, Cabinet will provide direction to the Ministers Responsible, who in turn will provide direction to the appropriate Crown Agencies through a Directive Letter. Cabinet may also issue regulations (special direction) to a Crown Agency and or to its regulator. This approach may be used to provide specific direction to one or several individual Crown Agencies, or to one or several categories of Crown Agencies.

7.4.2 Government Directives to the Crown Agency Sector

Government will from time-to-time provide broad policy direction to the Crown Agency sector or a component thereof. Treasury Board may also issue specific directions to Ministers Responsible based on its decisions. The *Crown Agency Accountability System* is in itself an example of sector-wide direction. Examples of other policies that apply broadly to the Crown Sector include:

- Agreement on Internal Trade and related procurement standards (Crown Corporations are normally scheduled under this agreement);
- Capital Asset Management Framework (Crown Corporations and SUCH Sector Organizations are subject to it: <http://www.fin.gov.bc.ca/tbs/camf.htm>);
- Best Practice Guidelines for Board Governance and Disclosure (<http://www.fin.gov.bc.ca/oop/brdo/corporateguidelines/pdf>); and
- Executive Compensation and Labour Relations guidelines and requirements. (See chapter 6 for more information.)

7.5 Mandate Reviews

See chapter 11 for more information.

7.6 Tribunals and Advisory Boards

The Administrative Justice Office has developed a template for Memoranda of Understanding to assist Tribunals in formalizing their administrative relationship with their host Ministries. Policy direction to Tribunals will not interfere with the independence of their decisions on statutory rights and obligations. Policy direction to Advisory Boards is provided by the Minister Responsible.

7.7 Staff Roles and Responsibilities

Crown Agencies Secretariat

- Advises Government on the whole of Crown Agency sector policies.
- Supports Ministries and Crown Agencies on policy-direction processes (e.g., Shareholder's Letter of Expectations, Service Plans, Annual Reports and Mandate Reviews).

Treasury Board Staff

- Reviews and advises Treasury Board on financial issues relating to Commercial and Service Delivery Crown Corporations, and to SUCH Sector Organizations.

Administrative Justice Office (AJO)

- Provides advice on and support for initiatives for continuous improvements to the administrative justice system, including promoting co-operative development of new policies, practices and legislation.

Ministry Staff (Minister Responsible)

- Advises the Minister Responsible on the Shareholder's Letters of Expectations/Memoranda of Understanding.
- Provides advice to Minister on Directive Letters and Service Funding Agreements.

Ensuring Crown Agencies Meet Government's Planning Requirements 8

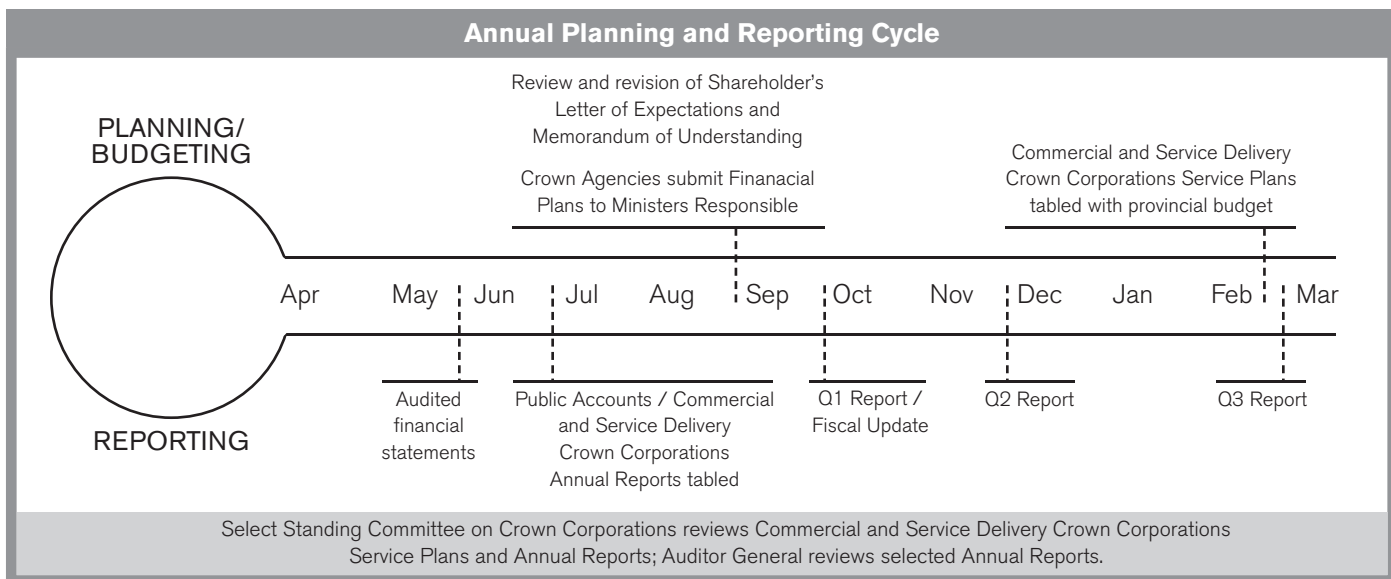
Crown Agencies are part of Government's Strategic and Fiscal Planning cycle.

The *Budget Transparency and Accountability Act* requires that Ministers Responsible table in the Legislative Assembly three-year Service Plans that outline performance objectives and targets for Commercial and Service Delivery Crown Corporations.

8.1 The Annual Planning and Reporting Cycle

Defined planning and reporting processes are one of the primary mechanisms through which Crown Agencies maintain their relationship with Government and remain accountable for their performance to the Legislative Assembly and the public.

The most significant planning and reporting requirements relate to the annual business planning cycle. During this cycle, Crown Agency Boards and management develop their strategic approach to the execution of their mandate over a three-year period, in accordance with Government's *Strategic Plan and Fiscal Plan* and with mandate and policy direction received. (See chapter 10 for more information about reporting requirements.)



See Guidelines for Commercial and Service Delivery Crown Corporation Service Plans:
<http://www.gov.bc.ca/cas/down>

Overview of Annual Planning and Reporting Cycle

- Government develops its *Strategic and Fiscal Plan* that sets out priorities, specific objectives and expected results, and the multi-year fiscal forecast for the Government Reporting Entity.
- The Minister Responsible establishes a Shareholder's Letter of Expectations for Commercial and Service Delivery Crown Corporations (with Cabinet approval) or a Memorandum of Understanding for other Crown Agencies which: clarifies mandate and strategic direction, addresses financial issues (such as annual appropriations), sets out performance expectations, defines reporting requirements, and includes other information requirements as necessary. (See chapter 7.)
- Crown Agencies submit financial plans to Ministers Responsible.
- The Boards of Commercial and Service Delivery Crown Corporations prepare Service Plans, which Ministers Responsible review, in time for tabling in the Legislative Assembly on Budget Day.
- Crown Agencies report to Ministers Responsible on performance, including submission of quarterly reports to Ministers Responsible and the Minister of Finance on year-to-date results and adjusted forecasts. (See chapter 9.)
- Within three months of the end of the fiscal year, Commercial and Service Delivery Crown Corporations prepare an Annual Report for submission to Ministers Responsible that compares actual results with Service Plan targets. Ministers Responsible review draft Annual Reports. The Board finalizes the Annual Report based on the Minister's review and direction. (See chapter 10.)
- The Minister Responsible tables the Annual Report in the Legislative Assembly on the same day as the Public Accounts are tabled (unless the Crown Agency has a December 31 year-end and therefore an earlier tabling date).

8.2. Service Plans for Commercial and Service Delivery Crown Corporations

The *Budget Transparency and Accountability Act* (BTAA) provides a legislative framework for planning, reporting, and accountability. The BTAA establishes the requirement for three-year Service Plans, which are designed to ensure that Government and Crown Agencies clearly outline their goals, and to enable British Columbians to hold Government and Crown Agencies accountable for their decisions and actions.

A Service Plan is the guiding document for a Crown Agency Board of Directors, which is accountable for achievement of the planned results documented in the plan. The plan should advance the public's understanding of the core business of the Crown Agency, the services provided, the actions planned and the expected results.

The Minister Responsible is required to table individual Service Plans for Commercial Crown Corporations and Service Delivery Crown Corporations. The SUCH sector is exempted in the BTAA from this requirement for individual Service Plans, and high-level SUCH-sector performance is reported out in Ministry Service Plans, as well as through the business plans developed and issued publicly by individual SUCH Sector Organizations. Tribunals and Advisory Boards are not covered by the BTAA and are not required to table Service Plans.

Service Plan Guidelines for Crown Agencies are prepared annually by the Crown Agencies Secretariat to assist Crown Corporations in developing Service Plans that are consistent with the BTAA and the *BC Reporting Principles*.

8.3 Procedures for Review and Tabling of Service Plans

The BTAA stipulates that Crown Agency Service Plans must be made public by being tabled in the Legislative Assembly by the Minister Responsible annually on the date that the provincial Budget Estimates (and Ministry Service Plans) are tabled (the third Tuesday of every February).

8.3.1 Review Process

Crown Agency Boards and management evaluate their business environments and develop detailed three-year Service Plans that are consistent with the Government's Strategic Plan (including the Government's fiscal forecast), reflect direction contained in the Shareholder's Letter of Expectations, and include financial forecasts. Boards deliver draft Service Plans to Ministers Responsible for review.

Ministers Responsible, Ministry staff or Crown Agencies Secretariat will review draft Service Plans submitted by Crown Agency Boards to ensure consistency with the BTAA, Government's Strategic and Fiscal Plans, and the Minister's direction to the Crown Agency. A Service Plan must be consistent with the financial plan presented by the Minister Responsible to Treasury Board, and incorporate any relevant Treasury Board decisions.

