



PROVINCIAL AUDITOR
of Saskatchewan

2019 Report – Volume 2

Report of the Provincial Auditor to the
Legislative Assembly of Saskatchewan





PROVINCIAL AUDITOR *of Saskatchewan*

Vision:

A valued and independent legislative audit office advancing excellence and inspiring confidence in public sector performance.

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PROVINCIAL AUDITOR
of Saskatchewan

December 5, 2019

The Honourable M. Docherty
Speaker of the Legislative Assembly
Room 129, Legislative Building
Regina, Saskatchewan
S4S 0B3

Dear Sir:

I have the honour of submitting my *2019 Report – Volume 2*, to be laid before the Legislative Assembly in accordance with the provisions of section 14.1 of *The Provincial Auditor Act*.

Respectfully yours,

A handwritten signature in black ink that reads "Judy Ferguson".

Judy Ferguson, FCPA, FCA
Provincial Auditor

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2019 Report – Volume 2



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Overview by the Provincial Auditor

1.0 REPORT OVERVIEW

The Office of the Provincial Auditor is the external, independent auditor of the Government. *The Provincial Auditor Act* makes it responsible for auditing the Government of Saskatchewan and approximately 270 agencies. **Appendix 1** lists each agency along with its year-end date, whether matters are reported, and, if so, in which Report.

The Office's mission is to promote accountability and better management by providing legislators and the public with an independent assessment of the government's use of public resources. Our Office does this through its audit work and Reports along with its involvement with legislative committees charged with reviewing its Reports.

The Office routinely looks at the Government's administration of its programs and services. This Report provides legislators and the public with critical information on whether the Government issued reliable financial and other reports, used effective processes to administer programs and services, and complied with governing authorities.

This Report (Volume 2) includes the results of examinations completed by October 25, 2019. The Report is organized into four sections—Annual Integrated Audits and IT Audit Work, Performance Audits, Follow-up Audits, and Standing Committees. The following provides an overview of each section.

ANNUAL INTEGRATED AUDITS

This Report includes the results of annual integrated audits of just over 130 agencies with fiscal year-ends between January and June 2019. Most government agencies have March 31 year-ends.

Integrated audits are annual audits of agencies that examine:

- The effectiveness of their financial-related controls to safeguard public resources with which they are entrusted
 - Their compliance with authorities governing their activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing
 - The reliability of the financial statements for those agencies that prepare them
- Financial-related controls (financial rules and procedures) include processes to plan, evaluate, and co-ordinate the financial activities of an agency.

The Annual Integrated Audits and IT Audit Work section of the Report highlights 18 different agencies with identified financial- or compliance-related areas for improvement; it includes new recommendations for 10 different agencies.

This section highlights agencies (Public Service Commission, Saskatchewan Health Authority, Saskatchewan Indian Gaming Authority) that need better agreements to enable



them to sufficiently monitor arrangements with external parties used to deliver IT services or programs.

While this Section notes proper management of IT user access at agencies (e.g., Public Service Commission, and Ministries of Health and Finance), it continues to report concerns at others (Ministries of Corrections and Policing, and Justice and Attorney General, as well as Saskatchewan Indian Gaming Authority). Not promptly removing unneeded user access to IT systems and data increases the risk of inappropriate access to government IT systems and data.

This Section also highlights agencies that need to do more to keep accurate and complete financial records (Ministry of Environment, Ministry of Justice and Attorney General–Victim’s Fund) or to better estimate their revenues and/or expenses (Ministry of Finance, Ministry of Government Relations).

Furthermore, [Chapter 10: Provincial Capital Commission](#) reports the results of our audit of the Commission. 2018–19 was the first time our Office audited the Commission directly. The audit included assessing whether approvals for constructions and improvements complied with relevant authorities.

We found the Commission has a unique mandate that includes (amongst other matters) responsibility for regulating certain activities of the various landowners of Wascana Centre (i.e., the provincial government, the City of Regina, and the University of Regina). *The Provincial Capital Commission Act* places an onus on the Commission and its Board to make sure major developments in Wascana Centre are consistent with the Master Plan.

Our audit identified several areas related to its processes to approve major developments and improvements in Wascana Centre where the Commission needs to improve.

The audit found the Commission has not established expectations and procedures for public consultation it expects proponents to undertake for major developments in Wascana Centre. Having written public consultation expectations and procedures would give proponents a clear understanding of what is expected of them when proposing major development projects. Also, sharing established processes with the public would show the Commission’s commitment to obtaining public input, so that it receives sufficient public input when making decisions about major development proposals.

While the Commission appropriately shared details about its review and approval procedures with the proponents of the two recent major development projects, it neither gives the public sufficiently understandable information about these procedures nor provides clear information about the status of each project (e.g., stage in its review process). Not making adequate information available to the public about required steps and procedures for major developments can lead to confusion and misunderstanding. A set of well-defined, accessible and understandable steps and procedures would promote awareness and understanding by potential proponents and the public.

In addition, the Commission could not show how the board-approved conceptual designs of two major development projects in Wascana Centre complied with *The Provincial Capital Commission Act*. For one of two major development projects tested, the Board approved the new building at the conceptual design stage despite knowing the project did not conform

to the Master Plan. For the other project tested, the Board's packages and minutes neither contained information on the Architectural Advisory Committee's views at the design concept stage nor whether, or how, the Board was satisfied that the proposed major development was consistent with the Master Plan prior to granting its approval at this stage. Clearly documenting in its Board minutes how major developments conform to the Master Plan as required by *The Provincial Capital Commission Act* is essential to demonstrating compliance.

Finally, the Commission has not set or communicated requirements for owners of buildings in Wascana Centre or their tenants to ensure, on an ongoing basis, conformity of the building and its use with the Master Plan. Having formal mechanisms (like agreements) to approve key changes to major buildings in Wascana Centre and tenants thereof would give the Commission mechanisms to ensure conformity of those buildings and their use with the Master Plan. Agreements provide a basis for common understanding, and monitoring of performance. They also provide an opportunity to outline consequences of non-compliance.

Effective financial- and compliance-related controls are the underpinnings for strong management, and effective decision making.

PERFORMANCE AUDITS

The Performance Audits section of the Report includes the results of non-financial audits.

Performance audits take a more in-depth look at processes related to management of public resources or compliance with legislative authorities. Performance audits span a variety of topics and sectors of government. In selecting which areas to audit, the Office attempts to identify topics with the greatest financial, social, health, or environmental impact on Saskatchewan.

Since the *2019 Report – Volume 1*, the Office completed six performance audits. Four of these audits relate to health and education. The Office focuses on these sectors because almost two-thirds of the Government's spending is on them.

The following provides an overview of each audit.

Chapter 24: Saskatchewan Health Authority—Treating Patients at Risk of Suicide in Northwest Saskatchewan

What the Office examined:

Saskatchewan Health Authority's processes used to treat patients at risk of suicide in northwest Saskatchewan (e.g., communities including and surrounding North Battleford, Lloydminster, Meadow Lake, and La Loche).

- Saskatchewan's three-year average rate of 14.9 suicides is significantly higher than the Canadian average rate of 11.7 suicides for the same period (based on annual rates of suicide per 100,000 population for 2013–16)



Why the Office examined this area:

Suicide is just behind accidents as the leading cause of death for young adults. The rate of suicide has been consistently higher in northwest Saskatchewan than the rest of the province for the last three years.

The Saskatchewan Health Authority is responsible for implementing the *Saskatchewan Suicide Framework* developed in 2012.

What the Office found:

The Authority makes emergency, and mental health inpatient and outpatient services available in northwest Saskatchewan to identify and treat patients at risk of suicide; but has not rationalized whether these services are accessible where most patients need them. Working with others (e.g., Ministry of Health) to analyze key data about suicide rates and prevalence of suicide attempts would help the Authority rationalize services.

- The average 2018 suicide rate (per 100,000) in northwest Saskatchewan was 27.9 compared to the provincial average of 18.7
- Men are three times more likely to die by suicide than women, while women are three-to-four times more likely to attempt suicide than men.
- The *Saskatchewan Suicide Framework* provides guidance for assessment and management of people at risk of suicide. It recognizes health care providers play key roles in early detection and intervention for people at risk of suicide.

Most northwest Saskatchewan health care facilities keep manual records of emergency, and mental-health inpatient and outpatient services provided to patients at risk of suicide. At September 2019, the Authority continued implementing the Mental Health and Addiction Information System—an IT system enabling a single mental health record for patients, and sharing of information between provincial health-care facilities.

On an overall basis, the suicide-related policies (e.g., patient screening, assessment and management) the Authority uses in its facilities located in northwest Saskatchewan align with the *Saskatchewan Suicide Framework*. However, staff are not always following them. For example, in 23 files tested, the Office found three instances where emergency department staff did not seek psychiatric consultation for patients with a high risk of suicide prior to their discharge.

Staff at facilities in northwest Saskatchewan working with patients at risk of suicide did not receive sufficient training on caring for these patients. Ongoing training for assessing and managing suicide risk better supports staff in following expected practices and providing patients with consistent care.

The Authority has not analyzed why patients at more than a low risk of suicide missed scheduled appointments. In both 2017 and 2019, the rate of “patient no shows” for telehealth (e.g., videoconferencing) appointments with North Battleford psychiatrists was at about 50%. Also, four of nine patients receiving mental health outpatient services tested missed appointments. Missed appointments disrupt the continuity of clinical care. Not knowing why patients miss appointments or are reluctant to use services provided through telehealth reduces opportunities for the Authority to identify and help patients overcome barriers.

In northwest Saskatchewan, the Authority's follow-up protocols for patients accessing mental health services through emergency departments differ from those for patients accessing services through mental health outpatient services. Because of differing protocols, the Authority did not always formally follow up with patients at risk of suicide after discharge from emergency departments. Proactive follow-up care promotes continuity of care and continues the assessment and management of suicide risks.

Chapter 21: Environment—Sustainable Fish Population Management

What the Office examined:

The Ministry of Environment's processes to manage freshwater fish populations in a sustainable manner.

Why the Office examined this area:

Effective fish population management in freshwater fisheries (e.g., lakes) is critical to sustainable fisheries. Recreational fishing provides economic and social benefits; and livelihoods of residents in remote northern communities depend on fisheries.

- 50,000 provincial freshwater bodies contain fish; most are in northern Saskatchewan
- Contain 69 fish species of which five are key: pike, walleye, perch, lake trout, and whitefish
- Only 15 water bodies assessed each year instead of at least 24 based on its risk-based approach

What the Office found:

The Ministry has a comprehensive Fisheries Management Plan in place, and a clear, risk-based approach to prioritize which water bodies to assess fish health and population, as well as, how often (risk-based intervals). However, the Ministry needs to improve in several key areas.

The audit found the Ministry implemented actions set out in its Plan slower than the Plan's timeframes. Identifying the resources required to complete planned actions could better position the Ministry to achieve its desired timeframes. This in turn would allow the Ministry to better assess its effectiveness in meeting the goals of its management plan.

Also, the Ministry less frequently assessed the fish population and health of water bodies (including some higher priority lakes) than its risk-based approach expected. In 2019, it assessed 15 water bodies; whereas, its risk-based approach expected assessing at least 24 water bodies annually. Assessing fish populations and their health using an established risk-based interval, proven sampling techniques, and science-based protocols would make sure it collects sufficient information to detect changes in fish populations and health. Timely detection helps avoid potentially irreversible declines in population or health of fish species.

At September 2019, the Ministry completed only five analysis reports of 13 water-body assessments from the summer of 2018. These reports did not document key assumptions used, such as sampling methods or sample sizes. Preparing more robust and timely assessment-result reports would better support conclusions reached, and enable the use of documented analysis to adjust catch limits or make restocking decisions.



Chapter 22: Health—Co-ordinating the Appropriate Provision of Helicopter Ambulance Services

What the Office examined:

The Ministry of Health's processes used to co-ordinate the appropriate provision of timely and quality helicopter ambulance services. The Ministry contracts Shock Trauma Air Rescue Service (STARS), a non-profit organization, to provide 24-hour air medical transportation for critically ill and injured patients by helicopter.

Annually, STARS transports nearly 700 patients—60% to 70% are patient transfers between health care facilities, with the rest being responses to accident scene calls.

The Ministry pays a flat contract rate of \$10.5 million for helicopter ambulance services. When equated to per call basis, in 2018–19, helicopter ambulance services cost the Government an average \$14,876, and ground ambulance services cost \$756 per call.

Why the Office examined this area:

Helicopter ambulance services typically offer faster transport than ground ambulance services for patients located far from trauma centres. However, on a per call basis, helicopter ambulance services cost more than ground ambulance services.

The Ministry is responsible for providing all air ambulance services. It must balance the appropriate provision of ambulance services (via helicopter, ground, or fixed wing) and related costs.

What the Office found:

Criteria and related processes used to decide when to use STARS are reasonable. The Ministry strategically located helicopter bases for air ambulances and their fuel caches to provide sufficient provincial flight coverage. It knows STARS is fully accredited to medically transport patients.

However, overall, the Ministry needs to do more to know whether helicopter ambulance services are used appropriately, and STARS fully complies with its agreement. For example, the Ministry needs to:

- Actively oversee air ambulance services, and receive regular reporting on the following: quality and timeliness of patient medical care provided during helicopter transport, the qualifications of medical staff who provide those services, and helicopter maintenance. Such reporting is key to assessing STARS' compliance with its agreement, and quality and timeliness of services.
- Obtain sufficient reporting on the number and reasons for when requests to use STARS are cancelled or STARS does not fly. Periodic analysis would give the Ministry a better understanding of the barriers contributing to STARS' inability to respond.

Our work found that generally the use of STARS is consistent with established processes, and STARS provides quality services within expected timeframes.

Chapter 23: Parks, Culture and Sport—Providing Safe Drinking Water in Provincial Parks

What the Office examined:

The Ministry of Parks, Culture, and Sport's processes to provide safe drinking water in its provincial parks. The Ministry provided drinking water in 25 provincial parks using 62 drinking-water systems.

Why the Office examined this area:

The number of people visiting Saskatchewan's provincial parks increased by about 20% from 2009 to 2018 with about four million visitor days in 2018 alone.

Where it decides to provide drinking water in its parks system, the Ministry is responsible for ensuring the drinking water is safe and for complying with water quality standards over water used for human consumption.

- The Ministry operates 62 drinking-water systems of which:
 - 39 operate from May to September
 - 22 are WSA regulated, 38 health regulated, and for 2, the Ministry acts as its own regulator
- 10 provincial parks have both WSA- and health-regulated systems
- The majority of about 30 drinking water advisories for drinking water in parks issued annually are short term

What the Office found:

The Ministry's drinking-water systems vary significantly in size and complexity. Depending on the amount of drinking water provided, the Water Security Agency (WSA) or the Ministry of Health regulate the Ministry's drinking-water systems. The Ministry acts as its own regulator for water systems in two provincial parks—Buffalo Pound and Danielson.

Ministry staff had a clear understanding of each regulator's requirements. It obtained permits, completed bacteriological and chemical tests of water, and notified park visitors of issues with drinking water consistent with the requirements of each regulator.

The Ministry used certified operators for water systems to oversee and operate each of its drinking-water systems. The Ministry depended on water system operators' knowledge and experience to determine maintenance requirements.

However, the Ministry had not assigned responsibility for preparing or keeping procedure manuals current. As a result, it did not have documented procedures for key processes. For example, three of nine parks visited did not have documented start-up and shutdown procedures for seasonal water systems. Two of six WSA-regulated systems did not have permit-required quality control procedures documented. Having documented expectations helps staff to clearly understand and know what is required.

In addition, the Ministry had not formalized key decisions and processes about minimum documentation requirements, and expected supervision. This resulted in variations in how it operated and monitored its systems. For example, for two of 11 health-regulated systems tested, staff did not keep operator logbooks, and for four of those systems tested, staff did not perform daily chlorine and turbidity testing. Five of 19 systems tested had no record of maintenance performed. Three of six WSA-regulated systems tested lacked evidence of



permit-required supervisory review of daily tracking sheets. Not formalizing key decisions and processes or regularly supervising staff increases the risk of staff not operating drinking-water systems consistent with expectations. Not following expected processes increases the risk of providing unsafe drinking water.

Chapter 25: St. Paul's Roman Catholic Separate School Division No. 20—Adapting Technology for Learning in Elementary Schools

What the Office examined:

The processes St. Paul's Roman Catholic Separate School Division No. 20 used to adapt technology for learning in elementary schools.

Why the Office examined this area:

Technology serves as a significant aspect of modern education. Having strong processes to support and encourage its use in classroom instruction helps students develop competencies essential to succeed.

What the Office found:

St. Paul's Roman Catholic Separate School Division No. 20 set a vision to adapt technology to enrich learning and promote excellence in education, and has a high-level education technology plan in place.

Consistent with the Ministry of Education's expectations, it allows teachers to decide how best to use technology in the classroom. It used a variety of ways to actively engage teachers in using technology in the classroom.

However, the Division had not yet determined the extent it currently uses and wants to integrate technology in elementary classroom instruction. Knowing both the current level of technology integration in the classroom, and determining the desired future level of integration would help the Division determine how much effort it needs to make in supporting and encouraging teachers to use technology in classroom instruction. It would also help the Division assess whether its efforts in helping teachers use technology in meaningful ways prove successful.

In addition, the Division has not analyzed the cost-benefit of its practice of buying different device brands and IT platforms for classroom use. A cost-benefit analysis would compare the costs of both buying and supporting multiple device brands using different platforms against the benefits of exposing students to differing brands and IT platforms.

Also, it does not take into account the nature, number, and age of devices already assigned to schools when buying new IT devices for schools. Such consideration would help the Division link these purchasing decisions to its education technology plan.

- Annual spending on:
 - Technology used in schools— over \$900,000
 - IT training for staff— about \$25,000
- 9,000 technology devices (computers, laptops, ipads) assigned to schools
- Ratio of devices per student ranged from 0.4 to 1.37 devices per elementary student; good practice ratio is 0.33 devices per student

Chapter 20: Chinook School Division No. 211—Supporting Grade 2 Students in Achieving Grade Level in Math

What the Office examined:

Chinook School Division No. 211's processes to support Grade 2 students in achieving grade level in math to meet the provincial Education Sector Strategic Plan goal that by June 2020, 80% of students will be at or above grade level in math.

- Located in southwestern Saskatchewan
- Educates nearly 450 Grade 2 students (about 6,000 total students in 29 schools)
- Used focused strategies and supports (for both students and teachers) to improve math results

Why the Office examined this area:

As the ESSP recognizes, developing solid math skills in early years (such as in Grade 2) helps students achieve future academic success.

What the Office found:

At December 2018, Chinook had effective processes to support Grade 2 students in achieving grade level in math to meet the ESSP goal of 80% by 2020. Chinook's results, at June 2018, show it achieved its goal. Chinook had almost 97% of its 2018 Grade 2 students, and almost 89% of its 2018 Grade 3 students meeting or exceeding grade level in math.

FOLLOW-UP AUDITS

The Follow-Up Audits section of the Report includes the results of periodic audits that assess the sufficiency of action taken to address recommendations from past performance audits and studies. The Office systematically assesses the status of outstanding recommendations to determine whether agencies made recommended improvements.

Follow-up audits assess the sufficiency of actions taken to address recommendations made in our past performance audits, and those made by the Standing Committees on Public Accounts and on Crown and Central Agencies from their review of our reports. The Office does the first follow-up either two or three years after our initial audit, and every two or three years thereafter until the recommendations are implemented or identified as no longer relevant.

Since our last Report, the Office completed 22 follow-up audits. The table on the following pages summarizes the status of recommendations by agency grouped by initial, and subsequent, follow ups. On an overall basis, agencies implemented almost two-thirds of the recommendations, and partially implemented almost one-third of the remaining.

In general, the Office is pleased with the pace of implementation. The Office recognizes more complex changes take time to make. Its discussions with agencies find they remain committed to implementing recommendations and use opportunities to make improvements in conjunction with other initiatives planned or underway. For example,



Chapter 41 Saskatchewan Health Authority—Safe and Timely Discharge of Patients from Regina Hospitals notes the Authority’s plans to implement an electronic medication reconciliation in its Regina-based acute care facilities by 2020. The implementation of this new IT system will enable it to consistently complete medication reconciliations prior to discharging patients.

The Office is impressed with the fast pace of the Saskatchewan Gaming Corporation’s implementation of three recommendations first made in 2017 about managing employee absenteeism: **Chapter 38 Saskatchewan Gaming Corporation—Minimizing Employee Absenteeism** shows the Corporation takes addressing reasons for employee absenteeism seriously. The improvements it put in place reflect best practice, and will help it achieve its long-term employee absenteeism target of 5%.

The pace of implementing recommendations provides insight into the culture and attitude toward improving administration and management of public money.

Chapter Name	Related Report ^{A,B}	Number of Recommendations Outstanding	Status of Recommendations			
			Implemented	Partially Implemented	Not Implemented	No Longer Relevant
Initial Follow-Ups						
Agriculture—Mitigating Risk of Livestock Diseases	2017 Report – V2	4	4	0	0	0
Education—Enforcing P3 Joint-Use School Project Agreements	2017 Report – V2	1	1	0	0	0
Education—Monitoring Kindergarten Students’ Readiness to Learn in the Primary Grades	2017 Report – V2	4	2	2	0	0
Environment—Detecting Wildfires	2017 Report – V2	2	1	1	0	0
Executive Council—Communicating Information about Government Programs and Services in a Non-Partisan Way	2019 Report – V1	1	1	0	0	0
Finance—Implementing the Revenue Administration Modernization Project	2017 Report – V1	2	1	1	0	0
Government Relations—Proposing Education Property Tax Mill Rates	2017 Report – V2	6	4	2	0	0
Saskatchewan Gaming Corporation—Minimizing Employee Absenteeism	2017 Report – V2	3	3	0	0	0
Saskatchewan Health Authority—Delivering Accessible and Responsive Ground Ambulance Services in Southwest Saskatchewan	2016 Report – V2	7	1	3	3	0
Saskatchewan Health Authority—Delivering Provincially Funded Childhood Immunizations in La Ronge and Surrounding Area	2017 Report – V1	5	2	2	1	0
Saskatchewan Workers’ Compensation Board—Co-ordinating Injured Workers’ Return to Work	2016 Report—V2	6	0	3	3	0
Initial Follow-Ups Subtotal		41	20	14	7	0
% of Initial Follow-Ups Subtotal		100%	49%	34%	17%	0%

Chapter Name	Related Report ^{A,B}	Number of Recommendations Outstanding	Status of Recommendations			
			Implemented	Partially Implemented	Not Implemented	No Longer Relevant
Subsequent Follow-Up Audits^C						
Advanced Education—Managing Risks Related to its Critical IT System	2015 Report – V2 2017 Report – V2	3	3	0	0	0
Agriculture—Regulating Livestock Waste	2013 Report – V2 2015 Report – V2 2017 Report – V2	1	1	0	0	0
Central Services—Planning Accommodations	2011 Report – V1 2014 Report – V1 2017 Report – V1	2	2	0	0	0
Health—Meat Safety	2012 Report – V2 2014 Report – V2 2017 Report – V2	4	4	0	0	0
Justice and Attorney General—Enforcing Maintenance Payments	2012 Report – V1 2014 Report – V1 2016 Report – V2 2018 Report – V2	2	2	0	0	0
Saskatchewan Health Authority—Safe and Timely Discharge of Patients from Regina Hospitals	2015 Report – V1 2017 Report – V1	3	1	2	0	0
Saskatchewan Liquor and Gaming Authority—Assurance on Safety of Liquor Products	2012 Report – V1 2013 Report – V2 2015 Report – V2 2017 Report – V2	1	1	0	0	0
SaskBuilds Corporation—Learning from Use of P3s	2015 Report – V1 2017 Report – V2	1	1	0	0	0
SaskPower—Managing the Risk of Cyber Incidents	2015 Report – V1 2017 Report – V2	1	1	0	0	0
Social Services—Supervising Community-Based Organizations Delivering Programs to Intellectually Disabled People	2012 Report – V1 2014 Report – V2 2017 Report – V1	3	0	3	0	0
University of Regina—Procuring Goods and Services	2013 Report – V2 2016 Report – V1 2017 Report – V2	2	2	0	0	0
Subsequent Follow-Ups Subtotal		23	18	5	0	0
% of Subsequent Follow-Ups Subtotal		100%	78%	22%	0%	0%
Overall Total		64	38	19	7	0
% of Overall Total		100%	59%	30%	11%	0%

Source: Compiled by Provincial Auditor of Saskatchewan.

^A V – means Volume.

^B The related Report reflects the report in which the Office first made the recommendation(s) (for initial follow-ups); and the Office last reported on the status of implementation of outstanding recommendations (for subsequent follow-ups).

^C For Subsequent Follow-Ups, the Number of Recommendations is the number of recommendations that remained not implemented after the previous follow-up audit.



2.0 ACKNOWLEDGEMENTS

The Office appreciates the co-operation it receives from the staff and management of government agencies along with their appointed auditors in the completion of the work included in this Report. It also appreciates the support of the Standing Committees on Public Accounts, and on Crown and Central Agencies. (See **Standing Committees** section for further detail.)

In addition, as Provincial Auditor, I am privileged and proud to lead the Office, and its team of professionals. I personally thank them for their diligence, commitment, and professionalism. Their hard work helps us fulfill our mission.

Provincial Auditor Team		
Aaron Halladeen	Ahsan Amjad	Alla Shamrai
Amanda Iles	Andrea Koch	Angel Matyjanka
Angèle Borys	Angie Hallberg	Anna Lozhkina
April Serink	Betty Lam	Brandyn Thurmeier
Brent Rau	Brett Wihlidal	Candice Pattullo
Carolyn O'Quinn	Charlene Drotar	Chelsea MacDonald
Colton Screpnek	Dane Reimer	Dean Fischer
Deann Dickin	Denise Barrientos	Desirée L'Heureux
Doreen Ninsiima Kasozi	Doug Scott	Evan Wellman
Faith Olanipekun	Glydel Canarez	Heather Tomlin
Jason Shaw	Jason Wandy	Jeanie Kim
Jennifer Robertson	Jonathan Pituley	Jordan McNaughton
Jordan Spitzke	Kari Fiset	Kayla Forbes
Kaylee Sparrowhawk	Kelly Deis	Ken Yee
Kim Lowe	Kristen Young	Larissa Sych
Lesia Lazurko	Linda Klassen	Lorisa Tamke
Mallory Demofsky	Mason Merriman	Maygen Kirton
Melanie Heebner	Melissa Yanyu	Michelle Lindenbach
Mikaela Hordichuk	Nicole Dressler	Rahat Tahir
Rosemarie Volk	Saad Warraich	Sahar Tahir
Stephanie Russell	Tara Clemett	Trevor St. John
Victor Schwab		

3.0 ABOUT THE OFFICE OF THE PROVINCIAL AUDITOR

Through *The Provincial Auditor Act*, the Provincial Auditor, the Office, and its staff are independent of the Government.

The Office uses Canadian professional auditing standards published by CPA Canada to carry out its audits. As required by the Act, the Provincial Auditor reports directly to the Legislative Assembly on the results of all examinations, and highlights matters that require the attention of legislators.

In addition to reports on the results of its audit work, it gives legislators two key accountability reports each year—its business and financial plan, and its annual report on operations. These describe the Office, including its purpose, accountability mechanisms, staffing, and key systems and practices. These reports are publicly available on its website, as well as further detail about the Office of the Provincial Auditor at www.auditor.sk.ca.

Annual Integrated Audits and IT Audit Work

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Chapter 1

Advanced Education

1.0 MAIN POINTS

This chapter reports the results of the 2018–19 annual audits of the Ministry of Advanced Education and its agencies.

Other than the following two areas, the Ministry had effective rules and procedures to safeguard public resources.

First, the Ministry needs to adequately monitor the consolidated activities of the province's two universities. Without adequate oversight, there is a risk that university subsidiaries could undermine the powers granted to the parent university, which in turn, could result in harm to a university's reputation, or a negative financial impact.

Second, the Ministry needs to follow Canadian generally accepted accounting principles for the public sector to record, in its financial records, funding under the Strategic Investment Fund. Inconsistent application of Canadian public sector accounting standards can affect the relevance and reliability of financial reports, and can decrease the public's confidence in the accuracy of the government's financial reports.

The Ministry and its agencies (regional colleges, Saskatchewan Polytechnic, and two funds) complied with the authorities governing their activities related to financial reporting and safeguarding public resources. The 2018–19 financial statements of each of the Ministry of Advanced Education's agencies are reliable. Each of the agencies had effective rules and procedures to safeguard public resources.

2.0 INTRODUCTION

The Ministry of Advanced Education is responsible for the post-secondary education system in Saskatchewan. The post-secondary education system develops a skilled and educated workforce for the Saskatchewan labour market. The Ministry provides financial supports to students and graduates, as well as leadership and funding to post-secondary institutions.¹

2.1 Financial Overview

For the year-ended March 31, 2019, the Ministry reported expenses of \$745.3 million for its programs (see **Figure 1** for detail by major program), and revenues of \$1.5 million (including \$0.6 million from the Federal Government for cost-sharing programs). See **Section 4.2** for discussion of \$12.1 million understatement of recorded expenses and revenues. The Ministry of Advanced Education's *Annual Report for 2018–19* provides further details and reasons for differences between planned and actual results.²

¹ Ministry of Advanced Education, *Annual Report for 2018–19*, pp. 3–4.

² *Ibid.* pp. 26–28.

**Figure 1—Major Programs and Spending**

	Estimates 2018–19 ^A	Actual 2018–19
	(in millions)	
Central Management and Services	\$ 14.7	\$ 13.0
Post-Secondary Education	676.6	686.6
Student Supports	<u>37.6</u>	<u>45.5</u>
Total Appropriation	<u>728.9</u>	<u>745.1</u>
Capital Asset Acquisitions	-	-
Capital Asset Amortization	<u>0.2</u>	<u>0.2</u>
Total Expense	<u>\$ 729.1</u>	<u>\$ 745.3^B</u>

Source: Ministry of Advanced Education, *Annual Report for 2018–19*, p. 26

^A The Ministry obtained additional funding through supplementary estimates of \$4.5 million and a special warrant of \$12 million.

^B See **Section 4.2** for discussion of \$12.1 million understatement of expenses.

2.2 Special Purpose Funds and Agencies

We reported the results of our audits of agencies in **blue font** in the chapter identified. This chapter reports the results of our audits of the Ministry, and the remaining nine agencies.

Year-End	Agency
March 31	Saskatchewan Student Aid Fund
March 31	Training Completions Fund
June 30	Saskatchewan Polytechnic (We carried out this audit jointly with KPMG LLP) (Chapter 14)
June 30	Carlton Trail College ^A
June 30	Cumberland College
June 30	Great Plains College
June 30	Northlands College
June 30	North West College
June 30	Parkland College
June 30	Southeast College

^A See Chapter 19 – Summary of Implemented Recommendations

3.0 AUDIT CONCLUSIONS

Our Office worked with appointed auditors (see **Appendix 2** of this Chapter) to carry out the annual integrated audits of the regional colleges. We followed the framework in the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors*.³

³ See our website at www.auditor.sk.ca.

In our opinion, for the years ended on or before June 30, 2019:

- **The Ministry of Advanced Education and its agencies had effective rules and procedures to safeguard public resources except for the matters described in this chapter**
- **The Ministry of Advanced Education and its agencies complied with the following authorities governing their activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

The Executive Government Administration Act
The Ministry of Advanced Education Regulations
The Graduate Retention Program Regulations
The Public Service Act, 1998
The Financial Administration Act, 1993
The Saskatchewan Advantage Grant for Education Savings (SAGES) Act
The Saskatchewan Advantage Grant for Education Savings (SAGES) Regulations
The Degree Authorization Regulations
The Saskatchewan Polytechnic Act
The Saskatchewan Polytechnic Regulations
The Regional Colleges Act
The Regional Colleges Regulations
The Regional Colleges Programs Designation Regulations
The Regional Colleges Programs and Services Regulations
The Income Tax Act, 2000 (Saskatchewan)
The Post-Secondary Education and Skills Training Act

The Education Act, 1995 (subsection 3(1))
The Graduate Retention Program Act
The Non-profit Corporations Act, 1995
The Non-profit Corporations Regulations, 1997
The Student Assistance and Student Aid Fund Act, 1985
The Student Assistance and Student Aid Fund Regulations, 2001
The Lender-financed Saskatchewan Student Loan Regulations
The Saskatchewan Student Direct Loans Regulations
 Saskatchewan Risk Sharing Student Loans Agreement
 Canada-Saskatchewan Integration Agreement
 The Regional Colleges Accounting and Reporting Manual
 The Financial Administration Manual
 Orders in Council issued pursuant to the above legislation

- **The financial statements of each agency are reliable**

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework included in *COSO's Internal Control—Integrated Framework* to make our judgments about the effectiveness of the Agency's controls.

The audit of the Ministry included evaluating and testing its processes for administering grants (e.g., to post-secondary education institutions or students), recording revenues, tendering and awarding contracts, processing payroll, and purchasing goods and services. It also included assessing the Ministry's accounting treatment of transfers under the Government of Canada's Post-Secondary Institutions Strategic Investment Fund.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Better Monitoring of Universities' Subsidiaries Needed

The Ministry inadequately monitors the consolidated activities of the province's two universities—the University of Saskatchewan and the University of Regina.

As part of its responsibility for the post-secondary education sector, the Ministry monitors the activities of each University as follows. For each university, it regularly meets with



university senior officials, and reviews Board of Governors' minutes and meeting packages. In addition, it established certain reporting and approval requirements to assist in its oversight of the Universities (e.g., approval of certain capital projects, approval to borrow) as expected under *The University of Saskatchewan Act, 1995*, and *The University of Regina Act*.

However, the Ministry's monitoring activities are limited to the activities of the Universities themselves, and does not include the activities of the Universities' subsidiaries.

As part of fulfilling the universities' primary role (e.g., providing post-secondary instruction, conducting research), the Universities, on a combined basis, incorporated five subsidiaries. For the year-ended April 30, 2019, the Universities' financial results, on a combined basis, included subsidiary revenues of \$46.8 million, expenses of \$45.6 million, and tangible capital assets of \$51.4 million.⁴

As the subsidiaries are essentially extensions of the Universities, the Ministry's monitoring activities should include activities of the Universities' subsidiaries.

Without adequate oversight, there is a risk that university subsidiaries could undermine the powers granted to the parent university (e.g., *The University of Saskatchewan Act, 1995*, or *The University of Regina Act*). In turn, this could result in harm to a university's reputation, or a negative financial impact.

1. **We recommend the Ministry of Advanced Education adequately monitor the activities of subsidiaries incorporated by the University of Saskatchewan and the University of Regina.**

4.2 Proper Recording of Transfers Related to the Strategic Investment Fund Needed

We recommended the Ministry of Advanced Education follow Canadian generally accepted accounting principles for the public sector to record transfers in its financial records. (2017 Report – Volume 2, p. 18, Recommendation 1; Public Accounts Committee agreement October 3, 2018)

Status—Not Implemented

The Ministry continues to inappropriately account for transfers related to the Government of Canada's Post-Secondary Institutions Strategic Investment Fund.⁵ This resulted in the Ministry recording certain revenues and expenses (of the same amount) in the wrong fiscal years since 2016–17.

In addition, it continued to miss including related contractual rights and contractual obligations to post-secondary institutions on its listings provided to the Ministry of Finance to assist in the preparation of the Summary Financial Statements.

⁴ The Universities consolidate the financial results of subsidiaries into their financial statements.

⁵ This Federal Government program called the Post-Secondary Institutions Strategic Investment Fund provides federal funding for infrastructure projects at post-secondary institutions to enhance and modernize research and commercialization of facilities, as well as industry-relevant training facilities at colleges and polytechnic institutions in Canada. (www.canada.ca/en/innovation-science-economic-development/programs/science-technology-partnerships/investment-fund.html) (26 September 2019).

As described in **Figure 2**, this accounting error started in 2016–17 because of how the Ministry accounts for transfers related to the Strategic Investment Fund Agreement. In 2016–17, the Ministry signed an agreement with the Federal Government to receive \$65.8 million under the Strategic Investment Fund. It subsequently signed parallel accountability agreements with certain post-secondary institutions to provide funds received from the Federal Government under this Fund to those institutions for specific capital projects.

Figure 2—Detail on the Ministry of Advanced Education’s Accounting for Transfers Related to the Post-Secondary Institutions Strategic Fund

Starting in 2016–17, the Ministry of Advanced Education inappropriately recorded revenues under the Federal-Provincial agreement and related expenses under its accountability agreements with post-secondary institutions. We found the Ministry did not follow Canadian public sector accounting standards for recording these revenues and expenses. Canadian public sector accounting standards require agencies to recognize revenue and expenses related to government transfers only when they met eligibility criteria and the transfer is authorized.

In our view, in 2016–17, the Ministry recorded revenues before it earned them and expenses before it was liable to pay them. We found the Ministry had not met eligibility under the Federal-Provincial agreement for the full amount it recorded, and the Federal Government had not authorized that amount.

In 2018–19, the Ministry met eligibility, and the Federal Government authorized \$12.1 million in funding under the Federal-Provincial agreement. The Ministry received and distributed \$12.1 million during 2018–19.

In 2018–19, the Ministry understated both revenues and expenses by \$12.1 million (2017–18: understated both revenues and expenses by \$25.6 million). In addition, it did not disclose the contractual obligations and contractual rights of \$2.9 million and \$3 million respectively (2017–18: missed \$15.1 million of contractual rights and \$14.9 million of contractual obligations).^{6,7}

Inconsistent application of Canadian public sector accounting standards can affect the relevance and reliability of financial reports, and can decrease the public’s confidence in the accuracy of the government’s financial reports. This also affects management’s ability to accurately track its future obligations and related revenues sources.

⁶ 2018 Report – Volume 2, Chapter 1, p. 18.

⁷ These errors had no impact on the accuracy of the Government of Saskatchewan’s Summary Financial Statements’ annual deficit or net debt.

Chapter 2

Corrections and Policing

1.0 MAIN POINTS

The Ministry of Corrections and Policing had effective rules and procedures to safeguard public resources except that staff did not always ensure prompt removal of unneeded access for former employees to its computer systems. Not following established processes makes the Ministry's data and systems vulnerable to unauthorized access or inappropriate modifications.

During 2018–19, Corrections and Policing and its special purpose funds complied with the financial authorities governing their activities related to financial reporting, safeguarding public resources, spending, revenue raising, borrowing, and investing.

The 2018–19 financial statements of the Ministry's special purpose funds are reliable.

2.0 INTRODUCTION

The mandate of the Ministry of Corrections and Policing is to provide a fair justice system that promotes safe and secure communities; provides supervision and rehabilitation services for adult and young offenders, and ensures policing programs uphold the rule of law and protect society and the rights of individuals.¹

The Ministry of Justice and Attorney General and the Ministry of Corrections and Policing jointly share supports for aspects of their activities, called Integrated Justice Services. This enables the strategic integration of the justice system through the provision of joint services, processes and functions to these ministries.² Areas of joint support include finance, planning, communications, capital investments and improvement, and certain community safety initiatives and programming.

This chapter includes the results of our annual integrated audit of Corrections and Policing and its special purpose funds for the year ended March 31, 2019.

2.1 Financial Overview

For the year ended March 31, 2019, the Ministries of Justice and Attorney General and Corrections and Policing had combined revenues totalling \$109.6 million comprised primarily of fines and fees, and transfers from federal and municipal governments.³ In addition, as shown in **Figure 1**, they spent \$644 million on their programs in 2018–19. At March 31, 2019, the Ministry of Corrections and Policing had \$15 million accounts receivable and \$67 million accounts payable.

¹ Ministry of Corrections and Policing, Ministry of Justice and Attorney General, *Annual Report for 2018–19*, p. 5.

² *Ibid.*

³ *Ibid.*, p. 24.

**Figure 1—Combined Expenses of the Ministries of Justice and Attorney General and Corrections and Policing, and Integrated Justice Services by Program**

	Original Estimates 2018–19 ^A	Actual 2018–19 ^B
	(in millions)	
Central Management and Services ^{C,D,E}	\$ 51.1	\$ 49.2
Integrated Services ^C	35.1	37.9
Capital and Improvements ^C	<u>13.3</u>	<u>10.7</u>
Jointly Administered	99.5	97.8
Courts and Civil Justice ^D	65.8	64.7
Innovation and Legal Services ^D	38.1	36.5
Boards, Commissions, and Independent Offices ^D	<u>38.5</u>	<u>40.3</u>
Ministry of Justice and Attorney General	142.4	141.5
Policing and Community Safety Services ^E	221.9	217.0
Custody, Supervision, and Rehabilitation Services ^E	175.9	185.2
Demand Reduction and Modernization ^E	5.0	3.5
Saskatchewan Police Commission ^E	<u>1.5</u>	<u>1.5</u>
Ministry of Corrections and Policing	<u>404.3</u>	<u>407.2</u>
Total Appropriations^{C,D,E}	<u>646.2</u>	<u>646.5</u>
Capital Asset Acquisitions ^{C,D,E}	(13.3)	(9.2)
Capital Asset Amortization ^{C,D,E}	<u>6.5</u>	<u>7.1</u>
Total Expense	<u>\$ 639.4</u>	<u>\$ 644.4</u>

Source: Ministry of Corrections and Policing, Ministry of Justice and Attorney General, *Annual Report for 2018–19*, pp. 22–23.

