



Audit of the Administration of the Political Activities Program



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Approved on September 25, 2020

1. Introduction

1.1 Background

1. The Public Service Commission (PSC) promotes and safeguards a non-partisan, merit-based and representative federal public service through administration of the *Public Service Employment Act* (PSEA). The PSC's mandate with regards to political activities comes from subsection 11(c), which states the "Commission is to administer the provisions of this Act relating to political activities of employees and deputy heads." As such, the administration of the PSEA political activities sections are shared responsibilities with federal public service employees and Deputy Heads.

Political activities

The *Public Service Employment*

Act s. 111(1) defines political activities as:

(a) Carrying on any activity in support of, within or in opposition to a political party;

(b) Carrying on any activity in support of or in opposition to a candidate before or during

an election period; or

(c) Seeking nomination as or being a candidate in an election before or during

2. The *Political Activities Regulations* came into force on December 31, 2005 and were amended on November 14, 2012. The amendments prescribed a 30-day time frame for the PSC to render a decision from the day it receives complete information from an employee requesting permission to seek nomination as, or be, a candidate in a federal, provincial, territorial or municipal election. Furthermore, it provided the right for the PSC to request any additional information deemed necessary to make a candidacy permission request decision.

3. Federal public service employees rights to engage in political activities are outlined in Part 7 of the PSEA, which states, "an employee may engage in any political activity so

long as it does not impair, or is not perceived as impairing, the employee's ability to perform their duties in a politically impartial manner." This part of the Act goes beyond the core public service to include 8 separate employers.

4. Federal public service employees may participate in non-candidacy and candidacy actions. For non-candidacy actions, federal public service employees may consult with their managers, their organizational Designated Political Activities Representatives, or the PSC for advice or guidance. Non-candidacy actions do not require PSC permission while candidacy-related actions do require PSC permission.

5. Table 1 provides an overview of the candidacy framework within which federal public service employees seek permission to run for office and what happens before, during, and after an election period.

Table 1 – Candidacy framework

Order	Before the election period	During the election period	After the election period
Federal Provincial Territorial	Permission to seek nomination or to be a candidate. Leave without pay may be a condition.	Permission to seek nomination or to be a candidate. Leave without pay may be a condition for nominations but is mandatory to be a candidate.	No longer an employee if elected.
Municipal	Permission to seek nomination or to be a candidate. Leave without pay may be a condition.	Permission to seek nomination or to be a candidate. Leave without pay may be a condition.	May continue as an employee if elected. Conditions may include taking leave without pay or ceasing to be an employee if elected.

6. The Political Activities and Non-Partisanship Division within the Policy and Communications Sector is responsible for managing the internal processes and procedures and administering the political activities program. The division is supported by Legal Services and works with the Investigations Directorate, Oversight and Investigations Sector as required regarding allegations of improper political activities.

7. The Political Activities and Non-Partisanship Division principal activities include the following:

- Analyzing, and making recommendations related to individual requests for permission to seek nomination, or to become a candidate in federal, provincial, territorial and municipal elections;
- Developing tools and providing information and guidance to federal public service employees subject to Part 7 of the PSEA regarding political activities;
- Working with the Investigations Directorate concerning allegations of improper political activities; and
- Handling requests made by staff from former ministerial offices and from the Office of the Secretary to the Governor General to participate in appointment processes advertised internally in the federal public service as per mobility rights.

8. Each department and agency has a Designated Political Activities Representative (DPAR) who is the main point of contact for employees to obtain advice, guidance and information on political activities. Political Activities and Non-Partisanship Division staff meet with newly appointed Designated Political Activities Representatives, provide regular communications on current issues, and host an annual training event for all representatives. The annual training event includes an overview of the previous year's activities, a presentation from the Office of the Chief Human Resources Officer, and group discussions on current topics of interest generated from the Designated Political Activities Representatives.

9. The administration, including delivery of the political activities program, is part of the Commission's mandate. The Commission consists of the President and 2 other Commissioners. Matters are generally decided during Meetings of the Commission, which in addition to the Commission, are attended by the Vice-Presidents and other relevant PSC officials. The Commission has the authority to grant permission for candidacy requests, and makes decisions related to reports on program performance, and changes to the design of the program.

1.2 Audit Objective and Scope

10. The audit objective was to assess the adequacy and effectiveness of the management control framework in place to administer the political activities program. Specifically, the audit assessed whether:

- Governance structures that support the delivery of the political activities program are defined, communicated and working as intended;
- Key internal controls are in place for the administration of the political activities program and are working as intended; and
- Political program risk management processes are documented and support the management and mitigation of key risks.

1.3 Scope


11. The audit scope includes the administration of the political activities program during fiscal-years 2017-18 to 2019-20. It includes how requests to participate in political candidacy activities at the municipal, provincial / territorial and federal level are managed and administered. Supporting documents going as far back as 2012, when the amendment to the *Political Activities Regulations* came into force, have also been reviewed. The scope does not include the handling of requests made by staff from former ministerial offices and from Offices of the Governor General's Secretary to participate in appointment processes advertised internally in the federal public service as per mobility rights.

1.4 Audit Criteria and Methodology

12. The audit criteria were developed based on legislation, regulations, policy instruments and guidance from the Committee of Sponsoring Organizations of the Treadway Commission Framework. To conclude on the audit objectives and criteria, the following activities were undertaken:

- Interviews with PSC staff;
- Identification and review of relevant regulations, policies, and directives;
- Review and analysis of relevant documents;
- Walkthroughs of processes and systems, and identification of key controls;
- File review of 30 candidacy requests (17 federal, 9 provincial and territorial, and 4 municipal);
- Analysis of financial and non-financial information; and
- Other relevant methods as deemed necessary by the audit team.

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1.5 Statement of Conformance

13. The audit is in conformance with the Internal Audit Standards for the Government of Canada as supported by the results of the quality assurance and improvement program.

2. Audit Findings and Recommendations

14. This section presents the audit observations and recommendations under 3 general themes: governance, internal controls, and risk management.

