

Ministry of Finance

Budget Process Examination Phase 1: Revenue Released June 2015

<http://www.bcauditor.com/pubs>

Initial PAC Meeting: 02/02/16

Rec. #	OAG Recommendations <sup>1</sup>	Action Planned	Target Date	Assessment of Progress by Entity <sup>2</sup>	Action Taken <sup>3</sup>
1.	Clearly disclose in its <i>Budget and Fiscal Plan</i> the inherent limitations associated with future-oriented financial information, in line with disclosure standards established by CPA Canada	Government will provide enhanced disclosure as recommended	February 16, 2016 with the release of <i>Budget 2016</i>	Action planned	Government included enhanced disclosure in its First <i>Quarterly Report</i> September 2015 released on September 15, 2015 and in its Second <i>Quarterly Report</i> November 2015 released on November 24, 2015
2.	Enhance its sensitivity disclosures in Appendix Table A5 of the <i>Budget and Fiscal Plan</i> , explaining why the selected economic variables are used, and disclosing and discussing the likely range of historical data volatility	Government accepted this recommendation and intends to include an estimation of the historical volatility of economic variables in the 2016 British Columbia <i>Financial and Economic Review</i> , to be released in July or August 2016, following the release of the 2015/16 <i>Public Accounts</i>  As recommended, government will include in the budget document additional discussion on why these variables are disclosed in the Major Assumptions table	July or August 2016 with the release of the 2016 <i>Financial and Economic Review</i>	Action planned	

<sup>1</sup> This should include all the recommendations listed in the Office of the Auditor General (OAG) report unless previously assessed as fully or substantially implemented. (i.e. only outstanding recommendations need to be reported).

<sup>2</sup> The Select Standing Committee on Public Accounts (PAC) will request an update (i.e. Assessment of Progress and Actions Taken column completed) on a yearly basis from the audited organization until all recommendations are fully implemented or otherwise addressed to the satisfaction of the PAC. After the first action plan update only outstanding recommendations (i.e. those not fully or substantially implemented) need to be reported.

<sup>3</sup> This action plan and their subsequent updates have not been audited by the OAG. However, at a future date that Office may undertake work to determine whether the entity has fairly and accurately represented their progress in addressing the recommendations. The results of that work will be reported in a separate report prepared by the OAG.

**Please provide your email response to:**

Attention: Bruce Ralston, Chair of the Select Standing Committee on Public Accounts

Email: [Kate.Ryan-Lloyd@leg.bc.ca](mailto:Kate.Ryan-Lloyd@leg.bc.ca), Deputy Clerk and Clerk of Committees

Cc email to: the Comptroller General's Office of the Government of British Columbia [Comptroller.General@gov.bc.ca](mailto:Comptroller.General@gov.bc.ca)

Cc email to: the Office of the Auditor General of British Columbia [lhatt@bcauditor.com](mailto:lhatt@bcauditor.com)

Detailed Action Plan - Prepared for the Select Standing Committee of Public Accounts

Rec. #	OAG Recommendations <sup>1</sup>	Action Planned	Target Date	Assessment of Progress by Entity <sup>2</sup>	Action Taken <sup>3</sup>
3.	Provide additional information on the risks supporting the annual forecast allowance	Government accepted this recommendation and will provide a more extensive discussion of the forecast allowance allocation in context with other prudent assumptions adopted in the budget plan, including the underlying economic forecast, the Contingency Vote and the natural gas price forecast	February 16, 2016 with the release of <i>Budget 2016</i>	Action planned	

Prepared by: Treasury Board Staff, Ministry of Finance

**Please provide your email response to:**

Attention: Bruce Ralston, Chair of the Select Standing Committee on Public Accounts

Email: [Kate.Ryan-Lloyd@leg.bc.ca](mailto:Kate.Ryan-Lloyd@leg.bc.ca), Deputy Clerk and Clerk of Committees

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