



Appendix 8.1

Interjurisdictional Audit and Budgetary Comparison

Appendix 8.1 - Interjurisdictional Audit and Budgetary Comparison

Administration in the Legislative Branch of Government: an Interjurisdictional Comparison

The Audit Function:

Question	Ontario Response	Nova Scotia Response	Nunavut Response
1. Does the Auditor General audit the accounts of the House of Assembly (legislature) or is this role conducted by an external auditing firm?	Yes, the Auditor General audits the accounts of the House.	Nova Scotia uses both for accounts payable. Auditor General handles accounts payable, and also does major component plus HR.	<p>The Auditor General of Canada (AGO) audits the Assembly's financial statements and transactions.</p> <p>An actuarial firm specializing in human resource and pension plan administration provides governance and procedural advice to the Management and Services Board in the administration of the Member pension plans. In addition, an independent Chartered Accounting firm annually audits the records and accounts of the Member pension plans.</p>
2. Does the Audit mandate (Terms of Engagement) of the auditor for the accounts for the legislature differ in any way from that of the Auditor General in respect of government departments? Does the process contemplate regular "comprehensive audits" - or are they more "high level" reviews?	No, it does not differ. The Auditor General could do "comprehensive audits" but they have been more financial audits in the past.	No, same as government departments. Could be both.	The Auditor General of Canada includes all departments, boards and agencies of the government of Nunavut into its yearly review. The Office of the Legislative Assembly is treated similar to a department with respect to the AGO reviews of its documentation, controls and processes. Currently AGO audits are more "high level" and designed to test that base systems and controls are in place to ensure good stewardship of resources and minimal risk levels for fraud.
3. Is there a management letter process whereby auditor's comments and concerns are tabled in writing or is this function accomplished through the Auditor	There is a management letter process.	We do year-end documentation to Auditor General through Department of Finance government accounting.	The annual Report of the Auditor General is tabled in the Legislative Assembly. This report contains the audit observations and recommendations of the Auditor General.

Question	Ontario Response	Nova Scotia Response	Nunavut Response
General's report?			
4. Are there stipulated timeframes in which an audit must be completed? What happens if an audit is missed?	Annually. The <i>Legislative Assembly Act</i> requires that there be an annual audit.	No response.	The federal <i>Nunavut Act</i> requires the Auditor General to audit the accounts and financial transactions of the government in each fiscal year. There are no specific consequences contemplated in statute for missing an audit. However, considerable attention has been paid in the House and in the media to the government's late tabling of its audited financial statements.
5. Is there a policy for Commission follow-up on audit findings? What is it & who oversees the process?	There isn't a policy that requires the Board to do so, however, management would ensure that there is follow-up and the Auditor in a subsequent year reviews to ensure findings have been addressed.	Goes through Auditor General.	Section 40 (3) of Nunavut's <i>Legislative Assembly and Executive Council Act</i> provides that: The Management and Services Board may (j) provide for any other financial or administrative matter that it considers appropriate in respect of the Legislative Assembly or the Office of the Legislative Assembly. Any audit findings on the accounts of the Legislative Assembly identified either by the review of the Auditor General or the auditor of the Member pension plans would be brought to the attention of the Management and Services Board.
6. Is there a "whistle-blower policy?" If so, describe it briefly & how it is administered.	No.	Yes, there is a wrong doing policy governed by the Office of Ombudsman.	The Legislative Assembly maintains a Code of Conduct for all employees, and has a Workplace Harassment Policy in place. There is no specific "whistle-blower" policy in place with respect to reporting allegations of financial misconduct. However, employees have been advised that such concerns could be reported to the government's internal audit division. As with any resident, employees have the ability to report allegations of criminal behaviour to law enforcement authorities.

