

Structure and Governance in the Alberta Sport System; Who is accountable?

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## INTRODUCTION

The initial impetus for this study of Alberta's amateur sport system was a desire to investigate the funding of the amateur sport system, due to repeated public comments from sport leaders critical of what they deemed to be inadequate levels of financial support for amateur sport in Alberta. These criticisms were frequently heard during the author's involvement in the process of development of the Canadian Sport Policy<sup>1</sup> and the Alberta Sport Plan<sup>2</sup> between 2000 and 2002. While the frequency and intensity of the criticism seems to warrant objective and empirical inquiry into the funding of the sport system, that inquiry must logically be preceded by a broader examination of the decision-making processes in the sport system that would include the funding decisions that are clearly the source of concern. Discussions of funding cannot be limited to a simplistic argument about a need for more money, supported only by a justification for increasing funding to sport because of the benefits sport provides (Edmonton Sport Council (2004). Funding arguments must include details identifying who (what organization or entity) would provide the funds, the source of funds (taxes, lotteries, sponsors, fees, etc.), who the funds would be provided to (organizations, athletes, coaches, etc.), what the funds would be provided for (coaching, travel, facilities, etc.), and what process of accountability for the financial decisions would be put in place. For funding levels to be increased, decisions on all of these details must be made, so an understanding of how and why those decisions are made will be important

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<sup>1</sup> The Canadian Sport Policy resulted from a process initiated by the Federal Government of Canada and was approved by the Provincial and Territorial Ministers responsible for sport. The document provides a policy framework for Canada's sport system for athletes, coaches, organizations, and volunteers.

<sup>2</sup> The Alberta Sport Plan is the provincial equivalent of the Canadian Sport Policy, with the focus on the Alberta sport development system. The premise behind this plan was to build on the Canadian Sport Policy and address the needs of Alberta's amateur sport system. This document provided recommendations in specific areas for the future of Alberta's sport development system.

precursors in understanding the funding of the sport system. These decisions can be categorized as issues of structures and governance.

As there has been no academic study of the Alberta amateur sport system for at least a dozen years, the first task in this study of Alberta's amateur sport system is to develop an explanatory and descriptive account of the sport system's structure and governance. The structure and governance of sport organizations and sport systems determine hierarchies of authority, decision-making processes, reporting lines and methods, roles and responsibilities for programs and services, and finally, accountability for actions and results within the system; all of these organizational aspects could have a direct influence on funding decisions. As we explore how the Alberta sport system is structured, and how it is governed, we will have the information that will serve as the basis for investigating the funding decisions that initially stimulated our interest, and the accountability processes linked to those funding decisions.

#### Components of the Alberta Sport System

The provincial government encouraged and supported the development of the aforementioned Alberta Sport Plan, which was officially presented by the Chair of the Alberta Sport Plan Task Force to the provincial government's Minister of Alberta Community Development in 2002. The following quote is an excerpt directly from the *Alberta Sport Plan* (2002).

It is recognized that a plan that puts forward 180 actions and aims to achieve 65 outcomes is an ambitious one. In order to assist the sport community to achieve success in implementing the plan, priorities for action have been developed focusing on the existing delivery mechanisms of communities, regional and provincial volunteer organizations and educational institutions. These mechanisms will help put 19 of the highest priority action items from the sport community into movement towards the achievement of the vision. (p. 5)

This quote is a reasonable starting point for our exploration of the Alberta sport system (referred to as “the existing delivery mechanisms”), as it identifies “communities, regional and provincial volunteer organizations and educational institutions” as comprising the delivery system. Obviously this is a very diverse group of organizations. Interestingly, the provincial government is not referenced by this particular quote as one of the delivery mechanisms for sport, but it would be an oversight not to consider the role the provincial government plays as part of a description of the Alberta sport system. Therefore, the system we will describe and explain in this study will include the provincial government, plus the aforementioned delivery mechanisms.

While the components of the system have been identified, the structure and governance of the sport system has not. There is no reference to how these diverse organizations are related or connected, or how they might collectively make decisions to advance amateur sport. Referring once again to the above quote, the directive from the Plan for the “sport community to achieve success in implementing the plan” clearly lays the **responsibility for implementation on the sport community**. Responsibility is theoretically linked in the study of organizations and management to authority and accountability, such that delegating or assigning responsibility is expected to be accompanied by a degree of authority to carry out the tasks for which the entity is responsible, and the entity is then held accountable for the expected results. The ultimate accountability, however, resides with the entity delegating the responsibility and authority. In this case, the Plan assigns the responsibility to the sport community, but the Plan is created by a temporary Task Force that cannot possibly be held accountable. It is also questionable whether a Task Force has the

necessary power to assign responsibility to anyone. It seems reasonable, then to ask the following questions:

1. **Who in the sport community is ultimately accountable for the results of the Alberta sport system, such as the implementation of the Alberta Sport Plan?**
2. **If the “sport community” fails to achieve any or all of the Plan’s stated 65 outcomes, who is accountable?**
3. **How could “communities, volunteer organizations and educational institutions” be held accountable?**

A final point strengthens our case for a study of accountability in the Alberta sport system. One of the recommended Priority Actions in the Alberta Sport Plan (2002) was to “Establish an advocacy group for sport and by sport that is independent of government – a collective voice for sport, or an Alberta sport alliance.” In 2004, presumably in response to this recommendation, an organization called Sport Alberta was created to be “Alberta’s Voice for Sport”. The purpose of Sport Alberta is to develop a collective and united voice for amateur sport in Alberta. Sport Alberta believes that, “What is needed is an approach for holding sport agencies and **sport leaders accountable** for building a better sport community” and “It is time to ... hold each other accountable for results.” (Alberta’s Voice for Sport, 2006, p.1).

It appears from this statement, identifying sport agencies and sport leaders and asking for an approach to hold them accountable, that Sport Alberta agrees with our opinion regarding the need to explore issues of structure and governance, including decision-making and accountability, in the Alberta sport system. Therefore the purpose of our study is **to**

**describe the structure and governance of the Alberta amateur sport system, with an emphasis on exploring and understanding accountability in the system.**

## **THEORETICAL FRAMEWORK**

We begin this study by reviewing the literature related to the theoretical concepts of accountability, specifically in the government and nonprofit sectors. Buckmaster (1999) writes, “Accountability has become vital in the non-profit sector as governments effect funding stringencies by introducing criteria based on the ability to demonstrate that specific goals have been achieved” (p.188).

Public non-profit service organizations (PNSOs) provide services to the public while operating in a diverse economic environment (Euske & Euske, 1991). PNSOs offer social, cultural, recreational, and/or sport related services. The government is normally a primary source of funding for these organizations, and it can be argued that PNSOs are financially dependent on government funding (Lipsky & Smith, 1990). Government revenues primarily come from publicly generated revenue (i.e. taxes, and/or gaming activities) and as a recipient of public funds the PNSOs have to be financially accountable to the government for their expenditures. Since both organizations need the other to fulfill their respective mandates, the relationship can be characterized as interdependent; the government is dependent on the PNSOs for the services they provide and the PNSO is dependent upon government for an important percentage of their funding (Buckmaster, 1999). In Canada, these interdependent relationships exist at federal, provincial, and municipal government levels.

The accountability literature identifies two primary actors that are involved in an accountability relationship: the “accountor” and “accountee” (Burritt & Welch, 1997; Ijiri, 1983; Gray, 1992). Being held accountable is the process by which an accountor is held

responsible for their actions, decisions, and performance to a higher authority or accountee (Buckmaster, 1999; Burritt & Welch, 1997; Ebrahim, 2003A & B; Halachmi, 2002; Kearns, 1994; Miller, 2002). An accountee has a vested interest in an accountant (PNSO), and the accountee's support can be provided in two forms: monetary and/or non-monetary. Monetary support is a type of financial support, whereas non-monetary support involves the provision of services or merchandise. The accountant provides information about their organization to the accountee, who collects the information for the purpose of holding the accountant responsible for their decisions and actions (Burritt & Welch, 1997).

The Alberta provincial sport organizations (PSOs) are accountors while the funding provided by the Government of Alberta makes it an accountee. The PSOs have direct contact with the public and are responsible for the provision of sport services. As an accountee, the government has the power to implement **enforcement mechanisms** to ensure that the accountant is meeting mandates, policies, and procedures (Burritt & Welch, 1997). Burritt and Welch (1997) further indicated, "The giving of an account is not enough for an accountability relationship to exist; there has also to be a process for **holding the accountant to account** for actions taken and consequences incurred" (p.533). The process probably includes reports<sup>3</sup>, which nonprofit organizations are required to complete if they wish to receive government funding.

There need to be **consequences** for an organization that fails to meet the expectations of the accountee. Enforcement and consequences depend on the amount of power or influence the accountee has over the accountant (Burritt & Welch, 1997). Power is referring to a type of control that can influence the activities of the accountant through coercive means (likely through funding levels). Accountability mechanisms are thereby used as a governance

form to improve the effectiveness of programs and services (Buckmaster, 1999). Furthermore, Buckmaster (1999) indicates that “funders want confirmation that money expended on programs results in intended outcomes; moreover, that services affect individuals and communities, both in the short term and long term” (p.188). For this reason, accountability is an important component of the nonprofit sector of society.