2.1 Governance

15. **Criterion:** Governance structures that support the delivery of the political activities program are defined, communicated, and working as intended. Specifically:

- Roles, responsibilities and accountabilities of PSC internal stakeholders, and Designated Political Activities Representatives are defined and communicated.
- Performance data is collected and is used to support the management of and improve the delivery of the Political Activities Program; and
- Adequate resources have been assigned to the Political Activities Program;

16. **Conclusion:** The governance structure that supports the delivery of the program is defined, communicated, and working as intended. Internal stakeholders that contribute to the delivery of the program understand their roles and responsibilities. The PSC works closely with Designated Political Activities Representatives. Performance data is collected on program outcomes through the biennial PSC Staffing and Non-Partisanship Survey. Internal performance measurement mechanisms are in place that support monitoring of the effectiveness of resource usage and results achieved. This data is used to support annual reporting requirements to the Commission, as well as, to improve overall program performance. Furthermore, the resources that have been assigned to the political activities and non-partisanship division have been decreasing the past 3 years.

17. There were 2 areas for improvement identified. Annual reporting to the Commission could be strengthened by incorporating elements such as timeliness of decision-making, trend analysis, risks and associated mitigation strategies, and emerging issues. In addition, better use of governance could be made such as making presentations related to the program's functions at Integration Committee prior to presenting at Meetings of the Commission. There is also an opportunity to further obtain feedback from Designated Political Activities Representatives and other stakeholders by issuing post

training or event surveys or questionnaires to capture information that could enhance future training / event delivery.

Roles, Responsibilities, and Accountabilities

18. The delivery of the political activities program includes staff from several areas of the PSC. The roles and responsibilities of each sector and the main governance body that oversees program delivery are described below.

19. **Political Activities and Non-Partisanship Division.** This division carries out central functions related to the administration and delivery of the program. This includes receiving and processing candidacy permission requests, communications and outreach, advice and guidance on proper political activities of public servants, and monitoring program implementation. The division has moved between 2 sectors since 2014-15. It was under the PCS up until 2015-16 when it was shifted to the Oversight and Investigations. The division reverted to the PCS in 2017-18. In 2018-19 the Director General position was abolished and the manager now reports directly to the Director General, Staffing Support, Priorities, and Political Activities.

20. **The Investigations Directorate.** The Investigations Directorate, Oversight and Investigations Sector is responsible for reviewing allegations of improper political activities and conducting investigations where warranted. Political Activities and Non-Partisanship Division refers allegations of improper political activities to Investigations Directorate staff, which may also receive allegations directly from the public and other sources.

21. **PSC Legal Services.** Legal services staff provide legal advice to Political Activities and Non-Partisanship Division and Investigations Directorate staff when requested to support program delivery and administration.

22. **The Meeting of the Commission.** This is the decision-making forum that allows the Commission to fulfill its obligations under the PSEA. During these meetings the Commission provides oversight and sets the general direction for the administration of the program. Meetings of the Commission are also generally where the Commission receives periodic reports, considers candidacy permission for matters that it has not delegated (e.g. requests for federal elections and recommendations to refuse permission at other government levels), reviews investigations files, and approves program administration and operational changes.

According to the 2018 Staffing and Non-Partisanship Survey:

- 80% of employees reported that they understood their rights and obligations for engaging in political activities;
- Over 96% of employees indicated that, to a moderate or great extent, they are able to be politically impartial in carrying out their duties;
- 7 out of 10 employees indicated that, to a moderate or great extent, their department or agency keeps them informed of their responsibility to be politically impartial;
- over 92% of employees indicated that they understand their responsibilities to be politically impartial in carrying out their duties as public servants;
- 63.6% believed that their organizations kept them well informed; and,
- 88.5% of employees indicated that, to a moderate or great extent, they are able to make informed decisions about political engagement

Annual reporting to the Commission

23. Every year an annual report on the activities undertaken to implement the program is presented to the Commission. In the past, the draft annual report was presented at Integration Committee prior to being presented at the Meeting of the Commission. This use of governance has not been demonstrated in some time. In addition, the annual report has often been presented to the Commission 5 to 6 months after the end of the fiscal-year, which does not allow for the timely provision of information on this important program. However, the 2019-20 report was tabled in June, which did provide timely information. Furthermore, the reporting document, which previously contained data and information related to the timeliness of approvals and trends, among other things, has changed over the years. Following a restructuring of the Directorate, which went from 3 to 1 team, the reporting was streamlined to focus on the basic required reporting elements. There is an opportunity to strengthen annual reporting to the Commission.

24. Recommendation 1. It is recommended that annual program performance reporting to the Commission be strengthened. This should include a review of the use of governance prior to submitting the annual report to the Commission and a review of the report format to include items such as timeliness of candidacy permission request processing, risks and mitigation strategies, and emerging issues.

Collection of performance data

25. Large-scale performance data is collected through the biennial PSC Staffing and Non-Partisanship Survey sent to all federal public service employees. The survey is 9 – Audit of the Administration of the Political Activities Program

primarily concerned with staffing issues; however, of the 117 survey questions, 10 are related to political activity and non-partisanship. The results of the 2018 survey related to political activities are presented in the text box to the right.

26. The data collected through the survey are used by the PSC to understand what is happening across the staffing system and make adjustments to the implementation of staffing policies and related processes and procedures, including political activities.

Designated Political Activities Representatives and external stakeholders

27. Designated Political Activities Representatives have an important role in supporting employees within their departments and agencies in obtaining knowledge about candidacy and non-candidacy political activities. The roles and responsibilities of these representatives are described on the PSC website as:

- Providing advice, guidance and information to managers and employees;
- Acting as a liaison between the PSC and the organization; and
- Raising awareness of political activities among managers and employees.

28. Political Activities and Non-Partisanship Division maintains a list of all Designated Political Activities Representatives and ensures that it is kept up to date. The list is available to all federal public service employees on the PSC website.

29. Political Activities and Non-Partisanship Division staff meet with newly assigned Designated Political Activities Representatives to explain their roles, responsibilities, and expectations. Staff also conduct an annual training event for all representatives to provide current information on the program and emerging issues.