Question	Ontario Response	Nova Scotia Response	Nunavut Response
7. Are there any particular reporting requirements beyond those applicable to the executive branch?	Yes, we table Members' expenses in the house annually. There is also an act called <i>Accountability for Expenses Act</i> that requires the Speaker to provide the Integrity Commissioner a copy of all expense claims for reviewable expenses incurred during the previous fiscal year by the opposition Leaders and the persons employed in their offices. The Assembly's accounts are also included in the Public Accounts of Ontario.	Yes, additional reporting to Auditor General and Department of Finance. In Nova Scotia, the legislature's government policies and procedures and HR systems are not isolated from government's procedures and policies. In other jurisdictions, the legislature is on its own.	Yes. The Legislative Assembly is required to publicly table detailed annual reports on the amounts paid to MLAs in indemnities and allowances, as well as their office expenditures. This level of reporting is not done with respect to government employees. In addition, the annual audit of Members' pension plans, and the annual report concerning the administration of Members' pension plans is tabled each year. The Legislative Assembly also chooses to table its own report of contracting activity each year.

The Audit Function:

Question	Saskatchewan Response	British Columbia Response	Manitoba Response
1. Does the Auditor General audit the accounts of the House of Assembly (legislature) or is this role conducted by an external auditing firm?	It is performed by Auditor General.	In the past the Auditor General may (doesn't have to) examine financial procedures and accounts of the Assembly but another party can be appointed by LAMC. Up until now the Auditor General hasn't tried to examine the accounts. But he is coming in on Friday to meet with staff and develop a report to be tabled to the Speaker (he mentioned Newfoundland situation).	No response
2. Does the Audit mandate (Terms of Engagement) of the auditor for the accounts for the legislature differ in any way from that of the Auditor General in respect of government departments? Does the process contemplate regular "comprehensive audits" - or are they more "high level" reviews?	The audit mandate is the same as for government departments. The audit includes audit of internal control, compliance with authorities, and financial and information audit.	They do in that normally (historically) the mandate comes in at Commission request as opposed to government departments (which have no choice). The Commission is not part of the Audit Plan but can be at the Commission's request. The Auditor General sets the scope and aspects of the business. High level reviews	No response
3. Is there a management letter process whereby auditor's comments and concerns are tabled in writing or is this function accomplished through the Auditor General's report?	There is a management letter.	Mr. Arbic has held his position for one year. He has never been part of this process but thinks there would be a management letter process, then the Commission adds comments which are melded and presented.	No response
4. Are there stipulated timeframes in which an audit must be completed? What happens if an audit is missed?	No stipulated time frame that I am aware of by either the Commission or the Auditor. An audit has never been missed so I don't know what would happen.	No, they are not mandatory. Because they are not mandatory, they are not missed.	No response

Question	Saskatchewan Response	British Columbia Response	Manitoba Response
5. Is there a policy for Commission follow-up on audit findings? What is it & who oversees the process?	No formal policy. The Commission requires the management letter and is responsible for providing a written response to the Auditor.	Mr. Arbic is not sure. There is no formal policy in the House but a follow-up would probably occur with the Auditor and Legislative Controller (Mr. Arbic) and the Clerk of the House. The Commission would not ignore the recommendations from the Auditor General.	Have not really encountered this situation yet.
6. Is there a "whistle-blower policy?" If so, describe it briefly & how it is administered.	No	No	The government is in the process of bringing in whistle-blower legislation for government departments and entities, but nothing comparable exists for the Legislative Assembly.
7. Are there any particular reporting requirements beyond those applicable to the executive branch?	No	No	Details are provided for inclusion in the Public Accounts of the Province. In addition, there is a report made annually in the House about the spending amounts for MLAs for their constituency and other allowances.

