



Treasury Board of Canada  
Secretariat

Secrétariat du Conseil du Trésor  
du Canada

*Better government. with partners. for Canadians*

# **Roles and Responsibilities of Treasury Board Secretariat**

**Presentation to the Committee of Experts,  
MESICIC, Organization of American States**

**Oct. 16, 2013**

**Values and Ethics, Office of the Chief Human Resources Officer**

**Canada**



# Purpose of Presentation

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- To provide the panel with a description of the distinct roles and responsibilities of Treasury Board, Treasury Board Secretariat, departments, and other agencies.



# **Outline of Presentation**

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- I. Roles and responsibilities of the Treasury Board**
  - II. Framework for Treasury Board decision-making**
  - III. Treasury Board Secretariat: role as administrative arm**
    - i. Developing policy advice for Treasury Board
    - ii. Oversight
    - iii. Monitoring and reporting
    - iv. The Challenge Function
    - v. Capacity building
  - IV. Responsibilities and Accountabilities of Deputy Heads**



# Treasury Board

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- **The Treasury Board is a committee of Cabinet, established in 1867 and given statutory powers in 1869.**
- **The Treasury Board is responsible for accountability and ethics, financial, personnel and administrative management, comptrollership, approving regulations and most Orders-in-Council.**
- **Its administrative arm is the Treasury Board Secretariat.**



# Treasury Board: *Roles and Responsibilities*

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- **Treasury Board has three main functions:**
  1. *Management Board:*
    - Promoting improved management performance
    - Developing policies for managing assets and resources
    - Overseeing the government's regulatory function
  2. *Budget Office:*
    - Examining and approving proposed spending plans of departments
    - Financial management and reporting
  3. *People Management:*
    - Acting as the human resources office and employer of the public service (e.g. through managing compensation and setting terms and conditions)



# **Treasury Board:**

## ***Roles under the FAA***

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- In addition to responsibilities assigned by the Prime Minister, Treasury Board's authority to carry out these three functions rests primarily in the *Financial Administration Act (FAA)*
  - **FAA gives TB authority to act on matters relating to:**
    - Public administration
    - Financial management
    - Expenditure management
    - Human resources
    - Government-wide employment policy
    - Internal audit
    - Group insurance and benefits



# **Treasury Board:**

## ***Framework for decision-making***

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- Treasury Board adopts mandatory policies, setting requirements for deputy heads of departments
- Policy instruments are designed to respect the authorities and responsibilities of Ministers and deputies:
  - Ministers are responsible for effective operation of their departments and accountable to the Prime Minister and Parliament for their departments' performance
  - Deputy heads are responsible for departmental management, including most areas of HR, internal audit, and internal control systems



# **Treasury Board Secretariat:**

## ***Administrative Arm of the Board***

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- **TBS mandate is comprised primarily of responsibilities assigned through Board policy instruments and other decisions**
- **TBS acts in five key areas in support of TB:**
  - i. Developing policy advice for Board consideration
  - ii. Oversight
  - iii. Monitoring and reporting
  - iv. The challenge function
  - v. Capacity building
- **TBS's roles and responsibilities can be contrasted with those of Ministers and Deputy Heads**





# Treasury Board Secretariat: *Organization*

- **The Secretariat is made up of 11 branches and sectors:**
  - Office of the Chief Human Resources Officer
  - Office of the Comptroller General
  - Chief Information Officer Branch
  - Government Operations
  - Economic Sector
  - Corporate Services Sector
  - Priorities and Planning
  - Regulatory Affairs
  - Social and Cultural Sector
  - Strategic Communications and Ministerial Affairs

# Treasury Board Secretariat: *Resources*

Year	Funding (\$000)	Personnel - Full time equivalents
2013-2014	5,662,899	1,909
2012-2013	5,685,174	2,121
2011-2012	5,878,117	2,160
2010-2011	7,757,177	2,179
2009-2010	7,757,177	2,249



