

STANDING COMMITTEE ON PUBLIC ACCOUNTS
Wednesday, January 11, 2017

MINUTE NO. 6

9:59 a.m. — māmawapiwin náyati room (Room 8)

1. **Present:** Danielle Chartier in the chair and members Jennifer Campeau, Herb Cox, Larry Doke, Hon. Paul Merriman,* Warren Michelson, Nicole Sarauer, and Randy Weekes.

Substituting Members

Hon. Paul Merriman for Glen Hart

Provincial Auditor's Office

Judy Ferguson, Provincial Auditor
Angèle Borys, Deputy Provincial Auditor and Chief Operating Officer
Tara Clemett, Deputy Provincial Auditor
Kelly Deis, Deputy Provincial Auditor
Regan Sommerfeld, Deputy Provincial Auditor
Charlene Drotar, Principal
Kim Lowe, Principal
Rosemary Volk, Principal
Nicole Dressler, Senior Manager
Heather Tomlin, Office Manager

Provincial Comptroller's Office

Terry Paton, Provincial Comptroller
Chris Bayda, Executive Director, Financial Management Branch

2. The following document was tabled:

Ministry of Education: Report of public losses, September 1, 2016 to November 30, 2016
(PAC 18-28)

3. The Chair advised that pursuant to rule 142(2), the following documents were committed to the committee:

Provincial Auditor of Saskatchewan: Business and financial plan for the year ended March 31, 2018
(Sessional Paper No. 262)

Provincial Auditor of Saskatchewan: 2016 report volume 2
(Sessional Paper No. 265)

4. The committee considered the adjourned motion moved by Ms. Sproule at the November 28, 2016 meeting.

5. It was moved by Hon. Mr. Merriman:

That the committee add the adjourned motion from the November 28, 2016 meeting to tomorrow's agenda.

A debate arising and the question being put, it was agreed to.

6. The committee considered the Provincial Auditor's 2016 report volume 1, chapter 2, Central Services; 2016 report volume 2, chapter 3, Central Services; 2015 report volume 2, chapter 43, Central Services — Fleet Maintenance; 2016 report volume 1, chapter 5, Central Services — Data Centre Security; 2016 report volume 2, chapter 33, Central Services — Use of Consultants; and 2016 report volume 1, chapter 6, Central Services — Web Application Security Requirements.
7. The following Ministry of Central Services officials appeared before the committee and answered questions:

Witnesses

Richard Murray, Deputy Minister
Rick Baylak, Executive Director, Corporate Services
Kelly Fuessel, Executive Director, IT Division
Rebecca Sengmany, Executive Director, Corporate Services
Troy Smith, Executive Director, Commercial Services
Fuad Iddrisu, Director, IT Division

8. The committee concluded consideration of the Provincial Auditor's 2016 report volume 1, chapter 2, Central Services.
9. The committee concluded consideration of the Provincial Auditor's 2016 report volume 2, chapter 3, Central Services.
10. The committee concluded consideration of the Provincial Auditor's 2015 report volume 2, chapter 43, Central Services — Fleet Maintenance.
11. The committee concluded consideration of the Provincial Auditor's 2016 report volume 1, chapter 5, Central Services — Data Centre Security.
12. The committee concluded consideration of the Provincial Auditor's 2016 report volume 2, chapter 33, Central Services — Use of Consultants.
13. The committee concurred with recommendation 1 made at page 48 of the Provincial Auditor's 2016 report volume 1, chapter 6, Central Services — Web Application Security Requirements:

We recommend that the Ministry of Central Services document key information about all ministry web applications that are subject to its security policy.

The committee noted that the Ministry of Central Services is making progress towards complying with the recommendation.

14. The committee concurred with recommendation 2 made at page 51 of the Provincial Auditor's 2016 report volume 1, chapter 6, Central Services — Web Application Security Requirements:

We recommend that the Ministry of Central Services develop and maintain comprehensive procedures and guidelines to support the development and operation of secure web applications.

The committee noted that the Ministry of Central Services has complied with the recommendation.

15. The committee concurred with recommendation 3 made at page 53 of the Provincial Auditor's 2016 report volume 1, chapter 6, Central Services — Web Application Security Requirements:

We recommend that the Ministry of Central Services require routine analysis of web application vulnerabilities to monitor compliance with its security policy.

