

**STANDING COMMITTEE ON PUBLIC ACCOUNTS**  
**September 17, 1987**

**MINUTE NO. 5**  
September 17, 1987 at 8:00 a.m.

1. PRESENT: Members Tchorzewski, Martin, Martens, Muller, Neudorf, Rolfes, Saxinger, Van Mulligen

**Provincial Auditor's Office**

G.F. Wendel, Assistant Provincial Auditor  
B. Atkinson, Deputy Provincial Auditor  
P. Hall, Director of Computer Auditing

**Comptroller's Office**

G. Kraus, Comptroller  
C. Bayda, Financial Analyst  
Murray Robinson, Director of Systems Management Branch

2. The following document was tabled:

PAC 10/86-87 — Survey on Requirements for Tabling of Public Accounts in other Jurisdictions

3. The Committee resumed consideration of the Provincial Auditor's Report as follows:

**3 — CONTROLS OVER ELECTRONIC DATA PROCESSING**

The Committee agreed to include the following in its report:

The Committee notes the Auditor's recommendation in section 3.11 of his report as follows:

While officials of Departments and Agencies have taken actions to strengthen controls over computer systems since my 1983 annual report, I am of the opinion that controls over computer systems require further strengthening to more adequately safeguard critical information and to ensure essential records are maintained.

The Committee supports this recommendation that there is a need for further strengthening of computer security and control systems and the Committee urges Departments to examine these systems and take the necessary steps to adequately secure electronic data and that a report be provided to the Public Accounts Committee on steps that have been taken.

4. The Committee continued consideration of the Provincial Auditor's 1985-86 report and agreed to call the following departments and agencies as cited in the report:

- (1) THE AGRICULTURAL CREDIT CORPORATION OF SASKATCHEWAN (4.01-4.29)
- (2) DEPARTMENT OF ADVANCED EDUCATION AND MANPOWER (6.01-6.63)
- (3) DEPARTMENT OF AGRICULTURE (7.00-7.71)
- (4) DEPARTMENT OF CONSUMER & COMMERCIAL AFFAIRS (8.00-8.05)
- (5) DEPARTMENT OF ECONOMIC DEVELOPMENT & TRADE (tentative) (10.00-10.21)
- (6) DEPARTMENT OF EDUCATION (11.00-11.20)
- (7) DEPARTMENT OF FINANCE (13.00-13.19)  
(Revenue & Financial Services) (18.00-18.84)
- (8) DEPARTMENT OF HEALTH (14.00-14.63)

(9) DEPARTMENT OF JUSTICE (15.00-15.23)

(10) DEPARTMENT OF SOCIAL SERVICES (19.00)

(11) DEPARTMENT OF SUPPLY & SERVICES (SASKATCHEWAN PROPERTY MANAGEMENT CORPORATION)  
(20.00-20.30)

(12) INDIAN & NATIVE AFFAIRS SECRETARIAT (23.00-23.04)

(13) MUNICIPAL EMPLOYEE'S SUPERANNUATION COMMISSION (26.00-26.13)

(14) SASKATCHEWAN CROP INSURANCE CORPORATION (tentative) (30.00-30.03)

(15) SASKATCHEWAN HOUSING CORPORATION (31.00-31.21)

(16) SASKATCHEWAN POWER CORPORATION (34.00-34.02)

5. 16 — DEPARTMENT OF LABOUR:

The Committee requested the Department to submit a written report to the Committee on the steps taken to deal with matters raised in the Provincial Auditor's report for 1985-86.

6. 24 — LEGISLATIVE ASSEMBLY OFFICE:

The Committee agreed to refer these items to the Board of Internal Economy for its consideration.

7. 25 — LIQUOR LICENSING COMMISSION:

The Committee agreed to write to the Commission expressing its concern over the item raised in the Auditor's report and to request a written report from the Commission as to why it happened and what steps have been taken to ensure that it will not happen again.

The Committee noted with concern the numerous instances in the Provincial Auditor's Report for 1985-86 of the following types of problems:

(a) actions being taken and expenditures being made without proper authority having been first obtained;

(b) weaknesses and backlogs in the systems controlling the collection of monies due to the province allowing for the possibility of delays and impairment in the collection of monies and consequent loss of interest;

(c) the lack of documented control procedures in place within departments to ensure that all expenses paid by the Comptroller and charged to a department or agency's appropriation were properly authorized, accurate and complete.

With respect to item (c) above, the Committee agreed to receive an overview from the Comptroller regarding the controls in place in the new Expenditure system.

8. 36 — SASKATCHEWAN TRANSPORTATION COMPANY

The Committee requested STC to submit a written report on the reasons for the borrowing referred to in item 36.03 of the Auditor's Report and the reasons proper authority was not obtained.

9. 37 — SASKATCHEWAN WATER CORPORATION:

The Committee requested the Corporation to submit a written report to the committee to explain what

programs had financial assistance payments paid out of the administration costs of the corporation and why this was done.

10. The Committee adjourned at 10:25 a.m. until Tuesday, September 22, 1987 at 9:00 a.m. in Room 10.

**Agenda**

(1) Complete review of remaining sections of the Provincial Auditor's Report for 1985-86.

(2) Priorize the list of departments to be called and assign lead questioners.