The Audit Function:

Question	Alberta Response	Northwest Territories Response	Yukon Response
1. Does the Auditor General audit the accounts of the House of Assembly (legislature) or is this role conducted by an external auditing firm?	Yes, the Auditor General audits the accounts of the House of Assembly. An additional audit of MLA Entitlements was conducted for two concurrent fiscal years, recommendations were made and implemented to strengthen controls and processes and it was deemed not necessary in 2005-06.	Auditor General audits accounts. The only exception is members' pension plans (there are two). These are audited externally.	The auditor for the Government of Yukon can be described as being an "external auditing firm." Pursuant to the new <i>Yukon Act (Canada)</i> that came into force on April 1, 2003 the Yukon can appoint an Auditor General of Yukon or continue the past practice of having the Auditor General of Canada fulfill this role. The choice of the Government of Yukon to date has been to continue to retain the services of the Auditor General of Canada. The audit of the Legislative Assembly falls within the purview of the auditor of the Government of Yukon.
2. Does the Audit mandate (Terms of Engagement) of the Auditor for the accounts for the legislature differ in any way from that of the Auditor General in respect of government departments? Does the process contemplate regular "comprehensive audits" - or are they more "high level" reviews?	There is no difference in the mandate. Audits are both high level and comprehensive.	No, no difference. Although it is more "high level," the scope is still the same.	The audit mandate of the auditor for the accounts of the Legislative Assembly does not differ from the mandate that applies in respect of departments of the Government of Yukon. The process is one that could be classified as a "comprehensive audit" in that the auditor conducts regular examinations of the accounting system, internal controls and related data considered necessary in the circumstances.
3. Is there a management letter process whereby Auditor's comments and concerns are tabled in writing or is this function accomplished through the Auditor General's report?	Yes, there is a management letter process in place.	No. Function is stated in Auditor General's Report.	There is a management letter process. The auditor's concerns and draft findings are communicated to management of the Legislative Assembly Office. The auditor takes into account the response of the Legislative Assembly Office prior to finalizing the audit report for the year.

Question	Saskatchewan Response	British Columbia Response	Manitoba Response
<p>4. Are there stipulated timeframes in which an audit must be completed? What happens if an audit is missed?</p>	<p>The audit is performed annually. A specific schedule is agreed to between the Assembly and Auditor.</p>	<p>It is the same as any other gov't dept. So The Auditor General of Canada will attempt to finish by end of August.</p>	<p>The Yukon Public Accounts for the previous fiscal year (April 1 – March 31) must be tabled in the Legislative Assembly by October 31. (To be clear on the timing, the public accounts for the fiscal year ending March 31, 2006 must be tabled by October 31, 2006.) If the Assembly is not sitting on October 31 the public accounts are transmitted to all Members of the Assembly by October 31 and are then tabled at such time as the Assembly next sits.</p> <p>The public accounts include a report from the Auditor General on:</p> <ul style="list-style-type: none"> (a) whether the accounts present fairly the financial position of the Government of Yukon, (b) whether the transactions of the Government of Yukon during the course of the audit were within the authority of the Government of Yukon, and (c) any matter that the Auditor General determines should be reported to the Legislative Assembly.
<p>5. Is there a policy for Commission follow-up on audit findings? What is it & who oversees the process?</p>	<p>The Speaker and Clerk follow up on audit findings.</p>	<p>Policy is same as any other government department. The Auditor General will make report to House Leg. Will make recommendations and comments.</p>	<p>There is not a "policy" that the Members' Services Board follow up on audit findings. The definite practice of the MSB, however, is to follow up on any matters of concern raised by the Auditor General.</p>
<p>6. Is there a "whistle-blower policy?" If so, describe it briefly & how it is administered.</p>	<p>No, there is no "whistle-blower policy."</p>	<p>No</p>	<p>There is not a "whistle-blower policy."</p>
<p>7. Are there any particular reporting requirements beyond those applicable to the executive branch?</p>	<p>No, there are not any particular reporting requirements beyond those applicable to the executive branch.</p>	<p>With respects to members' expenditures, a detailed report is tabled each year summarizing members' expenditures from their constituency budgets. In addition to this, every expenditure that a member makes is subject to public access and scrutiny. So the public or press can be granted access via request to any receipts, etc.</p>	<p>There are no particular reporting requirements beyond those applicable to the executive branch.</p>

The Audit Function:

