

SPECIAL COMMITTEE TO APPOINT AN AUDITOR GENERAL



LEGISLATIVE ASSEMBLY
of BRITISH COLUMBIA

MARCH 2020
FIFTH SESSION
OF THE 41ST PARLIAMENT



March 23, 2020

To the Honourable
Legislative Assembly of the
Province of British Columbia

Honourable Members:

We have the honour to present herewith the Report of the Special Committee to Appoint an Auditor General containing our unanimous recommendation.

Respectfully submitted on behalf of the Committee,

Doug Routley, MLA
Chair

John Yap, MLA
Deputy Chair

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Composition of the Committee

Members

Doug Routley, MLA

Chair

Nanaimo-North Cowichan

John Yap, MLA

Deputy Chair

Richmond-Steveston

Shirley Bond, MLA

Prince George-Valemount

Janet Routledge, MLA

Burnaby North

Dr. Andrew Weaver, MLA

Oak Bay-Gordon Head

Committee Staff

Kate Ryan-Lloyd, Clerk of the Legislative Assembly

Ron Wall, Manager, Committee Research Services

Katey Stickle, Committee Researcher

Terms of Reference

On October 10, 2019 and February 12, 2020, the Legislative Assembly agreed that a Special Committee be appointed to select and unanimously recommend the appointment of an Auditor General, pursuant to section 2 of the *Auditor General Act* [SBC 2003, c.2].

The said Special Committee shall have the powers of a Select Standing Committee and in addition is empowered to:

- a. to appoint of their number, one or more subcommittees and to refer to such subcommittees any of the matters referred to the Committee;
- b. to sit during a period in which the House is adjourned, during the recess after prorogation until the next following Session and during any sitting of the House;
- c. to adjourn from place to place as may be convenient; and
- d. retain such personnel as required to assist the Committee;

That any information or evidence previously under consideration by the Special Committee appointed by order of the House on October 10, 2019 be referred to the Special Committee.

That the Special Committee report to the House as soon as possible, or following any adjournment, or at the next following Session, as the case may be; to deposit the original of its reports with the Clerk of the Legislative Assembly during a period of adjournment and upon resumption of the sittings of the House, the Chair shall present all reports to the Legislative Assembly.

Introduction

The Legislative Assembly adopted the *Auditor General Act* (“the Act”) in 1977, establishing the Auditor General as a non-partisan independent officer of the Legislature. The Act was amended in 2003 to strengthen the position’s independence, mandate and accountability to the Assembly. Further amendments were made to the Act in 2013, changing the Auditor General’s appointment from a renewable six-year term to a single non-renewable term of eight years.

The Act sets out the following accountability relationships between the Auditor General and the Legislative Assembly.

First, the Act enables the Auditor General to play a key accountability role by providing Members of the Legislative Assembly with independent, objective information on government’s administration of public funds. The Auditor General undertakes financial and performance audits, which assists Members with their responsibilities to effectively scrutinize public expenditure and hold government to account for its use of public funds.

Under the Act, the Auditor General submits audit reports to the Speaker of the Legislative Assembly, who then tables them in the Assembly. Reports on audits of the provincial summary financial statements and performance audit reports are referred to the Select Standing Committee on Public Accounts, with the exception of reports respecting the Legislative Assembly prepared under the statutory provisions of the *Legislative Assembly Management Committee Act* (R.S.B.C. 1996, c. 258), which are referred to the Legislative Assembly Management Committee. A parliamentary committee designated by the Legislative Assembly is also responsible for approving the Auditor General’s annual financial statement audit coverage plan – this function has been assigned to the Select Standing Committee on Public Accounts as well.

Second, like other statutory officers, the Auditor General is required to submit to a parliamentary committee designated by the Assembly an estimate of the budgetary resources to cover the work of the Office of the Auditor General for the next fiscal year as well as a service plan that includes a statement of goals and identifies specific objectives and performance measures related to the work of the Office. The Select Standing Committee on Finance and Government Services has been designated as the parliamentary committee for these purposes. In addition, a parliamentary committee designated by the Assembly must appoint an independent auditor to audit the financial statements of the Office of the Auditor General for the duration of a Parliament – the Select Standing Committee on Finance and Government Services is also responsible for this function.