In order to monitor accountability, Buckmaster (1999) and Greiner (1996) agreed that a reporting mechanism is an appropriate tool for gathering information on the operations and programs of organizations for a given reporting period. Reporting mechanisms are tools that the accountee can use to link accountability with performance (Buckmaster, 1999) by having organizations (accountors) such as PNSOs report on their operations and programs (i.e. finances, staff members, volunteers, events, etc). The accountor can use a reporting mechanism as an evaluation tool based on expectations, policies, and/or standards that indicate whether PNSOs are meeting their standards. A standard by which performance is measured is subject to parameters set out by the accountor, and organizations such as PNSOs can be held accountable for their performance. Reporting periods can be set to occur on a daily, weekly, bi-weekly, semi-annual, or annual basis; however, the accountor determines the regularity in which organizations need to complete a report. Greiner (1996) identified that some of the problems associated with reporting are linked to:

1. Mistrust of measurement
2. Reluctance by organizations to report unfavorable news
3. A lack of credibility and usefulness of the reporting mechanism
4. Insufficient timelines for completion of the report
5. The need for a considerable investment of an organization’s time and resources

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<sup>3</sup> This process will be further described in greater detail in the next section of this paper.

These problems may cause inaccuracy in reporting, which can hinder the accountee's ability to evaluate the accountant for a given reporting period.

The literature indicates that accountability is an expectation and a requirement in a situation where one organization is providing resources to another organization. Accountability is usually accomplished through some type of reporting or communication process between organizations. One aspect of accountability is a determination of whether organizations are fulfilling their obligations commensurate with the resources they are provided, and there is usually some type of sanction or penalty if obligations are not met. Given this understanding of the accountability literature, our study proceeds on the assumption that once we understand the structure and governance of the Alberta amateur sport system, we should find evidence of the accountability processes that are in place in the system. This evidence would fulfill the purpose of our study.

## **METHOD**

### *Data Collection*

Several sources of qualitative and quantitative data were accessed for this study, including:

1. Web sites, beginning with the TPR web site at [www.tpr.gov.ab.ca](http://www.tpr.gov.ab.ca), and using links from that site.
2. The Canadian Sport Policy and the Alberta Sport Plan.
3. Personal attendance at the Sport Alberta Annual General Meeting.
4. Personal experience
5. Reports, including the Annual Report of Community Development, and the Annual Report of the ASRPWF.

The lead author of this study has extensive experience in Alberta's amateur sport system, which provided a preliminary level of awareness of the government and nonprofit sport organizations in the Alberta sport system. Subsequent data collection was needed to complete our understanding of the system. Therefore, we collected document-based archival data to describe the Alberta amateur sport system, which began with an extensive review of the Canadian Sport Policy and the Alberta Sport Plan, plus the Community Development web site and associated links. Data were collected and compiled by reading and printing out relevant pages or excerpts. Data collection continued until we were confident that we had a comprehensive base of information to provide an accurate understanding of the system. At times, personal confidential conversations with employees of the Alberta government or nonprofit sport organizations were held to get clarification on roles, responsibilities or relationships in the system.

#### *Data Analysis*

As the first part of our study relied upon personal experience and other qualitative data, our data analysis began by developing a model of the Alberta amateur sport system. A preliminary model was developed based upon our personal existing knowledge of the system. As qualitative data were collected from web sites and documents, we were able to systematically add detail to the model and develop descriptions of the various organizations that comprise the system, as well as the governance and structural relationships between organizations. This process continued until we were confident we had a reasonably accurate description of the sport system as required by our research questions. The final part of this stage of the data analysis involved having our descriptive model reviewed by knowledgeable third parties to validate our description.

## RESULTS

The study of accountability requires a preliminary description of the context (defined here as the structure and governance of the provincial amateur sport system) within which an accountor and accountee operate. It would be too simplistic to posit that every accountor/accountee relationship is the same, regardless of the context within which they function. Therefore, the following section provides a description of structure and governance of the provincial amateur sport system based upon our data collection and analysis.

### *Ministry of Tourism, Parks, and Recreation*

The ministry of Alberta Tourism, Parks, and Recreation was created by the Government of Alberta in March of 2008. It consists of entities from the previous ministries of Community Development, Gaming, and Economic Development. Tourism, Parks, and Recreation<sup>4</sup> is one of twenty-four Alberta government ministries (see <http://www.gov.ab.ca/home/government.cfm>) and is responsible for (among many other things) facilitating, supporting, and directing provincial sport and recreation organizations through policies specifically applicable to sport. The mission of the Tourism, Parks, and Recreation Ministry is described on their website ([www.tpr.alberta.ca/about/default.aspx](http://www.tpr.alberta.ca/about/default.aspx)) as follows,

“Tourism, Parks and Recreation supports the development and marketing of the province as a world-class tourism destination; manages a network of provincial parks and protected areas to preserve important ecological areas and provide opportunities to enjoy and learn about Alberta's natural heritage; and promotes active, healthy lifestyles and athletic excellence by supporting sport, recreation and training facilities.”

