

STANDING COMMITTEE ON PUBLIC ACCOUNTS

May 28, 1996

MINUTE NO. 9

9:30 a.m. — Room 10

1. **PRESENT:** Mr. Gantefoer in the Chair and Members Aldridge, Flavel, Haverstock, Pringle, Sonntag, Stanger, Thomson and Toth

Other Members Present

Mr. B. Heppner

Provincial Auditor's Office

Wayne Strelloff, Provincial Auditor

Fred Wendel, Assistant Provincial Auditor

Robert Black, Director-Value for Money

Michael A. Heffernan, Executive Director

Ray Bohn, Director

Dale Markewich, Manager

Charlene Callendar, Supervisor

Provincial Comptroller's Office

Gerry Kraus, Provincial Comptroller

Terry Paton, Executive Director

2. In consideration of the Committee's next meeting date, it was moved by Mr. Aldridge:

That notwithstanding the regular meeting times adopted on March 19, 1996, the Standing Committee on Public Accounts shall not meet on June 4, 1996 but shall reconvene to the call of the Chair.

The question being put, the motion was agreed to.

3. The following document received since the last meeting was tabled:

PAC 7/23 - Office of the Provincial Auditor: Written response to information requested by committee members at the meeting of May 7, 1996 concerning certain pension plans.

4. The Committee resumed consideration of Section J of the *Schedule of Provincial Audit Recommendation (District Health Boards)* and Chapter 9 (*District Health Boards*) of the *Spring 1996 Report of the Provincial Auditor*.

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The following Department of Health officials appeared as witnesses:

Witnesses

N. Duane Adams, Deputy Minister

Kathy Langlois, Executive Director, Finance & Management Services Branch

Barry Lacey, Director of Administration, Finance & Management Services Branch

Naomi Mellor, Director of Integrated Financial Services, Finance & Management Services Branch

Lois Borden, Executive Director, District Support Branch

Mr. Adams made a presentation and responded to questions put by Members.

5. The Committee proceeded to review Part C of Chapter 9 (District Health Board Financial Management and Accountability Systems and Practices).
6. In consideration of the recommendations made at paragraphs 9.16, 9.17 and 9.18 contained in Part C of Chapter 9, concerning District Health Board senior management and internal reporting practices, the Committee noted that the Department has complied with 9.16 and 9.18 and is in the process of working towards complying with 9.17. It was moved by Mr. Pringle:

That the Public Accounts Committee supports the Provincial Auditor's recommendations at paragraphs 9.16, 9.17 and 9.18 of Part C of Chapter 9 – the District Health Boards cited as needing improvement in overseeing senior management and the department should work towards improving how district health boards oversee their senior management and their internal reporting to ensure that adequate and timely internal reports are prepared for the Board.

A debate arising and the question being put the motion was agreed to.

7. The Committee concurred with the Provincial Auditor's recommendation at paragraph 9.21 of Part C of Chapter 9, concerning procedures to safeguard and control District Health Board assets. The Committee noted that certain health districts have already complied with the recommendation and the Department has taken steps to ensure the other districts comply.

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8. The Committee concurred with the Provincial Auditor's recommendation at paragraph 9.51 of Part C of Chapter 9, concerning financial reports and accounting records. The Committee noted that the health districts are in the process of complying with the recommendation.
9. The Committee concurred with the Provincial Auditor's recommendation at paragraphs 9.57 and 9.58 of Part C of Chapter 9, concerning personnel policies. The Committee noted that the health districts are making progress towards to complying with the recommendations.
10. The Committee concurred with the Provincial Auditor's recommendation at paragraphs 9.64 of Part C of Chapter 9, concerning system development controls. The Committee noted that the health districts are in the process of complying with the recommendation.
11. The Committee concurred with the Provincial Auditor's recommendation at paragraphs 9.70 of Part C of Chapter 9, concerning written operating agreements with organizations. The Committee noted that the Department is making progress towards establishing a model operating agreement for use by health districts.
12. The Committee concurred with the Provincial Auditor's recommendation at paragraphs 9.74 of Part C of Chapter 9, concerning identification of assets in amalgamation agreements. The Committee noted that the Department has taken steps to rectify the problem.
13. The Committee concurred with the Provincial Auditor's recommendation at paragraphs 9.79 of Part C of Chapter 9, concerning rules and procedures to comply with legislative authorities and agreements, and took note of the following regulations which were tabled by Mr. Adams:

PAC 8/23 - Department of Health: The District Health Board Operation Regulations.

The Committee noted that the establishment of regulations has satisfied the recommendation.

14. The Committee adjourned at 11:30 a.m. to the call of the chair.

Gregory A. Putz
Committee Clerk

Rod Gantefoer
Committee Chair

