

**STANDING COMMITTEE ON PUBLIC ACCOUNTS**  
**Wednesday, January 19, 2011**

**MINUTE NO. 28**  
**9:34 a.m. – Room 8**

1. **Present:** Trent Wotherspoon in the Chair and Members Pat Atkinson, Dan D’Autremont, Wayne Elhard\*, Rod Gantefoer, Glen Hart, and Warren Michelson.

**Substituting Members**

Wayne Elhard for Lyle Stewart

**Provincial Auditor’s Office**

Judy Ferguson, Assistant Provincial Auditor  
Mobashar Ahmad, Deputy Provincial Auditor  
Ed Montgomery, Deputy Provincial Auditor  
Mark Anderson, Principal  
Bill Harasymchuk, Principal  
Angie Hungle, Principal  
Jeff Kress, Principal  
Kim Lowe, Principal  
Regan Sommerfeld, Principal

**Provincial Comptroller’s Office**

Terry Paton, Provincial Comptroller  
Jane Borland, Manager, Financial Management Branch

2. The following documents were tabled:

**PAC 26/26 - Ministry of Highways and Infrastructure:** Response to questions raised at Standing Committee on Public Accounts meeting on Wednesday November 24, 2010 regarding percentage of light, medium and heavy treatment of highways completed internally and by contractors, dated December 9, 2010.

**PAC 27/26 - Ministry of Health:** Response to question raised at Standing Committee on Public Accounts meeting on Wednesday December 8, 2010 regarding vendor contracting, no date.

3. The committee considered Chapter 11C (Maintenance of medical equipment) of the *2010 Report of the Provincial Auditor (Volume 2)*. Mr. Ahmad of the Office of the Provincial Auditor provided an overview of the chapter.

The following Health officials appeared before the committee and answered questions:

Witnesses

Duncan Fisher, Special Advisor to the Deputy Minister  
Brenda Jameson, Chief Operating Officer, Health Information Solutions Centre  
Glen Kozak, Chief Operating Officer, Kelsey Trail Health Region  
Pam McKay, Vice-President, Institutional and Emergency Care, Kelsey Trail Health Region  
Shane Merriman, Vice-President, Finance and Information Services, Kelsey Trail Health Region  
Ron Knaus, Executive Director, Workforce Planning Branch  
Ted Warawa, Executive Director, Financial Services Branch

Garth Herbert, Director, Financial Compliance and Internal Audit, Financial Services Branch  
Cara Smith, Senior Financial Analyst, Financial Services Branch

4. The committee concurred with recommendation 11C-1 made at page 183 of Chapter 11C (Maintenance of medical equipment) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Kelsey Trail Regional Health Authority clearly define roles and responsibilities for maintaining all of its medical equipment in accordance with recommended standards. The committee noted that the Kelsey Trail Regional Health Authority is making progress towards complying with the recommendation.
5. The committee concurred with recommendation 11C-2 made at page 183 of Chapter 11C (Maintenance of medical equipment) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Kelsey Trail Regional Health Authority maintain all equipment in accordance with the required standards. The committee noted that the Kelsey Trail Regional Health Authority is making progress towards complying with the recommendation.
6. The committee concurred with recommendation 11C-3 made at page 183 of Chapter 11C (Maintenance of medical equipment) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Kelsey Trail Regional Health Authority establish written policies and procedures for maintaining medical equipment at all of its healthcare facilities. The committee noted that the Kelsey Trail Regional Health Authority is making progress towards complying with the recommendation.
7. The committee concurred with recommendation 11C-4 made at page 183 of Chapter 11C (Maintenance of medical equipment) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Kelsey Trail Regional Health Authority make an agreement with its service provider for the maintenance of medical equipment.
8. The committee concurred with recommendation 11C-5 made at page 183 of Chapter 11C (Maintenance of medical equipment) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Kelsey Trail Regional Health Authority monitor the medical equipment maintenance work performed by manufacturers and its service provider. The committee noted that the Kelsey Trail Regional Health Authority is making progress towards complying with the recommendation.
9. The committee concurred with recommendation 11C-6 made at page 184 of Chapter 11C (Maintenance of medical equipment) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Kelsey Trail Regional Health Authority maintain a complete and current list of all medical equipment, its location, and its maintenance record. The committee noted that the Kelsey Trail Regional Health Authority is making progress towards complying with the recommendation.
10. The committee concurred with recommendation 11C-7 made at page 184 of Chapter 11C (Maintenance of medical equipment) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Kelsey Trail Regional Health Authority provide reports to the Board of Directors and senior management on the state of medical equipment at all of its healthcare facilities.
11. It was moved by Mr. D'Autremont:

That Kelsey Trail Health Authority and the Ministry of Health report to PAC on September 30, 2011 the progress achieved on the Auditor's recommendations in the 2010 Report Volume 2 Chapter 11C.

The question being put, it was agreed to.

12. The committee recessed from 10:34 a.m. until 10:43 a.m.
13. The committee considered Chapter 11A (Health) of the *2010 Report of the Provincial Auditor (Volume 2)*. Mr. Ahmad of the Office of the Provincial Auditor provided an overview of the chapter.