The ministry includes the department and the Alberta Sport, Recreation, Parks and Wildlife Foundation (ASRPWF). Our study is focused on the ASRPWF and the Sport and Recreation Branch of the ministry.

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<sup>4</sup> A Ministry is a “governmental department that is presided over by a government minister” (Ministry, 2005, p.1), and focuses on servicing specific aspects of society (e.g. transportation, agriculture, health care, and/or sport).

*Sport and Recreation Branch*

The Sport and Recreation Branch is an entity within the ministry with a staff of government employees, presided over by a Director. Amateur sport operates within the provincial government as one of many responsibilities within the new Tourism, Parks, and Recreation Ministry, that itself is only one of many ministries. Therefore, amateur sport competes for attention and funding with the other activities within the Ministry, which has implications throughout our study. Further discussion of the Sport and Recreation Branch is provided later.

*Alberta Sport, Recreation Parks & Wildlife Foundation (ASRPWF)*

Tourism, Parks, and Recreation (TPR) is directly responsible for the Alberta Sport, Recreation Parks & Wildlife Foundation (ASRPWF). The ASRPWF is a government-owned crown corporation that “supports the development of recreation, sport, parks and wildlife activities in the province by recommending, to the Minister of TPR, grant assistance to provincial recreation and sport organizations. The foundation sponsors major games, supports the development of active lifestyles and receives donations in support of land conservation and other programs” (Ministry Overview, 2005). This statement is evidence that sport is merely one of several activities supported by ASRPWF and therefore competes with other organizations for funds.

Campbell, Hartnagel, & Smith (2005) explained that “Provincial Crown corporations [like ASRPWF] are government-owned corporations that are, ostensibly, at arms length from government control” (p.23). Pitter (1996) claims there are two primary reasons that the government of Alberta has created a Crown Corporation to allocate funds to non-profit organizations (i.e. PSOs). Firstly, the Alberta government regulations concerning the

distribution of gaming revenues require gaming funds to be allocated to non-profit Crown corporations, but not to internal government departments. Secondly, the Crown corporation can now “secure funding using a variety of sources and means: corporate donations, corporate sponsorships, gifts in kind, and, most significantly, tax-deductible donations” (Pitter, 1996, p.46). While Pitter’s description seems consistent with our information, the explanation of Campbell, Hartnagel, & Smith (2005) is not. Our research confirms that ASRPWF is positioned within the government’s ministerial structure and **does not function at arms length** from government. ASRPWF reports to the TPR Minister (Cindy Ady), and is therefore accountable to the Minister for the funding it receives. Based on this information, it appears as though the ASRPWF is positioned to take advantage of opportunities to access gaming revenue, donations and sponsorships while ensuring governmental control and accountability through the structural positioning of the Foundation.

The objectives of the ASRPWF, as outlined in The Foundation Act (2005) are:

1. to develop and maintain sport programs, facilities, and services;
2. to develop and maintain recreation programs, facilities, and services;
3. to develop and maintain parks programs, facilities, and services;
4. to develop and maintain fish and wildlife programs, facilities, and services;
5. to raise funds to be used in assisting the ASRPWF in carrying out its objectives.

Only one of those objectives, “to develop and maintain sport programs, facilities and services”, relates to sport. Our observation is that sport is included in the Foundation as one of four broad mandates and must therefore compete with the others for status.

The ASRPWF also lists four Core Objectives (2005) that are different from the above five objectives as stated in The Foundation Act. They are:

1. Assist Provincial and Community Volunteer Organizations
2. Support Multi-Sport Games
3. Promote Active Living
4. Enhance Park and Wildlife Ventures

Under each of these Core Objectives, Goals, Desired Outcomes, Outcome Measures and Planned Actions are listed.

According to The Foundations Act (see Appendix A), the ASRPWF is governed by 10 members appointed by the Lieutenant Governor in Council. All decisions of the Foundation are subject to the approval of the Minister, effectively removing authority from the ASRPWF Board. The 10 Foundation members come from communities throughout Alberta (The ASRPWF Board Members, 2005), and the rationale for their selection could not be verified. While these members may be influential, the Act removes any governance power to oppose the Minister, or the Ministry, on any substantial issues. The appointed ASRPWF members are not formal representatives of the Provincial Sport Organizations, nor are they democratically elected from the amateur sporting community. Therefore, Alberta's sporting community does not have direct representation on the ASRPWF to communicate with the government directly (through the Minister) for policy changes deemed important by the amateur sport community. (Evidence of this would include the emergence of Sport Alberta as an advocate for sport).

