

## **APPENDIX A BPSAA Requirements**

### **ISSUE**

Compliance attestations, report on the use of consultants and Executive/Board expense claim information are legislated requirements for all Ontario Hospitals as per the BPSAA and Ministry directives.

### **LINK TO STRATEGIC PLAN**

The intent of the BPSAA and required compliance attestations is to ensure higher accountability standards for hospitals and other broader public sector organizations around the use of lobbyists, consultants, expenses, procurements and perquisites. The corporate values of integrity, respect, excellence and growth are reinforced through compliance reporting as it adds a level of assurance around the appropriate and ethical use of public funds and ensures integrity in RHC policies, procedures, processes and practices. RHC continues to enhance best practices as part of continuous quality improvement.

### **BACKGROUND**

In June 2011 the BPSAA received Royal Assent and the Ministry of Health and Long-Term Care issued reporting requirement directives to Hospitals specifying that every hospital in Ontario must submit compliance attestations to their Local Health Integration Network (LHIN), as prescribed.

### **CURRENT STATUS**

RHC is required to report the hospital compliance attestations (Appendix B), report on the hospital use of consultants (Appendix C) and M-SAA declaration of compliance for the fiscal year. These reports must be approved by the Board and attested to by the Chief Executive Officer and Chair of the Board prior to submission to the LHIN.

RHCF has posted Executive/Board expense claim information on its website for the fiscal year for informational purposes.

### **CONSIDERATIONS**

#### **Reporting Requirements**

Compliance attestations are reports that must be prepared and submitted by every hospital. The CEO of every hospital must attest to:

- The completion and accuracy of reports required on the use of consultants (section 6 of the Act);
- Compliance with the prohibition on engaging lobbyist services using public funds (section 4 of the Act);

- Compliance with any applicable expense claims directives issued by the Management Board of Cabinet (under section 10 of the Act);
- Compliance with any applicable prerequisites directives issued by Management Board of Cabinet (under section 11.1 of the Act); and
- Compliance with any applicable procurement directives issued by the Management Board of Cabinet (under section 12 of the Act).

In addition to attesting to compliance with the requirements listed above, each hospital must report any “material exceptions” to compliance.

### **Non Competitive Procurement**

Based on the terms of the Procurement Directive, hospitals are not required to report incidents of non-competitive procurement if:

- It is for goods or non-consulting services below the \$100,000 threshold; or
- An acceptable exemption, exception or non-application clause under the Agreement on Internal Trade (AIT) or other trade document applies.

### **Consultants – Summary from Ontario Hospital Association Backgrounder**

- The Directive defines consultant as, “a person or entity that under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making.” It further defines consulting services as, “the provision of expertise or strategic advice that is presented for consideration and decision-making.” For example, network restoration services that occurred in August & September 2013 were an emergency technical service and do not meet the definition of a consultant.
- The Directive allows for exemption of select licensed professionals from the definition of consultant as defined in the AIT.
- Exempt professionals include: medical doctors, dentists, nurses, pharmacists, veterinarians, engineers, land surveyors, architects, chartered accountants, lawyers, notaries, services of financial analysts or the management of investments by organizations who have such functions as a primary purpose, health services or social services and advertising and public relation services.
- Unless exempt under the AIT, RHC must competitively procure consulting services irrespective of value.