A Service Plan must be approved by the Crown Agency's Board of Directors, and the Minister Responsible must agree to tabling the report. A Minister can make a public statement of non-compliance with the BTAA (or seek an exemption) as an alternative to tabling a Service Plan on Budget Day if the Minister is not prepared to table a Service Plan on that day (if, for example, the Crown Agency is in start-up mode). In such a case, the Service Plan would be tabled at a later date in the fiscal year.

8.3.2 Timelines

In order to meet the scheduled February Budget Day deadline, the following is a schedule of key dates.

KEY DATES

December

- Draft Service Plans sent to Minister Responsible for review, to ensure financial plan is consistent with forecast provided to Treasury Board in September, and consistent with any specific financial decisions made by Treasury Board.

January

- Minister Responsible sends comments back to Crowns on draft Service Plans.
- Draft Service Plan, incorporating Minister's comments, submitted to Minister Responsible for tabling.

3rd Tuesday in February

- Service Plans tabled by Ministers Responsible in the Legislative Assembly on the same day the Budget is tabled.

Ongoing

- Review of Service Plans and Annual Reports by the Legislative Assembly or its committees and by the Office of the Auditor General.

8.3.3 Publication and Posting

After Service Plans are tabled in the Legislative Assembly, they are made available to the public on both the Government and Crown Agency websites.

8.3.4 Subsequent Review

Crown Agency Service Plans may be reviewed by a Committee of the Legislative Assembly and are subject to Estimates debate. If a Crown Agency Service Plan is selected for Committee review, Board members or executive staff of the Crown Agency may be required to make a presentation at the committee meeting and to answer any questions posed by committee members.

8.4 Tribunals and Advisory Boards

Tribunals and Advisory Boards are not required under the BTAA to provide Service Plans. Most Tribunals and Advisory Boards are included in the Service Plans of their host Ministries and are monitored on a quarterly basis.

8.5 SUCH Sector Organizations

SUCH sector host Ministries have established planning and accountability frameworks for SUCH Sector Organizations.

8.6 Summary of the Annual Business Cycle

As the annual *Requirements and Events Calendars* for Commercial and Service Delivery Crown Corporations and SUCH Sector Organizations are completed and updated, they are forwarded to the Crown Agencies.

8.7 Staff Roles and Responsibilities

Crown Agencies Secretariat

- Provides Service Plan guidelines.
- Reviews and provides advice to the Minister Responsible on Service Plans prepared by Commercial Crown Corporations.
- Ensures Service Plans for Commercial Crown Corporations are provided to Queens Printer for distribution to MLAs on Budget Day and posts Service Plans to the Government website following tabling in the Legislative Assembly.
- Ensures Crown Agencies post Service Plans to their websites following tabling in the Legislative Assembly.

Ministry Staff (Minister Responsible)

- Review Service Plans for Service Delivery Crowns and provide advice to the Minister Responsible.
- Ensures Crown Agencies post Service Plans to their websites following tabling in the Legislative Assembly.

Ensuring Crown Agencies are Integrated into the Government Budget Process

9

Crown Agencies are part of the Government Reporting Entity and Government's Fiscal Plan, and must work closely with Government through the budget process to ensure Crown Agency budgets are consistent with the Fiscal Plan.

9.1 Overview

All Crown Agencies are part of the Government Reporting Entity. As required by the *Budget Transparency and Accountability Act*, the Government incorporates the financial plans of Crown Agencies into the overall Government fiscal plan over a multi-year period. (Reporting requirements are addressed in chapter 10.)

Crown Agencies other than Tribunals and Advisory Boards are governed by Boards of Directors who have independent authority for the Crown Agency's budget. The Crown Agency's financial plan may depend to a greater or lesser extent on Government funding through a grant or payment for services, which will be subject to Treasury Board approval and appropriate approval by the Legislative Assembly.

A set of budget procedures have been designed for Crown Agencies that is consistent with the accountability of their Boards of Directors for their financial plans, and which allow for a greater focus on performance-based outcomes.

In order to understand the impact of Crown Agencies on the Government's fiscal plan, Treasury Board may ask a number of Crown Agencies and their Ministers Responsible to present their financial plans to Treasury Board. Ministers Responsible for Service Delivery Crown Corporations and SUCH Sector Organizations are required to present the financial plans for these organizations along with the financial plan for their Ministry.

Tribunals and Advisory Boards are part of the Consolidated Revenue Fund and are included within Ministry budgets.

See Guidelines for Commercial and Service Delivery Crown Corporation Service Plans:
<http://www.gov.bc.ca/cas/down>

9.2 Summary of the Budget Process

Treasury Board staff issue budget instructions each year.

Four times each year, Crown Agencies are required to submit to their Minister Responsible and Treasury Board a forecast of expected revenues and expenditures for the current and next four fiscal years. This information is required in May, August, October and January, and assists Government with its fiscal planning and the development of multi-year budget objectives. Operating and capital forecasts are used by Treasury Board Staff for the preparation of the provincial Budget and ongoing management of the Fiscal Plan.

Every year, separate budget process instructions are issued to Commercial and Service Delivery Crown Corporations. These are communicated to both Ministers Responsible and Crown Agencies in August.

Board-approved financial forecasts for Service Delivery Crown Corporations and SUCH organizations are presented to Treasury Board as part of Ministry budgets in September/October. This is done to confirm operating and capital-funding assumptions, and to ensure operating deficits do not occur without prior explicit Treasury Board approval. By December, Ministers Responsible advise Service Delivery Crown Corporations on preliminary funding. Ministers Responsible advise SUCH sector organizations of their funding according to their accountability framework processes. Government funding to Crown Agencies is also reflected in the provincial Budget through annual voted and Ministry-specific appropriations. Recoveries collected from Crown Agencies are also included in the Budget.

Ministers Responsible submit Commercial Crown Corporation operating and capital forecasts to Treasury Board staff by mid September, and present them to Treasury Board in the fall.

The Minister of Finance does not provide directions related to Crown Agency forecasts through this process – this is a subject for Treasury Board direction and for discussion between the Minister Responsible and the Crown Agency Board. These discussions occur during finalization of the Shareholder's Letter of Expectations / Memorandum of Understanding and during review of the Service Plan. However, in keeping with Government's commitment to an ongoing balanced-budget regime, Crown Agencies are expected to plan for and meet balanced-budget targets.

The amount of the grant and/or fee for service (if any) provided to a Crown Agency is determined during the negotiation of the Funding / Service Agreement between the Minister Responsible and the Crown Agency, and is subject to the approval requirements for an appropriation. This amount is included in the Ministry's budget package and presented by the Minister to Treasury Board to seek approval.

The Service Plan of Commercial and Service Delivery Crown Corporations will include its financial forecast and any grants/fees for service from Government. The Minister Responsible must ensure that the financial assumptions in Service Plans are consistent with Government's fiscal plan prior to the Service Plan being tabled in the Legislative Assembly.

9.2.1 Approval of Rates and Fees

Some Crown Agencies (e.g. Commercial Crown Corporations such as BC Hydro, BC Transmission Corporation and the Insurance Corporation of British Columbia) may have their tariffs, charges or fees regulated. The BC Utilities Commission is one of the independent regulatory agencies that carries out this function.

Taxpayer-supported Crown Agencies (e.g. Service Delivery Crown Corporations) must obtain Treasury Board approval for new fees, or revisions to existing fees. Revisions include increases, decreases, eliminations and exemptions. The approval requirement also applies to licenses, fines and other user charges or penalties.

The annual budget process is the only window for Treasury Board to review and approve proposals for new or revised fees. This typically begins in September.

Fee instructions, checklists and the Fee Issue Paper template can be obtained on the Treasury Board staff intranet site at:

<http://www.min.fin.gov.bc.ca/tbs/FPE/fees.stm> or by contacting the Fiscal Planning and Estimates Branch of Treasury Board Staff.

9.2.2 Key Dates in the Budget Process

KEY DATES *

End of May

- Multi-year forecasts provided by Crown Agencies to Minister Responsible and Treasury Board Staff.

August

- Treasury Board staff issues separate budget process instructions to Commercial and Service Delivery Crown Corporations.

Mid-August

- Board-approved Crown Agency financial plans provided to Minister Responsible and Treasury Board Staff.

September/ October

- Service Delivery Crown Corporation and SUCH organization operating and capital budgets presented to Treasury Board, including appropriation requests related to funding, as part of Ministry budgets. Capital or operating plans may also be reviewed at other times during the fiscal year.

Fall

- Ministers Responsible present Commercial Crown Corporation operating and capital forecasts to Treasury Board. Capital or operating plans may also be reviewed at other times during the fiscal year.

By December

- Ministers Responsible advise Service Delivery Crown Corporations on preliminary funding.

Mid-December

- Commercial Crown Corporation draft Service Plans provided to Crown Agencies Secretariat for review. Service Delivery Crown Corporation draft Service Plans to Ministry contacts for review.

Mid-January

- Draft Service Plans sent to Minister Responsible for review.

January

- Minister Responsible reviews Service Plans of Commercial and Service Delivery Crown Corporations, including financial plans. Minister Responsible is accountable for ensuring that the final Service Plan that is tabled is consistent with any Treasury Board direction/approvals in the fiscal plan. Service Plans, including financial plans, are finalized and approved by Crown Agency Boards and Ministers Responsible.

February

- Service Plans tabled by the Minister of Finance on behalf of the Minister Responsible in the Legislative Assembly on the same day the Budget and Fiscal Plan is tabled (3rd Tuesday).

* This process and timing may vary for SUCH Sector Organizations.

