

## STANDING COMMITTEE ON PUBLIC ACCOUNTS

November 26, 1998

MINUTE NO. 42

9:00 a.m. — Room 10

1. **PRESENT:** Mr. Shillington in the Chair and Members, Gantefoer, Goohsen, Hillson, Jess, Koenker, Stanger, Thomson.

### Provincial Auditor's Office

Wayne Strelloff, Provincial Auditor  
Fred Wendel, Assistant Provincial Auditor  
Mike Heffernan, Executive Director  
Bob Black, Principal  
Dale Markewich, Principal  
Jane Knox, Principal  
Bill Harasymchuk, Manager  
Rita Schiller, Librarian

### Provincial Comptroller's Office

Terry Paton, Provincial Comptroller  
Chris Bayda, Director, Financial Management Branch  
Chris Martin, Senior Analyst  
Sandy Stepan, Financial Analyst  
Jim Fallows, Manager

2. The Committee proceeded to consider Chapter 14 (Environment and Resource Management) of the *Spring 1998 Report of the Provincial Auditor*. Mr. Harasymchuk of the Office of the Provincial Auditor provided an overview of the chapter.

The following Saskatchewan Environment and Resource Management (SERM) officials appeared before the Committee and answered questions:

### Witnesses

Stuart Kramer, Deputy Minister  
Dave Phillips, Assistant Deputy Minister, Operations  
Donna Kellsey, Director of Service Bureaus  
Bruce Willard, Regina Service Bureau Manager

3. The Committee concurred with the recommendation made at paragraph 14.21, that SERM should define and document its operational and compliance reporting requirements. It was noted that the Department has made progress towards compliance.
4. The Committee concurred with the recommendation made at paragraph 14.22, that SERM should follow its established rules and procedures for preparing all of its internal financial reports. It was noted that the Department has made progress towards compliance.

5. The Committee concurred with the recommendation made at paragraph 14.29, which outlines steps SERM should take to improve its rules and procedures to safeguard and control its capital assets. It was noted that the Department has made progress towards compliance.
6. The Committee recessed at 10:36 a.m. to 1:30 p.m.
7. The Committee proceeded to consider Chapter 11 (Saskatchewan Government Growth Fund Management Corporation) of the *Fall 1997 Report of the Provincial Auditor (Volume 2)*. Mr. Markewich of the Office of the Provincial Auditor provided an overview of the chapter.

The following Saskatchewan Government Growth Fund Management Corporation (SGGF) officials appeared before the Committee and answered questions:

**Witnesses**

Gary K. Benson, President & Chief Executive Officer  
Mike Merth, Controller

8. In consideration of the recommendation made at paragraph 11.19, that SGGF should include comparisons of planned to actual results in its own annual report and in the annual reports of fund companies, the Committee agreed to recommend to the Assembly that this issue be referred to the Standing Committee on Crown Corporations for its review and consideration.
9. In consideration of the recommendation made at paragraph 11.23, that SGGF should provide the Assembly with a list of persons who receive public money and the amounts, the Committee agreed to recommend to the Assembly that this issue be referred to the Standing Committee on Crown Corporations for its review and consideration.
10. The Committee recessed at 10:37 a.m. until 11:05 a.m.
11. The Committee resumed consideration of Chapter 24 (Department of Health) of the *Fall 1997 Report of the Provincial Auditor (Volume 2)*.

It was agreed to consider Chapter 23 (District Health Boards) of the *Fall 1997 Report of the Provincial Auditor (Volume 2)* and Chapter 4, Part D, of the *Spring 1997 Report of the Provincial Auditor* in conjunction with the review of Chapter 24 (Department of Health). Mr. Heffernan and Ms. Knox of the Office of the Provincial Auditor provided an overview of the District Health Board chapters.

The following Department of Health officials appeared before the Committee and answered questions:

**Witnesses**

Con Hnatiuk, Deputy Minister  
Carol Klassen, Acting Assistant Deputy Minister  
Barry Lacey, Director, Integrated Financial Services Unit