There is no direct structural link between the two entities with sport responsibilities: the Sport and Recreation Branch and ASRPWF. Although they both report to, and appear to be accountable to, the same Minister, it appears they report independently. The General Manager of ASRPWF is also the Director of the Sport and Recreation Branch and appears to

report to the Chairman of the ASRPWF (currently Orest Korbutt), but the General Manager also reports to an Assistant Deputy Minister who in turn reports to a Deputy Minister. The Chairman of ASRPWF appears, according to the Foundation Act, to report directly to the Minister. Describing and understanding these structural, governance and reporting relationships is fundamental to our discussion of accountability. An interesting question is hereby raised; if the ADM and the Chairman disagree on any issue, to whom is the General Manager ultimately responsible?

We were unable to find any evidence of a report from ASRPWF to the Minister that might have been based upon the Core Objectives, Goals, Desired Outcomes, Outcome Measures or Planned Actions that were listed. The Annual Report of ASRPWF is a Financial Statement, and does not include any non-financial information. Future sections will provide additional detail on the Branch and the Foundation, further elaborating on their respective roles and responsibilities in the amateur sport system.

#### *Provincial Sport Organizations (PSOs)*

The provincial amateur sport system is comprised of provincial sport organizations (PSOs). There are 78 PSOs in Alberta (see Table 1). PSOs are non-profit, “volunteer managed entities that form an intermediary link between community sport organizations and national sport organizations” (Provincial Sport Organizations, 2005, p.1). As non-profit volunteer sport organizations, the Boards of Directors of the PSOs are accountable to the organization’s membership for resources used and outcomes achieved. The PSOs deliver sport specific provincial programs to Albertans in amateur sport. The Government of Alberta depends upon the PSOs to manage, promote and develop their respective sports and in their absence would face tremendous difficulties in developing amateur sport in Alberta. PSOs

report to a variety of national and community sport organizations sport as well as the provincial government.

From the perspective of structure and governance, there is no formal link between the PSOs and the Government of Alberta. The PSOs are legally and functionally independent of the provincial government. The PSOs are organized and operated by their membership to achieve goals related to their mandated sport activities, and the membership elects a Board to govern their operations.

Our data show that PSOs vary considerably in their mission, vision and goals (Provincial Sport and Recreation Associations, 2006). For example, while one organization's goal may be to host events that facilitate an elite athlete's progress to a national level of competition (i.e. Basketball Alberta), another organization hosts events primarily for the purpose of providing participation opportunities, and increasing the exposure of the sport to communities throughout Alberta (i.e. Alberta Team Handball Association). These organizations have different primary goals, ranging from a competitive focus to an emphasis on participation. According to the ASRPWF's Core Objectives, both of these goals are appropriate.

#### *Results Summary of Structure and Governance*

In summary, our research to this point shows unclear and confusing structure and governance within the provincial government bureaucracy. ASRPWF appears to make funding decisions, and has direct links to the Minister, but has no staff. The Sport and Recreation Branch has staff, but minimal control of funding, and links to the Minister through an ADM and a DM. It is difficult, based on the data we have, to identify one provincial government entity that holds ultimate governance authority for amateur sport in

Alberta. We will explore the implications of this, in terms of accountability, in future sections of the paper.

The PSOs are not governed by, and have no direct structural link to, the provincial government. On this basis, they would not be required to report or be accountable to the provincial government. The PSOs are self governed, restricted only by their status as non-profit organizations and therefore must function according to their own by-laws. However, our research establishes a funding relationship between the PSOs and ASRPWF and despite the absence of formal structural links between the two, an accountability process would, according to the literature, be expected to exist.

#### *The Accountability Process*

As previously discussed, the accountability process is intended to establish whether an organization has effectively fulfilled its mandate and used the resources given to the organization by the accountee in a manner considered by the accountant to be appropriate. To establish accountability, an accountant organization must communicate with its accountee in some manner, normally through the provision of information contained in a report. Based on the report, the accountee decides whether the accountant has adequately met expectations. For accountees to make informed decisions, reports must be accurate and complete. Mutually agreeable or negotiated measures, linked to the mandate of the organizations, should form the basis for accountability. Accountant organizations failing to report or to meet the expectations of the accountee, or accountants performing beyond expectations, would expect an appropriate penalty or reward from the accountee.

*The Role of Sport and Recreation Branch Staff*

Support staff within the Sport and Recreation Branch administers the distribution of funding (grants) on behalf of the ASRPWF. The Foundation Act makes provision as follows, “If the Minister considers it necessary, the Minister shall provide to the Foundation the services of employees of the Government under the Minister’s administration to carry out the work of the Foundation.” (Alberta Sport, Recreation, Parks and Wildlife Foundation Act, 1994). The staff is responsible for distributing, monitoring, reviewing, and accounting for this grant funding.

