

## **ROLE 2: ASSESS PERFORMANCE INFORMATION**

### ***Practice 2b. Assure performance reports: Audit, attest to, assure, or certify external performance reports.***

**Province of Quebec, Vérificateur général** ([www.vgq.gouv.qc.ca](http://www.vgq.gouv.qc.ca) or in English: **Auditor General:** [www.vgq.gouv.qc.ca/HTML/Welcome.html](http://www.vgq.gouv.qc.ca/HTML/Welcome.html)). The Public Administration Act passed by the Quebec National Assembly in 2000 requires that departments and agencies prepare an annual management report and present it to the National Assembly, the first one at the end of the of Fiscal Year 2001-02. The Auditor General determined that it was important that the content of performance reports be subject to an independent assessment, even if assessment was not mandated. In 2000-03 and 2003-06 strategic plans, the Auditor General stated the intention of assessing the quality of annual management reports based on recognized principles for performance information reporting. In 2000-01 the Auditor General's office carried out two pilot projects with the cooperation of entities that already practiced management by results, the Public Retirement Service and a service that provides airplanes for government use.

In 2002-03 the Auditor General audited the quality of the performance information published in the annual management report of 16 entities subject to the Public Administration Act. A team of five auditors dedicated to Public Administration Act activities spent six months full time auditing performance information quality. In their analysis, they looked for characteristics of performance information proposed by the CCAF-FCVI (formerly the Canadian Comprehensive Auditing Foundation), based on the following nine reporting principles recommended by the CCAF-FCVI:

- Focus on the few critical aspects of performance
- Look forward as well as back;
- Explain key risk considerations;
- Explain key capacity considerations;
- Explain other factors critical to performance;
- Integrate financial and non-financial information;
- Provide comparative information;
- Present credible information, fairly interpreted;
- Disclose the basis for reporting.

The first five principles provide guidance on what governments should report; the remaining four relate more to how governments should report it. The CCAF-FCVI also illustrates the application of these principles. The CCAF-FCVI supports each principle with a discussion of what it takes to put it into practice, strategies and approaches that have been used to do so, and the key indicators of progress from one level of application to the next. For example, the discussion of the principle that reporting should explain key risk considerations identifies five levels of practice from “nil” to “pro-active.”

Selected findings of Quebec Auditor General's audits of the 16 reports include:

- 15 of the 16 reports contain a statement by the deputy minister or the director of the agency certifying the reliability of the data and the related controls;
- The absence of targets was a major flaw detected in 50 percent of the results analyzed;
- A major shortcoming in the management reports was not enough inclusion of data seeking to promote the comparison of results with those of previous periods or of similar organizations.

Relevant English language documents available from the Auditor General website ([www.vgq.gouv.qc.ca](http://www.vgq.gouv.qc.ca)) include:

- *Strategic Plan 2003-2006 of the Auditor General*
- *Highlights of Annual Report for 2002-2003* (especially see Chapter 4: “Quality of Performance Information”)

Descriptions of relevant CCAF-FCVI publications including *Reporting Principles—Taking Public Performance Reporting to a New Level* (December 2002, Executive Summary can be downloaded for free) are available from the CCAF-FCVI website ([www.ccaf-fcvi.com](http://www.ccaf-fcvi.com)).