12. The Committee concurred with the recommendation made at paragraph 24.35, that the Department should improve its service agreements with District Health Boards. The Committee noted that there has been progress towards compliance with this recommendation.
13. The Committee concurred with the recommendation made at paragraph 24.43, that the Department should work with District Health Boards to ensure the timely receipt and approval of all plans. The Committee noted that there has been progress towards compliance with this recommendation.
14. The Committee concurred with the recommendation made at paragraph 24.52, that the Department should work with District Health Boards to ensure they submit complete and timely performance reports. The Committee noted that there has been progress towards compliance with this recommendation.
15. The Committee concurred with the recommendation made at paragraph 24.59, that the Department should improve its internal financial reports to senior management. The Committee noted that the Department has complied with this recommendation.
16. The Committee concurred with the recommendation made at paragraph 24.65, that the Department should ensure it properly charges its appropriation. The Committee noted that there has been progress towards compliance with this recommendation.
17. The Committee concurred with the recommendations made at paragraphs 24.72 and 24.73, that the Department should describe in its annual report to the Assembly how key issues are managed, as well as the performance targets and actual results compared to its plans. The Committee noted that there has been progress towards compliance with this recommendation.
18. The Committee concurred with the recommendation made at paragraph 24.82, that the La Ronge Hospital should improve its internal financial reports by taking the steps suggested by the Provincial Auditor. The Committee noted that there has been progress towards compliance with this recommendation.
19. The Committee concurred with the recommendation made at paragraph 24.86, that the La Ronge Hospital should obtain the Minister's approval before buying equipment costing more than \$1,000. The Committee noted that there has been progress towards compliance with this recommendation.
20. The Committee concurred with the recommendations made at paragraphs 24.92, 24.93, 24.94 and 24.95, that the directors of the Uranium City Hospital need to define required periodic financial information by taking the steps suggested by the Provincial Auditor. The Committee noted that there has been progress towards compliance with this recommendation.
21. The Committee concurred with the recommendation made at paragraph 24.99, that the Uranium City Hospital should retain supporting invoices for all expenditures made during the year. The Committee noted that there has been progress towards compliance with this recommendation.

22. The Committee concurred with the recommendation made at paragraph 24.104, that the Uranium City Hospital should pay Board members using rates authorized by Order in Council. The Committee noted that there has been progress towards compliance with this recommendation.
23. The Committee concurred with the recommendation made at paragraph 24.107, that the Uranium City Hospital should submit to the Minister the monthly information required by *The Hospital Standards Act*. The Committee noted that there has been progress towards compliance with this recommendation.
24. The Committee concurred with the recommendation made at paragraph 23.16 of Part B, that District Health Boards should set clear direction based on priority health needs in the context of other pressures on the district. The Committee noted that there has been progress towards compliance with this recommendation.
25. The Committee concurred with the recommendation made at paragraph 23.23 and 23.24 of Part C, concerning the responsibility of district boards of directors to set the direction and monitor the performance of District Health Boards. The Committee noted that there has been progress towards compliance with this recommendation.
26. The Committee concurred with the recommendation made at paragraph 23.30 of Part C, that the management of District Health Boards should establish, and boards should approve, written rules and procedures to safeguard and control health districts' assets. The Committee noted that there has been progress towards compliance with this recommendation.
27. The Committee concurred with the recommendation made at paragraph 23.35 of Part C, that Health Districts should establish written policies and controls for developing information systems. The Committee noted that there has been progress towards compliance with this recommendation.
28. The Committee concurred with the recommendation made at paragraph 23.43 of Part C, that Health Districts should have sound written operating agreements with affiliated organizations that provide services for the districts. The Committee noted that there has been progress towards compliance with this recommendation.
29. The Committee concurred with the recommendation made at paragraph 23.47 of Part C, that Health Districts (three districts) should obtain the Minister's prior approval to borrow money, sell real property or renovate facilities as required by *The Health Districts Act*. The Committee noted that there has been progress towards compliance with this recommendation.
30. The Committee concurred with the recommendation made at paragraph 23.48 of Part C, that Health Districts (seven districts) should obtain the Minister's prior approval before purchasing hospital equipment costing more than the prescribed limit. The Committee noted that there has been progress towards compliance with this recommendation.
31. The Committee concurred with the recommendation made at paragraph 23.49 of Part C, that Health Districts (one district) should keep residents' money in a separate bank account. The Committee noted that there has been progress towards compliance with this recommendation.

32. The Committee concurred with the recommendation made at paragraph 23.58 of Part C, that Health Districts should continue to work with the Department to ensure they can provide the Minister and the public the full range of required information. The Committee noted that there has been progress towards compliance with this recommendation.
33. The Committee concurred with the recommendation made at paragraph 23.64 of Part C, that Health Districts should submit their budgets to the Minister on time. The Committee noted that there has been progress towards compliance with this recommendation.
34. The Committee concurred with the recommendation made at paragraph 23.69 of Part C, that Health Districts should publicly report a list of persons who received money from them and the amount. The Committee noted that there has been progress towards compliance with this recommendation.
35. It was moved by Mr. Goohsen:  
  
That this committee do now adjourn.  
  
The question being put, the motion was agreed to.
36. The Committee adjourned at 12:20 p.m. to the call of the Chair.