The following Health officials appeared before the committee and answered questions:

Witnesses

Duncan Fisher, Special Advisor to the Deputy Minister  
Ted Warawa, Executive Director, Financial Services Branch

14. The committee concurred with recommendation 11A-1 made at page 140 of Chapter 11A (Health) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Ministry of Health follow its established accounting processes including the *Financial Administration Manual* to prepare periodic and annual financial information. The committee noted that the Ministry of Health has complied with the recommendation.
15. The committee concurred with recommendation 11A-2 made at page 141 of Chapter 11A (Health) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Ministry of Health require regional health authorities and the Saskatchewan Cancer Agency to report to the Ministry all losses of money and property over \$500 that are due to fraud or similar illegal acts. The committee noted that the Ministry of Health is making progress towards complying with the recommendation.
16. The committee concurred with recommendation 11A-3 made at page 141 of Chapter 11A (Health) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Ministry of report quarterly to the Standing Committee on Public Accounts all instances of losses of money and property over \$500 at the regional health authorities and the Saskatchewan Cancer Agency. The committee noted that the Ministry of Health is making progress towards complying with the recommendation.
17. The committee recessed from 11:00 a.m. until 11:03 a.m.
18. The committee considered Chapter 11B (Regional Health Authorities) of the *2010 Report of the Provincial Auditor (Volume 2)*. Mr. Ahmad of the Office of the Provincial Auditor provided an overview of the chapter.

The following Health officials appeared before the committee and answered questions:

Witnesses

Duncan Fisher, Special Advisor to the Deputy Minister  
Brenda Jameson, Chief Operating Officer, Health Information Solutions Centre  
Ron Knaus, Executive Director, Workforce Planning Branch  
Ted Warawa, Executive Director, Financial Services Branch  
Garth Herbert, Director, Financial Compliance and Internal Audit, Financial Services Branch

19. The committee concurred with recommendation 11B-1 made at page 167 of Chapter 11B (Regional Health Authorities) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Mamawetan Churchill River Regional Health Authority approve all journal entries before adjusting its accounting records. The committee noted that the Mamawetan Churchill River Regional Health Authority has complied with the recommendation.

20. The committee concurred with recommendation 11B-2 made at page 167 of Chapter 11B (Regional Health Authorities) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Sun Country Regional Health Authority follow its policies and procedures when hiring management personnel. The committee noted that the Sun Country Regional Health Authority is making progress towards complying with the recommendation.
21. The committee concurred with recommendation 11B-3 made at page 168 of Chapter 11B (Regional Health Authorities) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Sun Country Regional Health Authority establish policies and procedures for relocation incentives for new hires. The committee noted that the Sun Country Regional Health Authority is making progress towards complying with the recommendation.
22. The committee considered Chapter 11D (Information technology security) of the *2010 Report of the Provincial Auditor (Volume 2)*. Mr. Ahmad of the Office of the Provincial Auditor provided an overview of the chapter.

The following Health officials appeared before the committee and answered questions:

Witnesses

Duncan Fisher, Special Advisor to the Deputy Minister

Brenda Jameson, Chief Operating Officer, Health Information Solutions Centre

Ted Warawa, Executive Director, Financial Services Branch

23. The committee concurred with recommendation 11D-1 made at page 190 of Chapter 11D (Information technology security) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Saskatoon Regional Health Authority implement adequate information technology policies. The committee noted that the Saskatoon Regional Health Authority is making progress towards complying with the recommendation.
24. The committee concurred with recommendation 11D-2 made at page 190 of Chapter 11D (Information technology security) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Saskatoon Regional Health Authority adequately restrict access to information technology equipment, systems, and data. The committee noted that the Saskatoon Regional Health Authority is making progress towards complying with the recommendation.
25. The committee concurred with recommendation 11D-3 made at page 191 of Chapter 11D (Information technology security) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Saskatoon Regional Health Authority configure and update its computers and network equipment to protect them from security threats. The committee noted that the Saskatoon Regional Health Authority is making progress towards complying with the recommendation.
26. The committee concurred with recommendation 11D-4 made at page 191 of Chapter 11D (Information technology security) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Saskatoon Regional Health Authority prepare and test an information technology disaster recovery plan. The committee noted that the Saskatoon Regional Health Authority is making progress towards complying with the recommendation.
27. The committee concurred with recommendation 11D-5 made at page 191 of Chapter 11D (Information technology security) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Saskatoon Regional Health Authority monitor the security of its information technology

infrastructure. The committee noted that the Saskatoon Regional Health Authority is making progress towards complying with the recommendation.

28. The committee concurred with recommendation 11D-6 made at page 191 of Chapter 11D (Information technology security) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Saskatoon Regional Health Authority provide timely reports to the Board of Directors and senior management on the state of its information technology infrastructure. The committee noted that the Saskatoon Regional Health Authority is making progress towards complying with the recommendation.
29. The committee recessed from 11:44 a.m. until 1:01 p.m.
30. The committee considered Chapter 12 (Sunrise Regional Health Authority) of the *2010 Report of the Provincial Auditor (Volume 1)*. Mr. Ahmad of the Office of the Provincial Auditor provided an overview of the chapter.