The committee noted that the Ministry of Central Services has complied with the recommendation.

16. The committee concurred with recommendation 4 made at page 54 of the Provincial Auditor's 2016 report volume 1, chapter 6, Central Services — Web Application Security Requirements:

We recommend that the Ministry of Central Services work with the ministries to address identified higher-risk web application vulnerabilities.

The committee noted that the Ministry of Central Services is making progress towards complying with the recommendation.

17. The committee recessed from 10:46 a.m. until 10:51 a.m.
18. The committee considered the Provincial Auditor's 2016 report volume 1, chapter 37, Water Security Agency — Regulating Public Wastewater Systems; 2016 report volume 2, chapter 47, Water Security Agency — Co-ordinating Flood Mitigation; 2016 report volume 2, chapter 48, Water Security Agency — Dam Safety; and 2016 report volume 2, chapter 49, Water Security Agency — Risks to Water Supply.

The following Water Security Agency officials appeared before the committee and answered questions:

Witnesses

Susan Ross, Acting President
John Fahlman, Vice-President, Technical Services
Irene Hrynkiw, Executive Director, Corporate Services
Clinton Molde, Executive Director, Integrated Water Services
Sam Ferris, Executive Director, Environmental and Municipal Management Services
Doug Johnson, Executive Director, Special Projects

19. The committee concluded consideration of the Provincial Auditor's 2016 report volume 1, chapter 37, Water Security Agency — Regulating Public Wastewater Systems.
20. The committee concluded consideration of the Provincial Auditor's 2016 report volume 2, chapter 47, Water Security Agency — Co-ordinating Flood Mitigation.
21. The committee concluded consideration of the Provincial Auditor's 2016 report volume 2, chapter 48, Water Security Agency — Dam Safety.
22. The committee concluded consideration of the Provincial Auditor's 2016 report volume 2, chapter 49, Water Security Agency — Risks to Water Supply.
23. The committee recessed from 11:29 a.m. until 11:33 a.m.
24. The committee considered the Provincial Auditor's 2016 report volume 1, chapter 36, University of Regina — Procurement of Goods and Services and Disposal of Surplus Assets.

The following University of Regina officials appeared before the committee and answered questions:

Witnesses

Dave Button, Vice-President of Administration
Jim Woytuik, Director of Supply Management Services
Dale Eisler, Senior Adviser, Government Relations

25. The committee concluded consideration of the Provincial Auditor's 2016 report volume 1, chapter 36, University of Regina — Procurement of Goods and Services and Disposal of Surplus Assets.
26. The committee recessed from 11:41 p.m. until 1:02 p.m.
27. The committee considered the Provincial Auditor's 2015 report volume 1, chapter 6, Summary of Implemented Recommendations; 2015 report volume 2, chapter 31, Summary of Implemented Recommendations; 2016 report volume 1, chapter 4, Summary of Implemented Recommendations; 2016 report volume 1, chapter 39, Standing Committee on Public Accounts; 2016 report volume 2, chapter 51, Standing Committee on Public Accounts.
28. The committee concluded consideration of the Provincial Auditor's 2015 report volume 1, chapter 6, Summary of Implemented Recommendations.
29. The committee concluded consideration of the Provincial Auditor's 2015 report volume 2, chapter 31, Summary of Implemented Recommendations.
30. The committee concluded consideration of the Provincial Auditor's 2016 report volume 1, chapter 4, Summary of Implemented Recommendations.
31. The committee concluded consideration of the Provincial Auditor's 2016 report volume 1, chapter 39, Standing Committee on Public Accounts.
32. The committee concluded consideration of the Provincial Auditor's 2016 report volume 2, chapter 51, Standing Committee on Public Accounts.
33. The following document was tabled:

Global Transportation Hub: Responses to questions raised at the November 28, 2016 meeting
(PAC 19-28)

34. The committee considered the Provincial Auditor's business and financial plan for the year ended March 31, 2018 and annual report for the year ended March 31, 2016.

The Provincial Auditor and the following officials appeared before the committee and answered questions:

Witnesses

Judy Ferguson, Provincial Auditor
Angèle Borys, Deputy Provincial Auditor and Chief Operating Officer

35. It was moved by Mr. Cox:

That the 2017–18 estimates of the Office of the Provincial Auditor, vote 28, Provincial Auditor (PA01) be approved, as submitted, in the amount of \$7,922,000.