30. In addition, Political Activities and Non-Partisanship Division provides briefings to departments, agencies, and functional responsibility groups (i.e. Values and Ethics Network) on the political activities program. In 2019-20 Political Activities and Non-Partisanship Division delivered 45 presentations to various stakeholders. Furthermore, political activities training material is included in a number of Canada School of the Public Service courses, such as the "Values and Ethics Foundations series, Staffing: A Resourcing Tool for Managers", and "Who we work for" — the online orientation course for new employees.

31. The audit found that the effectiveness of the training and outreach provided by Political Activities and Non-Partisanship Division was not captured by the division through post training / event feedback surveys or questionnaires. This is a good practice

that could be implemented to improve the information provided to Designated Political Activities Representatives and other key program stakeholders.

32. Recommendation 2. It is recommended that the Political Activities and Non-Partisanship Division develop and administer post training / event feedback surveys or questionnaires to capture information from stakeholders on the effectiveness of these efforts and to obtain data on emerging issues to improve future events.

Financial and human resources management

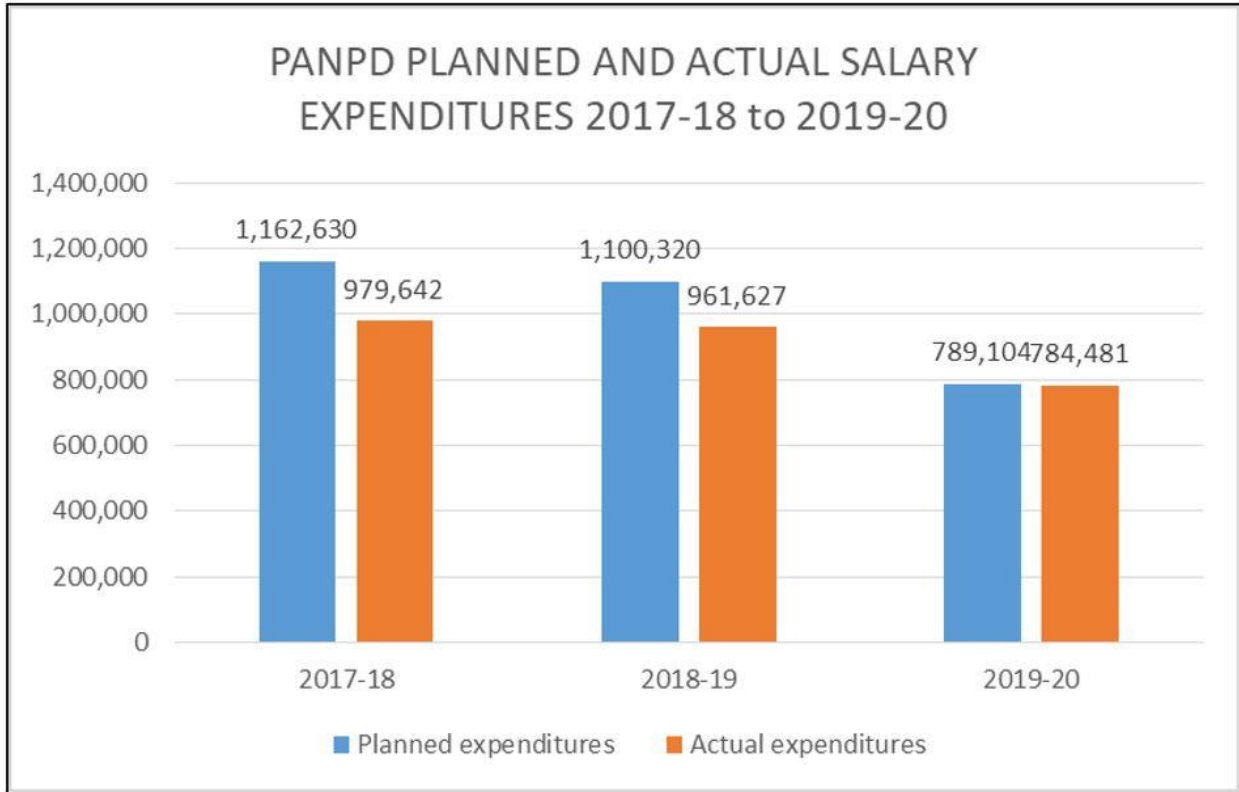
33. Over the course of the past 5 fiscal-years, Political Activities and Non-Partisanship Division has been shifted from the Policy and Communications Sector to the Oversight and Investigations Sector and back to the Policy and Communications Sector. Over that time period, the division has experienced decreasing levels of financial and human resources.

34. In fiscal-year 2016-17, a Lean exercise was conducted to review the effectiveness and efficiency of the processes in place to support the delivery of the program. The Lean exercise identified a number of areas that could be improved, which led to the streamlining of work flow processes.

35. In 2018-19, the directorate became a division, and was moved to report to the Director General, Staffing Support, Priority, and Political Activities. As of July 2020, the audit was informed that the division is not fully staffed as the current vacant PE-5 positions have been left unstaffed to allow for required anticipated staffing due to upcoming planned departures. As of July 2020, the division is comprised of one manager, 4 senior analysts, and 2 permission request analysts.

36. An overview of salary and non-salary budgets for the time period 2017-18 to 2019-20 is provided to demonstrate the fact that resources have been decreasing over time. In fact, planned salary expenditures decreased by 32% and planned non-salary expenditures decreased by 36% over the time period (see Graphs 1 and 2).

