

STANDING COMMITTEE ON PUBLIC ACCOUNTS
Wednesday, April 10, 2013

MINUTE NO. 10
10:03 a.m. – Māmawapiwin Room (Room 8)

1. **Present:** Warren McCall in the Chair and Members Jennifer Campeau, Herb Cox, Glen Hart, Scott Moe, Roger Parent*, Laura Ross and Trent Wotherspoon.

Substituting Members

Roger Parent for Corey Tochor

Provincial Auditor's Office

Bonnie Lysyk, Provincial Auditor
Judy Ferguson, Assistant Provincial Auditor
Kim Lowe, Principal
Trevor St. John, Principal
Rosemarie Volk, Principal
Jason Shaw, Senior Manager

Provincial Comptroller's Office

Terry Paton, Provincial Comptroller
Chris Bayda, Executive Director, Financial Management Branch

2. The committee considered Chapter 3 (Agriculture) of the *2011 Report of the Provincial Auditor (Volume 2)*. Ms. Lysyk of the Office of the Provincial Auditor provided an overview of the chapter.

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

Witnesses

Alanna Koch, Deputy Minister
Rick Burton, Assistant Deputy Minister
Nithi Govindasamy, Associate Deputy Minister
Ray Arscott, Executive Director, Corporate Services
Doug Billett, Executive Director, Crops and Irrigation Branch
Shawn Jaques, President and Chief Executive Officer, Saskatchewan Crop Insurance Corporation
Janie Kuntz, Vice-President, Finance, Saskatchewan Crop Insurance Corporation

3. The committee concurred with recommendation 3-1 made at page 51 of Chapter 3 (Agriculture) of the *2011 Report of the Provincial Auditor (Volume 2)* that the Ministry of Agriculture develop processes to track cash receipts from land sales. The committee noted that the Ministry of Agriculture has complied with the recommendation.
4. The committee concurred with recommendation 3-2 made at page 52 of Chapter 3 (Agriculture) of the *2011 Report of the Provincial Auditor (Volume 2)* that the Ministry of Agriculture configure its critical information technology systems to require a unique password for each user and passwords to be changed periodically. The committee noted that the Ministry of Agriculture has complied with the recommendation.
5. The committee concurred with recommendation 3-3 made at page 54 of Chapter 3 (Agriculture) of the *2011 Report of the Provincial Auditor (Volume 2)* that the Ministry of Agriculture modify its

agreement with the Public Service Commission clarifying responsibilities for key payroll activities. The committee noted that the Ministry of Agriculture has complied with the recommendation.

6. The committee concurred with recommendation 3-4 made at page 57 of Chapter 3 (Agriculture) of the *2011 Report of the Provincial Auditor (Volume 2)* that the Saskatchewan Crop Insurance Corporation establish processes for calculating accurate AgriStability enrolment fees in accordance with the Growing Forward Agreement. The committee noted that the Ministry of Agriculture has complied with the recommendation.
7. The committee concurred with recommendation 3-5 made at page 63 of Chapter 3 (Agriculture) of the *2011 Report of the Provincial Auditor (Volume 2)* that the Ministry of Agriculture regularly assess the condition of its irrigation infrastructure to facilitate maintenance planning and ensure it can supply irrigation water as needed. The committee noted that the Ministry of Agriculture is making progress towards complying with the recommendation.
8. The committee concurred with recommendation 3-6 made at page 65 of Chapter 3 (Agriculture) of the *2011 Report of the Provincial Auditor (Volume 2)* that the Ministry of Agriculture document its planning processes and its maintenance plan for its irrigation infrastructure. The committee noted that the Ministry of Agriculture is making progress towards complying with the recommendation.
9. The committee concurred with recommendation 3-7 made at page 65 of Chapter 3 (Agriculture) of the *2011 Report of the Provincial Auditor (Volume 2)* that the Ministry of Agriculture set long-term irrigation objectives and use them to guide maintenance plans and priorities for its irrigation infrastructure. The committee noted that the Ministry of Agriculture is making progress towards complying with the recommendation.
10. The committee concurred with recommendation 3-8 made at page 67 of Chapter 3 (Agriculture) of the *2011 Report of the Provincial Auditor (Volume 2)* that the Ministry of Agriculture document maintenance activities completed on irrigation infrastructure. The committee noted that the Ministry of Agriculture is making progress towards complying with the recommendation.
11. The committee concurred with recommendation 3-9 made at page 69 of Chapter 3 (Agriculture) of the *2011 Report of the Provincial Auditor (Volume 2)* that the Ministry of Agriculture require regular written reports on the results of its maintenance activities for irrigation infrastructure for review by senior management. The committee noted that the Ministry of Agriculture is making progress towards complying with the recommendation.
12. The committee considered Chapter 3 (Agriculture) of the *2012 Report of the Provincial Auditor (Volume 2)*. Ms. Lysyk and of the Office of the Provincial Auditor provided an overview of the chapter.

