



Internal Audit Division

AUDIT OF THE SASKATCHEWAN REGIONAL OFFICE

FINAL

MAY 2019

As recommended by the Departmental Audit Committee, subject to approval by the Director of Public Prosecutions, on March 20, 2019.

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1.0 EXECUTIVE SUMMARY

1.1 OBJECTIVES AND SCOPE

The objective of this audit was to assess the adequacy and effectiveness of the management control framework in the Saskatchewan Regional Office (SRO) in support of the Public Prosecution Services of Canada's (PPSC) mandate, mission and values. The audit also assessed the efficiency of operational processes in the office.

The audit focused on the operations of the SRO including interactions with selected Headquarters functional areas that provide support to the regional office.

The planning and examination phases of the audit were conducted between May and December 2018.

1.2 AUDIT CONCLUSION

The Internal Audit Division (IAD) assessed the adequacy and effectiveness of the SRO's management control framework against pre-established audit criteria based on Treasury Board policies and directives, PPSC policies, directives, protocols and procedures, as well as general best practices. Overall, the region's management control framework was adequate; however, improvements should be made to communications, operational efficiencies, and security.

1.3 SUMMARY OF RECOMMENDATIONS

This report contains recommendations to the Chief Federal Prosecutor, who should:

- assess the training needs of those in supervisory positions and provide them access to training to assist them in fulfilling their supervision duties.
- develop and implement an approach to communications that fosters interaction with, within and between employees from different functions.
- immediately transfer file assignment duties to the General Counsel – Legal Operations to address perceptions of fairness and transparency.
- review operational processes to ensure tasks are assigned to the appropriate position to make efficient use of resources.
- ensure that assets and information are protected to address the deficiencies noted during the security sweep.

1.4 STATEMENT OF ASSURANCE

In my professional judgement as the PPSC's Chief Audit Executive, sufficient and appropriate audit procedures have been conducted and evidence gathered to support the accuracy of the conclusions reached and contained in this report. The audit's findings and conclusion are based on a comparison of the conditions, as they existed at the time of the audit, against pre-established and approved audit criteria that were agreed upon by PPSC's management. The findings and conclusion are applicable only to the entity examined. The audit was conducted in accordance with the Treasury Board *Policy on Internal Audit*.

I would like to thank PPSC staff at the SRO and Headquarters for their cooperation and assistance during the conduct of this audit.

Cathy Rodrigue
Chief Audit Executive

2.0 INTRODUCTION

2.1 BACKGROUND

2017-2018 Saskatchewan Regional Office Overview¹

Salary (\$)	Operations and Maintenance (\$)	Total (\$)	Full Time Equivalents
2,949,037	1,870,441	4,819,477	25

The Saskatchewan Regional Office (SRO) is based in Saskatoon with a small office located in Regina. The office prosecutes all federal offences, except those under the *Criminal Code*, and handles appeals in all levels of court, including the Supreme Court of Canada.

As the Public Prosecution Service of Canada (PPSC) has carriage of files throughout Saskatchewan, many of the offences occurring outside Saskatoon are assigned to various agent law firms around the province. PPSC prosecutors travel throughout Saskatchewan to conduct prosecutions of complex or sensitive files, or where an agent is not available to act for PPSC. With 80 court locations throughout the province to serve, counsel are often away from their Saskatoon base.

Starting in September 2017, the SRO has experienced fluctuations in staffing levels, due in part to absences, departures, and fiscal constraints. These positions included LP-01 to LP-05. This has affected not only the overall resource capacity but also the level of experience of the staff available to undertake the work. In general, the overall workload for the office has remained consistent year over year. However, individual employees may have experienced an increase in their workload to accommodate for the absences/vacancies.

The Internal Audit Division (IAD) conducted this Audit of the SRO in accordance with the PPSC's 2018-2020 Risk-based Audit Plan, approved by the Director of Public Prosecutions on June 15, 2018.

