

STANDING COMMITTEE ON PUBLIC ACCOUNTS
Thursday, January 14, 2016

MINUTE NO. 41
8:58 a.m. – Māṁawapiwin Room (Room 8)

1. **Present:** Danielle Chartier in the Chair and Members Larry Doke, Russ Marchuk, Warren Steinley*, Randy Weekes and Trent Wotherspoon.

Substituting Members

Warren Steinley for Warren Michelson

Provincial Auditor's Office

Judy Ferguson, Provincial Auditor
Angèle Borys, Deputy Provincial Auditor & Chief Operating Officer
Kelly Deis, Deputy Provincial Auditor
Regan Sommerfeld, Deputy Provincial Auditor
Tara Clemett, Principal
Charlene Drotar, Principal
Linda Klassen, Principal
Kim Lowe, Principal
Mindy Calder, Communications Manager
Heather Tomlin, Office Manager

Provincial Comptroller's Office

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

2. The committee considered Chapter 1 (Advanced Education) of the *2014 Report of the Provincial Auditor (Volume 2)* and Chapter 1 (Advanced Education) of the *2015 Report of the Provincial Auditor (Volume 2)*. Ms. Ferguson of the Office of the Provincial Auditor provided an overview of the chapters.

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

Witnesses

Louise Greenberg, Deputy Minister
Tammy Bloor Cavers, Assistant Deputy Minister, Sector Relations and Student Services
David Boehm, Assistant Deputy Minister, Corporate Services and Accountability
Scott Giroux, Executive Director, Corporate Finance
Duane Rieger, Executive Director, Business Systems and Risk Management
Christell Simeon, Johnson-Shoyama Graduate School of Public Policy Intern

3. The committee concluded consideration of Chapter 1 (Advanced Education) of the *2014 Report of the Provincial Auditor (Volume 2)*.
4. The committee concluded consideration of Chapter 1 (Advanced Education) of the *2015 Report of the Provincial Auditor (Volume 2)*.

5. The committee considered Chapter 7 (Advanced Education – Working with the Advanced Education Sector) of the *2015 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 officials appeared before the committee and answered questions:

Witnesses

Louise Greenberg, Deputy Minister
Tammy Bloor Cavers, Assistant Deputy Minister, Sector Relations and Student Services
David Boehm, Assistant Deputy Minister, Corporate Services and Accountability
Scott Giroux, Executive Director, Corporate Finance
Duane Rieger, Executive Director, Business Systems and Risk Management
Christell Simeon, Johnson-Shoyama Graduate School of Public Policy Intern

6. The committee concurred with recommendation 1 made at page 57 of Chapter 7 (Advanced Education – Working with the Advanced Education Sector) of the *2015 Report of the Provincial Auditor (Volume 1)* that the Ministry of Advanced Education analyze gaps in achieving the Ministry's strategies for the Advanced Education sector, and use the analysis to determine how to best engage post-secondary institutions to contribute to the strategies. The committee noted that the Ministry of Advanced Education is making progress towards complying with the recommendation.
7. The committee concurred with recommendation 2 made at page 59 of Chapter 7 (Advanced Education – Working with the Advanced Education Sector) of the *2015 Report of the Provincial Auditor (Volume 1)* that the Ministry of Advanced Education use specific, measurable targets and timelines to monitor progress towards achievement of its strategies. The committee noted that the Ministry of Advanced Education is making progress towards complying with the recommendation.
8. The committee considered Chapter 18 (Regional Colleges) of the *2015 Report of the Provincial Auditor (Volume 2)*. Ms. Ferguson and Mr. Deis of the Office of the Provincial Auditor provided an overview of the chapter.

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

Witnesses

Louise Greenberg, Deputy Minister
Tammy Bloor Cavers, Assistant Deputy Minister, Sector Relations and Student Services
David Boehm, Assistant Deputy Minister, Corporate Services and Accountability
Scott Giroux, Executive Director, Corporate Finance
Duane Rieger, Executive Director, Business Systems and Risk Management
Christell Simeon, Johnson-Shoyama Graduate School of Public Policy Intern

9. The committee concurred with recommendation 1 made at page 95 of Chapter 18 (Regional Colleges) of the *2015 Report of the Provincial Auditor (Volume 2)* that Northlands College follow its policy requiring regular evaluation of the performance of staff. The committee noted that the Ministry of Advanced Education has complied with the recommendation.
10. The committee concurred with recommendation 2 made at page 96 of Chapter 18 (Regional Colleges) of the *2015 Report of the Provincial Auditor (Volume 2)* that Southeast College require the review and approval of bank reconciliations by someone other than the preparer of the reconciliations. The committee noted that the Ministry of Advanced Education has complied with the recommendation.