^A During 2018–19, the Ministry of Justice and Attorney General received a supplementary estimate of \$1 million, and the Ministry of Corrections and Policing received a supplementary estimate of \$2.78 million.

^B Integrated Justice Services' actual expense is overstated by \$1.9 million due to including an unauthorized government transfer.

^C Vote 91 Integrated Justice Services.

^D Vote 3 Ministry of Justice and Attorney General.

^E Vote 73 Ministry of Corrections and Policing.

2.2 Special Purpose Funds

This chapter reports the results of our audit of Corrections and Policing and two special purpose funds. At March 31, 2019, Corrections and Policing was responsible for the following special purpose funds, each with a March 31 year-end.

Special Purpose Funds:

Correctional Facilities Industries Revolving Fund

Criminal Property Forfeiture Fund

3.0 AUDIT CONCLUSIONS

In our opinion, for the year ended March 31, 2019, we found, in all material respects:

- **Corrections and Policing had effective rules and procedures to safeguard public resources except for the matter described in this chapter**
- **Corrections and Policing and its special purpose funds complied with the following authorities governing their activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

Corrections and Policing

The Correctional Services Act, 2012
The Correctional Services Regulations, 2013
The Correctional Services Trust Account Regulations
The Executive Government Administration Act
The Financial Administration Act, 1993
The Ministry of Corrections and Policing Regulations
The Police Act, 1990
The Police Regulations
The Public Service Act, 1998
The Purchasing Act, 2004
The Youth Justice Administration Act
 Orders in Council issued pursuant to the above legislation

Correctional Facilities Industries

Revolving Fund

The Correctional Services Act, 2012
The Financial Administration Act, 1993
 Orders in Council issued pursuant to the above legislation

Criminal Property Forfeiture Fund

The Seizure of Criminal Property Act, 2009
The Seizure of Criminal Property Regulations, 2009
The Executive Government Administration Act
 Orders in Council issued pursuant to the above legislation

- **The financial statements of each fund are reliable**

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of the Ministry's controls.

In our Ministry audit, we paid particular attention to the following: the existence and accuracy of overtime payroll expenses, the completeness of RCMP policing services expenses and payables, processes to track contractual obligations, processes to tender goods and services, and processes to ensure timely removal of user access to IT systems.

4.0 KEY FINDINGS AND RECOMMENDATION

4.1 Timely Removal of User Access Needed

We recommended the Ministry of Corrections and Policing follow its established procedures for removing unneeded user access to its computer systems and data. (2015 Report – Volume 2, p. 74, Recommendation 2; Public Accounts Committee agreement January 11, 2017)

Status—Partially Implemented



Corrections and Policing inconsistently followed its procedures for ensuring only authorized individuals retain access to its IT systems and data. Its policies require users' IT access be removed immediately once they leave the Ministry.

For the 2018–19 fiscal year, we found:

- For four of ten users tested, Corrections and Policing staff did not ask the Ministry of Central Services to remove network access promptly, for two of those users, Corrections and Policing requested removal four months later and only after staff noticed the users in an inactive account report
- For three of seven users tested, staff did not ask for access removal to its Criminal Justice Information Management System (CJIMS) or the network on a timely basis (between 9 and 56 days after the users no longer worked at Corrections and Policing)

Corrections and Policing uses CJIMS to maintain data on custody, supervision, and rehabilitation of offenders; and to track the collection of fines.

In early 2018–19, the Public Service Commission started notifying staff at Corrections and Policing when employees no longer worked at the Ministry. Management noted this process helped them improve timeliness in requesting removal of access when employees no longer worked at the Ministry.

Corrections and Policing continues to work on establishing additional processes to ensure it promptly and consistently requests removal of unneeded user access.

Not promptly removing unneeded user access increases the risk of unauthorized access to IT systems and data, including confidential information, and of inappropriate modifications to IT systems or data.

Chapter 3 eHealth Saskatchewan

1.0 MAIN POINTS

During 2018–19, eHealth Saskatchewan continued to work with its clients to prioritize critical IT systems for disaster recovery planning. It completed, and tested, disaster recovery of two critical systems in the year for a total of six of the 39 critical systems identified in its disaster recovery plan. Further testing is required. Without tested plans, eHealth, the Ministry of Health, and the Saskatchewan Health Authority may not be able to restore critical IT systems that support life-saving health care services in the event of a disaster.

Also at March 2019, eHealth needs an adequate service level agreement for the IT services it provides to the Saskatchewan Health Authority. Adequate service level agreements make it clear what type of service must be provided, when, and at what cost.

Furthermore, eHealth needs its staff to complete written conflict of interest declarations annually, and consistently follow its procurement and purchasing policies. For example, documenting justification of sole-sourced purchases facilitates fair and equitable treatment of vendors, and supports obtaining best value when making purchases.

During 2018–19, eHealth complied with the authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing. eHealth's 2018–19 financial statements were reliable.

2.0 INTRODUCTION

2.1 Background

The mandate of eHealth Saskatchewan is to procure, implement, own, operate, and manage the Saskatchewan Electronic Health Record and, where appropriate, other health IT systems.^{1,2}

eHealth provides the Ministry of Health and the Saskatchewan Health Authority with certain critical IT services, and operates a data centre. eHealth operates as the provincial health sector's primary disaster recovery provider for IT services. Moreover, eHealth manages Saskatchewan's vital statistics registry and health registrations.^{3,4}

¹ An electronic health record is a private, lifetime record of an individual's medical information providing health care professionals with immediate access to a patient's test results, past treatments, and medication.

² Order in Council 734/2010 issued under *The Crown Corporations Act, 1993*.

³ The vital statistics registry registers all births, marriages, deaths, stillbirths, legal name changes, and changes of sex designation occurring in Saskatchewan.

⁴ Health registration registers new Saskatchewan residents for provincial health coverage and maintains the registry of residents who are eligible for benefits. eHealth Saskatchewan issues health service cards to residents approved for Saskatchewan's basic health coverage.



2.2 Financial Overview

As set out in **Figure 1**, in 2018–19, eHealth had revenues and expenses of \$141 million and \$142.9 million respectively, and a deficit of \$1.9 million. During the year, the Authority received almost 82% of its revenue from the Ministry of Health. At March 31, 2019, it held financial assets of \$26.2 million and tangible capital assets of \$14.5 million.

Figure 1—Financial Overview

	Budget 2018–19	Actuals 2018–19	Actuals 2017–18
	(in millions)		
Grant from the Ministry of Health	\$ 114.4	\$ 115.1	\$ 77.8
Other Revenues	<u>28.5</u>	<u>25.9</u>	<u>19.7</u>
Total Revenue	\$ 142.9	\$ 141.0	\$ 97.5
Operational and Other Expenses	135.4	132.5	82.8
Amortization	<u>10.0</u>	<u>10.4</u>	<u>13.0</u>
Total Expense	<u>\$ 145.4</u>	<u>\$ 142.9</u>	<u>\$ 95.8</u>
Annual (Deficit)/Surplus	<u>\$ (2.5)</u>	<u>\$ (1.9)</u>	<u>\$ 1.7</u>
Total Financial Assets (e.g., due from General Revenue Fund, receivables)		26.2	23.8
Total Liabilities (e.g., accounts payables, obligations under capital lease)		<u>25.2</u>	<u>30.1</u>
Net Financial Assets	<u>\$ 1.3</u>	<u>\$ 1.0</u>	<u>\$ (6.3)</u>
Tangible Capital Assets		<u>\$ 14.5</u>	<u>\$ 24.1</u>

Source: eHealth Saskatchewan 2018–19 financial statements.

3.0 AUDIT CONCLUSIONS

In our opinion, for the year ended March 31, 2019, we found, in all material respects:

- eHealth Saskatchewan had effective rules and procedures to safeguard public resources, except for the matters described in this chapter
- eHealth Saskatchewan complied with the following authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:

eHealth Saskatchewan's governing Orders in Council
The Crown Corporations Act, 1993
The Financial Administration Act, 1993
The Executive Government Administration Act
The Vital Statistics Act, 2009
 Regulations and Orders in Council issued pursuant to the above legislation

- eHealth Saskatchewan had reliable financial statements

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of eHealth's controls.

We focused our audit efforts on the completeness and accuracy of tangible capital assets including those transferred from the Saskatchewan Health Authority to eHealth's data centre and the associated service level agreement, and the reasonableness of significant estimates (like accrued payroll and vacation liabilities) at year end. In addition, we assessed eHealth's progress on disaster recovery plan testing of critical IT systems.

In our *2019 Report – Volume 1*, Chapter 3, we made 10 recommendations related to eHealth's processes to mitigate risks associated with conflicts of interest and vendor influence. The following section includes the recommendations relevant to this audit.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Adequate IT Service Level Agreement Not in Place

We recommended eHealth Saskatchewan sign an adequate service level agreement with the Saskatchewan Health Authority. (2018 Report – Volume 2;

p. 25, Recommendation 1, Public Accounts Committee has not yet considered this recommendation as of October 25, 2019)

Status—Not Implemented

eHealth does not have an adequate service level agreement with the Saskatchewan Health Authority for IT services it provides.

In January 2017, the Minister of Health directed eHealth to consolidate IT services that the Authority, Saskatchewan Cancer Agency, and 3sHealth previously provided into a single service. Consequently, starting in 2017–18, the Authority moved the majority of its IT systems into eHealth's data centre.

We found, as of early June 2019:

- eHealth and the Authority discussed a draft master service agreement for the provision of IT services, but had not finalized it
- eHealth and the Authority drafted an IT governance model, but had not formed a governance committee to help guide the strategic IT priorities for IT services that eHealth is to provide
- eHealth (working with the Authority) had not completed disaster recovery plans or tested the plans for critical IT systems and data (e.g., lab systems, hospital admissions systems)

IT is an integral part of delivering and managing health care services (e.g., lab systems, accounting systems).



Adequate service level agreements make it clear what type of service must be provided, when, and at what cost. They outline in detail services to be provided (e.g., help desk services, server maintenance, frequency of applying patches), service availability requirements (e.g., the percentage of time networks will be available), and service delivery targets (e.g., period for creating and removing user accounts). In addition, they identify security and disaster recovery requirements and set out options available in the event something goes wrong (e.g., data security breach, IT system outage). Agreements also provide a basis for a common understanding, and monitoring of performance.

Without an adequate service level agreement, there is a risk that eHealth is not meeting the Authority's IT needs.

4.2 Disaster Recovery Plan Testing Progressing But Incomplete

We recommended eHealth Saskatchewan have an approved and tested disaster recovery plan for systems and data. (2007 Report – Volume 3; p. 248, Recommendation 6; Public Accounts Committee agreement January 8, 2008)

Status—Partially Implemented

As of March 31, 2019, eHealth completed detailed disaster recovery plans and testing on six of the 39 identified critical IT systems. During 2018–19, eHealth completed and tested the disaster recovery plan for two more critical IT systems in addition to the four previously completed for a total of six critical IT systems.

eHealth continued to work with its clients (e.g. Saskatchewan Health Authority) to identify and prioritize critical IT systems.

eHealth indicated that it plans to hire, in 2019–20, a business continuity plan and disaster recovery co-ordinator to complete and test the detailed recovery plans developed for eHealth and its clients. It plans to test an additional six critical IT systems in 2019–20.

Without tested plans, eHealth Saskatchewan, the Ministry of Health, and the Saskatchewan Health Authority may not be able to restore their critical IT systems and data (such as the Personal Health Registration System or Provincial Lab Systems) in the event of a disaster. These entities rely on the availability of those systems to deliver, and pay for, health services.

4.3 Additional Areas of Concern Related to Conflicts of Interest and Procurement

In addition, eHealth needs to address the areas of concern set out in **Figure 2** related to conflict of interest and procurement previously reported in our *2019 Report – Volume 1*, Chapter 3. Public Accounts Committee has not yet considered these recommendations as of October 25, 2019.

Figure 2—Recommendations Related to Conflicts of Interest and Procurement

Recommendations
We recommend eHealth Saskatchewan require all staff complete written conflict of interest declarations annually. <i>(2019 Report – Volume 1, Chapter 3, p. 28)</i>
We recommend eHealth Saskatchewan follow its policy that requires all sole-sourced procurement decisions have a completed and approved justification form. <i>(2019 Report – Volume 1, Chapter 3, p. 37)</i>
We recommend eHealth Saskatchewan track value-added items expected and received through vendor contracts. <i>(2019 Report – Volume 1, Chapter 3, p. 38)</i>
We recommend eHealth Saskatchewan properly approve purchases before it receives the related goods and services. <i>(2019 Report – Volume 1, Chapter 3, p. 39)</i>

Chapter 4 Environment

1.0 MAIN POINTS

The Ministry of Environment and its agencies, all with March 31 year-ends, had effective rules and procedures to safeguard public resources except for the following matter related to the Ministry.

The Ministry needs to verify the accuracy of information in its lease database about surface leases that it administers for itself and the Ministry of Government Relations—Northern Municipal Trust Account. Inaccuracies in the expiry dates of signed agreements in the Ministry's lease database resulted in the Ministry giving the Ministry of Government Relations inaccurate information about the Trust Account's contractual rights at December 31, 2018.

Also, the Ministry and its agencies complied with financial-related authorities. Its agencies' March 31, 2019 financial statements were reliable.

2.0 INTRODUCTION

2.1 Background

The Ministry of Environment's role is to manage the health of Saskatchewan's environment in a respectful, responsible, and enforceable manner that balances growth with sustainable development through objective, transparent and informed decision-making and stewardship.¹

At March 31, 2019, the Ministry held responsibility for the following special purpose funds and agencies: Fish and Wildlife Development Fund, Impacted Sites Fund, Saskatchewan Technology Fund, and the Water Appeal Board.² Except for the Technology Fund, each of these agencies provided the Legislative Assembly with audited financial statements.

2.2 Financial Overview

In 2018–19, the Ministry of Environment generated revenues of \$103.1 million (2017–18: \$86.9 million), and expenses of \$184.4 million (2017–18: \$181.5 million).³ At March 31, 2019, the Ministry had tangible capital assets with a net book value of \$133.7 million and liabilities for contaminated sites of \$30.5 million.

¹ Ministry of Environment *Annual Report for 2018–19*, p. 3.

² In December 2018, *The Management and Reduction of Greenhouse Gases Act* was amended to establish the Saskatchewan Technology Fund. The Technology Fund did not operate, and had no financial transactions in 2018–19. The Technology Fund did not prepare financial statements for 2018–19.

³ Ministry of Environment *Annual Report for 2018–19*, p. 15–17.



Figure 1—Major Programs and Spending

	Estimates ^A 2018–19	Actuals 2018–19
	(in millions)	
Central Management and Services	\$ 17.5	\$ 17.1
Climate Change and Adaptation	3.3	2.7
Fish, Wildlife and Lands	13.1	13.8
Compliance and Field Services	19.4	20.5
Environmental Protection	37.1	39.5
Forest Services	7.8	7.8
Wildfire Management	61.3	80.1
Total Appropriation	\$ 159.5	\$ 181.5
Capital Assets Acquisitions	(10.1)	(9.7)
Capital Assets Amortization	12.9	11.3
Non-Spending Control Items	-	1.3
Total Expense	\$ 162.3	\$ 184.4

Source: Ministry of Environment *Annual Report for 2018–19*, p. 15.

^A Environment obtained additional funding through supplementary estimates of \$23.5 million.

3.0 AUDIT CONCLUSIONS

In our opinion, for the year ended March 31, 2019, we found, in all material respects:

- **The Ministry of Environment had effective rules and procedures to safeguard public resources, except for the matter reported below**
- **The Ministry of Environment and its agencies complied with the following authorities governing their activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

The Environmental Management and Protection Act, 2010

The Environmental Management and Protection (General) Regulations

The Mineral Industry Environmental Protection Regulations, 1996

The Executive Government Administration Act

The Ministry of Environment Regulations, 2007

The Financial Administration Act, 1993

The Fisheries Act (Saskatchewan), 1994

The Fisheries Regulations

The Forest Resources Management Act

The Forest Resources Management

Regulations

The Natural Resources Act

The Provincial Lands Act, 2016

The Crown Resource Land Regulations, 2017

The Provincial Lands (Agriculture) Regulations

The Public Services Act, 1998

The Purchasing Act, 2004

The Water Appeal Board Act

The Wildfire Act

The Wildlife Act, 1998

The Wildlife Regulations, 1981

Orders in Council issued pursuant to the above legislation

- **The financial statements of the Fish and Wildlife Development Fund, the Impacted Sites Fund, and the Water Appeal Board were reliable**

We used standards for assurance engagements published in the *CPA Canada Handbook —Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control

framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of the Ministry of Environment's controls.

Our audit included examining the effectiveness of the Ministry's financial-related controls used to administer its spending, revenues, and various assets consistent with related authorities; keep reliable financial records; prepare reliable reports; and safeguard the crown lands that it administers. This year, we paid particular attention to following:

- The Ministry's processes to make reasonable estimates for its environmental liabilities related to contaminated sites
- The accuracy and existence of contractual rights reported in the Ministry's financial information

4.0 KEY FINDINGS AND RECOMMENDATION

4.1 Update to Surface Lease Information in Database Needed

The Ministry needs to review and update surface lease information in its lease database to verify that information in the database matches actual signed lease agreements, especially lease expiry dates.

The Ministry uses its lease database to administer its surface leases on Crown lands it manages. Surface leases include leases for infrastructure such as power lines. For the year ended March 31, 2019, the Ministry recorded about \$1 million in lease revenue.

The Ministry also administers surface leases on behalf of the Ministry of Government Relations—Northern Municipal Trust Account (Trust Account).⁴ These surface leases include leases in the north for developments such as mining operations. For the year ended December 31, 2018, the Trust Account recorded \$4.1 million in lease revenue.

The Ministry uses the information in its lease database to administer the leases, including annual billings, monitoring leases, and calculating total expected future revenues from the lease contracts called 'contractual rights'.⁵

We found 10 leases where the expiry date of the signed lease agreement disagreed with the expiry date information recorded in the Ministry's lease database.⁶ The database's expiry dates included leases expiring significantly further into the future than the actual expiry dates. For example, the lease database often indicated a lease expiring in 2094, approximately 50–60 years longer than the actual lease terms. All of these leases belonged to the Trust Account.

⁴ The Ministry of Government Relations is responsible for administering the Northern Municipal Trust Account. Pursuant to *The Northern Municipalities Act, 2010*, the Northern Municipal Trust Account is responsible for administering the municipal functions of the Northern Saskatchewan Administration District. The Northern Saskatchewan Administration District is a geographical area in the north defined by section 74 of *The Northern Municipalities Regulations*.

⁵ Per Canadian Public Sector Accounting Standards section 3380, contractual rights are rights to economic resources arising from contracts or agreements resulting in both an asset and revenue in the future. PSAS 3380 requires the Ministry of Environment and the Northern Municipal Trust Account to disclose contractual rights in each agencies' financial information for its respective leases.

⁶ In our sample, we found expiry dates in the lease database disagreed with the signed lease agreement for four of 23 leases tested. We identified that leases with expiry dates far into the future (e.g., 2094) may be incorrect. We assessed all leases with expiry dates far into the future, finding a total of 10 leases in total with incorrect expiry dates.



Because of this incorrect information in its database, the information the Ministry gave to the Trust Account about these leases overstated the Trust Account's contractual rights at December 31, 2018, by about \$67 million. The Ministry revised its calculations for the Trust Account's contractual rights after we identified the erroneous information. These errors also existed at March 31, 2018, which resulted in an overstatement of contractual rights in the 2017–18 Summary Financial Statements.

We found the Ministry accurately billed lease customers for the leases during 2018–19.

The Ministry indicated expiry dates in its database did not agree with the signed agreements because it often entered a placeholder expiry date or an estimated lease term into the database before the lease agreements became finalized. In these instances, the finalized lease term differed from the estimated or placeholder expiry date. The Ministry missed updating the expiry dates in its database after the lease agreements were finalized.

Incorrect or inaccurate lease information in the Ministry's lease database significantly increases the risk of it incorrectly administering surface leases and making errors in its financial reporting.

- 1. We recommend the Ministry of Environment verify the accuracy of lease information in its database used to administer leases.**

Chapter 5 Executive Council

1.0 MAIN POINTS

During 2018–19, the Office of the Executive Council had effective rules and procedures to safeguard public resources, and it complied with authorities governing its activities other than in the following area.

Executive Council continued to set remuneration rates inconsistent with the Board of Internal Economy directives. *The Legislative Assembly Act, 2007* gives the Board of Internal Economy clear authority to set remuneration rates of legislative secretaries through directives, and the Board has done so. Executive Council needs to work with the Board to remunerate legislative secretaries at rates consistent with the Board's approved rates. Not operating within laws and directives increases the risk of decreasing public confidence in government.

2.0 INTRODUCTION

2.1 Background

The Office of the Executive Council provides support to the Premier, Cabinet and Cabinet committees.¹ It also develops and advances the Government's plan for Saskatchewan, and manages the plan's implementation across government.

Its other functions include co-ordinating government business in the Legislative Assembly; maintaining all Cabinet documents, orders-in-council, and regulations on behalf of the Government of Saskatchewan; providing strategic direction in communications throughout government; administering policies on communications procurement, visual identity, and online development; and operating the Government's web, mobile, and social presence.²

2.2 Financial Overview

Executive Council spent about \$12.2 million in 2018–19. Details of its programs and services are available on its website.³ Spending details are available in *Public Accounts – Volume 2*.⁴ Executive Council does not prepare or table an annual report.

¹ *The Executive Government Administration Act* section 26 establishes the Office of the Executive Council.

² www.saskatchewan.ca/government/government-structure/ministries/executive-council-and-office-of-the-premier (5 September 2019).

³ *Ibid.*

⁴ www.publications.saskatchewan.ca/#/categories/2481 (12 September 2019).

**Figure 1—Financial Results for 2018–19 by Program**

	Estimates 2018–19	Actual 2018–19
	(in thousands)	
Central Management and Services	\$ 5,430	\$ 5,793
Premier's Office	479	507
Cabinet Planning	1,107	798
Cabinet Secretariat	451	459
Communications Office	1,319	1,076
House Business and Research	255	473
Members of the Executive Council	133	133
Intergovernmental Affairs	1,883	1,589
Francophone Affairs	690	673
Lieutenant Governor's Office	<u>707</u>	<u>710</u>
Total Expenses	\$ <u>12,454</u>	\$ <u>12,211</u>

Source: Saskatchewan Provincial Budget 18–19 Estimates (vote 10); Office of the Executive Council 2018–19 financial records.

3.0 ANNUAL AUDIT CONCLUSIONS

In our opinion, for the year ended March 31, 2019, we found, in all material respects:

- **Executive Council had effective rules and procedures to safeguard public resources**
- **Executive Council complied with the following authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing except for the matter described in this chapter:**

The Executive Government Administration Act
The Government Organization Exemption Regulations
The Members of the Executive Council Expense Regulations, 1988
The Financial Administration Act, 1993
The Provincial Secretary's Act (clause 3(d.1))
 Orders in Council issued pursuant to the above legislation

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of Executive Council's controls.

We examined the effectiveness of Executive Council's controls to keep reliable financial records and prepare reliable financial reports. This included examining its financial-related controls used to administer its spending, including processes used to process travel and business expense claims and to make accurate, public semi-annual reports on ministerial travel expenses.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Remuneration Rates for Legislative Secretaries Inconsistent with Board of Internal Economy Approved Rates

We recommended Executive Council work with the Board of Internal Economy to remunerate legislative secretaries at rates consistent with Board of Internal Economy approved rates. (2018 Report – Volume 2, p. 30, Recommendation 2; Public Accounts Committee has not yet considered this recommendation as of October 25, 2019)

Status—Not Implemented

During 2018–19, Executive Council (Cabinet) continued to set legislative secretaries' remuneration rates without clear, legislated authority to do so. Its rates differ from rates the Board of Internal Economy approved in its directives.

While *The Executive Government Administration Act* gives the Lieutenant Governor in Council (Cabinet) clear authority to appoint Members of the Legislative Assembly as legislative secretaries, with or without remuneration, it does not explicitly give Cabinet the authority to set the legislative secretaries' remuneration rate.⁵ Rather, *The Legislative Assembly Act, 2007*, gives the Board of Internal Economy clear authority to set legislative secretaries' remuneration rates through directives, and the Board did so.

Under *The Legislative Assembly Act, 2007*, the Board directed payment for an annual allowance of \$14,640 to legislative secretaries.⁶ Contrary to this directive, Cabinet, through various Orders in Council issued in August 2019 under *The Executive Government Administration Act*, appointed various legislative secretaries with remuneration rates of \$3,000 per year.^{7,8}

While Executive Council is aware of the differing rates, we did not see evidence of it working with the Board to ensure its rates align with Board-approved remuneration rates for legislative secretaries (e.g., it did not ask the Board to reconsider its approved rates).

Under *The Legislative Assembly Act, 2007*, Cabinet appoints the Speaker of the Legislative Assembly and nominates members as members of the Board of Internal Economy.⁹ The Board consists of the Speaker, two Executive Council-nominated Cabinet members, two Government caucus-nominated members, and two opposition caucus-nominated members.

Laws and directives set standards and controls to govern actions. Not operating within those parameters, or taking steps to do so always, increases the risk of decreasing public confidence in government.

⁵ *The Executive Government Administration Act*, section 7(1).

⁶ Annual allowance is set in Board of Internal Economy Directive #21—*Annual Indemnity and Allowances* issued under section 62 of *The Legislative Assembly Act, 2007*. Directives are available at www.legassembly.sk.ca/media/1172/directive-21-annual-indemnity-and-allowances.pdf (16 September 2019).

⁷ Orders in Council 340-2019, 342-2019, 343-2019.

⁸ Executive Council pays Cabinet-appointed legislative secretaries using the amounts set in Orders in Council. Legislative secretaries agreed to forego the amount set by the Board of Internal Economy and accepted a lesser amount.

⁹ *The Legislative Assembly Act, 2007*, section 67.



4.2 Financial Reports Reviewed

We recommended Executive Council review, in detail, its periodic financial reports. (2018 Report – Volume 2, p. 29, Recommendation 1; Public Accounts

Committee has not yet considered this recommendation as of October 25, 2019)

Status—Implemented

In 2018–19, Executive Council reviewed periodic financial reports in detail. We did not identify any significant errors in the Executive Council's financial reports.

Chapter 6 Finance

1.0 MAIN POINTS

The Ministry of Finance and certain of its agencies with March 31 year-ends had effective rules and procedures to safeguard public resources except for the matter related to the Ministry as noted in this chapter.

The Ministry administers resource surcharge revenues. In order to ensure it records these revenues in the proper period, it needs to implement its models that better estimate annual resource surcharge revenues.

We found the Ministry performed regular reviews of its user accounts for its key tax revenue IT system, as well as followed its processes to promptly remove unneeded user access to its IT systems and data. It also sufficiently documented its procedures for managing operations in the event it could not access certain key IT systems.

The Ministry and certain of its agencies with March 31 year-ends complied with financial-related authorities. For the agencies that prepare financial statements, their March 31, 2019 financial statements were reliable.

2.0 INTRODUCTION

2.1 Background

The Ministry of Finance is responsible for oversight of government revenue, expenses, assets, and liabilities. It is the lead ministry for fiscal policy; budget development and integrity; managing provincial debt; designing and administering fair, efficient, and competitive tax regimes; pension and benefit administration; labour relations advice to government; ensuring accountability to both the public and the Legislative Assembly for the use of public funds; and ensuring effective financial management and accounting policies and procedures.¹

2.2 Special Purpose Funds and Agencies

The Ministry administers, and is responsible for, the following special purpose funds and agencies. Each of the agencies (except for the General Revenue Fund) listed in **Figure 1** provides the Legislative Assembly with audited financial statements; some also provide an annual report.²

¹ www.pubsaskdev.blob.core.windows.net/pubsask-prod/112651/2018-19FinanceAnnualReport.pdf (31 July 2019).

² The General Revenue Fund does not prepare financial statements, and is not legally required to do so. The financial results of the General Revenue Fund are included in the Government's Summary Financial Statements.

**Figure 1—Agency Groups by Fiscal Year-End**

Agencies with March 31 Year-End	
General Revenue Fund (GRF) ^A	Public Employees Benefits Agency Revolving Fund
Judges of the Provincial Court Superannuation Plan	Public Service Superannuation Plan
Public Employees' Pension Plan	Water Security Agency Retirement Allowance Plan
Saskatchewan Pension Annuity Fund	
Agencies with December 31 Year-End ^B	
Extended Health Care Plan	Extended Health Care Plan for Certain Other Employees
Extended Health Care Plan for Certain Other Retired Employees	Extended Health Care Plan for Retired Employees
Municipal Employees' Pension Commission	Municipal Financing Corporation of Saskatchewan
Public Employees Deferred Salary Leave Fund	Public Employees Dental Fund
Public Employees Disability Income Fund	Public Employees Group Life Insurance Fund
Saskatchewan Government Insurance Service Recognition Plan	Saskatchewan Pension Plan
Saskatchewan Power Corporation Designated Employee Benefit Plan	Saskatchewan Power Corporation Severance Pay Credits Plan
Saskatchewan Water Corporation Retirement Allowance Plan	SaskEnergy Retiring Allowance Plan
SaskPower Supplementary Superannuation Plan	

^A The General Revenue Fund is comprised of all ministries of the Government. It is the fund into which all revenues are paid, unless otherwise provided for by law, and from which the Legislative Assembly appropriates all expenses.

^B Our 2019 Report – Volume 1 includes audit results for these agencies for the year ended December 31, 2018.

2.3 Financial Overview

In 2019, the Ministry managed gross public debt of \$21.6 billion (2018: \$19.1 billion) and investments in sinking funds of \$2.2 billion (2018: \$2 billion).^{3,4} Also, as shown in **Figure 2**, for the year ended March 31, 2019, the Ministry administered revenues of \$9.5 billion (2018: \$8.9 billion) including taxation revenues of \$6.3 billion, transfers from government entities (e.g., Saskatchewan Liquor and Gaming Authority) of \$0.8 billion, and transfers from the Federal Government of \$1.6 billion.

Figure 2—Revenue by Major Type

	Estimates 2018–19	Actual 2018–19
	(in millions)	
Taxation	\$ 6,447.1	\$ 6,343.9
Non-renewable resources—resource surcharge	317.3	393.8
Transfers from government entities	710.3	784.7
Other own-source revenue	302.2	284.8
Transfers from the Federal Government	<u>1,720.5</u>	<u>1,647.3</u>
Total Revenue	<u>\$ 9,497.4</u>	<u>\$ 9,454.5</u>

Source: Ministry of Finance financial records.

³ Gross public debt is borrowings through the issuance of debt instruments such as promissory notes and debentures. Investments in sinking funds are investments set aside for the repayment of debt.

⁴ Ministry of Finance records and Government of Saskatchewan Summary Financial Statements—*Public Accounts 2018–19 Volume 1*, Schedule 8, p. 67.

As shown in **Figures 3** and **4**, in 2018–19, the Ministry had expenses of \$0.8 billion (2018: \$0.7 billion) including \$0.3 billion for public service pension and benefits (e.g., for members of the Public Service Superannuation Plan) and \$0.4 billion for interest costs related to servicing debt.

Figure 3—Actual Expenses by Major Program

	Estimates 2018–19	Actual 2018–19
	(in millions)	
Public service pension and benefits ^A	\$ 298.8	\$ 290.6
Revenue division	27.9	22.5
Provincial comptroller	10.7	9.3
Central management and services	7.1	7.6
Budget analysis	6.2	5.5
Research and development tax credit	5.0	5.0
Treasury management	1.6	1.6
Personnel policy secretariat	0.5	0.5
Miscellaneous	<u>0.0</u>	<u>0.1</u>
Total Appropriation—Vote 18	\$ 357.8	\$ 342.7
Capital asset acquisitions	(7.5)	(4.3)
Amortization of capital assets	<u>2.1</u>	<u>2.1</u>
Total Expense—Vote 18	\$ 352.4	\$ 340.5
Debt servicing appropriation and expense—Vote 12	<u>425.6</u>	<u>427.6</u>
Total Expense	<u>\$ 778.0</u>	<u>\$ 768.1</u>

Source: *Saskatchewan Provincial Budget 18–19 Estimates* (votes 12 and 18); *Ministry of Finance Annual Report for 2018–19*; Ministry of Finance 2018–19 financial records.

^A Finance determines the estimated and actual expenses for public service pension and benefits using the cash basis of accounting instead of the accrual basis. For 2018–19, the audited Summary Financial Statements account for these costs on an accrual basis, and include a decrease in pension and benefits costs for defined pension and benefit plans sponsored by the Ministry of Finance of \$594.1 million.

Figure 4—Actual Expenses by Object

	Estimates 2018–19	Actual 2018–19
	(in millions)	
Salaries and benefits (includes pensions)	\$ 326.4	\$ 315.5
Operating transfers	5.0	5.0
Goods and services	18.9	17.0
Debt servicing	425.6	427.6
Other	0.0	0.9
Capital asset amortization	<u>2.1</u>	<u>2.1</u>
Total Expense	<u>\$ 778.0</u>	<u>\$ 768.1</u>

Source: *Saskatchewan Provincial Budget 18–19 Estimates* (votes 12 and 18); Ministry of Finance 2018–19 financial records.



The Ministry's annual report explains significant differences between actual and estimated expenses.⁵

For the year ended March 31, 2019, Cabinet approved, through Orders in Council (special warrants), spending of \$0.2 billion; the Legislative Assembly later approved these amounts through appropriation acts.⁶

3.0 AUDIT CONCLUSIONS

In our opinion, for the year ended March 31, 2019, we found, in all material respects:

- **The Ministry of Finance and its five agencies had effective rules and procedures to safeguard public resources except for the matter included in this chapter**
- **The Ministry of Finance and its six agencies complied with the authorities set out in Section 5.0 governing their activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing**
- **The financial statements of the six agencies were reliable⁷**

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of the Ministry's controls.

Our audit included the Ministry's processes to assess, estimate, collect, and record tax and resource surcharge revenues. It also included assessing its processes to record and manage cash (including its bank reconciliation procedures, and the opening and closing of bank accounts), buy and sell investments in the General Revenue Fund's sinking funds, and obtain and repay the General Revenue Fund's debt. In addition, because the Ministry depends on IT to manage its operations, the audit assessed its controls over key IT service providers, security, change management processes, and user access.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Regular and Timely Review of User Access

We recommended the Ministry of Finance perform regular reviews of its user accounts for its key tax revenue IT system. (2018 Report – Volume 2, p.37, Recommendation 1; Public Accounts Committee agreement February 26, 2019)

Status—Implemented

⁵ www.pubsaskdev.blob.core.windows.net/pubsask-prod/112651/2018-19FinanceAnnualReport.pdf (31 July 2019).

⁶ The law requires us to report when a special warrant approved the payment of public money.

⁷ Our Office does not issue a separate report on internal controls for the General Revenue Fund or the Water Security Agency Retirement Allowance Plan or a separate report on compliance with authorities for the General Revenue Fund. The General Revenue Fund does not prepare financial statements, and is not legally required to do so. The financial results of the General Revenue Fund are included in the Government's Summary Financial Statements

We recommended the Ministry of Finance follow its processes for removing unneeded user access to its information technology systems and data promptly. (2010 Report – Volume 2, p.93, Recommendation 3; Public Accounts Committee agreement May 18, 2011)

Status—Implemented

The Ministry periodically reviewed and updated user access for its key revenue IT system, and removed unneeded user access to its other key IT systems and data.

We found, during 2018–19, the Ministry reviewed user access for its key revenue IT system on a monthly basis. These reviews included all types of users to determine whether their access was appropriate.

In addition, for the individuals we tested, the Ministry removed unneeded access to its key IT systems and data promptly.

4.2 Disaster Recovery Response Developed

We recommended the Ministry of Finance confirm, in writing, processes and policies that the Information Technology Office (ITO)⁸ uses to address its specific information technology security and disaster recovery requirements, and then identify and set up additional policies unique to the Ministry of Finance as necessary. (2006 Report – Volume 3, p.357, Recommendation 2; Public Accounts Committee agreement March 13, 2007)

Status—Implemented

In 2019, the Ministry developed additional, manual procedures to continue operating if it lost the availability of certain key IT systems where it did not have a tested disaster recovery plan.

The Ministry sufficiently documented its procedures for managing operations in the event it could not access its debt and investment IT systems (such as use of Excel spreadsheets and paper documents to complete transactions and reporting). The Ministry advised us it based its new procedures on processes it used when those IT systems were unavailable for short periods during 2018 and 2019.

Planning responses for unexpected business interruptions helps to reduce the risk of not delivering critical services within a reasonable timeframe or without incurring excessive additional costs.

⁸ Effective May 2012, the Information Technology Office (ITO) was disestablished as a separate Ministry and became the Information Technology Division (ITD) of the Ministry of Central Services. The Ministry of Central Services last performed disaster recovery tests on some of the Ministry of Finance's IT systems that it hosts in 2011–12.



4.3 Better Models to Estimate Resource Surcharge Developed but Not Implemented

We recommended the Ministry of Finance establish a process to better estimate resource surcharge revenue earned during each quarter and record this estimate each quarter. (2011 Report – Volume 2, p. 166, Recommendation 1; Public Accounts Committee agreement January 13, 2014)

Status—Quarterly estimation aspect no longer relevant; year-end estimation partially implemented

The Ministry developed and tested several models that better estimate annual resource surcharge revenue by resource type (i.e., separate models for oil and gas, potash, and uranium).⁹ At September 2019, the Ministry was not yet using these models to record resource surcharge revenue earned.

As noted in the Public Accounts, the Government relies on revenue from non-renewable resources.¹⁰ Resource surcharge (a non-renewable resource revenue) reflects about one-fifth of the Government's total non-renewable resource revenue. The bulk of the surcharge revenue is from oil and gas, potash, and uranium.

In common with accounting for other non-renewable resource revenues, the Ministry records resource surcharges based primarily on cash installments received from applicable taxpayers (e.g., resource corporations). In 2018–19, about 183 resource corporations paid resource surcharge revenue (2017–18: 171 resource corporations).

In 2018–19, recorded resource surcharge revenue was estimated at \$393.8 million, with a budget of \$317.3 million. The third quarter forecast was \$283.3 million (2017–18: recorded resource surcharge revenue at year-end \$317 million, budget \$272.5 million, and third quarter forecast of \$297.5 million).¹¹ Budgeted resource surcharge revenue is \$385 million for 2019–20, and the 2019–20 first quarter forecast was \$413.5 million.¹² As shown in **Figure 5**, the extent of difference between revenue recorded and actual revenue earned each year varies. For example, in 2016–17, the Ministry's recorded annual resource surcharge revenue from oil and gas of \$128.1 million was 9% higher than its actual revenue earned of \$117.5 million.

Since 2011, the Ministry continued to develop and test methods to better estimate these revenues (i.e., two models for oil and gas, two models for potash, and one for uranium). It tested these models over varying periods, and assessed the benefits and limitations of each.

⁹ Resource surcharge on coal is approximately \$1 million annually; therefore, Finance did not develop a model for it. Our Office assessed this as reasonable.

¹⁰ Government of Saskatchewan, *2018–19 Public Accounts—Volume 1*, p. 33; Government of Saskatchewan, *Saskatchewan Provincial Budget 18–19, On Track*, p. 70.

¹¹ Government of Saskatchewan, *2018–19 Public Accounts—Volume 1*, p. 72; Government of Saskatchewan, *Saskatchewan Provincial Budget 18–19, On Track*, p. 70; Government of Saskatchewan, *Saskatchewan Provincial Budget 19–20, The Right Balance*, p. 64; Government of Saskatchewan, *2017–18 Public Accounts—Volume 1*, p. 78; Government of Saskatchewan, *Saskatchewan Provincial Budget 17–18, Meeting the Challenge*, p. 72.

¹² Government of Saskatchewan, *Saskatchewan Provincial Budget 19–20, The Right Balance*, p. 72; Government of Saskatchewan, *2019–20 First Quarter Financial Report*, p. 10.

In 2018–19, the Ministry shared with our Office the results of its testing, along with its analysis on the limitations and uncertainties of each model. It found, like its current cash-installment method, the estimates from the models differed from actual revenue earned, particularly for each quarter. As such, it found none of the models more accurately estimated quarterly resource surcharge revenues. However, it found its models more accurately estimated annual resource surcharge revenues.

Based on our review of the Ministry's estimation models, supporting documents, and analysis, we agreed with those findings. For each model, we compared year-end revenue estimates to actual annual revenue earned in each year of the testing period.

Our comparison found the Ministry's new models more reliably estimate annual resource surcharge revenue earned than its current cash installment method. See **Figure 5** for details.