Question	PEI Response		
1. Does the Auditor General audit the accounts of the House of Assembly (legislature) or is this role conducted by an external auditing firm?	Auditor General looks at the accounts.		
2. Does the Audit mandate (Terms of Engagement) of the auditor for the accounts for the legislature differ in any way from that of the Auditor General in respect of government departments? Does the process contemplate regular "comprehensive audits" - or are they more "high level" reviews?	No, the Auditor General hasn't really conducted detailed audits into expenditures of assembly. He would look at salary account (84% of budget) but comprehensive? No.		
3. Is there a management letter process whereby auditor's comments and concerns are tabled in writing or is this function accomplished through the Auditor General's report?	Through Auditor General's report.		
4. Are there stipulated timeframes in which an audit must be completed? What happens if an audit is missed?	Annual audit conducted by Auditor General. The audit "would not be missed."		

Question	Saskatchewan Response	British Columbia Response	Manitoba Response
5. Is there a policy for Commission follow-up on audit findings? What is it & who oversees the process?	No, other than Standing Committee on Public Accounts which goes through the annual report of Auditor General section by section.		
6. Is there a "whistle-blower policy?" If so, describe it briefly & how it is administered.	No.		
7. Are there any particular reporting requirements beyond those applicable to the executive branch?	No. Annual report is submitted to the legislature.		

The Budgetary Process:

Question	Ontario Response	Nova Scotia Response	Nunavut Response
1. Does the Commission have full autonomy to review and formally approve the final budget of the House?	Yes, the Board has full autonomy. The Committee on Estimates could also choose to review and question the estimates of the Assembly, but this has never occurred to date.	In Nova Scotia, the "Commission" is the Internal Economy Board. No, their budget of the House is processed through the Treasury Policy Board. The Speaker approves the budget for the legislature but not the board and in turn goes through the government of process of the Treasury Policy Board.	<p>Section 57 of Nunavut's <i>Legislative Assembly and Executive Council Act</i> provides that:</p> <p>Estimates</p> <p>57. (1) The Speaker shall present to the Management and Services Board the estimates of the sums of money that will be required each fiscal year for the Legislative Assembly and for the operations of the independent officers of the Legislative Assembly.</p> <p>Approval of estimates</p> <p>(2) The Management and Services Board shall consider the estimates and may make such alterations to them as it considers necessary before approving them.</p> <p>Laying of estimates</p> <p>(3) The Speaker shall cause the estimates to be laid annually before the Legislative Assembly.</p> <p>Once introduced into the House, the Assembly's estimates are subject to the usual approval process as for any government department.</p>
2. Does the Commission receive detailed budgetary submissions from the staff supported by clear analysis to explain proposed expenditures for the coming year, as well as an explanation of budgetary variances for the current year?	The Board receives a budget package that is both detailed and at a summary level. There are budget briefings held with the Board members where detailed information is provided as requested. The budget document reflects comparisons of the proposed budget to the previous year's budget as well as a comparison to the projected actual. An explanation of changes is also provided.	No, only Speaker does.	Yes. The Management and Services Board also receives regular variance reports on the Assembly's expenditures during the course of the fiscal year.
3. Is there any involvement of the Treasury Board, the Management Board, Cabinet &/or Cabinet Secretariat (or any arm of the executive branch of	The Board is structured so that the government of the day has a majority, including three cabinet Ministers. This representation ensures that the budgetary plans of the Assembly take notice of the broad financial policies of the government and are in	Yes. The Treasury Policy Board and Executive Council are involved.	Yes. The general format for presentation of the Assembly's annual estimates and business plan conforms to the format established by the Department of Finance for government departments. Overall spending targets for all government entities (departments and the