Third, section 2 of the Act provides that the Legislative Assembly, by resolution, may appoint a person to be Auditor General based on the unanimous recommendation of a committee of the Assembly – this function is typically assigned to a special committee in alignment with appointment process for other statutory officers. Section 7 sets out the process for the appointment of an acting Auditor General involving a parliamentary committee designated by the Assembly – this function has been assigned to the Select Standing Committee on Public Accounts.

Since 1977, the parliamentary committee appointment process set out in the Act has been used to appoint five Auditors General: Erma Morrison, George Morfitt, Wayne Strelieff, John Doyle, and Carol Bellringer. Four individuals have also held the position in an acting capacity: Robert J. Hayward, Arn van Iersel, Errol Price, and Russ Jones.

On September 24, 2019, Auditor General Carol Bellringer provided written notice to the Speaker of her resignation effective December 31, 2019, before the end of her eight-year term. On behalf of all Members of the Legislative Assembly, the Committee would like to express their heartfelt gratitude to Ms. Bellringer for her leadership and dedication in the role of Auditor General over the past five years. Her important service and contributions have helped to increase the accountability, efficiency, and integrity of British Columbia's public organizations.

On November 28, 2019, the Select Standing Committee on Public Accounts recommended that Russ Jones be appointed as Acting Auditor General, pursuant to section 7 of the *Auditor General Act*. Mr. Jones had previously served as Acting Auditor General in 2013-14. Committee Members extend their appreciation to Russ Jones, on behalf of the Legislative Assembly, for his commitment to providing continuity for the Office as Acting Auditor General once again.

This report contains the Special Committee's unanimous recommendation to the Legislative Assembly regarding the appointment of the province's next Auditor General.

Meeting Schedule

The Committee met on the following dates for the purposes described below:

4th Session, 41st Parliament

Thursday, November 21, 2019	Organizational meeting Review of position advertisement
Thursday, November 28, 2019	Briefing by Carol Bellringer, Auditor General
Wednesday, January 22, 2020	Review of applications
Wednesday, February 5, 2020	Briefing by Sheila Fraser, former Auditor General of Canada Deliberations

5th Session, 41st Parliament

Friday, February 21, 2020	Interviews
Wednesday, February 26, 2020	Deliberations Approval of draft report
Friday, March 20, 2020	Final deliberations

The Committee's documents, proceedings and this report are available at: www.leg.bc.ca/cmt/ag

Recruitment Process

The Committee began its work on the appointment process for an Auditor General on November 21, 2019 with an organizational meeting to elect a Chair and Deputy Chair. During this meeting, the Committee also adopted a motion to hold all meetings and deliberations on a confidential, *in camera* basis, in keeping with the usual practice for special committees of appointment, and reviewed briefing materials, including a preliminary workplan and a position profile. As part of their work, the Committee received briefings on the key competencies and attributes for the position from outgoing Auditor General, Carol Bellringer and Sheila Fraser, former Auditor General of Canada.

A call for applications was issued on December 4, 2019 with a closing date of January 17, 2020. Advertisements were placed in major national and provincial newspapers, and Indigenous media, and shared on the Legislative Assembly's social media accounts. It was also distributed to federal and provincial offices of Auditors General across Canada and to other related professional organizations and associations.

The Committee received a range of applications from highly qualified candidates from across North America. The applications were reviewed by Committee Members for leadership and management experience, understanding of financial accounting and auditing fields, and knowledge of the Auditor General's mandate. Four candidates were selected for an interview.

Committee Members held interviews with the shortlisted candidates on February 21, 2020. The interviews covered each candidate's vision for the Office of the Auditor General and strategies for building relationships with the Legislative Assembly and other stakeholders. The Committee also asked about approaches to leadership and decision-making as well as experience with media and public relations skills. In-depth reference checks were also carried out for the final selection process.