Graph 1 – Political Activities and Non-Partisanship Division planned and actual salary expenditures, 2017-18 to 2019-20



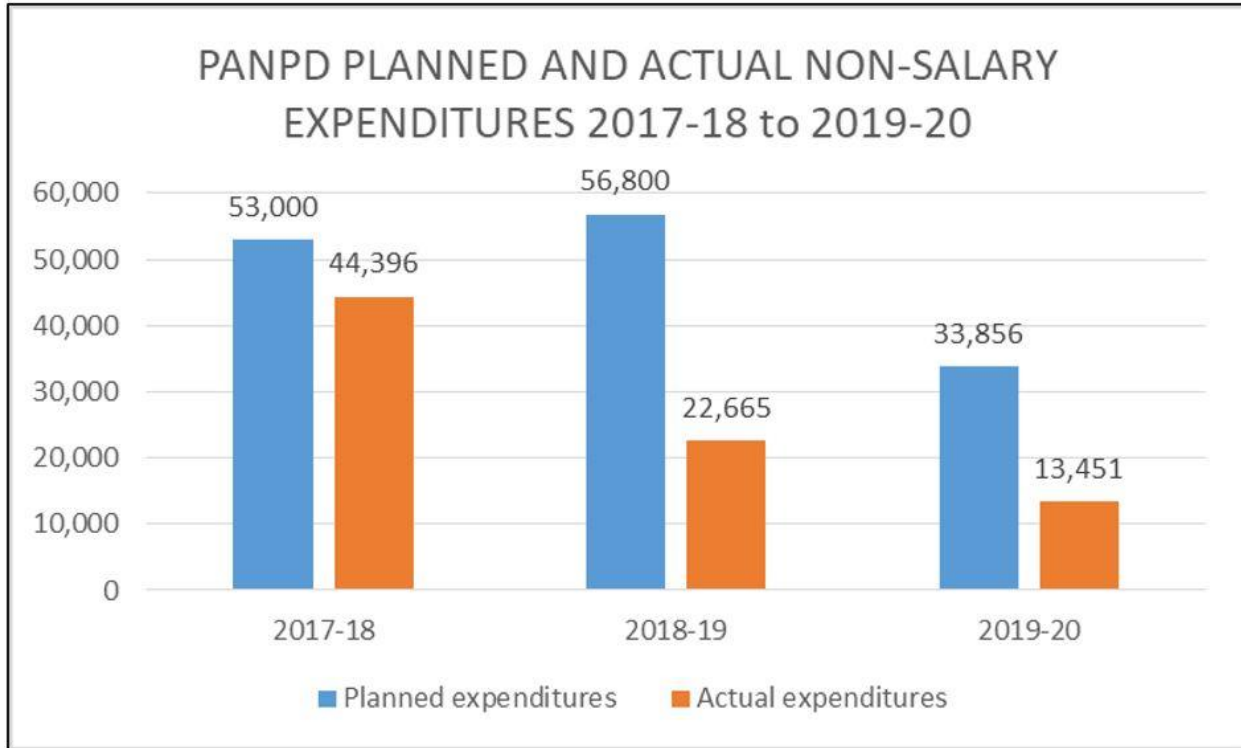
Text version

Political Activities and Non-Partisanship Division planned and actual salary expenditures, 2017-18 to 2019-20

Fiscal Year	Planned Expenditures	Actual Expenditures
2017-18	1,162,630	979,642
2018-19	1,100,320	961,627
2019-20	789,104	784,481

Graph 2 – Political Activities and Non-Partisanship Division planned and actual non-salary expenditures, 2017-18 to 2019-20





Text version

Political Activities and Non-Partisanship Division planned and actual non-salary expenditures, 2017-18 to 2019-20

Fiscal Year	Planned Expenditures	Actual Expenditures
2017-18	53,000	44,396
2018-19	56,800	22,665
2019-20	33,856	13,451

37. The decrease in resources may have an impact on the ability of the function to deliver its candidacy and non-candidacy roles effectively to inform federal public servants of their rights and obligations with regards to political activities. Essentially, the audit was informed that the team is able to focus on core work – such as analyzing candidacy permission requests, but has decreased capacity to deliver on the provision of non-candidacy-related initiatives, and to take care of continuous improvement initiatives

– particularly as it relates to implementing a culture of continuous learning coming out of the Lean exercise.

2.2 Internal Controls

38. **Criterion:** Key internal controls are in place for the administration of the political activities program and are working as intended. Specifically:

- Processes are in place to receive, analyze, and provide recommendations on individual requests for candidacy;
- Decision-making processes are consistent with expectations outlined in key legislative documents; and
- Monitoring and reporting controls exist and work as intended; and
- Controls are in place to manage the retention and security of personal information.