9.3 Tribunals and Advisory Boards

Tribunals and Advisory Boards are funded from the Consolidated Revenue Fund and are included in the budget process of their host Ministry.

9.4 Staff Roles and Responsibilities

Crown Agencies Secretariat

- Provides support to Government (Treasury Board and Ministers Responsible) and Commercial Crown Corporations throughout the Budget process.

Treasury Board Staff

- Provides advice and analysis to Treasury Board (the Cabinet Committee responsible for budget and management matters) on Service Delivery Crown Corporation budgets submitted with Ministry budgets and ensures all Crown Agency information is incorporated into the Budget and Fiscal Plan.
- Develops the Government's three-year Fiscal Plan and identifies, monitors and manages significant risks and opportunities relating to the plan (including Crown Agency information).
- Manages the Government Budget and estimates reporting process, and produces the Budget, estimates and Budget consultation document.

Ministry Staff (Minister Responsible)

- Provides support to Government and Service Delivery Crown Corporations throughout the Budget process.
- Advises Minister Responsible on Crown Agency budget and Service Plan submissions, reviewing to ensure any Government funding is consistent with the Ministry budget and Service Plan.

Ensuring Crown Agencies Meet Government Reporting Requirements

10

A basic tenant of reporting is a “No Surprises” policy. Crown Agencies are expected to inform Government of all emerging strategic issues on an ongoing basis.

Reporting information concerning the financial and performance results of Crown Agencies that is credible, timely and complete is a key component in meeting the accountability expectations of the Legislative Assembly and the public.

The *Budget Transparency and Accountability Act* requires that Ministers Responsible ensure that Commercial and Service Delivery Crown Corporations and SUCH Sector Organizations report quarterly and annually. The *Budget Transparency and Accountability Act* requires Ministers Responsible to make public an Annual Report for Commercial and Service Delivery Crown Corporations that compares actual results against the performance objectives and targets set out in the Service Plans.

10.1 Government Reporting Requirements

Defined reporting processes are one of the key mechanisms through which Crown Agencies remain accountable for their performance.

Under the *Budget Transparency and Accountability Act* (BTAA), Ministers Responsible are required to ensure Crown Agencies report quarterly and annually on their performance.

Crown Agencies may have additional reporting requirements in their enabling legislation.

10.1.1 Information Requirements and Events Calendar

An *Information Requirements and Events Calendar* is distributed to all Crown Agencies. There are different versions for Commercial and Service Delivery Crown Corporations, and for SUCH Sector Organizations. The differences primarily relate to the budget process, and how these organizations are consolidated into Government’s Summary Accounts. These calendars set out the dates on which Crown Agencies must submit financial information, Service Plans, Annual Reports and other information to Government in order to meet legislated publication dates and other Government requirements. The *Information Requirements and Events Calendars*

See Guidelines for Commercial and Service Delivery Crown Corporation Annual Reports:

<http://www.gov.bc.ca/cas/down>

specify that certain information being submitted will require approval of the Crown Agency Boards of Directors. Crown Agencies should schedule Board meetings to address these requirements.

The SUCH sector has been exempted from the BTAA requirement for Service Plans and Annual Reports. SUCH Sector Organizations prepare Business Plans and Annual

Reports based on their established governance practices and requirements. Also, the Service Plans and Annual Reports for the relevant Ministries include consolidated financial and performance information regarding the SUCH sector.

Act	Reporting Requirements	Timing	Directed to	Resources
Budget Transparency and Accountability Act	Service Plan that outlines three-year goals and performance objectives consistent with Government's Strategic and Fiscal Plan, and mandate of Crown Agency	To Minister in December Made public 3rd Tuesday in February	Minister Responsible, approval and tabling in the Legislative Assembly with provincial Budget estimates	See chapter 8 of manual, and Service Plan and Annual Report Guidelines on Crown Agencies Secretariat web site
	Quarterly Reports that set out year to-date financial information and forecasts and projections	Crown Agencies submit in May, August, October, January Government reports June, September, November, February	Minister Responsible must ensure information is directed to Minister of Finance for publication of Quarterly Report and public release	See Section 10.2 and Reporting Guidelines
	Annual Service Plan Report that reports on actual results against Service Plan goals	Draft to Minister early June Government reports end of June	Minister Responsible must approve and make public on same day as Public Accounts	See Section 10.3 and the Service Plan and Annual Report Guidelines on Crown Agencies Secretariat web site
Financial Information Act	Statement of Financial Information containing schedules of assets, liabilities, debt, guarantees and indemnities, employee remuneration and expenses, and payments to suppliers	Within three or six months of fiscal year end, as required by the Act	Minister Responsible must ensure compliance with the Act Primary responsibility for compliance rests with the reporting Crown Agency	Office of the Comptroller General website provides guidance package for preparation by Crown Agencies and compliance checklist for Ministry staff: www.fin.gov.bc.ca/ocg/fmb/FIA/fia.htm
Multiculturalism Act	Annual report that describes the efforts taken by the Crown Agency to promote Government's multiculturalism policies as set out in the Act	By May 31	The Minister Responsible for the <i>Multiculturalism Act</i> – omnibus report tabled in Legislative Assembly that combines Annual Reports from Ministries, Crown Agencies and the Multiculturalism Advisory Council	Relevant branch in Ministry responsible for Multiculturalism
Public Sector Employers Act	Report on Executive Compensation that specifies the terms and conditions of employment related to senior employee compensation and any changes that may occur	Within 15 days of entering into, or modifying, a contract for employment (requires pre-approval)	CEO of Public Sector Employers' Council Secretariat in a form acceptable to him or her	Public Sector Employers' Council Secretariat

10.2 Quarterly Reports

Government reports on the overall financial performance of the Government Reporting Entity through quarterly reports that disclose year-to-date revenue and expenditures, forecasts of revenues and expenditures to the end of the fiscal year, staff utilization, major capital expenditures and debt summaries, and any other information the Minister of Finance considers appropriate.

Boards may establish their own internal performance monitoring and reporting procedures with management and may release quarterly reports independently. In this case, a Communications plan for the release of the information should be prepared and the Minister Responsible should be appropriately briefed in advance. As part of the Government Reporting Entity, all Crown Agencies are required to provide information needed for the preparation of the quarterly reports whether or not quarterly financial reports are independently released by the Crown Agency.

10.2.1 Review Process

The Minister Responsible is required to ensure that quarterly reporting information is submitted to the Minister of Finance. During the Shareholder's Letter of Expectations / Memorandum of Understanding process, Crown Agencies are directed to comply with Government's reporting requirements and are provided with instructions on the timing and procedures for submission of quarterly reporting information. Crown Agencies are provided with an Annual Reporting calendar stipulating these reporting dates and requirements (i.e., the *Requirements and Events Calendar for Commercial and Service Delivery Crown Corporations*).

10.3 Annual Service Plan Reports (Annual Reports) for Commercial and Service Delivery Crown Corporations

Annual reports are the final element in Government's larger performance management and accountability framework that covers planning, performance measurement, and reporting. They are intended to compare the actual results for a fiscal year with the expected results as identified in the Service Plan for that fiscal year. Annual Reports are based on an organization's fiscal year, which is either January 1 to December 31, or April 1 to March 31.

Currently the Minister Responsible is required make public individual Annual Reports for Commercial Crown Corporations and Service Delivery Crown Corporations. The SUCH sector is exempted in the BTAA from this requirement for individual Annual Reports and high-level SUCH sector performance is reported out in Ministry Annual Service Plan Reports, as well as through the Annual Reports developed and issued publicly by individual SUCH Sector Organizations. Tribunals and Advisory Boards are not covered by the BTAA and are not required to table Annual Reports, unless specified in their enabling legislation.

Although the Annual Report reflects planned performance documented in the Service Plan (and actual results), it is a stand-alone document, and should include sufficient detail to be read and understood in isolation from the Service Plan. It is intended to advance the public's understanding of the service provided and results achieved, and the performance of the Crown Agency compared to its Service Plan. It should include sufficient detail to give the reader confidence in the information's relevance and reliability.

The BTAA stipulates that Annual Reports on Service Plans must be made public annually through tabling in the Legislative Assembly if it is in session, or through filing with the Clerk if the Legislative Assembly is not in session. Copies of the reports are made available to the public.

10.3.1 Review and Approval Process

Annual reports are reviewed by the Minister Responsible and approved by the Crown Agency Board of Directors, and made public by the Minister Responsible. After being made public, they may also be reviewed by the Office of the Auditor General, the Select Standing Committee on Crown Corporations, or the Public Accounts Committee.

Ministers Responsible will review draft Annual Reports for consistency with BTAA requirements. Guidelines for Annual Reports, based on these requirements and *BC's Reporting Principles*, are prepared annually by the Crown Agencies Secretariat (<http://www.gov.bc.ca/cas/rpts/>).

Crown Agency Boards of Directors are accountable for the information contained in Annual Reports and for results achieved, and Chairs must sign a statement acknowledging this.

10.3.2 Timelines

Annual Reports are to be made public with the Government's Public Accounts. The following is a schedule of key dates for Annual Reports.

KEY DATES	Crown Agencies with Dec 31 Year-end	Crown Agencies with Mar 31 Year-end
Crown Agency submits draft Annual Report to Ministry contact (for Service Delivery Crown Corporations) or Crown Agencies Secretariat (for Commercial Crown Corporations).	Mid April	Mid May
Crown Agency submits draft Annual Report to Minister for review.	Late April	Early June
Crown Agency submits final Board-approved Annual Report, incorporating feedback from Minister Responsible.	May	June
Minister Responsible makes the Annual Report public.	By May 31st	With Public Accounts release (last week in June)
Review of Annual Reports by the Legislative Assembly or its Committees, and the Office of the Auditor General.	Ongoing	Ongoing

10.3.3 Publication and Posting

Once the Annual Report has been made public by the Minister Responsible, an electronic version will be posted on the Government's website. Crown Agencies also post Annual Reports on their own websites, and make hard copies available.