Figure 5—Comparison of Resource Surcharge Revenue Estimation Models

Percentage Difference between Actual Annual Revenue Earned and Estimated Revenue over Testing Period ^A			
Revenue Estimation Method	Average	Minimum	Maximum
Oil and Gas (Four-year testing period from 2015 to 2019)			
Current Cash Installment method	9	9	12
Oil & Gas Model #1	5	4	7
Oil & Gas Model #2	5	1	12
Potash (Nine-year testing period from 2010 to 2019 unless otherwise stated)			
Current Cash Installment method	9	1	44
Potash Model #1	0	0	1
Potash Model #2 ^B	20	17	23
Uranium (Six-year testing period from 2013 to 2019)			
Current Cash Installment method	6	1	13
Uranium Model #1	1	0	3

Source: Adapted by the Provincial Auditor's Office using Ministry of Finance financial records.

^A Actual Annual Revenue Earned is revenue recorded based on cash installments plus adjustments made in the subsequent year once actual information is known; Percentages are absolute values.

^B Percentages reflect results of testing over a two-year period from 2010 to 2012.

We also agreed with the Ministry's analysis that none of the models produced more reliable quarterly revenue estimates. This is because sufficient key information (e.g., resource sales) is not available early enough in the Ministry's fiscal year.

We found the Ministry of Energy and Resources electronically maintains useful information (e.g., oil and gas production information) to better estimate revenues. It collects some key information (e.g., potash and uranium annual returns) in the spring each year. Also, as explained in **Figure 6**, corporations paying resource surcharges must file annual returns with the Ministry of Finance within six months after their fiscal year. This means, the Ministry would receive returns for companies with a December 31 year-end in June. These returns include useful information to better estimate revenues (e.g., information about actual sales and production).

**Figure 6—Brief Description of Resource Surcharge Revenue**

The Ministry of Finance estimates resource surcharge revenue each quarter, and for the upcoming year for inclusion in Saskatchewan's Provincial Budget and quarterly financial reports. The Ministry estimates resource surcharge revenue earned primarily based on cash installments received from resource corporations and resource trusts.

It levies resource surcharges, in conjunction with corporate capital tax, each year on the value of sales of oil, natural gas, potash, uranium, and coal in Saskatchewan under *The Corporation Capital Tax Act*. The surcharge applies to resource corporations and resource trusts.

Corporations must file annual corporate capital tax returns within six months of the end of their fiscal year.

The resource surcharge rate in effect at March 31, 2019:

- 3% of the value of sales of all potash, uranium, and coal produced in Saskatchewan, and oil and natural gas produced from wells drilled in Saskatchewan prior to October 1, 2002, and;
- 1.7% for oil and natural gas produced from wells drilled in Saskatchewan after September 30, 2002.

Only corporations that expect to pay at least \$4,800 of combined corporation capital tax and resource surcharge must remit equal monthly instalments of at least 75% of the tax payable for the first fiscal year. The Ministry levies interest charges on the difference between installments remitted and taxes due.

Source: www.publications.gov.sk.ca/documents/15/11613-CT-3%20Corporation%20Capital%20Tax%20Resource%20Surcharge.pdf (24 September 2019); www.saskatchewan.ca/business/taxes-licensing-and-reporting/provincial-taxes-policies-and-bulletins/corporation-capital-tax (19 September 2019).

Implementing effective processes to estimate resource surcharge revenue more reliably would provide the Government with better information upon which to base its financial plans. It would also give legislators and the public a more accurate picture of revenue it expects to earn from resource surcharges.

5.0 SUMMARY OF RELEVANT LEGISLATION

Finance:

The Executive Government Administration Act
The Ministry of Finance Regulations, 2007
The Corporation Capital Tax Act
The Corporation Capital Tax Regulations, 1984
The Financial Administration Act, 1993
The Fuel Tax Act, 2000
The Fuel Tax Regulations, 2000
The Income Tax Act, 2000
The Insurance Premiums Tax Act
The Liquor Consumption Tax Act
The Motor Vehicle Insurance Premiums Tax Act
The Provincial Sales Tax Act
The Provincial Sales Tax Regulations
The Revenue and Financial Services Act
The Revenue Collections Administration Regulations
The Tobacco Tax Act, 1998
The Tobacco Tax Regulations, 1998
 Orders in Council issued pursuant to the above legislation

Public Employees Pension Plan:

The Executive Government Administration Act
The Public Employees Pension Plan Act
The Public Employees Pension Plan Regulations, 2015
The Superannuation (Supplementary Provisions) Act
The Pension Benefits Act, 1992
The Pension Benefits Regulations, 1993
The Pension Benefits Standards Regulations, 1985 (Canada)

Judges of the Provincial Court Superannuation Plan:

The Executive Government Administration Act
The Financial Administration Act, 1993
The Pension Benefits Standards Regulations, 1985 (Canada) (Schedule III)
The Provincial Court Act, 1998
The Provincial Court Compensation Regulations
The Provincial Court Pension Plan Regulations
The Pension Benefits Act, 1992
The Pension Benefits Regulations, 1993
The Income Tax Act (Canada) (sections 147.1, 147.2, and 147.3)
The Income Tax Regulations (Canada) (sections 8501-8504, 8512, 8514, 8520)
The Superannuation (Supplementary Provisions) Act, (section 36.2)
 Orders in Council issued pursuant to the above legislation

Public Employees Benefits Agency Revolving Fund:

The Executive Government Administration Act
The Financial Administration Act, 1993
 Orders in Council issued pursuant to the above legislation

Public Service Superannuation Plan:

The Executive Government Administration Act (section 13)
The Public Service Superannuation Act
The Superannuation (Supplementary Provisions) Act

Public Employees Pension Plan (continued):

The Income Tax Act (Canada) (sections 147.1, 147.2, and 147.3)

The Income Tax Regulations (Canada) (sections 8501, 8505, 8512, 8514)

Orders in Council issued pursuant to the above legislation

Saskatchewan Pension Annuity Fund:

The Saskatchewan Pension Annuity Fund Act

The Saskatchewan Pension Annuity Fund Regulations
The Pension Benefits Act, 1992

The Pension Benefits Regulations, 1993

The Pension Benefits Standards Regulations, 1985
(Canada)

The Financial Administration Act, 1993

The Trustee Act, 2009

Orders in Council issued pursuant to the above legislation

Public Service Superannuation Plan (continued):

The Superannuation Acts Uniform Regulations

The Pension Benefits Act, 1992

The Income Tax Act (Canada) (sections 147.1, 147.2, and 147.3)

The Income Tax Act Regulations (Canada) (sections 8501-8505, 8512, 8514, 8520)

Orders in Council issued pursuant to the above legislation

Water Security Agency Retirement Allowance Plan:

The Executive Government Administration Act

The Financial Administration Act, 1993 (section 64)

The Crown Employment Contracts Act (section 8)

Orders in Council issued pursuant to the above legislation

Water Security Agency Retirement Allowance Plan Document

Chapter 7 Government Relations

1.0 MAIN POINTS

During 2018–19, the Ministry of Government Relations had effective rules and procedures to safeguard public resources other than in the following area.

The Ministry did not sufficiently review and update certain key accounting estimates. As a result, it:

- Missed recording treaty land entitlement obligations of \$22.8 million in fiscal years prior to 2018–19; it appropriately corrected this error in 2018–19
- Overstated its education property tax revenue of \$670.9 million by \$6.5 million for 2018–19

Not periodically reviewing and updating key accounting estimates for changes in circumstances increases the risk that the Ministry's financial records will be incorrect.

The Ministry complied with financial-related authorities.

2.0 INTRODUCTION

The Ministry of Government Relations is responsible for municipal relations, public safety, and for First Nations, Métis and northern affairs, as well as promoting community safety.¹ Its responsibilities include co-ordinating, developing, promoting, and implementing policies and programs:

- Related to cities, municipalities (urban, rural, northern) and matters of an inter-municipal nature
- With respect to matters affecting First Nations and Métis people
- To foster and advance development in northern Saskatchewan
- For emergency management, disaster assistance, fire commissioner services, and building accessibility and other safety standards
- For public safety (e.g., safety standards for boilers, pressure vessels, gas equipment and installations)²

Its policies and programs relate to community planning, development, and diversification of cities and municipalities; joint ventures related to municipalities; and administrative and

¹ www.saskatchewan.ca/government/government-structure/ministries/government-relations (16 September 2019).

² *The Ministry of Government Relations Regulations, 2019.*



technical advice provided to administrators/councils to support the effective and efficient operation of municipal governments, community facilities, and local government elections.

2.1 Financial Overview

For the year ended March 31, 2019, the Ministry generated revenues of \$837.8 million and expenses of \$623.3 million. **Figure 1** lists the Ministry's expenses by major programs. For further details, see the Ministry's 2018–19 Annual Report available on its website.³

Figure 1—Expenses by Major Program

	Estimates 2018–19 ^A	Actual 2018–19
	(in millions)	
Central Management and Services	\$ 9.3	\$ 6.9
First Nations, Métis and Northern Affairs	78.2	163.9
Municipal Relations	481.8	429.8
Saskatchewan Municipal Board	1.8	1.7
Public Safety	10.1	19.6
Total Appropriation	<u>581.2</u>	<u>621.9</u>
Capital Asset Acquisition	(2.3)	(1.6)
Capital Asset Amortization	<u>2.9</u>	<u>2.9</u>
Total Expense	<u>\$ 581.8</u>	<u>\$ 623.3</u>

Source: *Ministry of Government Relations 2018–19 Annual Report*

^A The Ministry obtained additional funding through supplementary estimates of \$95.1 million.

3.0 AUDIT CONCLUSIONS

In our opinion, for the year ended March 31, 2019, we found, in all material respects:

- **The Ministry of Government Relations had effective rules and procedures to safeguard public resources except as described in this chapter**
- **The Ministry of Government Relations complied with the following authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

The Appropriation Act
The Assessment Management Agency Act
The Assessment Management Agency Regulations
The Cities Act
The Education Property Tax Act
The Education Property Tax Regulations
The Executive Government Administration Act
The Financial Administration Act, 1993
The Government Relations Administration Act
The Indian and Native Affairs Act

The Municipal Board Act
The Municipal Grants Act
The Municipal Grants Regulations
The Municipalities Act
The Northern Municipalities Act, 2010
The Provincial Disaster Assistance Program Regulations, 2011
The Public Service Act, 1999
Public Service Regulations, 1999
The Purchasing Act, 2004
The Revenue and Financial Services Act

³ *Ministry of Government Relations 2018–19 Annual Report*. www.pubsaskdev.blob.core.windows.net/pubsask-prod/112657/2018-19GovernmentRelationsAnnualReport.pdf (16 September 2019).

The Legislative Assembly Act, 2007
The Members Conflict of Interest Act
Ministerial Assistant Employment
Regulations, 1993
The Ministry of Government Relations
Regulations, 2019
The Métis Act
The Members of Executive Council
Expense Regulations, 1988

The Saskatchewan Gaming Corporation Act
 (Part III.01 and III.1)
The Saskatchewan Natural Resources
Transfer Agreement (Treaty Land
Entitlement) Act
2002 Gaming Framework Agreement
 Orders in Council pursuant to the above
 legislation

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of the Ministry's controls.

We focused our audit on areas where the Ministry has significant financial activities. The audit included testing the Ministry's:

- Controls for awarding grants, approving grant payments, and monitoring municipalities' compliance with federal and provincial funding agreements as it receives and distributes significant funding for various municipal programs.
- Controls for managing disaster claims and recovering amounts from the Federal Government, including processes for making and recording significant accounting estimates. The Ministry provides significant financial assistance to individuals and organizations for provincial disaster claims and expects to receive reimbursement from the Federal Government for a portion of the amount it pays.
- Controls for monitoring the compliance with the *2002 Gaming Framework Agreement* and paying grants under this Agreement. The Ministry provides under this Agreement significant funding annually to the First Nations Trust and six Community Development Corporations based on profits Saskatchewan casinos earn.⁴
- Processes to estimate amounts owed for Treaty Land Entitlement settlements and education property tax revenue.

4.0 KEY FINDINGS AND RECOMMENDATION

4.1 Improved Processes Needed to Make Key Accounting Estimates

In 2018–19, the Ministry had two significant errors in its financial records because of inadequate processes to prepare key accounting estimates.

Treaty Land Entitlement Agreement Obligations

The Ministry did not follow Canadian public sector accounting standards when recording amounts due under Treaty Land Entitlement agreements. It missed recording a \$22.8 million liability for Treaty Land Entitlement agreement obligations for claims verified

⁴ In accordance with the *2002 Gaming Framework Agreement* and *The Saskatchewan Gaming Corporation Act* (for the First Nations Trust).



by the Federal Government in fiscal years prior to 2018–19. The Ministry corrected this error in 2018–19.

The Federal Government uses Treaty Land Entitlement agreements to fulfill its legal obligation to provide the promised amount of reserve land agreed to in its treaties with certain First Nations in Saskatchewan. In 1930, Canada passed a series of Natural Resources Transfer Acts, which transferred federally controlled lands to the prairie provinces, including Saskatchewan.

These Acts require Saskatchewan to give the Government of Canada unoccupied Crown land to assist in fulfilling its outstanding obligations to First Nations. The Federal Government, the Provincial Government and First Nations agreed on a compensation formula to allow First Nations to purchase other lands if the Provincial Government has no or insufficient unoccupied Crown land available. The Federal Government and the Provincial Government agreed to share these costs on a 70/30 basis respectively.⁵

Prior to 2018–19, contrary to Canadian public sector accounting standards, the Ministry recorded Saskatchewan's obligation under these agreements when the three parties signed a final agreement. Canadian public sector accounting standards require recording obligations when there is an appropriate basis of measurement and a reasonable estimate can be made of the amount involved.

In 2018–19, the Ministry appropriately determined it should record an obligation when the Federal Government verifies the claims, and the Ministry has a reasonable basis to estimate its obligation. As a result, the Ministry recorded a liability of \$100.2 million at March 31, 2019. However, following Canadian public sector accounting standards, it should have recorded \$22.8 million of this amount prior to 2018–19. This is because the Federal Government verified some of these claims before 2018–19 giving the Ministry a reasonable basis to estimate the \$22.8 million.

Education Property Tax Revenue

Other than for the following matter, the Ministry had processes to reasonably estimate education property tax revenue (e.g., reconciliations and other analysis). Those processes did not consistently identify when separate school divisions decided to administer and collect education property taxes levied for their division.

Effective January 1, 2018, the Ministry became responsible for administering education property tax and recording the associated revenue, except for the City of Lloydminster and certain separate school divisions.⁶ Separate school divisions can pass bylaws to administer their own education property taxes.⁷

In January 2019, four separate school divisions began collecting education property tax levied for their division, and recording these amounts in their financial records.

⁵ Set out in the 1992 Framework Agreement between the Government of Canada, the Government of Saskatchewan and certain First Nation Bands.

⁶ *The Education Property Tax Act* (s. 3) assigns responsibility for the “establishment, operation, collection, administration or management of school tax” to the Minister of Government Relations. Under *The Financial Administration Act, 1993*, revenues collected by the Ministry are deposited into the General Revenue Fund.

⁷ *The Education Property Tax Act*, s.7(1).

However, the Ministry did not adjust its estimation process to exclude estimated revenue for one of these separate school divisions.

As a result, in 2018–19, the Ministry incorrectly recorded \$6.5 million in education property tax revenue in its financial records. The Ministry recorded \$670.9 million in education property tax revenue in 2018–19.

Not periodically reviewing and updating key accounting estimates for changes in circumstances increases the risk that the Ministry's financial records will be incorrect. As a result, the Government and the public may use incorrect financial information to make decisions.

- 1. We recommend the Ministry of Government Relations regularly review and update the processes it uses to make key accounting estimates (e.g., for education property tax revenues, treaty land entitlement obligations).**

Chapter 8

Justice and Attorney General

1.0 MAIN POINTS

The Ministry of Justice and Attorney General and its agencies had effective rules and procedures to safeguard public resources except that staff did not always ensure prompt removal of unneeded access for former employees to the Ministry's computer systems. Not following established processes makes the Ministry's data and systems vulnerable to unauthorized access or inappropriate modifications.

During 2018–19, the Ministry, its agencies, and its special purpose funds complied with the financial authorities governing their activities related to financial reporting, safeguarding public resources, spending, revenue raising, borrowing, and investing.

The 2018–19 financial statements of the Ministry's agencies and special purpose funds are reliable.

2.0 INTRODUCTION

The mandate of the Ministry of Justice and Attorney General is to provide a fair justice system that upholds the law and protects the rights of all individuals in Saskatchewan; promotes safe and secure communities; and provides legal and justice policy advice to the Government.¹

The Ministry of Justice and Attorney General and the Ministry of Corrections and Policing jointly share supports for aspects of their activities, called Integrated Justice Services. This enables the strategic integration of the justice system through the provision of joint services, processes and functions to these ministries.² Areas of joint support include finance, planning, communications, capital investments and improvement, and certain community safety initiatives and programming.

This chapter includes the results of our annual integrated audit of Justice and Attorney General, its agencies, and its special purpose funds for the year ended March 31, 2019.

2.1 Financial Overview

For the year ended March 31, 2019, the Ministries of Justice and Attorney General and Corrections and Policing had combined revenues totalling \$109.6 million comprised primarily of fines and fees, and transfers from federal and municipal governments.³ In addition, as shown in **Figure 1**, they spent \$644 million on their programs in 2018–19. At March 31, 2019, the Ministry of Justice and Attorney General had \$13 million accounts receivable and \$3 million accounts payable.

¹ Ministry of Corrections and Policing, Ministry of Justice and Attorney General, *Annual Report for 2018–19*, p. 5.

² *Ibid.*

³ *Ibid.*, p. 24.

**Figure 1—Combined Expenses of the Ministries of Justice and Attorney General and Corrections and Policing, and Integrated Justice Services by Program**

	Original Estimates 2018–19 ^A	Actual 2018–19 ^B
(in millions)		
Central Management and Services ^{C,D,E}	\$ 51.1	\$ 49.2
Integrated Services ^C	35.1	37.9
Capital and Improvements ^C	<u>13.3</u>	<u>10.7</u>
Jointly Administered	99.5	97.8
Courts and Civil Justice ^D	65.8	64.7
Innovation and Legal Services ^D	38.1	36.5
Boards, Commissions, and Independent Offices ^D	<u>38.5</u>	<u>40.3</u>
Ministry of Justice and Attorney General	142.4	141.5
Policing and Community Safety Services ^E	221.9	217.0
Custody, Supervision, and Rehabilitation Services ^E	175.9	185.2
Demand Reduction and Modernization ^E	5.0	3.5
Saskatchewan Police Commission ^E	<u>1.5</u>	<u>1.5</u>
Ministry of Corrections and Policing	<u>404.3</u>	<u>407.2</u>
Total Appropriations^{C,D,E}	<u>646.2</u>	<u>646.5</u>
Capital Asset Acquisitions ^{C,D,E}	(13.3)	(9.2)
Capital Asset Amortization ^{C,D,E}	<u>6.5</u>	<u>7.1</u>
Total Expense	<u>\$ 639.4</u>	<u>\$ 644.4</u>

Source: Ministry of Corrections and Policing, Ministry of Justice and Attorney General, *Annual Report for 2018–19*, pp. 22–23.

^A During 2018–19, the Ministry of Justice and Attorney General received a supplementary estimate of \$1 million, and the Ministry of Corrections and Policing received a supplementary estimate of \$2.78 million.

^B Integrated Justice Services' actual expense is overstated by \$1.9 million due to including an unauthorized government transfer.

^C Vote 91 Integrated Justice Services.

^D Vote 3 Ministry of Justice and Attorney General.

^E Vote 73 Ministry of Corrections and Policing.

2.2 Special Purpose Funds and Agencies

We have reported the results of our audits of special purpose funds in **blue font** in the chapter identified. This chapter reports the results of our audit of Justice and Attorney General, the five remaining special purpose funds, and two Crown agencies.

At March 31, 2019, Justice and Attorney General was responsible for the following special purpose funds and Crown agencies, each with a March 31 year-end.

Special Purpose Funds:

Office of Residential Tenancies – Director's Trust Account

Provincial Mediation Board Trust Accounts

Public Guardian and Trustee of Saskatchewan

Queen's Printer Revolving Fund

Victims' Fund ([Chapter 9](#))

Crown Agencies:

Financial and Consumer Affairs Authority of Saskatchewan
 Law Reform Commission of Saskatchewan
 Saskatchewan Legal Aid Commission

3.0 AUDIT CONCLUSIONS

In our opinion, for the year ended March 31, 2019, we found, in all material respects:

- **The Ministry of Justice and Attorney General, two of its agencies, and one of its special purpose funds had effective rules and procedures to safeguard public resources except for the matter described in this chapter⁴**
- **The Ministry of Justice and Attorney General, its agencies, and its special purpose funds complied, in all significant respects, with the provisions of the legislative and related authorities listed in Section 5.0 pertaining to their financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing activities**
- **The financial statements of the Ministry's agencies and funds are reliable**

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of the Justice and Attorney General's and its agencies' controls.

In our audit, we paid particular attention to the following: the Ministry's processes to track its contractual obligations and its processes to ensure timely removal of user access to IT systems.

4.0 KEY FINDINGS AND RECOMMENDATION

4.1 Timely Removal of User Access Needed

We recommended the Ministry of Justice and Attorney General follow its established procedures for removing unneeded user access to its computer systems and data. (2015 Report – Volume 2, p. 74, Recommendation 2; Public Accounts Committee agreement January 11, 2017)

Status—Partially Implemented

Justice and Attorney General inconsistently followed its procedures for ensuring only authorized individuals retain access to its IT systems and data. Its policies require users' IT access be removed immediately once they leave the Ministry.

⁴ Our Office issues a separate report on internal controls for the Public Guardian and Trustee of Saskatchewan, Financial and Consumer Affairs Authority of Saskatchewan, and Saskatchewan Legal Aid Commission.



For the 2018–19 fiscal year, we found:

- For 1 of 12 users tested, Justice and Attorney General staff did not ask the Ministry of Central Services to remove network access promptly; staff submitted the request 19 days after the user no longer worked at the Ministry
- For three of six users tested, Justice and Attorney General staff did not ask for the removal of access to significant applications on a timely basis (e.g., two users had access for over 150 days after the user no longer worked at the Ministry)

Significant applications include the Criminal Justice Information Management System (CJIMS) and the Multi-Informational Database Applications system (MIDAS Financials). Justice and Attorney General uses CJIMS to maintain data on custody, supervision, and rehabilitation of offenders; and to track the collection of fines. It uses MIDAS Financials to record its revenue and expense transactions.

In early 2018–19, the Public Service Commission started notifying staff at Justice and Attorney General when employees no longer worked at the Ministry. Management noted this process helped them improve timeliness in requesting removal of access when employees no longer worked at the Ministry.

Justice and Attorney General continues to work on establishing additional processes to ensure it promptly and consistently requests removal of unneeded user access.

Not promptly removing unneeded user access increases the risk of unauthorized access to IT systems and data, including confidential information, and of inappropriate modifications to IT systems or data.

5.0 SUMMARY OF RELEVANT LEGISLATION

Justice and Attorney General

The Administration of Estates Act
The Administration of Estates Regulations
The Community Justice Programs Regulations
The Enforcement of Maintenance Orders Act, 1997
The Enforcement of Maintenance Orders Regulations, 2009
The Executive Government Administration Act
The Financial Administration Act, 1993
The Justice and Attorney General Act
The Ministry of Justice Regulations, 2016
The Provincial Court Act, 1998
The Provincial Court Compensation Regulations
The Public Service Act, 1998
The Purchasing Act, 2004
The Queen's Bench Act, 1998
The Queen's Bench Regulations
The Summary Offences Procedure Act, 1990
The Fine Option Program Regulations, 1991
The Summary Offences Procedure Regulations, 1991
The Victims of Crime Regulations, 1997
The Youth Justice Administration Act
 Orders in Council issued pursuant to the above legislation

Financial and Consumer Affairs Authority of Saskatchewan

The Cemeteries Act, 1999
The Collection Agents Act
The Collection Agents Regulations
The Consumer Protection and Business Practices Act
The Credit Union Act, 1998
The Credit Union Regulations, 1999
The Direct Sellers Act
The Direct Sellers Regulations, 1997
The Financial and Consumer Affairs Authority of Saskatchewan Act
The Mortgage Brokers and Mortgage Administration Act
The Mortgage Brokers and Mortgage Administration Regulations
The Motor Dealers Act
The Motor Dealers Regulations
The Payday Loans Act
The Payday Loans Regulations
The Pension Benefits Act, 1992
The Pension Benefits Regulations, 1993
The Saskatchewan Insurance Act
The Saskatchewan Insurance Regulations, 2003

Public Guardian and Trustee of Saskatchewan

The Administration of Estates Act
The Administration of Estates Regulations
The Adult Guardianship and Co-decision-making Act
The Adult Guardianship and Co-decision-making Regulations
The Children's Law Act, 1997
The Dependent's Relief Act, 1996
The Executive Government Administration Act
The Missing Persons and Presumption of Death Act
The Missing Persons and Presumption of Death Regulations
The Pension Benefits Act, 1992
The Pension Benefits Regulations, 1993
The Pension Benefits Standard Regulations 1985 (Canada)
The Public Guardian and Trustee Act
The Public Guardian and Trustee Regulations
The Trustee Act, 2009
 Orders in Council issued pursuant to the above legislation

Queen's Printer Revolving Fund

The Queen's Printer Act
The Queen's Printer Fees Regulations, 2004
The Purchasing Act, 2004
The Executive Government Administration Act
The Financial Administration Act, 1993
 Orders in Council issued pursuant to the above legislation

Law Reform Commission of Saskatchewan

The Law Reform Commission Act
The Executive Government Administration Act
 Orders in Council issued pursuant to the above legislation

Financial and Consumer Affairs Authority of Saskatchewan (Continued)

The Securities Act, 1988
The Securities Regulations
The Trust and Loan Corporations Act, 1997
The Trust and Loan Corporations Regulations, 1999
The Executive Government Administration Act
 Orders in Council issued pursuant to the above legislation

Office of Residential Tenancies – Director's Trust Account

The Residential Tenancies Act, 2006
The Residential Tenancies Regulations, 2007
The Executive Government Administration Act
The Financial Administration Act, 1993
 Orders in Council issued pursuant to the above legislation

Provincial Mediation Board Trust Accounts

The Provincial Mediation Board Act
The Provincial Mediation Board (Fees) Regulations
The Bankruptcy and Insolvency Act (Canada), Part III and X
Orderly Payments of Debt Regulations
The Tax Enforcement Act
The Executive Government Administration Act
The Financial Administration Act, 1993
 Orders in Council issued pursuant to the above legislation

Saskatchewan Legal Aid Commission

The Legal Aid Act
The Legal Aid Regulations, 1995
The Executive Government Administration Act
 Orders in Council issued pursuant to the above legislation

Chapter 9 Justice and Attorney General—Victims' Fund

1.0 MAIN POINTS

In 2018–19, the Ministry of Justice and Attorney General did not prepare, in a timely way, key supporting documents for the Victims' Fund's financial statements for management's review. Preparing key supporting documents at the same time as draft financial statements allows management to effectively review financial statements for accuracy and completeness.

The Ministry submitted claims for its federal cost-sharing agreements related to the Fund's activities within a reasonable timeframe during 2018–19.

In 2018–19, the Fund had reliable financial statements. The Ministry also complied with the authorities governing the Fund's activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.

2.0 INTRODUCTION

The Victims' Fund receives all provincial and federal fine surcharges assessed under *The Victims of Crime Act, 1995*, and under the *Criminal Code of Canada*.¹ The Act permits expenditures from the Fund to promote and deliver services and benefits to victims; conduct research and distribute information respecting victims' services, needs, and concerns; and for crime prevention and administration.

The Ministry of Justice and Attorney General administers and collects assessed surcharges on behalf of the Fund.

2.1 Financial Overview

As shown in **Figure 1**, for the year ended March 31, 2019, the Fund had revenues of \$16.5 million and expenses of \$22.6 million resulting in an annual deficit of \$6.1 million. At March 31, 2019, the Fund had an accumulated surplus of \$5.0 million (March 31, 2018: \$11.1 million).

Figure 1—Summary of 2018–19 Financial Results

	Budget 2018–19	Actual 2018–19
	(in millions)	
Surcharge revenue	\$ 13.8	\$ 14.2
Federal cost sharing revenue	-	1.5
Investment income, gain and other	1.2	0.8
Total Revenue	\$ 15.0	\$ 16.5

¹ *The Victims of Crime Act* established the Victims' Fund; it continues under the authority of *The Victims of Crime Act, 1995*.



	Budget 2018–19	Actual 2018–19
	(in millions)	
Administration costs	\$ 0.9	\$ 1.0
Bad debt	1.0	1.6
Crime prevention grants and crisis intervention services	4.7	5.1
Compensation payments	1.2	1.1
Research, evaluation, and prevention	0.8	1.0
Interpersonal violence and abuse programs	10.1	10.1
Federal cost sharing agreements	1.2	1.0
Other	<u>1.6</u>	<u>1.7</u>
Total Expense	\$ 21.5	\$ 22.6
Annual Deficit	\$ 6.5	\$ 6.1
Net Financial Assets	\$ --	\$ 5.0

Source: Ministry of Justice and Attorney General – Victims' Fund Financial Statements for the Year Ended March 31, 2019.

3.0 AUDIT CONCLUSIONS

In our opinion, for the year ended March 31, 2019, we found, in all material respects:

- **The Ministry complied with the following authorities governing the Fund's activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

The Victims of Crime Act, 1995
The Victims of Crime Regulations, 1997
Criminal Code (s. 737)

The Executive Government Administration Act
The Financial Administration Act, 1993
 Orders in Council issued pursuant to the above legislation

- **The Fund had reliable financial statements**

In addition to the above opinions, in **Section 4.0**, we bring the results of other significant matters to the attention of the Legislative Assembly.

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. The audit included reviewing the data and assumptions used to determine the collectability of the Fund's accounts receivable, including fine surcharges. It also assessed the Fund's accounting treatment of transfers for the federal–provincial cost-sharing agreements (Family Information Liaison Unit, legal advice for victims of sexual offenders, engaging victims in a restorative process, and enhancement of services to victims of crime).

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Timely Preparation of Supporting Documents Needed

The Ministry did not prepare, in a timely way, key supporting documents for the Fund's financial statements for management's review.

The Ministry did not give us all of the key documents to support the Fund's draft 2018–19 financial statements until two months after we received the initial draft of the statements (July 2019). It gave us an initial draft in May 2019.

In addition, the Ministry's initial draft of the Fund's 2018–19 financial statements incorrectly included a \$1.9 million unauthorized government transfer. Management, after it prepared these statements, determined this transaction was not properly authorized; but it did not make that determination and share its rationale until five months after year-end in September 2019. The Ministry appropriately corrected this error.

Preparing key supporting documents at the same time as draft financial statements allows management to effectively review financial statements for accuracy and completeness. It also reduces the time it takes to perform an audit.

1. **We recommend the Ministry of Justice and Attorney General—Victims' Fund prepare key supporting documents at the same time as it prepares its financial statements.**

4.2 Timely Submission of Federal Claims

We recommended that the Ministry of Justice and Attorney General—Victims' Fund submit claims for its federal cost-sharing agreements within the deadline dates set out in agreements. (2018 Report – Volume 2, p. 58, Recommendation 1; Public Accounts Committee agreement September 26, 2019)

Status—Implemented

The Ministry submitted claims for its federal cost-sharing agreements related to the Fund's activities within a reasonable timeframe.

The Ministry entered into four cost-sharing agreements with the Federal Government related to the Fund's activities for the year-ended March 31, 2019. Under these agreements, the Federal Government reimburses the Fund for allowable expenditures after it receives claims from the Fund. Allowable expenditures include salaries, training, and supplies related to specific programs.

In 2018–19, the Ministry submitted claims seeking reimbursement from the Federal Government for allowable expenditures within the deadlines set out in each of the federal cost-sharing agreements. It submitted interim requests for payments, where applicable, and final claims for prior years.

Promptly submitting claims for allowable expenditures incurred under federal cost-sharing agreements results in better cash management as it allows for timely receipt of cash from the Federal Government.

Chapter 10 Provincial Capital Commission

1.0 MAIN POINTS

This chapter reports the results of the 2018–19 audit of the Provincial Capital Commission, which was established in June 2017.

In 2018–19, the Provincial Capital Commission had effective rules and procedures to safeguard public resources and complied with authorities governing its activities other than its processes to approve major developments in Wascana Centre.

Wascana Centre is comprised of 2,300 acres of land extending from downtown Regina to the outskirts of the city. *The Provincial Capital Commission Act* gives the Commission the authority to review and approve major development projects (e.g., new buildings) in Wascana Centre. The Act expects new buildings constructed in Wascana Centre to be consistent with the Master Plan.¹ The Act places an onus on the Commission and its Board to make sure major developments in Wascana Centre are consistent with the Master Plan.

The Commission needs to:

- Develop written expectations for public consultations for major amendments to the Master Plan. Public consultations allow for public input on major development proposals.
- Publish its design review steps for major developments in Wascana Centre, and keep the public informed about the status of major developments. This would promote awareness and understanding, by proponents and the public, of the steps involved in reviewing and approving major developments.
- Clearly document in its Board minutes how major developments conform to the Master Plan as required by *The Provincial Capital Commission Act*.
- Establish agreements with building owners of major developments in Wascana Centre to facilitate control of the building use and conformity with *The Provincial Capital Commission Act* and the Master Plan.

The 2018–19 financial statements of the Provincial Capital Commission were reliable.

2.0 INTRODUCTION

2.1 Background

The Provincial Capital Commission Act established the Provincial Capital Commission effective June 12, 2017.² The former Wascana Centre Authority continued as the newly formed Commission.

¹ The Master Plan is a public document intended to guide future development and conservation of Wascana Centre for about a seven-year period.

² When the Commission came into existence on June 12, 2017, *The Wascana Centre Act* was repealed and *The Provincial Capital Commission Act* came into effect.



The Commission is a statutory partnership of public landowners of Wascana Centre located in Regina, Saskatchewan between the Provincial Government, the City of Regina, and the University of Regina.

A cabinet-appointed Board comprised of one City of Regina nominated member, one University of Regina nominated member, and three government-appointed members governs the Commission.

The Commission's mandate is to enhance the quality of life for our citizens through the celebration and creation of opportunities, stewardship of the land, and engagement of our youth about democracy and provincial history. The Commission also promotes, preserves, and strengthens our diverse heritage and culture to ensure that Saskatchewan's capital city (i.e. Regina) is a source of provincial pride and significance. The Commission is dedicated to providing enhanced visitor experiences and educational programming in Wascana Centre and at Government House.³

Wascana Centre is comprised of 2,300 acres of land surrounding an artificial lake (i.e., Wascana Lake). It extends from downtown Regina to the outskirts of the city. It is home to the Provincial Legislature, the University of Regina, a series of municipal parks, a centre of performing arts, and a waterfowl reserve.

2.2 Financial Overview

As set out in **Figure 1**, in 2018–19, the Commission had revenues and expenses of \$11.8 million and \$9.5 million respectively, and a surplus of \$2.3 million. During the year, the Commission received over 90% of its revenue through grants. At March 31, 2019, it held assets of \$12.3 million, including capital assets of \$3.4 million.

Figure 1—Revenues and Expenses

	Actual 2018–19	Actuals 2017–18 ^A
	(in millions)	
Grants – Government of Saskatchewan: Ministry of Central Services	\$ 7.1	\$ 3.6
Grants – City of Regina	2.7	2.7
Grants – University of Regina	0.8	0.8
Grants – Other	-	0.2
Total Grants	\$ 10.6	\$ 7.3
Service Revenue	0.8	1.1
Rental Revenue	0.2	0.2
Other Revenue	<u>\$ 0.2</u>	<u>\$ 0.2</u>
Total Revenues	\$ 11.8	\$ 8.8

³ www.saskatchewan.ca/government/government-structure/boards-commissions-and-agencies/provincial-capital-commission (28 May 2019).

	Actual 2018–19	Actuals 2017–18 ^A
	(in millions)	
Salaries and Benefits	4.5	4.9
Contractual Services and Materials	2.4	3.1
Accommodation	2.1	-
Total Expenses	\$ 9.5	\$ 8.4
Surplus for the Year	\$ 2.3	\$ 0.4

Source: Provincial Capital Commission 2018–19 audited financial statements.

^A 2017–18 figures do not include funding for operating costs related to Government House or Territorial Building.

3.0 AUDIT CONCLUSIONS

In our opinion, for the year ended March 31, 2019, we found, in all material respects:

- **Provincial Capital Commission had effective rules and procedures to safeguard public resources except for matters described in this chapter**
- **Provincial Capital Commission complied with the following authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing except for matters described in this chapter**

The Provincial Capital Commission Act
Orders in Council issued pursuant to the above legislation

- **Provincial Capital Commission had reliable financial statements**

We used standards for assurance engagements published in the *CPA Canada Handbook — Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework published by COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of the Commission's controls.

Our audit focused on the Commission's processes to properly record revenue, accurately and completely track contractual arrangements and obligations, and approve constructions and improvements consistent with applicable authorities.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Well-Defined Processes for Public Consultation on Major Developments Needed

The Commission has not established expectations and procedures for public consultation it expects proponents to undertake for major developments in Wascana Centre.⁴ Public feedback helps the proponent and the Commission better understand the aspirations,

⁴ Proponent is a person who puts forward a proposition or proposal for major development or use of public land within Wascana Centre.



interests, wishes, and proposals from various stakeholders before making decisions about proposed major development projects.

The Provincial Capital Commission Act [section 7–3 and 7–5] requires new buildings constructed in Wascana Centre to be consistent with the Master Plan. The Master Plan is a public document intended to guide the future development and conservation of Wascana Centre.⁵

The most recent Plan is the *Wascana Centre 2016 Master Plan*, published under *The Wascana Centre Authority Act* and continues under the new Act.⁶ The five purposes of Wascana Centre outlined in the 2016 Master Plan include the seat of Government, education and research, cultural arts, recreational opportunities and conservation of the environment. The Plan indicates the next review of the Master Plan is 2023 (seven years from 2016).

The current Master Plan and the Commission’s Land Use and Development Policy (last updated September 2015) both expect public consultation for major amendments to the Plan. They make the party (proponent) proposing and advocating for a particular development project responsible for conducting and incurring the costs associated with a public consultation process, when the Commission requires a public consultation process.

However, neither the Master Plan nor the Commission’s policies clearly define what constitutes major amendments. Also, neither provide criteria to help the Commission determine when it should require the proponent to conduct public consultation. Furthermore, the Commission does not have any written procedures to help proponents and its staff determine the appropriate nature and extent of public consultation. For example, it has not determined at what stage during the development approval process it expects consultation to occur, potential/desired methods on informing the public of consultations, and processes for conducting consultations.

Ideally, expected procedures about public consultation would be scalable to the nature and size of the project proposal and give the public appropriate opportunity for input at key stages.

The Commission (and its predecessor) views the two recent major development projects in Wascana Centre we examined as major amendments to the Master Plan that required public consultations.

We found while the respective proponent conducted public consultations for each of these projects, the nature and extent of public consultations varied significantly. For one project, public consultation included numerous forums to allow for public input. For the other project, a one-hour public consultation occurred with about 50 people in attendance.

Having written public consultation expectations and processes would provide proponents a clear understanding of what is expected of them when proposing major development projects. It would support a consistent, transparent, and rigorous review process for major

⁵ The role of the Master Plan is to ensure that ongoing development, both landscape and institutional, furthers the mandate upon which Wascana Centre was founded — the seat of Government, education and research, cultural arts, recreational opportunities and conservation of the environment.

⁶ http://wascana.ca/pub/pdfs/2016-04-07%20WCA_Screen.pdf (28 June 2019).

amendments to the Master Plan. In addition, sharing established processes with the public would show the Commission is committed to obtaining public input, so that it receives sufficient public input when making decisions about major development proposals.

1. **We recommend the Provincial Capital Commission make public written processes about the timing, nature, and extent of public consultations for major amendments to the Wascana Centre Master Plan.**

4.2 Clear Communication of Design Review Process for Major Developments Required

The Commission does not give the public sufficiently understandable information about its review and approval procedures for major development projects in Wascana Centre, or clear information about the status of each project (e.g., stage in process).

Under *The Provincial Capital Commission Act* [section 7–1], no person shall undertake an improvement in Wascana Centre without the Commission giving its approval to do so.

The Commission has a well-defined written process to review and approve proposed improvements. It appropriately varies the extent of reviews and approvals on the nature and size of the proposed improvement. For example, it requires less detailed reviews and approvals for small projects (e.g., renovations to interior of existing structures), and more detailed ones for major improvements. In practice, major improvements include constructions of new buildings or major renovations to existing buildings in Wascana Centre.

For major improvements, the Commission requires reviews and approvals at numerous stages (e.g., conceptual phase, detailed design phase) prior to construction or renovation starting. Its Land Use and Development Policy includes details as to what the proponent's submissions should contain at each stage. In addition, its step-by-step outline of the typical process for major developments in Wascana Centre sets out 19 steps.