During their deliberations, Committee Members remarked on the value of Michael A. Pickup's experience as Auditor General of Nova Scotia since 2014 and his 25 year at the Office of the Auditor General of Canada in positions of increasing responsibility, his demonstrated track record in leadership and human resource management, including his ability to lead and motivate staff. Members were also impressed by Mr. Pickup's knowledge of international developments in accounting and understanding of their impact on the work of Auditors General in Canada. Mr. Pickup also demonstrated a commitment to engaging with Indigenous stakeholders and considering how audit work can support and advance Indigenous reconciliation. He emphasized the important role of the Auditor General in supporting parliamentary democracy and sustaining public trust in democratic institutions. All Members appreciated Mr. Pickup's collaborative approach to engaging with Members of the Legislative Assembly, the Select Standing Committee on Public Accounts, and Deputy Ministers.

The Committee therefore unanimously agreed to recommend to the Legislative Assembly that Michael A. Pickup be appointed Auditor General.

Recommendation

The Committee unanimously recommends to the Legislative Assembly that Michael A. Pickup be appointed Auditor General for British Columbia, pursuant to section 2 of the *Auditor General Act*, for a term of eight years.

Biographical Information

Michael A. Pickup, FCPA, FCA

Michael A. Pickup has been serving as Auditor General of Nova Scotia since 2014, after working for the Office of the Auditor General of Canada for 25 years in positions of increasing responsibility. As Auditor General of Nova Scotia, Mr. Pickup reports to the province's House of Assembly and is responsible for preparing independent financial and performance audits on the administration of the provincial public sector. Under his leadership, the Office of the Auditor General of Nova Scotia has established a strong track record as a modern and diverse Office carrying out a wide range of financial and performance audit reports.



Mr. Pickup is recognized across Canada and internationally as an authority on financial auditing and accountability. He has been a chartered professional accountant since 1992 and in 2018 he received his fellowship from the Chartered Professional Accountants of Nova Scotia for his contributions to the profession. In addition to holding a public accountants license in Nova Scotia, he has a degree in economics and political science. His recent ongoing education has included the Ivey Business School at Western University and Stanford University's Graduate School of Business. Since 2017, Mr. Pickup has been a member of Canada's Auditing and Assurance Standards Board, which sets professional audit standards for Canada's public and private sectors. While working for the Office of the Auditor General of Canada, he also taught extensively in the Sprott School of Business at Carleton University and the Telfer School of Management at the University of Ottawa.

Mr. Pickup is fluent in both of Canada's official languages, is a member of the Mi'kmaq Miawpukek First Nation, and is openly gay.

Appendix A: Advertisement

The following advertisement was placed in provincial and national daily newspapers, including the Vancouver Sun, Times-Colonist, and Globe and Mail as well as Indigenous media. It was also distributed to federal and provincial offices of Auditors General across Canada and other professional organizations and associations, and shared on social media.

LEGISLATIVE ASSEMBLY OF BRITISH COLUMBIA

Special Committee to Appoint an Auditor General

Doug Routley, MLA, Nanaimo-North Cowichan, *Chair* John Yap, MLA, Richmond-Steveston, *Deputy Chair*

AUDITOR GENERAL

The Auditor General is an independent officer of the Legislature responsible for conducting financial and performance audits of the provincial public sector. The Auditor General reports to the Legislative Assembly with independent information, assurance and advice on the stewardship of public funds, and appears regularly before the Select Standing Committee on Public Accounts. The position's powers and duties are set out in the provincial *Auditor General Act*.

The successful applicant will have recognized professional credentials and demonstrated senior leadership and management experience in the private or public sector. The preferred candidate should hold experience in carrying out large, complex audits. The position requires exceptional communication and interpersonal skills, a good understanding of the role, responsibilities and activities of the Office of the Auditor General, and its relationship to the Legislative Assembly and the provincial public sector, and knowledge of Canadian and international accounting standards and developments.

The appointment is for a single eight year term. The salary is equal to the salary paid to the Chief Judge of the Provincial Court of British Columbia and the position is eligible for membership in the BC Public Service Pension Plan and other benefits provided to provincial excluded employees. The Auditor General heads the Office of the Auditor General, located in Victoria, with an annual operating budget of approximately \$18 million and 120 staff.

