

STANDING COMMITTEE ON PUBLIC ACCOUNTS
Wednesday, October 3, 2018

MINUTE NO. 19

9:00 a.m. — māmawapiwin náyati room (Room 8)

1. **Present:** Trent Wotherspoon in the chair and members Todd Goudy, Lisa Lambert, Don McMorris, Warren Michelson, Vicki Mowat, and Laura Ross.*

Substituting Members

Laura Ross for Randy Weekes

Provincial Auditor's Office

Judy Ferguson, Provincial Auditor
Kelly Deis, Deputy Provincial Auditor
Carolyn O'Quinn, Deputy Provincial Auditor
Trevor St. John, Deputy Provincial Auditor
Charlene Drotar, Principal
Kim Lowe, Principal
Victor Schwab, Principal
Jason Wandy, Principal
Michelle Lindenbach, Senior Manager

Provincial Comptroller's Office

Terry Paton, Provincial Comptroller
Jenn Clark, Director, Financial Management

2. The following documents were tabled:

Ministry of Education: Responses to questions raised at the June 12, 2018 meeting (PAC 52-28)

Ministry of Highways and Infrastructure: Responses to questions raised at the June 12, 2018 meeting (PAC 53-28)

Provincial Auditor of Saskatchewan: Policy revisions dated June 29, 2018 (PAC 54-28)

Ministry of Health: Responses to questions raised at the June 12 and 13, 2018 meetings (PAC 55-28)

Ministry of Finance: Report of public losses, April 1, 2018 to June 30, 2018 (PAC 56-28)

Ministry of Health: Report of public losses, April 1, 2018 to June 30, 2018 (PAC 57-28)

Ministry of Education: Report of public losses, June 1, 2018 to August 31, 2018 (PAC 58-28)

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

Provincial Auditor of Saskatchewan: Annual report on operations for the year ended March 31, 2018
(Sessional Paper No. 265)

Government of Saskatchewan: 2017–18 public accounts volume 1, summary financial statements
(Sessional Paper No. 297)

4. The committee considered the Provincial Auditor's 2017 report volume 2, chapter 20, Agriculture — Mitigating Risk of Livestock Diseases.

The following Ministry of Agriculture officials appeared before the committee and answered questions:

Witnesses

Rick Burton, Deputy Minister
Betty Althouse, Chief Veterinary Officer
Cammy Colpitts, Assistant Deputy Minister
Michele Arcsott, Executive Director, Corporate Services
Grant Zalinko, Executive Director, Livestock Branch

5. The committee concurred with recommendation 1 made at page 113 of the Provincial Auditor's 2017 report volume 2, chapter 20, Agriculture — Mitigating Risk of Livestock Diseases:

We recommend that the Ministry of Agriculture maintain support for its decisions on which livestock diseases to include on its notifiable disease list.

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

6. The committee concurred with recommendation 2 made at page 113 of the Provincial Auditor's 2017 report volume 2, chapter 20, Agriculture — Mitigating Risk of Livestock Diseases:

We recommend that the Ministry of Agriculture maintain support for its decisions on which livestock diseases require response plans.

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

7. The committee concurred with recommendation 3 made at page 116 of the Provincial Auditor's 2017 report volume 2, chapter 20, Agriculture — Mitigating Risk of Livestock Diseases:

We recommend the Ministry of Agriculture maintain support for its decisions on which notifiable livestock diseases to have surveillance activities performed.

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

8. The committee concurred with recommendation 4 made at page 119 of the Provincial Auditor's 2017 report volume 2, chapter 20, Agriculture — Mitigating Risk of Livestock Diseases:

We recommend that the Ministry of Agriculture consistently document its analysis of the sufficiency of actions taken on all positive cases of notifiable livestock diseases.

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

9. The committee considered the Provincial Auditor's 2017 report volume 2, chapter 29, Agriculture — Regulating Livestock Waste.

The following Ministry of Agriculture officials appeared before the committee and answered questions:

Witnesses

Rick Burton, Deputy Minister
Betty Althouse, Chief Veterinary Officer
Cammy Colpitts, Assistant Deputy Minister
Michele Arscott, Executive Director, Corporate Services
Grant Zalinko, Executive Director, Livestock Branch

10. The committee concluded consideration of the Provincial Auditor's 2017 report volume 2, chapter 29, Agriculture — Regulating Livestock Waste.
11. The committee considered the Provincial Auditor's 2018 report volume 1, chapter 26, Saskatchewan Crop Insurance Corporation — Determining AgriStability Benefits.

The following officials appeared before the committee and answered questions:

Witnesses

Ministry of Agriculture
Rick Burton, Deputy Minister
Saskatchewan Crop Insurance
Shawn Jaques, President and Chief Executive Officer
Janie Kuntz, Vice-President, Finance

12. The committee concluded consideration of the Provincial Auditor's 2018 report volume 1, chapter 26, Saskatchewan Crop Insurance Corporation — Determining AgriStability Benefits.
13. The committee recessed from 9:57 a.m. to 10:02 a.m.
14. The committee considered the Provincial Auditor's 2017 report volume 1, chapter 1, Public Service Commission — Administering the Government's Key Human Resources/Payroll IT System; and the 2017 report volume 2, chapter 10, Public Service Commission.