As part of the accountability process prescribed by the ASRPWF, the Branch staff member meets with a representative of the PSO twice a year to ensure the funding is being utilized and the criteria is being met. There are two meetings because funding is divided into two payments. The initial meeting of the year is to review the status of the operations of the PSOs and to determine if the minimum criteria (see Appendix B) are being met. If the criteria are not being met, the staff can withhold or decrease the amount of funding. In the final meeting, the PSOs are required to provide written documentation of their business plan, a post program analysis, a financial audit of the organization, and the completion of a Provincial Sport Association Questionnaire<sup>5</sup> (PSAQ). Once the staff member has received this information, it is reviewed and there is an interview process during which the staff member can ask for clarification, provide suggestions, and/or praise the organization for the services as described in the documentation that has been provided to the staff. As well the PSOs are able to communicate concerns, ask for more funding, and/or ask for suggestions to improve the documents that were submitted. This summarizes the accountability process that

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<sup>5</sup> The PSAQ is a report that PSOs are required to complete as a condition of receiving funding.

has been implemented by the Foundation as a means of holding PSOs accountable for the funding they receive from the ASRPWF.

At this point, it is useful to refer back to the analysis of the ministry's annual report data. Given the existence of the data provided in the PSAQ reports by the PSOs, the omission of the PSO data from the ministry's annual report is difficult to understand or explain. We were unable to find any summary reports from the PSAQ in the annual report, or anywhere else on the TPR website. The PSOs are non-profit amateur sport organizations and as such are public entities, so confidentiality should not be an issue. The PSOs make an effort to provide the data, and the data would show the contributions made to Albertans by these organizations. Despite the positive impact these data could make, they are not published in any public forum.

## **DISCUSSION**

### *Structure, Governance and Accountability*

From an accountability perspective, the structure and governance of the provincial sport system is problematic. In the following discussion, we discuss how the current structure and governance of the sport system may be at the root of accountability concerns.

Sport is only one of many aspects of the TPR Ministry. Several references to sport were found in their Annual Report to the Members of the Legislative Assembly: statistics about sport participation by Albertans; 100 medals won by Alberta athletes at the 2005 Canada Summer Games (best ever); and an investment in the Canmore Nordic Centre cross-country ski facility. While these are important statistics, the level of reporting detail is minimal (given the potential of the PSAQ data available) and raises questions as to the importance of sport within the ministry. However, the lack of reporting to upper levels of

government might be explained by a high level of satisfaction with the management and productivity of the amateur sport system. The lack of concern may reflect the lack of perceived need for more detailed reporting. On the other hand, it may be that sport is not a high priority for the provincial government and is virtually ignored at the levels of government beyond the TPR Ministry.

It is particularly interesting to note the lack of linkages between the Annual Report and the Alberta Sport Plan (ASP). Given the significant human and financial resources that were dedicated to producing the ASP, its use in accountability measures would seem appropriate. A plan, developed by the provincial amateur sport system, would be an ideal reference point for an Annual Report by the Minister responsible. The Annual Report would seemingly be an opportunity for the Minister to provide an update on progress on the Plan. If the Plan was approved by the Minister but not implemented, we would expect to see concern expressed by the Minister over a lack of results, for which the Minister could be argued to be ultimately accountable. Therefore, the minimal reference to it, and the apparent lack of concern of the Legislative Assembly, raises questions.

One must also consider the lack of reference to the Alberta Sport Plan in the ASRPWF information as being evidence of a gap in the accountability process in the amateur sport system. While ASRPWF documents provide evidence that goals, objectives and desired outcomes exist, we see no evidence of reference to the Alberta Sport Plan, nor any specific published reports from ASRPWF. Such reports may exist but we have not been able to find them. This would lead to conjecture that ASRPWF sees no compelling need to promote its accomplishments in public, or to be accountable to either the Minister or Alberta Lotteries. The Sport and Recreation Branch appears to be in a very tenuous position from an

accountability perspective. Branch staff function on behalf of ASRPWF, yet appear to have no real authority to challenge ASRPWF decisions, and responsibility without authority is a fundamental concern in management systems. They are in a difficult position from both a structural and governance perspective, and are charged with the responsibility for an accountability process over which they have very little, if any, governance. Finally, the PSOs have (as stated previously) no structural link to either the Sport and Recreation Branch or ASRPWF. Each PSO really functions as an individual, autonomous entity within the sport system and they are not subject to governmental control in any substantive way. Therefore, their accountability issues are strictly a function of the funding relationship with government. Since the funding relationship could vary from PSO to PSO, with some relying more heavily on ASRPWF funding than others, the accountability process is unlikely to be consistent and realistically would be difficult to manage.

It must also be noted that the structural relationship between PSOs and other organizations may result in multiple accountees for the PSO. For example, organizations such as the National Sport Organizations (NOS) may be as, or more, important to the PSO and may draw their time and attention away from the relationship with ASRPWF. PSOs are governed by their membership, and are certainly accountable to them, and it is possible the PSO may even have accountee/accountor relationships with sponsors. PSOs may also, in cases where they provide monetary assistance to clubs or other organizations, be in the role of accountee.

