



AUDIT OF VALUES AND ETHICS

Internal Audit and Evaluation Division

March 2024



Public Prosecution
Service of Canada

Service des poursuites
pénales du Canada

Canada 

As recommended by the Departmental Audit Committee, subject to approval by the Director of Public Prosecutions, on March 26, 2024.
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EXECUTIVE SUMMARY

Background

Ethics are guiding principles that govern behavior or the conducting of an activity. Ethical conduct is behavior that is consistent with core values. Values are enduring beliefs that influence the actions, choices, and decisions individuals make.

As recently noted in the Deputy Minister's Task Team on Values and Ethics Report to the Clerk of the Privy Council, "the cumulative effect of change has led to questions on the soundness of our public service foundation, overall awareness, and the consistent application of values and ethics in decisions, actions and behaviours of public servants."^A

The PPSC recently updated its own Code of Conduct (Code) in September 2020, of which the Corporate Counsel and Human Resources (HR) have joint oversight. The Code is the central component of the PPSC's values and ethics framework, which also includes a Disclosure of Wrongdoing Protocol, Conflict of Interest Disclosure, Informal Conflict Management Services, Healthy Workplace Services, and the Employee Assistance Program.

Objective

The objective of this audit was to provide assurance that appropriate values and ethics processes are in place at the Public Prosecution Service of Canada (PPSC) and are in accordance with Government of Canada policies, directives, and guidelines.

Audit Conclusion

The PPSC has a robust framework that is generally compliant with Government of Canada legislation and Treasury Board of Canada (TB) policy suites. However, developing and documenting a risk-based approach to monitoring and assessing the state and effectiveness of values and ethics processes as required by the Values and Ethics Code for the Public Sector would allow the organization to better track progress of values and ethics initiatives and processes, as well as improve management visibility and understanding among stakeholders.

Further clarifying roles and responsibilities would reduce misinterpretation and avoid stakeholders attributing ownership to other stakeholders. Also, while appropriate training and awareness activities are taking place, there are opportunities to improve training and awareness for certain values and ethics processes, and to ensure that all TB mandatory training is identified and completed.

Finally, execution of reporting to Executive Council as previously recommended in the 2021 Review of the Governance Framework would improve the PPSC's ability to manage values and ethics objectives, risks, and overall strategic direction for the organization.

Recommendations

The Corporate Counsel and the Director General, HR, should clearly define roles and responsibilities at the operational level, including those for monitoring and assessing the effectiveness of values and ethics processes with TB requirements. These roles and responsibilities should ensure that required work is assigned appropriately and eliminate misinterpretation of responsibilities.

The Corporate Counsel and the Director General, HR, should develop and document a risk-based approach to monitoring and reporting the state and effectiveness of PPSC values and ethics processes in accordance with requirements from the TB Values and Ethics Code of Conduct for the Public Sector.

^A [Deputy Ministers' Task Team on Values and Ethics Report to the Clerk of the Privy Council – Privy Council Office – Canada.ca](#)

VALUES AND ETHICS FRAMEWORK

Findings

What we expected to find

We expected that the PPSC had developed and implemented an appropriate framework to adequately fulfill its values and ethics objectives and activities. We also expected to find that training, awareness, and communication activities were undertaken on a regular basis to inform employees and managers of their responsibilities.

Conclusion

The PPSC has a well-developed framework which includes appropriate policies, processes, and tools to support values and ethics. While appropriate training and awareness activities are taking place, additional training and/or communication would further support and promote values and ethics at the PPSC.

Policies, Processes, and Tools

Overall, we found that appropriate policies and processes to support values and ethics had been established, notably a formal Code, along with extensive tools, recourse options, and information available to employees on iNet.^B Even with this well-developed framework, some areas of improvement were identified:

- Information and links on iNet (i.e., grievances) should refer to PPSC values and ethics processes rather than the Justice Canada website.
- All values and ethics information and links should be aggregated in one place on iNet so employees can easily find information.
- TB policy instruments identified in the Framework should be updated.

