

STANDING COMMITTEE ON PUBLIC ACCOUNTS
Tuesday, February 2, 2010

MINUTE NO. 20
10:00 a.m. – Room 8

1. **Present:** Trent Wotherspoon in the Chair and Members Pat Atkinson, Michael Chisholm, Dan D'Autremont, Warren Michelson, Laura Ross and Lyle Stewart.

Provincial Auditor's Office

Fred Wendel, Provincial Auditor
Brian Atkinson, Assistant Deputy Auditor
Angele Boys, Principal
Kelly Deis, Principal
Kim Lowe, Principal
Heather Tomlin, Office Manager

Provincial Comptroller's Office

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

2. The committee agreed to the agenda.
3. The following documents were tabled:

PAC 19/26 Ministry of Finance: Reporting of public losses for the period from July 1, 2009 to September 30, 2009, dated October 30, 2009.

PAC 20/26 Ministry of Finance: Reporting of public losses for the period from October 1, 2009 to December 31, 2009, dated January 29, 2010.

4. The Chair advised the committee that, pursuant to Rule 141(2) the following reports were deemed referred to committee: *2009 Report of the Provincial Auditor (Volume 2)* on September 22, 2009; *Ministry of Finance Public Accounts 2008-2009 (Volume 2)* on October 7, 2009 and *Provincial Auditor's Business and Financial Plan For the Year Ended March 31, 2011* on November 26, 2009.
5. The committee considered Chapter 6 (Government Services) of the *2009 Report of the Provincial Auditor (Volume 1)*. Mr. Deis of the Office of the Provincial Auditor provided an overview of the chapter.

The following Government Services officials appeared before the committee and answered questions:

Witnesses

Ron Dedman, Deputy Minister
Debbie Koshman, Assistant Deputy Minister, Corporate Support Services
Al Mullen, Executive Director, Asset Management
Helen Huber, Executive Director, Facility Management
Gregory Lusk, Executive Director, Commercial Services
Shelley Reddekopp, Director, Financial Services
Todd Godfrey, Director, Project Management Services

6. The committee concurred with recommendation 6-1 made at page 86 of Chapter 6 (Government Services) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Government Services establish and implement processes to ensure the information on its buildings is accurate, complete and available.
7. The committee concurred with recommendation 6-2 made at page 88 of Chapter 6 (Government Services) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Government Services approve adequate maintenance plans for all the buildings the Ministry owns.
8. The committee concurred with recommendation 6-3 made at page 88 of Chapter 6 (Government Services) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Government Services sign adequate agreements with its clients that describe each of the parties responsibilities.
9. The committee concurred with recommendation 6-4 made at page 89 of Chapter 6 (Government Services) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Government Services have processes so that maintenance is effectively carried out on all of its buildings.
10. The committee concurred with recommendation 6-5 made at page 89 of Chapter 6 (Government Services) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Government Services provide senior management adequate reports to monitor the process to maintain its buildings.
11. The committee recessed from 10:35 a.m. until 10:40 a.m.
12. The committee considered Chapter 12 (Saskatchewan Research Council) of the *2009 Report of the Provincial Auditor (Volume 1)*. Mr. Deis of the Office of the Provincial Auditor provided an overview of the chapter.

The following Saskatchewan Research Council officials appeared before the committee and answered questions:

Witnesses

Laurier Schramm, President and Chief Executive Officer

Crystal Smudy, Chief Financial Officer and Vice President, Finance, Safety and Risk

13. The committee concurred with recommendation 12-1 made at page 155 of Chapter 12 (Saskatchewan Research Council) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Saskatchewan Research Council Board require management to record identified causes of risks to aid in effective and economical risk management. The committee noted that the Saskatchewan Research Council has complied with the recommendation.
14. The committee concurred with recommendation 12-2 made at page 159 of Chapter 12 (Saskatchewan Research Council) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Saskatchewan Research Council Board monitor outcomes related to priority risks to enable timely response. The committee noted that the Saskatchewan Research Council is making progress towards complying with this recommendation.
15. The committee recessed from 10:48 a.m. until 11:00 a.m.

16. The committee considered Chapter 3 (Corrections, Public Safety and policing) of the *2009 Report of the Provincial Auditor (Volume 1)*. Mr. Deis of the Office of the Provincial Auditor provided an overview of the chapter.