The question being put, it was agreed to.

36. It was moved by Mr. Doke:

That the 2017–18 estimates of the Office of the Provincial Auditor, vote 28, unforeseen expenses (PA02) be approved, as submitted, in the amount of \$539,000.

The question being put, it was agreed to.

37. It was moved by Hon. Mr. Merriman:

That the 2017–18 estimates of the Office of the Provincial Auditor, as approved, be forwarded to the Speaker, as Chair of the Board of Internal Economy, pursuant to section 10.1(4) of *The Provincial Auditor Act*.

The question being put, it was agreed to.

38. The committee concluded consideration of the Provincial Auditor's business and financial plan for the year ended March 31, 2018.

39. The committee concluded consideration of the Provincial Auditor's annual report for the year ended March 31, 2016.

40. The committee considered nominees to recommend for appointment to the audit committee pursuant to section 20 of *The Provincial Auditor Act*.

41. It was moved by Mr. Doke:

That the committee do now meet in camera.

The question being put, it was agreed to.

42. The committee met in camera from 1:39 p.m. until 2:04 p.m.

43. It was moved by Mr. Doke:

That the Chair consult with the Standing Committee on Crown and Central Agencies prior to forwarding the audit committee member recommendations to the Speaker.

The question being put, it was agreed to.

44. The committee considered the Provincial Auditor's 2015 report volume 2, chapter 41, Tourism Saskatchewan — Managing the Use of Social Media.

The following Tourism Saskatchewan officials appeared before the committee and answered questions:

Witnesses

Mary Taylor-Ash, Chief Executive Officer

Veronica Gelowitz, Executive Director, Corporate Services and Chief Financial Officer

Jonathan Potts, Executive Director, Marketing and Communications

45. The committee concurred with recommendation 1 made at page 296 of the Provincial Auditor's 2015 report volume 2, chapter 41, Tourism Saskatchewan — Managing the Use of Social Media:

We recommend that Tourism Saskatchewan complete a social media strategy including performance measures and targets for its use of social media.

The committee noted that Tourism Saskatchewan has complied with the recommendation.

46. The committee concurred with recommendation 2 made at page 299 of the Provincial Auditor's 2015 report volume 2, chapter 41, Tourism Saskatchewan — Managing the Use of Social Media:

We recommend that Tourism Saskatchewan approve comprehensive social media policies.

The committee noted that Tourism Saskatchewan has complied with the recommendation.

47. The committee concurred with recommendation 3 made at page 300 of the Provincial Auditor's 2015 report volume 2, chapter 41, Tourism Saskatchewan — Managing the Use of Social Media:

We recommend that Tourism Saskatchewan require all staff who represent it on social media to periodically review and agree to its social media policies.

The committee noted that Tourism Saskatchewan has complied with the recommendation.

48. The committee concurred with recommendation 4 made at page 300 of the Provincial Auditor's 2015 report volume 2, chapter 41, Tourism Saskatchewan — Managing the Use of Social Media:

We recommend that Tourism Saskatchewan post approved terms of use on its social media channels.

The committee noted that Tourism Saskatchewan has complied with the recommendation.

49. The committee concurred with recommendation 5 made at page 302 of the Provincial Auditor's 2015 report volume 2, chapter 41, Tourism Saskatchewan — Managing the Use of Social Media:

We recommend that Tourism Saskatchewan provide its Board and senior management with periodic reports on the planned and actual results from its use of social media.

The committee noted that Tourism Saskatchewan has complied with the recommendation.

50. The committee recessed from 2:22 p.m. until 2:35 p.m.

51. The committee considered the Provincial Auditor's 2016 report volume 1, chapter 16, Saskatchewan Legal Aid Commission — Providing Legal Aid Services; 2013 report volume 1, chapter 18, Rehabilitation of Young Offenders; 2015 report volume 2, chapter 15, Public Guardian and Trustee of Saskatchewan; 2015 report volume 2, chapter 12, Justice; 2016 report volume 2, chapter 11, Justice; 2015 report volume 2, chapter 47, Justice — Adult Inmate Rehabilitation; 2015 report volume 2, chapter 48, Justice — Maintaining the Integrity of Offender Data; 2015 report volume 2, chapter 49, Justice — Managing Labour Costs Related to Absenteeism; 2015 report volume 2, chapter 50, Justice — Protecting Saskatchewan Data; 2016 report volume 1, chapter 10, Justice — Leading the Building Partnerships to Reduce Crime Initiative; 2016 report volume 1, chapter 27, Justice — Monitoring Municipal Policing; 2016 report volume 2, chapter 39, Justice — Maintenance Enforcement; and

2016 report volume 2, chapter 40, Justice — Monitoring Provincial Policing Services Delivered by the RCMP.