The requirements for submissions, reviews, and approvals, and therefore the costs and time required for each step can be extensive for major developments. It is important that both proponents and the public have a clear understanding of the design review process for major developments.

We found the Commission shared its step-by-step outline with the proponents of the two recent major development projects. Its communications with these proponents sufficiently reinforced steps completed, and steps remaining.

However, we found the Commission gave the public limited information about its processes to review and approve improvements, and the status of proposed major developments. The information available to the public is primarily the 2016 Master Plan, and responses to media requests.⁷

⁷ http://wascana.ca/pub/pdfs/2016-04-07%20WCA_Screen.pdf (28 June 2019).



We found the 2016 Master Plan, a 155-page document, includes a high-level overview of the design review of proposed improvements, and the roles of the various parties involved in the review process.⁸

We found the description in the Plan somewhat technical and unclear compared to the Commission's clear and understandable step-by-step outline.

Also, for the two major development projects we examined, the Commission did not keep the public informed about the status of its reviews and approvals for these developments. As of June 2019, one project was at step 12 of 19 — Architectural Advisory Committee preliminary and detailed design submission by the proponent, and the other was at step 19 of 19 — Building Construction.

Not making adequate information available to the public about required steps and procedures for major developments can lead to confusion and misunderstanding. A set of well-defined, accessible and understandable steps and procedures would promote awareness and understanding by potential proponents and the public.

2. We recommend the Provincial Capital Commission publish, using clear language, its design review process for major developments in Wascana Centre.

In addition, keeping the public informed about the status of each proposed major development would help them better understand the project status and their opportunities to provide input.

3. We recommend the Provincial Capital Commission keep the public informed about the status of each proposed and approved major development in Wascana Centre until its completion.

4.3 Documentation of Conformity to the Master Plan Necessary

The Board did not always receive, as required by law, formal recommendations from the Architectural Advisory Committee about the concept design stage before approving the proposed concept design, or document how it confirmed the proposed design was consistent with the Master Plan before granting approval.

Like *The Wascana Centre Act* (repealed), *The Provincial Capital Commission Act* places an onus on the Commission and its Board to make sure improvements and buildings in Wascana Centre are consistent with the Master Plan.

The Act contemplates the use of an Architectural Advisory Committee. The Committee's terms of reference (last updated October 2010) expects the Committee to review proposed major building construction at various stages (e.g., at the early conceptual design stage, and periodically throughout design development) and to advise the Board on whether to approve a project submission based on its architectural merit and conformity with the Master Plan. The Board is not compelled to accept the Committee's recommendation if it is satisfied the plan is consistent with the Master Plan. See **Figure 2** for summarized requirements of the Act for approving building construction and improvements.

⁸ *Wascana Centre 2016 Master Plan*, Section 6.1 Design Review of Proposed Improvement (pp. 116 to 119).

The Architectural Advisory Committee, by law, is comprised of at least two members, and the majority of members must be architects other than landscape architects.⁹ Requiring these credentials helps ensure the Committee has expertise to assess proposed projects, and give the Board sound advice. During 2018–19, the Committee was comprised of three members—two design architects and one landscape architect.

Figure 2—Summarized Requirements for Approving Building Construction and Improvements in Wascana Centre

In situations where the value of the proposed building will be less than the prescribed value; or the proposed building is of a temporary nature and the Commission has waived conformity with the Master Plan, the Board can approve the construction of a building.

Otherwise, the Board shall not approve the construction of a building unless:

- (a) the person or participating party requesting approval of the proposed building submits all plans, elevations, specifications and models relating to the exterior of the proposed building that the Commission requires; and
- (b) the Architectural Advisory Committee recommends approval by the Board of the proposed building on the ground that it is consistent with the Master Plan OR conversely, where the Board is satisfied that the plan respecting the proposed building is consistent with the Master Plan.

The Commission shall not make an improvement on public land unless it considers the proposed improvement to be consistent with the Master Plan.

Source: *The Provincial Capital Commission Act*.

For each of the two major development projects we examined, the Board approved the conceptual design without receiving a formal recommendation from the Architectural Advisory Committee that the project was consistent with the Master Plan. We found the Board agenda packages and minutes related to each Board decision to approve the project at the conceptual design stage did not contain any formal recommendation from the Committee.

We also found, for one of the major development projects, the Board approved the new building despite it non-conforming with the Master Plan. This means the Board knew the project did not conform to the Plan when it approved it at the conceptual design stage.

For the other project, the Board packages and minutes did not contain information:

- As to the views of the Architectural Advisory Committee at the design concept stage, nor
- As to whether the Board was satisfied the major development was consistent with the Master Plan prior to granting approval of this stage

Without clear documentation as to how proposed new buildings and improvements conform to the Master Plan, the Commission cannot show that it complied with provisions of *The Provincial Capital Commission Act*.

4. We recommend the Provincial Capital Commission clearly document in its Board minutes how major improvements and developments it approves conform to the Wascana Centre Master Plan.

⁹ *The Wascana Centre Act*, repealed, had the similar requirements.



4.4 Formal Requirements with Owners of Buildings in Wascana Centre Needed

The Commission has not set or communicated requirements of owners of buildings in Wascana Centre or their tenants to ensure, on an ongoing basis, conformity of the building and its use with the Master Plan.

Under *The Provincial Capital Commission Act* [section 3-1(1)], the Commission may control the use of land in Wascana Centre in accordance with the Master Plan. Under its Land Use and Development Policy, the Commission (upon major project completion and prior to occupancy) is to establish agreements with building owners detailing operating procedures, operational and maintenance requirements, tenant approvals, and levels of service contracts. Furthermore, under the Commission's bylaws, no person shall carry on any commercial activity unless licensed by the Commission to do so.

As of June 2019, the Commission did not have any agreements with building owners of major developments in Wascana Centre over the areas contemplated in its Land Use and Development Policy or bylaws. For example, it did not formally require building owners to seek its approval in instances of proposed changes to exterior design, change in use (such as significant changes in type of tenants), or change in or assignment of control (such as change in building ownership).

Furthermore, the Commission does not request or maintain copies of lease agreements between landowners (lessors) and their tenants (lessees/building owners) to determine whether provisions of those agreements are consistent with the Act and Master Plan.¹⁰ In addition, it had not determined whether those agreements included provisions to help it ensure alignment of future decisions about the building and its use with the Act and the Master Plan.

Our review of provisions of a land lease agreement for one major project found provisions, if exercised, would give the Commission sufficient ability to ensure alignment of future lessee decisions with the Act and the Master Plan. For example, it stated, if required by the Commission, the lessee shall obtain the consent in writing of the Commission to any sublease. As of June 2019, the Commission had not placed any requirements on this lessee (building owner).

Without having a formal mechanism to approve key changes to major buildings in Wascana Centre and tenants thereof, the Commission does not have mechanisms to ensure conformity of those buildings and their use with the five purposes outlined in the Master Plan. Agreements provide a basis for common understanding, and monitoring of performance. They also provide an opportunity to outline consequences of non-compliance.

5. We recommend the Provincial Capital Commission establish agreements with building owners of major developments in Wascana Centre to facilitate control of building use and conformity with *The Provincial Capital Commission Act* and the Wascana Centre Master Plan in effect.

¹⁰ The University of Regina and the Government of Saskatchewan had land lease agreements with tenants in relation to the two major development projects we examined.

Chapter 11

Public Service Commission—Centrally Managing and Securing MIDAS HR/Payroll

1.0 MAIN POINTS

The Public Service Commission manages the Government's human resources and IT payroll systems for 34 government ministries and agencies with about \$1 billion in annual payroll expenses. Annually, we complete specified auditing procedures to support our integrated audits of agencies that use MIDAS HR/Payroll.

The Commission uses third-party service providers to help manage and host its payroll systems. The Commission did not agree in writing on a deadline for receiving the annual audit report on security controls with its service provider responsible for hosting one of its IT systems used to process payroll (PSC Client). For the past three years, it did not receive these reports timely. For example, it did not receive the January to December 31, 2018 report until late May 2019.

Without timely information to monitor controls over its key service providers, the Commission may be unaware of control deficiencies that could allow unauthorized disclosure of, or changes to, payroll data.

2.0 RESPONSIBILITY FOR MIDAS HR/PAYROLL

As the central human resources agency for the public service (primarily ministries), the Public Service Commission delivers human resources services as required under *The Public Service Act, 1998*. This includes payroll, staffing and classification, and strategic support including labour relations and organizational development.¹

The Commission is responsible for MIDAS HR/Payroll. MIDAS HR/Payroll helps the Commission, and agencies using the application, to manage employee information (e.g., benefits, salary, job assignment, and training) and process payroll transactions.² The Commission's Human Resource Service Centre, a centralized unit, provides employee, payroll, and benefit administration for ministries (and a few other agencies) using MIDAS HR/Payroll.³ **Section 5.0** lists the agencies using MIDAS HR/Payroll.

Each year, MIDAS HR/Payroll processes about \$1 billion in payroll expenses. At December 2018, MIDAS HR/Payroll served nearly 13,400 permanent full-time, permanent part-time, term, and labour services staff (approximately 14,300 job assignments) employed primarily by government ministries.⁴

¹ Public Service Commission, *2018–19 Annual Report*, p 3.

² The Public Service Commission has been responsible for MIDAS HR/Payroll since March 2006.

³ The Commission established the Human Resource Service Centre unit in February 2010.

⁴ Public Service Commission payroll records.



Agencies using MIDAS HR/Payroll maintain certain responsibilities. For example, they are responsible for inputting and approving employee timecards in an IT system (PSC Client).⁵ As an online portal, PSC Client gives government employees access to view their payroll and human resources data, as well as information such as their health benefits, entitlement reports, pay stubs, and T4s.

Agencies using MIDAS HR/Payroll rely on the Commission’s controls to keep payroll and human resources systems and data appropriately managed and secure (i.e., protecting the integrity and availability of MIDAS HR/Payroll’s systems and data). Without effective controls, someone could gain unauthorized access, obtain confidential information, inappropriately modify systems and/or data, or perform malicious acts affecting system availability.

3.0 SCOPE OF WORK AND APPROACH

This engagement’s objective was to complete specified auditing procedures on the Public Service Commission’s central controls to manage and secure the Government’s human resources and payroll system and its data (MIDAS HR/Payroll) for the 12-month period ending December 31, 2018.

Annually, we complete specified auditing procedures to support our integrated audits of agencies that use MIDAS HR/Payroll to process and record payroll transactions. Such procedures do not constitute an audit engagement in that they are not designed to enable concluding on the overall effectiveness of the Commission’s central controls to manage and secure MIDAS HR/Payroll.

The specified auditing procedures include work related to the control objectives in **Figure 1** needed to support our integrated audits of agencies using MIDAS HR/Payroll. We based the control objectives on the control framework included in COSO’s *Internal Control—Integrated Framework* and on *Trust Services Principles, Criteria, and Illustrations*, as well as international standards, literature, and reports of other legislative auditors.^{6,7} The Commission’s management agreed they were reasonable.

Figure 1—Control Objectives

1. Payroll expenditures exist, are complete, accurate, properly recorded, and comply with the law
2. Disbursements are properly approved
3. Accrued payroll exists, is complete, and is correctly valued and recorded
4. Disaster recovery plans are in place and tested
5. Security controls operate as planned
6. Infrastructure and application change management processes are in place and followed
7. Access controls protect the system from unauthorized access
8. Agreements with outsourced service providers are in place and monitored

⁵ Since 2017, employees input, and managers approve, timecards online using PSC Client.

⁶ The Committee of Sponsoring Organizations of the Treadway Commission *Internal Control—Integrated Framework*. www.aicpastore.com/content/media/producer_content/generic_template_content/Illustrative_Tools.jsp (26 November 2018).

⁷ Chartered Professional Accountants of Canada and the American Institute of Certified Public Accountants (AICPA), *Trust Services Principles, Criteria, and Illustrations*, (2014).

We interviewed Commission staff involved in carrying out controls to manage and secure MIDAS HR/Payroll. We examined the Commission's agreements, plans, reports, and policies. We also tested select accounting records and related data. We did not assess the effectiveness of controls or processes at the agencies that use MIDAS HR/Payroll.

4.0 KEY FINDINGS AND RECOMMENDATION

4.1 Timely Reports about Adequacy of Service Provider Controls Needed

The Commission did not receive timely audit reports about the effectiveness of security controls at the data centre hosting its PSC Client IT system and its data (e.g., controls protecting timecard details, employee information like social insurance numbers). Without timely receipt of this information, it cannot effectively monitor the security of its system and data, or mitigate in a timely way, areas of concern, if any.

The Commission contracts the Ministry of Central Services to monitor security and to provide technical support, as well as with other service providers (through the Ministry of Central Services) to help manage and host MIDAS HR/Payroll, including PSC Client.⁸ Unlike the agreements for the data centre hosting MIDAS HR/Payroll, the agreement for the data centre hosting PSC Client did not give the Commission timely access to audit reports on the data centre's controls.

The Commission did not receive the 2018 audit report about the data centre hosting PSC Client until late May 2019, and the 2017 and 2016 audit reports until May 2018 and August 2017 respectively. The annual audit covers from January 1 to December 31.

We found the Commission had not formally agreed with its service providers as to when it would receive the annual audit report on security controls at the data centre hosting PSC Client. In May 2019, management indicated it is working with its service providers to formalize the date for receipt of the annual data centre audit report.

Without clearly written deadlines, the Commission may not receive information to enable sufficient monitoring of controls for PSC Client and its data. Without sufficient monitoring, the Commission may be unaware of control deficiencies (if any) that could allow unauthorized disclosure of, or changes to, PSC Client systems or data.

- We recommend the Public Service Commission agree in writing on a deadline with its service provider for receiving the annual audit report on security controls at the data centre hosting PSC Client.**

⁸ MIDAS HR/Payroll and PSC Client use different service providers.



5.0 LIST OF AGENCIES USING MIDAS HR/PAYROLL

The following agencies use MIDAS HR/Payroll as at December 2018:

Ministries:

Ministry of Advanced Education
Ministry of Agriculture
Ministry of Central Services
Ministry of Corrections and Policing
Ministry of Education
Ministry of Energy and Resources
Ministry of Environment
Ministry of Finance
Ministry of Government Relations
Ministry of Health⁹
Ministry of Highways and Infrastructure
Ministry of Immigration and Career Training
Ministry of Justice and Attorney General
Ministry of Labour Relations and
Workplace Safety
Ministry of Parks, Culture and Sport
Ministry of Social Services
Ministry of Trade and Export Development
Executive Council
Integrated Justice Services

Certain Agencies:

Apprenticeship and Trade Certification
Commission
Financial and Consumer Affairs Authority
Global Transportation Hub Authority
Innovation Saskatchewan
Provincial Capital Commission
Provincial Archives of Saskatchewan
Public Service Commission
SaskBuilds Corporation
Saskatchewan Pension Plan

Certain Legislative Offices:

Advocate for Children and Youth
Chief Electoral Officer
Conflict of Interest Commissioner
Information and Privacy Commissioner
Legislative Assembly
Ombudsman and Public Interest Disclosure
Commissioner

⁹ Included Roy Romanow Provincial Laboratory (RRPL), formerly the Saskatchewan Disease Control Laboratory, until it completed its amalgamation with the Saskatchewan Health Authority in 2018–19.

Chapter 12

Saskatchewan Health Authority

1.0 MAIN POINTS

The Saskatchewan Health Authority's 2018–19 financial statements are reliable. In 2018–19, the Authority complied with the authorities governing its activities related to financial reporting and safeguarding public resources.

During 2018–19, the Authority had effective rules and procedures to safeguard public resources other than for the following areas. The Authority needs to:

- Sign an adequate agreement with its key IT service provider, eHealth Saskatchewan. Without an adequate service-level agreement, the Authority risks eHealth not meeting the Authority's IT needs.
- Approve a code of conduct policy covering permitted vendor-sponsored travel. Having a clear and robust policy promotes a fair approach across the organization in accepting vendor-sponsored travel and declaring conflicts of interest.
- Separate incompatible duties; involve more than one individual in making purchases, paying employees, and processing journal entries. Without adequate segregation of duties, the Authority faces a higher risk of fraud and of undetected errors in the Authority's financial information.
- Validate suppliers before adding them into its financial system. Carrying out due diligence procedures on new suppliers reduces the risk of making payments to fictitious suppliers.

2.0 INTRODUCTION

2.1 Background

The Provincial Health Authority Act makes the Saskatchewan Health Authority responsible for planning, organizing, delivering, and evaluating health services within the province. The Authority's Board is responsible for administering the affairs and conducting the business of the Authority. In addition to its own facilities and staff, Authority uses many affiliates and health care organizations to help deliver health services.

2.2 Financial Overview

As set out in **Figure 1**, in 2018–19, the Authority had revenues and expenses of \$4.139 billion and \$4.167 billion respectively, and a deficit of \$28 million. During the year, the Authority received almost 90% of its revenue from the Ministry of Health. At March 31, 2019, it held assets of \$2.111 billion including capital assets of \$1.667 billion.



Figure 1—Revenues and Expenses

	Actuals 2018–19	Actuals 2017–18 (Restated)
	(in millions)	
Ministry of Health – General Revenue Fund	\$ 3,678	\$ 3,625
Other revenues	<u>461</u>	<u>406</u>
Total Revenues	<u>\$ 4,139</u>	<u>\$ 4,031</u>
Salaries and benefits	2,555	2,517
Medical remuneration and benefits	356	349
Grants to ambulance services, health care organizations, and affiliates	324	317
Medical and surgical supplies	146	139
Amortization	134	120
Other	<u>652</u>	<u>596</u>
Total Expenses	<u>\$ 4,167</u>	<u>\$ 4,038</u>
Annual Deficit	<u>\$ 28</u>	<u>\$ 7</u>

Source: Saskatchewan Health Authority audited financial statements for the year ended March 31, 2019.

3.0 AUDIT CONCLUSIONS

In our opinion, for the year ended March 31, 2019, we found, in all material respects:

- **The Saskatchewan Health Authority had effective rules and procedures to safeguard public resources except for matters included in this chapter**
- **The Saskatchewan Health Authority complied with the following authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

The Provincial Health Authority Act
The Provincial Health Authority Administration Regulations
The Critical Incident Regulations, 2016
The Special-Care Homes Rates Regulations, 2011
The Trustee Act, 2009

The Health Labour Relations Reorganization (Commissioner) Regulations
The Health Administration Act
The Housing & Special-Care Homes Regulations
The Executive Government Administrative Act
 Orders in Council issued pursuant to the above legislation

- **The Saskatchewan Health Authority had reliable financial statements**

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of the Authority's controls.

As the Authority's primary expenses are salaries and benefits, and goods and services, our audit included testing processes for preparing and processing payroll; ordering, paying for, and receiving goods and services. In addition, as the Authority uses IT systems to operate, the audit included examining the Authority's processes to safeguard financial-related IT systems and data.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Adequate IT Service-Level Agreement Not Yet in Place

We recommended the Saskatchewan Health Authority sign an adequate service-level agreement with eHealth Saskatchewan to enable monitoring of the quality and timeliness of eHealth's provision of IT services. (2018 Report – Volume 2; p. 80, Recommendation 1, Public Accounts Committee has not yet considered this recommendation as of October 25, 2019)

Status—Not Implemented

The Authority does not have an adequate service-level agreement with eHealth Saskatchewan, its IT service provider.

IT is an integral part of delivering and managing health care services (e.g., lab systems, accounting systems). As of January 2017, the Minister of Health directed eHealth to consolidate IT services that the Saskatchewan Health Authority, Saskatchewan Cancer Agency, and 3sHealth previously provided into a single service. Consequently, starting in 2017–18, the Authority moved the majority of its IT systems into eHealth's data centre.

We found, as of March 2019:

- The Authority and eHealth discussed a draft master service agreement for the provision of IT services but had not yet finalized it (i.e., signed).
- The Authority and eHealth drafted an IT governance model, but had not yet formed a governance committee to help guide the strategic IT priorities for IT services that eHealth is to provide.
- The Authority and eHealth had not completed disaster recovery plans, or tested the plans, for critical IT systems and data (e.g., lab systems, hospital admissions systems). This increases the risk the Authority may be unable to restore, within a timely manner, its critical IT systems and data (including those related to the delivery of health care) in the event of a disaster.¹

Adequate service-level agreements make it clear what type of service must be provided, when, and at what cost. They outline in detail services to be provided (e.g., help desk services, server maintenance, frequency of applying patches), service availability requirements (e.g., the percentage of time networks will be available), and service delivery targets (e.g., period for creating and removing user accounts). In addition, they identify

¹ According to Chapter 3 in our 2019 Report – Volume 2, eHealth did not have a complete and tested disaster and recovery plan at March 31, 2019.



security and disaster recovery requirements and set out options available in the event something goes wrong (e.g., data security breach, IT system outage). Agreements also provide a basis for a common understanding, and monitoring of performance.

Without an adequate service-level agreement, the Authority cannot sufficiently monitor whether eHealth meets the Authority's IT needs.

4.2 Code of Conduct Policy Needed

The Authority does not have approved code of conduct and conflict of interest policies including permitted vendor-sponsored travel.

We found the Authority drafted a new Conflict of Interest Policy in 2018–19. The draft policy includes a conflict of interest declaration for senior management (directors and up) to sign annually.

As of March 2019, we found no members of senior management signed the annual declaration form; whereas all Board members signed the declaration forms.

The draft policy also anticipates using pre-approval forms for vendor-sponsored travel. Vendor-sponsored travel refers to when a vendor pays for travel expenses (e.g., accommodations, airline tickets, training costs). The Authority reported over 30 instances of vendor-sponsored travel between January 2017 and December 2018 to the Ministry of Health.

The draft policy insufficiently outlines what is acceptable vendor-sponsored travel or criteria to use when determining whether to pre-approve any proposed travel.

Good practice (see **Figure 2**) recommends that employees not attend training or travel paid for by a vendor unless the contract explicitly states the vendor will provide travel or training. Not having explicit provisions in the contract can create a perception of a vendor attempting to court favour or influence the employee for future contracts.

For the seven instances of vendor-sponsored travel we tested, we found:

- For five instances, the related contracts with the vendor did not include provisions for the vendor to pay for these travel or training costs
- For two instances, staff travelled before a new contract was awarded to the vendor who paid for the travel expenses
- For four instances, staff did not obtain formal approval for travel before travelling
- For four instances, the business reason for attending conferences was unclear (for three of these, travel was outside of Canada)

Good practice sets out the rules and principles to guide employees and Board members on how to conduct themselves when working with vendors. It provides them with specific guidance and examples (see **Figure 2** for an example of good practice—Winnipeg Regional Health Authority's Conflict of Interest Policy).

Having a clear and robust policy promotes a consistent and fair approach across the organization in accepting vendor-sponsored travel.

1. We recommend the Saskatchewan Health Authority implement an approved code of conduct policy including permitted vendor-sponsored travel.

Figure 2—Excerpts from Winnipeg Regional Health Authority’s Conflict of Interest Policy – Frequently Asked Questions

#	Question	Answer
27	Our program has awarded a contract to a vendor which outlines specific education components including education sessions and support for out-of-province conferences and training. Are we all right in allowing this type of industry support under this policy? In addition, can this vendor showcase any products not on contract or bring in outside speakers to educate "over and above" the educational components outlined in the contract?	Services and support provided by a vendor in accordance with the provisions of a contract are allowable, as only approved educational requirements form part of WRHA contracts. The rationale is that this type of industry support has been vetted through a contract tendering process, which enables fair and equitable opportunity for vendors to be awarded a contract. The showcasing of products not on contract or bringing external speakers to the WRHA outside the provisions of the contract is problematic in terms of unfairly allowing the potential for vendor influence.
34	What is the policy on education and training provided by vendors for devices not yet purchased by the WRHA? Earlier this year, a physician attended and observed a case out of town. After attending, the physician now feels comfortable in the ordering and potential usage of such a device. If the WRHA was to have purchased a device prior to attending the case, we not only would be guessing on the size requirements, but would have potentially spent significant funds for a device that could be useless.	The intent of this policy is to not interfere with or discourage staff from making informed decisions as long as it is done in a manner that does not open us up to concerns about unfair vendor influence. In this case, it would be acceptable for certain staff to go out of town and observe the use of a device prior to making a purchasing decision but only if this is part of the requirements of a Request for Proposal. The issue of inappropriate vendor influence occurs when a vendor partially or fully pays for one or more WRHA representatives to observe their products outside of any Request for Proposal process.
36	Our program recently purchased a new piece of clinical equipment and it is essential that one of our staff members attend a vendor's training session. The vendor pays all expenses, including travel, for clients to attend these sessions. Can we send one of our staff?	Yes, provided the expenses are reasonable. It is recommended that the training sessions and expenses be incorporated into any purchase contracts with the vendor.
37	I am a participant in the Logistics Product Review Evaluation Standardization process as a work group member. We are currently reviewing bids. One of the bidders has asked me to attend a focus group meeting in Victoria, B.C. They are offering to pay for all my expenses. This would be a great opportunity to network with colleagues from across Canada. Can I go?	Accepting this offer will put you in a conflict of interest situation. Others may view this as a means to influence your decision on the tender even though your intentions are good. You should respectfully decline the invitation stating the reason why is it not acceptable. Anyone involved in the contract development process with Logistics should avoid these situations. When in doubt, contact the Regional Manager-Contracting Services for advice. If a Product Review Evaluation Standardization or Work Group member accepts such an offer they may be asked to step down from participating in a contract initiative.

Source: Winnipeg Regional Health Authority Conflict of Interest Policy. www.wrha.mb.ca/about/policy/files/20.10.011.pdf (8 April 2019).

Bold emphasis added by Provincial Auditor Saskatchewan.



4.3 Validation of Supplier Information Required

The Authority does not document due diligence procedures taken to confirm the validity of suppliers before paying them. In addition, certain individuals with the ability to enter new suppliers into the financial system can also approve invoices for payment and other financial transactions.

Good practice is to perform due diligence procedures confirming the validity of new suppliers prior to purchasing from them. **Figure 3** sets out examples of such procedures. Also, periodically reviewing details about suppliers listed within the financial system helps reduce the risk of fraud and sending payments to the wrong suppliers.

Figure 3—Due Diligence Procedures for Validating New Suppliers

Examples of due diligence procedures include:

- Comparing the supplier's mailing address against the mailing addresses of employees
- Checking suppliers using a post office box as a mailing address to verify their legitimacy
- Verifying each supplier has an assigned GST number and telephone number—and then verifying accuracy of this data
- Confirming ownership of the supplier company, and actively looking for any potential employee, Board member or other key party conflicts (consider declarations of conflicts)

Source: Information compiled by the Provincial Auditor of Saskatchewan from various sources.

The Authority gives numerous staff throughout the province authority to add or change information about vendors in its financial systems. The Authority cannot identify vendors added or changes made to vendor information.

The Authority uses thousands of vendors. It informally assesses the validity of suppliers upon receipt of invoices for payment (i.e., after suppliers provide goods or services). The Authority does not require staff to research and document the validity of a new supplier prior to making a purchase.

Not carrying out sufficient due diligence procedures to confirm the validity of suppliers before adding them into the financial system increases the risk of making payments to fictitious suppliers.

2. **We recommend the Saskatchewan Health Authority document its due diligence procedures used to validate suppliers before adding them into its financial system.**

4.4 Separation of Incompatible Duties Needed

The Authority does not adequately segregate incompatible duties. Separating duties helps catch errors. In addition, involvement of more than one individual in making purchases, paying employees, and processing journal entries helps prevent fraud or theft.

Payments

More than one person should be required to complete certain tasks, such as approval for purchase initiation, receipt of goods and services, and payment approval as a basic financial control.

For the purchases we tested, we noted numerous instances where the same individual approved the initiation of the purchase and received the goods or services, or received the goods and services and approved the request for payment. For example, we identified:

- Six instances where the same individuals located in the former Cypress health region received goods and approved the payment for those goods
- In the former Saskatoon health region, staff with authority to approve purchase orders can also approve their own purchase orders within their approved spending limits
- For purchases made in the former Kelsey Trail health region, no review or approval for payments below \$50,000 exists

For three sole-sourced contracts we tested, the Authority had not documented its reasons for using the sole-source purchasing method. While these contracts appropriately outlined the services expected (e.g., individual counselling sessions, teaching sessions), it did not set out the rates of honorariums and travel for those services, or maximum cost of services. The amounts paid under these contracts ranged between \$46,000 and \$84,100. Honorariums paid ranged from \$400 to \$600 per day for similar services. For each of these contracts, the same individual approved the contract and the related payments.

We also found the Authority, through its assignment of IT user access, gave certain individuals incompatible responsibilities; these individuals can approve invoices for payments and add vendors to the financial system. No process exists to track new vendors or approve vendor changes in the former Sunrise, Sun Country, and Cypress health regions.

Good practice is to assign responsibility for reviewing new suppliers to someone who is not responsible for initiating purchases, receiving goods/services, or approving payments.

Payroll

The largest expense for the Authority is payroll.

Segregating incompatible duties reduces the risk of paying inappropriate payroll amounts to employees. Separating incompatible functions means someone independent authorizes or approves new or changed pay rates. A supervisor then authorizes time worked (e.g., electronic approval). This reduces the risk of entering incorrect rates or time into the system intentionally or unintentionally.

We found instances in two former health regions (P.A. Parkland and Kelsey Trail) where employees updated their own pay rates. In each instance, the updated rates agreed to the authorized rates of pay for those employees.



We also found 12 users in the payroll system who can both enter employee information and process payroll (incompatible duties). This increases the risk of entering a fictitious employee and processing fictitious payroll amounts.

Journal Entries

The Authority does not have a policy requiring its staff to independently review and approve journal entries. Lack of independent review and approval increases the risk of unauthorized or inaccurate entries to the accounting records resulting in financial information errors.

For the journal entries we tested, we identified numerous instances of journal entries not approved by someone independent of the person who prepared the journal entry. This was the case in six of the 12 former health regions. In addition, we found various accounting systems located across the former health regions did not segregate access for preparation and approval of journal entries.

Inappropriately separating incompatible duties between different individuals increases the risk of fraud, and not detecting errors.

3. We recommend the Saskatchewan Health Authority separate incompatible duties.

We are aware the Authority plans to implement a new Enterprise Resource Planning (ERP) system in 2019, and is considering how best to address incompatible duties through the new ERP system.

5.0 STATUS OF PREVIOUS RECOMMENDATIONS OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS

The following table lists the status of recommendations related to the former health regions previously agreed to by the Standing Committee on Public Accounts and their status at March 31, 2019.

PAC ^A Agreement Date	Outstanding Recommendation	Status at March 31, 2019
2005	We recommended that the Saskatchewan Health Authority (formerly Mamawetan Churchill River) establish information technology policies and procedures based on a threat and risk analysis. (<i>2004 Report – Volume 3</i> ; Public Accounts Committee agreement October 26, 2005)	Replaced with recommendation in Section 4.1 about having an adequate service-level agreement with eHealth The majority of the former Mamawetan's IT assets (e.g., servers) moved to the eHealth data centre in 2018–19
2008	We recommended that the Saskatchewan Health Authority (formerly Cypress) configure its computer systems and data to protect them from external threats, including theft or loss. (<i>2008 Report – Volume 3</i> ; Public Accounts Committee agreement December 8, 2008)	Replaced with recommendation in Section 4.1 about having an adequate service-level agreement with eHealth Former Cypress' IT assets (e.g., servers, databases) moved to the eHealth data centre in 2018–19

PAC ^A Agreement Date	Outstanding Recommendation	Status at March 31, 2019
	We recommended that the Saskatchewan Health Authority (formerly Cypress) monitor the security controls of its information technology systems and data. (2008 Report – Volume 3; Public Accounts Committee agreement December 8, 2008)	
2008	We recommended that the Saskatchewan Health Authority (formerly Regina Qu'Appelle) implement an internal audit function. (2008 Report – Volume 3; Public Accounts Committee agreement December 8, 2008)	Implemented The Authority hired a Chief Audit Officer in 2018–19 and developed an internal audit plan. The Authority hired two auditors in 2018–19 and plans to hire two additional internal auditors in 2019–20
2010	We recommended that the Saskatchewan Health Authority (formerly Regina Qu'Appelle and Mamawetan Churchill River) establish disaster recovery plans and test those plans to ensure their effectiveness. (2009 Report – Volume 3; Public Accounts Committee agreement June 18, 2010)	Replaced with recommendation in Section 4.1 about having an adequate service-level agreement with eHealth The majority of the former Regina Qu'Appelle and Mamawetan's critical IT systems moved to the eHealth's data centre in 2018–19
2012	We recommended that the Saskatchewan Health Authority (formerly P.A. Parkland) restrict physical access to information technology systems and data. (2011 Report – Volume 1; Public Accounts Committee agreement August 28, 2012)	Implemented Former P.A. Parkland's IT assets (e.g., servers) moved to the eHealth data centre. eHealth adequately restricts physical access to information systems and data in the data centre

^A PAC refers to the Standing Committee on Public Accounts.

Chapter 13

Saskatchewan Liquor and Gaming Authority and Saskatchewan Indian Gaming Authority

1.0 MAIN POINTS

During 2018–19, the Saskatchewan Liquor and Gaming Authority had effective rules and procedures to safeguard public resources other than the Authority needing a written agreement with the Saskatchewan Indian Gaming Authority (SIGA) to receive an annual audit report on the effectiveness of controls for the SIGA Casino Management System in a timely manner.

Without an agreement setting out clear deadlines, the Authority cannot effectively monitor the controls for the SIGA Casino Management System and its data, which may make the Authority unaware of control deficiencies that could impact the completeness of SIGA's reported gaming revenues and expenses.

The Authority implemented, in 2018–19, our prior recommendation. Management completed detailed reviews of quarterly financial information, and provided appropriate support for year-end financial information.

During 2018–19, SIGA had effective rules and procedures to safeguard public resources other than it needing to monitor the activities of its service provider that manages its Casino Management System, as well as better protect its IT systems and data by periodically reviewing user access to them. This increases the risk of unauthorized access to and inappropriate modifications to systems and data that could impact the completeness of reported gaming revenues and expenses.

2.0 INTRODUCTION

2.1 Background

The Saskatchewan Liquor and Gaming Authority operates under *The Alcohol and Gaming Regulation Act, 1997*. The Authority is responsible for distributing liquor and gaming products, and the regulation of liquor, gaming, and cannabis.¹

The Authority operates government-owned retail liquor stores through its subsidiary SLGA Retail Inc.² It also distributes liquor to retail store permittees who sell liquor to the public.

The Authority owns and operates all video lottery terminals (VLTs) in Saskatchewan. In addition, the Authority owns and manages all slot machines located in the Saskatchewan

¹ Saskatchewan Liquor and Gaming Authority, *Saskatchewan Liquor and Gaming Authority—Plan for 2018–19*, (2019).

² SLGA Retail Inc. was approved for incorporation under Order in Council 423/2016. It was incorporated under *The Business Corporations Act* as a wholly-owned subsidiary of SLGA on September 28, 2016.



Indian Gaming Authority's (SIGA) casinos. The Authority owns the VLTs and slot machines through its subsidiary, SLGA Holding Inc.³

The Minister responsible for the Authority forms the one-member Board governing the Authority. Members of the Authority's management comprise the Boards of both SLGA Retail Inc. and SLGA Holding Inc.

The Authority contracted the operation of its VLT program to Western Canada Lottery Corporation—Saskatchewan Video Lottery Division, and the operation of slot machines at SIGA casinos (including the operation of related Casino Management System) to SIGA.

SIGA is a non-profit established under *The Non-Profit Corporations Act, 1995*. Its members are the Federation of Sovereign Indigenous Nations (FSIN), the Tribal Councils of Saskatchewan, and independent First Nations.

SIGA, under licences issued by the Authority, operates seven casinos located on First Nations' reserves. They are: Bear Claw Casino, Dakota Dunes Casino, Gold Eagle Casino, Gold Horse Casino, Living Sky Casino, Northern Lights Casino, and Painted Hand Casino.⁴ SIGA's casino operations include slot machines, ancillary operations (i.e., gift shops, restaurants, lounges, and a hotel), and table games operations.

As required by the *Criminal Code* (section 207), the Authority is responsible for the overall conduct and management of slot machines in SIGA's casinos.

Revenue from slot machines belongs to the Authority. SIGA and the Authority signed the Casino Operating Agreement that sets the calculation of slot machine revenue belonging to the Authority.⁵ The Authority allows SIGA to deduct reasonable costs from slot machine revenues; the Authority's financial statements include SIGA's revenues and expenses.

2.2 Financial Overview

In 2018–19, the Authority generated consolidated revenues of just over \$1 billion, expenses of \$0.6 billion, and comprehensive income of almost \$0.5 billion. At March 31, 2019, the Authority held consolidated assets and liabilities each worth \$0.3 billion. The Authority's *2018–19 Annual Report* includes its consolidated financial statements.

Figure 1 shows the Authority's key financial results by segment—liquor, VLTs, slot machines, other gaming, and cannabis.

³ SLGA Holding Inc. was approved for incorporation under Order in Council 312/2018. It was incorporated under *The Alcohol and Gaming Regulation Act, 1997*, as a wholly-owned subsidiary of the Authority on June 26, 2018. Effective September 30, 2018, it operated as a wholly-owned subsidiary under the direction of the Authority.

⁴ In 2002, the Government of Saskatchewan and the FSIN signed the 2002 Framework Agreement. It allows for the development and operation of casinos in Saskatchewan within the parameters of the Criminal Code (Canada). In 2017, the Government of Saskatchewan and the FSIN extended the 2002 Framework Agreement to June 11, 2037.

⁵ SIGA and the Authority signed a Casino Operating Agreement effective from June 11, 2002 to June 11, 2027. Under this Agreement, the Authority allows SIGA to deduct reasonable costs incurred from slot machine revenues in accordance with the operating policies approved by the Authority.

Figure 1—Authority's Key Financial Results for 2018–19 by Segment

	Liquor	VLT	Slot Machines in SIGA Casinos	Other Gaming	Cannabis	Total
	(in millions)					
Total Revenues ^A	\$ 641.6	\$ 220.6	\$ 228.8	\$ 0.8	\$ 1.8	\$ 1,093.6
Total Expenses	<u>386.3</u>	<u>61.7</u>	<u>145.8^B</u>	<u>13.5</u>	<u>2.6</u>	<u>609.9</u>
Total Comprehensive Income (Loss)	<u>255.3</u>	<u>158.9</u>	<u>83.0</u>	<u>(12.7)</u>	<u>(0.8)</u>	<u>483.7</u>

Source: Saskatchewan Liquor and Gaming Authority's 2018–19 audited consolidated financial statements.

^A Including other comprehensive income/loss

^B Under the Casino Operating Agreement, the Authority allows SIGA to deduct reasonable costs incurred from slot machine revenues in accordance with the operating policies approved by the Authority.

In 2018–19, SIGA generated revenues of just over \$262 million and expenses of \$180 million. At March 31, 2019, SIGA held assets of \$186 million and liabilities of \$188 million. SIGA's *2018–19 Annual Report* includes its financial statements.

Figure 2 shows SIGA's key financial results by segment—slot operations, table operations, and ancillary operations.

Figure 2—SIGA's Key Financial Results for 2018–19 by Segment

	Slot Operations	Table Operations	Ancillary Operations	Elimination of Intracompany Transactions	Total
	(in millions)				
Total Revenues	\$ 228.2	\$ 14.1	\$ 23.1	\$ (3.1)	\$ 262.3
Total Expenses	<u>133.2</u>	<u>15.8</u>	<u>33.7</u>	<u>(3.1)</u>	<u>179.8</u>
Profit (loss) before the following:	<u>94.9</u>	<u>(1.8)</u>	<u>(10.6)</u>	<u>0</u>	<u>82.5</u>
Unrealized gain on interest rate swaps ^A					<u>0.3</u>
Total net income and comprehensive income for the year before distribution to the Authority					<u>82.8</u>

Source: Saskatchewan Indian Gaming Authority's 2018–19 Annual Report.

^A Unrealized gain (loss) on interest rate swaps is the amount of change in the fair value of the swaps in a fiscal year.

3.0 AUDIT CONCLUSIONS

Our Office worked with Deloitte LLP, the appointed auditor, to carry out the audit of SIGA. We followed the framework in the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors*.⁶

In our opinion, for the year ended March 31, 2019, we found, in all material respects:

- **The Saskatchewan Liquor and Gaming Authority and Saskatchewan Indian Gaming Authority had effective rules and procedures to safeguard public resources, except for the matters included in this chapter**

⁶ See our website at www.auditor.sk.ca.