Applications should be received by email, fax or mail at the address below no later than **January 17, 2020**. Although the Committee appreciates the interest of all applicants, only those who are invited for an interview will be contacted. All applications received will be held in confidence.

For further information, please visit our website at www.leg.bc.ca/cmt/ag or contact:

Parliamentary Committees Office
Room 224, Parliament Buildings
Victoria, B.C. V8V 1X4
Toll Free in B.C. 1.877.428.8334
T 250.356.2933 | F 250.356.8172
ag2019@leg.bc.ca



LEGISLATIVE ASSEMBLY
of BRITISH COLUMBIA

Appendix B: *Auditor General Act*

Auditor General Act **SBC 2003, Chapter 2**

This Act is current to March 4, 2020

Definitions

1 (1) In this Act:

“audit” means an audit conducted in accordance with generally accepted auditing and assurance standards;

“Auditor General” means the Auditor General appointed under section 2;

“committee” means the committee of the Legislative Assembly that the Legislative Assembly has specified for the purpose;

“government” means the government as reported through the consolidated revenue fund;

“organization” means a corporation or an unincorporated body;

“trust fund” means a fund held in trust by

- (a) the government,
- (b) a minister, or
- (c) a government organization.

(2) To the extent that this Act does not otherwise define a word or expression used in this Act,

- (a) the definitions in the *Budget Transparency and Accountability Act* apply, and
- (b) the definitions in the *Financial Administration Act* apply if those definitions are made to apply to the *Budget Transparency and Accountability Act* in accordance with section 1 (2) of that Act.

Appointment of Auditor General

2 (1) The Auditor General and an acting Auditor General are officers of the Legislature.

(2) The Legislative Assembly, by resolution, may appoint a person to be the Auditor General.

(3) An Auditor General holds office for a term of 8 years.

(4) The Legislative Assembly may not appoint a person as Auditor General unless the committee unanimously recommends the appointment of the person.

(5) A person appointed as Auditor General under subsection (2) may not be appointed for any subsequent term.

(6) [Repealed 2013-11-1.]

Oath of office

- 3 Before assuming office, the Auditor General or acting Auditor General must take an oath before the Clerk of the Legislative Assembly to exercise the powers and perform the duties of the Auditor General faithfully and impartially.

Remuneration and expenses

- 4 (1) The Auditor General must be paid out of the consolidated revenue fund a salary equal to that of the chief judge of the Provincial Court of British Columbia.

(2) The Auditor General must be reimbursed for reasonable travelling and out of pocket expenses necessary to exercise the powers and perform the duties of the Auditor General.

Application of *Public Sector Pension Plans Act*

- 5 (1) The public service plan as defined in section 1 of the *Public Sector Pension Plans Act* applies to the Auditor General.

(2) To calculate the amount of a pension under the public service plan for the Auditor General holding that office on the coming into force of this Act,
 - (a) each year of service as Auditor General must be counted as 1 1/2 years of pensionable service, and
 - (b) paragraph (a) does not apply to a year of service as Auditor General served after the end of the term as Auditor General that was being served on the coming into force of this Act.

Resignation, removal or suspension of Auditor General

- 6 (1) The Auditor General may resign from office at any time by giving written notice
 - (a) to the Speaker of the Legislative Assembly, or
 - (b) if the Speaker is absent from British Columbia or there is no Speaker, to the Clerk of the Legislative Assembly.
(2) By a resolution passed by 2/3 or more of the members present in the Legislative Assembly, the Auditor General, for cause or incapacity, may be suspended from office, with or without salary, or removed from office.

(3) If the Legislative Assembly is not sitting and is not scheduled to sit within 5 days, the committee may suspend, by unanimous resolution, the Auditor General for cause or incapacity, with or without salary, for a period that must be set by the committee to end not later than on the expiry of a further 20 sitting days of the Legislative Assembly.