2.2 OBJECTIVES AND SCOPE

The objective of this audit was to assess the adequacy and effectiveness of the management control framework in the SRO in support of the PPSC's mandate, mission and values. The audit also assessed the efficiency of operational processes in the office.

The audit focused on the operations of the SRO, including interactions with selected Headquarters functional areas that provide support to the regional office.

The planning and examination phases of the audit were conducted between May and December 2018.

2.3 METHODOLOGY

The audit complied with accepted auditing practices and was conducted in accordance with the Treasury Board of Canada *Policy on Internal Audit*.

¹ Financial Situation Report as of March 31, 2018

The audit methodology included the following:

- interviews with staff and management from the SRO, Headquarters, and other regional offices;
- a review and analysis of documented policies, practices and procedures, and related corporate documents;
- analysis of financial workload and human resource data;
- review of prosecution files; and
- security sweep of the office.

3.0 OBSERVATIONS AND RECOMMENDATIONS

3.1 ORGANIZATIONAL STRUCTURE

Overall, the regional office has an organizational structure that provides effective management control and enables the delivery of PPSC's mandate; however, there are deficiencies in management training.

An organizational structure is effective when it permits clear lines of communication and reporting and when managerial spans of control are appropriate. It would generally be expected that supervisors at the same level would be responsible for a comparable number of employees.

Reporting Relationships

The audit found that roles and responsibilities were documented, communicated and adhered to and the organizational charts were up-to-date. The SRO currently has married couples in the office, [REDACTED]. Reporting relationships were established to reduce conflict of interest, either perceived or real.

Managerial Span of Control

A supervisor stated that the increase in workload, as a result of missing staff, has resulted in less time for managerial activities. Concerns were raised regarding the number of people to be supervised and the adequacy of the training received to undertake functions related to the supervising of employees. In the SRO, 12 staff report to one supervisor. In other regions, direct reports to similar positions range between 3 and 18. This places the SRO on the higher end of the range.

When supervisors do not have sufficient time or adequate training to support their employees, it poses a risk to organizational performance.

Recommendation:

1. *The Chief Federal Prosecutor should assess the training needs of those in supervisory positions and provide them access to training to assist them in fulfilling their supervision duties.*

3.2 PUBLIC SERVICE VALUES

Employees within the SRO are witnessing and/or experiencing behaviors that are inconsistent with the *Values and Ethics Code of the Public Service* and the *PPSC Code of Conduct*.

The *Values and Ethics Code for the Public Sector* outlines the values and expected behaviours that guide public servants in all activities related to their professional duties. The *PPSC Code of Conduct* requires employees to “avoid any improper conduct that is directed at and offensive to another person or persons in the workplace, and that they know or ought to reasonably have known could cause offence or harm. Likewise, employees must not engage in discriminatory or harassing behaviour.” and “ensure that their family and personal relationships do not compromise or threaten to compromise their ability to act in the PPSC’s or the Office of the Commissioner’s best interests.”

Harassment and Discrimination

Interviewees reported that they had witnessed and/or experienced harassment, disrespectful treatment and/or discrimination in the workplace, some of which originated during appearances before the provincial courts. It should be noted that behaviors demonstrated by individuals not employed by the PPSC and outside of the PPSC’s offices are outside of the scope of this audit. However, regardless of where the behaviors took place, it is expected that management will react in an appropriate manner when they become aware of the situation, such as discussing the situation with the employee and offering options for seeking a remedy to the situation.

In addition, while most of the interviewees indicated that they would feel free to report these instances, some were unsure as to how comfortable they would feel given the small size of the office and the likely impact on inter-personal relationships within the office.

When employees are victims of harassment, but do not have confidence in how the organization will resolve it, they are less likely to rely on the formal mechanisms in place to report the harassment.

Fairness and Transparency

Communication was noted as an area of concern for almost all employees interviewed, especially for those not invited to all-staff meetings, such as support staff, since they felt that they were not receiving information relevant to their work. However, it was confirmed that communication had recently improved. When management decisions are not shared with staff, there is a risk of misunderstanding and misinformation.

