

Examination of Crown Agency Board Governance



OFFICE OF THE
Auditor General
of British Columbia

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- The Auditor General is the independent auditor of the Legislative Assembly of British Columbia
- Reports to the Legislative Assembly, not to the government of the day
- Conducts both financial audits and performance (or “value for money”) audits



Report Background

- Governance: the structures and processes that direct, control and hold an organization to account
- Good board governance is key to ensuring Crown agencies achieve their objectives
- Achieving effective board governance is an important responsibility for government and Crown agency governing boards



Examination Purpose

- Our office has reviewed Crown governance in the past. We decided to review progress that has been made to improve board governance
- We examined board governance at four Crown agencies:
 - BC Transit
 - University of Northern BC
 - Camosun College
 - Vancouver Coastal Health Authority



Examination Objectives

1. Board governance structure
 - Board size, composition, term length, etc.
2. Government's performance expectations
 - Clarity, monitoring compliance
3. Board governance practices
 - Steps taken to fulfill roles and responsibilities



Key findings

Structuring board governance

- Some boards had not developed and implemented formal, up-to-date board competency matrices and succession plans
- Boards' timely appointment of members with the skills and competencies needed was also a common concern



Key findings

Setting performance expectations

- Government is not adequately consulting boards when developing government's performance expectations
- Boards are not adequately monitoring the achievement of government performance expectations



Key findings

Board evaluations

- Boards are not conducting annual evaluations consistent with good practice guidelines developed by government



Good practices

- Some good practice examples:
 - BC Transit's whistle-blower program
 - UNBC's documented roles and responsibilities
 - Camosun College's – risk management
 - Vancouver Coastal Health's - fulfillment of reporting obligations
- Board members are engaged and dedicated to their roles



Looking ahead

- We will follow-up with the four Crown agencies examined to review the status of recommendations
- We plan to conduct additional governance examinations to further strengthen board governance structures and processes



Further Resources

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