Training and Awareness

We found that appropriate training and awareness activities are taking place to promote values and ethics at the PPSC. Communication of changes and/or initiatives to values and ethics related Codes, Acts, policies, organizational values, and activities are posted on iNet, as well as a list of values and ethics related mandatory training courses. We also reviewed PPSC development programs and found that most include training items related to values and ethics. However, we noted the following areas for improvement:

- Ensure that all TB mandatory training is included on the mandatory training page on iNet, as well as requiring that all employees take the updated PPSC Code of Conduct Awareness training to ensure conformance with PPSC and TB training requirements.
- Provide regular training and/or communication of the Internal Disclosure of Wrongdoing Protocol.
- Enhance tracking of mandatory values and ethics training.

Of note, completion of the management action plan from the recently completed Follow-up Audit of Human Resources Monitoring should enhance training-related values and ethics activities by ensuring all PPSC employees are completing all mandatory values and ethics training within required timeframes.

^B The PPSC's intranet site which is used to securely share the organization's information and computing resources among employees.

VALUES AND ETHICS FRAMEWORK

What we expected to find

We expected to find clearly documented and communicated roles and responsibilities for the oversight of the values and ethics framework. We also expected to find tools, mechanisms, and/or reports in place to monitor and report on values and ethics activities as required in relevant legislation, such as the *Public Servant Disclosure Protection Act*, the Values and Ethics Code of Conduct for the Public Sector (Code for the Public Sector) and/or internal policies such as the PPSC Code, including identification and monitoring of risks related to values and ethics.

Conclusion

Improvements should be made to ensure that roles and responsibilities are clarified and reinforced to avoid attributing ownership to other stakeholders. There is a need to develop, document, and implement internal monitoring and reporting requirements, and to take a risk-based approach to identify and assess values and ethics at the PPSC.

Recommendation 1

The Corporate Counsel and the Director General, HR, should clearly define roles and responsibilities at the operational level, including those for monitoring and assessing the effectiveness of values and ethics processes with TB requirements. These roles and responsibilities should clarify who is responsible for values and ethics oversight at the PPSC and ensure that required work is assigned appropriately to eliminate misinterpretation of responsibilities.

Roles and Responsibilities

Generally, we found that roles and responsibilities of values and ethics stakeholders are documented and communicated through iNet or the Code. While we observed extensive collaboration between HR and the Corporate Counsel, it was noted in interviews that there are gray areas between the two functions. We identified some areas of improvement:

- There should be a clear distinction of roles and responsibilities related to values and ethics training.
- Roles and responsibilities should not only be documented at a high level, but also at an operational level.
- Roles and responsibilities should identify ownership of forward-looking initiatives at the PPSC, such as the assessment of the state of values and ethics and/or the effectiveness of values and ethics processes.

Monitoring, Reporting, and Risk

The Values and Ethics Code of Conduct for the Public Sector specifies, in the Duties and Obligations for the Chief Executive in the Appendix, that the organization's Code of conduct and internal disclosure procedures be effectively implemented as well as regularly monitored and evaluated by the Department.

While there is some documenting of values and ethics related incidences, such as in Labour Relations and the relevant results of the Public Service Employee Survey, there is no consolidated reporting to management. We found no values and ethics related monitoring or reporting requirements identified in the Framework to evaluate the state and effectiveness of values and ethics processes at the PPSC.

Also, there is no risk-based methodology to identify, assess, and mitigate risks related to value and ethics; this is not included as part of the Corporate Risk Profile. Further, through interviews we found that measuring values and ethics was not considered valuable or feasible by some stakeholders.

Although there is regular reporting on Conflict of Interest activities to the Departmental Audit Committee, there is neither reporting to management, as was recommended in the 2021 Review of the Governance Framework, nor awareness by some of this requirement.

COMPLIANCE

Findings

What we expected to find

We expected the PPSC's values and ethics framework to be compliant with Government of Canada legislation and TB policies, directives and/or guidelines.^c

Conclusion

There is a need to develop, document, and implement internal monitoring and reporting processes in accordance with requirements from the TB Values and Ethics Code of Conduct for the Public Sector.

Generally, we found that PPSC processes and tools comply with Government of Canada legislation and TB policy instruments. However, the PPSC is not regularly monitoring or evaluating processes for effectiveness as required by the Values and Ethics Code for the Public Sector. (see previous section Monitoring, Reporting, and Risk)

Although not documented, processes are in place for stakeholders to become aware of changes to TB policy suites and apply changes to the relevant elements of the PPSC values and ethics framework.