The following officials appeared before the committee and answered questions:

Witnesses

Ministry of Justice and Attorney General

Kevin Fenwick, Deputy Minister of Justice and Deputy Attorney General
Dale McFee, Deputy Minister of Corrections and Policing
Dennis Cooley, Associate Deputy Minister, Custody, Supervision and Rehabilitation Services
Ron Anderson, Assistant Deputy Minister, Community Safety Outcomes and Corporate Supports
Dale Larsen, Assistant Deputy Minister, Policing and Community Safety Services
Glen Gardner, Assistant Deputy Minister, Innovation Division
Dave Tulloch, Assistant Deputy Minister, Corporate Services
Gina Alexander, Executive Director, Strategic Engagement
Monica Field, Executive Director, Strategic Systems and Innovation
Aaron Orban, Executive Director, Access and Privacy
Rick Peach, Executive Director, Saskatchewan Police Commission
Brian Rector, Executive Director, Research and Evidence-based Excellence
Doris Schnell, Executive Director, Offender Services
Heather Scriver, Executive Director, Custody Services, Custody, Supervision and Rehabilitation Services
Drew Wilby, Executive Director, Corporate Affairs
Neil Bonokoski, Director of Accounting and Public Reporting, Corporate Services
Rick Davis, Director, Operational Support
Matthew Gray, Director, Building Partnerships to Reduce Crime, Strategic Engagement
Kim Leibel, Director, Audit Services
Lionel McNabb, Director, Family Justice Services
Robbie Behr, Assistant Director, Family Justice Services
Colleen Matthews, Crown Counsel, Civil Law Division

Legal Aid Saskatchewan

Craig Goebel, Chief Executive Officer
Kyla Shea, Director, Planning and Administration
Jerome Boyko, Director, Finance and Information Technology

Public Guardian and Trustee

Rod Crook, Public Guardian and Trustee

52. The committee concurred with recommendation 1 made at page 208 of the Provincial Auditor's 2016 report volume 1, chapter 16, Saskatchewan Legal Aid Commission — Providing Legal Aid Services:

We recommend that the Saskatchewan Legal Aid Commission update its policies and procedures guiding the provision of legal aid services and obtain Commission approval of key policy revisions.

The committee noted that the Saskatchewan Legal Aid Commission is making progress towards complying with the recommendation.

53. The committee concurred with recommendation 2 made at page 210 of the Provincial Auditor's 2016 report volume 1, chapter 16, Saskatchewan Legal Aid Commission — Providing Legal Aid Services:

We recommend that the Saskatchewan Legal Aid Commission use its electronic case management system to capture accurately the status of legal aid cases in a timely manner to facilitate monitoring of lawyer caseloads.

The committee noted that the Saskatchewan Legal Aid Commission is making progress towards complying with the recommendation.

54. The committee concurred with recommendation 3 made at page 212 of the Provincial Auditor's 2016 report volume 1, chapter 16, Saskatchewan Legal Aid Commission — Providing Legal Aid Services:

We recommend that the Saskatchewan Legal Aid Commission set expectations to assess the quality and timely delivery of legal aid services.

The committee noted that the Saskatchewan Legal Aid Commission is making progress towards complying with the recommendation.

55. The committee concurred with recommendation 4 made at page 215 of the Provincial Auditor's 2016 report volume 1, chapter 16, Saskatchewan Legal Aid Commission — Providing Legal Aid Services:

We recommend that the Saskatchewan Legal Aid Commission conduct written annual performance evaluations of its lawyers.

The committee noted that the Saskatchewan Legal Aid Commission is making progress towards complying with the recommendation.

56. The committee concurred with recommendation 5 made at page 216 of the Provincial Auditor's 2016 report volume 1, chapter 16, Saskatchewan Legal Aid Commission — Providing Legal Aid Services:

We recommend that the Saskatchewan Legal Aid Commission publish reasons for key differences between actual and expected results for legal aid services and establish actions to address shortfalls in its plans.

