

## **STANDING COMMITTEE ON PUBLIC ACCOUNTS**

**October 5, 2006**

**MINUTE NO. 36**

**9:30 a.m. - Room 8**

1. **PRESENT:** Mr. Hermanson in the Chair and Members Borgerson, Cheveldayoff, Chisholm, Crofford, Morin\* and Trew.

### **Substituting Member**

Ms. Morin for Mr. Iwanchuk

### **Other Members**

Ms. Draude, Mr. Merriman

### **Provincial Auditor's Office**

Fred Wendel, Provincial Auditor

Mike Heffernan, Deputy Provincial Auditor

Ed Montgomery, Deputy Provincial Auditor

Kelly Deis, Principal

Rod Grabarczyk, Principal

Jane Knox, Principal

Kim Lowe, Principal

Regan Sommerfeld, Principal

Rosemarie Volk, Principal

Leslie Wendel, Principal

### **Provincial Comptroller's Office**

Terry Paton, Provincial Comptroller

Chris Bayda, Executive Director, Financial Management Branch

2. The committee resumed consideration of Chapter 4 (Community Resources and Employment) of the *2005 Report of the Provincial Auditor (Volume 3)*. Mr. Heffernan of the Office of the Provincial Auditor provided an overview of the chapter.

The following Department of Community Resources officials appeared before the committee and answered questions:

### Witnesses

Duncan Fisher, Deputy Minister

Darrell Jones, Assistant Deputy Minister, Housing and Central Administration

Shelley Whitehead, Assistant Deputy Minister, Policy

Bob Wihlidal, Assistant Deputy Minister, Client Services

Don Allen, Executive Director, Finance & Property Management Division

Lynn Tulloch, Executive Director, Employment and Income Assistance Division

Andrea Brittin, Associate Executive Director, Child & Family Services Division

3. The committee concurred with recommendation 4-1 made at page 105 of Chapter 4 (Community Resources and Employment) of the *2005 Report of the Provincial Auditor (Volume 3)* that the Department of Community Resources and Employment should focus the work of its internal auditor on the activities where the Department is at greatest risk of loss of public money or spending money for unintended purposes. The committee noted that the Department of Community Resources and Employment is making progress towards complying with the recommendation.
4. The committee concurred with recommendation 4-2 made at page 108 of Chapter 4 (Community Resources and Employment) of the *2005 Report of the Provincial Auditor (Volume 3)* that the Department of Community Resources and Employment should ensure that only eligible persons receive the correct amount of Saskatchewan Employment Supplement. The committee noted that the Department of Community Resources and Employment is making progress towards complying with the recommendation.
5. The committee proceeded to consider the Report to the Standing Committee on Public Accounts regarding the Oyate ataya WaKanyeja OwicaKiyapi Inc. Mr. Heffernan of the Office of the Provincial Auditor provided an overview of the chapter.

The following Department of Community Resources officials appeared before the committee and answered questions:

Witnesses

Duncan Fisher, Deputy Minister  
Darrell Jones, Assistant Deputy Minister, Housing and Central Administration  
Shelley Whitehead, Assistant Deputy Minister, Policy  
Bob Wihlidal, Assistant Deputy Minister, Client Services  
Don Allen, Executive Director, Finance & Property Management Division  
Lynn Tulloch, Executive Director, Employment and Income Assistance Division  
Andrea Brittin, Associate Executive Director, Child & Family Services Division

6. It was moved by Mr. Chisholm:

That this committee requests the former Deputy Minister of Community Resources, Ms. Wynne Young, appear before the committee as a witness at the next meeting of the Public Accounts Committee.

A debate arising, the committee recessed from 11:15 a.m. until 11:33 a.m.

The debate being resumed and the question being put, it was agreed to.

7. It was moved by Mr. Chisholm:

That this committee requests the Minister of Community Resources, the Hon. Buckley Belanger, appear before the committee as a witness at the next meeting of the Public Accounts Committee.

A debate arising and the question being put, the question was negatived.

8. It was moved by Mr. Chisholm:

That this committee request the Provincial Auditor to carry out an immediate special investigation into all existing service agreements between child and family service organizations in the province that provide service to children at-risk to determine:

- if the terms of the service agreements are being adhered to;
- if the money being allocated to those organizations is being spent according to the terms of the service agreement; and
- if the welfare of children in care has been placed at risk because of a failure of either party in the service agreement to fulfill their commitments.

A debate arising and the question being put, it was moved by Ms. Crofford:

That the debate be now adjourned.

The question being put, it was agreed to.