11. The committee concurred with recommendation 3 made at page 96 of Chapter 18 (Regional Colleges) of the *2015 Report of the Provincial Auditor (Volume 2)* that Southeast College implement a policy for recording journal entries in its accounting records that includes review and approval of entries by someone other than the preparer. The committee noted that the Ministry of Advanced Education has complied with the recommendation.
12. The committee concurred with recommendation 4 made at page 97 of Chapter 18 (Regional Colleges) of the *2015 Report of the Provincial Auditor (Volume 2)* that Southeast College require staff that make bank deposits to leave evidence of their involvement. The committee noted that the Ministry of Advanced Education has complied with the recommendation.
13. The committee recessed from 9:28 a.m. until 9:32 a.m.
14. The committee considered Chapter 32 (University of Regina – Protecting Interests in Research) of the *2015 Report of the Provincial Auditor (Volume 1)*. Ms. Ferguson and Mr. Deis of the Office of the Provincial Auditor provided an overview of the chapter.

The following officials appeared before the committee and answered questions:

Witnesses

Ministry of Advanced Education

Louise Greenberg, Deputy Minister

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

David Boehm, Assistant Deputy Minister, Corporate Services and Accountability

Scott Giroux, Executive Director, Corporate Finance

Duane Rieger, Executive Director, Business Systems and Risk Management

Christell Simeon, Johnson-Shoyama Graduate School of Public Policy Intern

University of Regina

Vianne Timmons, President

David Malloy, Vice-President of Research

Dale Eisler, Senior Advisor, Government Relations

15. The committee concluded consideration on Chapter 32 (University of Regina – Protecting Interests in Research) of the *2015 Report of the Provincial Auditor (Volume 1)*.
16. The committee recessed from 9:50 a.m. until 10:02 a.m.
17. The committee considered the Office of the Provincial Auditor *Annual Report on Operations for the Year Ended March 31, 2015* and the *Business and Financial Plan for the Year Ended March 31, 2017*. Ms. Ferguson and Ms. Borys of the Office of the Provincial Auditor provided an overview of the reports and answered questions.
18. It was moved by Mr. Doke:

That the 2016-2017 estimates of the Office of the Provincial Auditor, Vote 28 – Provincial Auditor (PA01) be approved, as submitted, in the amount of \$7,980,000.

The question being put, it was agreed to.

19. It was moved by Mr. Doke:

That the 2016-2017 estimates of the Office of the Provincial Auditor, Vote 28 – Unforeseen Expenses (PA02) be approved, as submitted, in the amount of \$545,000.

The question being put, it was agreed to.

20. It was moved by Mr. Doke:

That the 2016-2017 estimates of the Office of the Provincial Auditor as approved be forwarded to the Speaker as Chair of the Board of Internal Economy, pursuant to section 10.1(4) of *The Provincial Auditor Act*.

The question being put, it was agreed to.

21. The committee concluded consideration of the Office of the Provincial Auditor *Annual Report on Operations for the Year Ended March 31, 2015* and the *Business and Financial Plan for the Year Ended March 31, 2017*.

22. The committee considered correspondence from the Board of Internal Economy regarding the tabling of policies of the Officers of the Legislative Assembly as required by *The Officers of the Legislative Assembly Standardization Amendment Act, 2015*.

23. It was moved by Mr. Doke:

That, pursuant to *The Officers of the Legislative Assembly Standardization Amendment Act, 2015*, the Office of the Provincial Auditor human resource and financial management policies tabled with the Standing Committee on Public Accounts include an explanatory note for each policy that differs from the standard human resource and financial management policy of the Government of Saskatchewan with an explanation and rationale for the differences; and further

That June 30th, 2016 is established as the final date for tabling the said documents.

