

STANDING COMMITTEE ON PUBLIC ACCOUNTS
Tuesday, December 9, 2014

MINUTE NO. 28
9:59 a.m. – Māwawapiwin Room (Room 8)

1. **Present:** Danielle Chartier in the Chair and Members Glen Hart, Russ Marchuk*, Paul Merriman, Warren Michelson, Rob Norris, Randy Weekes and Trent Wotherspoon.

Substituting Members

Russ Marchuk for Larry Doke

Provincial Auditor's Office

Judy Ferguson, Acting Provincial Auditor

Kelly Deis, Deputy Provincial Auditor

Tara Clemett, Principal

Charlene Drotar, Principal

Rosemarie Volk, Principal

Mark Anderson, Executive Director

Provincial Comptroller's Office

Terry Paton, Provincial Comptroller

Chris Bayda, Executive Director, Financial Management Branch

2. The Chair advised the committee that pursuant to Rule 142(2), the following report was deemed referred to the committee:

2014 Report of the Provincial Auditor (Volume 2) (December 3, 2014)

3. The committee considered Chapter 15 (Water Security Agency – Regulating Wastewater Systems) of the *2014 Report of the Provincial Auditor (Volume 1)*. Ms. Ferguson and Ms. Volk of the Office of the Provincial Auditor provided an overview of the chapter.

The following Water Security Agency officials appeared before the committee and answered questions:

Witnesses

Wayne Dybvig, President

Sam Ferris, Executive Director, Environmental and Municipal Management Services

Irene Hrynkiw, Executive Director, Corporate Services

Doug Kilgour, Director, Dam Safety and Major Structures

4. The committee concurred with recommendation 15-1 made at page 141 of Chapter 15 (Water Security Agency – Regulating Wastewater Systems) of the *2014 Report of the Provincial Auditor (Volume 1)* that the Water Security Agency update its wastewater system design requirements and regulations so that new wastewater system constructions and expansions are designed to meet future stricter effluent standards. The committee noted that Water Security Agency has complied with the recommendation.
5. The committee concurred with recommendation 15-2 made at page 142 of Chapter 15 (Water Security Agency – Regulating Wastewater Systems) of the *2014 Report of the Provincial Auditor*

(Volume 1) that the Water Security Agency address non-compliance of wastewater system owners that do not upgrade wastewater systems for subdivision expansions. The committee noted that Water Security Agency has complied with the recommendation.

6. The committee concurred with recommendation 15-3 made at page 145 of Chapter 15 (Water Security Agency – Regulating Wastewater Systems) of the *2014 Report of the Provincial Auditor (Volume 1)* that the Water Security Agency require and review evidence that mechanical wastewater system owners are meeting effluent sampling requirements throughout the year. The committee noted that Water Security Agency has complied with the recommendation.
7. The committee concurred with recommendation 15-4 made at page 147 of Chapter 15 (Water Security Agency – Regulating Wastewater Systems) of the *2014 Report of the Provincial Auditor (Volume 1)* that the Water Security Agency report to the public on wastewater systems' non-compliance with permits. The committee noted that Water Security Agency has complied with the recommendation.
8. The committee considered Chapter 30 (Water Security Agency – Regulating Wastewater Systems) of the *2014 Report of the Provincial Auditor (Volume 1)*. Ms. Ferguson and Ms. Volk of the Office of the Provincial Auditor provided an overview of the chapter.

The following Water Security Agency officials appeared before the committee and answered questions:

Witnesses

Wayne Dybvig, President
Sam Ferris, Executive Director, Environmental and Municipal Management Services
Irene Hrynkiw, Executive Director, Corporate Services
Doug Kilgour, Director, Dam Safety and Major Structures

9. The committee concluded consideration of Chapter 30 (Water Security Agency – Regulating Wastewater Systems) of the *2014 Report of the Provincial Auditor (Volume 1)*.
10. The committee recessed from 10:56 a.m. until 11:04 a.m.
11. The committee considered Chapter 16 (Public Service Commission – MIDAS HR/Payroll) of the *2013 Report of the Provincial Auditor (Volume 1)* and Chapter 8 (Public Service Commission – MIDAS HR/Payroll) of the *2014 Report of the Provincial Auditor (Volume 1)*. Ms. Ferguson and Ms. Clemett of the Office of the Provincial Auditor provided an overview of the chapters.