- **The Saskatchewan Liquor and Gaming Authority, SLGA Retail Inc., SLGA Holding Inc., and Saskatchewan Indian Gaming Authority complied with the following authorities governing their activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

The Authority:

The Alcohol and Gaming Regulation Act, 1997
The Alcohol Control Regulations, 2016
The Cannabis Control (Saskatchewan) Act
The Cannabis Control (Saskatchewan) Regulations
The Executive Government Administration Act
The Environmental Management and Protection Act, 2010 (section 40)
The Environmental Management and Protection (General) Regulations (section 12)
The Financial Administration Act, 1993
The Gaming Regulations, 2007
The Liquor and Gaming Authority Employee Code of Conduct Regulations
*The Liquor Consumption Tax Act*⁷
The Customs Tariff Act (Canada)
Excise Act (Canada) (Schedule I, II, II.1)
Excise Tax Act (Canada) (Section 188)
Excise Tax Act, 2001 (Canada) (Schedule 4-6)
Criminal Code of Canada (Section 207)
Orders in Council issued pursuant to the above legislation
2002 Framework Agreement, as amended
2002 Casino Operating Agreement, as amended
Western Canada Lottery Corporation Operating Agreement
Indigenous Gaming Regulators Licensing Agreement

SLGA Retail Inc.:

The Alcohol and Gaming Regulation Act, 1997
The Business Corporations Act
The Business Corporations Regulations
The Environmental Management and Protection Act, 2010 (section 40)
The Environmental Management and Protection (General) Regulations (section 12)
The Executive Government Administration Act
The Financial Administration Act, 1993
The Liquor Consumption Tax Act
Orders in Council issued pursuant to the above legislation

SLGA Holding Inc.:

The Alcohol and Gaming Regulation Act, 1997
The Gaming Regulations, 2007
The Executive Government Administration Act, 1993
The Financial Administration Act, 1993
Orders in Council issued pursuant to the above legislation

SIGA:

The Non-Profit Corporations Act, 1995
The Non-Profit Corporations Regulations, 1997
The Alcohol and Gaming Regulation Act, 1997
The Gaming Regulations, 2007
Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)
Proceeds of Crime (Money Laundering) Suspicious Transaction Reporting Regulations (Canada)
2002 Framework Agreement, as amended
2002 Casino Operating Agreement, as amended
Terms and Conditions for SIGA Table Games (issued by Indigenous Gaming Regulators Inc.)⁸
SIGA Slot Machine Operating Procedures and Directives (issued by the Authority)
SIGA Operating Policies and Directives (issued by the Authority)
SIGA Bylaws

⁷ SLGA Retail Inc. is responsible to impose and collect Liquor Consumption Tax (LCT); the Authority remits LCT on behalf of SLGA Retail Inc.

⁸ Indigenous Gaming Regulators Inc. is an institution of FSIN; it licenses and regulates on-reserve charitable gaming in Saskatchewan, including table games at SIGA casinos.

- **The Saskatchewan Liquor and Gaming Authority, SLGA Retail Inc., SLGA Holding Inc., and Saskatchewan Indian Gaming Authority each had reliable financial statements**

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audits. We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of the Authority's and SIGA's controls.

The audit of the Authority included examining its financial-related controls used to administer revenues and expenses, safeguard assets, keep reliable financial records consistent with related authorities, prepare reliable financial reports/statements, and monitor SIGA's operations. This included evaluating its significant IT systems and processes, and assessing the work of its Gaming Integrity Branch and Audit Services Branch with respect to compliance with legislation over liquor and gaming activities in the province.

In addition, the audit included assessing the appropriateness of accounting for significant related-party transactions with SLGA Retail Inc. and SLGA Holding Inc., the accuracy of year-end consolidation adjustments and elimination of inter-entity transactions.

Because SIGA operates in the casino industry, it processes a significant number of cash transactions and holds a significant amount of cash in its casinos. As a result, the audit paid particular attention to SIGA's controls for managing cash in its casinos. This included assessing its processes for approving and recording transactions, and monitoring staff compliance with established procedures to safeguard cash. Also, because SIGA relies on IT to manage its operations, the audit included assessing its controls over key IT service providers, IT security, change management processes, and user access.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Written Agreement Needed for Receipt of Service Provider Controls Report

The Authority needs a written agreement to make sure it receives, within a reasonable timeframe, the annual audit report about the effectiveness of controls for the SIGA Casino Management System. The Authority's management uses key information in this report to assess the controls protecting the SIGA Casino Management System and its data (e.g., details of the cash collected, and paid out by the slot machines), and to take steps to mitigate areas of concern, if any.

SIGA informally agreed to provide the Authority with an annual audit report on controls for the SIGA Casino Management System up to March 31.⁹

As of May 29, 2019, the Authority had not received the 2019 audit report from SIGA.

⁹ For 2018–19, this was for the period from October 1, 2018 to March 31, 2019.



Management advised us it is working with SIGA to formalize when SIGA must provide the audit report on the SIGA Casino Management System to the Authority in future years.

Without clear written deadlines, the Authority may not receive required information to enable timely monitoring of controls for the SIGA Casino Management System and its data. Without timely and sufficient monitoring of controls, the Authority may be unaware of control deficiencies (if any) that could impact the completeness of SIGA's reported gaming revenues and expenses.

1. **We recommend the Saskatchewan Liquor and Gaming Authority establish a written agreement with Saskatchewan Indian Gaming Authority indicating when it will receive the audit report on controls for the SIGA Casino Management System.**

4.2 Monitoring of SIGA's Service Provider Needed

SIGA needs to monitor activities of its service provider that manages its Casino Management System.

Currently, SIGA does not have any processes in place to monitor its service provider's activities to ensure access is authorized and appropriate, as well as to identify any changes made and not reported to SIGA.

Without monitoring activities of its service provider, SIGA does not know whether access to its Casino Management System by the service provider is appropriate and whether any unauthorized changes to its system occur. This increases the risk of unauthorized access to and inappropriate modifications of systems and data that could impact the completeness of reported gaming revenues and expenses.

2. **We recommend the Saskatchewan Indian and Gaming Authority monitor activities of its service provider that manages its Casino Management System.**

4.3 SIGA Review of User Access Needed

We recommended the Saskatchewan Indian Gaming Authority perform regular reviews of its computer application user accounts. (2010 Report – Volume 2, p. 260, Recommendation 2; Public Accounts Committee agreement January 20, 2011)

Status—Partially Implemented

SIGA did not follow its established policies to annually review user access to its key IT applications (e.g., financial system, casino management system). During 2018–19, SIGA reviewed user access of its financial system. However, SIGA did not complete IT user access reviews for its Casino Management System.

SIGA plans to complete user access reviews for its Casino Management System in 2019–20.

Timely reviews of IT user access determine whether access granted is consistent with each employee's job responsibilities and is appropriate. Lack of regular and timely reviews of IT user access increases the risk of unauthorized access to and inappropriate modifications to systems and data.

4.4 Management Provided Appropriate Support for Year-End Financial Information

We previously communicated a matter which we identified in our 2017–18 audit of the Authority. The following table lists the status of this recommendation as of May 2019 based on completion of our 2018–19 audit.

PAC ^A Agreement Date	Outstanding Recommendations	Status
PAC has not yet considered our recommendation	We recommended that Saskatchewan Liquor and Gaming Authority management carry out detailed reviews of quarterly and year-end financial information to supporting documents (e.g., reconciliations, journal entries, financial reports).	Implemented During the 2018–19 audit, management provided appropriate support for year-end financial information and we noted evidence it carried out detailed reviews of quarterly financial information.

^A PAC refers to the Standing Committee on Public Accounts

Chapter 14

Saskatchewan Polytechnic

1.0 MAIN POINTS

Saskatchewan Polytechnic had effective rules and procedures to safeguard public resources, complied with relevant authorities, and had reliable financial statements.

During 2018–19, Saskatchewan Polytechnic did not follow good practice when paying compensation for a loss incurred by a member of its management.

2.0 INTRODUCTION

2.1 Background

Saskatchewan Polytechnic, established under *The Saskatchewan Polytechnic Act*, is Saskatchewan's primary provider of post-secondary education in applied education, training and research.¹ It offers certificate, diploma and degree programs and apprenticeship training at campuses in Prince Albert, Regina, Moose Jaw and Saskatoon to more than 17,000 students, with approximately 1,600 full-time equivalent staff.² At June 30, 2019 Saskatchewan Polytechnic had an accumulated surplus of \$58.8 million (2018 – \$61.8 million).

Figure 1—Financial Overview

	Estimates 2018–19	Actuals 2018–19
	(in millions)	
Grants and Contractual Services	\$ 186.8	\$ 187.0
Tuition and Fees	47.2	47.2
Sales	11.7	10.5
Other	<u>2.5</u>	<u>3.1</u>
Total Revenue	\$ 248.2	\$ 247.8
Salaries and Benefits	174.1	170.5
Facilities	33.0	32.5
Operational Supplies and Expenses	22.1	23.9
Other	24.0	23.9
Total Expense	\$ 253.2	\$ 250.8
Annual Deficit	\$ (5.0)	\$ (3.0)

Source: Saskatchewan Polytechnic June 30, 2019 audited financial statements.

¹ Applied education and training includes academic, scientific, trade, technical, technological and vocational fields of education.

² *Saskatchewan Polytechnic Annual Report 2017–18*, p. 5 and 12.



3.0 AUDIT CONCLUSIONS

Our Office worked with KPMG LLP, to carry out the joint audit of Saskatchewan Polytechnic. We followed the framework in the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors*.³

In our opinion, for the year ended June 30, 2019:

- **Saskatchewan Polytechnic had effective rules and procedures to safeguard public resources**
- **Saskatchewan Polytechnic complied with the following authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

The Saskatchewan Polytechnic Act
The Saskatchewan Polytechnic Regulations
The Post-Secondary Education and Skills Training Act
The Financial Administration Act, 1993
Orders in Council issued pursuant to the above legislation

- **Saskatchewan Polytechnic had reliable financial statements**

This chapter includes a significant matter.

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of Saskatchewan Polytechnic's controls.

Saskatchewan Polytechnic's primary revenue sources are tuition, contract services and grants, and its primary expenses are salaries. The audit focused on processes for initiation, authorization, processing and recording provincial and federal grant revenues, contract services and tuitions. It also included data analysis of payroll.

4.0 OTHER MATTER

4.1 Compensation for Loss Payment

Saskatchewan Polytechnic did not follow good practice when paying compensation for a personal loss incurred by a member of its management.

In August 2018, a member of Saskatchewan Polytechnic's management fell victim to a phishing scam. In October 2018, Saskatchewan Polytechnic provided the individual with compensation of \$3,810 for the loss.

³ See our website at www.auditor.sk.ca.

Saskatchewan Polytechnic does not have a Compensation for Loss Payments policy to guide payments for these circumstances.

Treasury Board's publicly available *Risk Management Policies* includes a Compensation for Loss Payments policy for ministries outlining criteria for payment and a maximum amount of \$1,000 for reasonable compensation for losses incurred by employees (i.e., FAM 4110).⁴

We consider Treasury Board's policy to be good practice.

While Saskatchewan Polytechnic is not required to follow this policy, our comparison of the above matter to the Treasury Board's payment criteria found Saskatchewan Polytechnic's compensation for loss payment would not have met the Treasury Board's criteria for payment.

- 1. We recommend Saskatchewan Polytechnic establish a policy to guide compensating for losses of its employees.**

⁴ Government of Saskatchewan Treasury Board (2018), *Financial Administration Manual*, Compensation for Loss Payments. Regina: Author applications.saskatchewan.ca/fam/pdf/4110.pdf (12 September 2019)

Chapter 15

Saskatoon School Division No. 13—Pension Plan for Non-Teaching Employees of the Saskatoon Board of Education

1.0 MAIN POINTS

The Saskatoon School Division No. 13 is responsible for administering The Pension Plan for the Non-Teaching Employees of the Saskatoon Board of Education, and paying the costs of the Plan. Properly administering the Plan is key to providing benefits to which plan members are entitled, and managing the costs of the Plan.

Other than the following matter, the Division had effective financial processes to administer the Plan.

Even though the Plan holds a significant amount of cash and investments, the Division had not reviewed or approved monthly bank and investment reconciliations for the Plan for at least 17 months (from December 2017 to May 2019).

Failing to promptly review and approve reconciliations puts the Division at risk of not detecting errors or fraud in the Plan's records and accounts within a reasonable timeframe.

2.0 INTRODUCTION

Saskatoon School Division No. 13 of Saskatchewan is the largest school division in the province. It educates over 26,000 students in 48 elementary schools, 10 collegiates, two associate schools, one alliance school, one Grades 1–12 school, and a variety of off-site educational programs.¹ It is located in Saskatoon and includes the Whitecap Dakota First Nation.

The Division employs approximately 2,800 full-time equivalents of which approximately 36% are in non-teaching roles.²

The Division sponsors and administers The Pension Plan for the Non-Teaching Employees of the Saskatoon Board of Education, a defined benefit pension plan for School Division employees ineligible to participate in the Saskatchewan Teachers' Retirement Plan or the Saskatchewan Teachers' Superannuation Plan. As of December 2018, the Plan had about 1,500 members of which about one-fifth are pensioners.³

As shown in **Figure 1**, the pension obligations of the Plan (i.e., amounts owing to plan members) are \$131.6 million at December 31, 2018.^{4,5} The Division is responsible for paying for the costs of the plan (pension obligation).

¹ *Saskatoon Public Board of Education Annual Report 2017–18*, p. 6.

² Information as at June 28, 2019, provided by Saskatoon School Division No. 13.

³ The Plan's December 31, 2017 actuarial valuation extrapolated to December 31, 2018.

⁴ The Pension Plan for the Non-Teaching Employees of the Saskatoon Board of Education Financial Statements for the year ended December 31, 2018, p. 7.

⁵ The Plan's pension obligation is based on its last actuarial valuation of the obligation (as at December 31, 2017) with the results extrapolated to December 31, 2018.

**Figure 1—The Pension Plan for the Non-Teaching Employees Key Financial Information**

	2018	2017
	(in millions)	
Plan Assets	\$ 131.2	\$ 132.1
Plan Liabilities	0.2	0.2
Net assets available for benefits	\$ 131.0	\$ 131.9
Pension Obligations	131.6	126.6
(Deficit) Surplus	\$ (0.6)	\$ 5.3

Source: The Pension Plan for the Non-Teaching Employees of the Saskatoon Board of Education Financial Statements for the year ended December 31, 2018.

3.0 AUDIT CONCLUSIONS

Our Office worked with Deloitte LLP, the appointed auditor, to carry out the audit of The Pension Plan for the Non-Teaching Employees of the Saskatoon Board of Education. We followed the framework in the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors*.⁶

In our opinion, for the year ended December 31, 2018:

- **The Pension Plan for the Non-Teaching Employees of the Saskatoon Board of Education had effective rules and procedures to safeguard public resources, except for the matter reported below**
- **The Pension Plan for the Non-Teaching Employees of the Saskatoon Board of Education complied with the following authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

The Pension Benefits Act, 1992
The Pension Benefits Regulations, 1993
The Pension Benefits Standards Regulations, 1985 (Canada)
The Income Tax Act
The Income Tax Regulations

- **The Pension Plan for the Non-Teaching Employees of the Saskatoon Board of Education had reliable financial statements**

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of The Pension Plan for the Non-Teaching Employees of the Saskatoon Board of Education's controls.

The audit focused on the Plan's pension obligation and investments. Work included evaluating the work of management's expert, and testing data and appropriateness of

⁶ See our website at www.auditor.sk.ca.

assumptions used to value the obligation. For investments, it included confirming details about the investments with the Plan's investment custodians and managers. The audit also included assessing processes for approving and monitoring investment policies, collecting contributions from plan members, approving and disbursing benefits to plan members, and periodic reconciliations of accounts including member contributions, payments, expenses, bank accounts and investment accounts.

4.0 KEY FINDING AND RECOMMENDATION

4.1 Monthly Review and Approval of Bank and Investment Reconciliations Needed

Management responsible for administering the Plan does not review and approve the Plan's bank and investment account reconciliations in detail on a monthly basis. As shown in **Figure 1**, at December 31, 2018, the Plan had cash and investments totalling \$131.2 million.

From December 2017 to May 2019, the Division had not carried out an independent review and approval of the bank and investment reconciliations that the Plan's manager prepared (a period of 17 months).

Timely bank and investment account reconciliations check the accuracy and reliability of the Plan's accounting records (e.g., detect unauthorized payments or unrecorded assets) and can identify bank errors, if any. Without timely independent review and approval of bank and investment reconciliations, the School Division risks using inaccurate financial records to make decisions and risks losing public money without timely detection.

- 1. We recommend that the Saskatoon School Division No. 13 complete monthly reviews of the bank and investment reconciliations for The Pension Plan for the Non-Teaching Employees of the Saskatoon Board of Education.**

Chapter 16

Social Services

1.0 MAIN POINTS

This chapter reports the results of our annual audit of the Ministry of Social Services and its three special purpose funds for the year ended March 31, 2019.

The Ministry complied with authorities governing its activities and had effective rules and procedures to safeguard public resources other than it needs to:

- Properly support and approve social assistance payments to ensure eligible clients receive the correct amount of assistance
- Review performance reports from third-party service providers timely

During the year, the Ministry improved its processes to disclose contractual obligations it expects to pay in the future.

Each fund complied with authorities governing their activities and their 2018–19 financial statements are reliable.

2.0 INTRODUCTION

The mandate of the Ministry of Social Services is to help children be safe from abuse and neglect, and help individuals to meet their basic needs and participate in their community.¹ The Ministry provides support through income assistance, child and family services, affordable housing and supports for people with disabilities as well as building capacity in community-based organizations.² Key programs and services include childcare subsidies, adoption services, child protection, foster care, financial assistance and housing programs.³

2.1 Financial Overview

In 2018–19, the Ministry spent \$1.2 billion on delivering its programs (see **Figure 1**). Appropriations (money from the General Revenue Fund) fund the Ministry. It also reported revenues totalling about \$41 million primarily from Federal Government transfers (e.g., special allowances for children in care). The Ministry's Annual Report for 2018–19 provides further details and reasons for differences between planned and actual results.

¹ Ministry of Social Services, *Annual Report for 2018–19*, p. 3 (www.pubsaskdev.blob.core.windows.net/pubsask-prod/112646/2018-19SocialServicesAnnualReport.pdf) (4 October 2019).

² *Ibid.*

³ *Ibid.*

**Figure 1—Expenses by Program**

	Estimates 2018–19 ^A	Actual 2018–19
	(in millions)	
Central Management and Services	\$ 56.2	\$ 50.7
Income Assistance and Disability Services	837.4	828.6
Child and Family Services	270.4	297.3
Client Support	12.4	12.4
Housing	7.6	7.2
Total Appropriation	<u>1,184.0</u>	<u>1,196.2</u>
Capital Asset Acquisitions	(10.1)	(2.3)
Capital Asset Amortization	5.5	5.4
Total Expense	<u>\$ 1,179.4</u>	<u>\$ 1,199.3</u>

Source: Ministry of Social Services, *Annual Report for 2018–19*, p.18.

^A During 2018–19, the Ministry received an operating budget increase of \$23 million comprised of a supplementary estimate. It used the majority of the increase to fund Child and Family Community-Based Services, Income and Disability Services, and costs associated with the response to northern forest fires.

2.2 Crown Agency and Special Purpose Funds

The Ministry is responsible for the Saskatchewan Housing Corporation, which has a December 31 year-end. We reported the results of our 2018 audit of the Saskatchewan Housing Corporation in our *2019 Report – Volume 1*.

The Ministry is also responsible for the following funds with March 31 year-ends:

Social Services Central Trust Account
 Social Services Valley View Centre Grants and Donations Trust Account and Institutional Collective Benefit Fund
 Social Services Valley View Centre Residents' Trust Account

3.0 AUDIT CONCLUSIONS

In our opinion, for the year ended March 31, 2019, we found, in all material respects:

- **The Ministry of Social Services had effective rules and procedures to safeguard public resources except for matters described in this chapter**
- **The Ministry of Social Services complied with the following authorities governing its and each of its funds' activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing except for the matter described in this chapter:**

<i>The Child and Family Services Act</i>	<i>The Employment Supplement Regulations</i>
<i>The Child and Family Services Regulations</i>	<i>The Personal Care Home Benefit Regulations</i>
<i>The Child Care Act, 2014</i>	<i>The Rental Housing Supplement Regulations</i>
<i>The Child Care Regulations, 2015</i>	<i>The Saskatchewan Assistance Regulations, 2014</i>
<i>The Social Services Administration Act</i>	<i>The Saskatchewan Assured Income for Disability Regulations, 2012</i>
<i>The Rehabilitation Act</i>	<i>The Transitional Employment Allowance Regulations, 2005</i>
<i>The Rehabilitation Regulations</i>	<i>The Saskatchewan Income Plan Act</i>
<i>The Vocational Rehabilitation Regulations</i>	<i>The Seniors Income Plan Regulations</i>
<i>The Residential Services Act</i>	<i>The Executive Government Administration Act</i>
<i>The Private-Service Homes Regulations</i>	<i>The Ministry of Social Services Regulations, 2007</i>
<i>The Residential-Service Facilities Regulations</i>	<i>The Financial Administration Act, 1993</i>
<i>The Saskatchewan Assistance Act</i>	Orders in Council issued pursuant to the above Legislation
<i>The Disability Housing Supplement Regulations</i>	

➤ **The financial statements of each fund are reliable**

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of the Ministry of Social Services' controls.

We focused our Ministry audit effort on the following areas:

- Administration of the various programs (e.g., Saskatchewan assistance program, Saskatchewan assured income for disability) as prescribed by the legislation and policy manuals
- User access, change management, and recovery processes for key financial IT systems
- Process for identifying and recording contractual obligations
- Reasonableness of method used to calculate the outstanding contingent liabilities

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Process to Identify and Disclose Contractual Obligations Implemented

We recommended the Ministry of Social Services implement a process to appropriately identify and disclose contractual obligations.

(2018 Report – Volume 2, p. 96, Recommendation 1; Public Accounts Committee agreement December 11, 2018)

Status—Implemented

The Ministry implemented a process to appropriately identify and disclose contractual obligations.

The Contract Administration Unit revised its process to identify contractual obligations in 2018–19. At March 31, 2019, the Ministry had future contractual obligations of \$513 million.



The process now includes clarification of data sources used in identifying contractual obligations, and revised roles and responsibilities for completing and reviewing contractual obligations.

Having a revised process allows the Ministry to appropriately identify and disclose contractual obligations.

4.2 Social Assistance Payments need to be Supported and Properly Approved

We recommended the Ministry of Social Services follow its established processes that ensure only eligible clients receive assistance and that they receive the correct amount of assistance. (2000 Report – Volume 3, p. 221,

Recommendation 2; Public Accounts Committee agreement June 6, 2001)

Status—Partially Implemented

The Ministry's employees do not always follow the Ministry's legislation or detailed policies and procedures for making payments to social assistance clients.

Legislation outlines benefits that the Ministry may pay to eligible clients (e.g., reasonable costs for funeral expenses).⁴ The Ministry's detailed policies and procedures further define the benefits. The Ministry expects staff to review and approve support for assistance payments to ensure only eligible clients receive the correct amount of assistance.

In 2018–19, 60% of 64 files we tested (2017–18: 61%) had assistance payments that were not appropriately approved in accordance with policy (e.g., approved when payment not properly supported). The following examples did not contain appropriate support:

- 27% of files (2017–18: 30%) with allowances. For example, in one instance, a client received a food-supplements allowance without appropriate documentation (i.e., receipts).
- 25% of files (2017–18: 25%) with utility arrears. For example, in one instance, the Ministry paid the utility arrears without adequate documentation (i.e., utility bill or disconnection notice).
- 3% of files (2017–18: 2%) had lack of appropriate approval. For example, in one instance, a client received a relocation allowance without appropriate approval.

The lack of compliance with Ministry legislation, and policies and procedures could result in the Ministry paying clients incorrect amounts of social assistance.

⁴ The Saskatchewan Assistance Act and regulations.

4.3 Timely Analysis of Service Provider Financial Information Needed

We recommended the Ministry of Social Services perform timely reviews on all the performance information submitted by the community-based organizations. (2007 Report – Volume 3, p. 75, Recommendation 4; Public Accounts Committee agreement January 8, 2008)

Status—Partially Implemented

The Ministry does not always review the results of the annual financial analysis of third-party service providers (i.e., community-based organizations) in a timely manner.

At March 31, 2019, the Ministry had service agreements with approximately 200 third-party service providers. During 2018–19, the Ministry paid these service providers roughly \$416 million (2017–18: \$357.9 million).⁵ The Ministry uses these service providers to provide services to at-risk residents of Saskatchewan who experience social, psychological, behavioural and cognitive difficulties. They also provide programs for persons with developmental disabilities, and the elderly.

Through service agreements with these third-party service providers, the Ministry requires them to submit various reports (e.g., operational and financial) within specified timeframes. Management set a target to receive and review 90% of the quarterly and annual reports submitted within the specified deadlines (or inversely, 10% of the reports may be late).

In 2018–19, the Ministry showed improvement in its monitoring actions of third-party service providers and met its target of receiving 90% of the required reports by the required deadline as shown in **Figure 2**. If reports are not received by required deadlines, the Ministry documented evidence of following up with the service provider to ensure it receives the agreed upon services.

Figure 2—Lateness of Receipt of Reports of Third-Party Service Providers

Report Type Submitted	Deadline – Number of Days After Organizations' Period/Year-End ^A	Organizations with Late Reports	
		2018–19 ^B	2017–18
Quarterly financial report	30	4.5%	23%
Quarterly operational (e.g., program evaluation reports)	30	4.4%	11%
Annual financial statements	120	3.3%	17%
Annual operations report	120	6.7%	10%

^A Third-party service providers' year-end can be either March 31 or December 31.

^B Stated figures show late reports that did not include documented follow-up in a timely manner.

Source: Ministry of Social Services agreements with third-party service providers and records.

Out of the 30 third-party service providers we tested, the Ministry received all the required reports except for one monthly report, which it requested from the service provider.

⁵ Ministry of Social Services Annual Report for 2018–19, p.19.



The Ministry also aims to complete its review of the annual financial statement analysis reports by November 30. The Ministry conducts the annual financial analysis to determine whether the community-based organizations (CBOs) are using the funding as expected. If they are not, the Ministry determines whether they will recover the excess funding or allow the surplus to be held by the CBO. For the 30 annual financial analysis reports we tested, the Ministry reviewed 73% after the deadline (lateness ranged between 11–185 days for completed files; five files were not completed and more than 200 days past the deadline date).

Not reviewing the financial analysis of the third-party service providers in a timely manner increases the risk the Ministry may be unable to identify issues and take necessary corrective action in a timely manner (e.g., adjust future funding).

Chapter 17

Teachers' Superannuation Commission—Teachers' Dental Plan

1.0 MAIN POINTS

This chapter reports the results of the annual audit of the Teachers' Dental Plan for the year ended June 30, 2019.

The Teachers' Superannuation Commission had effective rules and procedures to safeguard the Plan's public resources except it needs to establish complete and written guidance for preparing interim and year-end financial reports, and prepare financial statements for the Plan.

During the year, the Commission complied with authorities governing the Plan's activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.

During 2018–19, the Commission established written dental reconciliation procedures and completed monthly reconciliations for all dental payments made in the year. By reconciling approved dental claims to claims paid, the Commission is able to verify what the Plan owes for approved dental claims.

2.0 INTRODUCTION

The Teachers' Superannuation Commission manages and administers the Teachers' Dental Plan. The Plan provides Saskatchewan teachers and their dependents with coverage for certain dental services. The Commission uses an insurance company (service provider) to help administer the Plan.

The Ministry of Education (through the General Revenue Fund) pays for all dental services covered through the Plan. During 2018–19, the Commission paid \$13.2 million (2017–18: \$12.6 million) for teachers' dental claims and related administrative costs.

3.0 AUDIT CONCLUSIONS

In our opinion, for the year ended June 30, 2019, we found, in all material respects:

- **The Teachers' Superannuation Commission had effective rules and procedures to safeguard the Plan's public resources except for the matters included in this chapter**



- **The Teachers' Superannuation Commission complied with the following authorities governing the Plan's activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

The Teachers' Dental Plan Act
The Teachers' Superannuation and Disability Benefit Act
The Financial Administration Act, 1993
Orders in Council issued pursuant to the above legislation

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of the Commission's controls.

Because dental payments made to members are significant, we tested a sample of dental payments to verify the eligibility and accuracy of the claims and compliance with governing authorities.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Dental Payments Reconciled

We recommended the Teachers' Superannuation Commission have adequate support for dental payments. (2009 Report – Volume 1, p. 57, Recommendation 2; Public Accounts Committee agreement September 1, 2009)

Status—Implemented

During 2018–19, the Commission established written dental reconciliation procedures and completed manual dental payment reconciliations for the 2018–19 fiscal year.

The Commission used financial data received from its service provider to determine the extent of dental claims the service provider approved and paid to teachers. This financial data helps the Commission determine how much it owes for approved dental claims.

Its service provider processes about 54,000 dental claims each year on behalf of the Commission. The Commission reimburses the service provider for claims it approved and paid.

As of June 2019, the Commission continued to develop a dental reconciliation IT system. The Commission plans to perform dental reconciliations manually until implementation of this IT system.

By reconciling dental claims approved to claims paid, the Commission can verify what the Plan owes for approved dental claims. Going forward, the Commission can use this information to enable the Commission to manage the Plan on an accrual basis and to prepare adequate interim financial reports and year-end financial statements—see **Section 4.2** for related recommendation.

4.2 Reporting Improvements Needed

We recommended the Teachers' Superannuation Commission establish complete and written guidance for preparing interim and year-end financial reports [for the Teachers' Dental Plan]. (2008 Report – Volume 1, p 46, Recommendation 6; Public Accounts Committee agreement June 17, 2008)

Status—Partially Implemented

We recommended the Teachers' Superannuation Commission annual report include the financial statements of the [Teachers' Dental] Plan the Commission administers. (2008 Report – Volume 1, p. 46, Recommendation 7; Public Accounts Committee agreement June 17, 2008)

Status—Partially Implemented

The Dental Plan is the only one of its active benefit plans for which the Commission does not publish financial statements or prepare interim financial reports.¹

As noted in **Section 4.1**, the Commission's new dental reconciliation process is a critical step to enable the Commission to manage the Teachers' Dental Plan on an accrual basis, including preparing financial reports and statements on an accrual basis.²

Management plans to:

- Complete written guidance for preparing interim and year-end financial reports for the Plan
- Prepare financial statements for the Plan and include them in the Commission's Annual Report. The Commission expects to prepare financial statements starting in 2019–20

Without adequate interim and year-end financial reports, the Commission does not have sufficient financial information to make informed decisions about the Plan.

¹ The Commission prepares financial statements for the Teachers' Superannuation Plan and the Teachers' Group Life Insurance Plan.

² Consistent with prior years, the Commission provides summarized financial information about the Plan in its Annual Report.

Chapter 18

Water Security Agency

1.0 MAIN POINTS

Other than the need for a complete and tested business continuity plan, the Water Security Agency had effective rules and procedures to safeguard public resources as at March 31, 2019. The Agency's 2018–19 financial statements are reliable and it complied with authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing and investing.

2.0 INTRODUCTION

The Agency is responsible for managing the water supply; protecting water quality and ensuring safe drinking water; managing dams and water supply channels; reducing flood and drought damage; and providing information on water. The Agency works to integrate all aspects of provincial water management to ensure water supplies support economic growth, quality of life and environmental well-being.¹

At March 31, 2019, the Agency held financial assets (e.g., cash, amounts owed from others) of \$135.1 million, tangible capital assets of \$382.1 million, and liabilities of \$39.2 million.

In 2018–19, the Agency generated an annual operating surplus of \$61 million comprised of revenue of \$115 million and expenses of \$54 million.² This included \$35 million in revenue including the transfer of five water management structures (dams, canals, associated infrastructure land, headworks and building) with a carrying value of \$0.4 million from Agriculture and Agri-Food Canada (AAFC)—an allotment of \$20 million for the future operation, maintenance and upgrade of those five structures while the remaining \$14.6 million relates to unanticipated risks associated with Reservoir Lands and other related infrastructure (20 water management structures in total) transferred from the AAFC to the Agency in 2017.

3.0 AUDIT CONCLUSIONS

Our Office worked with MNP LLP, the appointed auditor, to carry out the audit of the Agency. We followed the framework in the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors*.³

¹ *Water Security Agency 2018–19 Annual Report*, p. 4.

² Find the 2018–19 annual report of the Water Security Agency at www.wsask.ca/About-WSA/Publications/Water-Security-Agency-Annual-Reports/.

³ See our website at www.auditor.sk.ca.



In our opinion, for the year ended March 31, 2019:

- **The Water Security Agency had effective rules and procedures to safeguard public resources except for the need for a complete and tested business continuity plan**
- **The Water Security Agency complied with the following authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

The Water Security Agency Act
The Water Security Agency Regulations
The Water Power Act
The Water Power Regulations
The Crown Employment Contracts Act
The Executive Government Administration Act
The Financial Administration Act, 1993
Orders in Council issued pursuant to the above legislation

- **The Water Security Agency had reliable financial statements**

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of the Agency's controls.

4.0 KEY FINDING AND RECOMMENDATION

4.1 Business Continuity Plan Not Complete

We recommended the Water Security Agency implement and test a business continuity plan. (2010 Report – Volume 2, p. 296, Recommendation 1; Public Accounts Committee agreement January 20, 2011)

Status—Partially Implemented

In 2018–19, the Agency made limited progress on implementing this recommendation.

The Agency uses IT systems to monitor water quality and inspection data, provide real-time information on water levels throughout the province, manage financial information, and track key information about its capital assets (e.g., asset condition, inspection results, maintenance).

An IT disaster recovery plan is a part of a business continuity plan. By March 31, 2019, the Agency's business continuity plan remained incomplete and untested. Without a complete and tested plan, the Agency risks the availability of its IT systems and data in the event of a disaster. The Agency plans to engage a consultant to assist with developing and testing a sufficient IT disaster recovery plan.

Chapter 19

Summary of Implemented Recommendations

1.0 INTRODUCTION

This chapter lists agencies that implemented recommendations from previous annual integrated audits and had no other significant integrated audit findings.

2.0 SUMMARY OF IMPLEMENTED RECOMMENDATIONS

Figure 1 sets out, by agency, the recommendations, as well as highlights key actions taken by the agency to implement its recommendation.

Figure 1—Implemented Recommendations

Past Recommendation (Initial PAS Report, Date of Agreement of PAC or CCAC) ^A	Key Actions Taken During 2018–19 to Implement Recommendation
Carlton Trail College	
We recommended Carlton Trail College require staff to independently review and approve journal entries. (2018 Report – Volume 2, p. 22, Recommendation 1; Public Accounts Committee has not yet considered this recommendation as of October 25, 2019)	In 2018–19, Carlton Trail College required staff to independently review and approve journal entries. The appointed auditor found staff independently reviewed and approved journal entries tested.
Ministry of Health	
We recommended the Ministry of Health follow its established procedures for removing unneeded user access to its computer systems and data promptly. (2015 Report – Volume 2, p. 64, Recommendation 1; Public Accounts Committee agreement June 12, 2018)	Our testing found the Ministry is promptly removing unneeded user access to its computer systems and data. In 2018–19, the Ministry promptly requested removal of unneeded network user access for 30 of 31 (97%) individuals tested.
Ministry of Finance—Public Employees Benefit Agency	
We recommended the Public Employees Benefits Agency have written procedures for verifying the completeness and accuracy of pension and benefit plan participant data before providing it to the actuaries. (2018 Report – Volume 2, p. 43-45, Recommendation 1; Public Accounts Committee has not yet considered this recommendation as of October 25, 2019)	During 2018–19, the Agency implemented procedures for evaluating the integrity of plan participants' data before providing the data to the actuaries for the purpose of estimating the pension or benefit obligations (i.e., the amounts owed to plan participants). By October 2018, senior management approved new procedures for verifying the completeness and accuracy of pension and benefit plan participant data. Our review of the approved procedures found them sufficient. In addition, we observed staff used these new procedures in verifying participant data. For pension and benefit plans that obtained an actuarial valuation during 2018–19, our analytics on the data provided to the actuary and test of a sample of participant information found staff provided complete and accurate participant information to the actuaries.



Past Recommendation (Initial PAS Report, Date of Agreement of PAC or CCAC) ^A	Key Actions Taken During 2018–19 to Implement Recommendation
Public Service Commission	
We recommended the Public Service Commission follow its established procedures for removing user access to its computer systems and data (<i>2010 Report – Volume 2</i> , p. 286, Recommendation 1; Public Accounts Committee agreement June 7, 2011)	During 2018–19, the Commission implemented a new process to notify administrators to remove user access to its computer systems and data for employees leaving Government. In 2018–19, based on our testing, the Commission removed users' access to its computer systems and data timely.
Saskatchewan Arts Board	
We recommend that the Saskatchewan Arts Board maintain written management-approved guidance about accounting for and payment of grants. (<i>2018 Report – Volume 2</i> , p. 75, Recommendation 1; Public Accounts Committee has not yet considered this recommendation as of October 25, 2019)	Management developed and staff consistently followed a financial policy to account for grants during the year. This policy provides guidance on making and accruing payments in the correct fiscal year.

^A PAS: Provincial Auditor of Saskatchewan
PAC: Standing Committee on Public Accounts
CCAC: Standing Committee on Crown and Central Agencies



Performance Audits



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Chapter 20

Chinook School Division No. 211—Supporting Grade 2 Students in Achieving Grade Level in Math

1.0 MAIN POINTS

This chapter reports our audit results of Chinook School Division No. 211's processes to support Grade 2 students in achieving grade level in math to meet the provincial Education Sector Strategic Plan (ESSP) goal that by June 2020, 80% of students will be at or above grade level in math.^{1,2}

At December 2018, Chinook had effective processes to support Grade 2 students in achieving grade level in math to meet the ESSP goal of 80% by 2020.

Chinook's results, at June 2018, show it achieved its goal.

2.0 INTRODUCTION

2.1 Background

Chinook School Division No. 211 is responsible for 63 schools in 30 communities within a geographic area of approximately 43,000 square kilometres located in southwestern Saskatchewan from Frontier, Leader, and Hodgeville to Maple Creek.^{3,4}

Each year, Chinook educates about 6,000 students, including approximately 450 students in Grade 2 located in 29 schools.⁵ It employs a staff of nearly 890 full-time equivalent positions comprised of 379 classroom teachers, and 229 other educational staff.⁶

In 2018–19, Chinook expected to have revenues of about \$82 million (2017–18: \$83 million) and expenses of \$86 million (2017–18: \$87 million).^{7,8}

Chinook's mission is to provide an engaging environment that meets the holistic needs of children while achieving curricular expectations.⁹

¹ In 2013, the Ministry of Education and school divisions formed a Provincial Leadership Team to establish a sector-wide strategic plan called the Education Sector Strategic Plan (ESSP). The ESSP is a multi-year strategic plan focused on specific outcomes and achieving goals set out in the *Saskatchewan Plan for Growth: Vision 2020 and Beyond*.

² *Ministry of Education Plan for 2018–19*, p. 8.

³ *The Education Act, 1995* sets out the duties of a Board of Education. These duties include approving and providing educational courses to students residing in the school division (Act, s. 85(1) (j) and (l)), including courses that teach students to comprehend math. The Ministry of Education sets out the curriculum pertaining to courses of study with respect to Kindergarten and Grades 1–12 (Act, s. 3(2) (c)).

⁴ Chinook School Division No. 211, *Annual Report 2017–18*, p. 7.

⁵ *Ibid.*, p. 30.

⁶ *Ibid.*, p. 31.

⁷ Chinook School Division 2018–19 Final Operating Budget.

⁸ Chinook School Division No. 211, *Annual Report 2017–18*, p. 52.

⁹ *Ibid.*, p. 8.



2.2 Math Momentum

From 2011 to 2015, Chinook focused specifically on improving math results for elementary grades; it referred to this initiative as ‘Math Momentum’. Through Math Momentum, Chinook used focused strategies to improve math results, gathered baseline data on math results for Grades 3, 6, and 9, and actively monitored progress.

During these years, Chinook required each of its schools to develop formal school-level goals for math results. It gave teachers additional training in teaching math; provided schools with additional resources specific to supporting math instruction and assisting students in learning math (such as intervention kits); and hired math coaches dedicated to supporting and coaching teachers in teaching math.

In 2011, it adopted the use of the Vancouver IslandNet (VIN) assessment tool to collect baseline data, and evaluate students against grade level in math. It required teachers to assess students in Grades 3, 6, and 9 in the fall and spring using the VIN assessment, and gave them the option of using the VIN assessment to assess students in other grades.

The VIN assessment uses a four-point scale (needs support, progressing toward expectations, meeting expectations, exceeding expectations). Chinook trained its staff on the use of this tool.

From 2011 to 2015, VIN assessment results showed students’ math results in Grades 3, 6, and 9 improved significantly. For example, on a combined basis, results increased from 46.7% of students at grade level in math in 2011 to 75.3% in 2015.¹⁰ For Grade 3 students, math results increased from 72.5% in 2011 to 90% in 2015—exceeding Chinook’s target of 85% by 2017.

Given this, in 2016, Chinook shifted its focus (and resources) from math to improving student writing and increasing high school engagement, which are other ESSP goals. It reduced the number of dedicated math coaches from five to one full-time equivalent position, and reduced professional development specific to teaching math. Chinook kept using the VIN assessment to evaluate students’ math results in Grades 3, 6, and 9 twice a year.