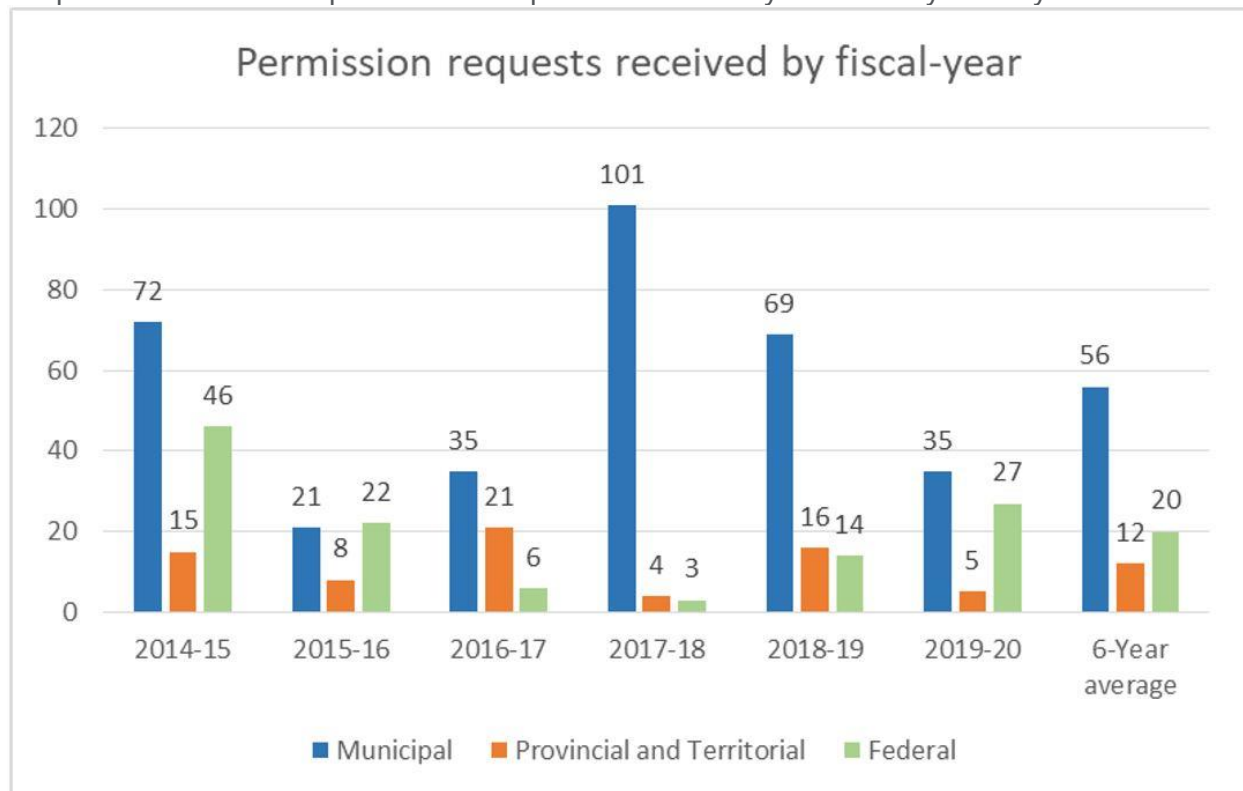
39. **Conclusion:** Key internal controls are in place for the administration of the political activities program. While most controls are working as intended, there is an opportunity to ensure all steps of the decision-making process are undertaken and documented properly. Processes are in place to receive, analyze, and provide recommendations on individual candidacy permission requests. Program management monitors and reports on program administration controls. This was demonstrated in a February 2020 presentation during a Meeting of the Commission that outlined the legislative framework and led to a discussion about areas that could potentially require clarification.

40. There were opportunities for improvement identified. There is a need to establish a quality assurance framework that could be implemented to review files to ensure their completion. In addition, there is a need to ensure that protected information is sent to individuals in an appropriate manner that is in conformance with the Government of Canada Security Policy.

Number of candidacy requests for permission

41. The number of requests for permission to be nominated, or to become candidates in municipal, provincial, territorial, and federal elections during the time period 2014-15 to 2019-20 is provided in Graph 3.

Graph 3 – Overview of permission requests received by the PSC by fiscal-year



Text version

Overview of permission requests received by the PSC by fiscal-year

Levels	Number of permissions received						
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	6-year average
Municipal	72	21	35	101	69	35	56
Provincial/Territorial	15	8	21	4	16	5	12
Federal	46	22	6	3	14	27	20

42. The number of requests received is a function of the number of elections that are taking place in any given year. For fiscal-years 2017-18 and 2018-19, there were 207 candidacy permission requests received and 178 of these were granted. In 2019-20 there were 58 candidacy requests received, with 8 additional requests carried over to 15 – Audit of the Administration of the Political Activities Program

2020-21 and 7 requests withdrawn before a decision was rendered, which resulted in 43 permissions granted and none denied (see table 2 below).

Table 2 - Number of candidacy permissions granted in 2017-18 and 2018-19

Levels	Number of permissions granted		
	2017-18	2018-19	2019-20
Municipal	92	56	16
Provincial / Territorial	3	13	4
Federal	2	12	23
Total	97	81	43

Decision-Making Processes

43. The delegated authorities for candidacy permission requests decisions at the municipal, provincial / territorial, and federal levels are as follows:

- Municipal. The Director General, Staffing Support, Priorities and Political Activities Directorate has been delegated authority by the Commission to grant permission for municipal candidacy requests pursuant to section 13 of the PSEA.
- Provincial / Territorial. The Vice-President, PCS has been delegated authority by the Commission to grant permission for provincial and territorial candidacy requests pursuant to section 13 of the PSEA.
- Federal. The Commission retains authority for all federal requests, requests with a recommendation of denial, requests involving a PSC employee, and any requests that may present a risk or that have been determined to be precedent setting.

44. In support of those with delegated authorities, Political Activities and Non-Partisanship Division staff analyze candidacy requests and make recommendations to the Commission (or the delegated decision authority) whether to grant permission and whether to impose conditions. If the conditions are accepted by the requestor, Political

Activities and Non-Partisanship Division will follow up with those granted permission to ensure the implementation of the conditions. For elected municipal candidates, the PSC remains responsible for the implementation of any conditions before and during the election period, however, if the candidate is elected and remains a federal public service employee, it becomes the responsibility of the Deputy Head to manage the administration of the conditions set by the PSC.

Candidacy Request Process

45. The audit found that there are defined processes and procedures in place to administer the receipt of candidacy permission requests, process and analyze these requests, and make an approval, approval with conditions, or rejection recommendations to the delegated authority. The criteria used in determining the risk of granting permission and setting conditions are the:

- Nature of the requestor's current public service duties;
- Level and visibility of the requestor's current position;
- Nature of the political activity, including social media, and
- Personal visibility of the requestor.

46. The analysis and administration of candidacy permission requests is conducted in 4 phases:

- Receipt of request;
- Workup;
- Decision; and
- Follow-up.

47. **Receipt of request.** All requests are received through a form that is available on the PSC website, which can be submitted to Political Activities and Non-Partisanship Division's generic e-mail inbox. Individuals can submit the forms to the PSC themselves or through their Designated Political Activities Representatives. Once a completed request is received, with all required information, the PSC has 30 days to render a decision.

48. **Workup and decision.** Once the completed candidate request form is received, the workup phase begins and consists of a thorough analysis, which is the same for any type of election. Once the analysis is completed, the file moves to the decision phase, where the request can either be approved, approved with conditions, or rejected. Permissions granted are published in the *Canada Gazette*.