10.3.4 Subsequent Review

Crown Agencies may have their Annual Reports reviewed by a Select Standing Committee or the Office of the Auditor General. The Auditor General publishes an annual assessment of Annual Reports (*Building Better Reports*) which provides a review against the *BC Reporting Principles*. Decisions on whether and when specific organizations will be reviewed are at the discretion of the standing committee and the Office of the Auditor General. Ministers Responsible and/or representatives from Crown Agency Boards and management may be called upon to respond to any issues identified.

10.4 Tribunals and Advisory Boards

Tribunals and Advisory Boards are not required under the BTAA to produce independent quarterly reports or Annual Reports, or to meet the other reporting requirements described (though some may have requirements in their own legislation). In general, Crown Agencies in these classifications are included in the Annual Reports prepared and made public by their host Ministries.

10.5 SUCH Sector Organizations

SUCH sector host Ministries have established reporting and accountability frameworks for SUCH sector organizations.

10.6 Staff Roles and Responsibilities

Crown Agencies Secretariat

- Provides *Annual Service Plan Report Guidelines* and advice to Crown Agencies and Government.
- Provides advice to the Minister of Finance and Ministers Responsible on Commercial Crown Corporations.
- Jointly with Treasury Board Staff and Office of Comptroller General prepares the annual *Information Requirements and Events Calendar*.

Ministry Staff (Minister Responsible)

- Provides advice to the Minister Responsible related to quarterly reporting information and draft Annual Reports prepared by Service Delivery Crown Corporations.
- Ensures compliance with *Financial Information Act* for all Crown Agencies within portfolio.

Office of the Comptroller General

- Receives year-to-date actual information from Crown Agencies and prepares quarterly consolidated financial statements for the Government Reporting Entity for publication in the Quarterly Reports.
- Receives year-end audited financial statements and comparative financial statements and prepares the Public Accounts.
- Undertake reporting according to *Balanced Budget and Ministerial Accountability Act* requirements.
- Oversees compliance with the *Financial Information Act*.
- Jointly with Treasury Board Staff and Crown Agencies Secretariat prepares the annual *Information Requirements and Events Calendar*.

Treasury Board Staff

- Receives quarterly financial plan updates and evaluates implications for Government's overall Fiscal Plan.
- Oversees publication of the Quarterly Reports and the Budget and Fiscal Plan.
- Jointly with Office of Comptroller General and Crown Agencies Secretariat prepares the annual *Information Requirements and Events Calendar*.
- Advises Treasury Board on issues affecting Government's Fiscal Plan and other financial management issues.

A mandate review allows Government and the Crown Agency to ensure that:

- The Crown Agency mandate/policy direction and function continue to be aligned with Government priorities; and
- The Crown Agency operations are conducted in the best possible way with respect to consistency with Government objectives.

Mandate reviews must be approved by Cabinet.

11.1 Mandate Review of Crown Agencies by Classification

Ministers Responsible, or Cabinet, may initiate a mandate review for Commercial and Service Delivery Crown Corporations, SUCH Sector Organizations, Advisory Boards and “Other” Crown Corporations (a sub-classification for Service Delivery Crown Corporations). The Administrative Justice Office manages reviews of the ongoing policy relevance of the Crown Agencies under its jurisdiction.

11.1.1 Purpose and Initiation of Mandate Reviews

The purposes of a mandate review are to:

- Consider whether the circumstances that led to the creation of a Crown Agency have changed sufficiently to warrant new direction on the Agency’s functions;
- Provide an opportunity to consider whether functions – either within a Crown Agency or across organizations that deliver related functions – should be restructured given changing Government priorities, customer requirements or expectations, or changes in the Government’s overall delivery strategy or policies; and
- Determine if a new Crown Agency is required to satisfy a policy objective that is best delivered with some independence from Government.

A mandate review is a significant and resource-intensive undertaking that may examine the operations and purposes of the Crown Agency in its entirety. In the absence of a full review, mandate refinements may be effected through the issuing of Directive Letters and the updating of Shareholder’s Letters of Expectations. (See chapter 6.)

The Minister Responsible may formally initiate a mandate review based on the existence of one or more of a number of factors.

Potential Triggers for Mandate Reviews

- A significant reorganization of Government functions;
- A Crown Agency is new, or has had its purpose or function significantly altered;
- Government or public dissatisfaction with the performance or operation of the Crown Agency;
- There are several organizations that support or are dependent on the activities of the Crown Agency, and these co-dependencies are not functioning adequately, or there has been a significant change in one or more of the organizations;
- Government wishes to implement major new policy initiatives that would affect the Crown Agency;
- There are ongoing or significant financial issues (losses, revenues less than budgeted, large unanticipated fluctuations) within the Crown Agency;
- The Crown Agency's budget, Service Plan, Annual Report, operating environment or governance is causing concern for the Minister, the Board, senior management or the Government;
- The Crown Agency is engaged in, or proposing to engage in, high-risk activities that could have a significant financial or operational impact on the Province;
- There have been socio-economic or structural changes that require a new Government service or reduce/eliminate the need for an existing service;
- There has been an expansion of the mandate that causes concern; and
- There have been significant issues or friction between the Crown Agency and its major stakeholders.

11.1.2 Consultation, Review and Approval Requirements

The Minister Responsible will consult with the Crown Agency's Board Chair when a mandate review is contemplated to determine the scope of the review and the level of involvement required from the Crown Agency.

The results of a mandate review must be approved by Cabinet and Treasury Board (if there are fiscal issues).

11.1.3 The Mandate Review Process

A mandate review should proceed through three sequential steps designed to:

Step 1: Determine whether the functions undertaken by the Crown Agency continue to be in the public interest;

Step 2: Evaluate whether the functions undertaken are delivered in the most efficient and effective way and in a manner consistent with Government's strategic priorities and policy objectives; and

Step 3: Consider the organizational and governance arrangements for the Crown Agency to ensure that the direction provided by Government can be appropriately carried out.

11.1.4 Staff Roles and Responsibilities

Crown Agencies Secretariat

- Provides advice to Minister Responsible and Cabinet on Mandate Review submissions as requested.

Treasury Board Staff

- Provides advice concerning Fiscal Plan implications, and impacts on Ministry budgets and appropriations.

Ministry Staff (Minister Responsible)

- Provides advice or assistance to Minister Responsible in conducting analysis and preparing mandate review submission.

Attorney General – Legal Counsel

- Identifies legislative implications related to intergovernmental agreements/obligations, contractual obligations and enabling legislation. (In conjunction with Crown Agencies Secretariat, Office of the Comptroller General, and Treasury Board Staff.)

Dissolution of a Crown Agency must be approved by Cabinet and be consistent with any statutory requirements applicable to the dissolution of the agency in question.

The process of winding-down a Crown Agency can be more complex than the process to establish one. Detailed Dissolution Guidelines are designed to ensure that Crown Agencies are wound down as efficiently as possible. The key components in initiating the dissolution process are establishing a project team and project charter to manage the wind-down.

Detailed guidelines for Crown Agency dissolution are available from the Crown Agencies Secretariat.

12.1 The Dissolution Decision

The decision to dissolve a Crown Agency typically arises from a mandate review, or a legislated program completion or termination date, and must be approved by Cabinet.

Dissolution involves a set of procedures to wind-down the business, and address financial and human-resources considerations. In the case of incorporated Crown Agencies this process leads to the execution of a legal mechanism that formally dissolves the corporate structure.

The Minister Responsible communicates the decision to dissolve the Crown Agency, and any specific instructions, to the Board of Directors. The Minister and the Board then jointly determine the composition of a project team to manage the process. The composition of the project team is described in the sections below.

The general steps in the dissolution process depend on the corporate status of the Crown Agency and on any specific provisions in the enabling legislation or applicable statutes. The specific activities required will vary and must be formally defined by the project team in a Charter that describes the scope, duration and major milestones in the dissolution process. This Charter must be approved by the Minister Responsible and the Crown Agency Board.

12.2 Dissolution of Crown Agencies

Given the complexities of winding down a Crown Agency, it is useful to create a cross-Government team to manage the process. The Ministry staff of the Minister Responsible will generally lead the process and be accountable for completion of the dissolution. Treasury Board Staff will play a major role.

Dissolution Team for Crown Agencies

Should include representatives from:

- The Ministry Responsible
- The Crown Agency
- Legal counsel representing both the Crown Agency and Government
- Office of the Comptroller General
- Treasury Board Staff
- Crown Agencies Secretariat
- The Public Sector Employers' Council Secretariat

The classification of the Crown Agency, how it was incorporated, and the complexity of its operations and/or corporate structure will all influence the scope of the project and the choice of one of the following legal mechanisms for effecting dissolution:

- The use of specific dissolution provisions in the Crown Agency's enabling legislation and/or statute;
- The application of the dissolution provisions in the *Business Corporations Act*; or
- The preparation of specific repealing legislation.

The dissolution team will need to establish a plan for the orderly elimination of the corporate infrastructure, wind-up of program delivery, liquidation of assets and management of liabilities prior to beginning the formal dissolution process.