[REDACTED

]. To help reduce the perception of conflict of interest or favoritism when this relationship impacted the office, processes were developed and communicated to address the issue. However, these processes have not been implemented, in particular, file assignment. The expectation was that the General Counsel – Legal Operations (GCLO) would assign files to counsel but this work was being performing by the Chief Federal Prosecutor (CFP) instead. Further discussion of this in section 3.3.

When employees observe or perceive instances of favoritism, it undermines their confidence in management and their motivation and may prompt grievances and staff departures.

Recommendation:

- 2. The Chief Federal Prosecutor should develop and implement an approach to communications that fosters interaction with, within and between employees from different functions.*

3.3 PROCESS EFFICIENCIES

Human resource utilization is not optimizing the efficient achievement of the PPSC's objectives and mandate.

In an effort to reduce work demands and ensure better stewardship of the prosecution function, the PPSC, since 2014, has adopted principles to guide the organization of work by assigning work to employees at the most appropriate level and having as few employees as possible working on a given file.

Counsel noted they were doing administrative work, such as file management and organization, witness calls, notices and certificates, which could be handled by support staff. Concerns were raised during interviews that senior counsel covers the docket court that could be handled by less experienced counsel. This was attributed to a number of factors - shortages in support staff, a lack of appropriate tools or training, and counsels' personal preferences.

Another example is the scheduling of the docket court, a manual task currently performed by the GCLO. Other PPSC regional offices have indicated that support staff perform this task and quasi-electronic means of scheduling have been implemented.

The CFP reviews files before assigning them to counsel. On certain files, he provides a memo with preliminary thoughts and potential course of action which counsel feel limits their discretion. Performing this task is additional work that the CFP may not be required to undertake.

When counsel are performing administrative tasks that could be handled by support staff and senior counsel are performing work that could be handled by less experienced counsel, resources are not being used effectively or efficiently.

Recommendations:

- 3. The Chief Federal Prosecutor should immediately require the General Counsel – Legal Operations to conduct file assignment to counsel to address perceptions of fairness and transparency, as well as efficiency.*
- 4. The Chief Federal Prosecutor should review operational processes to ensure tasks are assigned to the appropriate position to make efficient use of resources.*

3.4 POLICIES AND PROCEDURES

In general, prosecution files were compliant with PPSC policies and procedures in their management and execution. However, improvement in file documentation and review would ensure that the information is accurate and compliant.

The *PPSC Deskbook* (the “*Deskbook*”) sets out the guiding principles that prosecutors must follow. The audit expected to find systems in place to ensure compliance with the *Deskbook* and promote the quality of prosecution information. The audit reviewed a sample of 57 prosecution files opened between April 1, 2016 and August 31, 2018.

Templates and Checklists

The audit found that, in general, checklists and templates were used as required. However, the disclosure form was used only in 28 of 53 (53%) files where it was expected. The use of the form documents that the Crown has met its obligation to disclose information.

Missing or incomplete checklists may result in not having the required information on file, not sharing the right information with others, and/or retaining extraneous information in a file.

Documenting Decisions

The *PPSC Deskbook* requires the documenting of decisions to not prosecute. Management expects decisions to prosecute be documented for medium and high complexity files.

Our file review looked at the sub-set of 12 medium and high complexity files for the documenting of the decision to prosecute. Only 2 of the 12 files had a documented decision to prosecute; both were documented in iCase and one was also on the hardcopy file. The decision to not prosecute was documented in all 23 files where required.

Prosecution Plans

The *PPSC Deskbook* requires the “Development of a prosecution plan ...in major cases.” In addition, PPSC senior management expects prosecution plans for high complexity files be shared with Headquarters.

The audit reviewed high complexity files requiring a prosecution plan and found that they had plans but were not shared with Headquarters. The audit team did not comment on the quality of the prosecution plans.

