

# Status Update

February 26, 2020

## Chapter 6, Finance – Public Employees Benefits Agency 2018 Report Volume 2

| Recommendation and Status at Time of Audit (Indicate whether new or outstanding)  | Page | Current Status (implemented, partially implemented, not implemented) | Actions Taken to Implement Since PA Report   | Planned Actions for Implementation | Timeline for Implementation |
|---|------|--|--|------------------------------------|-----------------------------|
| <p><b>New</b></p> <p>1. We recommend that the Public Employees Benefits Agency have written procedures for verifying the completeness and accuracy of pension and benefit plan participant data before providing it to the actuaries.</p> | 44   | Implemented  | PEBA has implemented written procedures and a policy for verifying the completeness and accuracy of data provided to actuaries. Both the procedures and policy were in place for the 2018-19 year end. | N/A                                | N/A                         |

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### Chapter 5, Finance – Public Employees Benefits Agency – Effectively Informing Certain Pension Plan Members, 2019 Report Volume 1

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|--|------|--|--|------------------------------------|-----------------------------|
| <p><b>New</b></p> <p>1. We recommend that the Ministry of Finance – Public Employees Benefits Agency provide Municipal Employees' Pension Plan terminating and retiring members with all legally required information within timeframes required by law.</p> | 69   | Implemented  | <p>The Ministry has amended and implemented its processes in order to expedite pension certificates in a timelier manner. The outstanding certificates were quickly processed and received by these MEPP members. All subsequent requests by members have been processed within the legislated time frame.</p> | N/A                                | N/A                         |

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**Chapter 24, Finance – Monitoring the Fuel Tax Exemption Program, 2019 Report Volume 1**

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|--|------|--|--|---|-----------------------------|
| <p><b>Outstanding</b><br/>           We recommended that the Ministry of Finance set out how it plans to measure the success of each component of its fuel tax exemption program. (2016 Report – Volume 1, p.74, Recommendation 1; Public Accounts Committee agreement September 21, 2017)</p> | 259  | <p><b>Implemented</b></p>  | <p>The goal of the program is to reduce input costs in support of a key sector of the provincial economy and the measure of success is the value of tax relief provided to reduce those input costs. The value of the relief is also published in the annual budget documents.</p> | <p>Finance will continue to explore opportunities to further define objectives and measures relating to the Fuel Tax exemption program.</p> | On-going                    |

|   |     |                                     |  |  |                        |
|---|-----|-------------------------------------|--|--|------------------------|
| <p><b>Outstanding</b><br/>We recommended that the Ministry of Finance annually give the Legislative Assembly the following additional information on key tax expenditure programs:</p> <ul style="list-style-type: none"> <li>• Measurable program objectives (what the tax expenditure is designed to achieve)</li> <li>• Key assumptions used to estimate tax expenditures</li> <li>• Actual value of tax expenditures based on available information</li> </ul> <p>(2016 Report – Volume 1, p. 81, Recommendation 5; Public Accounts Committee agreement September 21, 2017)</p> | 259 | <p><b>Partially Implemented</b></p> | <p>Improvements in the reporting to date include the addition of greater information on the broad objectives of tax expenditures, the factors used to estimate tax expenditures, and revised values for previous year estimates.</p> | <p>Finance is taking a measured and incremental approach to improvements, being cautious about assessing the relevance and value of information provided about the various tax expenditures.</p> <p>Consideration will continue to be given to further refining both the objectives and the key assumptions used to estimate some of the key tax expenditures.</p> | <p><b>On-going</b></p> |
| <p><b>Outstanding</b><br/>We recommended that the Ministry of Finance periodically publish the achievements of its key tax expenditure programs. (2016 Report – Volume 1, p. 81, Recommendation 6; Public Accounts Committee agreement September 21, 2017)</p>  | 260 | <p><b>Partially implemented</b></p> |  | <p>Finance is taking a measured and incremental approach to improvements, being cautious about assessing the relevance and value of information provided about the various tax expenditures.</p> <p>Finance will continue to examine ways to enhance reporting on program objectives and achievements of some of the key tax expenditure programs.</p>             | <p><b>On-going</b></p> |

| <b>Outstanding</b>   | 261 | <b>Implemented</b> |   |  |  |
|--|-----|--------------------|---|--|--|
| <p>We recommended that the Ministry of Finance require staff to sufficiently document tax expenditure program reviews to support the results of its reviews. (2016 Report – Volume 1, p. 79, Recommendation 4; Public Accounts Committee agreement September 21, 2017)</p> |     |                    | <p>Program review guides and templates were updated to ensure staff sufficiently document program review finding to support review results and the Provincial Auditor has acknowledged these improvements.</p> <p>Tax expenditure programs continue to be reviewed through the annual budget development cycle.</p> |  |  |

