

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Monday, June 6, 2011

MINUTE NO. 35

10:30 a.m. – Room 8

1. **Present:** Trent Wotherspoon in the Chair and Members Pat Atkinson, Glen Hart, Warren Michelson, and Lyle Stewart.

Provincial Auditor's Office

Bonnie Lysyk, Provincial Auditor
Judy Ferguson, Deputy Provincial Auditor
Mike Heffernan, Deputy Provincial Auditor
Tara Clemett, Principal
Jeff Kress, Principal
Kim Lowe, Principal
Carolyn O'Quinn, Principal
Corrine Rybchuk, Principal
Victor Schwab, Principal
Trevor St. John, Principal

Provincial Comptroller's Office

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

2. The Chair advised the committee that pursuant to Rule 141(2), the *2011 Report of the Provincial Auditor (Volume 1)* was deemed referred to the committee on June 2, 2011.
3. The committee considered Chapter 13 (Information Technology Office) of the *2010 Report of the Provincial Auditor (Volume 2)*. Ms. Lysyk and Jeff Kress of the Office of the Provincial Auditor provided an overview of the chapter.

The following Information Technology Office officials appeared before the committee and answered questions:

Witnesses

Robert Fiske, Deputy Minister
Robert Guillaume, Assistant Deputy Minister
Rebecca Sengmany, Director of Finance

4. It was moved by Ms. Atkinson:

That when the Provincial Auditor next reports that they take a look at all of the necessary protections that ITO has in place to ensure the citizens of Saskatchewan that their third party contractor cannot share information with the parent company where the parent company is subject to the *Patriot Act*.

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

5. The committee concurred with recommendation 13-1 made at page 208 of Chapter 13 (Information Technology Office) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Information

Technology Office prepare accurate and complete year-end financial reports as required by the *Financial Administration Manual*. The committee noted that the Information Technology Office has complied with the recommendation.

6. The committee recessed from 10:54 a.m. until 10:58 a.m.
7. The committee considered Chapter 9 (First Nations and Métis Relations) of the *2010 Report of the Provincial Auditor (Volume 2)*. Ms. Lysyk and Mr. Heffernan of the Office of the Provincial Auditor provided an overview of the chapter.

The following First Nations and Métis Relations officials appeared before the committee and answered questions:

Witnesses

Ron Crowe, Deputy Minister

Kerry Gray, Director, Finance, Accountability and Corporate Services

8. The committee concurred with recommendation 9-1 made at page 118 of Chapter 9 (First Nations and Métis Relations) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Ministry of First Nations and Métis Relations follow its established policies and procedures for its loan programs. The committee noted that the Ministry of First Nations and Métis Relations is making progress towards complying with the recommendation.
9. The committee recessed from 11:09 a.m. until 11:26 a.m.
10. The committee considered Chapter 18 (Tourism, Parks, Culture and Sport) of the *2009 Report of the Provincial Auditor (Volume 3)*. Ms. Lysyk and Mr. Heffernan of the Office of the Provincial Auditor provided an overview of the chapter.

The following Tourism, Parks, Culture and Sport officials appeared before the committee and answered questions:

Witnesses

Wynne Young, Deputy Minister

Lin Gallagher, Assistant Deputy Minister

Bob Lalonde, Director of Facilities

Melinda Leibel, Director of Corporate Services

Grant Godwin, Special Projects

11. The committee concurred with recommendation 18-1 made at page 357 of Chapter 18 (Tourism, Parks, Culture and Sport) of the *2009 Report of the Provincial Auditor (Volume 3)* that the Ministry of Tourism, Parks, Culture and Sport include in its capital asset plan for the provincial park system the projected future use levels for key capital assets (including assumptions and factors influencing trends) and a summary of capital asset risks for the projected use levels. The committee noted that the Ministry of Tourism, Parks, Culture and Sport is making progress towards complying with the recommendation.
12. The committee concurred with recommendation 18-2 made at page 358 of Chapter 18 (Tourism, Parks, Culture and Sport) of the *2009 Report of the Provincial Auditor (Volume 3)* that the Ministry of Tourism, Parks, Culture and Sport set out principles in its capital asset plan to guide how it

operates and maintains key capital assets in the provincial park system. The committee noted that the Ministry of Tourism, Parks, Culture and Sport is making progress towards complying with the recommendation.