General Considerations for Dissolution of a Crown Agency

- **Determine dissolution process** – specific statutory provisions, *Business Corporation Act* or repeal statute
- **Identify Decision Points** – determine key decisions required by Board and/or other decision makers related to critical milestones in wind-up of Crown Agency
- **Review corporate structure** – to identify scope of dissolution (e.g. are there subsidiaries affected by the dissolution of the parent corporation?)
- **Financial Management** – develop a liquidation plan to minimize loss to the Shareholder and implications for the Government Reporting Entity; identify any issues related to existing capital projects, accounting issues, estimates treatment, reporting requirements, share disposition, preparation of final audited financial statements, public accounts presentation, and recognition of the costs associated with timing of exit and/or restructuring
- **Legal and/or Contractual Obligations** – identify any pending legal issues (e.g. lawsuits, court cases etc) and/or contractual agreements and the terms for cancellation
- **Taxation and Agreements** – identify tax implications related to the liquidation of assets and revenue-generating capacity (e.g. taxation, fees, licenses), and implications for intergovernmental agreements
- **Labour Relations and Human Resources Management** – review obligations to employees (including executive contracts, severance, collective agreements, pensions, etc) and ensure staffing plan retains sufficient resources to complete dissolution
- **Communications** – develop communications strategy
- **Management of Records** – identify the entity that will act as the records office following dissolution and determine document retention and storage requirements
- **Board** – terminate appointments
- **Budget Transparency and Accountability Act Exemption** – consider exemption for reporting requirements under the BTAA
- **Administrative** – address any other administrative requirements (such as winding up web sites) that may need to be managed

12.3 Dissolution of Advisory Boards and Tribunals

The process for the dissolution of Advisory Boards will depend on whether or not there is an enabling statute (a Tribunal is always formed by statute). In exceptional circumstances, this legislation may contain special provisions related to the dissolution of the Advisory Board. In any event, the existence of an enabling statute will require repeal of the enabling statute.

Composition of the project team will be based on the type and complexity of the Crown Agency.

Dissolution Team for Advisory Boards

Should include Ministry staff (Minister Responsible)

May include representatives from:

- The Crown Agency
- Office of the Comptroller General
- Treasury Board Staff
- The Public Service Agency and/or the Public Sector Employers' Council Secretariat

Dissolution of Tribunals

The Administrative Justice Office (AJO) has developed procedures that specifically address the wind-up of Tribunals. Where the dissolution of a Tribunal is contemplated, the AJO must be consulted and will typically support the management of the process.

Unincorporated Crown Agencies are managed within Government from a financial (and in some cases administrative) perspective. Dissolution of such Crown Agencies must therefore follow procedures required for the elimination of Government programs.

General Considerations for Dissolution of Tribunals and Advisory Boards

- **Legislative** – requirements to effect dissolution and repeal enabling statute
- **Program-Related** – develop plans for communicating change in program delivery and/or termination of services provided by the Agency
- **Financial** – transfer of assets and/or trust funds; eliminate budget allocations; provide for any compensation issues related to termination of staff and/or Board members; address any liabilities, lease obligations or other contractual obligations; recognize costs associated with timing of exit and/or restructuring
- **Human resources** – relocate and/or terminate Agency staff (if any)
- **Board-Related** – terminate appointments
- **Management of Records** – identify the entity that will act as the records office following dissolution and determine document retention and storage requirements
- **Administrative** – address any other administrative requirements (such as winding up web sites) that may need to be managed

12.4 Staff Roles and Responsibilities

Crown Agencies Secretariat

- Provides dissolution guidelines and advice to Crown Agencies, their Boards, Cabinet and Ministers Responsible on the dissolution process.
- May participate on the project team for the dissolution of a Crown Agency.
- Maintains Crown Registry and updates based on any dissolutions.

Administrative Justice Office

- Where the dissolution of a Tribunal is contemplated the AJO should be consulted and will typically provide advice to support the management of the process.

Staff of Ministry Responsible

- Will lead the project team for the dissolution.
- Must inform Crown Agencies Secretariat of dissolution to ensure Crown Registry is accurate.

Ministry of Attorney General – Legal Counsel

- Identifies legislative implications related to intergovernmental agreements/obligations, contractual obligations and enabling legislation. (In conjunction with Crown Agencies Secretariat, Office of the Comptroller General, and Treasury Board Staff.)

Office of the Comptroller General

- Member of the project team.

Treasury Board Staff

- Member of the project team; identifies any fiscal issues or matters requiring Treasury Board decision.

Ministry of Finance – Tax Policy Branch

- May be consulted to identify tax implications related to the liquidation of assets and revenue-generating capacity (e.g. taxation, fees, licenses), and implications for intergovernmental agreements.

Public Sector Employers' Council Secretariat or the Public Service Agency

- May be a member of the project team.

Board Resourcing and Development Office

- Should be consulted concerning processes for dissolution of the Board of Directors.

Glossary

Agency Boards and Commissions Remuneration Committee

Senior staff level committee in the Ministry of Finance that administers Treasury Board Directives on Tribunal Chair and Board Director remuneration.

Administrative Justice Office

Office within the Ministry of the Attorney General that researches and advises Government, Ministries and Administrative Tribunals on administrative justice reform and opportunities for on going improvements to British Columbia's administrative justice system

Advisory Board – Classification of Crown Agency.

These are not separate legal entities and are therefore part of a Ministry and the Consolidated Revenue Fund. Their purpose is to provide advice to a Minister or Cabinet. There are generally two different types of Advisory Boards: Program Advisory Boards (ongoing advice) and Special Purpose Advisory Boards (limited duration).

Annual Service Plan Report

A Commercial and Service Delivery Crown Corporation document (referred to in this manual as the Annual Report), that is required by the amended *Budget Transparency and Accountability Act*. This report may contain information found in a traditional Annual Report, with the additional requirement that a Commercial and/or Service Delivery Crown Corporation's performance in meeting its service goals and targets is emphasized in the document. The document must link directly back to the corresponding Service Plan and be produced according to the *BC Reporting Principles*.

BC Reporting Principles

Eight guiding principles, endorsed by the Public Accounts Committee and the Auditor General, intended to guide the development and assessment of Service Plans and Annual Reports.

(<http://www.bcauditor.com/performance/guides/QRFFuly2004.pdf>)

BTAA

Budget Transparency and Accountability Act.

Board of Directors

Includes Boards of Trustees, Boards of Governors and other governing Boards of Crown Agencies, however named.

Board Resourcing and Development Office (BRDO)

The office responsible for overseeing public sector Board appointments in the province including establishing appointment guidelines, ensuring individual candidates for appointments are chosen based on merit, and supporting Board development.

Commercial Crown Corporation

Classification of Crown Agency. These are Crown Agencies within the Government Reporting Entity (GRE) that deliver goods and services on a commercial basis and charge rates for services.

Consolidated Revenue Fund (CRF)

As defined in the *Financial Administration Act*, the fund into which all public money other than trust funds must be paid.

Crown Agencies Secretariat (CAS)

A Secretariat in the Ministry of Finance. CAS is responsible for maintaining the *Crown Agency Accountability System* and ensures that Cabinet, Ministers Responsible, Crown Agency Boards of Directors and their respective staffs are provided with the resources required to discharge their roles and responsibilities relative to it. CAS also operates as a policy resource to Government for the development of governance policy for Crown Agencies, and functions as Government's oversight body for Commercial Crown Corporations.

Crown Agency

An organization, other than a Ministry over which Government has a controlling interest. This includes:

- (a) A Government organization as defined in the *Budget Transparency and Accountability Act*; and
- (b) A board, commission, council or other body of persons, whether or not incorporated, of which more than half of the members or more than half of the board of management or board of directors is appointed pursuant to an Act, an by order of the Lieutenant Governor in Council, or by a Minister of the Government.

This definition captures the broad class of "Government organization" (as defined in the BTAA) that is part of the Government Reporting Entity, but not part of the Consolidated Revenue Fund. It also includes organizations that may not have separate legal status, and thus be considered part of the Consolidated Revenue Fund of Government, by recognizing them as a "board", "commission", "council" or "other body of persons"; with further reference to the extent of Government control over appointments.

Crown Agency Registry

Listing of Crown Agencies (Crown Corporations, SUCH Sector Organizations, Advisory Boards and Tribunals) on the Crown Agency Secretariat web site.

Crown Corporation

Crown Agencies that are separate legal entities and are incorporated (includes the classifications Commercial Crown Corporations and Service Delivery Crown Corporations, and also includes the BC Liquor Distribution Branch).

Directive Letter

A letter to a Crown Agency from the Minister Responsible outlining direction relating to new initiatives that may arise during the course of a planning cycle.

FAA

Financial Administration Act.

FIA

Financial Information Act.

FOIPPA

Freedom of Information and Privacy Protection Act.

Financial Vehicle/ Service Delivery Crown Corporation

Classification of Crown Agency. These are statutory corporations within the Government Reporting Entity that are usually a time-limited capital-project or fund-disbursement mechanism.

Government Reporting Entity (GRE)

Consists of organizations that meet the criteria of control (by the Province) as established under Generally Accepted Accounting Principles (GAAP).

Independent Authorities

Public organizations created by Government (by statute or through incorporation under the *Business Corporations Act* or *Society Act*) to undertake functions that have a public purpose that cannot appropriately be delivered by the private sector. They may or may not utilize public funds or assets, but unlike Crown Agencies, Government has no requirement for direct control over policy or operations. Independent Authorities are outside the Government Reporting Entity and are distinct from Local Governments and/or self-regulating bodies.

Information Requirements and Events Calendar

A listing of various information requirements for Commercial and Service Delivery Crown Corporations (quarterly reports, Service Plans, Annual Reports, etc.) and their due dates.

(http://www.gov.bc.ca/cas/down/06_07_calendar_commercial.pdf)

MAG

Ministry of the Attorney General. For the purposes of the governance of Crown Agencies, MAG provides legal counsel and advice, particularly in the areas of establishment and dissolution of Crown Agencies.