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Chapter 45, Modernizing Government Budgeting and Reporting, 2019 Report Volume 1

| Recommendation and Status at Time of Audit (Indicate whether new or outstanding)  | Page | Current Status (implemented, partially implemented, not implemented)   | Actions Taken to Implement Since PA Report   | Planned Actions for Implementation  | Timeline for Implementation |
|---|------|--|--|---|-----------------------------|
| <p><b>Outstanding</b><br/>We recommended that the Government of Saskatchewan seek changes to The Growth and Financial Security Act to eliminate interim reporting on the General Revenue Fund budget and to require quarterly public reporting on the Summary Budget. (2013 Special Report – The Need to Change – Modernizing Government Budgeting and Reporting in Saskatchewan, p. 27, Recommendation 8; Public Accounts Committee agreement June 17, 2015)</p> | 372  | <p><b>Partially Implemented</b><br/>(Government does not require interim public reporting on the Summary Budget. See replacement Recommendation 1.</p> |  |   |                             |
| <p><b>New</b><br/>1. We recommend that the Government of Saskatchewan formally require interim public financial reporting on the Summary Budget.</p>  | 374  | <p><b>Partially Implemented</b><br/>(No further action to be taken at this time)</p>   | <p>Treasury Board has approved policies that require interim financial reporting on the Summary Budget</p> | <p>In May 2019, Treasury Board advised the Auditor that they had approved the policies. At this time, no further actions are planned to address these issues.</p> | N/A                         |
| <p><b>Outstanding</b><br/>We recommended that the Government of Saskatchewan seek changes to legislation that would require it to provide the</p>   | 374  | <p><b>Partially Implemented</b><br/>(No further action to be taken at this time)</p>   | <p>Treasury Board has approved policies that require the preparation of a Summary Budget.</p>              | <p>In May 2019, Treasury Board advised the Auditor that they had approved the policies. At this time, no further actions are planned to address these issues.</p> | N/A                         |

|  |     |   |  |   |     |
|--|-----|---|--|---|-----|
| <p>Legislative Assembly with a Summary Budget. (i.e., budget reflecting the activities of the entire Government) and consider providing a multi-year Summary Budget. (2013 Special Report - The Need to Change – Modernizing Government Budgeting and Reporting in Saskatchewan, p. 16, Recommendation 2; Public Accounts Committee agreement June 17, 2015)</p>   |     |   |  |   |     |
| <p>Outstanding<br/>We recommended that the Government of Saskatchewan seek changes to The Financial Administration Act, 1993 to require the used of Canadian public sector standards established by the Canadian Public Sector Accounting Board in preparation of the Summary Financial Statements. (2013 Special Report – The Need to Change – Modernizing Government Budgeting and Reporting in Saskatchewan, p. 32, Recommendation 10; Public Accounts Committee agreement June 17, 2015)</p> | 376 | <p>Partially Implemented<br/>(No further action to be taken at this time)</p> | <p>Treasury Board has approved policies that require the Summary Financial Statements to be prepared in accordance with the Canadian public sector accounting standards as established by the Canadian Public Sector Accounting Board.</p> | <p>In May 2019, Treasury Board advised the Auditor that they had approved the policies. At this time, no further actions are planned to address these issues.</p> | N/A |

# Status Update

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## Chapter 6, Finance, 2019 Report Volume 2

| Recommendation<br>and Status at Time of Audit<br>(Indicate whether new or<br>outstanding)   | Page | Current Status<br>(implemented,<br>partially<br>implemented, not<br>implemented) | Actions Taken to<br>Implement Since PA<br>Report | Planned Actions for<br>Implementation  | Timeline for<br>Implementation |
|---|------|--|--|--|--------------------------------|
| <p><b>Outstanding</b><br/>We recommended the Ministry of Finance establish a process to better estimate resource surcharge revenue earned during each quarter and record this estimate each quarter. (2011 Report – Volume 2, p. 166, Recommendation 1; Public Accounts Committed agreement January 13, 2014)</p> | 46   | Partially Implemented  | N/A  | Year-end estimation models will be fully implemented as part of the March 31, 2020 fiscal year-end processes | March 31, 2020 year-end        |



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### Chapter 34, Finance – Implementing the Revenue Administration Modernization Project, 2019 Report Volume 2

| Recommendation and Status at Time of Audit (Indicate whether new or outstanding)  | Page | Current Status (implemented, partially implemented, not implemented) | Actions Taken to Implement Since PA Report | Planned Actions for Implementation   | Timeline for Implementation |
|---|------|--|--|--|-----------------------------|
| <p><b>Outstanding</b><br/>           We recommended the Ministry of Finance establish how and when it will measure and report to stakeholders about the benefits achieved from its Revenue Administration Modernization Project (2017 Report – Volume 1, p. 61, Recommendation 1; Public Accounts Committee agreement February 26, 2019</p> | 272  | Partially Implemented  | N/A  | <p>A benefits realization plan has been prepared for the project. The benefits realization plan will be further refined after final release, to identify how and when the benefits will be measured and reported to stakeholders in 2019-20. An update on the status of the project will be included in the Ministry of Finance's 2019-20 annual report.</p> | 2019-20 annual report       |