The following Public Service Commission officials appeared before the committee and answered questions:

Witnesses

Cheryl Senecal, Chair
Scott Kistner, Executive Director, Employee Service Centre
Raman Visvanathan, Executive Director, Business Services Division

12. The committee concluded consideration of Chapter 16 (Public Service Commission – MIDAS HR/Payroll) of the *2013 Report of the Provincial Auditor (Volume 1)*.

13. The committee concurred with recommendation 8-1 made at page 51 of Chapter 8 (Public Service Commission – MIDAS HR/Payroll) of the *2014 Report of the Provincial Auditor (Volume 1)* that the Public Service Commission follow its established procedures requiring prompt removal of unnecessary privileged user access to MIDAS HR/Payroll data. The committee noted that the Public Service Commission is making progress towards complying with the recommendation.
14. The committee recessed from 11:16 a.m. until 1:01 p.m.
15. The committee considered Chapter 26 (University of Regina) of the *2012 Report of the Provincial Auditor (Volume 2)*. Ms. Ferguson of the Office of the Provincial Auditor provided an overview of the chapter.

The following Ministry of Advanced Education and University of Regina officials appeared before the committee:

Witnesses

Ministry of Advanced Education

Louise Greenberg, Deputy Minister

David Boehm, Assistant Deputy Minister, Corporate Services and Accountability

Tammy Bloor Cavers, Assistant Deputy Minister, Sector Relations and Student Services

University of Regina

Vianne Timmons, President

David Malloy, Vice President, Research

Dale Schoffer, Associate Vice-President, Financial Services

Sylvia Waterer, Consultant to Vice-President, Research

Dale Eisler, Senior Advisor, Government Relations

16. The committee concluded consideration of Chapter 26 (University of Regina) of the *2012 Report of the Provincial Auditor (Volume 2)*.
17. The committee considered Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)*. Ms. Ferguson and Mr. Deis of the Office of the Provincial Auditor provided an overview of the chapters.

The following Ministry of Advanced Education and University of Regina officials appeared before the committee and answered questions:

Witnesses

Ministry of Advanced Education

Louise Greenberg, Deputy Minister

David Boehm, Assistant Deputy Minister, Corporate Services and Accountability

Tammy Bloor Cavers, Assistant Deputy Minister, Sector Relations and Student Services

University of Regina

Vianne Timmons, President

David Malloy, Vice President, Research

Dale Schoffer, Associate Vice-President, Financial Services

Sylvia Waterer, Consultant to Vice-President, Research

Dale Eisler, Senior Advisor, Government Relations

18. The committee concurred with recommendation 15-1 made at page 184 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the

University of Regina assess whether its organizational structure is effective to support the achievement of its strategic research goals and make any necessary changes. The committee noted that the University of Regina has complied with the recommendation.

19. The committee concurred with recommendation 15-2 made at page 185 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina document in policy and enforce its requirement to centrally manage all research agreements to protect its interests in research. The committee noted that the University of Regina has complied with the recommendation.
20. The committee concurred with recommendation 15-3 made at page 186 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the Board of Governors of the University of Regina receive and review regular reports on the University's Strategic Research Plan. The committee noted that the University of Regina is making progress towards complying with the recommendation.
21. The committee concurred with recommendation 15-4 made at page 186 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina prepare action plans for review by the Board of Governors to support the University's strategic research direction. The committee noted that the University of Regina is making progress towards complying with the recommendation.
22. The committee concurred with recommendation 15-5 made at page 186 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina prepare more detailed performance measures and targets for approval by the Board of Governors to support measurement of progress towards the University's research goals. The committee noted that the University of Regina is making progress towards complying with the recommendation.
23. The committee concurred with recommendation 15-6 made at page 186 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina reassess its risks related to research and develop further mitigation strategies. The committee noted that the University of Regina is making progress towards complying with the recommendation.
24. The committee concurred with recommendation 15-7 made at page 187 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina regularly review and update its research policies, educate staff about the policies, and have senior staff sign off on an annual basis that they have read and understand the policies. The committee noted that the University of Regina is making progress towards complying with the recommendation.
25. The committee concurred with recommendation 15-8 made at page 187 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina ensure that intellectual property disclosures are completed in accordance with policy and communicate this requirement to staff. The committee noted that the University of Regina has complied with the recommendation.
26. The committee concurred with recommendation 15-9 made at page 188 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina define and the Board of Governors approve what constitutes specialized

resources for the purposes of the University's Intellectual Property Policy in order to protect the University's rights to intellectual property. The committee noted that the University of Regina is making progress towards complying with the recommendation.