Mandate

The authorization set out by Cabinet to define the scope of purpose and powers of an organization.

Memorandum of Understanding

Similar to the Shareholder's Letter of Expectations, but generally used for those Crown Agencies other than Commercial and Service Delivery Crown Corporations. A directive from the Minister Responsible to the Chair of a Crown Agency Board, to communicate ongoing priorities and direction as Government priorities evolve.

Minister Responsible

The Government's (Shareholder's) designated representative with responsibility for oversight of Crown Agency operation, and the key link between Cabinet and the Crown Agency Board.

OCG

Office of the Comptroller General. The OCG contributes to the Ministry of Finance Service Plan in the core areas of financial and procurement governance, risk-based payment review, accounting, reporting and internal audit.

“Other” Crown Corporation

Sub-Classification of Service Delivery Crown Corporation. These are statutory corporations within the Government Reporting Entity that deliver goods and services to Government and public; they are taxpayer-supported and are not-for-profit.

PSEC Secretariat

Public Sector Employers' Council Secretariat. PSEC coordinates the management of human resources and labour relations policies and practices in the public sector to foster an efficient and effective workforce.

Quasi-Commercial Service Delivery Crown Corporation

Sub-Classification of Service Delivery Crown Corporation. These are statutory corporations within the Government Reporting Entity that deliver goods and services to Government and public, charging fees to recover some costs.

Service Delivery Crown Corporation

Category of Crown Agency. These are either statutory corporations or Society Act corporations within the Government Reporting Entity that deliver Ministry programs with no (or notional) fees.

Service/Funding Agreement

A specific contract between a Crown Agency and a Ministry. The Agreement typically sets out a funding arrangement for services to be provided by the Crown Agency on behalf of a Ministry.

Service Plan

A plan that reflects a Commercial and/or Service Delivery Crown Corporation's strategic direction and is made public in compliance with the BTAA. Prepared according to the BC Reporting Principles, and tabled along with the Budget in the Legislative Assembly.

Shareholder's Letter of Expectations

A letter from the Minister Responsible to the Chair of a Crown Agency, reviewed and approved by Cabinet, communicating ongoing priorities and direction as Government priorities evolve. The Shareholder's Letter of Expectations documents Government's mandate direction to and expectations of the Crown Agency, including governance issues, core services, public policy issues, strategic priorities and performance expectations.

SSCCC

Select Standing Committee on Crown Corporations. A committee appointed by the Legislative Assembly to undertake more detailed business regarding Crown Agencies on behalf of the Legislative Assembly.

SUCH Sector Crown Agencies

A classification of Crown Agency. These include school boards of trustees, universities, colleges, and health organizations. Statutory Crown Agencies that are within the Government Reporting Entity, but currently exempt from BTAA Service Plan and Annual Report requirements.

TBS

Treasury Board Staff. Treasury Board Staff provide financial management, economic, revenue, capital and balance sheet management advice to Government. TBS undertakes development and management of the provincial Government's Budget and three-year Fiscal Plan, production of the Budget and Fiscal Plan, the Estimates, Quarterly Reports, and other related documents. TBS develop economic, revenue, spending and financial position forecasts, and provide advice and recommendations to Treasury Board on financial management issues.

Tribunal

A classification of Crown Agency. These have no separate legal status from the relevant Ministry and are within the Consolidated Revenue Fund. Their purpose is to make decisions on statutory rights and obligations, and they may be subject to the *Administrative Justice Act*.

Crown Agencies Required to Produce Service Plans and Annual Reports

per the *Budget Transparency and Accountability Act*, as of April 1, 2006

- BC Assessment Authority
- BC Buildings Corporation (wind up report)
- BC Games Society
- BC Housing Management Commission
- BC Hydro and Power Authority
- BC Innovation Council
- BC Liquor Distribution Branch
- BC Lottery Corporation
- BC Pavilion Corporation
- BC Railway Company
- BC Securities Commission
- BC Transmission Corporation
- BC Transit
- Columbia Basin Trust
- Columbia Power Corporation
- Community Living BC
- First Peoples Heritage, Language and Culture Council
- Forestry Innovation Investment Ltd.
- Homeowner Protection Office
- Industry Training Authority
- Insurance Corporation of British Columbia
- Land and Water BC (wind up report)
- Legal Services Society
- Oil and Gas Commission
- Partnerships BC
- Provincial Capital Commission
- Royal British Columbia Museum
- Tourism British Columbia
- Vancouver Convention Centre Expansion Project Ltd.

Crown Agency Registry

Crown Agencies (within the Government Reporting Entity) by Classification as of April 1, 2006

Listings in italics denote a subsidiary

Commercial Crown Corporations

BC Hydro and Power Authority

- *BC Hydro Services Asset Corporation*
- *British Columbia Hydro International Ltd. (inactive)*
- *British Columbia Power Exchange Corporation*
- *British Columbia Power Export Corporation*
- *Burton Water Corporation (inactive)*
- *Columbia Estate Company Ltd. (inactive)*
- *Columbia Hydro Constructors Ltd.*
- *Edgewood Water Corporation (inactive)*
- *Edmonds Centre Developments Ltd. (inactive)*
- *Fauquier Water Corporation (inactive)*
- *Georgia Strait Crossing Pipeline Ltd (inactive)*
- *GSX Holdings Ltd.*
- *GSX Pipeline (US) Corporation*
- *GSX Canada Limited Partnership (inactive)*
- *Peace Power Constructors Ltd. (inactive)*
- *Powerex Corporation*
- *Powertech Labs Inc.*
- *Tongass Power and Light Company (inactive)*
- *Vancouver Island Energy Corporation (inactive)*
- *Victoria Gas Company Ltd. (inactive)*
- *West Robson Water Corporation (inactive)*
- *Westech Information Systems Inc. (inactive)*

BC Liquor Distribution Branch

BC Lottery Corporation

- *BC Lotto Technology International*

BC Transmission Corporation

BC Railway Company

- *BCR Captive Insurance Co. Ltd.*
- *BCR Port Subdivision Ltd.*
- *BCR Properties Ltd.*
 - *BCR Railcar Leasing Ltd. (inactive)*
 - *BCR Finav No. 3 Ltd. (inactive)*
 - *498344 British Columbia Ltd.*
- *Vancouver Wharves Ltd.*
 - *Vancouver Shipping Agencies Ltd. (inactive)*
 - *Vancouver Wharves Limited Partnership*

Columbia Power Corporation

- *Arrow Lakes Power Corporation*
- *Brilliant Power Expansion Corporation*
- *Brilliant Power Corporation*
- *Power Project Planning Joint Venture*
- *Waneta Expansion Power Corporation*

Note: above subsidiaries are joint ventures with Columbia Basin Trust

Insurance Corporation of BC

- *150 EAE Property Ltd.*
- *596961 B.C. Ltd.*
- *CDP (Burlington) Ltd.*
- *Dorsquare Office Building Ltd.*
- *Iroquois Ridge Shopping Centre Ltd.*
- *Surrey City Centre Mall Ltd.*

Service Delivery

Crown corporations

FINANCIAL VEHICLE / CAPITAL PROJECT

- 552513 BC Ltd.
- BC Immigrant Investment Fund Ltd.
- BCIF Management Ltd.
 - *BC Investment Fund Ltd.*
- BC Transportation Financing Authority
- Forestry Innovation Investment Ltd.
 - *FII Consulting (Shanghai) Company Ltd.*
- Rapid Transit Project 2000 Ltd.
- Vancouver Convention Centre Expansion Project Ltd.

QUASI-COMMERCIAL

- BC Assessment Authority
- BC Pavilion Corporation
- BC Transit
- Columbia Basin Trust
 - *CBT Commercial Finance Corporation*
 - *CBT Energy Inc.*
 - *CBT Arrow Lakes Power Development Corporation*
 - *Arrow Lakes Power Corporation**
 - *CBT Brilliant Expansion Power Corporation*
 - *Brilliant Power Expansion Corporation**
 - *CBT Power Corporation*
 - *Brilliant Power Corporation**
 - *Power Project Planning Joint Venture**
 - *Waneta Expansion Power Corporation**
 - *CBT Real Estate Investment Corporation*
 - *CBT Venture Capital Corporation*

Note: * indicates joint venture with Columbia Power Corporation

Partnerships BC Inc.