57. The committee concluded consideration of the Provincial Auditor's 2013 report volume 1, chapter 18, Rehabilitation of Young Offenders.

58. The committee concurred with recommendation 1 made at page 86 of the Provincial Auditor's 2015 report volume 2, chapter 15, Public Guardian and Trustee of Saskatchewan:

We recommend that the Public Guardian and Trustee of Saskatchewan maintain complete and accurate financial records to enable it to prepare complete and accurate financial statements.

The committee noted that the Public Guardian and Trustee of Saskatchewan has complied with the recommendation.

59. The committee concurred with recommendation 1 made at page 74 of the Provincial Auditor's 2015 report volume 2, chapter 12, Justice:

We recommend that the Ministry of Justice prepare and test its disaster recovery plans for its critical information technology systems.

The committee noted that the Ministry of Justice is making progress towards complying with the recommendation.

60. The committee concurred with recommendation 2 made at page 74 of the Provincial Auditor's 2015 report volume 2, chapter 12, Justice:

We recommend that the Ministry of Justice follow its established procedures for removing unneeded user access to its computer systems and data.

The committee noted that the Ministry of Justice is making progress towards complying with the recommendation.

61. The committee concluded consideration of the Provincial Auditor's 2016 report volume 2, chapter 11, Justice.
62. The committee concluded consideration of the Provincial Auditor's 2015 report volume 2, chapter 47, Justice — Adult Inmate Rehabilitation.
63. The committee concluded consideration of the Provincial Auditor's 2015 report volume 2, chapter 48, Justice — Maintaining the Integrity of Offender Data.
64. The committee concluded consideration of the Provincial Auditor's 2015 report volume 2, chapter 49, Justice — Managing Labour Costs Related to Absenteeism.
65. The committee concluded consideration of the Provincial Auditor's 2015 report volume 2, chapter 50, Justice — Protecting Saskatchewan Data.
66. The committee concurred with recommendation 1 made at page 106 of the Provincial Auditor's 2016 report volume 1, chapter 10, Justice — Leading the Building Partnerships to Reduce Crime Initiative:

We recommend that the Ministry of Justice confirm agencies, who decide to participate in a Community Mobilization Hub, accept and understand their roles within the Building Partnerships initiative.

The committee noted that the Ministry of Justice is making progress towards complying with the recommendation.

67. The committee concurred with recommendation 2 made at page 108 of the Provincial Auditor's 2016 report volume 1, chapter 10, Justice — Leading the Building Partnerships to Reduce Crime Initiative:

We recommend that the Ministry of Justice identify how to measure the success of the Building Partnerships initiative.

The committee noted that the Ministry of Justice is making progress towards complying with the recommendation.

68. The committee concurred with recommendation 3 made at page 110 of the Provincial Auditor's 2016 report volume 1, chapter 10, Justice — Leading the Building Partnerships to Reduce Crime Initiative:

We recommend that the Ministry of Justice provide additional direction and tools to support members of the Centre of Responsibility and Community Mobilization Hubs.

The committee noted that the Ministry of Justice is making progress towards complying with the recommendation.

69. The committee concurred with recommendation 4 made at page 111 of the Provincial Auditor's 2016 report volume 1, chapter 10, Justice — Leading the Building Partnerships to Reduce Crime Initiative:

We recommend that the Ministry of Justice, in collaboration with the Centre of Responsibility and Community Mobilization Hubs, analyze and report on the success of the Building Partnerships initiative.

The committee noted that the Ministry of Justice is making progress towards complying with the recommendation.

70. The committee concluded consideration of the Provincial Auditor's 2016 report volume 1, chapter 27, Justice — Monitoring Municipal Policing.

71. The committee concluded consideration of the Provincial Auditor's 2016 report volume 2, chapter 39, Justice — Maintenance Enforcement.

72. The committee concluded consideration of the Provincial Auditor's 2016 report volume 2, chapter 40, Justice — Monitoring Provincial Policing Services Delivered by the RCMP.

73. It was moved by Hon. Mr. Merriman

That this committee do now adjourn.

The question being put, it was agreed to.

74. The committee adjourned at 4:52 p.m. until Thursday, January 12, 2017 at 10:00 a.m.

Kathy Burianyk
Committee Clerk

Danielle Chartier
Chair