27. The committee concurred with recommendation 15-10 made at page 188 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that once the University of Regina defines and the Board of Governors approves what constitutes specialized resources, the University ensure that the definition is consistently used and applied. The committee noted that the University of Regina is making progress towards complying with the recommendation.
28. The committee concurred with recommendation 15-11 made at page 188 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina ensure it has the expertise to assess the commercialization potential of intellectual property. The committee noted that the University of Regina is making progress towards complying with the recommendation.
29. The committee concurred with recommendation 15-12 made at page 189 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina establish policies and procedures for evaluating when to pursue and when to discontinue commercialization efforts. The committee noted that the University of Regina is making progress towards complying with the recommendation.
30. The committee concurred with recommendation 15-13 made at page 190 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the Board of Governors of the University of Regina update its Policy on University of Regina Centres/Institutes to define the creation, classification, monitoring, and reporting requirements for institutes/centres. The committee noted that the University of Regina is making progress towards complying with the recommendation.
31. The committee concurred with recommendation 15-14 made at page 190 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina take prompt action on Board of Governors' decisions regarding institutes/centres. The committee noted that the University of Regina is making progress towards complying with the recommendation.
32. The committee concurred with recommendation 15-15 made at page 190 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina update, communicate to its academic and administrative staff, and enforce its Policy for the Recovery of the Indirect Costs of Research and Service Contracts. The committee noted that the University of Regina has complied with the recommendation.
33. The committee concurred with recommendation 15-16 made at page 191 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina immediately confirm, document, and enforce its delegations to staff of research-related signing authority. The committee noted that the University of Regina has complied with the recommendation.
34. The committee concurred with recommendation 15-17 made at page 192 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina centrally maintain complete and up-to-date information about all of its research

initiatives and intellectual property (e.g., grants, contracts, partnership agreements, patents). The committee noted that the University of Regina is making progress towards complying with the recommendation.

35. The committee concurred with recommendation 15-18 made at page 192 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina ensure that all staff follow its policy requiring declaration, at least annually, of any conflicts of interest or conflicts of external commitment. The committee noted that the University of Regina has complied with the recommendation.
36. The committee concurred with recommendation 15-19 made at page 192 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina follow its policy to have external boards pass resolutions allowing University-nominated directors to share information with the University. Where such resolutions cannot be obtained, the University should consider not naming directors to these external boards. The committee noted that the University of Regina has complied with the recommendation.
37. The committee concurred with recommendation 15-20 made at page 193 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina regularly evaluate external directorships held by staff. The committee noted that the University of Regina has complied with the recommendation.
38. The committee concurred with recommendation 15-21 made at page 193 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina take action when it identifies conflicts of interest or conflicts of external commitment. The committee noted that the University of Regina has complied with the recommendation.
39. The committee concurred with recommendation 15-22 made at page 193 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina review the classification and operations of all of its research institutes, assess their contribution to the University's strategic research goals, and take any necessary actions identified by the reviews. The committee noted that the University of Regina is making progress towards complying with the recommendation.
40. The committee concurred with recommendation 15-23 made at page 193 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina strengthen its research agreements by including all relevant requirements to protect both researcher and University interests. The committee noted that the University of Regina is making progress towards complying with the recommendation.
41. The committee concurred with recommendation 15-24 made at page 194 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina complete its evaluation of patents to support its decisions to continue maintaining patents. The committee noted that the University of Regina is making progress towards complying with the recommendation.
42. The committee concurred with recommendation 15-25 made at page 195 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina review and update research reporting requirements to ensure both senior management and the Board of Governors receive and review sufficient information to assess the

success of the University's research strategies. The committee noted that the University of Regina has complied with the recommendation.

43. The committee concurred with recommendation 15-26 made at page 195 of Chapter 15 (Protecting the University of Regina's Research) of the *2013 Report of the Provincial Auditor (Volume 1)* that the University of Regina regularly monitor compliance with research-related policies and agreements. The committee noted that the University of Regina is making progress towards complying with the recommendation.

44. It was moved by Mr. Norris:

That this committee do now adjourn.

The question being put, it was agreed to.

45. The committee adjourned at 2:56 p.m. to the call of the Chair.

Kathy Burianyk
Committee Clerk

Danielle Chartier
Committee Chair