

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Thursday, August 28, 2008

MINUTE NO. 9

9:00 a.m. – Room 8

1. **PRESENT:** Mr. Harry Van Mulligen in the Chair and Members Fred Bradshaw, Michael Chisholm, Jeremy Harrison, Warren Michelson, John Nilson and Jim Reiter.

Other Member:

Cam Broten

Provincial Auditor's Office

Fred Wendel, Provincial Auditor

Bashar Ahmad, Deputy Provincial Auditor

Ed Montgomery, Deputy Provincial Auditor

Kelly Deis, Principal

Charlene Drotar, Principal

Rod Grabarczyk, Principal

Jane Knox, Principal

Kim Lowe, Principal

Victor Schwab, Principal

Provincial Comptroller's Office

Chris Bayda, Executive Director, Financial Management Branch

Larry Boys, Manager, Financial Management Branch

2. The following document was tabled:

PAC 5/26 - Department of Finance: Reporting of public losses for the period from April 1, 2008 to June 30, 2008, dated August 1, 2008.

3. The committee proceeded to consider Chapter 5 (Finance) of the *2008 Report of the Provincial Auditor (Volume 1)*. Mr. Ahmad of the Office of the Provincial Auditor provided an overview of the chapter.

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

Witnesses

Doug Matthies, Deputy Minister of Finance

Brian Smith, Assistant Deputy Minister, Public Employee Benefit Agency (PEBA)

Katherine Strutt, General Manager, Saskatchewan Pension Plan

4. The committee concurred with recommendation 5-1 made at page 65 of Chapter 5 (Finance) of the *2008 Report of the Provincial Auditor (Volume 1)* that the Saskatchewan Pension Plan should approve information technology security policies and procedures that are based on a documented threat and risk assessment. The committee noted that Saskatchewan Pension Plan is making progress towards complying with the recommendation.
5. The committee concurred with recommendation 5-2 made at page 68 of Chapter 5 (Finance) of the *2008 Report of the Provincial Auditor (Volume 1)* that the Public Employees Benefits Agency should explain significant differences between expected and actual results for each specific service standard described in the service agreements. The committee noted that Public Employees Benefits Agency is making progress towards complying with the recommendation.

6. The committee next considered its representation at the Western Canadian Symposium on Public Performance Reporting. It was moved by Mr. Nilson:

That the Standing Committee on Public Accounts authorize the attendance of the Chair and the Deputy Chair at the Western Canadian Symposium on Public Performance Reporting to be held in Vancouver, British Columbia, September 10th to 11th, 2008.

The question being put, it was agreed to.

7. The committee recessed from 9:20 a.m. until 9:25 a.m.
8. The committee proceeded to consider Chapter 15 (Justice) of the *2007 Report of the Provincial Auditor (Volume 3)*. Mr. Deis of the Office of the Provincial Auditor provided an overview of the chapter.

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

Witnesses

Doug Moen, Q.C., Deputy Minister of Justice and Deputy Attorney General
Ken Acton, Assistant Deputy Minister, Courts and Civil Justice
Dave Wild, Chair, Saskatchewan Financial Services Commission
Gordon Sisson, Executive Director, Corporate Services
Lionel McNabb, Director, Maintenance Enforcement and Fine Collection
Jeff Markewich, Acting Director, Financial Assurance and Reporting
Murray Sawatsky, Executive Director, Policing Services Division, Corrections, Public Safety and Policing
Terry Hawkes, Director, Policing Services Division, Corrections, Public Safety and Policing
Christine Horsman, Manager of Human Resource Programs, Public Service Commission

9. The committee concurred with recommendation 15-1 made at page 287 of Chapter 15 (Justice) of the *2007 Report of the Provincial Auditor (Volume 3)* that the Ministry of Justice should adequately review the payroll for accuracy prior to paying its employees to ensure that all employees' pay is approved in accordance with *The Financial Administration Act, 1993*. The committee noted that Ministry of Justice is making progress towards complying with the recommendation.
10. The committee concurred with recommendation 15-2 made at page 288 of Chapter 15 (Justice) of the *2007 Report of the Provincial Auditor (Volume 3)* that the Ministry of Justice should charge municipalities for the cost of policing services in accordance with *The Police Regulations*. The committee noted that Ministry of Justice has complied with the recommendation.
11. The committee concurred with recommendation 15-3 made at page 293 of Chapter 15 (Justice) of the *2007 Report of the Provincial Auditor (Volume 3)* that the members of the Saskatchewan Financial Services Commission should establish a formal system to focus investigative resources on timely attention to the most significant complaints. The committee noted that Saskatchewan Financial Services Commission is making progress towards complying with the recommendation.
12. The committee concurred with recommendation 15-4 made at page 295 of Chapter 15 (Justice) of the *2007 Report of the Provincial Auditor (Volume 3)* that the members of the Saskatchewan Financial Services Commission should establish standards for planning, conducting and reviewing investigations into complaints from the investing public. The committee noted that Saskatchewan Financial Services Commission is making progress towards complying with the recommendation.

