

December 14, 2023

Chapter 7, Financial and Consumer Affairs Authority, 2020 Report Volume 1

Chapter 12, Financial and Consumer Affairs Authority, 2022 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>Outstanding: We recommended the Financial and Consumer Affairs Authority (FCAA) select motor vehicle dealers for inspection based on a formal analysis of key risks for non-compliance. (2020 Report – Volume 1, p. 76, Recommendation 1; Public Accounts Committee has not yet considered this recommendation as of May 4, 2022)</p> <p>Status—Partially Implemented</p>	<p>160</p>	<p>Partially Implemented</p>	<p>FCAA has developed an automated risk identification solution integrated into our online Registration and Licencing System (RLS). The solution utilizes a comprehensive risk-matrix assessing information from our licensing, complaints and dispute resolution databases. When the solution is live, it will assess all the licenced vehicle dealers and assign a risk score using a weighted formula and generate a report showing the highest rated dealers to inform compliance efforts.</p>	<p>Testing of the solution in RLS is complete. This solution has not yet launched and gone live, as our RLS platform is currently being upgraded to ensure it is modern and secure. Once the upgrade is complete, the solution will go live.</p>	<p>The solution is expected to go live in RLS when the upgraded version of the RLS platform is launched prior to March 31, 2024. However, we will not have all of the data points used in the solution in our databases until the first reporting year is complete. This means the selection of vehicle dealers based on a formal analysis of key risks, as</p>

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					contemplated by the solution design, will not occur until the 2025-26 fiscal year.
We recommended the Financial and Consumer Affairs Authority update and implement a policy and procedures manual for inspections of motor vehicle dealers. (2020 Report – Volume 1, p. 79, Recommendation 2; Public Accounts Committee has not yet considered this recommendation as of May 4, 2022)	162	Implemented	In April 2020, the FCAA developed the Consumer Protection Division Compliance Policy and Procedures Manual. This internal staff manual outlines the policies and procedures aimed at ensuring compliance and enforcing laws within Saskatchewan's vehicle dealer industry. It covers roles and responsibilities of FCAA staff, requirements for dealer liaison visits, inspections, investigations, and provides guidance on enforcement actions.		
We recommended the Financial and Consumer	163	Implemented	To address this recommendation, the		

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<p>Affairs Authority formally monitor the completion of motor vehicle dealer inspections compared to inspection plans. (2020 Report – Volume 1, p. 80, Recommendation 3; Public Accounts Committee has not yet considered this recommendation as of May 4, 2022)</p>			<p>FCAA implemented formal practices and processes to ensure the completion of inspections compared to planned inspections is formally monitored. At the start of the fiscal year, inspectors and the Director of Enforcement collectively decide on the dealers to inspect for the year, with a target of 40 inspections. Inspectors use a spreadsheet to track planned inspections and relevant details such as inspection dates, report submission to the licensee, and review dates by the Director. In cases where inspections are not completed, staff are required to provide documented explanations. Through these processes, FCAA management is</p>		

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			able to formally monitor the status of inspections and adherence to the inspection plan.		

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<p>Outstanding: We recommended the Financial and Consumer Affairs Authority formally analyze the results of its enforcement activities for motor vehicle dealers to support a risk-informed enforcement approach. (2020 Report – Volume 1, p. 81, Recommendation 4; Public Accounts Committee has not yet considered this recommendation as of May 4, 2022)</p> <p>Status—Not Implemented</p>	<p>163</p>	<p>Partially Implemented</p>	<p>The auto risk identification solution in RLS will automate the analysis of risks by utilizing: (i) information submitted by vehicle dealers during their annual filing, (ii) the results of inspections, investigations of complaints and enforcement proceedings, and (iii) disputes filed against the vehicle dealership in our online dispute resolution system.</p> <p>The FCAA will develop a report in RLS to pull information from the solution that will include the results of its compliance and enforcement activities and allow for the identification of compliance and enforcement trends.</p>	<p>FCAA officials have completed the testing phase for the solution. The solution is currently on hold, while our vendor completes an upgrade of the current RLS platform/ environment to ensure it is modern and secure. Once the upgrade is complete, the solution will go live.</p> <p>The report in RLS is currently being developed and will need to be tested prior to it launching in RLS when the new RLS platform is launched by March 31, 2024.</p> <p>The full information</p>	<p>FCAA expects the solution and reporting to be fully implemented in RLS when the updated version of the RLS platform is launched prior to March 31, 2024.</p> <p>However, we will not have all of the data points used in the solution in our databases until the first reporting year is complete. This means the risk informed approach, that contemplates incorporating all of the data points in the solution</p>

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			<p>This report, along with the risk-rating determined by the solution, will be used to determine the risk-informed plan for the inspection of licensed vehicle dealers in that fiscal year, which will be presented to the FCAA CEO. The plan will specify the number of dealers to inspect in a given year and identify which dealers should be included in the inspections, any particular aspects to focus on during the inspections and why.</p>	<p>needed to develop the risk-informed inspection plan will be available once all vehicle dealers complete their expanded annual filings that include additional data points to be used for risk-rating purposes by the solution.</p>	<p>design, will not occur until the 2025-26 fiscal year.</p>

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