Learning math skills early (such as in elementary grades) can help students achieve future academic success.¹¹ Students also use math skills in everyday life (e.g., purchasing goods, following a recipe). It is almost impossible to live independently without possessing basic math skills.¹² If students do not receive supports to learn math skills early, they may struggle with math in later grades, and in life.

¹⁰ For Grade 6 students, math results increased from 51.8% in 2011 to 76.9% in 2015. For Grade 9 students, math results increased from 20.1% in 2011 to 60.4% in 2015.

¹¹ Samuels, C. (2018). Supporting Math Learning by Helping Early Educators. *Education Week Spotlight*, pp. 7–8.

¹² Wile, E. (June 2017). *Why is Math So Important for Kids to Learn?* www.livestrong.com/article/560817-activities-for-kids-about-attitude (21 March 2018).

3.0 AUDIT CONCLUSION

We concluded that for the 13-month period ended December 31, 2018, the Chinook School Division No. 211 had effective processes to support Grade 2 students in achieving grade level in math to meet the Education Sector Strategic Plan goal of 80% by 2020.

Chinook's results, at June 2018, show it achieved its goal.

Figure 1—Audit Objective, Criteria, and Approach

Audit Objective: The objective of this audit is to assess the effectiveness of the Chinook School Division No. 211's processes used in a 13-month period ending December 31, 2018, to support Grade 2 students in achieving grade level in math to meet the Education Sector Strategic Plan goal of 80% by 2020.

Audit Criteria:

Processes to:

1. Identify actions to support Grade 2 students in achieving grade level in math
 - 1.1 Set expectations (e.g., action plans, incremental targets, alignment with sector plan)
 - 1.2 Establish relationships with key stakeholders (e.g., parents, communities, First Nations)
 - 1.3 Communicate grade level in math expectations (to teachers, students, parents, communities, First Nations)
2. Support implementation of actions
 - 2.1 Allocate resources for math (e.g., staff, funding, tools, supports)
 - 2.2 Provide training to support actions (by teachers, support staff)
 - 2.3 Manage risks to timely completion of actions
3. Monitor effectiveness of actions
 - 3.1 Measure progress towards supporting Grade 2 students in math
 - 3.2 Adjust actions as required
 - 3.3 Report on progress towards supporting Grade 2 students in math

Audit Approach:

To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate Chinook's processes, we used the above criteria based on our related work and reviews of literature including reports of other auditors. Chinook's management agreed with the above criteria.

We examined Chinook's policies and procedures relating to supporting Grade 2 students in achieving grade level in math. We interviewed staff within Chinook, including Division and school staff. We analyzed students' math assessment results. We tested key aspects of Chinook's processes, including math coaching schedules and instruction time. We also examined resources and coaching available to teachers. Because Chinook did not maintain support for its scoring of student assessments, we did not assess the validity of the individual student results.

4.0 KEY FINDINGS

4.1 Action Plans Clearly Outline Expectations for Math

Chinook uses action plans to clearly outline specific targets and actions to support reading, writing, and/or math outcomes following a standard template.

Each year Chinook, at the Division-level and each school, must prepare an action plan following the Ministry's standard template. The template outlines specific actions (e.g., use of interventions) to achieve reading, writing, and/or math outcomes; deliverables; name of



lead; start and completion dates; high-level, required human and financial resources; high-level risk or mitigation strategies; and metrics.

Our review of the Division-level action plans for the last two years (2017–19 and 2018–19) found them completed as expected. In addition, each included specific math-related outcomes, deliverables, strategies, resources, and metrics.

Figure 2—Division-Level Math Targets by Action Plan

2017–19 Action Plan	2018–19 Action Plan
By June 2017, 85% of students will be meeting or exceeding expectations on Chinook math assessments in Grades 3, 6, and 9 (using VIN assessment)	By June 2018, 75% of students in Grades 2, 5, and 8 will be at grade level in math by June 2019 (using the provincial math rubric)
By June 2020, 90% of students will be meeting or exceeding Chinook expectations in reading, writing and math (using VIN assessment)	By June 2020, 80% of Grades 2, 5, and 8 students will be at grade level in math (using the provincial math rubric)

Source: Chinook School Division No. 211 Action Plans.

We found the content of its 2017–19 and 2018–19 plans consistent (e.g., similar strategies, similar resources) except the 2018–19 action plan had lower math target percentages and required using a provincial math rubric annually for a variety of grades, as shown in **Figure 2**.

We found:

- The plans' consistency showed that Chinook continued to maintain sufficient strategies for math to sustain its past progress in improving students' math results.
- The revised math targets, grades assessed, and use of a provincial math rubric starting in the 2018–19 Division-level plan aligned with the ESSP 2020 math goal and Ministry direction. (See **Figure 3** for a brief description of Ministry-directed math assessment requirements.) We found the revised targets consistent with Chinook's adoption of the provincial math rubric.¹³

Figure 3—Ministry Requirement for Using Provincial Math Rubric for Grades 2, 5, and 8

In the spring of 2018, the Ministry asked each school division (including Chinook) to submit math results for Grades 2, 5, and 8 each June, starting in June 2019. It requires all school divisions to report these student math results using a new common math rubric to allow for consistent student assessments across all provincial school divisions. This provincial rubric assesses student math level against grade level prescribed in the curriculum based on an assessment by the teacher of the student's work throughout the year.

The Ministry expects all schools to collect data at the end of the school year (in June) using the common math rubric.

The provincial rubric, similar to the VIN assessment, requires teachers to assess students on a four-point scale.

Source: Adapted from information provided by the Ministry of Education and Chinook School Division No. 211.

¹³ Chinook's June 2018 pilot use of the provincial math rubric found, while overall results for all grades assessed were similar to VIN assessment results, provincial rubric results for Grade 2 in Chinook were 12.44% lower than VIN assessment results.

In 2018–19, math-related resources included one full-time dedicated math coach, and nearly 18 student services teachers.¹⁴

In 2018–19, math-related strategies expected teachers to support students using Division-supported math interventions (see **Figure 4**), ‘Guided Math’, a standard method to assess student achievement, and professional development (such as coaching) to gain skills to deliver intervention.

Guided Math is a math teaching strategy Chinook requires teachers to use for either some, or all, lessons or certain units depending on their teaching style. It is geared to delivering math content to groups. It involves dividing students into groups based on their ability with math concepts. Students work in groups to move through different math-related activities tailored to their level.

Figure 4—Examples of Chinook-Supported Math Intervention Resources

- Tier 1 instruction uses the Guided Math strategy in the classroom, which may include tailored instruction for students at different levels.
- Tier 2 interventions are for students struggling to meet grade-level using Tier 1 instruction. Chinook provides each school with a Tier 2 intervention kit for each grade, which includes activities for students to learn math concepts either in small groups or individually.
- Tier 3 interventions are for students who need additional support. Chinook provides each school with a Tier 3 binder containing additional resources for teachers or student services teachers to use one-on-one with students.

Source: Adapted from information provided by Chinook School Division No. 211.

Our staff interviews at the Division office and at five schools we visited, as well as reviews of Division calendars found Chinook communicates its expectations for math to teachers through professional development days, and visits from Division staff to schools (such as superintendents, Division math coach, and curriculum coordinator). Also, during the school year, school administrators give staff a monthly Division-prepared document outlining key learning messages, including those related to math.

Since 2015, Chinook no longer required each school to include school-level goals for math in their action plans because of its focus on other ESSP goals. Rather, it allows schools to set either formal or informal school-level goals for math.

Our review of the 2018–19 action plans for five schools we visited found that only one included specific school-level goals for math. Our discussions with staff at each of these five schools found they were fully aware of the ESSP 2020 goal for math. They also described various school-level processes to set informal goals for improvement in math results, and school-level resources used to achieve math goals (e.g., use of interventions, Guided Math, and specific math events for students and/or parents).

Having clear and written expectations, and reinforcing them through regular communication with teachers, helps teachers not only to understand Chinook’s priorities, but also to achieve desired outcomes (targets).

¹⁴ Student services teachers provide academic interventions to students identified as needing extra help to reach grade level.



4.2 Communications Used Regularly to Engage Stakeholders

Chinook uses various ways to regularly communicate to and engage with parents and First Nations leaders in supporting improvement in Grade 2 students achieving grade level in math.

Chinook requires each school to have a School Community Council comprised of parents, school administrators, and teachers. It uses these Councils as a key way to garner input from parents and to keep them informed. It expects Councils to meet regularly and maintain minutes. In addition, it encourages each Council to develop (using a standard template) Engagement and Alignment Plans to help schools achieve their learning goals.

The Engagement and Alignment Plan's standard template sets out actions/activities, start and completion dates, community partnerships, parental involvement, and assessments/measures (activities/metrics).

Each of the five schools we visited had active School Community Councils. Our review of School Community Council meeting minutes and Engagement and Alignment Plans found schools view parents, students, teachers, other school/division staff, and the wider communities within the Division including First Nations Bands as Chinook's key stakeholders. Per discussion with school staff, schools used the Councils to reinforce their learning goals, and garner support from parents in various activities (such as parent math nights, amazing math race).¹⁵

In addition to the Councils, Chinook encourages schools and teachers to use other forms of communication to share math-related information with parents such as Parent-Teacher conferences/meetings, newsletters, emails, or social media.

Our interviews with staff at these five schools found Chinook encouraged teachers to make day-to-day contact with parents and students, and for parents to contact them. Each of the five schools we visited routinely sent newsletters to parents. Our review of classroom newsletters found they discussed events in the classroom and some included information on math units or school math events (e.g., parent math nights).

Using various ways to regularly communicate to and engage with stakeholders helps parents, and the community, to support students' improvement in achieving grade level in math.

4.3 Sufficient Support to Successfully Deliver Grade 2 Math

Chinook gives schools sufficient support to deliver Grade 2 math by giving them time to teach math, specific math-related resource materials, access to additional educational personnel upon request, and access to budgetary resources for additional spending on resource materials or training. In addition, as described in **Section 4.4**, it gives teachers appropriate access to math-related training.

Chinook staffs schools based on student ratios and enrolment. School staff includes classroom teachers, student services teachers, and administrative staff. Its policy outlines

¹⁵ O.M. Irwin School designed an amazing math race to raise students' financial literacy awareness.

staffing ratios for teachers, administrative staff, and student services teachers based on student population per school. For example, Chinook's policy for Grade 2 has a teacher-student ratio of 25 to 1.

The actual 2018–19 student enrolment ratio for Grade 2 classrooms at each of the five schools we visited was within policy guidelines (their actual student ratios ranged from 8:1 to 24:1).

When developing its school calendar, Chinook considers the Ministry-directed number of school days and minimum instruction time for core subjects (such as math).

For the five schools we visited, math time for Grade 2 students met the Ministry's requirement for a minimum of 210 minutes of math instruction per week.

In addition, Chinook makes educational assistants and student services teachers/interventionists available to schools.^{16,17} It staffs these positions based on student enrolment. For the 2018–19 school year, Chinook employed about 110 educational assistants and nearly 18 student services teachers assigned to its 25 elementary schools.¹⁸

At the five schools we visited, we interviewed staff who indicated schools can allocate and adjust the use of educational assistants and student services teachers based on their identified needs.

We found schools schedule the use of educational assistants' time, and attempt to maximize the number of students accessing an educational assistant (e.g., educational assistants would work with other students in different classes when their assigned students are in a physical education class).

Furthermore, Chinook makes one math coach available. This teacher's role is to coach all new math teachers in the Division and support, upon request, other classroom teachers in teaching math.¹⁹ New math teachers include teachers joining the Division who teach math, teachers already in Chinook's employment and teachers newly assigned to teach math. In 2018–19, it had 11 new math teachers in its elementary schools (2017–18: 15; 2016-17: 23).

Chinook makes some resource materials centrally available. It uses a central math budget to fund these. For example, the Division office maintains a library where schools can borrow additional supplies to support math (e.g., IT math games such as 'Mathletics'). In 2018–19, Chinook's central math budget was \$453,000 (2017–18: \$293,000).

Division office staff told us it allocates additional resources if the data (such as VIN assessment results) show a school is not meeting expectations in a certain area. Additional resources may include adjusting the availability of educational assistants, student services teachers, or resource materials to schools. It considers the teacher-coaching model as the most effective way to achieve outcomes.

¹⁶ An educational assistant supports students with intensive behavioural or academic needs.

¹⁷ An interventionist is a generic term describing a person responsible for the delivery of a math intervention.

¹⁸ Full-time equivalent positions.

¹⁹ When it was focusing on math (2011–2015), Chinook told us that the math coaches provided training and professional development to all math teachers.



From time to time, Chinook seeks feedback from school staff informally or through surveys. For example, in June 2018, it surveyed teachers participating in training and those piloting the newly adopted provincial math rubric (see **Figure 3**).

Chinook also provides each school with an array of resource materials specific to math. School resource materials include student workbooks and textbooks, teacher resource manuals, and math intervention kits. Intervention kits are designed to assist teachers in instructing students needing additional support in achieving grade level.

We found Chinook bought or developed most of the materials as part of its Math Momentum initiative. Since then, it updates resource materials either centrally, based on input from schools using the central math budget, or at an individual school level, based on teacher requests using the approved budgets made available to the school. Typically, each school has a discretionary academic budget and a school library budget.

All five schools we visited have discretionary academic budgets; their 2018–19 budgets ranged from \$1,000 to \$31,000 primarily varying because of student enrolment.

Staff at five schools we interviewed told us that Chinook gave each school a Tier 2 intervention kit and a Tier 3 intervention binder, which included useful information on interventions and math-teaching strategies (see **Figure 4**).

All five Grade 2 teachers interviewed supplemented the Division's resources by purchasing additional materials, and/or by building activities or manipulatives.²⁰

Staff at the five schools we interviewed also confirmed funding for additional math resources (such as additional professional development courses, classroom materials, and academic supplies) is available through Chinook's central math budget, the schools' discretionary budgets, school library budgets, and funds raised by School Community Councils.

Interviewed teachers indicated that they communicate their resource needs with their schools through discussions with school administrators, Teachers-Assisting-Teachers meetings, and Professional Learning Community meetings.^{21,22}

The five school administrators we interviewed indicated that schools communicate resource needs to the Division through regular communication and meetings with the math coach and other Division staff.

By providing schools sufficient support to deliver Grade 2 math, Chinook enables its school staff to adequately support all students, particularly those assessed as needing more support.

²⁰ Manipulatives are tools used to help support math learning, including blocks, dice, coins, etc.

²¹ Teachers-Assisting-Teachers meetings are for administration, student services teachers, and select teachers to discuss students with difficult learning or behaviour issues to obtain extra support and new ideas.

²² Professional Learning Community is a group of teachers who discuss instruction in a particular subject area and grade level.

4.4 Teachers Suitably Equipped to Teach Math

Chinook suitably equipped its Grade 2 teachers to understand and teach the math curriculum through its math coach, and professional development days (which may include math content).

Chinook requires its math coach to give each of its new math teachers training on Guided Math, math resources, and math interventions, and it uses a written training plan for first and second year math teachers, which includes a training timeline and coaching blocks (specific planned activities).

Our review of the math coaching visit descriptions and tracking found Chinook's math coach provided math training/coaching to all new math teachers and teachers with a change in grade/subject from year to year. Training covered teacher expectations, Guided Math, available resources, interventions, and teacher and coach roles.

The five Grade 2 teachers we interviewed confirmed the availability of the math coach for additional coaching and training as requested.

Each year since June 2016, Chinook offered math professional development sessions for classroom teachers, administrators, student services teachers/interventionists, specialists (e.g., speech language pathologist), and others (e.g., student support coordinator).

We saw that Chinook sets its math training requirements (i.e., expectations and training days) for teachers in the Division calendar. Because math is not its current focus, we found it did not provide teachers with much professional development specifically related to math beyond math coaching.

Each of the five Grade 2 teachers we interviewed felt they received enough support through professional development and coaching to teach math effectively.

Suitably equipping teachers to teach math allows them to effectively teach math. Actively coaching teachers also reduces the risk of Chinook insufficiently supporting teachers in their roles.

4.5 Progress in Math Measured Consistently

Chinook consistently measures its progress toward supporting students in math.

The Division used ongoing teacher assessments and student course work reflected in student report cards. In addition, from 2010–11 to 2017–18, it used the VIN assessment tool to collect data (in the fall and spring of each year) on whether students were meeting grade level in math for Grades 3, 6, and 9. Consistent with Ministry-direction described in **Figure 3**, starting in 2018–19, Chinook required teachers to assess students only in June using the provincial math rubric for Grades 2, 5, and 8.

Staff at the five schools we visited identified ongoing assessments and student course work as key ways teachers measure progress at the student-level. The five Grade 2 teachers



we interviewed further noted that using Guided Math assists in monitoring student progress since students are working in small groups.

Consistent with Chinook's expectations, schools assessed the required grades using VIN assessments twice a year as expected, and entered each VIN student assessment results into the Division's IT system. In addition, staff used the same IT system to track students receiving interventions. Our review of 2018–19 and 2017–18 data noted tracking of intervention checkpoints in the IT system for all Grade 2 students receiving interventions.²³

Use of a standard assessment tool (such as VIN or the provincial math rubric) gives Chinook a clear and somewhat more objective basis of assessing a student's knowledge of math relative to grade level. Applying that basis periodically and systematically gives Chinook quality information to determine whether its math instruction and related activities give students sufficient support to learn math at grade level. It also gives Chinook quality information to determine where to focus its resources (e.g., which schools, and which students).

4.6 Progress of Students in Math Actively Monitored

Chinook actively evaluates student math progress at the school-level, and at the Division-level.

- Teachers at schools identify students at risk through professional judgment, classroom observations (including group instruction and work samples), and various screening assessments (including VIN and unit assessments).

Teachers and student services teachers at the five schools we visited confirmed they track progress through day-to-day assessments in the classroom.

Our discussion with staff from five schools we visited, and our review of related documents, found schools informally identify and manage risks at a school-level, as well as for individual students not achieving grade-level in math. They do this through teachers' knowledge of students and their families; communication with parents, other teachers, and school administrators; and discussions at monthly Teachers-Assisting-Teachers meetings and Professional Learning Community meetings.

Our review of Chinook's Grade 2 math results found schools use data captured in its IT system from the VIN assessments. We saw evidence that schools track interventions for early years' math in the IT system, and decide whether the interventions work by determining whether a student progresses as expected.

Our review of the 2017–18 VIN assessment results found schools provided interventions to Grade 2 students identified as not meeting math grade-level expectations (see **Figure 4**).

²³ An intervention checkpoint is an assessment determining if a student is able to do something specific or understand a learning concept.

The five teachers interviewed indicated they make their students aware of their curricular outcomes at the beginning of units, so students understand the expectations for learning.²⁴ For students requiring additional support, teachers use daily work with students to communicate expectations for math.

- School administrators periodically evaluate how well their school and students are doing using summarized results from the IT system (by school, classroom, and student levels). This enables them to identify problem areas for their school, and identify specific students needing and/or receiving additional support or interventions.

Schools can amend or request adjustments to certain math resources as required. For example, teachers can adjust use of interventions for individual students. Schools can also ask educational assistants and student services teachers to modify their schedules to help specific students or classrooms. In addition, schools can ask the math coach to provide a teacher with additional coaching.

We saw each of the five schools we visited prepared schedules for providing appropriate interventions to students identified in need of support.

Administrators at each of the five schools we interviewed discussed how they used information from the IT system to consider student performance in math, and sufficiency of supports or interventions provided to students. They provided us with examples of specific math-related requests for schedule adjustments of educational assistants or student services teachers. They indicated that they generally found their school-level budgets for math resources sufficient.

- Division superintendents meet with each school administrator twice a year (in fall and spring).

We confirmed superintendents used these meetings, in part, to discuss students receiving interventions at each school (i.e., for math, students scoring below grade-level on the VIN assessment).

Our review of executive team agendas found it considered requests for adjustments in math resources for a particular school, classroom, and/or student.²⁵ Division-level staff indicated it adjusted resources based on available funding in the Board-approved budget. When funding was not sufficient and the request warranted, the Division recommended the Board adjust the budget.

Staff at the five schools we visited indicated that they felt Chinook sufficiently responded to their requests for additional math resources.

We also found Chinook does not exceed its approved math budget. For example, it spent about two-thirds of its 2017–18 math budget of \$293,000. As of June 2019 (nine months into its fiscal year), it spent almost one-third of its 2018–19 math budget of \$453,000 because the Division typically purchases the majority of supplies for the next school year in the summer.

²⁴ Some teachers use “I Can” statements, which are age-appropriate statements explaining curricular outcomes to students.

²⁵ The executive team includes the director, deputy director, chief financial officer, and superintendents.



As shown in **Figure 5**, Chinook had about 97% of its Grade 2 students (assessed on an optional basis) and 88.7% of Grade 3 students (subject to mandatory assessment) meeting or exceeding grade level in math in spring 2018 based on the VIN assessment.

Figure 5—Students’ Spring Math Assessment Results (Using VIN)

Year	Percentage of Students Meeting or Exceeding Expectations	
	Grade 3 (assessments mandatory)	Grade 2 (assessments optional) ^A
2012	72.5	86.9
2013	76.8	88.8
2014	83.5	94.4
2015	90.0	92.7
2016	86.9	93.8
2017	87.0	91.1
2018	88.7	96.8

Source: Chinook School Division No. 211’s records.

Gray shaded rows reflect the years when Chinook focused on student performance in math through Math Momentum.

^A Percentage does not include all Grade 2 students as testing was optional; that is, Chinook did not require schools to assess Grade 2 students (e.g., for 2018, teachers in 75% of the schools assessed Grade 2 students).

By evaluating and monitoring students’ math progress, Chinook knows whether students struggle to meet grade-level and whether it needs to provide additional support to its schools.

4.7 Board and Public Kept Informed of Students’ Progress in Math

The Division gives its Board and the public sufficient information to enable them to assess students’ progress in math.

Each year, Chinook analyzed students’ year-over-year math results measured using VIN assessments for Grades 3, 6, and 9.

We saw the Division annually reported these results internally to its executive team. For example, for the 2017–18 school year, the executive team received this analysis in September 2018.

Each year, Chinook reports the results of its analysis to the Board. For example, the Board received the 2017–18 school year analysis in September 2018. This analysis included year-over-year data from the 2010–11 to 2017–18 school years. It provided data by grade (i.e., Grades 3, 6, and 9), and overall. The analysis clearly indicated Chinook’s math strategy succeeded in increasing its students’ Grades 3, 6, and 9 math scores over time (31.4% combined increase since 2011).

We found Chinook provided sufficient analysis to the Board based on the relative size of the changes in results. We also saw the Division provided the Board with updates on tools to support math education going forward. For example, in September 2018, the Board received information about the new provincial math rubric assessment and intervention tools.

To report on progress to the community, each time the Board meets, Chinook releases a newsletter summarizing information it provided to the Board, and posts this newsletter on its website.²⁶ We found the website included eight newsletters for the 2017–18 school year, and nine for the 2018–19 school year. We also noted the September 2018 newsletter contained information about the 2017–18 Grades 3, 6, and 9 VIN assessment results, and information about the new provincial math rubric assessment.

Chinook demonstrates transparency by providing its Board and the public sufficient information to enable them to assess students' progress in math. This also provides the opportunity to engage stakeholders in assisting students in achieving grade level in math.

5.0 GLOSSARY

Educational assistant – an employee who supports students with intensive behavioural or academic needs

Intervention – tool to provide instruction to students (e.g., math activities)

Interventionist – the person responsible for the delivery of a math intervention

Professional Learning Community – a group of teachers who discuss instruction in a particular subject area and grade level

Student services teacher – a teacher who provides academic interventions to students identified as needing extra help to reach grade level

Teachers-Assisting-Teachers meetings – meetings for administration, student services teachers, and select teachers to discuss students with difficult learning or behaviour issues, and to obtain extra support and new ideas

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²⁶ www.chinooksd.ca/Board/Pages/default.aspx (23 July 2019).

Chapter 21 Environment—Sustainable Fish Population Management

1.0 MAIN POINTS

The Ministry of Environment is responsible for monitoring freshwater fish populations in the estimated 50,000 fish bearing water bodies within Saskatchewan.

The Ministry has effective processes to manage freshwater fish populations in a sustainable manner, other than the following areas. The Ministry needs to:

- Determine the resources needed to achieve timeframes established in its Fisheries Management Plan, and periodically assess the Plan's overall effectiveness.

The current timeframes within the Plan are not being consistently met. Identifying the resources required to complete the Plan's goals would better position the Ministry to achieve its desired timeframes. This in turn will allow the Ministry to better assess its effectiveness in meeting the goals of the Fisheries Management Plan.

- Develop specific management plans for key high-risk fish species and/or high-usage water bodies.

Having specific plans for the highest-risk species and/or highest-usage water bodies would give the Ministry guidance to assess whether existing populations for each of those species, and in each of those water bodies align with established expectations.

- Assess fish populations and their health using an established risk-based interval, proven sampling techniques, and science-based protocols for field data collection.

Use of risk-based intervals and science-based protocols and techniques would help the Ministry collect sufficient information to detect changes in fish populations and health to avoid potentially irreversible declines in population or health of fish species.

- Prepare timely reports, including documenting key assumptions used, on the results of its assessments of water bodies.

Completing final lake assessment reports, within a timely manner, would allow the Ministry to adjust future behaviour (e.g., adjust catch limits, restocking decisions) based on documented analysis. Documenting key assumptions used during the assessment, such as sampling methods or sample sizes, enables the Ministry to assess whether the work completed during the assessment was reasonable and the conclusions reached in reports are appropriate.

2.0 INTRODUCTION

This chapter includes the results of our audit of the Ministry's processes to manage freshwater fish populations in a sustainable manner.



In Saskatchewan, an estimated 50,000 water bodies contain fish with the majority in the northern half of the province. These waters contain 69 fish species with 58 species native to Saskatchewan and 11 introduced or invasive species. Most fishing and harvesting in the province focuses on five fish species: pike, walleye, perch, lake trout, and whitefish.¹

2.1 Background

The Ministry of Environment is responsible for monitoring freshwater fish populations to detect changes resulting from harvest, environmental conditions and stocking as described in *Fish Populations, Management, Research, and Fish Populations Monitoring*.² Its specific responsibilities include:

- Permitting the establishment, development, maintenance, and enhancement of any fish population
- Controlling the importation or stocking of any fish
- Performing anything the Minister considers necessary to conserve, develop, maintain, enhance, manage and utilize Saskatchewan's fish resources in a sustainable manner³

In 2019–20, the Ministry plans to spend about \$14.3 million (2018–19 actual: \$13.8 million) on conserving fish and wildlife populations, and maintaining biodiversity including around \$5 million for the Fish and Wildlife Development Fund.^{4,5,6}

The purpose of the Ministry-administered Fund is to maintain natural habitats including maintaining and growing sustainable fish populations and their habitats, as well as maintaining game populations and accessible hunting.^{7,8}

Thirty percent from each angler's licence invests in the Fund to finance research, data collection, and determining at-risk fish species projects and fish stocking programs.⁹ During 2018–19, the Ministry generated approximately \$7.5 million from individual fishing licences, and roughly \$20,000 from commercial fishing licences.

The Saskatchewan Wildlife Federation (under a 2014 Trust Agreement with the Ministry) carries out certain Fund activities on behalf of the Ministry to enhance Saskatchewan fisheries; it also operates the Fish Culture Station (Provincial Hatchery) located near Fort Qu'Appelle.¹⁰

¹ Ministry of Environment, Fisheries Management Plan (2010), p. 2; www.environment.gov.sk.ca/Default.aspx?DN=44c1e4e5-c717-42d3-bef7-75f0d398b55d (13 September 2019).

² *Ministry of Environment, Fish Populations, Management, Research, and Fish Population Monitoring*, (2018).

³ *The Fisheries Act (Saskatchewan)*, 1994 (s.9).

⁴ *Government of Saskatchewan 19–20 Estimates*, p. 53.

⁵ *Ministry of Environment Annual Report for 2018–19*, p.15

⁶ The Fish and Wildlife Development Fund operates under *The Natural Resources Act* (s.20).

⁷ The Ministry of Environment's Fish and Wildlife Development Fund Financial Statements for the year ended March 31, 2019.

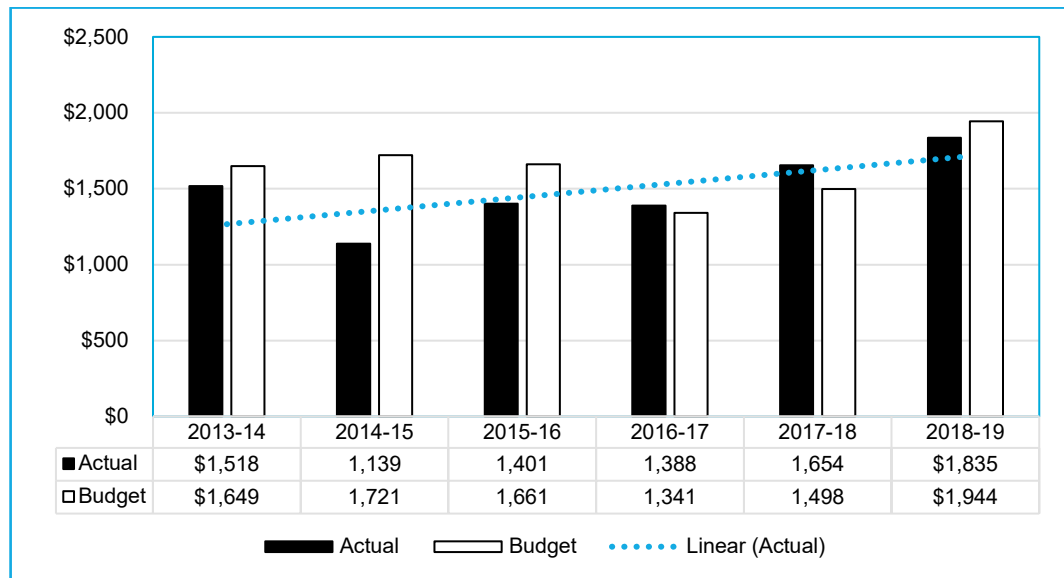
⁸ In order to maximize the use of resources from the Ministry's Fund, the Saskatchewan Wildlife Federation uses its best efforts to seek matching funding on a project/program basis. This allows for funding expansion to other projects that the Ministry and Federation deem necessary.

⁹ www.saskatchewan.ca/residents/parks-culture-heritage-and-sport/hunting-trapping-and-angling/fish-and-wildlife-development-fund (23 September 2019).

¹⁰ The Fish Culture Station contains the capacity to rear as many as 60 million fish each year. The 2014 Agreement establishes a separate trust account managed by the Saskatchewan Wildlife Federation, which is part of the Fish and Wildlife Development Fund.

As shown in **Figure 1**, the Fund's spending on fish enhancement projects (e.g., stocking and fish population enhancement, species at risk projects) increased over the last five years.

Figure 1—Fish and Wildlife Development Fund: Five-Year Fish Enhancement Project Spending (in thousands of dollars)



Source: Information compiled by the Provincial Auditor of Saskatchewan based on annual Fish and Wildlife Development Fund Audited Financial Statements.

2.2 Importance of Managing Freshwater Fish Populations

Saskatchewan fisheries provide economic and social benefits to residents of Saskatchewan and Canada, including providing livelihoods for residents in remote communities.

Fish, although a renewable resource, are at risk without proper management. Each fish caught or harvested should benefit the angler while minimizing the impact to the fish's ecosystem. In addition, sustainable fishing allows the remaining fish to repopulate. Stocking alone cannot sustain a fishery.^{11,12}

Increasing pressures of climate change, access to fisheries, development of new fish harvesting technologies, and competition among users negatively affect fish populations and make sustaining fish populations challenging.¹³

Effective fish population management in freshwater fisheries is critical to sustainable fisheries today, and for future generations.

¹¹ Ministry of Environment, *Fisheries Management Plan*, (2010), p. 3.

¹² Under *The Fisheries Act*, "fishery" means any business or undertaking involving fishing or raising, possessing, using, culturing, processing, packaging, marketing, carrying, transporting or disposing of any fish.

¹³ Ministry of Environment, *Fisheries Management Plan*, (2010), p. 1.



3.0 AUDIT CONCLUSION

We concluded that for the 12-month period ended July 31, 2019; the Ministry of Environment had, other than the following areas, effective processes to manage freshwater fish populations in a sustainable manner.

The Ministry needs to:

- Determine resources needed to achieve timeframes established in its Fisheries Management Plan, and periodically assess the Plan's effectiveness
- Develop specific management plans for key high-risk fish species and/or high-usage water bodies
- Sufficiently assess fish populations and their health in water bodies using risk-based intervals and proven sampling techniques; and consider obtaining alternate information where possible (e.g., from commercial fishers)
- Prepare timely reports on its key decisions and results from its analysis of information collected about fish populations and their health
- Maintain written, standardized, science-based protocols for field data collection and reporting on fish populations and their health

Figure 2—Audit Objective, Criteria, and Approach

Audit Objective: To assess whether the Ministry of Environment has effective processes for the 12-month period ending July 31, 2019, to manage the populations of freshwater fish in a sustainable manner.

Audit Criteria:

Processes to:

1. Plan to sustain freshwater fish populations
 - 1.1 Have a short to long-term plan to maintain healthy fish populations
 - 1.2 Determine which fish species to include in the plan
 - 1.3 Make sustainability plans for all key fish species
2. Implement freshwater fish sustainability management plan
 - 2.1 Collect relevant data on fish populations across different bodies of water
 - 2.2 Use accepted methods to estimate fish stock health of key species
 - 2.3 Keep data on fish populations current (e.g., within five years)
 - 2.4 Carry out fish management activities as planned (e.g., stock levels, angling limits)
3. Monitor results of the fish sustainability management plan
 - 3.1 Keep track of how much fish is caught (e.g., recreational, commercial)
 - 3.2 Evaluate the effectiveness of the fish sustainability management plan
 - 3.3 Adjust fish sustainability management plan as necessary based on outcomes (e.g., analysis of populations of fish)
 - 3.4 Report to senior management on significant findings

Audit Approach:

To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's processes, we used the above criteria based on our related work, literature reviews including other auditors' reports, consultations with a subject matter expert, and consultations with management. The Ministry's management agreed with the above criteria.

We examined the Ministry's criteria, policies, and procedures relating to managing fish populations. We assessed the Ministry's processes to assess bodies of water in Saskatchewan for fish species' health. We tested a sample of water body assessments to determine the consistency of information, timeliness of collection, and the reasonableness of data collection methods. We consulted with an independent consultant with subject matter expertise in the area. The consultant helped us identify good practice.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Comprehensive Fisheries Management Plan In Place

Since 2010, the Ministry uses a comprehensive fisheries management plan with content aligning with good practice.

The Ministry created the Fisheries Management Plan in 2010 with the vision of healthy, sustainable fish populations and habitats providing diverse benefits for Saskatchewan.¹⁴

The Plan includes expected areas based on good practice, and clear goals and outcomes. The Plan's four primary outcomes are:

- Sustainable Management
- Protect and Accommodate the Treaty, and Aboriginal Right, to Fish
- Allocation to Optimize Social and Economic Benefits
- Shared Responsibility and Public Engagement¹⁵

The Plan sets out risks (challenges) over the short, medium, and long terms (e.g., potential effects of environmental threats, impact of human activities, increased harvesting and fishing activities). We found the risk areas identified consistent with those outlined in good practice.

The Plan also includes strategies to monitor and manage freshwater fish populations and changes. It lists 51 actions with timelines to achieve the Plan's stated outcomes. It classified 17 actions to complete within two years (short), 13 actions to complete within two to four years (medium), five actions to complete in more than five years (long), and 17 actions as ongoing.¹⁶ That is, the Plan expected the Ministry to complete over one-half of the actions by 2015.

Consistent with good practice, and to keep it relevant and up-to-date, the Plan included an action expecting a review and evaluation of the Plan's effectiveness every five years. The Ministry last formally reviewed the Plan in 2015.

The 2015 five-year review, entitled the *Fisheries Management Plan (2010–2015)—Five Year Review*, did not determine how well the Plan achieved its outcomes (i.e., evaluate the Plan's effectiveness). Instead, it focused on the relevance of the Plan's goals, outcomes, and actions, and status of those actions. See **Figure 3** for details on completion of the Plan's actions. See **Recommendation 9**.

¹⁴ Ministry of Environment, *Fish Populations, Management, Research, and Fish Population Monitoring*, (2018), p. 1.

¹⁵ Ibid, p. 2.

¹⁶ One action (i.e., #18. Conduct a provincial angler survey every five years as part of the cross-Canada angler survey) is both short and long term.

**Figure 3—Summary of Completion of the 51 Actions in the 2010 Fisheries Management Plan**

Progress	Actual Progress as of 2015 Five-Year Review	Expected Progress Based on Plan as of July 2019	Actual Progress as of July 2019
Completed	21	34	27
Progressing	11	0	8
Ongoing Work Remaining	19	17	16
Total	51	51	51

Source: *Fisheries Management Plan—Five-Year Review 2010–15* (Information as of 2015 five-year review) and compiled from the Ministry of Environment's records (as of July 2019).

The 2015 five-year review did not revise the timeframes for the remaining actions; rather it identified the following six priority areas for 2016–2021:

- Assessing the vulnerability of Saskatchewan's aquatic species to climate change
- Developing a fisheries enhancement plan
- Reviewing and refining fisheries productivity models
- Further refining processes to collect and report field testing data, including for freshwater fish populations
- Improving communications with First Nations and Métis
- Providing adequate resources to address significant threats to fisheries such as aquatic invasive species¹⁷

The Ministry expects to do its next review of the Plan in 2021.

Having a comprehensive fisheries management plan provides a solid framework and identifies key activities essential to maintaining sustainable freshwater fish populations.

4.2 Annual Plans Used to Set Work Priorities—Implementation of Fisheries Management Plan Slower Than Expected

The Ministry did not determine resources required to complete actions within timeframes set out in the 2010 Fisheries Management Plan or achieve priorities established in the 2015 Five-Year Review. Rather, the Ministry expects its Fish, Wildlife and Lands Branch assigned responsibility for managing fish populations to allocate existing resources to implement the Fisheries Management Plan.

On an overall basis, as at September 2019, the Ministry continued implementing actions set out in the Plan slower than the Plan's timeframes (See **Figure 3**).

¹⁷ Ministry of Environment, *Fisheries Management Plan—Five Year Review*, (2015), p.2, https://pubsaskdev.blob.core.windows.net/pubsask-prod/94972/94972-Fisheries_Management_Plan_5-Year_Review_Backgrounder.pdf (23 September 2019).

The Fish, Wildlife and Lands Branch uses its strategic plan along with related annual work-priority plans to identify work priorities for the upcoming year for its existing staff complement, and available resources.

For example, consistent with one of the 2015 Five-Year Review priorities, the Branch created a program to prevent and detect aquatic invasive species—the Aquatic Invasive Species program. It developed an *Aquatic Invasive Species Plan*. We found this Plan outlines the Ministry’s response to manage, monitor and prevent aquatic invasive species (e.g., zebra and quagga mussels). The Ministry expects to receive approval to implement this Plan by the end of the 2019–2020 fiscal year.

The Ministry makes the Fisheries Unit of the Fish, Wildlife and Lands Branch primarily responsible for the delivery of the Fisheries Management Plan. The Unit employs six, full-time permanent biologists who possess either Bachelor’s or Master’s of Science (biology) degrees. On average, the biologists collectively hold over 11 years of experience (minimum six months, maximum 36 years). The Unit assigns a biologist to each of its four fish management regions—La Ronge, Prince Albert, Meadow Lake, and Saskatoon. In addition, it hires a summer student for each region.

We found the Fisheries Unit appropriately identified and focused its efforts on five fish species—northern pike, walleye, whitefish, yellow perch, and lake trout. The last federal anglers’ survey results indicate these species account for the highest percentage (approximately 98%) of game fish population in Saskatchewan.^{18,19}

Our review of the Fisheries Unit’s 2018–19 and 2019–20 work plans found planned work priorities generally aligned with the five-year review priorities set in 2015, and the 2010 Fisheries Management Plan actions. For example, consistent with a 2015 Five-Year Review priority, its 2018–19 work plan shows the Fisheries Unit planned to initiate a retrospective review and assessment of fisheries’ enhancement programming, and provide options for future direction. It continued this work into its 2019–20 work plan.

However, consistent with the results from the 2015 Five-Year Review, the Ministry inconsistently met timeframes for actions established in the 2010 Plan. We found, as of July 2019, the Ministry completed 53% of actions. See **Figure 3** for details on status of completion.

Management noted it perceived some of the actions from the 2010 Plan as no longer relevant (e.g., prepare a strategy to address the potential impacts of climate change to Saskatchewan’s fishery) or required change (e.g., define population management objectives and develop specific targets and actions for individual waters, in consultation with users). It expected to reconsider these actions and related timelines as part of its next review set for 2021.

Not determining resources needed to achieve the Ministry’s Plan timeframes and priorities increases the risk of not completing sufficient work to achieve its vision of healthy, sustainable freshwater fish populations and habitats.

¹⁸ Ministry of Environment, *2015 Survey of Sport Fishing in Saskatchewan*.