- *Abbotsford Regional Hospital and Cancer Centre Inc.*

Provincial Capital Commission

Tourism BC

Royal BC Museum

OTHER

- BC Games Society
- BC Housing Management Commission
- BC Innovation Council
- BC Securities Commission
- Community Living BC
- Creston Valley Wildlife Management Authority
- First Peoples' Heritage, Language, and Culture Council
- Homeowner Protection Office
- Industry Training Authority
- Legal Services Society
- Oil and Gas Commission
- Open Learning Agency
- Organized Crime Agency of BC
- Provincial Rental Housing Corporation

School Boards of Trustees

Abbotsford
Alberni
Arrow Lakes
Boundary
Bulkley Valley
Burnaby
Campbell River
Cariboo-Chilcotin
Central Coast
Central-Okanagan
Chilliwack
Coast Mountains
Comox Valley
Coquitlam
Cowichan Valley
Delta
Fort Nelson
Francophone Education Authority
Fraser-Cascade
Gold Trail
Greater Victoria
Gulf Islands
Haida Gwaii/Queen Charlotte
Howe Sound
Kamloops-Thompson
Kootenay Lake
Kootenay-Columbia
Langley
Maple Ridge-Pitt Meadows
Mission
Nanaimo-Ladysmith
Nechako Lake
New Westminster
Nicola-Similkameen
Nisga'a
North Okanagan
North Vancouver
Okanagan-Similkameen
Okanagan-Skaha
Peace River
Peace River South
Powell River
Prince George
Prince Rupert
Qualicum
Quesnel Revelstoke
Richmond
Rocky Mountain
Saanich
Shuswap
Sooke
South East Kootenay
Stikine
Sunshine Coast
Surrey
Vancouver
Vancouver Island North
Vancouver Island West
Vernon
West Vancouver

Universities / Colleges

British Columbia Institute of Technology
Camosun College
Capilano College
College of New Caledonia
College of the Rockies
Douglas College
Emily Carr Institute of Art and Design
Institute of Indigenous Government
Justice Institute of British Columbia
Kwantlen University College
Langara College
Malaspina University College
Nicola Valley Institute of Technology
North Island College
Northern Lights College
Northwest Community College
Okanagan College
Royal Roads University
Selkirk College
Simon Fraser University
The University of British Columbia
Thompson Rivers University
University College of the Fraser Valley
University of Northern British Columbia
University of Victoria
Vancouver Community College

Health Organizations

Bella Coola General Hospital
Fraser Health Authority
Interior Health Authority
Louis Brier Home and Hospital
Menno Hospital (Mennonite Benevolent Society)
Mount St. Mary Hospital
Nisga'a Valley Health Authority
Northern Health Authority
Providence Health Care (including St. Paul's, Holy Family)
Provincial Health Services Authority
RW Large Memorial Hospital
St. Joseph's General Hospital
St. Michael's Centre
Vancouver Coastal Health Authority
Vancouver Island Health Authority
Wrinch Memorial Hospital

Tribunals

BC Board of Parole
BC Farm Industry Review Board
BC Human Rights Tribunal
BC Review Board
BC Utilities Commission
Building Code Appeal Board
Community Care and Assisted Living Appeal Board
Employment and Assistance Appeal Tribunal
Employment Standards Tribunal
Environmental Appeal Board
Financial Services Tribunal
Forest Appeals Commission
Forest Practices Board
Hospital Appeal Board
Industry Training Appeal Board
Labour Relations Board
Mediation and Arbitration Board
Medical Services Commission
Mental Health Review Board
Passenger Transportation Board
Property Assessment Appeal Board
Property Assessment Review Panels
Provincial Agricultural Land Commission
Residential Tenancy Arbitrators
Safety Standards Appeal Board
Workers' Compensation Appeal Tribunal

Advisory Boards

Accounting Policy Advisory Committee
Alternative Energy and Power Technology Task Force
Asia-Pacific Trade Council
Assayers Certification Board of Examiners
Auditor Certification Board
BC Agri-Food Trade Council
BC Arts Council
BC Broiler Hatching Egg Commission
BC Chicken Marketing Board
BC Competition Council
BC Council on Admissions and Transfer
BC Cranberry Marketing Board
BC Egg Marketing Board
BC Ferry Commission
BC Forest Revitalization Trust Advisory Board
BC Hog Marketing Commission
BC Milk Marketing Board
BC Multicultural Advisory Council
BC Progress Board
BC Oil and Gas Commission Advisory Council
BC Student Assistance Program Appeals Committee
BC Turkey Marketing Board
BC Vegetable Marketing Commission
Board of Examiners
Board of Examiners in Education
Building Policy Advisory Committee
Collective Agreement Joint Advisory Council
Joint Advisory Committee
Education Advisory Council
Electoral Boundaries Commission

Dease Lake and Atlin Advisory Planning Commission
Emergency Health Services Commission
Financial Institutions Commission
Degree Quality Assessment Board
Independent School Teacher Certification Committee
Insurance Council of BC
Islands Trust Fund Board
Judicial Council
Land Use Advisory Groups
Leading Edge Endowment Fund Board
Learning Roundtable
Minister's Advisory Council on Mental Health
Minister's Advisory Council on Post Secondary Education
Minister's Council on Employment for Persons with Disabilities
Minister's Forest and Range Practices Advisory Council
Native Economic Development Advisory Board
Muskwa Kechika Advisory Board
Nechako-Kitimaat Development Fund Society
Notaries Public Board of Examiners
Pension Benefits Standards Advisory Council
Premier's Advisory Panel on Literacy
Premier's Council on Aging and Seniors' Issues
Premier's Task Force on Community Opportunities
Premier's Task Force on Homelessness, Mental Illness and Addictions
Premier's Technology Council
Private Career Training Institutions Agency
Private Managed Forest Land Council
Public Documents Committee
Real Estate Council
Regional Transportation Advisory Committees (North Coast; Northeast; Cariboo; Vancouver Island; South Coast/Mountain; Fraser Valley; Thompson / Okanagan; Kootenay)
Securities Law Advisory Committee
Securities Policy Advisory Committee
Small Business Roundtable
Timber Export Advisory Committee

Crown Agency Registry

Crown Agencies (within the Government Reporting Entity) by Ministers Responsible as of April 1, 2006

Listings in italics denote a subsidiary

Office of the Premier

Minister Responsible

Honourable Gordon Campbell

Commercial Crowns..... N/A
 Service-Delivery Crown..... N/A
 SUCH Sector Organizations ... N/A
 Tribunals..... N/A
 Advisory Boards BC Progress Board
 Premier's Technology Council

Aboriginal Relations and Reconciliation

Minister Responsible

Honourable Tom Christensen

Commercial Crowns..... N/A
 Service-Delivery Crowns..... First Peoples' Heritage, Language and Culture Council
 SUCH Sector Organizations ... N/A
 Tribunals..... N/A
 Advisory Boards Native Economic Development Advisory Board

Advanced Education

Minister Responsible

Honourable Murray Coell

Commercial Crowns..... N/A
 Service-Delivery Crowns..... BC Innovation Council
 Open Learning Agency
 SUCH Sector Organizations
 (Universities and Colleges) ... British Columbia Institute of Technology
 Camosun College
 Capilano College
 College of New Caledonia
 College of the Rockies
 Douglas College
 Emily Carr Institute of Art and Design
 Institute of Indigenous Government
 Justice Institute of British Columbia
 Kwantlen University College
 Langara College
 Malaspina University College
 Nicola Valley Institute of Technology
 North Island College
 Northern Lights College
 Northwest Community College
 Okanagan College
 Royal Roads University
 Selkirk College
 Simon Fraser University
 The University of British Columbia
 Thompson Rivers University
 University College of the Fraser Valley
 University of Northern British Columbia
 University of Victoria
 Vancouver Community College
 Tribunals..... N/A
 Advisory Boards BC Council on Admissions and Transfer
 BC Student Assistance Program Appeals Committee
 Degree Quality Assessment Board
 Leading Edge Endowment Fund Board
 Minister's Advisory Council on Post Secondary
 Education
 Premier's Technology Council
 Private Career Training Institutions Agency

Agriculture and Lands

Minister Responsible

Honourable Pat Bell

Commercial Crowns.....	N/A
Service-Delivery Crowns.....	N/A
SUCH Sector Organizations ...	N/A
Tribunals.....	BC Farm Industry Review Board Provincial Agricultural Land Commission
Advisory Boards	BC Agri-Food Trade Council BC Broiler Hatching Egg Commission BC Chicken Marketing Board BC Cranberry Marketing Board BC Egg Marketing Board BC Hog Marketing Commission BC Milk Marketing Board BC Turkey Marketing Board BC Vegetable Marketing Commission Land Use Advisory Groups Muskwa Kechika Advisory Board Private Managed Forest Land Council

Attorney General

Minister Responsible

Honourable Wally Oppal

Commercial Crowns.....	N/A
Service-Delivery Crowns.....	BC Securities Commission Legal Services Society
SUCH Sector Organizations ...	N/A
Tribunals.....	BC Human Rights Tribunal BC Review Board BC Utilities Commission
Advisory Boards	BC Ferry Commission BC Multicultural Advisory Council Electoral Boundaries Commission Judicial Council Notaries Public Board of Examiners Securities Law Advisory Committee Securities Policy Advisory Committee

Children and Family Development

Minister Responsible

Honourable Stan Hagen

Commercial Crowns.....	N/A
Service-Delivery Crowns.....	Community Living BC
SUCH Sector Organizations ...	N/A
Tribunals.....	N/A
Advisory Boards	N/A

Community Services

Minister Responsible

Honourable Ida Chong

Commercial Crowns.....	N/A
Service-Delivery Crowns.....	N/A
SUCH Sector Organizations ...	N/A
Tribunals.....	N/A
Advisory Boards	Board of Examiners Dease Lake and Atlin Advisory Planning Commission Islands Trust Fund Board Premier's Council on Aging and Senior's Issues Premier's Task Force on Community Opportunities

Economic Development

Minister Responsible

Honourable Colin Hansen

Commercial Crowns.....	N/A
Service-Delivery Crowns.....	552513 BC Ltd. BC Immigrant Investment Fund Ltd. BCIF Management Ltd. - <i>BC Investment Fund Ltd.</i> Columbia Basin Trust - <i>CBT Commercial Finance Corporation</i> - <i>CBT Energy Inc.</i> - <i>CBT Arrow Lakes Power Development Corporation</i> - <i>Arrow Lakes Power Corporation*</i> - <i>CBT Brilliant Expansion Power Corporation</i> - <i>Brilliant Power Expansion Corporation*</i> <i>CBT Power Corporation</i> - <i>Brilliant Power Corporation*</i> - <i>Power Project Planning Joint Venture*</i> <i>Waneta Expansion Power Corporation*</i> - <i>CBT Real Estate Investment Corporation</i> - <i>CBT Venture Capital Corporation</i> * indicates joint ventures owned 50% by Columbia Power Corporation (CPC) and 50% by the Columbia Basin Trust. CPC is the manager of the joint ventures. Industry Training Authority
SUCH Sector Organizations ...	N/A
Tribunals	Industry Training Appeal Board
Advisory Boards	Asia-Pacific Trade Council BC Competition Council Nechako-Kitimaat Development Fund Society