The following Health officials appeared before the committee and answered questions:

Witnesses

Duncan Fisher, Special Advisor to the Deputy Minister  
Ted Warawa, Executive Director, Financial Services Branch  
Garth Herbert, Director, Financial Compliance and Internal Audit, Financial Services Branch  
Trent Szabo, Director, Payroll and Benefits, Sunrise Regional Health Authority  
Lynn Digney Davis, Chief Nursing Officer, Nursing Secretariat, Workforce Planning Branch  
Suann Laurent, Interim Chief Executive Officer, Sunrise Regional Health Authority  
Christina Denyseck, Vice-President, Human Resources, Sunrise Regional Health Authority

31. The committee concurred with recommendation 12-1 made at page 136 of Chapter 12 (Sunrise Regional Health Authority) of the *2010 Report of the Provincial Auditor (Volume 1)* that the Sunrise Regional Health Authority ensure its nursing managers or other authorized staff follow established policies to review and approve nursing staff timesheets. The committee noted that the Sunrise Regional Health Authority has complied with the recommendation.
32. The committee concurred with recommendation 12-2 made at page 136 of Chapter 12 (Sunrise Regional Health Authority) of the *2010 Report of the Provincial Auditor (Volume 1)* that the Sunrise Regional Health Authority identify and regularly report to the Board the causes of nursing staff overtime costs. The committee noted that the Sunrise Regional Health Authority is making progress towards complying with the recommendation.
33. The committee concurred with recommendation 12-3 made at page 137 of Chapter 12 (Sunrise Regional Health Authority) of the *2010 Report of the Provincial Auditor (Volume 1)* that the Sunrise Regional Health Authority implement established strategies for addressing causes of nursing staff overtime costs and provide regular progress reports to the Board. The committee noted that the Sunrise Regional Health Authority is making progress towards complying with the recommendation.
34. The committee recessed from 1:23 p.m. until 1:59 p.m.
35. The committee considered Chapter 5 (Education) of the *2010 Report of the Provincial Auditor (Volume 1)*. Mr. Montgomery of the Office of the Provincial Auditor provided an overview of the chapter.

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

Witnesses

Audrey Roadhouse, Deputy Minister  
Darren McKee, Assistant Deputy Minister  
Doug Volk, Executive Director, Teachers' Superannuation Commission  
Dawn Court, Director of Finance, Financial Planning and Management  
Sonya Leib, Senior Financial Manager, Financial Planning and Management  
Sharlene Arklie, Senior Manager, Financial Operations, Teachers' Superannuation Commission

36. The committee concurred with recommendation 5-1 made at page 60 of Chapter 5 (Education) of the *2010 Report of the Provincial Auditor (Volume 1)* that the Teachers' Superannuation Commission implement adequate processes to establish and monitor agreements with the insurance company. The committee noted that the Teachers' Superannuation Commission is making progress towards complying with the recommendation.
37. The committee concurred with recommendation 5-2 made at page 67 of Chapter 5 (Education) of the *2010 Report of the Provincial Auditor (Volume 1)* that the Ministry of Education monitor key health, safety, and programming requirements of *The Child Care Regulations* during unscheduled visits to child care facilities and document its findings. The committee noted that the Ministry of Education has complied with the recommendation.
38. The committee concurred with recommendation 5-3 made at page 68 of Chapter 5 (Education) of the *2010 Report of the Provincial Auditor (Volume 1)* that the Ministry of Education report trends in child care facilities' compliance with *The Child Care Regulations* to senior management quarterly and to the public annually. The committee noted that the Ministry of Education is making progress towards complying with the recommendation.
39. The committee considered Chapter 5 (Education) of the *2010 Report of the Provincial Auditor (Volume 2)*. Mr. Montgomery of the Office of the Provincial Auditor provided an overview of the chapter.

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

Witnesses

Audrey Roadhouse, Deputy Minister  
Darren McKee, Assistant Deputy Minister  
Cheryl Senecal, Assistant Deputy Minister  
Doug Volk, Executive Director, Teachers' Superannuation Commission  
Dawn Court, Director of Finance, Financial Planning and Management  
Sonya Leib, Senior Financial Manager, Financial Planning and Management  
Sharlene Arklie, Senior Manager, Financial Operations, Teachers' Superannuation Commission

40. The committee concurred with recommendation 5-1 made at page 55 of Chapter 5 (Education) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Ministry of Education approve major capital grants in accordance with its signing authority delegation. The committee noted that the Ministry of Education has complied with the recommendation.
41. It was moved by Ms. Atkinson:

That this committee do now adjourn.

The question being put, it was agreed to.

42. The committee adjourned at 2:34 p.m. until January 20, 2011 at 9:30 a.m.

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Kathy Burianyk  
Committee Clerk

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Trent Wotherspoon  
Committee Chair