The following Corrections, Public Safety and Policing officials appeared before the committee and answered questions:

Witnesses

Al Hinton, Deputy Minister

Mae Boa, Assistant Deputy Minister

Murray Sawatsky, Executive Director, Policing Services Division

17. The committee concurred with recommendation 3-1 made at page 35 of Chapter 3 (Corrections, Public Safety and Policing) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing work with law enforcement agencies to ensure the voluntary payment option on issued tickets is consistent with the law. The committee noted that the Ministry of Corrections, Public Safety and Policing is making progress towards complying with the recommendation.
18. The committee concurred with recommendation 3-2 made at page 36 of Chapter 3 (Corrections, Public Safety and Policing) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing properly segregate duties of employees to ensure the same employee cannot initiate payments and approve the same payments. The committee noted that the Ministry of Corrections, Public Safety and Policing has complied with the recommendation.
19. The committee concurred with recommendation 3-3 made at page 37 of Chapter 3 (Corrections, Public Safety and Policing) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing follow its policy for its internal audit function to focus on the activities where the Ministry is at greatest risk.
20. The committee concurred with recommendation 3-4 made at page 37 of Chapter 3 (Corrections, Public Safety and Policing) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing sign an adequate agreement on disaster recovery and security with the Information Technology Office.
21. The committee concurred with recommendation 3-5 made at page 38 of Chapter 3 (Corrections, Public Safety and Policing) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing prepare strategic and operational information technology plans that link to its strategic business objectives. The committee noted that the Ministry of Corrections, Public Safety and Policing has complied with the recommendation.
22. The committee concurred with recommendation 3-6 made at page 38 of Chapter 3 (Corrections, Public Safety and Policing) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing adequately monitor the security of its information technology systems and data. The committee noted that the Ministry of Corrections, Public Safety and Policing is making progress towards complying with the recommendation.
23. The committee concurred with recommendation 3-7 made at page 40 of Chapter 3 (Corrections, Public Safety and Policing) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing make an agreement with the Public Service Commission

for providing payroll services. The committee noted that the Ministry of Corrections, Public Safety and Policing has complied with the recommendation.

24. The committee concurred with recommendation 3-8 made at page 44 of Chapter 3 (Corrections, Public Safety and Policing) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing establish an adequate provincial policing services agreement with the Royal Canadian Mounted Police that:
 - includes performance targets to measure progress
 - allows for verification that costs charged by the Royal Canadian Mounted Police for provincial policing are accurate
 - requires adequate written explanations of differences between planned and actual results
 - describes processes for resolving disputes
25. The committee concurred with recommendation 3-9 made at page 45 of Chapter 3 (Corrections, Public Safety and Policing) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing ensure it communicates to the Royal Canadian Mounted Police in writing its provincial policing service level objectives and priorities each year.
26. The committee concurred with recommendation 3-10 made at page 46 of Chapter 3 (Corrections, Public Safety and Policing) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing obtain regular reports from the Royal Canadian Mounted Police on progress towards service level objectives and priorities, including explanations of differences between actual and planned results.
27. The committee concurred with recommendation 3-11 made at page 46 of Chapter 3 (Corrections, Public Safety and Policing) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing verify that costs charged by the Royal Canadian Mounted Police for Provincial policing are accurate.
28. The committee concurred with recommendation 3-12 made at page 47 of Chapter 3 (Corrections, Public Safety and Policing) of the *2009 Report of the Provincial Auditor (Volume 1)* that the Ministry of Corrections, Public Safety and Policing identify and treat all significant risks to police service delivery by the Royal Canadian Mounted Police.
29. The committee recessed from 11:55 a.m. until 1:03 p.m.
30. The committee considered and concluded consideration of the *Provincial Auditor's Annual Report on Operations* for year ended March 31, 2009.
31. The committee considered the *Business and Financial Plan* for the year ended March 31, 2011. Mr. Wendel provided an overview of the report and the plan and answered questions.
32. It was moved by Mr. Chisholm:

That the 2010-2011 Estimates of the Office of the Provincial Auditor (Vote 28, subvote PA01 – Provincial Auditor) be approved, as submitted, in the amount of \$7,310,000.

The question being put, it was agreed to.

33. It was moved by Mr. Chisholm:

That the 2010-2011 Estimates of the Office of the Provincial Auditor (Vote 28, subvote PA02 – Unforeseen Expenses) be approved, as submitted, in the amount of \$503,000.

The question being put, it was agreed to.

34. It was moved by Mr. Chisholm:

That the Estimates 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.

35. It was moved by Ms. Ross:

That this committee do now adjourn.

The question being put, it was agreed to.

36. The committee adjourned at 1:45 p.m. to the call of the Chair.

Iris Lang
Committee Clerk

Trent Wotherspoon
Committee Chair