Based on our data, Sport Alberta has every reason to be concerned with accountability in the amateur sport system. If the system were completely malfunctioning, could we identify the entity that is responsible? Who is accountable?

## CONCLUSIONS

### *Structure and Governance*

Accountability relationships between entities can be established through organizational structure, or governance models. We have provided empirical evidence that, due to the structure and governance model for provincial amateur sport, accountability for sport in Alberta's provincial government is difficult to pinpoint. Has the system been designed to obscure any possibility of accountability? If there has been a problem with the implementation of the Alberta Sport Plan, the Minister can blame the Foundation and certainly will not criticize their own government; the Foundation can point to the PSOs and certainly will not criticize the Minister that appoints them; the PSOs can blame the government and are unlikely to blame themselves. Before the Alberta sport system can hope to see its mutually developed goals (from the Alberta Sport Plan) implemented, some entity must be prepared to take two steps: 1) to accept full responsibility for sport development in Alberta and 2) to create an accountability process to determine whether progress toward goals is being achieved.

Amateur sport does not have a prominent position in the provincial government structure. It is one of many aspects of TPR, and shares the resources of the Foundation with recreation, parks and wildlife organizations. Even the Sport and Recreation Branch has a dual focus, with recreation organizations sharing the resources of the Branch. While this may be pragmatic or efficient, it cannot result in any strategic focus on sport development.

### *Accountability Process*

On a positive note, it would appear the ASRPWF is well positioned to undertake an objective audit of the PSOs given the absence of a conflict of interest between the Board

members and the PSOs. The Board can act as an agent of the provincial government, and provide an independent audit of the PSOs. This situation provides the government with direct control over the ASRPWF and the funds allocated by it, while also having the benefit of a buffer between the PSOs and the government. Within this scenario, the Minister of TPR would have the responsibility and authority to be the initiator of the accountability process for funding to the ASRPWF Board and the PSOs.

The Sport and Recreation Branch staff that collects the PSAQ information from the PSOs is governed by the Department of TPR and not the ASRPWF. The PSOs communicate through the Branch staff and not directly to the Foundation that provides the PSOs with grant funding. Such a structure likely results in a relationship between the ASRPWF and the PSOs which is difficult for the Branch staff to manage.

Several issues are apparent. While there are some measures (included in the PSAQ) used by the ASRPWF for determining if their criteria are being met by the PSOs, neither the Sport and Recreation Branch staff nor the ASRPWF has governance over the PSOs. If the PSOs, as part of the sport community referred to in the beginning of this paper, are failing to pursue the goals agreed to in the Alberta Sport Plan, there may be very little that can be done about it. Since the ASRPWF has no alternative provider of sport specific services, other than the PSOs, poorly performing PSOs cannot be easily replaced or duplicated. Eliminating funding to a PSO could result in the demise of the PSO rather than goal alignment. Having PSOs disappear would not be politically popular nor, from a sport development perspective, productive. Given the dependence on PSOs to provide sport programs and services, it is difficult to understand why the government would provide inadequate resources (as referred to in our introduction) to them (such as insufficient funding), and would tolerate such a

fragmented governance model for the sport system. At the very least, sound management principles would suggest that accountability for results always ultimately “stops at the top”, and it should be very easy to identify who, or what, is at the top. In the Alberta sport system, it is not.

The purpose of this paper was to describe the structure and governance of the Alberta amateur sport system, and to attempt to understand how the accountability process works. It is very clear that those expressing concern about the accountability within the system have substantial reasons for those concerns, based on publicly available empirical evidence. It is our intent, as sport management researchers, to further explore accountability issues using the information developed in this paper as a starting point. The goal will be to ultimately provide practical recommendations for improvements to the sport system based on theoretical concepts, empirical data and accepted management principles.

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Appendix B- Association Funding Eligibility Criteria

**ASSOCIATION FUNDING ELIGIBILITY CRITERIA**

In order for Provincial Associations to be eligible for funding through the Association Development Program of the Alberta Sport, Recreation, Parks & Wildlife Foundation (Foundation), the following minimum criteria must be met:

1. The Association must be incorporated under appropriate Alberta Legislation for a minimum of three (3) years prior to seeking financial support through the Foundation's Association Development Program.
2. The Association must acknowledge in its business plan and demonstrate that its activity in the Province of Alberta recognizes and contributes to the mission, goals and principles of the Foundation.
3. The Association must declare in its bylaws, and demonstrate through its activities, that its services are provincial in nature and scope without duplication in services; that it provides participant and leadership opportunities for all Albertans.
4. The Association must have a minimum of 500 individual members or have 5 member-clubs with a minimum total membership of 500 individuals within 5 clubs.