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

Witnesses

Alanna Koch, Deputy Minister
Rick Burton, Assistant Deputy Minister
Nithi Govindasamy, Associate Deputy Minister
Ray Arscott, Executive Director, Corporate Services
Doug Billett, Executive Director, Crops and Irrigation Branch
Shawn Jaques, President and Chief Executive Officer, Saskatchewan Crop Insurance Corporation
Janie Kuntz, Vice-President, Finance, Saskatchewan Crop Insurance Corporation

13. The committee concurred with recommendation 3-1 made at page 58 of Chapter 3 (Agriculture) of the *2012 Report of the Provincial Auditor (Volume 2)* that the Ministry of Agriculture use the most current information when estimating program expenses. The committee noted that the Ministry of Agriculture has complied with the recommendation.
14. The committee concurred with recommendation 3-2 made at page 59 of Chapter 3 (Agriculture) of the *2012 Report of the Provincial Auditor (Volume 2)* that the Ministry of Agriculture require senior management to review and document its approval of the results of the AgriStability forecast prior to providing the Ministry's agreement with the forecast to the Federal Government. The committee noted that the Ministry of Agriculture has complied with the recommendation.
15. The committee considered Chapter 37 (Pesticide Regulation Follow Up) of the *2012 Report of the Provincial Auditor (Volume 2)*. Ms. Lysyk of the Office of the Provincial Auditor provided an overview of the chapter.

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Witnesses

Alanna Koch, Deputy Minister
Rick Burton, Assistant Deputy Minister
Nithi Govindasamy, Associate Deputy Minister
Ray Arscott, Executive Director, Corporate Services
Doug Billett, Executive Director, Crops and Irrigation Branch
Shawn Jaques, President and Chief Executive Officer, Saskatchewan Crop Insurance Corporation
Janie Kuntz, Vice-President, Finance, Saskatchewan Crop Insurance Corporation

16. The committee concluded consideration of Chapter 37 (Pesticide Regulation Follow Up) of the *2012 Report of the Provincial Auditor (Volume 2)*.
17. The committee considered Chapter 38 (Saskatchewan Crop Insurance Corporation – Security Awareness Follow Up) of the *2012 Report of the Provincial Auditor (Volume 2)*. Ms. Lysyk of the Office of the Provincial Auditor provided an overview of the chapter.

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Janie Kuntz, Vice-President, Finance, Saskatchewan Crop Insurance Corporation

18. The committee concluded consideration of Chapter 38 (Saskatchewan Crop Insurance Corporation – Security Awareness Follow Up) of the *2012 Report of the Provincial Auditor (Volume 2)*.
19. The committee recessed from 10:53 a.m. until 11:03 a.m.

20. The committee considered Chapter 12 (Public Service Commission) of the *2011 Report of the Provincial Auditor (Volume 1)*. Ms. Lysyk and Ms. Ferguson of the Office of the Provincial Auditor provided an overview of the chapter.

The following Central Services officials appeared before the committee and answered questions:

Witnesses

Ron Dedman, Deputy Minister
Shelley Reddekopp, Assistant Deputy Minister, Corporate Services
Cam Swan, Chair, Public Service Commission
Karen Aulie, Assistant Deputy Minister, Human Resources Client and Service and Support Division, Public Service Commission
Ken Ludwig, Executive Director, Organizational Effectiveness, Public Service Commission
Raman Visvanathan, Executive Director, Employee Service Centre, Public Service Commission

