RE: Globe QA - PA Signatures

From: "Hosick, Sarah (TBS)" <sarah.hosick@ontario.ca>
To: "Veinot, Cindy (TBS)" <cindy.veinot@ontario.ca>
Date: Tue, 03 Apr 2018 17:19:35 -0400

I'll fix that ☺ thanks

From: Veinot, Cindy (TBS)
Sent: April 3, 2018 5:16 PM
To: Hosick, Sarah (TBS)
Subject: RE: Globe QA - PA Signatures

I'm fine with this. Question – did you want to highlight the word "responsibility" in the excerpt from the standards?

From: Hosick, Sarah (TBS)
Sent: April 3, 2018 5:03 PM
To: Veinot, Cindy (TBS)
Subject: Globe QA - PA Signatures

Hi Cindy

The Globe QA below for your review. We have until 10am tomorrow to respond to Comms.

From Reporter:

I've got a few more questions about the Public Accounts. As you may know, in the private sector in Canada, CEOs and CFOs of public companies are required to personally certify that (among other things) their company's financial statements do not contain any misrepresentations or omit to state any material facts. These requirements arose indirectly from the U.S. Sarbanes-Oxley Act and the corporate scandals that preceded it. My questions:

- *Are there any such requirements on the individuals whose signatures appear in Ontario's Public Accounts? Why or why not?*
- *If anyone does "sign off" on Ontario's books, who does that, and what responsibilities accompany their signatures?*
- *What enforcement mechanisms exist to hold those individuals accountable?*

Proposed Response:

Ontario's Public Accounts include a [Statement of Responsibility], which is signed by the deputy ministers of Finance and Treasury Board Secretariat, as well as the Provincial Controller. Part of the statement includes that the consolidated financial statements are prepared in accordance with public sector accounting standards (PSAS), as well as that the government is responsible for maintaining systems of financial management and internal control to provide reasonable assurance that transactions recorded in the Consolidated Financial Statements are within statutory authority, assets are properly safeguarded and reliable financial information is available for preparation of the consolidated financial statements.

It is a requirement of PSAS that the financial statements of a government should be clearly identified and should include or be accompanied by an acknowledgement of the government's responsibility for their preparation (see PS 1201 – General Reporting Principles, excerpt below).

GENERAL REPORTING PRINCIPLES

.004 The function of financial statements is to communicate information to users that is relevant to the needs of those for whom the statements are prepared, reliable, comparable, understandable and clearly presented in a manner that maximizes its usefulness. These general reporting principles provide guidance on the reporting of information in financial statements to fulfill that function.

.005 *The financial statements of a government should be clearly identified and should include or be accompanied by an acknowledgment of the government's **responsibility** for their preparation.* [APRIL 2005]

.006 The financial statements prepared to report on a government's financial position, results of operations, remeasurement gains and losses, change in net debt and cash flow need to be clearly identified. If included in the Public Accounts or other document, the financial statements, and the notes and schedules integral to them, would be presented together. The financial statements must include an acknowledgment of the government's **responsibility** for their preparation to ensure that users are aware of who is responsible for their preparation and that the government has approved them. Such an acknowledgment could be expressed in narrative form signed by the appropriate minister or elected official, or a delegated government official.

Also, Mark's team pulled the SoR for the big provinces, looks like BC is the only one that has a politician sign, the others are public servants.(attached)