13. The committee concurred with recommendation 15-5 made at page 295 of Chapter 15 (Justice) of the *2007 Report of the Provincial Auditor (Volume 3)* that the members of the Saskatchewan Financial Services Commission should monitor all investigations of complaints from the investing public including those referred to self-regulatory organizations. The committee noted that Saskatchewan Financial Services Commission is making progress towards complying with the recommendation.
14. The committee concurred with recommendation 15-6 made at page 296 of Chapter 15 (Justice) of the *2007 Report of the Provincial Auditor (Volume 3)* that the members of the Saskatchewan Financial Services Commission should require and review sufficient information about investigations of complaints from the investing public to carry out their responsibilities. The committee noted that Saskatchewan Financial Services Commission is making progress towards complying with the recommendation.
15. The committee concurred with recommendation 15-7 made at page 296 of Chapter 15 (Justice) of the *2007 Report of the Provincial Auditor (Volume 3)* that the members of the Saskatchewan Financial Services Commission should set performance targets to help measure progress towards objectives. The committee noted that Saskatchewan Financial Services Commission is making progress towards complying with the recommendation.
16. The committee recessed from 10:30 a.m. until 10:40 a.m.
17. The committee proceeded to consider Chapter 2 (Corrections, Public Safety and Policing) of the *2008 Report of the Provincial Auditor (Volume 1)*. Mr. Montgomery of the Office of the Provincial Auditor provided an overview of the chapter.

The following Ministry of Corrections, Public Safety and Policing officials appeared before the committee and answered questions:

Witnesses

Terry Coleman, Deputy Minister
Maureen Lloyd, Assistant Deputy Minister, Corrections Division
Mae Boa, Executive Director, Corporate Services
Murray Sawatsky, Executive Director, Policing Services Division

18. The committee concurred with recommendation 2-1 made at page 24 of Chapter 2 (Corrections, Public Safety and Policing) of the *2008 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing should develop policies and procedures to record its revenues accurately and completely. The committee noted that Ministry of Corrections, Public Safety and Policing is making progress towards complying with the recommendation.
19. The committee concurred with recommendation 2-2 made at page 25 of Chapter 2 (Corrections, Public Safety and Policing) of the *2008 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing should adequately review the payroll for accuracy prior to paying its employees to ensure that all employees' pay is approved in accordance with *The Financial Administration Act, 1993*. The committee noted that Ministry of Corrections, Public Safety and Policing is making progress towards complying with the recommendation.
20. The committee concurred with recommendation 2-3 made at page 28 of Chapter 2 (Corrections, Public Safety and Policing) of the *2008 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing should consistently comply with its policies to assess inmates' needs (primary and secondary) and plan relevant programs. The committee noted

that Ministry of Corrections, Public Safety and Policing is making progress towards complying with the recommendation.

21. The committee concurred with recommendation 2-4 made at page 28 of Chapter 2 (Corrections, Public Safety and Policing) of the *2008 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing should facilitate inmates' access to key programming related to their offence prior to their release into the community, particularly if the offence was related to assault or bodily harm. The committee noted that Ministry of Corrections, Public Safety and Policing is making progress towards complying with the recommendation.
22. The committee concurred with recommendation 2-5 made at page 28 of Chapter 2 (Corrections, Public Safety and Policing) of the *2008 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing should monitor the proportion of inmates accessing planned rehabilitation programs before the inmates are released into the community and enhance access to rehabilitation if required. The committee noted that Ministry of Corrections, Public Safety and Policing is making progress towards complying with the recommendation.
23. The committee concurred with recommendation 2-6 made at page 28 of Chapter 2 (Corrections, Public Safety and Policing) of the *2008 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing should monitor re-offending rates in relation to rehabilitation programs to better evaluate its rehabilitation of inmates. The committee noted that Ministry of Corrections, Public Safety and Policing is making progress towards complying with the recommendation.
24. The committee proceeded to consider Chapter 10 (Saskatchewan Institute of Applied Science and Technology) of the *2008 Report of the Provincial Auditor (Volume 1)*. Mr. Montgomery of the Office of the Provincial Auditor provided an overview of the chapter.

The following Saskatchewan Institute of Applied Science and Technology officials appeared before the committee and answered questions:

Witnesses

Reg Urbanowski, Assistant Deputy Minister
Raman Visvanathan, Acting Assistant Deputy Minister
Trina Vicq Fallows, Acting Executive Director, Corporate Services
Tammy Bloor Cavers, Acting Executive Director, Programs and Training Institutions

25. It was moved by Mr. Harrison:

That this committee do now adjourn.

The question being put, the motion was carried.

26. The committee adjourned at 11:16 a.m. to the call of the chair.

Margaret A. Woods
Committee Clerk

Harry Van Mulligen
Committee Chair