21. The committee concurred with recommendation 12-1 made at page 143 of Chapter 12 (Public Service Commission) of the *2011 Report of the Provincial Auditor (Volume 1)* that the Public Service Commission establish and communicate minimum documentation requirements to evidence that appointments to out-of-scope positions within the classified division of the public service are made based on merit. The committee noted that the Public Service Commission has complied with the recommendation.
22. The committee concurred with recommendation 12-2 made at page 143 of Chapter 12 (Public Service Commission) of the *2011 Report of the Provincial Auditor (Volume 1)* that the Public Service Commission use a risk-based process to confirm that essential documentation related to staffing out-of-scope positions is kept. The committee noted that the Public Service Commission is making progress towards complying with the recommendation
23. The committee considered Chapter 21 (Public Service Commission) of the *2011 Report of the Provincial Auditor (Volume 2)*. Ms. Lysyk and Ms. Ferguson of the Office of the Provincial Auditor provided an overview of the chapter.

The following Central Services officials appeared before the committee and answered questions:

Witnesses

Ron Dedman, Deputy Minister, Central Services
Shelley Reddekopp, Assistant Deputy Minister, Corporate Services, Central Services
Cam Swan, Chair, Public Service Commission
Karen Aulie, Assistant Deputy Minister, Human Resources Client and Service and Support Division, Public Service Commission
Ken Ludwig, Executive Director, Organizational Effectiveness, Public Service Commission
Raman Visvanathan, Executive Director, Employee Service Centre, Public Service Commission

24. The committee concluded consideration of Chapter 21 (Public Service Commission) of the *2011 Report of the Provincial Auditor (Volume 2)*.
25. The committee considered Chapter 13 (MIDAS HR/Payroll) of the *2012 Report of the Provincial Auditor (Volume 1)*. Ms. Lysyk and Ms. Ferguson of the Office of the Provincial Auditor provided an overview of the chapter.

The following Central Services officials appeared before the committee and answered questions:

Witnesses

Ron Dedman, Deputy Minister, Central Services
Shelley Reddekopp, Assistant Deputy Minister, Corporate Services, Central Services
Cam Swan, Chair, Public Service Commission
Karen Aulie, Assistant Deputy Minister, Human Resources Client and Service and Support Division,
Public Service Commission
Ken Ludwig, Executive Director, Organizational Effectiveness, Public Service Commission
Raman Visvanathan, Executive Director, Employee Service Centre, Public Service Commission

26. The committee concluded consideration of Chapter 13 (MIDAS HR/Payroll) of the *2012 Report of the Provincial Auditor (Volume 1)*.
27. The committee considered Chapter 39 (Public Service Commission – Developing Leaders Follow Up) of the *2012 Report of the Provincial Auditor (Volume 2)*. Ms. Lysyk and Ms. Ferguson of the Office of the Provincial Auditor provided an overview of the chapter.

The following Central Services officials appeared before the committee and answered questions:

Witnesses

Ron Dedman, Deputy Minister, Central Services
Shelley Reddekopp, Assistant Deputy Minister, Corporate Services, Central Services
Cam Swan, Chair, Public Service Commission
Karen Aulie, Assistant Deputy Minister, Human Resources Client and Service and Support Division,
Public Service Commission
Ken Ludwig, Executive Director, Organizational Effectiveness, Public Service Commission
Raman Visvanathan, Executive Director, Employee Service Centre, Public Service Commission

28. The committee concluded consideration of Chapter 39 (Public Service Commission – Developing Leaders Follow Up) of the *2012 Report of the Provincial Auditor (Volume 2)*.
29. The committee considered Chapter 40 (Public Service Commission – Out-of-Scope Staffing Follow Up) of the *2012 Report of the Provincial Auditor (Volume 2)*. Ms. Lysyk and Ms. Ferguson of the Office of the Provincial Auditor provided an overview of the chapter.

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Public Service Commission
Ken Ludwig, Executive Director, Organizational Effectiveness, Public Service Commission
Raman Visvanathan, Executive Director, Employee Service Centre, Public Service Commission

30. The committee concluded consideration of Chapter 40 (Public Service Commission – Out-of-Scope Staffing Follow Up) of the *2012 Report of the Provincial Auditor (Volume 2)*.
31. It was moved by Mr. Moe:

That this committee do now adjourn.

The question being put, it was agreed to.

32. The committee adjourned at 11:26 a.m. to the call of the Chair.

Kathy Burianyk
Committee Clerk

Warren McCall
Committee Chair