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<p>government) in the budget analysis / approval process for the House? Is there any analysis of the budget by staff outside the legislature? If there is any interaction, please explain. (interaction / dialogue vs. "hands off")</p> <p>3. Con't.</p>	<p>concert with the fiscal realities of the day. However, there is no involvement of Management Board or Cabinet in the budget analysis/approval process. Some Board members rely on their caucus administrators to review the budget of the House and on behalf of their members will ask us questions about the budget.</p>		<p>Assembly) are established by the government's Financial Management Board (a committee of Cabinet analogous to the federal Treasury Board). As a matter of practice, the Assembly is able to autonomously determine its own spending priorities from within its overall budget allocation, subject to such government-wide parameters as salary ranges for employees that have been negotiated through the collective bargaining process.</p> <p>Although the Assembly generally complies with government-wide policies related to financial management, the territorial <i>Financial Administration Act</i> safeguards the independence of the Assembly through the following provisions:</p> <p>s. 3(4) The Speaker of the Legislative Assembly may sit as a member of the Board and participate in its decisions where the Board acts on matters relating to the Office of the Legislative Assembly.</p> <p>s. 11(2) Each Minister, other than the Speaker of the Legislative Assembly, is subject to the general direction of the Board and the Minister of Finance with respect to matters within the authority of the Board and the Minister of Finance.</p> <p>s. 9(1) The Minister of Finance may:</p> <p>(a) examine any record of the government that the Minister of Finance considers necessary to exercise the powers or perform the duties of the Minister of Finance;</p> <p>(b) require any public officer to provide the information and explanations that are necessary for the Minister of Finance to exercise the powers or perform the duties of the Minister of Finance; and</p> <p>(c) at the direction of the Board, require any public officer to provide the information or explanations that</p>

Question	Ontario Response	Nova Scotia Response	Nunavut Response
			<p>are necessary to enable the Minister of Finance to determine whether public money was disbursed or expended for the purpose for which it was appropriated.</p> <p>Exception (2) This section does not apply to the Speaker of the Legislative Assembly.</p> <p>s. 6(1) The Board may direct a public officer, service contractor or agent of the government to provide to the Board, and that person shall provide, any information, in the form of a record or otherwise, that the Board considers necessary to exercise or perform any of its powers or duties under this or any other Act.</p> <p>Exception (2) This section does not apply to the Speaker of the Legislative Assembly.</p>

Question	Saskatchewan Response	British Columbia Response	Manitoba Response
<p>4. Does the Commission establish the required staffing levels (complement) for the administrative support to the House? Does it set the salaries? Are other departments / agencies involved?</p>	<p>Yes, the Board approves staffing levels based on management's recommendations. The Board approves the establishment of a job classification system and consequently salary bands.</p>	<p>No. However, the Executive Council and Treasury Policy Board require it. No, there is a separate Commission of Inquiry that sets salaries. And, in turn, the legislation gives cost of living increases.</p>	<p>Although s. 40(3)(d) of the <i>Legislative Assembly and Executive Council Act</i> allows the Management and Services Board to "establish job classifications and salary ranges and determine any other terms and conditions of employment" for employees, the Board has chosen to adhere to government-wide standards and practices in this area, as determined by the Department of Human Resources and subject to the collective bargaining process. The Assembly establishes its staffing levels within its overall budgetary allocation.</p>
<p>5. Does the Commission have authority to transfer funds between subheads of expenditure during the course of a fiscal year? What is the process for seeking Special Warrants?</p>	<p>The Board delegates the authority to transfer funds to the Director of Financial Services who is required to provide a listing to the Board of such transfers.</p>	<p>No. The board can authorize expenditure changes. Go through Treasury Policy Board. It makes the decisions, not the Internal Economy Board.</p>	<p>Section 40 (3) of Nunavut's <i>Legislative Assembly and Executive Council Act</i> provides that:</p> <p>The Management and Services Board may (j) provide for any other financial or administrative matter that it considers appropriate in respect of the Legislative Assembly or the Office of the Legislative Assembly.</p> <p>Section 32.1 of the <i>Financial Administration Act (FAA)</i> and directive 302 of its Financial Administration (FAM) directives, delegates to ministers (Speaker) the authority to adjust and make transfers among activity and object budgets within the Operations and Maintenance (O&M) budget; and delegates to ministers (Speaker) the authority to adjust and make transfers among activity and object budgets within the Capital budget. The Clerk, with the delegation from the Board, may transfer funds internally between legislative branches and divisions.</p> <p>The Speaker, or the Minister representing the Management and Services Board on the Financial Management Board may request a special warrant affecting the Legislative Assembly's appropriation should the Speaker or Board consider it necessary.</p>