¹⁹ Fisheries and Oceans Canada surveys recreational anglers every five years, and shares provincial data with the Ministry.



1. We recommend the Ministry of Environment formally determine resources needed to meet timeframes outlined in its Fisheries Management Plan.

4.3 Collection and Reporting Protocols for Water Body Assessments Not Finalized

Consistent with good practice, the Ministry uses lake assessments to collect information on the health and population of fisheries. However, it has not finalized protocols for carrying out these assessments for water bodies (e.g., written guidance on sampling fish) or analyzing results.

When doing lake assessments, the Fisheries Unit's regional staff go to a selected water body (lake) to collect information about the fishery health and population in that water body. They catch fish using a variety of methods (e.g., gill nets, trap nets) in line with good practice.²⁰ They record the number and types of fish species caught, and data about their general health (length, weight, sex, maturity, age, and stomach contents). They also keep some fish to determine its health in the lab.²¹ In addition, they evaluate and document water quality (e.g., pH balances) and temperature using various water quality devices.²²

The 2010 Fisheries Management Plan short-term action item #15 expected the Ministry to review and refine standardized, science-based protocols for field data collection and reporting. As of September 2019, this action was incomplete.

At September 2019, the Ministry drafted sampling guidance as part of a field manual to help staff consistently and properly sample fish during lake assessments. The draft guidance sets out expected sampling methods and approaches. For each approach, it includes the number of nets to use, information on net placement, and the minimum number of fish to catch. It expects random selection of net locations by staff stratified by depth. The Ministry plans to approve the draft guidance by March 31, 2020 for use thereafter.

We found the draft guidance provides sufficient information on sampling methodologies, and the methodologies align with good practice.

However, the draft does not give clear direction for when to use each sampling method (e.g., historical versus random sample locations). It also does not expect staff to document key sampling decisions. Furthermore, it does not give guidance to help staff determine what constitutes a healthy fish population. Such guidance is useful when analyzing data and determining whether stocking is desirable.

Giving staff written guidance on Ministry-accepted sampling methodologies enables staff to use a valid sampling approach, and properly execute the approach. This in turn helps the Ministry to collect sufficient and appropriate data about the fish ensuring its sample

²⁰ A gill net is a type of net used to catch fish for sampling; this type of sampling is lethal. Varying sizes of mesh squares make up the length of the net, which is designed for fish to swim into. However, trap nets catch fish for sampling and house them within the net until sampling is complete; this type of net is not lethal.

²¹ The Ministry collects portions of fish to test internally in its lab for mercury levels, which are sent to an external consulting lab for determining the age of fish.

²² The Ministry uses secchi discs, pH testers and temperature guns.

results represent the water body's fish population and their health. Use of a science-based approach helps maintain healthy and resilient habitats and fish populations.

Using consistent approaches to sample fish from one water body to the next, and to analyze results helps ensure comparability of results, and consistent analysis.

2. We recommend the Ministry of Environment give staff written, standardized, science-based protocols for field data collection and reporting on fish populations and their health.

4.4 Clear Approach Exists to Prioritize Lakes

The Ministry uses a clear, risk-based approach to consistently identify high-risk water bodies to prioritize them for lake assessments.

The Ministry's approach considers risk factors such as proximity of developments near the water body, water body use (e.g., recreational fishing, sustenance fishing, commercial fishing), the types of species in the water body, and required special regulations (e.g., reduced limits on kept fish numbers, size limitations for kept fish).

The approach to identify high-risk water bodies quantifies risk factors by assigning points. The presence of risk factors accumulate points with more points indicating an increase in risk to freshwater fish thereby warranting more frequent monitoring.

As shown in **Figure 4**, these points contribute to a priority category from one to four, which defines how often the Ministry expects an assessment for that specific water body (i.e., conduct a lake assessment).

Figure 4—Point Totals and Priority Categories for Water Body Monitoring Frequency

Total Points	Priority Category	Monitoring Frequency ^A
0–5 points	Priority 4	10+ years
6–7 points	Priority 3	7–9 years
8–10 points	Priority 2	5–7 years
11+ points	Priority 1	3–5 years

Source: Ministry of Environment, Guidelines for Prioritizing Fisheries Population Assessments.

^A The approach considers these monitoring frequencies as minimums required to obtain a reasonable measure for detecting change in high-risk waters.

We found this risk-based approach aligns with good practice.

The Ministry expects staff to apply this approach to waters with reasonable road, trail or boat access only. It expects staff to use this approach to quantify risk factors, and determine overall priority category, and monitoring frequency. The Ministry examines remote waters only if the lake hosts multiple fishery uses, and identified issues justify the expense required to study them.



Having a consistent, risk-based approach to prioritizing lakes for assessments, and determining monitoring frequencies helps the Ministry direct resources to collect information about fish population and health to water bodies with fisheries populations at highest risk.

4.5 Prioritized Water Bodies' Listing Inaccurate and Incomplete

The Ministry's prioritized listing for high-risk water bodies is inaccurate and incomplete.

In 2008, the Ministry first prioritized its water bodies listing. The listing of water bodies is subject to editing and updating. Management expects to update the listing based on results of annual water body assessments. As shown in **Figure 5**, its listing includes 381 lakes with respective priority categories.

Figure 5—Ministry of Environment's Listing of Prioritized Lakes by Region^A

Priority Category	La Ronge	Meadow Lake	Prince Albert	Saskatoon	Total
1	14	20	6	8	48
2	23	33	29	19	104
3	10	28	36	30	104
4	12	36	31	46	125
Total Lakes	59	117	102	103	381

Source: Compiled from Ministry of Environment Priority Listing (July 2019).

^A As of July 2019

Our analysis of the listing found the overall priority categories and monitoring intervals are not always determined consistently with the Ministry's risk-based approach for determining monitoring frequencies.

We identified:

- Two water bodies with point totals placed in an inappropriate priority category on the listing.
 - For example, both water bodies listed as priority-three (i.e., monitoring frequency every seven to nine years) rather than its actual priority-four (i.e., every 10+ years)
 - This error may result in more frequent monitoring and data collection for lower priority water bodies.
- Three water bodies (two with priority category of two and one with a priority category of four) where the monitoring frequency was not determined consistent with priority category. For the two priority-two water bodies, the monitoring frequency was longer than expected (i.e., every five to seven years). The listing indicates these were last assessed in 2002 (17 years ago) and 2008 (nine years ago), respectively. For the one priority-four water body, the monitoring interval was shorter than expected (i.e., assessed seven to nine years instead of 10+ years). The listing did not indicate the last assessment for this water body.
- Two water bodies listed as priority-four and priority-three respectively, did not either include a monitoring frequency or indicate the last assessments, if any.

Our testing of assessments for 16 water bodies found the Ministry did not update the listing, or update total points to rate priority based on results from a water body's last assessment.

We found:

- One water body located in a higher-usage area and assessed in 2019 was not included on the prioritized listing. Management agreed this water body should be listed as priority-three.
- For all 16 lake assessments tested, total risk factor points on the prioritized listing were not updated. Not updating risk factor points results in inaccurate priority categories and monitoring frequencies.

Management acknowledged it had not done a comprehensive update of its prioritized listing for high-risk water bodies since 2008.

Maintaining an incomplete and inaccurate list results in the Ministry using outdated and inaccurate information in determining lake assessments and monitoring frequency. It is also contrary to its scientific, risk-based approach. Using a scientific, risk-based approach is key to collecting sufficient information about fish populations and their health.

3. **We recommend the Ministry of Environment keep its listing of lakes, and associated priority categories used to determine the frequency of assessing fish populations of water bodies up-to-date and accurate.**

4.6 Assessments of Fish Populations Completed Less Often Than Risk-Based Approach Expects

The Ministry often assesses the fish population and health of water bodies (including some higher priority lakes) less frequently than its risk-based approach expects.

The Ministry expects staff to use its prioritized lake listing for a risk-based approach in selecting water bodies for lake assessments in an upcoming year.

In 2019, the Ministry assessed fish in 15 water bodies (2018: 13 water bodies). The Ministry has not finalized how many water bodies it plans to assess in 2020.

We found the rate of actual to planned water body assessments does not coincide with the monitoring frequency determined in its risk-based approach. As shown in **Figure 5**, its prioritized listing includes 48 priority-one water bodies (to inspect every three to five years), and over 100 priority-two water bodies (inspect every five to seven years). Application of the monitoring frequency of its risk-based approach means it should assess at least 24 water bodies each year. Its risk-based approach considers these monitoring frequencies as minimums required to obtain a reasonable measure of change detection for high-risk waters.

From 2017–18 to 2018–19, the Ministry assessed an average of 14 water bodies per year. Current resources allocated for assessments do not fulfill the expected risk-based monitoring frequencies for the priority lakes. See **Recommendations 1** and **3**.



Our testing of 2018 and 2019 assessments for 16 water bodies confirmed the Ministry routinely assesses water bodies later than its risk-based approach expects. One-half of 16 assessments we tested took place between two and eight years later than the Ministry's risk-based approach expected.

Of these eight instances, three were priority-one water bodies (interval of three to five years), and three were priority-two water bodies (interval of five to seven years). Four of the eight were water bodies with commercial fishers.

Completing assessments inconsistent with suggested risk-based frequencies increases the risk of not collecting information sufficiently to detect changes in fish population or fish health within a water body, particularly those assessed as high-risk water bodies. This increases the risk of not addressing underlying reasons (e.g., new invasive species, disease, etc.) quickly enough to avoid potentially irreversible declines in overall fish population and health of key fish species.

- 4. We recommend the Ministry of Environment assess fish populations including their health using intervals determined through a scientific, risk-based approach.**

4.7 Specific Fish Population Management Plans Needed for High-Risk Fish Species and High-Usage Water Bodies

The Ministry has not created specific management plans for the high-risk fish species or for high-usage water bodies.

The 2010 Fisheries Management Plan does not include specific strategies to manage key fish species, geographic areas or water bodies. While creating a different plan for each species of fish or each water body in the province is not feasible or cost-effective, focusing on high-risk species and/or highly used water bodies is good practice.

Plans for high-risk species or high-usage water bodies would establish benchmarks for quantitative measurements of ideal values for fish maintained within the water body, objectives for the water body, an assessment of the current state of the water body, and options that management can take to reach objectives and benchmarks.²³

The Ministry expects to use the results of its periodic lake assessments to evaluate the population and health of the fish within a water body. Based on its evaluation of the results, it determines actions necessary, if any, to sustain the fish population of key species.

However, as noted above, the Ministry is not assessing the fish population and health in water bodies, including those water bodies assessed as high risk and with commercial fishers, as often as its risk-based approach expects. This means it is collecting crucial information on the health and populations of key fish species in higher-risk water bodies less frequently.

²³ Ideal values defines what constitutes a healthy population of fish (e.g., total number of fish, fish size and weight).

The Ministry has not developed alternate plans to collect the information it needs to make sure it properly manages fish populations and health of key fish species and high usage water bodies.

While the Ministry appropriately uses information from the Freshwater Fish Marketing Corporation about commercial fishing to enforce quota limits imposed on commercial fishers, the information does not help it monitor the overall health of the fish population in the water body used by commercial fishers.²⁴ It does not include fish health data (e.g., age, length, maturity) of the fish caught.

The Ministry could consider use of an emerging practice in another jurisdiction where commercial fishers routinely submit additional information on fish caught (e.g., size, length, maturity).²⁵ It could use this additional information to augment information it collects through its periodic assessments of high-usage water bodies to enable a more up-to-date assessment of the health of those fish populations.

5. **We recommend the Ministry of Environment consider adopting the emerging practice of asking commercial fishers to submit additional key information about the health of fish populations in water bodies they use.**

Not creating species-specific plans increases the risk the Ministry does not take actions appropriate for each specific high-usage water body. In addition, it increases the risk of not having clear thresholds to define a healthy population for each specific key species of fish in the body of water. Clear thresholds would include goals of population characteristics (e.g., fish weight, number of fish) and strategies on how to achieve goals.

6. **We recommend the Ministry of Environment create specific management plans for key high-risk fish species and/or high-usage water bodies.**

4.8 Limited Catch Information on Recreational Fishing Reasonable

Consistent with other jurisdictions in Canada, the Ministry collects limited information about recreational fishing activities in Saskatchewan (e.g., total catch, lakes frequented).

Current good practice has not identified cost-effective ways to collect reliable data about key fishing activities of recreational anglers (e.g., catch rates, total catch, and total harvest). It recognizes tracking recreational fishing (e.g., use of radio receivers in fish) is expensive and time consuming.²⁶

The Ministry relies on data it obtains from Fisheries and Oceans Canada. In five-year cycles, Fisheries and Oceans Canada asks for voluntary completion of a survey by Saskatchewan anglers. In the survey, it asks anglers to identify water bodies fished, for how long, what they caught, and what they kept.

²⁴ Each year, the Freshwater Fish Marketing Corporation gives the Ministry, for each commercial fisher, the location fished and total weight per species purchased by the Corporation from the commercial fisher.

²⁵ The provincial government of British Columbia is starting to receive information about fish health directly from commercial fishers.

²⁶ Placing radio receivers gives the ability to trace fish to determine catch rates for species where catch-and-release is required.



The Ministry received the results for 2015 Fisheries and Oceans Canada Angler Survey in 2019. At September 2019, the Ministry considered using an app to gather similar and timely data from Saskatchewan anglers.

The Ministry recognizes data collected from these types of surveys is statistically unreliable.

The Ministry uses survey data to confirm high-usage water bodies and species. In addition, through its licensing activities, it knows the number of recreational fishing licences it issues each year.

We found the recreational fishing data the Ministry collects is reasonable and consistent with practices of other Canadian jurisdictions.

4.9 Additional Detail in Water Body Assessment Reports Needed

The Ministry documents its analysis of fish population health for each assessed water body. However, reports need additional detail to further support conclusions reached.

Regional biologists are responsible for analyzing data collected from each lake assessment of water bodies within their assigned regions. They summarize the results in a written assessment report and submit it to the head of the Fisheries Unit.

Biologists consider the results of past assessments (if any), determine key changes, identify relationships, and reasons thereof. The report should include an overall evaluation of the health of the fish population, and recommendations for future monitoring or interventions, if any. This may include stocking or the need for special regulations (such as changing angling limits).

We reviewed 10 completed assessment reports. Each report contained sufficient detail to document relevant data collected during the lake assessments other than the following:

- None of the tested reports sufficiently outlined key assumptions (e.g., research papers consulted, quantitative models used) made in analyzing the data to support conclusions.
- None of the tested reports clearly identified key sampling decisions made during the assessment. Sampling decisions include sampling methods used (e.g., randomized or historic locations, depths of nets, and reasons for the sample sizes taken [e.g. number of nets, number of fish per sample]).
- Assessments of each water body we tested did not include reasons for the number of nets used, and selecting depths for placing the nets.
- Assessments tested showed inconsistent net sampling methods. Only four assessments included reasons for the placement of nets. We found these staff did not consistently use a scientific method for selecting net locations. For two of these four assessments, staff placed nets in the same location as used on the last assessment of the water body in addition to random locations, with no reference to the method used for selecting these new net locations.

The Ministry noted it depends on biologists to use professional judgment to determine when they caught enough fish to reflect a representative population. The experiences of the regional biologists range from six months to 36 years; all hold appropriate educational requirements.

Not documenting key fish sampling decisions increases the risk a biologist may be unaware of or not recognize risks associated with certain sampling approaches. The sample may be inconsistent or misrepresentative of the fish population in the water body. It may also result in inconsistent sampling of fish from one water body to the next. This could call into question the overall reliability of the data collected.

- 7. We recommend the Ministry of Environment document, in its reports of fish populations and health of assessed water bodies, key decisions (e.g., key assumptions, sampling methods and sizes).**

4.10 Reports on Lake Assessments Not Finalized within Reasonable Timeframes

The Ministry does not finalize its reports of assessed water bodies within a reasonable timeframe.

Reports evaluating information obtained from assessments of water bodies from the prior fishing and lake assessment season are unavailable for decision making for the next fishing and lake assessment season.

We found, as at September 2019, the Ministry only completed five reports of 13 assessed water bodies from the summer of 2018. It did not have a deadline for when it expected regional biologists to finalize the remaining eight reports.

Management noted it relies on biologists to verbally share significant findings throughout the year.

The Ministry uses its analysis of lake assessments to confirm whether its existing actions remain appropriate, and determine further actions to take, if any.

Delays in completing these reports increases the risk the Ministry cannot use the full analysis of data to make decisions. If the full analysis differs from preliminary findings, this increases the risk of delays in addressing issues that may adversely affect the health of the fish population in that water body.

- 8. We recommend the Ministry of Environment finalize analysis of fish data collected from water body assessments in a reasonable timeframe to allow for consideration before the next assessment season.**

In addition, senior management does not receive or approve completed water body assessments or summaries thereof. Rather, it relies on staff verbally sharing significant findings from water body assessments at unit meetings.



We found management meets on a bi-annual basis to discuss significant findings arising from analysis of assessments of water bodies. Management could consider staff periodically sharing a written summary of key findings from its assessments.

4.11 Actively Stocking Lakes to Supplement Fish Populations

The Ministry actively uses stocking to supplement fish populations in water bodies without sufficient natural production.

As shown in **Figure 6**, each summer, the Ministry actively stocks numerous water bodies with various species of fish to supplement their natural fish populations. In addition to discussions with Provincial Hatchery staff that take place throughout the stocking season, the Ministry receives a final stocking report from the Provincial Hatchery in October each year.

Figure 6—Five-Year Ministry of Environment Summary of Stocked Waters

Year	Total Fish Stocked (in thousands)	Total Species Stocked	Total Waters Stocked
2019	10,668	8	148
2018 [^]	1,684	5	134
2017	15,208	7	145
2016	11,224	5	160
2015	11,904	8	166

Source: 2019 data obtained from Ministry of Environment records; other years data from Ministry of Environment, *Stocked Waters* (2018).

[^]The level of fish stocked in 2018 significantly decreased from the prior three years because of uncontrollable environmental factors. These factors prohibited the Ministry and Provincial Hatchery staff from accessing the eggs to place in the Hatchery. As a result, the Hatchery had less fish available for stocking.

The Ministry uses hatchery fish obtained from the Provincial Hatchery to stock Saskatchewan's water bodies. It works with staff at the Hatchery to collect eggs to place in the Hatchery and monitor the health of fish produced.

The Ministry relies on the expertise of its biologists to determine the number and types of fish species to stock, and to decide which water bodies to stock. Biologists use information obtained from periodic assessments and observations of lakes (e.g., knowledge of fish winterkill), and analysis of collected data from periodic assessments.

We compared completed reports on assessments of 12 water bodies with stocked fish to actual stocking. For three water bodies, we found the actual stocking frequency took place less than the recommended stocking frequency, which differed from the recommended quantity in the report. We found:

- One report for a priority-four water body recommended stocking every two years; instead, the Ministry stocked this water body using a four-year interval.
- One report for a priority-two water body recommended stocking every two years; instead, the Ministry stocked this water body every three-years.

- One report for a priority-three water body recommended stocking with 200,000 walleye every two years; instead, the Ministry stocked the water body with 100,000 walleye in 2014 and 400,000 walleye in 2016.

While the Ministry did not document the reasons for these discrepancies, we found its reasoning logical. Management indicated biologists, when making stocking decisions for an upcoming season, consider the availability of fish stock from the hatchery, and priority to stock a specific water body. For example, as shown in **Figure 6**, the 2018 shortage of fish stock resulted in water bodies not receiving the recommended fish stock due to demand of other, higher priority water bodies.

In addition, this coincided with our testing of completed reports of lake assessments. Our testing found an instance of management adjusting stocking levels for a water body. It ceased stocking the water body in 2012 to assess natural reproduction. The last completed assessment noted little natural reproduction and recommended stocking resume. We found the Ministry did stock this water body in 2019.

4.12 Analysis of Lake Assessments to Regulate Angler Limits

The Ministry uses results from its analysis of water body assessments to regulate angler limits.

Our testing of completed assessment reports found an instance where the Ministry's analysis of a water body assessment identified pressures from fishing as contributing to a decline in fish populations. It identified the need for, and recommended, special regulations to decrease catch limits for the water body in the Anglers' Guide (e.g. catch limits and sizes) for the next year.

4.13 Evaluation of Fisheries Management Plan Needed

The Ministry periodically monitors its progress in implementing the 2010 Fisheries Management Plan, but does not have a strategy to review the effectiveness of the Plan.

The Ministry uses the development and monitoring of unit work-priorities plans to monitor progress on actions related to the 2010 Fisheries Management Plan. As previously noted in **Section 4.2**, we found a number of the work priorities in these plans related to the Fisheries Management Plan.

Each year, the Ministry publishes *Stocked Waters* to outline the type of fish stocked in its water bodies.

In addition, the Ministry uses conservation officers to enforce angling limits. We found the conservation officers set benchmarks for the number of anglers to assess, and their expected compliance rate. They tracked their actual activity against those benchmarks. While they assessed less anglers than expected, they found anglers complied as expected. The Fisheries Unit, through its interactions with conservation officers, are generally aware of the nature and extent of angler compliance.



We also found, each year, staff responsible for implementing the 2010 Fisheries Management Plan prepare a brief report outlining progress in implementing actions. This report lists actions completed during the fiscal year, and actions planned for the upcoming year.

In past years, the Ministry shared its annual progress report with its Fisheries Advisory Committee.²⁷ It did not share its 2018 annual progress report because the Committee has been inactive since October 2018. The Ministry notes it is experiencing delays in renewing members because of delays in obtaining criminal record checks. It hopes to send the progress to the Committee in fall 2019.

At September 2019, the 2018 annual progress report is the most recent one.

Our review of the 2018 annual progress report found it does not set out the status of all 51 actions in the Fisheries Management Plan, or the status of the six priorities areas set out in the 2015 Five-Year Review. In addition, it does not identify actions or priority areas that management considers no longer relevant or requiring revision.

This type of analysis or tracking would facilitate the Ministry's next review of the Fisheries Management Plan.

The Ministry has also not evaluated whether the 2010 Fisheries Management Plan achieves its stated outcomes (i.e., sustainable management; protect and accommodate the Treaty, and Aboriginal Right, to Fish; allocation to optimize social and economic benefits; and shared responsibility and public engagement).

As noted in **Section 4.1**, consistent with good practice, the 2010 Fisheries Management Plan included an action that expected a review and evaluation of Plan effectiveness every five years. The scope of the 2015 Five-Year Review did not include this evaluation. Management notes it plans to do this in 2021.

However, it has not determined how it will assess the 2010 Fisheries Management Plan. For example, it has not identified what information it should gather, and from whom. In addition, it has not outlined success measurements for the Plan's stated outcomes.

Without a detailed plan to assess the effectiveness of its overall Fisheries Management Plan, the Ministry increases the risk that its actions are insufficient in achieving the overall goals. The Ministry also increases the risk that its actions are no longer relevant, require revision, or are not included in work plans.

9. We recommend the Ministry of Environment develop a detailed strategy to assess the effectiveness of the Fisheries Management Plan including determining its success.

²⁷ The FAC is comprised of not more than 10 organizations, with each organization allowed one member and one alternate. Organizations represent broad provincial interests related to fisheries conservation and sustainability (e.g., Saskatchewan Wildlife Federation, Saskatchewan Commission of Professional Outfitters). The FAC's goal is to provide feedback from and act as a liaison for major fishery user groups in the province.

5.0 GLOSSARY

Angler—a recreational fisher in Saskatchewan who holds a fishing licence.

Commercial Fisher—fishing for the purpose of marketing all or any portion of the catch (i.e., fishing for profit).

Harvest—the act of keeping a caught fish.

High-Risk Species—the species the Ministry has identified as the targeted fish of recreational, commercial, and/or sustenance fishing (i.e., northern pike, walleye, yellow perch, trout, and whitefish).

High-Usage Water Bodies—water bodies that have higher rates of fishing from recreational, commercial, or sustenance fishers.

Sustenance Fisher—fishing solely for the personal use of the person fishing or a member of the immediate family of the person fishing. Fishing is solely for consumption, rather than recreation or profit.

Fish Maturity—the age at which a fish is able to reproduce.

Aquatic Invasive Species—non-native species that can be introduced and become established in areas beyond where they are naturally found. Usually detrimental to the existing fish population.

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Chapter 22

Health—Co-ordinating the Appropriate Provision of Helicopter Ambulance Services

1.0 MAIN POINTS

This chapter reports on the processes the Ministry of Health uses for co-ordinating the appropriate provision of timely and quality helicopter ambulance services. The Ministry is responsible for providing air ambulance services. It contracts Shock Trauma Air Rescue Service (STARS), a non-profit organization, to provide 24-hour air medical transportation for critically ill and injured patients by helicopter. Helicopter ambulance services typically offer faster transport than ground ambulance services for patients located far from trauma centres.

Overall, the Ministry needs to do more to know whether helicopter ambulance services are used appropriately, and STARS fully complies with its agreement. In particular, the Ministry needs to:

- Actively oversee air ambulance services. Helicopter ambulance services cost more than ground ambulance services. Keeping its key committee used to oversee ambulance services active enhances its ability to monitor those services, and assess appropriateness of their use.
- Receive regular reporting on quality and timeliness of patient medical care provided during helicopter transport, the qualifications of medical staff who provide those services, and helicopter maintenance. Such reporting is key to assessing STARS' compliance with its agreement, and quality and timeliness of services.
- Obtain sufficient reporting on the number and reasons for missions cancelled or declined (i.e., when request to use STARS is cancelled or when STARS does not fly). Periodic analysis would give the Ministry a better understanding of the barriers contributing to STARS' inability to respond.
- Formalize the process for selecting and prioritizing heliport and landing zones for helicopter ambulance use. Formalized processes increases the likelihood of giving residents fair and equitable access to ambulance services.

Our work found that generally the use of STARS is consistent with established processes, and STARS provides quality services within expected timeframes. Annually, STARS transports nearly 700 patients—60% to 70% are patient transfers between health care facilities, and the remainder are responses to accident scene calls.

2.0 INTRODUCTION

Saskatchewan's population of 1.17 million people are scattered across 651,900 square kilometers (1.9 people per square kilometre).¹ The provincial government is responsible

¹ www150.statcan.gc.ca/n1/pub/91-002-x/91-002-x2019002-eng.htm (30 September 2019).



for providing residents, including those located in rural or remote locations, with reasonable access to emergency health care.

The Ministry of Health funds the Saskatchewan health care system including the provision of ambulance services.

The Ambulance Act makes the Ministry of Health responsible for providing air ambulance services to any person in Saskatchewan, and the Saskatchewan Health Authority responsible for providing ground ambulance services.^{2,3}

Saskatchewan provides two types of air ambulance services—via fixed wing (airplane) and rotary wing (helicopter).

- The Authority operates the Saskatchewan Air Ambulance and contracts Transwest Air (a private operator) to provide fixed-wing services.
- Since 2011, the Ministry contracts Shock Trauma Air Rescue Service (STARS), a charitable, non-profit organization, to provide 24-hour air medical transportation for critically ill and injured patients by helicopter.^{4,5} In December 2018, the Government of Saskatchewan announced it plans to renew its 10-year commitment with STARS when the current agreement expires on December 31, 2020.⁶

This chapter focuses on our audit of the Ministry's provision of helicopter ambulance services.

2.1 Co-ordinating Use of Helicopter Ambulance Services for Saskatchewan

Balancing the provision of appropriate ambulance services and costs is complex and challenging.

The cost of health care continues to increase. From 2010 to 2019, Saskatchewan's cost of health care increased 46% from \$3.98 billion in 2010 to \$5.80 billion in 2019. Also from 2010 to 2019, the percentage of health costs as compared to total Government costs increased from 38.4% in 2010 to 39.4% in 2019.⁷

Annually, for nearly 700 patients, STARS transports around 60% to 70% as inter-facility transfers, and about 30% to 40% from accident scene calls. For inter-facility transfers, a STARS helicopter transports an ill or injured patient from one health care facility (e.g., rural hospital) to another one. For accident scene calls, a STARS helicopter flies to the scene of an emergency incident.

² Our 2016 Report – Volume 2, Chapter 25, reports the results of our audit of ground ambulance services (in the former Cypress Health Region).

³ Section 41 of *The Ambulance Act*.

⁴ *Red Patient Matters Service Agreement* between the Minister of Health and Shock Trauma Air Rescue Society dated April 4, 2011. The Agreement has a five-year term with an automatic renewal clause of an additional five years.

⁵ Section 4.10 of the Agreement allows the Ministry to inspect and audit, at its cost, all books and records of STARS.

⁶ www.saskatchewan.ca/government/news-and-media/2018/december/04/nutrien-and-stars-renew-commitment (3 September 2019).

⁷ Government of Saskatchewan, *Public Accounts 2008–09, Volume 1, Main Financial Statements*; Government of Saskatchewan, *Public Accounts 2018–19, Volume 1, Summary Financial Statements*.

Helicopter ambulance services typically offer faster transport than ground emergency medical services for critically injured patients located far from trauma centres.⁸ For many critically injured and trauma patients, getting them to an operating room with a trauma surgeon quickly is the most important factor in a positive patient outcome.^{9,10}

However, the cost of helicopter transport is higher than ground ambulance. Helicopters fitted as an ambulance cost several million dollars with Canadian aviation laws and regulations regulating their maintenance. The cost of using helicopters also fluctuates depending on staffing, aircraft type, and transport distance.

The Ministry pays STARS \$10.5 million each year to deliver helicopter air ambulance service in Saskatchewan (i.e., \$68.6 million for the period from April 2012 to March 2018), which covers approximately 50% of agreed-upon STARS operating costs. STARS also receives donations from several public and private industry donors, including a commitment from Saskatchewan Crown Corporations (i.e., SaskPower, SaskEnergy, SaskTel, SGI and Crown Investments Corporation of Saskatchewan) to contribute \$20 million during 2012 to 2021. From 2012 to March 2018, Crown Corporations contributed a total of \$9.2 million to STARS.¹¹

In 2018–19, the average cost per STARS transport for the Ministry was approximately \$14,876 per flight.¹² This cost includes aircraft maintenance, services provided by the Transport Physicians besides helicopter missions (e.g., consultations), education for STARS medical staff, STARS dispatch centre, and administration. The Ministry pays an average estimated cost of \$750 per ground ambulance call.¹³

A Saskatchewan resident pays \$465 for a helicopter ambulance (approximately 1.5% of total cost), as well as the cost of any ground ambulance service for transport to/from an airport or hospital (if needed). Comparatively, a Saskatchewan resident pays between \$245 and \$325 (plus \$2.30/kilometre, as appropriate) for a ground ambulance.¹⁴

Deciding which type of ambulance services (e.g., ground ambulance, helicopter, fixed wing) to use requires co-ordination among physicians, facilities, ground ambulance, and air ambulance providers. Not making appropriate decisions on a consistent basis increases the risk of not providing Saskatchewan residents with fair and equitable access to ambulance services. In addition, it increases the risk of using public money poorly if using STARS unnecessarily.

⁸ Delgado et al, *Cost-Effectiveness of Helicopter Versus Ground Emergency Medical Services for Trauma Scene Transport in the United States*, (2013), p. 2.

⁹ K. Widmeier, *Understanding When to Request a Helicopter for Your Patient*, (2014), p. 3.

¹⁰ Steenhoff T., Zohn S., *EMS, Air Medical Transport*, (2019), p.1.

¹¹ Information based on Crown Investment Corporation *Payee Disclosure Reports*.

¹² STARS operating cost of \$20.11 million divided by 676 patients transported in 2018–19 equals \$29,751; The Ministry's 50% of this cost equals \$14,876.

¹³ Information provided by the Ministry of Health. In 2018-19, the Ministry's and the Saskatchewan Health Authority's expenditures for ground ambulance were \$99.3 million divided by 131,326 calls for ground ambulance equals \$756.

¹⁴ *The Government of Saskatchewan EMS Consultation Stakeholder Discussion Guide* (www.hsas.ca/assets/ems-consultation-discussion-guide-june-2017.pdf) (28 August 2019).



3.0 AUDIT CONCLUSION

We concluded that, for the 12-month period ended June 30, 2019, the Ministry of Health had effective processes, except in the following areas, to co-ordinate the appropriate provision of timely and quality helicopter ambulance services in Saskatchewan.

The Ministry needs to do more to know whether helicopter ambulance services are used appropriately, and STARS fully complies with its agreement.

Our work found that generally the use of STARS is consistent with established processes, and STARS provides quality services within expected timeframes.

Figure 1—Audit Objective, Criteria, and Approach

Audit Objective: The objective of this audit is to assess the effectiveness of the Ministry of Health's processes, for the 12-month period ending June 30, 2019, to co-ordinate the appropriate provision of timely and quality helicopter ambulance services in Saskatchewan.

Timely means the amount of time taken for each step in the transport process is appropriate to the situation, and does not compromise patient safety. Quality involves matching patient care needs with the best response in terms of aircraft and critical care team expertise, as well as providing appropriate treatment.

This audit did not question medical decisions of helicopter ambulance staff regarding patient care.

Audit Criteria:

Processes to:

1. Determine helicopter ambulance services delivery expectations
 - 1.1 Provide infrastructure for effective distribution of helicopter ambulance services
 - 1.2 Establish helicopter ambulance services expectations (e.g., response time, appropriate care during transportation)
 - 1.3 Align helicopter ambulance services expectations with policies, legislation, and industry standards
 - 1.4 Identify required resources (e.g., number and type of personnel, minimum training and qualifications of ambulance personnel, equipment, supplies)
 - 1.5 Co-ordinate appropriate use of helicopter ambulance services (e.g., dispatch criteria, responsibilities)
2. Deliver quality, timely helicopter ambulance services
 - 2.1 Verify helicopter ambulances and equipment are in good working condition
 - 2.2 Use dispatch criteria for consistent decisions on provision of helicopter ambulance services
 - 2.3 Confirm helicopter ambulances are appropriately staffed (e.g., qualified, trained, full medical team)
 - 2.4 Receive regular information on actual service delivery (e.g., reports and feedback)
3. Monitor helicopter ambulance services
 - 3.1 Compare results against expectations and address areas of improvement as needed
 - 3.2 Take corrective action on critical incidents and complaints
 - 3.3 Report results to senior management

Audit Approach:

To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's processes, we used the above criteria based on our related work, reviews of literature including reports of other auditors, and consultations with management and external advisors. The Ministry of Health agreed with the above criteria.

We examined the Ministry's policies, guidelines, key committee minutes, and other records relating to co-ordinating helicopter ambulance services. We tested a sample of patient care records from completed STARS missions. We consulted with an independent consultant with subject matter expertise in the area, and the consultant helped us identify good practice.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Location of STARS Bases Optimal

The Ministry located helicopter bases for air ambulance services optimally.

When the Ministry selected STARS to operate its helicopter ambulances in 2011, it decided to place helicopter bases for STARS in Regina and Saskatoon. It selected these locations based on a recommendation in a 2009 report on air medical services.¹⁵ The report identified Regina and Saskatoon as optimal locations for helicopter bases given their proximity to the projected highest population density, and to hospitals providing specialized consultative care (i.e., tertiary hospitals). Criteria in the report reflects good practice.

A helicopter base is a hangar for the aircraft and crew. The bases are located near the Regina and Saskatoon airports.

The Ministry, through its 10-year agreement, requires STARS to maintain two bases—one in Saskatoon and another in Regina.¹⁶

As shown in **Figure 2**, STARS uses both bases consistently and, in recent years, transported slightly more patients using helicopters originating from its Regina base (e.g., 51.8% of total patients transported in 2018–19).

Figure 2—Number of Patients Transported by STARS by Base from 2012 to 2019

Fiscal Year	Regina Base	% Regina	Saskatoon Base	% Saskatoon	Fiscal Total
2012–13 ^A	170	68.3%	79	31.7%	249
2013–14	271	48.7%	286	51.3%	557
2014–15	385	56.6%	295	43.4%	680
2015–16	403	53.2%	354	46.8%	757
2016–17	372	52.8%	332	47.2%	704
2017–18	369	52.0%	340	48.0%	709
2018–19	350	51.8%	326	48.2%	676
Total	2,320		2,012		4,332

Source: Information provided by the Ministry of Health.

^A Saskatoon base became operational on October 15, 2012.

We found the locations for these bases continues to make sense. Most Saskatchewan residents reside in and around Regina and Saskatoon, and Saskatchewan's tertiary hospitals are located in Regina and Saskatoon. These facilities also provide advanced or specialized care unavailable elsewhere in the province. Furthermore, our review of requests for helicopter services found most requests came from areas around Regina and Saskatoon.

¹⁵ In 2009, prior to starting a helicopter ambulance program in Saskatchewan, the Ministry hired an independent consultant from Ontario to review Saskatchewan's air ambulance services and make recommendations. The report is available at www.pubsaskdev.blob.core.windows.net/pubsask-prod/104975/104975-Air-Med-Services-Report-2006.pdf (28 August 2019).

¹⁶ Between the two bases in Regina and Saskatoon, STARS utilizes 22 pilots, 20 flight nurses, 20 paramedics, 30 transport physicians, 10 STARS Foundation personnel, seven aircraft engineers, and four administrative personnel.



Placing helicopter bases close to where most requests for services originate helps reduce transport time. Transport time includes time responding to a transport request, travel to a scene or hospital, patient assessment, loading, transport to a health care facility, and patient unloading. For many critically injured and trauma patients, a shorter transport time contributes to a positive patient outcome.

4.2 Location of Fuel Caches Strategically Located to Provide Sufficient Provincial Flight Coverage

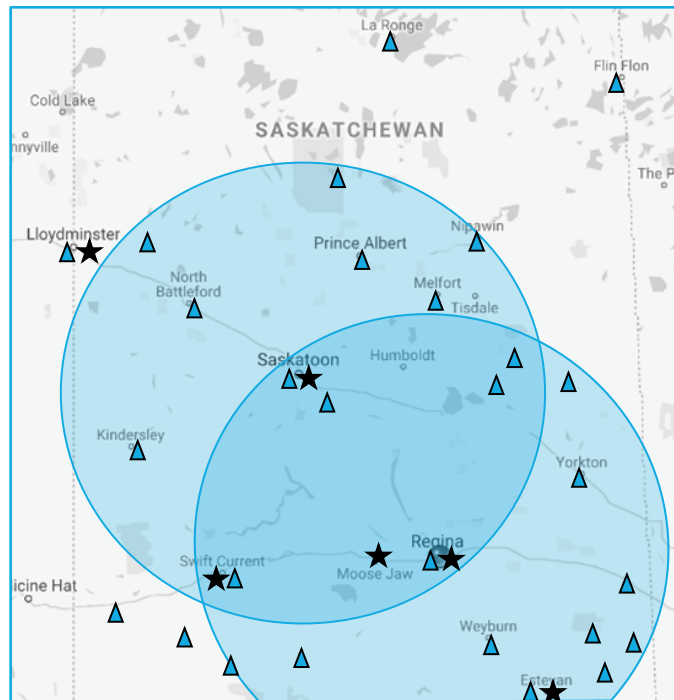
Fuel caches are strategically located throughout the province to provide sufficient provincial flight coverage for STARS helicopters.

Under its agreement with the Ministry, the Ministry requires STARS to operate three helicopters in Saskatchewan. One helicopter is located in Regina and one in Saskatoon, and the third as a back-up used at both bases as required.¹⁷ The helicopters have a typical flight range of 250 kilometers.

By agreement, STARS owns and maintains the helicopters. When refueling at caches, STARS pays for fuel used, and the community in which a cache is located provides the related trailer, fuel pump, and needed supplies.

The Ministry worked with STARS, the Authority, and communities to accommodate flights beyond the flight range. As shown in **Figure 3**, Saskatchewan has almost 30 fuel caches strategically located for STARS helicopters to refuel and continue flying.

Figure 3—Location of STARS Bases, Heliports, and Fuel Caches at June 30, 2019



Source: Provincial Auditor of Saskatchewan based on information provided by the Ministry of Health.
Black Stars: Certified heliport locations **Blue Triangles:** Fuel cache locations
Light blue circles: indicate the 250-kilometre range from the STARS bases in Regina and Saskatoon

¹⁷ The back-up helicopter is used whenever the primary helicopter requires maintenance.

Our review of the mapped bases and heliports found fuel cache locations provided adequate provincial coverage for the types of helicopter ambulances currently in use.

4.3 Prioritization Process for Determining Location of Heliports Not Formalized

The Ministry has not formalized criteria used to prioritize decisions about developing new heliports/landing zones for use in providing helicopter ambulance services.

From April 2018 to June 2019, the Ministry spent about \$628,000 on funding new heliports.¹⁸ In addition, it gives the Authority funding each year, including funds for heliport maintenance.

A heliport is a landing place for helicopters, often on the roof of a building or in some other limited (e.g., access, security) area. A certified heliport meets the design criteria set out by Transport Canada CAR 305 Regulations and CAR 325 Standards.

At June 2019, the Authority owns and maintains six certified heliports. These are located at its hospitals: Regina General, Saskatoon's Royal University (temporary site), Moose Jaw's Dr. F. W. Wigmore, Estevan's St. Joseph's, Swift Current's Cypress Regional, and Lloydminster Hospitals.