**Note: Associations that are excluded from this criterion are provincial sport or recreation associations for disabled Albertans.**

5. The Association must be volunteer driven.
6. Foundation assistance shall not exceed 50% of the Association's overall operating budget (total operating expenses) with the intent of the association moving toward self-sufficiency.
7. The Association must submit (for review purposes only) a 1-year Business Plan that demonstrates that it has an ongoing planning and evaluation process in place.

**The Association must also submit (for review purposes only) a post program analysis that measures the results, achievements and financial impact of the previous year's operations.**

8. On an annual basis the Association must submit for the Foundation's records:
  - The Foundation's form of application for funding, and
  - Financial statements indicative of the Association activities, as endorsed by the general membership of the Association (as required by the Alberta Societies Act), and as prepared in accordance with generally accepted accounting principles.
9. The Association must demonstrate how it will communicate regularly with its membership.
10. The Association must demonstrate equitable access for all Albertans.
11. The Association must comply with all regulations and any applicable Alberta Legislation.
12. The Association must demonstrate that it complies with the National Leadership Standards such as those exemplified in the National Coaching Certification Program.

Important Note: Meeting all the above Funding Eligibility Criteria does not guarantee funding.

**Table 1: 78 Provincial Sport Organizations of Alberta**

Alberta Alpine	Alberta Amputee Sport & Recreation Association	Alberta Fencing Association	Alberta Schools' Athletic Association
Alberta Bowhunters and Archers Association	Athletics Alberta	Alberta Equestrian Federation	Alberta Federation of Shooting Sports
Badminton Alberta	Alberta Amateur Baseball Council	Field Hockey Alberta	Alberta Soaring Council
Basketball Alberta	Alberta Baton Twirling Association	Skate Canada - Alberta-Northwest Territories/Nunavut Section	Alberta Amateur Softball Association
Biathlon Alberta	Alberta Bicycle Association	Football Alberta	Alberta Amateur Speed Skating Association
Alberta Sports and Recreation Association for the Blind	Alberta Bobsleigh	Alberta Golf Association	Alberta Sport Parachuting Association
Bowling Federation of Alberta	Alberta Amateur Boxing Association	Darts Alberta	Swim Alberta
Alberta Broomball Association	Alberta Recreational Canoe Association	Alberta Freestyle Skiing Association	Alberta Table Tennis Association
Alberta Sprint Racing Canoe Association	Alberta Whitewater Association	Alberta Gymnastics Federation	Alberta Team Handball Federation
Alberta Cricket Association	Alberta Colleges Athletic Conference	Hockey Alberta	Alberta Triathlon Association
Alberta Curling Federation	Cross Country Alberta	Judo Alberta	Alberta Volleyball Association
Disabled Skiers Alberta	Alberta Deaf Sports Association	Alberta Lacrosse Association	Water Ski and Wakeboard Alberta
Alberta Cerebral Palsy Sport Association	Canadian Amateur Diving Association – Alberta Section	Alberta Luge Association	Alberta Amateur Wrestling Association
Alberta Horseshoe Pitchers	Alberta Orienteering Association	Alberta Racquetball Association	KidSport Alberta
Karate Alberta Association	Alberta Rhythmic Sportive Gymnastics Federation	Ringette Alberta	InMotion Network

Lawn Bowls Association of Alberta	Alberta Rowing Association	Alberta Rugby Union	Synchro Alberta Association
Alberta Ski Jumping and Nordic Combined Association	Alberta Sailing Association	Alberta Special Olympics	Alberta Tae Kwon Do Association
Alberta Soccer Association	Alberta Senior Citizens Sport and Recreation Association	Sport Medicine Council of Alberta	Tennis Alberta
Alberta Water Polo Association	Wheelchair Sports Alberta	Squash Alberta	Alberta Universities Athletic Association
Alberta Weightlifting Association	Alberta Snowboarding		

Appendix A

The Foundation Act (The Foundation Act, 2005)

The mission of the ASRPWF is to facilitate and enhance activities, lifestyles, and legacies through the development of active partnerships in sport, recreation, parks, and wildlife programs.

The ASRPWF is supported by Alberta Lotteries, and reports to the Minister of Alberta Community Development. The Volunteer Board of Directors is responsible for assisting provincial and community volunteer organizations, supporting multi-sport games, promoting active living, and enhancing park and wildlife ventures. The Sport and Recreation Branch of Alberta Community Development provides consultative, administrative and technical support on behalf of the ASRPWF.

**The objectives of the ASRPWF, as outlined in the *Alberta, Sport, Recreation, Parks and Wildlife Foundation Act*, are:**

- to develop and maintain sport programs, facilities, and services;
- to develop and maintain recreation programs, facilities, and services;
- to develop and maintain parks programs, facilities, and services;
- to develop and maintain fish and wildlife programs, facilities, and services;
- to raise funds to be used in assisting the ASRPWF in carrying out its objectives.