Appointment of acting Auditor General

- 7 (1) If the Auditor General is suspended or the office is vacant, the Legislative Assembly, on the recommendation of the committee, may appoint an acting Auditor General to exercise the powers and perform the duties of the Auditor General until an appointment is made under section 2 or the suspension ends.

(2) If the Auditor General is suspended or the office is vacant, and if the Legislative Assembly is not sitting and is not scheduled to sit within 5 days, the committee may appoint an acting Auditor General to exercise the powers and perform the duties of the Auditor General

- (a) if the Auditor General is suspended under section 6 (2), until the suspension ends,
 - (b) if the Auditor General is suspended under section 6 (3), for the period set by the committee under that subsection, or
 - (c) if the office of Auditor General is vacant, until an appointment is made under section 2.
- (3) If the term of office of the Auditor General is scheduled to expire, or the Speaker of the Legislative Assembly reasonably believes that term of office will otherwise end, after the next dissolution of the Legislative Assembly but before the expiry of the 120-day period following the next general voting day, the Legislative Assembly, on the unanimous recommendation of the committee, may appoint an acting Auditor General to exercise the powers and perform the duties of the Auditor General beginning on the date the office becomes vacant and continuing until an appointment is made under section 2.

(4) If

- (a) the term of office of the Auditor General is scheduled to expire, or the Speaker of the Legislative Assembly reasonably believes that term of office will otherwise end, after the next dissolution of the Legislative Assembly but before the expiry of the 120-day period following the next general voting day, and
- (b) at any time in the 30-day period immediately before that dissolution the Legislative Assembly is not sitting,

the committee, when the Legislative Assembly is not sitting in that 30-day period, may appoint by unanimous resolution, an acting Auditor General to exercise the powers and perform the duties of the Auditor General beginning on the date the office becomes vacant and continuing until an appointment is made under section 2.

Staff

- 8** (1) The Auditor General may appoint, in accordance with the *Public Service Act*, a deputy Auditor General and the other employees necessary for the exercise of the powers and the performance of the duties of the Auditor General.
- (2) The Auditor General may engage and set the remuneration for the persons, in capacities other than as employees, that the Auditor General considers necessary for the exercise of the powers and the performance of the duties of the Auditor General.
- (3) For purposes of the application of the *Public Service Act* to this section, the Auditor General is a deputy minister.

Confidentiality

- 9** The Auditor General, or a person appointed or engaged under section 8, must keep in confidence all information obtained in the exercise of a power or in the performance of a duty of the Auditor General and must not communicate this information to any person except
- (a) in the course of the administration of an enactment, or
 - (b) in court proceedings.

Auditor appointment

- 10** (1) The Auditor General is the auditor of the government reporting entity.
- (2) The Auditor General is the auditor of each
- (a) ministry,
 - (b) office administered by
 - (i) an officer of the Legislature, or
 - (ii) the person appointed commissioner under section 14 of the *Members' Conflict of Interest Act*, and
 - (c) fund or appropriation that is part of the consolidated revenue fund.
- (3) The auditor for a government organization or a trust fund is,
- (a) if the Auditor General has elected to be the auditor in accordance with subsection (4), the Auditor General during the fiscal years covered under that subsection, or
 - (b) if the Auditor General has not elected to be the auditor in accordance with subsection (4), the auditor appointed in accordance with the plan approved under subsection (9).
- (4) The Auditor General may elect to be the auditor of a government organization or a trust fund for any of the first 3 fiscal years of the government organization or a trust fund.
- (5) Except as provided in the plan approved under subsection (9), the Auditor General must not be appointed as auditor of a government organization or a trust fund for a period of more than 5 consecutive fiscal years of the government organization or trust fund.
- (6) The Auditor General must provide to the committee during each fiscal year of the government a plan for the appointment of auditors for government organizations and trust funds for the following 3 fiscal years of the government.
- (7) A plan provided to the committee under subsection (6) must include the following information:
- (a) a list of the government organizations and trust funds for which the Auditor General proposes that the Auditor General be appointed;
 - (b) a list of the government organizations and trust funds for which the Auditor General proposes that other auditors be appointed;
 - (c) the implications of the plan on the budget of the Auditor General;
 - (d) a request for exemption from the prohibition in subsection (5) against being appointed auditor of a government organization or a trust fund for a period of more than 5 consecutive fiscal years of the government organization or a trust fund;
 - (e) the criteria and selection process for the appointment of the auditors of government organizations and trust funds;
 - (f) the involvement of the Auditor General in the audit process for government organizations and trust funds, for which auditors other than the Auditor General are the auditors;