The following Public Service Commission officials appeared before the committee and answered questions:

Witnesses

Ray Deck, Assistant Chair
Greg Tuer, Assistant Chair
Scott Kistner, Executive Director, Human Resources, Service Center
Glenda Francis, Executive Director, Corporate Services

15. The committee concurred with recommendation 1 made at page 17 of the Provincial Auditor's 2017 report volume 1, chapter 1, Public Service Commission — Administering the Government's Key Human Resources/Payroll IT System:

We recommend that the Public Service Commission follow its established procedures for reviewing payroll reports prior to making payroll payments.

The committee noted that the Public Service Commission has complied with the recommendation.

16. The committee concluded consideration of the Provincial Auditor's 2017 report volume 2, chapter 10, Public Service Commission.
17. The committee recessed from 10:21 a.m. to 10:30 a.m.
18. The committee considered the Provincial Auditor's 2017 report volume 2, chapter 46, SaskBuilds — Evaluating Potential P3s.

The following SaskBuilds official appeared before the committee and answered questions:

Witnesses

Teresa Florizone, Vice-President Corporate Services and Chief Financial Officer

19. The committee concluded consideration of the Provincial Auditor's 2017 report volume 2, chapter 46, SaskBuilds — Evaluating Potential P3s.
20. The committee recessed from 10:56 a.m. to 11:00 a.m.
21. The committee considered the Provincial Auditor's 2017 report volume 2, chapter 1, Advanced Education.

The following Ministry of Advanced Education officials appeared before the committee and answered questions:

Witnesses

Mark McLouglin, Deputy Minister
David Boehm, Assistant Deputy Minister
Scott Giroux, Executive Director, Corporate Finance
Duane Rieger, Executive Director, Business Systems and Risk Management
Lowell Balzer, Manager, Capital Projects

22. The committee concurred with recommendation 1 made at page 18 of the Provincial Auditor's 2017 report volume 2, chapter 1, Advanced Education:

We recommend that the Ministry of Advanced Education follow Canadian generally accepted accounting principles for the public sector to record transfers in its financial records.

23. The committee considered the Provincial Auditor's 2017 report volume 2, chapter 28, Advanced Education — Managing Risks Related to its One Client Service Model System.

The following Ministry of Advanced Education officials appeared before the committee and answered questions:

Witnesses

Mark McLouglin, Deputy Minister
David Boehm, Assistant Deputy Minister
Scott Giroux, Executive Director, Corporate Finance
Duane Rieger, Executive Director, Business Systems and Risk Management
Lowell Balzer, Manager, Capital Projects

24. The committee concluded consideration of the Provincial Auditor's 2017 report volume 2, chapter 28, Advanced Education — Managing Risks Related to its One Client Service Model System.
25. The committee considered the Provincial Auditor's 2018 report volume 1, chapter 13, Advanced Education — Working with Advanced Education Sector.

The following Ministry of Advanced Education officials appeared before the committee and answered questions:

Witnesses

Mark McLouglin, Deputy Minister
David Boehm, Assistant Deputy Minister
Scott Giroux, Executive Director, Corporate Finance
Duane Rieger, Executive Director, Business Systems and Risk Management
Lowell Balzer, Manager, Capital Projects

26. The committee concluded consideration of the Provincial Auditor's 2018 report volume 1, chapter 13, Advanced Education — Working with Advanced Education Sector.
27. The committee considered the Provincial Auditor's 2017 report volume 2, chapter 45, Saskatchewan Polytechnic — Procuring Goods and Services.

The following officials appeared before the committee and answered questions:

Witnesses

Ministry of Advanced Education
Mark McLouglin, Deputy Minister
Mike Pestill, Executive Director, Technical and Trades Branch
Saskatchewan Polytechnic
Cheryl Schmitz, Chief Financial Officer and Interim Vice President, Administrative Services
Sean Engemoen, Acting Associate Vice President, Financial Services

28. The committee concluded consideration of the Provincial Auditor's 2017 report volume 2, chapter 45, Saskatchewan Polytechnic — Procuring Goods and Services.
29. The committee considered the Provincial Auditor's 2017 report volume 1, chapter 34, University of Regina — Protecting Interests in Research.

The following officials appeared before the committee and answered questions:

Witnesses

Ministry of Advanced Education
Mark McLouglin, Deputy Minister

University of Regina
Dave Button, Vice President, Administration
David Malloy, Vice President, Research
Dale Eisler, Senior Advisor, Government Relations

30. The committee concluded consideration of the Provincial Auditor's 2017 report volume 1, chapter 34, University of Regina — Protecting Interests in Research.
31. The committee considered the Provincial Auditor's 2017 report volume 2, chapter 49, University of Regina — Procuring Goods and Services.