The question being put, it was agreed to.

24. The committee recessed from 10:43 a.m. until 10:59 a.m.

25. The committee considered Chapter 28 (Water Security Agency) of the *2014 Report of the Provincial Auditor (Volume 2)*, and Chapter 30 (Water Security Agency) of the *2015 Report of the Provincial Auditor (Volume 2)*. Ms. Ferguson and Ms. Sommerfeld of the Office of the Provincial Auditor provided an overview of the chapters.

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

Witnesses

Wayne Dybvig, President

Susan Ross, Senior Vice-President and General Counsel

Sam Ferris, Executive Director, Environmental and Municipal Management Services

Dale Hjertaas, Executive Director, Policy

Irene Hrynkiw, Executive Director, Corporate Services

John Fahlman, Acting Executive Director, Engineering and Geoscience

Clinton Molde, Acting Executive Director, Integrated Water Services

26. The committee concluded consideration of Chapter 28 (Water Security Agency) of the *2014 Report of the Provincial Auditor (Volume 2)*.
27. The committee concluded consideration of Chapter 30 (Water Security Agency) of the *2015 Report of the Provincial Auditor (Volume 2)*.
28. The committee considered Chapter 40 (Water Security Agency – Coordinating Flood Mitigation) of the *2014 Report of the Provincial Auditor (Volume 2)*. Ms. Ferguson and Ms. Sommerfeld of the Office of the Provincial Auditor provided an overview of the chapters.

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

Witnesses

Wayne Dybvig, President
Susan Ross, Senior Vice-President and General Counsel
Sam Ferris, Executive Director, Environmental and Municipal Management Services
Dale Hjertaas, Executive Director, Policy
Irene Hrynkiw, Executive Director, Corporate Services
John Fahlman, Acting Executive Director, Engineering and Geoscience
Clinton Molde, Acting Executive Director, Integrated Water Services

29. The committee concurred with recommendation 1 made at page 325 of Chapter 40 (Water Security Agency – Coordinating Flood Mitigation) of the *2014 Report of the Provincial Auditor (Volume 2)* that the Water Security Agency work with others (e.g., municipalities and the Ministry of Government Relations) to determine and document municipalities with ongoing flood risks. The committee noted that the Water Security Agency is making progress towards complying with the recommendation.
30. The committee concurred with recommendation 2 made at page 326 of Chapter 40 (Water Security Agency – Coordinating Flood Mitigation) of the *2014 Report of the Provincial Auditor (Volume 2)* that the Water Security Agency work with others (e.g., municipalities and the Ministry of Government Relations) to evaluate gaps in flood mitigation initiatives in municipalities with ongoing flood risks. The committee noted that the Water Security Agency has complied with the recommendation.
31. The committee considered Chapter 56 (Water Security Agency – Drinking Water Regulation) of the *2015 Report of the Provincial Auditor (Volume 2)*. Ms. Ferguson and Ms. Sommerfeld of the Office of the Provincial Auditor provided an overview of the chapters.

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

Witnesses

Wayne Dybvig, President
Susan Ross, Senior Vice-President and General Counsel
Sam Ferris, Executive Director, Environmental and Municipal Management Services
Dale Hjertaas, Executive Director, Policy
Irene Hrynkiw, Executive Director, Corporate Services
John Fahlman, Acting Executive Director, Engineering and Geoscience
Clinton Molde, Acting Executive Director, Integrated Water Services

32. The committee concluded consideration of Chapter 56 (Water Security Agency – Drinking Water Regulation) of the *2015 Report of the Provincial Auditor (Volume 2)*.

33. The committee recessed from 11:34 a.m. to 11:48 a.m.

34. The committee considered a draft of the Third Report of the Standing Committee on Public Accounts.

35. It was moved by Mr. Doke:

That the Third Report of the Standing Committee on Public Accounts be adopted and filed with the Clerk, pursuant to Rule 136(6).

The question being put, it was agreed to.

36. It was moved by Mr. Steinley:

That this committee do now adjourn.

The question being put, it was agreed to.

37. The committee adjourned at 11:51 a.m. to the call of the Chair.

Kathy Burianyk
Committee Clerk

Danielle Chartier
Committee Chair