49. **Follow-up.** The follow-up, which is ultimately the responsibility of the candidate's department or agency Deputy Head, consists of checking with the Designated Political Activities Representatives to ensure that any conditions are met. In addition, because elected municipal candidates may remain employees, a routine follow-up is done to ensure that their employment situation or the duties of the office they have been elected to have not changed. For follow-up purposes, records are maintained in an Excel file stored in the PSC document repository system (GCDOCS).

Candidacy permission file review results

50. As part of the internal audit, a random sample of 30 completed candidacy permission requests from 2018-19 and 2019-20 was reviewed to test the effectiveness of the processes and procedures in place. This included a review of 17 federal, 9 provincial and territorial, and 4 municipal completed candidacy request files.

51. **Timeliness of decisions.** Overall, for the 30 files reviewed, the average time to render a decision was 15 days. This is within the 30 day maximum that is provided in the *Political Activities Regulations*.

52. The file review also identified the following quality issues in the documentation of decisions:

- 9 of 17 of the federal candidacy files are missing records of legal advice, which is required for all federal candidacy requests;
- 3 candidacy files, which had initial requests with incomplete information, are missing records of a new acknowledgement letter being sent to confirm the date of receipt and the date of the 30-day deadline;
- 3 of 26 candidacy files (federal and provincial) are missing proof of leave without pay;
- 2 candidacy files are missing an organizational chart;
- 4 candidacy files are missing details on election results;
- 4 candidacy files do not have matching dates between the *Canada Gazette* and the signed attestation of acceptance; and
- While we were able to confirm the *Canada Gazette* publications, there are no copies of the email sent for publications.

53. The file review also revealed that certain documents are filed under incorrect tabs. In addition, we were unable to confirm whether all transitory files have been deleted and moved from "Active" to "Closed Candidacy" in GCDOCS.

54. Political Activities and Non-Partisanship Division staff are provided an analyst guide to follow when processing candidacy requests. The guide describes all the steps in the process, along with the information required to complete each step. Analysts should use the guide to ensure files are processed completely. In the above-noted instances not all of the steps were documented.

55. **Recommendation 3.** It is recommended that the Political Activities and Non-Partisanship Division develop and implement a quality assurance framework that could be implemented to review completed files before they are sent for decision to the appropriate delegated authority decision-maker.

Process improvement efforts

56. In 2016-17 a Lean exercise was conducted, which the audit team was informed led to the development of a streamlined candidate approval process that, when followed, supported the consistent application of the 30-day limit to render a decision. Prior to 2016-17 there had been instances where the 30 day timeline had not been met according to Annual Reports on Political Activities. Program management informed us that the Lean exercise led to a reduction in the number of steps in the process that reduced the overall number of days required to make a decision.

57. In April 2018, a Lean review status update was presented to the Commission and highlighted the:

- Number of steps to process a request and issue a decision had been reduced;
- Unnecessary administrative processes had been eliminated;
- Unused templates were deleted;
- All forms, decision letter, records of decision, and information included in the *Canada Gazette* had been reviewed and updated; and
- An "express" process for returning candidates in the same situation was implemented.

58. The audit was informed that while the Lean exercise brought improvements to some of the processes and procedures, the culture of continuous improvement has not completely taken hold. This was demonstrated in our file review results. During interviews, the audit learned that communications among team members, which is crucial to the implementation of a Lean culture, could be improved. This may represent an opportunity for improvement as without effective, continuous daily communication it is likely that the Lean exercise will have been a project that is now completed rather than a permanent cultural change that leads to continuous improvement in program delivery.

Investigations

59. The PSC website describes political activities investigations in the following manner, “according to sections 118 and 119 of the *Public Service Employment Act*, only the PSC can investigate allegations of improper political activities by federal public service employees.” The PSC can conduct investigations related to:

- Candidacy in a federal, provincial, territorial, or municipal election;
- Political activities in support of, within, or in opposition to a political party;
- Political activities in support of, or in opposition to, a candidate before or during an election; and
- A Deputy Head who engaged in any political activity other than voting in an election.

60. While the Investigations Directorate is the lead on all matters related to investigations of improper political activities, Political Activities and Non-Partisanship Division is a consultative partner in the process. In candidacy files where there was no request for permission, officials may propose analytical question for investigators to use in their investigations; undertake simulated analyses to help identify appropriate corrective actions in cases of founded investigations; and deliver individual awareness sessions as per corrective actions following founded allegations.

61. The PSC website provides an overview of the investigation process, which includes:

- Reception of the allegation;
- Jurisdiction analysis, to determine the PSC’s authority in the matter;
- Decision to investigate or not;
- Investigation; and
- Presentation to the Commission, for acceptance of the report and approval of the recommended corrective measures.

62. The process is the same for each investigation. Given the sensitive nature of the investigation process, the PSC adheres to procedural fairness and endeavours to respect privacy of individuals in an investigation.

63. **Reception of the allegation.** Although it can vary in any given year, the Investigations Directorate usually receives more allegations of improper political activities related to candidacy than non-candidacy. It should be noted that only a person who is, or has been a candidate in an election, can submit an allegation regarding improper activity of a deputy head.

64. **Jurisdiction analysis.** During the jurisdiction analysis phase of the investigation process, the allegation is reviewed and a determination is made as to whether it fits within the Commission's authority. If it is under the Commission's authority, a file is open and assigned to a Jurisdiction Officer for analysis. The Jurisdiction Officer will gather sufficient information from the source and the organization in order to formulate a recommendation as to whether an investigation is warranted or not.

65. **Decision to investigate.** Based on the analysis conducted by the Jurisdiction Officer's, and the policies in place, a decision is made by the Director General, Investigation to proceed with an investigation or not.

During the 5-year period from 2015-16 to 2019-20 there were 72 cases opened in jurisdiction, 51 were sent to investigations, and 36 cases were founded to be improper political activities.

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66. Investigation. Once a decision to investigate has been made, the file is assigned to an investigator who will conduct a thorough investigation in order to determine if a political activity impaired or perceived as impairing an employee's ability to perform their duties in a politically impartial manner. In order to reach its conclusion, the investigator will consider several factors, namely:

- the nature of the person's duties
- the level and visibility of their position and duties
- the nature of the political activity.