- (g) a summary of consultations in respect of the plan, with officials of those government organizations and trust funds referred to in paragraph (b).
- (8) Together with the plan under subsection (6), the Auditor General may provide the committee with an assessment of the financial statement audit process for all government organizations and trust funds.
- (9) The committee must approve the plan, including any amendments the committee makes to the plan before giving its approval.
- (10) The Auditor General must administer the auditor appointment process in accordance with the plan approved under subsection (9).
- (11) If a government organization or trust fund appoints an auditor, or is required under its constitution, articles, bylaws or trust instrument to appoint an auditor, or if an auditor is appointed for it under another enactment, the appointment or requirement to appoint under the constitution, articles, bylaws, trust instrument or other enactment does not apply if the plan approved under subsection (9) provides for the appointment of a different auditor.
- (12) In this section, except in subsection (2), **“auditor”** means an auditor of financial statements.

Mandate

- 11** (1) The Auditor General must report each year, in accordance with generally accepted auditing and assurance standards, to the Legislative Assembly on the financial statements of the government reporting entity.
- (2) The report under subsection (1) must state whether these financial statements are presented fairly in accordance with generally accepted accounting principles.
- (3) The auditor in accordance with section 10 (3) must report each year on the financial statements of the government organizations and of the trust funds, in accordance with generally accepted auditing and assurance standards, to
 - (a) the boards of management of the government organizations and the trustees of the trust funds to which the appointment is made, and
 - (b) the minister responsible.
- (4) An auditor of a government organization or a trust fund must audit the government organization or a trust fund as the Auditor General considers advisable to enable the Auditor General to exercise the powers and perform the duties of the Auditor General.
- (5) For the purposes of subsection (4), the Auditor General may conduct or cause to be conducted any further examinations that the Auditor General considers advisable.
- (6) The Auditor General may audit an individual or organization in relation to
 - (a) a grant, a transfer under an agreement, an advance of money, a loan, a guarantee for the performance of an obligation, or an indemnity given by, or
 - (b) the collection of money for or on behalf of,

the government, a government organization or a trust fund.

(7) An audit under subsection (6) must be limited to whether any terms and conditions applicable in respect of

(a) a grant, a transfer under an agreement, an advance of money, a loan, a guarantee for the performance of an obligation, or an indemnity given by the government, government organization or a trust fund, or

(b) the collection referred to in subsection (6) (b)

have been fulfilled.

(8) The Auditor General must report to the Legislative Assembly one or more times each fiscal year of the government and call attention to anything resulting from the work undertaken to exercise the powers and perform the duties of the Auditor General that the Auditor General considers should be brought to the attention of the Legislative Assembly, including any assessments concerning whether

(a) financial and administrative provisions of Acts and regulations under those Acts have been complied with,

(b) the government, a government organization or a trust fund is operating economically, efficiently and effectively,

(c) the procedures established by the government, government organizations or trust funds to measure and report on the effectiveness of their programs are adequate and complied with,

(d) the accountability information provided to the Legislative Assembly by the government, government organizations and trust funds with respect to the results of their programs is adequate,

(e) the terms and conditions applied in respect of a grant, a transfer under an agreement, an advance of money, a loan, a guarantee for the performance of an obligation, or an indemnity given by the government, a government organization or a trust fund to any individual or another organization have been complied with, and

(f) the terms and conditions applied in respect of a collection of money on behalf of the government, a government organization or by or on behalf of a trust fund have been complied with.

(9) A report under subsection (8) or section 12 or an examination under section 13 must not call into question the merits of program policies or objectives of the government, a government organization or a trust fund.