Complexity Level

File complexity information is used for reporting and decision-making. The audit found that the complexity level in iCase matched that of the hard copy for 54 of 57 (93%) files reviewed: two hard copy files did not have a complexity level while the iCase complexity was correct in a third file. The SRO confirmed that the complexity information was updated for hard copy files to reflect iCase information based on the results of our file review.

3.5 MANAGEMENT OF AGENTS

Controls have been established for the effective management of agent work; however, some were not fully implemented or in effect long enough to assess adequacy or effectiveness.

The Agent Affairs Program is responsible for the overall management of agents and includes the Agent Affairs Division (AAD) at Headquarters, as well as, an Agent Supervision Unit (ASU). The ASU is responsible for the day-to-day management of agents. In the SRO, the ASU consists of a Senior Counsel as the Agent Supervisor and a Legal Assistant. In the SRO, agent firms are appointed to specific judicial circuits to handle all files originating in those circuits. The police provide all charges directly to the firm in their area.

Budget Management

The audit expected to find effective controls for the management of the agent budget in the SRO. We found that the budget was tracked through monthly reviews of the Financial Situation Report. The AAD also provides forecasts and estimates to the CFP and the Agent Supervisor. However, we found no systematic tracking of agent hours and billing to ensure that agents' hours are reasonable and billing is accurate. Work is currently being done at a departmental level to address budget management as it relates to agents.

File Management

The audit found that file assignment was done in line with the Terms and Conditions set out by the PPSC and the Agreement with the firm. As previously noted, files are sent directly to the firms by the police.

In July 2018, the Agent Supervisor began asking agents to submit a Charge Review Memo within two months of receiving a case. The Charge Review Memo will enable the Agent Supervisor to identify agent files with no reasonable prospect of conviction. This review will also ensure that the work performed by the agents is consistent with the work performed by in-house counsel. However, at the time of this audit the process was neither fully implemented nor in effect long enough to assess its adequacy and effectiveness.

3.6 SECURITY

Appropriate safeguards are not in place to secure information and assets.

The PPSC established Security Sweeps Guidelines in 2018 to “promote security awareness” and “ensure compliance with security policies” and “government security standards”. The audit team performed the security sweep as part of the audit while physically on location in the regional office.

The audit expected to find that sensitive information and assets were well protected in accordance with Treasury Board *Policy on Government Security* and PPSC directives.

Deficiencies were noted in the Saskatoon office and shared with the Manager of Security Services Unit, as well as with management in the SRO and Headquarters.

When appropriate safeguards are not in place to secure information and assets, there are operational and reputational risks to the organization.

Recommendation:

- 5. The Chief Federal Prosecutor should ensure that assets and information are protected to address the deficiencies noted during the security sweep.*

4.0 CONCLUSION

The IAD assessed the adequacy and effectiveness of the SRO's management control framework against pre-established audit criteria based on Treasury Board policies and directives, PPSC policies, directives, protocols and procedures, as well as general best practices. Overall, the region's management control framework was adequate; however, improvements should be made to communications, operational efficiencies, and security.