6. Are there policies which limit the scope of the Commission to transfer funds? Do certain types of transfers require prior Treasury Board / Management Board or Cabinet approval? Specify.	No, to both.	No. Special warrants, additional appropriations and creation of new divisions or public service votes.	Section 32 of the <i>FAA</i> and directive 301 of <i>FAM</i> define "absolute legislative control" at the vote level (capital or O&M) and department level. Absolute legislative control means that no changes can be made to the appropriations at this level without the approval of the Legislative Assembly.
7. Does the Commission itself deal with funds transfers or is this delegated to the Permanent Head (DM or Clerk & staff)? Is there supporting documentation reviewed by the Commission?	See item #5.	Delegated to Administrative staff, not through the Clerk. Clerk is not designated.	Internal funds transfers between legislative branches and divisions are managed by the Clerk, however are brought before the Management and Services Board as an information item.

The Budgetary Process:

Question	Saskatchewan Response	British Columbia Response	Manitoba Response
1. Does the Commission have full autonomy to review and formally approve the final budget of the House?	Yes	Yes	Yes
2. Does the Commission receive detailed budgetary submissions from the staff supported by clear analysis to explain proposed expenditures for the coming year, as well as an explanation of budgetary variances for the current year?	Yes	Yes, received from the Staff. The Legislative Controller (Mr. Arbic) submits to Legislative Assembly Management Committee (LAMC) for approval and discussion.	Yes. All Assembly departments provide budget forecasts for the upcoming fiscal year and note the reason for any variance. If there are new initiatives that are requested, a background paper is provided to the Assembly Management Commission.
3. Is there any involvement of the Treasury Board, the Management Board, Cabinet &/or Cabinet Secretariat (or any arm of the executive branch of government) in the budget analysis / approval process for the House? Is there any analysis of the budget by staff outside the Legislature? If there is any interaction, please explain. (interaction / dialogue vs. "hands off")	There is no involvement, theoretically. However, be cognizant that the Commission includes two cabinet ministers, two government MLAs and two opposition MLAs. So, although there is no formal process, they are represented. Technically, no outside approval except for the Commission.	No, the legislative assembly stands alone. LAMC prepares the budget. The budgets are derived from formulas. If there is a shortfall, LAMC can approve additional funds.	No, there is no involvement. The Legislative Assembly Management Commission provides the final numbers to Treasury Board staff for inclusion in the printed estimates. Treasury Board must take these numbers as given and does not have the ability to change or vary them. Dictates that are provided to government departments about budget targets are not applicable to the Legislative Assembly, nor does Treasury Board attempt to ask the Assembly to abide by them.
4. Does the Commission establish the required staffing levels (complement) for the administrative support to the	Yes. Commission establishes staffing level and approves compensation policy. Our compensation policy, though, is closely modeled on government classification system.	No No. These matters are decided by the Clerk and Speaker.	Yes, the Commission sets the staffing levels and approves any new positions. Yes, the Commission indirectly approves the salaries, as generally a salary range and position classification are included in the request for new staff year funding. The Assembly has its own Human