67. Presentation to the Commission. Founded investigation files are presented at Meetings of the Commission for decision. If an investigation concludes that an improper political activity occurred, the Commission may order any corrective actions that it considers appropriate. In addition, anonymous summaries of founded investigations into improper political activities are posted on the PSC website.

68. In the 2018-19 Annual Report on Political Activities and Non-Partisanship Program Activities to the Commission, it was highlighted that there was a change with regard to the consultation process between Political Activities and Non-Partisanship Division and the Investigations Directorate. Prior to 2018-2019, Political Activities and Non-Partisanship Division consulted with Investigations Directorate staff on cases of improper political activities at the municipal level to determine whether these should be referred to Investigations. For cases where the individual failed to request or obtain

permission, Political Activities and Non-Partisanship Division proceeded with the analysis and granted permission (with or without conditions) retroactively.

69. In 2018, the PSC clarified its investigation authority in this regard. The authority to take corrective action following an investigation of failure to obtain permission flows from the political activities investigation authority in s.118, which the Investigations Directorate has been authorized to exercise. Given this, it was decided that all possible situations of improper political activities at the municipal level, including failure to request and obtain permission, would be referred to the Investigations Directorate without requiring a preliminary consultation.

70. Furthermore, in February 2020, Legal Services presented an overview of the legal framework for the political activities program at a Meeting of the Commission. Discussion included the scope of the Commission's authority at various points in the municipal candidacy timeline and the respective roles of the Commission and Deputy Heads regarding political activities and addressing corrective actions. While the implementation of corrective actions are the responsibility of the employee's department or agency Deputy Head, the Investigations Directorate is responsible for the monitoring of these corrective actions. Currently, Political Activities and Non-Partisanship Division, Legal Services and Investigations Directorate staff are exploring the need for further clarification in regards to all parties' roles and responsibilities. A commitment on following up on these issues was mentioned in the 2019-20 Annual Report on delegated authorities for political activities and non-partisanship to the Commission.

Information and data security and retention

71. The analysis of candidacy requests and conduct of investigations of improper political activities involves the collection, use, and retention of a significant amount of personal information. The PSC's authority to collect, use, and store required information is specified in the Personal Information Bank for Political Activities. There are 2 specific information banks that apply: a) Administration of political candidacy requests [PCE 763]; b) Investigations, Mediation and Conciliation [PPU 010], both of which can be found in the PSC's Info Source Chapter on its webpage.

72. The information that is collected is stored in GCDOCs in a master PDF file. Once the analysis or investigation is complete, all previous electronic versions of documents are deleted in the document repository and paper documents that are no longer required are shredded.

73. The audit noted an information security risk related to the transmission of protected information from the PSC to individuals seeking candidacy permission. Scanned candidacy forms are often submitted by individuals to the PSC as e-mail attachments. These forms contain protected information and it is up to the individual to appropriately protect the information they are transmitting. The risk is that PSC staff transmits decision letters, which contain protected information to candidates through unencrypted emails. Although the risk of a security breach is low, unencrypted email transmission of protected information outside of an individual's department or agency is not in conformance with the Government of Canada Security Policy.

74. **Recommendation 4.** It is recommended that Political Activities and Non-Partisanship Division employees ensure that protected information is sent to individuals in an appropriate manner that is in conformance with the Government of Canada Security Policy.

2.3 Risk Management

75. **Criterion:** Political activities program risk management processes are documented and support the management and mitigation of key risks. Specifically:

- The political activities program has a risk management framework within which they make decisions about the implementation of the program.
- Risks have been communicated to key stakeholders, including PSC investigators, Designated Political Activities Representatives, and federal public service employees.
- The PSC considers and manages fraud risk when assessing candidate requests.

76. **Conclusion:** Program risk management practices are documented and support the management and mitigation of key risks. The program has a risk framework within which analysts make recommendations to support candidacy request decisions. Furthermore, the PSC considers and manages politically motivated fraud risks when assessing candidacy permission requests. Political activities risks are communicated to key stakeholders, including PSC investigators, department and agency representatives, and federal public service employees. There is one opportunity to improve risk reporting in annual reporting to the Meeting of the Commission, which has been addressed in the governance section of this report.

Candidacy risk management

77. The candidacy request analysis process is supported by a comprehensive and effective risk management framework that is based on a number of factors, such as the requestor's position and visibility. The process has a single entry point through the candidacy request form, a definitive time frame, and decisions are taken through a risk management lens. The process is supportive of employees who wish to exercise their democratic right to become a candidate in an election with clearly defined and rational conditions. These conditions can be strictly enforced; and, failure to adhere to them could lead to an investigation with the possibility of disciplinary consequences if improper activities are founded.

Non-candidacy risk management

78. There is general guidance available to federal public service employees regarding risks related to carrying out non-candidacy political activities. The support provided to employees to mitigate potential risks is available through the PSC website, the self-assessment tool, and Designated Political Activities Representatives.

79. The PSC has an Authority and Visibility Assessment Tool on its external website that provides individuals with the opportunity to self-assess their situation to make a determination of the extent to which their planned activities would be acceptable given their current position and functions. The tool provides individuals with a numeric score for each risk area and an overall risk score that is intended to aid the individual in their decision-making process. Although the self-assessment tool does not provide the user with advice on what to do, individuals can take the score and discuss it with their department and agency representative.

80. The assessment tool, combined with documentation provided by the PSC on its website and through training and outreach events, and advice provided by Designated Political Activities Representatives, provides federal public service employees with an overview of non-candidacy risks.

Communicating political activity risk to stakeholders

81. Political Activities and Non-Partisanship Division has a well-established outreach function that supports the communication of political activities risks to key stakeholders. This is complemented with an advisory function that provides advice, guidance, and raises awareness on the overall political activities program objectives.