13. The committee concurred with recommendation 18-3 made at page 359 of Chapter 18 (Tourism, Parks, Culture and Sport) of the *2009 Report of the Provincial Auditor (Volume 3)* that the Ministry of Tourism, Parks, Culture and Sport include estimated life-cycle costs in its long-term capital asset plan for the provincial park system. The committee noted that the Ministry of Tourism, Parks, Culture and Sport is making progress towards complying with the recommendation.
14. The committee recessed from 12:06 p.m. until 12:10 p.m.
15. The committee considered Chapter 23 (Government's summary-level financial reporting practices) of the *2010 Report of the Provincial Auditor (Volume 2)*. Ms. Lysyk of the Office of the Provincial Auditor provided an overview of the chapter.

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

Witnesses

Karen Layng, Deputy Minister
Terry Paton, Provincial Comptroller
Chris Bayda, Executive Director, Financial Management Branch
Joanne Brockman, Executive Director, Economic and Fiscal Policy Branch
Louise Usick, Director, Financial Services Branch

16. It was moved by Ms. Atkinson:

That the committee concur with the previous outstanding recommendations made by the Provincial Auditor relating to the government reporting its financial plans and results.

A debate arising and the question being put, it was defeated.

17. The committee recessed from 12:54 p.m. until 12:55 p.m.
18. The committee considered Chapter 24 (Standing Committee on Public Accounts) of the *2010 Report of the Provincial Auditor (Volume 2)*. Ms. Lysyk and Ms. Lowe of the Office of the Provincial Auditor provided an overview of the chapter.
19. The committee recessed from 12:59 p.m. until 1:35 p.m.
20. The committee considered Chapter 22 (Workers' Compensation Board) of the *2010 Report of the Provincial Auditor (Volume 2)*. Ms. Lysyk and Mr. Schwab of the Office of the Provincial Auditor provided an overview of the chapter.

The following Workers' Compensation Board officials appeared before the committee and answered questions:

Witnesses

Peter Federko, Chief Executive Officer
Gail Kruger, Vice-President, Prevention, Finance and Information Technology

21. The committee concurred with recommendation 22-1 made at page 352 of Chapter 22 (Workers' Compensation Board) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Workers' Compensation Board provide senior management and the Board reports that include the forecasted costs to complete the Eclipse Claims Replacement Project as well as the estimated completion date of the project. The committee noted that the Workers' Compensation Board has complied with the recommendation.
22. The committee recessed from 1:51 p.m. until 1:55 p.m.
23. The committee considered Chapter 12 (Highways and Infrastructure) of the *2010 Report of the Provincial Auditor (Volume 2)*. Ms. Lysyk and Mr. St. John of the Office of the Provincial Auditor provided an overview of the chapter.

The following Highways and Infrastructure officials appeared before the committee and answered questions:

Witnesses

George Stamatinos, Assistant Deputy Minister
Gary Diebel, Director, Finance and Administration Branch
Brian Peacock, Director, Information Management Branch

24. The committee concurred with recommendation 12-1 made at page 201 of Chapter 12 (Highways and Infrastructure) of the *2010 Report of the Provincial Auditor (Volume 2)* that the Ministry of Highways and Infrastructure have an adequate service level agreement with the Highway Hotline service provider that addresses the Ministry's disaster recovery and security needs. The committee noted that the Ministry of Highways and Infrastructure has complied with the recommendation.
25. It was moved by Mr. Hart:

That this committee do now adjourn.

The question being put, it was agreed to.
26. The committee adjourned at 2:11 p.m. until Tuesday, June 7, 2011 at 8:45 a.m.

Kathy Burianyk
Committee Clerk

Trent Wotherspoon
Committee Chair