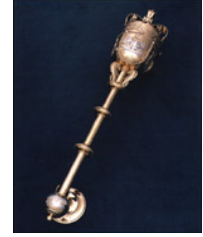
Question	Saskatchewan Response	British Columbia Response	Manitoba Response
House? Does it set the salaries? Are other departments / agencies involved?			Resources office that can offer advice and assistance on salary ranges and classifications.
5. Does the Commission have authority to transfer funds between subheads of expenditure during the course of a fiscal year? What is the process for seeking Special Warrants?	The Clerk has the authority to transfer funds – but actual processing is done by Treasury Board. Our Commission must approve special warrants.	Yes, but this seldom happens We don't have special warrants. If there is a shortfall, there is a special meeting of LAMC to appropriate additional funds.	If it decided to do so it could, but this is not part of their general practice. In terms of a special warrant, the Assembly would write to the Department of Finance to have the Assembly amounts and details included as part of a special warrant requested by the government. By legislation, the Assembly cannot request its own special warrant.
6. Are there policies which limit the scope of the Commission to transfer funds? Do certain types of transfers require prior Treasury Board / Management Board or Cabinet approval? Specify.	No to both.	No to both.	No to both.
7. Does the Commission itself deal with funds transfers or is this delegated to the Permanent Head (DM or Clerk & staff)? Is there supporting documentation reviewed by the Commission?	Fund transfers are delegated to the Clerk. The Commission is not involved with funds transfers except indirectly when they receive quarterly forecasts.	LAMC makes the decision but the Clerk handles the transfer.	Again, as we do not have much of a formal track record on this, it is hard to give advice on this area. We do have an executive director of admin. and finance for the Assembly who would probably do the paperwork, and he would likely advise the Commission of the need for such a transfer in order for the Commission to grant its approval. However, in practice, the executive director of admin. and finance generally moves money around near the end of the fiscal year from one budget to another, to cover shortfalls for offices that have overspent their budgets, and this is done without the approval or consent of the Commission.

The Budgetary Process:

Question	Alberta Response	Northwest Territories	Yukon Response
1. Does the Commission have full autonomy to review and formally approve the final budget of the House?	Yes, the Commission has full autonomy to review and formally approve the final budget of the House. Please refer to the <i>Legislative Assembly Act</i> , section 21(1) (http://www.qp.gov.ab.ca/documents/Acts/L09.cfm)	Yes has full autonomy to review and establish the budget. The House Legislative Assembly itself approves it.	The Members' Services Board of the Yukon Legislative Assembly (MSB) does not have full autonomy to review and formally approve the final budget of the Legislative Assembly.
2. Does the Commission receive detailed budgetary submissions from the staff supported by clear analysis to explain proposed expenditures for the coming year, as well as an explanation of budgetary variances for the current year?	Yes, the Commission receives detailed budgetary submissions from the staff.	Yes. This includes annual plus supplementary materials to the Board.	The MSB does receive budgetary submissions from the Legislative Assembly Office (primarily produced by the Clerk of the Legislative Assembly and the Manager of Finance of the Legislative Assembly). Those submissions are at a level of detail that has not aroused complaint from the MSB. The tendency has not been to provide a clear analysis of the proposed expenditures but, rather, to provide an explanation of the variances between the expenditures being proposed for the forthcoming fiscal year and the forecast actual expenditures for the current fiscal year. The analysis of proposed expenditures has largely been left to the political judgment of those on the MSB.
3. Is there any involvement of the Treasury Board, the Management Board, Cabinet &/or Cabinet Secretariat (or any arm of the executive branch of government) in the budget analysis / approval process for the House? Is there any analysis of the budget by	No, although there has normally been one member of Cabinet on the Commission.	There is involvement. There is involvement of the Treasury Board by convention. The Board of Management approves budgets for the House; it forwards them to Financial Management Board for inclusion in the government's main estimates document. If the Treasury Board has concerns, it will write back and advise but the Board of Management still reserves the right to lay its estimates before the House.	Following approval of the budget by the Members' Services Board, it is put into the normal process followed by all departments in the Government of Yukon. That results in the Management Board Secretariat reviewing it and submitting questions of clarification to the Legislative Assembly Office. The budget is, in due course, prepared with the Legislative Assembly included as Vote 01 and sent