(10) A report under subsection (8) must

(a) be transmitted by the Auditor General to the Speaker,

(b) if the Legislative Assembly is sitting or is scheduled to sit within 5 days of the Speaker receiving the report, be laid by the Speaker before the Legislative Assembly as soon as possible,

(c) if the Legislative Assembly is not sitting and is not scheduled to sit within 5 days of the

Speaker receiving the report, be forwarded by the Speaker to all members of the Legislative Assembly as soon as possible and released to the public, and

(d) be referred by the Legislative Assembly to the Select Standing Committee on Public Accounts as soon as possible.

(11) The Auditor General must transmit a report issued under subsection (1) to the Minister of Finance at least 7 days before the report is transmitted to the Speaker of the Legislative Assembly.

(12) The Auditor General must transmit a report issued under subsection (8) to the ministry responsible for the administration of the matter included in the report at least 7 days before that report is transmitted to the Speaker of the Legislative Assembly.

Other reports

12 The Auditor General may make a report at any time to the Legislative Assembly, a minister, the Treasury Board, the Executive Council or an officer or employee of the government or of a government organization that, in the opinion of the Auditor General, should be made to that person or organization.

Other examinations

13 (1) The Auditor General may undertake an examination

(a) respecting the government, a government organization or a trust fund, or

(b) in relation to a grant, a transfer under an agreement, an advance of money, a loan, a guarantee for the performance of an obligation, or an indemnity given by the government, a government organization or a trust fund.

(2) An examination must be undertaken under subsection (1) on a request by the Legislative Assembly or a committee.

(3) An examination may be undertaken under subsection (1) on the request of a person or an organization other than the Legislative Assembly or a committee if the Auditor General is satisfied that

(a) it is in the public interest to undertake the examination, and

(b) the undertaking of the examination will not interfere with the discharge of the responsibilities of the Auditor General.

(4) A summary of the findings of the Auditor General resulting from examinations undertaken under subsection (1) must be reported each year to the Legislative Assembly.

Auditing outside the government reporting entity

14 The Auditor General, with the prior consent of the committee, may agree to be appointed, for a term specified by the committee, as the auditor of an organization other than a government organization or a trust fund.

Staff in government or government organizations

15 (1) The Auditor General may place a person appointed or engaged under section 8 in any part of the government or of a government organization to assist the Auditor General to exercise the powers and perform the duties of the Auditor General.

(2) If a person is placed, under subsection (1), in a part of the government or a government organization, office accommodation in the part must be provided for that person by the managers of that part.

(3) Each person employed with the Auditor General who is to examine the accounts or the administration of the government or of a government organization under this Act must comply with security requirements applicable to persons employed in the government or the government organization.

Access to information, documents or things

16 Despite any other enactment, the Auditor General, in the conduct of the Auditor General's duties, must be given access to records, information and any explanations required from a person or organization for the Auditor General to exercise the powers and perform duties of the Auditor General.

Summons and requests

17 (1) The Auditor General may

- (a) summons the attendance of witnesses,
- (b) request that witnesses give evidence on oath or in any other manner, and
- (c) request that witnesses produce records, securities and things

for the purposes of section 11 or of an examination undertaken under section 13.

(2) A witness is liable, on application to the Supreme Court by the Auditor General, to be committed for contempt as if in breach of an order or judgment of the Supreme Court if the witness

- (a) is summonsed as described in subsection (1) (a), and
- (b) fails or refuses to attend or to take an oath described in subsection (1) (b).

(3) If a witness receives

- (a) a request described in subsection (1) (b) and fails or refuses to give evidence as requested, or
- (b) a request described in subsection (1) (c) and fails or refuses to produce records, securities and things in the witness's custody or possession as requested,

the Auditor General may apply to the Supreme Court for an order that the witness comply with the request.

Protection against lawsuits

18 (1) Subject to subsection (2), no legal proceeding for damages lies or may be commenced or maintained against the Auditor General or a person appointed or engaged under section 8 because of anything done or omitted in

- (a) the exercise or intended exercise of any power of the Auditor General, or
- (b) the performance or intended performance of any duty of the Auditor General.