82. Numerous outreach activities are conducted to raise awareness and educate federal public service employees about the importance of political impartiality. Outreach

activities include an annual e-mail sent from the President to Deputy Heads, which includes a communiqué to all employees, Political Activities and Non-Partisanship Division updates to Designated Political Activities Representatives, and delivery of information sessions at events such as career boot camps or the National Managers Community Network. Information on issues related to political activities is disseminated through the PSC's website, as well as other federal public service internal website platforms, such as GCPedia, GCIntranet or GCConnex.

83. Information on political activity related risks is conveyed through training provided to Designated Political Activities Representatives. The PSC has multiple training packages available to cover a variety of issues related to political activities. Normally representative requests for training in their department or agency is based on identified needs. In addition, the Canada School of Public Service delivers courses to federal public service employees at all levels, including new employees, covering these topics, along with others such as use of social media, Values and Ethics or non-partisan staffing.

84. Other mechanisms are in place to inform individuals about political activities. These include a paragraph on political activities in letters of offer signed by federal public service employees, and information in the Values and Ethics Code for the Public Sector, which mentions both non-partisanship and political impartiality in 2 key values statements – respect for democracy and integrity. For PSC employees, the organization has included in its Code of Conduct a number of expectations that directly relate to the organization's mandate, with one under the value of integrity related to non-partisan staffing.

Mitigating politically motivated fraud risks

85. The controls in place that support the candidacy request process include elements to assess politically motivated fraud. The template that analysts use to assess the need for conditions if approval is provided identifies 7 key risks to be mitigated. The candidacy request process includes regular communications with the department and agency representative, sign-off by the requester's manager and by their Assistant Deputy Minister for a provincial / territorial election or by their Deputy Head for a federal election. Furthermore, Political Activities and Non-Partisanship Division staff who assess permission requests are in contact with the requester to verify information provided. Political Activities and Non-Partisanship Division staff also monitor social media and media to verify that the individual does not carry out candidacy activities prior to obtaining approval. After this process is complete, follow-up is conducted to ensure that any conditions are met whether or not the candidate is elected.

Conclusion

86. The management control framework in place to administer the political activities program is adequate. The effectiveness of the processes and procedures in place to support candidacy permission requests could be strengthened in some areas – particularly as it relates to documenting key elements of the decision-making process. Furthermore, information is communicated effectively to inform federal public service employees of their roles, responsibilities, and duties with regards to candidacy and non-candidacy political activities.

87. The governance structure that supports the delivery of the political activities program is defined, communicated, and working as intended. PSC internal stakeholders that contribute to the delivery of the program understand their roles and responsibilities. The PSC works closely with Designated Political Activities Representatives. Performance data is collected on program outcomes through the biennial PSC Survey of Staffing and Non-Partisanship. Internal performance measurement mechanisms are in place that support monitoring of the effectiveness of resource usage and results achieved. This data is used to support annual reporting requirements to the Commission, as well as, to improve overall program performance. Furthermore, the resources that have been assigned to the political activities and non-partisanship division have been decreasing the past 3 years.

88. Key internal controls are in place for the administration of the program. While most are working as intended, there is an opportunity to ensure all steps of the decision-making process are undertaken and documented properly. Processes are in place to receive, analyze, and provide recommendations on individual candidacy permission requests. Program management monitors and reports on program administration controls. This was demonstrated in a February 2020 presentation to the Commission that outlined areas that may require clarification.

89. Program risk management practices are documented and support the management and mitigation of key risks. The program has a risk framework that analysts use to make recommendations to support candidacy permission request decisions. Furthermore, the PSC considers and assesses fraud risks when assessing requests. Political activities risks are communicated to key stakeholders, including PSC investigators, Designated Political Activities Representatives, and federal public service employees.

90. There were areas for improvement identified. Annual reporting to the Commission could be strengthened. There is an opportunity to further obtain feedback from Designated Political Activities Representatives and other stakeholders on the usefulness

of training and outreach events. A quality assurance framework should be implemented to review completed files before they are sent for decision. Finally, there is a need to ensure that protected information is sent to individuals in an appropriate manner that is in conformance with the Government of Canada Security Policy.

Appendix A: Management Response and Action

Recommendation	Management Response and action plan	Office of Primary Interest	Completion date
1. It is recommended that annual program performance reporting to the Commission be strengthened. This should include a review of the use of governance prior to submitting the annual report to the Commission and a review of the report format to include items such as timeliness of candidacy permission request processing, risks and mitigation strategies, and emerging issues.	Establish method to capture and analyse additional data on program activities to be added to the annual reporting to the Meeting of the Commission (MOC). Include additional data in next annual report to MOC on delegated authorities and the political activities program.	Political Activities and Non-Partisanship Division Political Activities and Non-Partisanship Division	December 2020 June 2021
2. It is recommended that the Political Activities and Non-Partisanship Division develop and administer post training /	Develop feedback survey to be provided to participants following awareness sessions.	Political Activities and Non-Partisanship Division IT (possibly)	December 2020 First round of feedback



Recommendation	Management Response and action plan	Office of Primary Interest	Completion date
event feedback surveys or questionnaires to capture information from stakeholders on the effectiveness of these efforts and to obtain data on emerging issues to improve future events.	Compile data from feedback surveys and identify emerging issues for future events.	Political Activities and Non-Partisanship Division	compiled by February 2021, and ongoing.
3. It is recommended that the Political Activities and Non-Partisanship Division develop and implement a quality assurance framework that could be implemented to review completed files before they are sent for decision to the appropriate delegated authority decision-maker.	Develop methodology for assuring quality and completeness of files (e.g. checklist) for use prior to decision-making but also for storing completed files.	Political Activities and Non-Partisanship Division	October 2020
4. It is recommended that Political Activities and Non-Partisanship Division employees ensure that protected information is sent to individuals in an appropriate manner that is in conformance with the Government of Canada Security Policy.	Consult internally on the Government of Canada Security Policy and identify a solution to transmitting protected information, particularly to requestors communicating from outside the Government of Canada network. Add to quality assurance framework the requirements for	Political Activities and Non-Partisanship Division Political Activities and Non-Partisanship Division	September 2020 October 2020



Recommendation	Management Response and action plan	Office of Primary Interest	Completion date
	transmittal of protected information.		