Question	Alberta Response	Northwest Territories	Yukon Response
<p>staff outside the Legislature? If there is any interaction, please explain. (interaction / dialogue vs. "hands off")</p>			<p>to the Management Board for final approval. The normal result is for the Vote 01 budget presented to the House to be identical to the one approved by the Members' Services Board. That, however, is a practice and not a rule and there has been the odd occasion when a change has been made by Management Board to the budget recommended by the MSB.</p>
<p>4. Does the Commission establish the required staffing levels (complement) for the administrative support to the House? Does it set the salaries? Are other departments / agencies involved?</p>	<p>Staffing levels are approved in the budget. Salary levels are not specifically approved by the Commission, but are consistent with those in the Executive Branch.</p>	<p>Yes The Dept of Human Resources handles salaries. It is a government department. Members of the House are public servants.</p>	<p>The motion of appointment of the Members' Services Board states that it should "consider ... policy questions concerning matters such as ... staffing." It is, therefore, assumed that the staffing levels for administrative support to the House would not change without the approval of the Members' Services Board. The reason that there might be some uncertainty on this issue is that the staffing levels for administrative support to the staffing levels for the Legislative Assembly Office have not been addressed or changed since 1978. The salaries of all staff in the Legislative Assembly Office are set by the Public Service Commission of the Government of Yukon.</p>
<p>5. Does the Commission have authority to transfer funds between subheads of expenditure during the course of a fiscal year? What is the process for seeking Special Warrants?</p>	<p>There is no permission required other than Deputy Minister approval to transfer funds between subheads of expenditure. Special Warrants are allowed. Please refer to the <i>Legislative Assembly Act</i>, section 21(2) for the process for Special Warrants.</p>	<p>Yes. To a maximum of \$250,000.</p>	<p>The Members' Services Board does not have authority to transfer funds between programs in Vote 01 during a fiscal year. The MSB could recommend the transfer of funds between programs to the Minister of Finance.</p>

Question	Alberta Response	Northwest Territories	Yukon Response
			The Members' Services Board cannot, of its own volition, cause a Special Warrant to be issued. It can only request that the executive take such an action on its behalf. That has never happened.
6. Are there policies which limit the scope of the Commission to transfer funds? Do certain types of transfers require prior Treasury Board / Management Board or Cabinet approval? Specify.	See above.	Yes, transfer funds is limited to \$250,000, only if transfer between capital and operating. If interactivity is less than \$250,000, no approval required..	<i>The Financial Administration Act</i> does not contain any exemptions to its provisions for Vote 01. <i>The Financial Administration Manual</i> , authorized by the Management Board pursuant to the <i>Financial Administration Act</i> , therefore, applies to the financial management of the Legislative Assembly. <i>The Financial Administration Manual</i> does not provide authorization to the Members' Services Board to transfer funds in any circumstance. The MSB, therefore, can only make recommendations for the transfer of funds.
7. Does the Commission itself deal with funds transfers or is this delegated to the Permanent Head (DM or Clerk & staff)? Is there supporting documentation reviewed by the Commission?	See above. No documentation required by the Commission.	Delegated to Permanent Head (same as Clerk).	Funds transfers in Vote 01 take place only between programs. Authority to do that for Vote 01 has not been delegated from the Minister of Finance to the Clerk of Assembly. Such transfers are normally done by the Minister of Finance on recommendation of the Clerk. As mentioned above, under question #5, the Members' Services Board could make such a recommendation. That, however, has rarely been done. No supporting documentation for transfers recommended by the Clerk is reviewed by the Members' Services Board.



Appendix 8.2

Auditor's Report

Appendix 8.2 Sample Auditor's Report – Federal Crown Agency

AUDITOR'S REPORT¹

To the Minister of Transport, Infrastructure and Communities

I have audited the balance sheet of the Canadian Air Transport Security Authority as at March 31, 2006 and the statements of operations and equity and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the *Financial Administration Act*, I report that, in my opinion, these principles have been applied on a basis consistent with that of the preceding year.

Further, in my opinion, the transactions of the Authority that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with Part X of the *Financial Administration Act* and regulations, the *Canadian Air Transport Security Authority Act* and the by-laws of the Authority.

¹ “Canadian Air Transport Security Authority 2006 Annual Report: Measuring for Results,” p. 50, online: Canadian Air Transport Security Authority <http://www.catsa-acsta.gc.ca/english/about_propos/rep_rap/pdf/2006.pdf>.