While we found evidence that mandatory values and ethics training is being completed by PPSC employees, we were not able to confirm or validate that all employees are completing mandatory training due to gaps in the training data/records.

The Canada School of Public Service tracks course completion by employee and this information can be reviewed by HR. Internal courses are tracked in PeopleSoft, relying on the employees to input the request, and does not track whether the employee completed the training.

Recommendation 2

The Corporate Counsel and the Director General, HR, should develop and document a risk-based approach to monitoring and reporting on the state and effectiveness of PPSC values and ethics processes in accordance with requirements from the TB Values and Ethics Code of Conduct for the Public Sector.

^c PPSC processes and tools were verified for conformity with: TB Directive on Conflict of Interest, Values and Ethics Code for the Public Sector, Policy on People Management, *Public Servants Disclosure Protection Act*, and the *Federal Public Sector Labour Relations Act*.

MANAGEMENT ACTION PLANS

No.	Recommendation	Risk	Management Action Plan	Office of Primary Interest	Target Date
1	<p>The Corporate Counsel and the Director General, HR, should clearly define roles and responsibilities at the operational level, including those for monitoring and assessing the effectiveness of values and ethics processes with TB requirements. These roles and responsibilities should ensure that required work is assigned appropriately and eliminate misinterpretation of responsibilities.</p>	Medium	<p>We agree with this recommendation. The Corporate Counsel and the Director General of HR will collaboratively work to clearly define the roles and responsibilities, and ensure they are documented and communicated.</p>	PPSC Corporate Counsel in collaboration with DG Human Resources	September 2024
2	<p>The Corporate Counsel and the Director General, HR, should develop and document a risk-based approach to monitoring and reporting the state and effectiveness of PPSC values and ethics processes in accordance with requirements from the TB Values and Ethics Code of Conduct for the Public Sector.</p>	Medium	<p>As concluded in the report, the current PPSC processes comply with the requirements of the Government of Canada. Further, to date, there has been low number of cases and issues related to values and ethics. Consequently, the processes currently in place appropriately monitor and address risks associated with values and ethics. Having said that, we agree that reporting can improve and the Corporate Counsel, with support from HR, will report on an annual basis to the DPP the values and ethics trends and issues relating to conflict of interest and disciplinary files. In addition, once a year, a high-level presentation will be made to the Senior Management Team, providing an opportunity to remind the members of the Values and Ethics Code and the PPSC Code of Conduct.</p>	PPSC Corporate Counsel in collaboration with DG Human Resources	November 2024

APPENDIX A – AUDIT INFORMATION

Statement of Assurance

The audit was conducted in conformance with the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing and with the Treasury Board Policy and Directive on Internal Audit as supported by the results of the external quality assurance assessment.

Scope

The Institute of Internal Auditors Standard 2110.A1 states that the internal audit activity must evaluate the design, implementation, and effectiveness of the organization's ethics-related objectives, programs, and activities. While the Internal Audit and Evaluation Division (IAED) has conducted the Review of the Governance Framework in 2021, which touched on some elements of values and ethics at the PPSC, internal audit has not recently conducted an assurance engagement on this subject.

The audit focused on a review of documents and processes relevant to values and ethics at the PPSC from September 2020 – September 2023. While we recognise that additional professional standards exist for some public servants (e.g., law societies and CPA Canada), the audit did not assess these requirements and employees' adherence to them.

The IAED conducted the Audit of Values and Ethics in accordance with the PPSC's Risk-based Audit Plan 2023-2025 approved by the Director of Public Prosecutions. The planning and examination phases of this audit were conducted between August and December 2023.

Methodology

The audit methodology included, but was not limited to:

- Interviews with Corporate Counsel, Human Resources, regional office management.
- Review and analysis of data, documented policies, practices, procedures, and related corporate documents.

Audit Criteria

1	The PPSC has a robust values and ethics framework in place.
2	The PPSC's values and ethics framework is compliant with Government of Canada legislation and TB policies, directives and/or guidelines.

APPENDIX B – LIST OF ACRONYMS/ABBREVIATIONS

Code	PPSC Code of Conduct
HR	Human Resources
IAED	Internal Audit and Evaluation Division
PPSC	Public Prosecution Service of Canada
TB	Treasury Board of Canada