# **Treasury Board Secretariat:**

## ***Developing policy advice for Treasury Board***

- **TBS develops and recommends policy instruments for TB approval in consultation with departments and stakeholders such as bargaining agents**
- **Deputy Heads are responsible for implementing measures in their departments to ensure application of TB's mandatory policy instruments, and may thus develop complementary departmental management policy instruments to fulfill these responsibilities**



# **Treasury Board Secretariat: *Oversight***

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- **Generally, TBS exercises oversight based on a consideration of inherent risk and uses a variety of means of monitoring performance in departments, including due diligence on spending approvals and approvals of policy authorities required by departments**
  - **TBS responds to non-compliance based on relevant circumstances (e.g. severity, risk, departmental capacity)**
  - **TBS monitors policy compliance and management performance, but does not oversee individual departmental transactions**
  - **TBS oversight respects the authorities of ministers and deputies**



# **Treasury Board Secretariat: *Oversight* (cont'd)**

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- **Treasury Board may intervene in cases of noncompliance depending largely on the department's internal management, oversight and actions taken to deal with noncompliance**
- **The Compliance Framework describes a range of potential measures aimed at institutions or individuals, including:**
  - Suasion (largely informal discussions between officials)
  - Consent (a formal course of action agreed between officials)
  - Counteraction (imposed remedial or corrective actions)
  - Restraint (curtailment or removal of authority or responsibility)



# **Treasury Board Secretariat:**

## ***Monitoring and reporting***

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- **Monitoring is conducted through multiple channels, including audits, evaluations, departmental investment plans, management dashboards, TB submissions, and the Management Accountability Framework (MAF)**
- **MAF provides TBS with key performance information on management conditions deputy heads are expected to create within their departments**
- **Deputy Heads are responsible for monitoring and auditing the application of policies within their departments, taking corrective actions, and reporting to TBS on compliance**
- **Deputy Heads may also have additional oversight, monitoring, and reporting responsibilities that vary according to TB policy**



# **Treasury Board Secretariat:**

## ***The challenge function:***

### ***Departmental submissions to Treasury Board***

- **Sponsoring ministers are responsible for preparing submissions seeking Board approval for spending initiatives and policy authorities**
- **TB decisions are informed by TBS recommendations**
- **Sponsoring departments have primary responsibility for the content of submissions and for conducting appropriate analysis in respect of policies and programs**



# Treasury Board Secretariat: *Capacity Building*

- **Advice to departments:**
  - Implementation and application of TB policy instruments
  - Development of TB submissions
- **Capacity Development:**
  - Has created human resources staffing pools
  - Has created forums to facilitate sharing of best-practices
  - Has created centres of expertise to support the knowledge transfer to departmental practitioners and experts
  - Management Accountability Framework (MAF) as a tool to support the management accountability of Deputy Heads and improve management practices across departments and agencies.
  - Develops guidance documents and uses various other forums to share information and foster best practices across departments and functional communities.





# Responsibilities and Accountabilities of Deputy Heads

- **DHs have responsibilities in three key areas:**
  - Supporting the minister (e.g. policy advice, Parliamentary accountability, carrying out assigned responsibilities)
  - Managing the department (e.g. human resources) in accordance with legislation and Treasury Board policy instruments
  - Providing information to bodies making reports to Parliament
- **DHs have multiple accountabilities to:**
  - The Prime Minister, through the Clerk of the Privy Council
  - The Minister
  - Parliament, as accounting officers as set out in the *FAA* (including responsibility for internal control and signing public accounts)
  - Treasury Board
  - Public Service Commission



## **Responsibilities and Accountabilities of Deputy Heads (cont'd)**

- **In areas of management governed by TB policy instruments, Deputy Heads are specifically responsible for:**
  - Establishing a code of conduct and procedures for internal disclosure of wrongdoing applicable to the portion of the public sector for which he or she is responsible;
  - Implementing and applying TB policy instruments in their organizations;
  - Monitoring and auditing their application;
  - Taking corrective action in cases of non-compliance;
  - Reporting to TBS on compliance and providing advice on the development of policy instruments;
  - Implementing appropriate responses and corrective measures in their departments, including consequences for individuals.