(2) Subsection (1) does not apply to a person in relation to anything done or omitted in bad faith.

(3) Subsection (1) does not absolve the Government of the Province of British Columbia from vicarious liability arising out of anything done or omitted by a person referred to in that subsection for which the Government of the Province of British Columbia would be vicariously liable if this section were not in force.

(4) The Government of the Province of British Columbia must indemnify any person referred to in subsection (1) for any costs or expenses incurred by the person in any legal proceedings taken against the person for anything done or not done in good faith as described in subsection (1) (a) or (b).

Preparation of estimates for appropriation purposes

19 (1) For each fiscal year, the Auditor General must present to the committee

(a) a service plan that includes a statement of goals and identifies specific objectives and performance measures that will be required, and

(b) an estimate of the resources, stated in a form suitable for inclusion in the main estimates that will be required,

to exercise the powers and perform the duties of the Auditor General during the upcoming fiscal year.

(2) The committee must review and may adjust as it considers appropriate the estimate it receives under subsection (1) (b) and must transmit the resulting estimate to the Minister of Finance.

(3) The estimate transmitted under subsection (2) is deemed to be recommended by the committee and must be included by the Minister of Finance as part of the main estimates for the upcoming fiscal year submitted to the Lieutenant Governor for recommendation to the Legislative Assembly.

(4) Notice of meetings of the committee for the purposes of subsection (2) must be given to the Auditor General and to the chair of Treasury Board.

Fees

20 (1) The Auditor General may charge fees, on a basis approved by the committee, for services performed on behalf of the Auditor General.

(2) If a vote described in section 23 (3) of the *Financial Administration Act* providing for the expenses of the Auditor General contains a recovery for fees collected under subsection (1) of this section, the reference in section 23 (3) (c) of the *Financial Administration Act* to the Treasury Board is deemed to be a reference to the committee for the purpose of approving the expenditure by the Auditor General of amounts collected as fees described by subsection (1).

(3) Subsection (2) applies despite the *Financial Administration Act*.

Financial Administration Act and Public Service Act

21 (1) The committee may recommend to Treasury Board that a regulation, an order or a directive made under the *Financial Administration Act* be made inapplicable to, or be varied in respect of, the Auditor General.

(2) The committee may recommend to the minister responsible for the administration of the *Public Service Act* that the *Public Service Act*, or a regulation or an order made under that Act be made inapplicable to, or be varied in respect of, the Auditor General.

Accountability of Auditor General

22 (1) The Auditor General must report each year before June 30 to the Legislative Assembly on the attainment of the goals and the specific objectives and performance measures of the Auditor General set out in the statement referred to in section 19 (1) (a), and this report must include financial statements for the Auditor General prepared in accordance with generally accepted accounting principles.

(2) A report under subsection (1) must compare actual results for the preceding fiscal year with the expected results identified in the service plan for the Auditor General for that fiscal year.

(3) The Auditor General must deliver a report described in subsection (1) to the Speaker and the Speaker must lay the report before the Legislative Assembly as soon as possible.

Audit of accounts of Auditor General

23 (1) The committee must appoint an independent auditor to audit the financial statements of the Auditor General for each of the remaining fiscal years of the Thirty-seventh Parliament of British Columbia.

(2) During the First Session of the Thirty-eighth Parliament of British Columbia, and during the First Session of each Parliament of British Columbia thereafter, the committee must appoint an independent auditor to audit the financial statements of the Auditor General for each of the fiscal years to be completed during the term of the Parliament.

(3) On completing an audit under subsection (1) or (2) for a fiscal year, an auditor must submit a report on the results of the audit to the Auditor General.

(4) An auditor appointed under subsection (1) or (2) may also audit the appropriateness and reliability of the performance information contained in the annual report of the Auditor General.

(5) The report under subsection (3) must be included in the report under section 22.

Spent

24-44 [*Consequential amendments and repeal. Spent. 2003-2-24 to 44.*]

Commencement

45 This Act comes into force by regulation of the Lieutenant Governor in Council.