5.0 MANAGEMENT RESPONSE AND ACTION PLANS

RECOMMENDATIONS	MANAGEMENT RESPONSE AND ACTION PLAN	OFFICE OF PRIMARY INTEREST	TARGET DATE
<p>1. The Chief Federal Prosecutor should assess the training needs of those in supervisory positions and provide them access to training to assist them in fulfilling their supervision duties.</p> <p>Risk: Medium</p>	<p>Management agrees with the recommendation. The PPSC Supervisors Network is a valuable resource for our supervisors.</p> <p>Action Plan: The CFP will meet with each supervisory member to review the skill set essential to their position, to identify areas for growth and to review Canada School of Public Service offerings for opportunities to address those needs. The supervisory member’s annual training plan will include the identified training for completion.</p>	<p>SRO – CFP</p>	<p>June 30, 2019 to establish the learning plan items.</p> <p>March 31, 2020 to complete the learning plan items.</p>
<p>2. The Chief Federal Prosecutor should develop and implement an approach to communications that fosters interaction with, within and between employees from different functions.</p> <p>Risk: Medium</p>	<p>Management agrees with the recommendation. The SRO Management Team consisting of the CFP, the GCLO, the Agent Supervisor and the Business Coordinator meet on a regular basis, which has helped improve communication.</p> <p>Action Plan: The CFP will hold quarterly all-staff meetings. To further foster information sharing between functions, the frequency of management team meetings will be increased to once monthly. The CFP and GCLO will continue to utilize staff meetings and all-staff email notices to communicate significant operational decisions.</p>	<p>SRO – CFP</p>	<p>December 31, 2019</p>
<p>3. The Chief Federal Prosecutor should immediately require the General Counsel – Legal Operations to conduct file assignment to counsel to address perceptions of fairness and transparency, as well as efficiency.</p> <p>Risk: Medium</p>	<p>Management agrees with the recommendation. The CFP and GCLO have recently implemented a file assignment system that reflects the system traditionally utilized in the office in which the GCLO has responsibility for assignment of trial files emanating from docket court.</p> <p>[REDACTED]</p>	<p>SRO – CFP</p>	<p>March 31, 2019</p>

RECOMMENDATIONS	MANAGEMENT RESPONSE AND ACTION PLAN	OFFICE OF PRIMARY INTEREST	TARGET DATE
	<p>Action Plan: As of January 7, 2019, the GCLO assumed the task of trial file assignment in relation to docket court matters. [REDACTED], the file assignment decision will be that of the GCLO in consultation with the Deputy Director of Public Prosecution, if required. This will be communicated to staff in February 2019.</p>		
<p>4. The Chief Federal Prosecutor should review operational processes to ensure tasks are assigned to the appropriate position to make efficient use of resources.</p> <p>Risk: Medium</p>	<p>Management agrees with the recommendation.</p> <p>Action Plan: The Management team will establish an “operations efficiency committee” consisting of 1 LP, 1 CR, 1 EC and 1 AS whose mandate will be to review all aspects of the office operation and identify measures to improve efficiency. The committee will commence work on March 1, 2019 and will submit a report to management by August 31, 2019. Management undertakes to the committee to consider the report and where feasible to utilize the report in decisions concerning efficient use of resources.</p>	<p>SRO – CFP</p>	<p>August 31, 2019 to complete the committee report.</p> <p>October 31, 2019 for management to provide staff with a written response to the committee report.</p>
<p>5. The Chief Federal Prosecutor should ensure that assets and information are protected to address the deficiencies noted during the security sweep.</p> <p>Risk: Medium</p>	<p>Management agrees with the recommendation.</p> <p>Action Plan: The concerns noted have been addressed in the recently completed renovation project, including a modernization of security systems and equipment.</p>	<p>SRO – CFP</p>	<p>March 31, 2019</p>

APPENDIX A – AUDIT CRITERIA

Audit Criteria

- 1 The regional office has an organizational structure that provides effective management control and enables the delivery on PPSC’s mandate.
- 2 PPSC frameworks are in place, and functioning, to support behaviours consistent with the Public Service Values and Ethics, as well as the PPSC Code of Conduct.
- 3 Human resource utilization efficiently supports the achievement of the organization’s objectives.
- 4 Prosecution files are managed and dealt with in compliance with the PPSC’s policies and procedures.
- 5 Controls are in place for the effective management of agent work.
- 6 Sensitive information and assets are properly safeguarded.

APPENDIX B – LIST OF ABBREVIATIONS

AAD	Agent Affairs Division
ASU	Agents Supervisor Unit
CFP	Chief Federal Prosecutor
GCLO	General Counsel – Legal Operations
IAD	Internal Audit Division
PPSC	Public Prosecution Service of Canada
SRO	Saskatchewan Regional Office