9. The committee proceeded to consider Chapter 22 (Standing Committee on Public Accounts) of the *2005 Report of the Provincial Auditor (Volume 3)*. Ms. Lowe of the Office of the Provincial Auditor provided an overview of the chapter.
10. The committee recessed from 11:58 a.m. until 1:15 p.m.
11. The committee proceeded to consider Chapter 5 (Finance) of the *2005 Report of the Provincial Auditor (Volume 3)* and Chapter 5 (Finance) of the *2006 Report of the Provincial Auditor (Volume 1)*. Mr. Montgomery of the Office of the Provincial Auditor provided an overview of the chapter.

The following Department of Finance officials appeared before the committee and answered questions:

Witnesses

Doug Matthies, Deputy Minister

Terry Paton, Provincial Comptroller

Brian Smith, Assistant Deputy Minister, Public Employees Benefits Agency

Raelynn Douglas, Director, Performance Management Branch

12. The committee concurred with recommendation 5-1 made at page 127 of Chapter 3 (Finance) of the *2005 Report of the Provincial Auditor (Volume 3)* that the Department Finance should prepare a complete business continuity plan. The committee noted that the Department of Finance is making progress towards complying with the recommendation.
13. The committee concurred with recommendation 5-2 made at page 130 of Chapter 3 (Finance) of the *2005 Report of the Provincial Auditor (Volume 3)* that the Public Employees Pension Plan should approve and implement information technology policies and procedures for granting, removing, and monitoring user access. The committee noted that the Public Employees Pension Plan is making progress towards complying with the recommendation.

14. The committee concurred with recommendation 5-3 made at page 134 of Chapter 3 (Finance) of the *2005 Report of the Provincial Auditor (Volume 3)* that the Public Employees Pension Plan should document and approve all future changes to the computerized pension administration system. The committee noted that the Public Employees Pension Plan is making progress towards complying with the recommendation.
15. The committee concurred with recommendation 5-4 made at page 135 of Chapter 3 (Finance) of the *2005 Report of the Provincial Auditor (Volume 3)* that the Public Employees Pension Plan should document its risk assessments and action plans to reduce the risks to an acceptable level for the computerized pension administration system. The committee noted that the Public Employees Pension Plan is making progress towards complying with the recommendation.
16. The committee concurred with recommendation 5-1 made at page 74 of Chapter 5 (Finance) of the *2006 Report of the Provincial Auditor (Volume 1)* that the Department of Finance should ensure it receives accurate reports for the claims paid for enhanced benefits of the Public Employees Dental Fund. The committee noted that the Department of Finance is making progress towards complying with the recommendation.
17. The committee concurred with recommendation 5-2 made at page 78 of Chapter 5 (Finance) of the *2006 Report of the Provincial Auditor (Volume 1)* that the Public Employees Pension Plan should prepare, approve and test a complete disaster recovery plan. The committee noted that the Public Employees Pension Plan is making progress towards complying with the recommendation.
18. The committee proceeded to consider Chapter 11 (Public Plans and Annual Report Assessments) of the *2005 Report of the Provincial Auditor (Volume 3)*. Ms. Volk of the Office of the Provincial Auditor provided an overview of the chapter.

The following Department of Finance officials appeared before the committee and answered questions:

Witnesses

Doug Matthies, Deputy Minister  
Terry Paton, Provincial Comptroller  
Brian Smith, Assistant Deputy Minister, Public Employees Benefits Agency  
Raelynn Douglas, Director, Performance Management Branch

19. The committee recessed from 2:52 p.m. until 3:15 p.m.
20. The committee proceeded to consider Chapter 4 (Property Management) of the *2006 Report of the Provincial Auditor (Volume 1)*. Mr. Deis of the Office of the Provincial Auditor provided an overview of the chapter.

The following Department of Property Management officials appeared before the committee and answered questions:

Witnesses

Deb McDonald, Deputy Minister  
Donald Koop, Assistant Deputy Minister, Commercial Services Division  
Rob Isbister, Director, Purchasing Branch, Commercial Services Division

21. The committee concurred with recommendation 4-1 made at page 66 of Chapter 4 (Property Management) of the *2006 Report of the Provincial Auditor (Volume 1)* that the Saskatchewan Property Management should get prompt feedback from user agencies to monitor the quality of supplies and the performance of suppliers. The committee noted that Saskatchewan Property Management is making progress towards complying with the recommendation.
22. The committee concurred with recommendation 4-2 made at page 67 of Chapter 4 (Property Management) of the *2006 Report of the Provincial Auditor (Volume 1)* that the Saskatchewan Property Management should monitor compliance with *The Purchasing Act, 2004* whether it purchases the supplies directly or delegates the purchase to public agencies. The committee noted that Saskatchewan Property Management is making progress towards complying with the recommendation.
23. The committee adjourned at 3:37 p.m. to the call of the chair.

---

Margaret A. Woods  
Committee Clerk

---

Elwin Hermanson  
Committee Chair