Education

Minister Responsible

Honourable Shirley Bond

Commercial Crowns..... N/A

Service-Delivery Crowns..... N/A

SUCH Sector Organizations

(School Boards)..... Abbotsford
 Alberni
 Arrow Lakes
 Boundary
 Bulkley Valley
 Burnaby
 Campbell River
 Cariboo-Chilcotin
 Central Coast
 Central-Okanagan
 Chilliwack
 Coast Mountains
 Comox Valley
 Coquitlam
 Cowichan Valley
 Delta
 Fort Nelson
 Francophone Education Authority
 Fraser-Cascade
 Gold Trail
 Greater Victoria
 Gulf Islands
 Haida Gwaii/Queen Charlotte
 Howe Sound
 Kamloops-Thompson
 Kootenay Lake
 Kootenay-Columbia
 Langley
 Maple Ridge-Pitt Meadows
 Mission
 Nanaimo-Ladysmith
 Nechako Lake
 New Westminster
 Nicola-Similkameen
 Nisga'a
 North Okanagan
 North Vancouver
 Okanagan-Similkameen
 Okanagan-Skaha
 Peace River
 Peace River South
 Powell River
 Prince George
 Prince Rupert
 Qualicum
 Quesnel Revelstoke
 Richmond
 Rocky Mountain
 Saanich
 Shuswap
 Sooke
 South East Kootenay
 Stikine
 Sunshine Coast
 Surrey
 Vancouver
 Vancouver Island North
 Vancouver Island West
 Vernon
 West Vancouver

Tribunals..... N/A

Advisory Boards Board of Examiners in Education
 Education Advisory Council
 Independent School Teacher Certification Committee
 Learning Roundtable
 Premier's Advisory Panel on Literacy

Employment and Income Assistance

Minister Responsible

Honourable Claude Richmond

Commercial Crowns..... N/A

Service-Delivery Crowns..... N/A

SUCH Sector Organizations ... N/A

Tribunals..... Employment and Assistance Appeal Tribunal

Advisory Boards Minister's Council on Employment for Persons with
 Disabilities

Energy, Mines and Petroleum Resources

Minister Responsible

Honourable Richard Neufeld

Commercial Crowns..... BC Hydro and Power Authority
 - *BC Hydro Services Asset Corporation*
 - *British Columbia Hydro International Ltd. (inactive)*
 - *British Columbia Power Exchange Corporation*
 - *British Columbia Power Export Corporation*
 - *Burton Water Corporation (inactive)*
 - *Columbia Estate Company Ltd. (inactive)*
 - *Columbia Hydro Constructors Ltd.*
 - *Edgewood Water Corporation (inactive)*
 - *Edmonds Centre Developments Ltd. (inactive)*
 - *Fauquier Water Corporation (inactive)*
 - *Georgia Strait Crossing Pipeline Ltd. (inactive)*
 - *GSX Canada Limited Partnership (inactive)*
 - *GSX Holdings Ltd. (inactive)*
 - *GSX Pipeline (US) Corporation (inactive)*
 - *Peace Power Constructors Ltd. (inactive)*
 - *Powerex Corporation*
 - *Powertech Labs Inc.*
 - *Tongass Power and Light Company (inactive)*
 - *Vancouver Island Energy Corporation (inactive)*
 - *Victoria Gas Company Ltd. (inactive)*
 - *West Robson Water Corporation (inactive)*
 - *Westech Information Systems Inc. (inactive)*

BC Transmission Corporation

Columbia Power Corporation (CPC)

- *Arrow Lakes Power Corporation*
 - *Brilliant Power Expansion Corporation*
 - *Brilliant Power Corporation*
 - *Power Project Planning Joint Venture*
 - *Waneta Expansion Power Corporation*

Note: Subsidiaries of CPC are joint ventures owned 50% by CPC and 50% by the Columbia Basin Trust. CPC is the manager of the joint ventures.

Service-Delivery Crowns..... Oil and Gas Commission

SUCH Sector Organizations ... N/A

Tribunals..... Mediation and Arbitration Board

Advisory Boards Alternative Energy and Power Technology Taskforce
 Assayers Certification Board of Examiners
 BC Oil and Gas Commission Advisory Council

Environment

Minister Responsible

Honourable Bary Penner

Commercial Crowns..... N/A
Service-Delivery Crowns..... Creston Valley Wildlife Management Authority
SUCH Sector Organizations ... N/A
Tribunals..... Environmental Appeal Board
Advisory Boards N/A

Finance

Minister Responsible

Honourable Carole Taylor

Commercial Crowns..... N/A
Service-Delivery Crowns..... Partnerships BC Inc.
- Abbotsford Regional Hospital and
Cancer Centre Inc.
SUCH Sector Organizations ... N/A
Tribunals..... Financial Services Tribunal
Advisory Boards Accounting Policy Advisory Committee
Auditor Certification Board
Financial Institutions Commission
Insurance Council of BC
Pension Benefits Standards Advisory Council
Real Estate Council

Forests and Range

Minister Responsible

Honourable Rich Coleman

Commercial Crowns..... N/A
Service-Delivery Crowns..... BC Housing Management Commission
Forestry Innovation Investment Ltd.
- *Fill Consulting (Shanghai) Company Ltd.*
Homeowner Protection Office
Provincial Rental Housing Corporation
SUCH Sector Organizations ... N/A
Tribunals..... Building Code Appeal Board
Forest Appeals Commission
Forest Practices Board
Residential Tenancy Arbitrators
Safety Standards Appeal Board
Advisory Boards BC Forest Revitalization Trust Advisory Board
Building Policy Advisory Committee
Minister's Forest and Range Practices Advisory Council
Premier's Task Force on Homelessness, Mental Illness
and Addictions
Timber Export Advisory Committee

Health

Minister Responsible

Honourable George Abbott

Commercial Crowns..... N/A
Service-Delivery Crowns..... N/A
SUCH Sector Organizations
(Health Organizations)..... Bella Coola General Hospital
Fraser Health Authority
Interior Health Authority
Louis Brier Home and Hospital
Menno Hospital (Mennonite Benevolent Society)
Mount St. Mary Hospital
Nisga'a Valley Health Authority
Northern Health Authority
Providence Health Care (including St. Paul's, Holy
Family)
Provincial Health Services Authority
RW Large Memorial Hospital
St. Joseph's General Hospital
St. Michael's Centre
Vancouver Coastal Health Authority
Vancouver Island Health Authority
Wrinch Memorial Hospital
Tribunals..... Community Care and Assisted Living Appeal Board
Hospital Appeal Board
Medical Services Commission
Mental Health Review Board
Advisory Boards Emergency Health Services Commission
Minister's Advisory Council on Mental Health

Labour and Citizens' Services

Minister Responsible

Honourable Michael de Jong

Commercial Crowns..... N/A
Service-Delivery Crowns..... N/A
SUCH Sector Organizations ... N/A
Tribunals..... Employment Standards Tribunal
Labour Relations Board
Workers' Compensation Appeal Tribunal
Advisory Boards Collective Agreement Joint Advisory Council
Joint Advisory Committee
Public Documents Committee

Public Safety and Solicitor General

Minister Responsible

Honourable John Les

Commercial Crowns..... BC Liquor Distribution Branch
BC Lottery Corporation
- BC Lotto Technology International
Insurance Corporation of BC
- 150 EAE Property Ltd.
- 596961 B.C. Ltd.
- CDP (Burlington) Ltd.
- Dorsquare Office Building Ltd.
- Iroquois Ridge Shopping Centre Ltd.
- Surrey City Centre Mall Ltd.

Service-Delivery Crowns..... Organized Crime Agency of BC

SUCH Sector Organizations ... N/A

Tribunals..... BC Board of Parole

Advisory Boards N/A

Small Business and Revenue

Minister Responsible

Honourable Rick Thorpe

Commercial Crowns..... N/A

Service-Delivery Crowns..... BC Assessment Authority

SUCH Sector Organizations ... N/A

Tribunals..... Property Assessment Appeal Board
Property Assessment Review Panels

Advisory Boards Small Business Roundtable

Tourism, Sport and the Arts

Minister Responsible

Honourable Olga Ilich

Commercial Crowns..... N/A

Service-Delivery Crowns..... BC Games Society
BC Pavilion Corporation
Provincial Capital Commission
Royal BC Museum
Tourism BC
Vancouver Convention Centre Expansion Project Ltd.

SUCH Sector Organizations ... N/A

Tribunals..... N/A

Advisory Boards BC Arts Council

Transportation

Minister Responsible

Honourable Kevin Falcon

Commercial Crowns..... BC Railway Company
- BCR Captive Insurance Co. Ltd.
- BCR Port Subdivision Ltd.
- BCR Properties Ltd.
- BCR Railcar Leasing Ltd. (inactive)
- BCR Finav No. 3 Ltd. (inactive)
- 498344 British Columbia Ltd.
- Vancouver Wharves Ltd.
- Vancouver Shipping Agencies Ltd.
(inactive)
- Vancouver Wharves Limited Partnership

Service-Delivery Crowns..... BC Transit
BC Transportation Financing Authority
Rapid Transit Project 2000 Ltd.

SUCH Sector Organizations ... N/A

Tribunals..... Passenger Transportation Board

Advisory Boards Regional Transportation Advisory Committees (North Coast; Northeast; Cariboo; Vancouver Island; South Coast/Mountain; Fraser Valley; Thompson/Okanagan; Kootenay)

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