The following officials appeared before the committee and answered questions:

Witnesses

Ministry of Advanced Education
Mark McLouglin, Deputy Minister
University of Regina
Dave Button, Vice President, Administration
David Malloy, Vice President, Research
Dale Eisler, Senior Advisor, Government Relations

32. The committee concluded consideration of the Provincial Auditor's 2017 report volume 2, chapter 49, University of Regina—Procuring Goods and Services.
33. The committee recessed from 11:52 a.m. to 11:56 a.m.
34. The committee considered the Provincial Auditor's 2017 report volume 2, chapter 51, Standing Committee on Public Accounts.
35. The committee concluded consideration of the Provincial Auditor's 2017 report volume 2, chapter 51, Standing Committee on Public Accounts.
36. The committee recessed from 12:04 p.m. to 1:02 p.m.
37. The committee considered the Provincial Auditor's 2016 report volume 1, chapter 35, Technical Safety Authority of Saskatchewan — Inspecting Boilers and Pressure Vessels.

The following Technical Safety Authority of Saskatchewan officials appeared before the committee and answered questions:

Witnesses

Bill Scott, Chief Executive Officer
Chris Selinger, Chief Inspector

38. The committee concluded consideration of the Provincial Auditor's 2016 report volume 1, chapter 35, Technical Safety Authority of Saskatchewan — Inspecting Boilers and Pressure Vessels.
39. The committee considered the Provincial Auditor's 2017 report volume 1, chapter 14, Technical Safety Authority of Saskatchewan — Inspecting Elevating Devices.

The following Technical Safety Authority of Saskatchewan officials appeared before the committee and answered questions:

Witnesses

Bill Scott, Chief Executive Officer

Chris Selinger, Chief Inspector

40. The committee concurred with recommendation 1 made at page 197 of the Provincial Auditor's 2017 report volume 1, chapter 14, Technical Safety Authority of Saskatchewan — Inspecting Elevating Devices:

We recommend that the Technical Safety Authority of Saskatchewan keep accurate and complete elevating device inspection records.

The committee noted that the Technical Safety Authority of Saskatchewan has complied with the recommendation.

41. The committee concurred with recommendation 2 made at page 198 of the Provincial Auditor's 2017 report volume 1, chapter 14, Technical Safety Authority of Saskatchewan — Inspecting Elevating Devices:

We recommend that the Technical Safety Authority of Saskatchewan develop a documented risk-informed strategy for prioritizing inspections of elevating devices.

The committee noted that the Technical Safety Authority of Saskatchewan is making progress towards complying with the recommendation.

42. The committee concurred with recommendation 3 made at page 199 of the Provincial Auditor's 2017 report volume 1, chapter 14, Technical Safety Authority of Saskatchewan — Inspecting Elevating Devices:

We recommend that the Technical Safety Authority of Saskatchewan formalize its procedures for handling incidents and complaints related to elevating devices.

The committee noted that the Technical Safety Authority of Saskatchewan is making progress towards complying with the recommendation.

43. The committee concurred with recommendation 4 made at page 201 of the Provincial Auditor's 2017 report volume 1, chapter 14, Technical Safety Authority of Saskatchewan — Inspecting Elevating Devices:

We recommend that the Technical Safety Authority of Saskatchewan perform in-service inspections of escalators in accordance with a risk-informed inspection strategy.

The committee noted that the Technical Safety Authority of Saskatchewan has complied with the recommendation.

44. The committee concurred with recommendation 5 made at page 202 of the Provincial Auditor's 2017 report volume 1, chapter 14, Technical Safety Authority of Saskatchewan — Inspecting Elevating Devices:

We recommend that the Technical Safety Authority of Saskatchewan document when it shares inspection reports with elevating device owners.

The committee noted that the Technical Safety Authority of Saskatchewan has complied with the recommendation.

45. The committee concurred with recommendation 6 made at page 203 of the Provincial Auditor's 2017 report volume 1, chapter 14, Technical Safety Authority of Saskatchewan — Inspecting Elevating Devices:

We recommend that the Technical Safety Authority of Saskatchewan monitor whether device owners resolve deficiencies noted in its inspections of elevating devices within an acceptable timeframe.

The committee noted that the Technical Safety Authority of Saskatchewan has complied with the recommendation.

46. The committee concurred with recommendation 7 made at page 205 of the Provincial Auditor's 2017 report volume 1, chapter 14, Technical Safety Authority of Saskatchewan — Inspecting Elevating Devices:

We recommend that the Technical Safety Authority of Saskatchewan and the responsible Ministry define the expected frequency for inspecting elevating devices to enable reporting of overdue inspections.

The committee noted that the Technical Safety Authority of Saskatchewan is making progress towards complying with the recommendation.

47. The committee recessed from 1:55 p.m. to 2:00 p.m.
48. The committee considered the Provincial Auditor's 2017 report volume 2, chapter 19, Summary of Implemented Recommendations.
49. The committee concluded consideration of the Provincial Auditor's 2017 report volume 2, chapter 19, Summary of Implemented Recommendations.
50. It was moved by Mr. Michelson:

That this committee do now adjourn.

The question being put, it was agreed to.

51. The committee adjourned at 1:51 p.m. until Wednesday, October 10, 2018 at 1:00 p.m.

Rob Park
Committee Clerk

Trent Wotherspoon
Chair