Also, as of June 2019, its construction of the rooftop heliport at the Jim Pattison Children's Hospital (located adjacent to Saskatoon's Royal University) was completed and is in the certification process.

While helicopters can land on highways, in parking lots, fields, and other areas free of obstructions such as from trees or power poles, landing zones must be safe, and appropriately located.

Landing zones are safe landing areas often located near a community airport where there is no certified heliport by a hospital (e.g., Prince Albert). Typically, local communities or municipalities own and maintain these landing zones, seeking funding from the provincial government when developing them.

In spring/summer 2018, the Authority formed a Heliport/Landing Zone Oversight Group. Nine individuals comprise the Authority-led Group with representation from the Authority, STARS, and the Ministry. The Authority chairs the Group, meeting monthly.

When a helicopter lands on a landing zone not located on a hospital roof, a ground ambulance transfers the patient to/from the hospital.

As set out in **Figure 4**, one purpose of this Oversight Group is to work collaboratively with communities, STARS, and the Ministry in the oversight of safe, appropriate landing zones and/or certified heliports in Saskatchewan. Another purpose is to assist in landing area/zone and heliport development.

Figure 4—Purpose of the Heliport/Landing Zone Oversight Group

- Work collaboratively with communities, STARS, and the Ministry in the oversight of safe, appropriate landing areas and/or certified heliports in Saskatchewan
- Facilitate consultation and communication with stakeholders
- Assist in gathering information regarding community needs and expectations regarding landing area and heliport development
- Assist in developing criteria, policies and procedures to support the oversight process
- Establish priorities for development, implementation, and operation of new landing areas and/or heliports in Saskatchewan

Source: Saskatchewan Health Authority Heliport/Landing Zone Oversight Group Terms of Reference.

¹⁸ Information provided by the Ministry of Health.



As of June 2019, the Oversight Group identified the next priority locations for constructing certified heliports in Prince Albert, North Battleford, and Yorkton. We found the Group periodically gave the Ministry advice on preferred locations for new, certified heliports for helicopter ambulance services. We also saw the Minister used this advice to select locations to support (e.g., fund development). For example, the Minister decided to approve funding for building a heliport at the Victoria Hospital in Prince Albert in spring 2019.

Our review of the Group's minutes found that when it identifies priority locations for heliports and landing zones, it generally considered the following:

- Proximity of existing heliports or landing zones to hospitals receiving and caring for critically ill and injured patients, and to the STARS bases in Regina and Saskatoon.
- The usual flight range radius of the current STARS helicopters of 250 kilometers.
- The history of requests for air ambulance services (e.g., number of landings) in the area or community. It focused on communities with the highest number of requests per year.
- The time from a community to a tertiary hospital by ground ambulance taking into account distance to the nearest basic life support ambulance service, and to the nearest advanced life support ambulance service.

We found these factors align with good practice.

However, the Oversight Group has not formally documented or approved its prioritization process, or the factors it must consider.

The lack of a formalized prioritization process increases the risk of making inconsistent decisions about priority locations for heliports and landing zones. Inconsistent decisions could result in treating communities inequitably and communities with similar situations having differing access to timely helicopter ambulance services.

1. **We recommend the Ministry of Health formalize the prioritization process for selecting heliports and landing zone locations for helicopter ambulance use.**

4.4 Contracted Helicopter Ambulance Service Provider Fully Accredited

Through its involvement with STARS, the Ministry is aware STARS is fully accredited to medically transport patients.

The Ministry's agreement with STARS requires STARS to maintain accreditation from the Commission on Accreditation of Medical Transport (a nationally recognized body). During accreditation, the Commission reviews helicopter ambulance service areas, including:

- Management and staffing
- Quality management (performance improvement, utilization management)

- Patient care (medical oversight, education and training for staff)

We found STARS' recent accreditation is effective from March 21, 2019 to March 21, 2022.

4.5 Medically Related 911 Calls Appropriately Redirected

Medically related 911 calls are appropriately redirected for best patient care.

When dialling 911, staff at one of the Saskatchewan Public Safety Agency's three Public Safety Answering Points located in Prince Albert, Regina, and Saskatoon answer the calls. Once they determine a call is medically related, they transfer it to one of the Authority's three Medical Communication and Co-ordination Centres located in Regina, Saskatoon, and Prince Albert; each Centre is assigned a geographic area.

Centre staff dispatch local first responders and/or the nearest ground ambulance to the emergency scene. They then enter details about the emergency into the Authority's IT dispatch system. Depending on these details, the IT system generates codes that automatically sends notifications to the STARS Dispatch Centre.

We found the staff at the Medical Communication and Co-ordination Centres possess a good understanding of the process to dispatch medically related 911 calls. We also observed the appropriate code being utilized based on the emergency information entered into the IT system, and confirmed the IT system appropriately created a notification to STARS.

Using standard automated processes to notify appropriate parties helps reduce time taken to respond to medical emergencies.

4.6 Ministry Involvement in Decision-Making Criteria Over Helicopter Ambulance Use Reasonable

While the Ministry is not directly involved in deciding when to use STARS for scene calls or inter-facility transfers, it is reasonably involved in developing relevant written criteria and processes used to make these decisions.

The following describes the various parties involved in deciding when to use STARS, and the Ministry's involvement in developing or providing input into the criteria or processes these parties use when making decisions on using STARS.

For **inter-facility transfers**, parties involved in deciding when to use STARS include the Authority's provincial bed co-ordinators, various physicians (e.g., requestor for patient transfer between health care facilities, and receiver at receiving facility), and STARS staff (dispatch, transport physician, and air medical crew). The STARS transport physician (a physician on contract with STARS) decides on transport mode and takes responsibility for patient care during transport regardless of the transport option chosen. Inter-facility transfers are referred to as Red Patient Referrals.

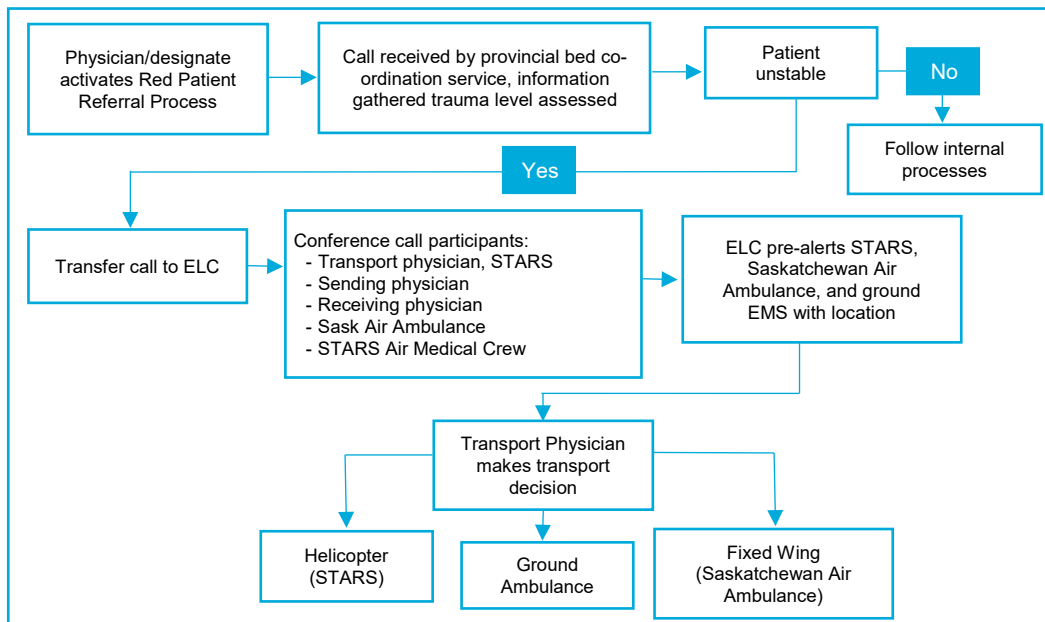


A STARS-chaired committee developed this process.¹⁹ Representatives from STARS, the Authority (including Saskatchewan Air Ambulance, and provincial bed co-ordinators), and the Ministry comprise The Red Patient Referral Committee.

As shown in **Figure 5**, the process is as follows:

- When a critically ill patient in a health care facility (e.g., rural hospital) needs more advanced care than available at the facility, a physician at the facility may request an inter-facility transfer.
- Upon the Authority's Provincial Bed Co-ordination Service receiving such a request, it determines whether the patient is unstable and requires transport. If so, it transfers the call to the STARS dispatch service.
- STARS dispatch leads a phone conference with the sending, receiving, and transport physicians, and relevant EMS providers (e.g., Saskatchewan Air Ambulance, STARS medical crew). They discuss the patient's condition, care needs, and available transport options (ground, helicopter, fixed wing) and estimated transport times.
- Based on this information, the STARS transport physician decides which option to use to transport the patient (i.e., STARS, ground ambulance, or fixed wing).

Figure 5—Process Flow of the Inter-Facility Transfer



Source: Provincial Auditor of Saskatchewan based on information provided by the Ministry of Health.

EMS: Emergency Medical Services

ELC: Emergency Link Centre (STARS' dispatch centre)

The Ministry's agreement with STARS clearly requires STARS to use the Red Patient Referral process. The Ministry also developed a poster with the guidelines as a reminder for physicians in rural Saskatchewan on when to call the provincial bed co-ordination service for inter-facility transfers. The Authority located its provincial bed co-ordinators in

¹⁹ STARS and the Ministry originally developed this process in 2012.

Regina and Saskatoon. The Ministry plans to distribute the poster through the Authority in fall 2019.

We found the inter-facility transfer process is similar to industry practices.

We also found STARS usually transports patients to either the Regina General Hospital (42% of all missions) or the Royal University Hospital in Saskatoon (39% of all missions).

For 27 of 30 inter-facility transfers we tested, conference calls occurred with all relevant parties and they discussed which transport to use. For three inter-facility transfers, STARS dispatch did not hold a conference call. For example, initially the patient's condition did not warrant using STARS but, during transport, the patient's condition deteriorated, as a result STARS launched and met the ground ambulance on route to a tertiary centre.

Our review of the Red Patient Referral Committee's minutes found it reviews the process annually and updates the process as needed.

Also, the Committee held bi-monthly phone calls where members gave verbal updates, and discussed issues encountered (e.g., IT system updates, staffing, and call volumes) on STARS missions.

We also found the Committee does not have a terms of reference. Because it looks at all STARS missions, we think it should.

Terms of reference typically sets out, in writing, a committee's purpose, membership, member responsibilities, and reporting structure. Not having a written terms of reference increases the risk of misunderstandings, particularly with personnel changes at participating agencies.

2. We recommend the Ministry of Health, working with others involved in the co-ordination of transporting patients, develop terms of reference for the consultation committee responsible for overseeing patient transports using helicopter ambulance services.

For **medically related 911 calls (scene calls)**, parties involved in deciding when to request STARS to attend to a scene include the Authority's Emergency Medical Services, crews of either Authority-owned or contracted EMS ground ambulances, and STARS staff. Decisions are based on dispatch criteria.

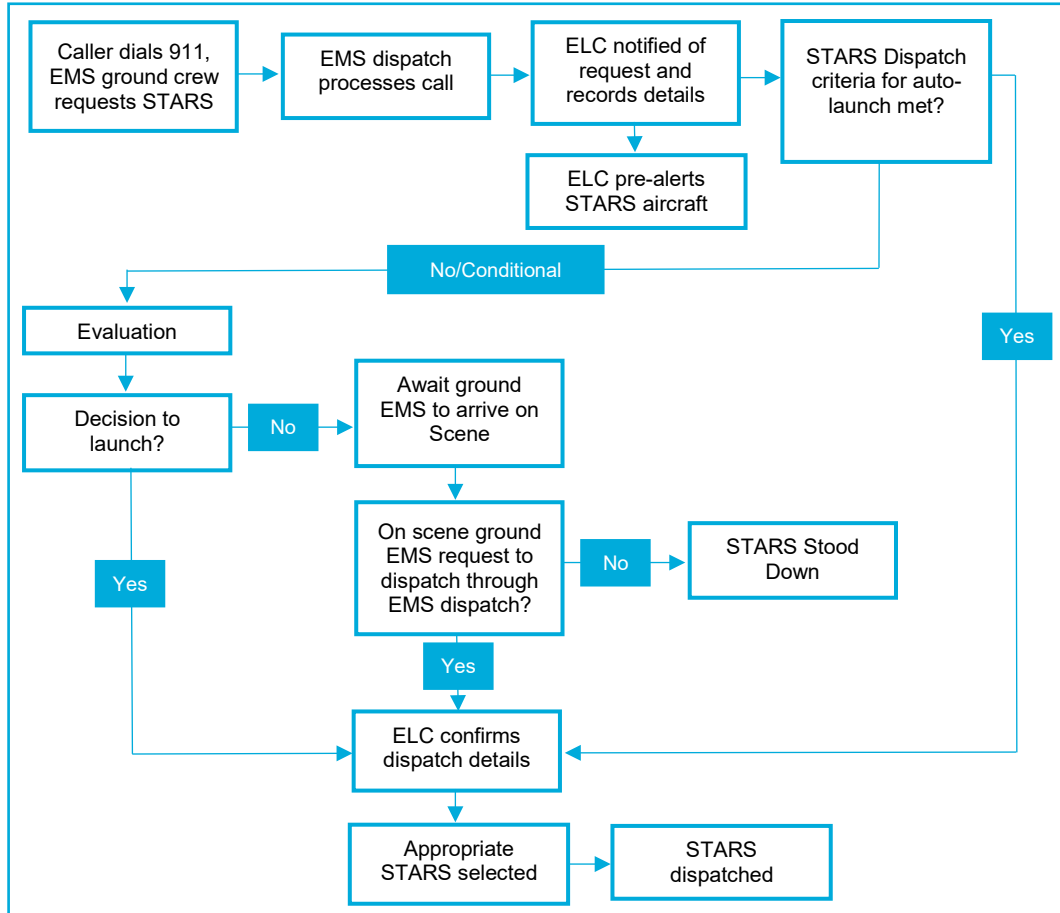
A decade ago, STARS developed the dispatch criteria and related process. We found STARS regularly reviews these criteria (last review May 2019), and gives the Ministry and the Authority updated dispatch criteria. While the Ministry does not formally require STARS or the Authority to follow them, we found they were understood, and embedded in their processes.

The process, as shown in **Figure 6**, sets out when to ask STARS to launch immediately (auto-launch) or make STARS wait until ground EMS staff assesses the situation before deciding on whether to ask STARS to launch. For example, if a patient is unconscious after an electrocution, or where a patient's location limits ground ambulance access, dispatch asks STARS to launch immediately. If a patient has breathing problems (e.g., abnormal



breathing, difficulty speaking between breaths), the dispatch Centre sends advance notification to STARS to wait for the ground ambulance staff's assessment before launching STARS to the emergency scene.

Figure 6—Process Flow for a Scene Call



Source: Provincial Auditor of Saskatchewan based on information provided by the Ministry of Health.
EMS: Emergency Medical Services (SHA-owned or SHA contracted)
ELC: Emergency Link Centre (STARS' dispatch service)

We found these criteria align with good practices in the industry.

For **scene calls**, when Authority-owned or contracted EMS ground ambulance paramedics at a scene call assess STARS is not needed, they can cancel the STARS helicopter launch. This is referred to as a stand-down.

In 2016, STARS, the Ministry, the Authority and ground ambulance representatives jointly developed stand-down criteria (dated May 2016). They are designed to ensure a patient is not placed in danger by inappropriate cancellation of STARS and subsequent delay in definitive care. They list instances when not to cancel STARS (e.g., a patient needs blood products or an emergency/critical airway treatment or intervention exceeding the responder's scope of practice).

We found these criteria align with good practices.

The Authority gave the stand-down criteria to all ground emergency medical services in Saskatchewan. As previously noted, the Authority is responsible for ground ambulance services.

Having written, up-to-date criteria and processes to guide key decisions over using STARS helps foster a clear understanding of the responsibilities for parties involved, and consistent decision-making.

4.7 Stronger Ministry Monitoring Over Helicopter Ambulance Use Needed

The Ministry receives insufficient information to enable it to know whether STARS is used appropriately and as intended, and whether STARS fully complies with its agreement.

Besides its involvement on groups or committees noted in **Sections 4.3 and 4.6**, Ministry senior management participate in monthly phone calls with STARS' management. It does not document matters discussed or decisions reached in these calls.

The Ministry also receives STARS' quarterly operational reports, which include financial information, education initiatives, community outreach, and number of missions flown each quarter.

The Ministry does not request or collect information (e.g., quality of care indicators, number and percentage of cancelled or declined service requests and missions, maintenance reports) to enable it to determine whether the helicopter ambulance program works as intended. Rather, it tends to rely on information received (primarily verbally) for awareness of current operations and any issues encountered.

The following sections highlight areas where the Ministry needs to take a leadership role, be more active, as well as request and use better information to monitor the timeliness and appropriateness of helicopter ambulance services. These areas include quality of STARS patient care, staff qualifications, timeliness of services provided, reasons for declined or cancelled missions, and helicopter maintenance.

Ministry-Led Advisory Committee for Air Ambulances Needs to be Active

While the Ministry established a Ministry-led Advisory Committee for air ambulances, the Committee last met in November 2018 because of Ministry staff turnover.²⁰

The Committee's purpose is to determine strategic priorities for air medical services and to collaboratively plan for the provision of critical care air medical services in Saskatchewan.²¹ The Ministry-chaired Committee includes Ministry senior management responsible for air ambulances, STARS, the Authority (including staff from Saskatchewan Air Ambulance), and Transwest Air (Authority-contracted fixed wing contractor).

²⁰ The Ministry created this advisory committee to provide a forum for the collaborative planning and provision of critical care air medical services in Saskatchewan. The Committee consider air ambulance services provided in Saskatchewan and suggest improvements.

²¹ Air Medevac Advisory Committee Terms of Reference.



The Committee intended to meet quarterly. At June 2019, management indicated it expects to resume meeting in fall 2019.

We found this Committee serves as the only committee or group related to air ambulance service delivery that the Ministry chairs (leads). For all other air ambulance related committees or groups, the Ministry participates as a member and, for some, views its role as advisory only. Because the Ministry is responsible by law for air ambulance services, it is critical it ensures its Committee remains active.

3. We recommend the Ministry of Health actively oversee air ambulance services (e.g., chair committee(s) responsible for helicopter ambulance services oversight).

Ministry Monitoring of the Quality of STARS Staff Needed

While the Ministry appropriately makes STARS responsible for not only using qualified operational staff on each mission, but also providing ongoing training, the Ministry does not monitor or know whether STARS fulfills these responsibilities.

The Ministry, in its agreement with STARS, requires all STARS staff to be registered or licenced by a professional regulatory body, and for STARS to provide them with on going training. The Ministry expects STARS to provide advanced or specialized paramedic care. As shown in **Figure 7**, this training level is higher than that held by most EMS providers practicing in Saskatchewan.

Figure 7—Levels of EMS Providers in Saskatchewan

	Emergency Medical Responder (EMR)	Primary Care Paramedic (PCP)	Intermediate Care Paramedic (ICP)	Advanced Care Paramedic (ACP)	Critical Care Paramedic (CCP)
Training Duration	80–120 hours	48 weeks	Training no longer provided in Saskatchewan ^A	PCP Certification +65 weeks	ACP Diploma + Accredited Critical Training Program
Basic Life Support (BLS) Procedures	Yes	Yes	Yes	Yes	Yes
Advanced Life Support (ALS) Procedures	Monitoring of minimal advanced life support procedures	Increased ability to assist, monitor, and perform ALS skills	Increased ability to assist, monitor and perform ALS skills	Performs invasive advanced life support skills	Performs invasive advanced life support skills and critical care therapies
Administer Medications	Limited to select BLS medications	Increased ability to administer symptom-relief medications	Increased ability to administer symptom-relief medications as compared to the PCP level	Increased ability to administer medications to treat conditions	Administers critical care medications
% of practicing EMS in Saskatchewan ^B	14%	60%	7%	17%	2%

Source: Information provided by the Ministry of Health.

^A Previous training requirements based on PCP 2001 Certification +21 weeks requirements.

^B Saskatchewan College of Paramedics, *2018 Annual Report*, 2019, p.17.

The Ministry, also in its agreement with STARS, requires STARS to staff each mission (flight) with two pilots and, at minimum, a qualified critical care paramedic and nurse.

We found the Ministry does not require (either in the agreement or in practice) STARS to regularly report on staff qualifications or training, or actual staffing used on missions. This is contrary to good practice for managing contracts.

Although it is STARS' responsibility to employ and train qualified medical staff, the Ministry remains the helicopter ambulance program's steward. It needs to know whether STARS uses appropriately qualified and trained staff on all missions. Without this information, the Ministry does not know whether STARS meets the terms of its agreement and uses only qualified medical staff to provide air ambulance services to Saskatchewan patients.

4. We recommend the Ministry of Health periodically verify medical staff qualifications and training of those providing helicopter ambulance services.

We found at June 2019, STARS employs 17 critical care paramedics and 19 advanced care flight nurses to provide medical care to patients. STARS also uses 28 transport physicians who provide online medical control oversight during all missions, and fly on the mission with the medical crew from time to time. It always has two transport physicians on call each day (one at each base in Regina and Saskatoon).

The records of 30 inter-facility transfers and 15 scene calls we tested each showed STARS used a full medical crew (i.e., a paramedic and a nurse as required by the agreement).

Each of the three nurses and two paramedics we tested held current licences and registration with their respective regulatory bodies (e.g., Saskatchewan Registered Nurses Association for nurses). Each of the two transport physicians we tested held current licences from the College of Physicians and Surgeons and were in good standing. The transport physicians were practicing physicians within the Saskatchewan health system.

We also found that to maintain the specialized medical skills of its medical staff (paramedics and nurses), STARS provides mandatory monthly, quarterly, and annual training. Monthly education consisted of online, interactive lessons directly related to a monthly planned theme. For example, the January 2019 neurological theme included an eLearning module: *Neurologic Assessment and Treatment of Metabolic Acidosis*. Each month, it also hosts human patient simulation sessions corresponding to the monthly theme (e.g., Traumatic Brain Injury Rapid Sequence Intubation and Ventilation Strategy for January 2019).

Each training record of two nurses and two paramedics we tested showed they met their monthly, quarterly, and annual training requirements.

In-Depth Monitoring on the Timeliness of Helicopter Ambulance Services Needed

While the Ministry receives regular data about two indicators on the timeliness of STARS' ambulance services, the data does not explain trends, or highlight instances where STARS did not achieve the targets, or explain why. The Ministry does not actively seek this information.



Chute time refers to time from dispatch to lift-off. The Ministry's agreement with STARS expects STARS helicopters to be in the air 15 minutes after dispatch.

We found a 15-minute target chute time consistent with good practice. We also found good practice views chute time tracking as a reasonable indicator on the timeliness of helicopter ambulance services.

Good practice also identifies other indicators for the timeliness of ambulance services. These include time spent with a patient before transporting them.

We found STARS tracks the following as indicators on the timeliness of its air ambulance services:

- Chute time as its Agreement with the Ministry expects; STARS aims to meet a 10-minute chute time
- The time between the initial 911 call and the call arrival time at STARS dispatch (dispatch time); STARS aims for its dispatch to receive the requests within five minutes of the 911 call 90% of the time
- Time spent by STARS medical staff at a patient's side (e.g., preparing a patient for transfer, conducting any medical procedures, if necessary); STARS does not set a target time for this as the amount of time depends upon the complexity of the patient's situation

We found Ministry staff did not know STARS tracked information on additional indicators other than chute and dispatch times. Although not required in its Agreement, but consistent with good practice, STARS reports to the Ministry each quarter its monthly average chute and dispatch times by base location, and overall. However, the reports do not explain trends, highlight instances where STARS did not meet the targets, or explain why.

Our review of STARS' quarterly reported data for the period from July 2018 to May 2019 found:

- STARS met the Ministry's 15-minute chute time target on a monthly average basis. On average, it took 10 minutes for a helicopter to be in the air after dispatch for the 610 missions in this period.
- STARS' quarterly reports do not detail instances where it did not meet the Ministry's 15-minute chute time (e.g., number of instances, and number of minutes exceeding target).

Our testing of 30 inter-facility transfers and 15 scene calls identified instances where STARS did not achieve the target.

- For 30 inter-facility transfers we tested, STARS took, on average, 10 minutes for a helicopter to be airborne (chute time). For these 30 transfers, chute time for the Regina base ranged from 4 to 15 minutes with an average of 8.7 minutes. Chute time for the Saskatoon

Inter-facility transfers made up about 60 to 70% of all STARS missions, and scene calls made up 30 to 40% of all STARS missions for the period from July 2018 to May 2019.

For this period, STARS completed 463 inter-facility patient transfers and responded to 147 scene calls treating 156 patients.

base ranged from 6 to 26 minutes with an average of 11.1 minutes. STARS indicated the 26 minute chute time resulted from the medical crew taking the necessary time to restock supplies as it just returned from another mission.

- For 15 scene calls we tested, STARS took, on average, 9.7 minutes for a helicopter to be airborne (chute time). For those 15 scene calls, chute time for the Regina base ranged between 6 and 10 minutes, with an average of 8.9 minutes; and for the Saskatoon base, it ranged between 9 and 13 minutes, with an average of 10.5 minutes.
 - Longer chute times for the Saskatoon base was consistent with our expectations because of base design (e.g., the door at the Saskatoon base takes longer to open).
- STARS did not always meet its dispatch time goal and its quarterly reports to the Ministry did not explain why.

For example, in May 2018, STARS met this goal less than 40% of the time at its Saskatoon base. We found the Ministry did not know, or inquire, why STARS did not meet the goal. We also found STARS could not provide an explanation.

Also, in our testing of 30 inter-facility transfers and 15 scene calls, we noted how long STARS' medical crew spent with patients. We found:

- For 30 inter-facility transfers we tested, STARS medical crew spent between 7 to 95 minutes with a patient before transporting them to a hospital with an average of about 26 minutes spent with a patient.
- For all 15 scene calls we tested, STARS received notification of the call and completed the mission. For these calls, STARS' medical crew spent between 2 to 40 minutes with a patient on scene before transporting them to a hospital with an average of 16 minutes spent with a patient.

Without receiving adequate reporting from STARS about the timeliness of air ambulance services, the Ministry cannot understand why there may be delays or take action to better co-ordinate the provision of helicopter ambulance services.

5. We recommend the Ministry of Health obtain written reasons where timeliness indicators for helicopter ambulance services are not met.

Information Required to Assess Quality of Helicopter Ambulance Patient Care

The Ministry does not receive or assess the quality of patient care provided by helicopter ambulance services. It only expects to be made aware of instances of failure in providing appropriate patient care when transported by helicopter ambulance.

We found Ministry management unaware of the quality of care indicators STARS tracks. In addition, it had not determined how best to analyze the overall quality of care provided by helicopter ambulance services. It did not ask STARS to share information about the quality of patient care received during a helicopter ambulance inter-facility transfer or scene call.



Rather, the Ministry relies on critical incident reports to gain insight about the quality of patient care received through helicopter ambulance services. It defines critical incidents as a serious adverse health event including, but not limited to, the actual or potential loss of life, limb, or function related to a health service provided by, or a program operated by, a health care organization.²²

It requires the Authority, through its policies, and STARS, through its Agreement, to report critical incidents.

For the period from July 2018 to May 2019, the Ministry received two reports from the Authority on critical incidents related to helicopter ambulance services. Each report advised it of a ground ambulance provider not using the stand-down criteria properly, which could have affected patient outcome (i.e., the ground ambulance EMS staff at the scene stood down the helicopter contrary to the stand-down criteria). Each report related to a different ground ambulance provider.

We found for both cases, the Ministry and the Authority took appropriate steps, such as conducting an investigation and providing recommendations to limit future incidents.

For three randomly selected ground ambulance service providers, we confirmed their awareness of the stand-down criteria in effect and used them. As of June 2019, Saskatchewan uses 105 different ground ambulance services.

The lack of regular, timely tracking of key quality of care indicators limits the Ministry's ability to analyze performance information for helicopter ambulance services and to take timely action to address issues with quality of care.

6. We recommend the Ministry of Health routinely receive and analyze key information about the quality of patient care provided during helicopter ambulance services.

We found STARS tracks seven quality care indicators related to medical procedures completed during a mission. See **Figure 8** for these seven quality care indicators. STARS uses the results from internal reviews of each helicopter mission to collect this information. STARS has its peers (e.g., nurses), followed by its medical directors, do these internal reviews.

Figure 8—Quality Care Indicators STARS Tracks

1. Advanced airway placement
2. Ventilator placement
3. Helicopter utilization (clinical, time, mass casualty incident, accessibility)
4. Blood glucose check for altered mental status
5. Waveform capnography ventilated patients (measurement of the partial pressure of CO2 in each exhalation)
6. First attempt tracheal tube success
7. Verification of tracheal tube placement

Source: Information provided by STARS.

In addition, STARS tracks its utilization in the following four areas: clinical level of care, time-sensitive, mass casualty incidents, and accessibility. **Figure 9** briefly defines each of these four areas.

²² Ministry of Health, *Critical Incident Guidelines*, 2004.

Figure 9—Helicopter Utilization From July 2018 to May 2019 by Regina and Saskatoon STARS bases

Indicators	Defined As:	%of Cases by Base Location	
		Regina	Saskatoon
Clinical level of care	When a patient's required level of care is the level STARS provides	79.3%	59.5%
Time-sensitive cases	When a patient had time-sensitive illness or injury	40.5%	49.5%
Mass casualty incident	When STARS responded to an incident where there were more than three patients	2.3%	2.3%
Accessibility issues	When a patient was trapped or in a not easily accessible area (e.g., a forest, limited road conditions)	0.3%	1.5%
Other	Includes factors such as lack of available resources (e.g., patient required a medication or infusion that local EMS service could not administer) or long ground transport (e.g., a patient coming from a significant distance, four hours, with a spinal fracture).	0.0%	11.0%

Source: Provincial Auditor of Saskatchewan based on information provided by STARS.

We found each of the quality care indicators STARS tracks align with good practice.

Good practice also suggests other key quality indicators that STARS does not track. These include rate of chest compressions performed during transport.²³

Closer Monitoring Needed for When and Why Helicopter Ambulance Services Not Provided

The Ministry did not ask or obtain adequate information from STARS about reasons for declined helicopter service requests and cancelled missions to determine whether it provides sufficient and appropriate helicopter ambulance services.

The quarterly reports the Ministry received from STARS on its operations and activities includes data about the volume of missions flown each quarter for the period from April 1, 2018 to March 31, 2019. We found these do not explain fluctuations in data between quarters, between bases (i.e., Saskatoon, Regina), or from year-to-year. In addition, they do not explain why STARS declined service requests or why missions were cancelled.

In our review of STARS' service requests and mission data for the period from July 2018 to May 2019, we analyzed the reasons why service requests and missions were cancelled or declined. As shown in **Figure 10**, we found 82% of uncompleted missions resulted from STARS being asked to stand-down, and 10% of missions not accepted or declined resulted from STARS being on another mission.

²³ Ground and Air Medical Quality in Transport (GAMUT) key quality indicators (supported by the Air Medical Physician Association (AMPA) and the American Academy of Pediatrics (AAP) and used by Commission on the Accreditation of Transport Systems (CAMTS)) found at www.gamutqi.org/metrics.html.



Figure 10—STARS' Reasons for Cancelling or Declining Service Requests and Missions from July 2018 to May 2019

Missions not completed (i.e., helicopter lifted off and then grounded)

- 21 times (18%) STARS reasons: five times helicopter diverted to another call, one time due to mechanical issue, and 15 times due to weather
- 95 times (82%) requester cancelled STARS (stood down): either transport not needed at all or another transport used (e.g., ground ambulance)

Requests for potential missions not accepted or declined^A

- 314 times (10%) STARS declined request due to already being on the mission
- 758 times (23%) STARS declined request due to weather
- 21 times (1%) STARS declined due to scheduled or unscheduled maintenance
- 261 times (8%) STARS declined due to lack of sufficient information to know whether STARS is indeed required or STARS' medical crew decided not to respond. STARS not called to respond to these calls after ground ambulance arrival
- 1,873 times (57%) STARS notified of possible mission, but then cancelled by a requester because another transport was used (e.g., ground ambulance or Saskatchewan Air Ambulance did inter-facility transfer) or no transport needed at all
- 24 times (1%) other reasons for cancellation (e.g., patient weight over helicopter limit)

Source: Provincial Auditor of Saskatchewan based on information provided by STARS.

^A STARS may or may not have been used for these missions (and other transport may have been provided instead of STARS)

Periodically analyzing declined or cancelled service requests and missions would give the Ministry a better understanding for the appropriate use of STARS and the barriers affecting STARS' ability to respond. Not doing such analysis increases the risk the Ministry may be unaware of potential risks or barriers to provide timely and appropriate air ambulance services in the province.

7. We recommend the Ministry of Health receive periodic and detailed reporting on the number and reasons for cancelling or declining requests for helicopter ambulance services.

Some Monitoring of Ambulance Helicopter Maintenance Needed

The Ministry does not expect STARS to share, nor does it receive, summarized results from Transport Canada's inspections of the three helicopters used to provide air ambulance services in Saskatchewan. In addition, it does not request or receive reports on the STARS' maintenance of those helicopters, including reasons for unscheduled maintenance.

STARS, as an air ambulance provider, is required to maintain helicopters, according to the federal regulations. Transport Canada regulates Canadian aircrafts' compliance with regulations, and can inspect STARS' operations at any time, including helicopter maintenance.

STARS management indicated Transport Canada would ground aircraft if there was significant non-compliance. We found the Ministry aware Transport Canada periodically inspected STARS and held the authority to ground STARS aircraft when warranted.

Transportation Canada last inspected STARS in 2017. Its findings reported STARS did not have any significant non-compliance issues with federal legislation.

We found Ministry staff unaware of STARS' last inspection, or whether Transport Canada identified any findings that could impact STARS' ability to provide reliable air ambulance service.

Our review of the 21 requests for missions declined because of maintenance in the period from July 2018 to May 2019 found STARS declined 16 requests for potential missions due to unscheduled maintenance on eight different days (i.e., something broke down), and only five missions due to scheduled maintenance. STARS flew 610 missions during this timeframe.²⁴

We found having more instances of unscheduled maintenance than scheduled maintenance seemed consistent with the Government's December 2018 announcement of STARS' plan to replace all three helicopters used for air ambulance services in Saskatchewan by 2021 because of age. Aging helicopters suggests a need for more frequent scheduled maintenance.

As shown in **Figure 11**, on most occasions, STARS was unavailable for only a single day due to unscheduled maintenance. However, on some of those days, unscheduled maintenance resulted in STARS declining multiple requests (e.g., on March 20, 2019, STARS declined six requests). Even if STARS' helicopter is not available, STARS Transport Physician is still involved in patient care when needed (e.g., consultation).

Figure 11—Unscheduled STARS Helicopter Maintenance from July 2018 to May 2019

Date	Base Location	Out-of-Service Reason
July 7, 2018	Regina	➤ Out-of-service for five hours due to wiring hardness issues Declined one request
September 1, 2018	Saskatoon	➤ Out-of-service for five hours due to cracked windscreen Declined two requests
September 27, 2018	Regina	➤ Out-of-service for two hours due to communication box issues Declined one request
October 10–11, 2019	Regina	➤ Out-of-service for 11 hours due to issues with engine trim switch Declined four requests
March 20, 2019	Saskatoon	➤ Out-of-service for 22 hours due to broken oxygen cable Declined six requests
May 24, 2019	Regina	➤ Out-of-service for four hours due to engine chip light Declined one request
May 31, 2019	Saskatoon	➤ Out-of-service for two hours due to cracked windshield Declined one request

Source: Information provided by STARS.

While the Ministry received information on scheduled maintenance dates, it did not ask for, or receive any details, about unscheduled maintenance, including the time helicopters were out of service, the reasoning, the number of missions declined as a result, and STARS' strategy to minimize future instances, if needed.

Without receiving summarized results of Transportation Canada's inspections and STARS' maintenance reports, the Ministry does not know whether STARS sufficiently maintains helicopters used to provide air ambulance services in Saskatchewan. Having improperly maintained helicopters could adversely affect their availability, and put staff and patient safety at risk.

8. We recommend the Ministry of Health receive periodic reports on the maintenance of helicopters used to provide air ambulance services.

²⁴ 463 inter-facility transfers plus 147 scene calls = 610 missions.



In December 2018, the Government of Saskatchewan made public its commitment to purchase one of three new helicopters for use in Saskatchewan as part of STARS' initiative to renew its fleet across the prairie provinces.²⁵ It estimates the costs for Saskatchewan to finance one new helicopter and meet increased operating costs will be incremental over the life of a new 10-year agreement with STARS.

The Government of Saskatchewan expects STARS to fund the other two new helicopters through other mechanisms (e.g., fundraising, private company sponsorship, federal funding).²⁶ STARS expects the first new helicopter to be operational in Saskatchewan in fall 2019, and plans to purchase the others by 2021.

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²⁵ www.saskatchewan.ca/government/news-and-media/2018/december/04/nutrien-and-stars-renew-commitment (3 September 2019).

²⁶ In March 2019, STARS received \$65 million from the Federal Government to fund the purchase of five new helicopters in 2019–2020 for the prairie provinces.

Chapter 23 Parks, Culture and Sport—Providing Safe Drinking Water in Provincial Parks

1.0 MAIN POINTS

At July 2019, the Ministry of Parks, Culture, and Sport provided drinking water in 25 provincial parks using 62 drinking-water systems varying significantly in size and complexity. Park visitors rely on the Ministry to provide a safe supply of drinking water. Unsafe drinking water can endanger public health, causing illness or death.

Depending on the volume of drinking water used, the Water Security Agency or the Ministry of Health regulate the Ministry's drinking-water systems.

We found the Ministry had effective processes to provide safe drinking water in provincial parks for the 15-month period ended July 31, 2019, other than it needed to:

- Formalize key operational decisions and processes for its drinking-water systems regulated by the Ministry of Health and where it acts as its own regulator.
- Assign responsibility for preparing and consistently updating written operations and routine maintenance expectations, and carry out routine maintenance consistent with expectations.
- Consistently supervise operations by routinely reviewing key drinking-water system operational records and documenting evidence of its review of water quality test results.
- Specify needed water quantity and require prompt notification where breaches in drinking-water standards occur in the Ministry's agreements with municipalities supplying drinking water to provincial parks.

2.0 INTRODUCTION

This chapter outlines the results of our audit of the Ministry's processes to provide safe drinking water in provincial parks.

2.1 Background

The number of people visiting Saskatchewan's provincial parks is increasing. The number of visitor days in provincial parks increased about 20% from 2009 to 2018. In 2018, provincial parks experienced about four million visitor days.¹

The Ministry of Parks, Culture and Sport is responsible for managing the provincial park system.² Where it decides to provide drinking water in its parks system, it is responsible

¹ Ministry of Parks, Culture and Sport records.

² *The Parks Act*, section 13.



for ensuring the drinking water is safe and for complying with provincial water quality standards over water used for human consumption.³ In this chapter, we refer to water used for human consumption (used for drinking, food preparations and cooking, and oral hygiene) as drinking water.

The Ministry provides drinking water in 25 provincial parks. As shown in **Section 5.0**, the Ministry uses 62 water systems in supplying drinking water, including five parks where it receives drinking water from a neighbouring municipal water system. The Ministry operates 39 drinking-water systems seasonally (May to September) and the remaining 23 all year.

These systems vary significantly in size and complexity. Its water systems include water treatment plants, distribution systems, and storage reservoirs (e.g., plastic holding tanks).^{4,5}

2.2 Risks of Unsafe Drinking Water

When a park provides drinking water, visitors rely on the Ministry to provide a safe supply. Drinking water quality and the condition of the systems producing it remain important public health and environmental concerns in Saskatchewan.⁶

Contaminated drinking water can endanger public health, causing illness and death. Canada and Saskatchewan experienced unsafe drinking water consequences. For example, in North Battleford in April 2001, a parasite in the community's water caused between 6,000 to 7,000 residents to become ill.⁷

Effective processes to provide safe drinking water in provincial parks protect public safety and allow provincial parks to attract tourism to the province. Where the Ministry purports to provide safe drinking water, and it does not, the Ministry risks being held liable for damage to individuals' health and well-being.

3.0 AUDIT CONCLUSION

We concluded that, for the 15-month period ended July 31, 2019, the Ministry of Parks, Culture and Sport had effective processes to provide safe drinking water in provincial parks other than in the following areas. The Ministry needs to:

- **Formalize key decisions and processes about minimum documentation requirements, expected supervision, and self-regulation.**
- **Assign responsibility for the preparation, update of, and monitoring compliance with documented operating and maintenance procedures**

³ All drinking water in Saskatchewan is to meet provincial water quality standards. A summary of Saskatchewan's drinking water quality standards is available at www.sask20.ca/pdf/epb507.pdf (24 September 2019).

⁴ A ground water treatment plant is a water treatment facility that draws all of its water supply from ground water beyond the direct influence of surface water. A surface water treatment plant is a water treatment facility that draws all or part of its water supply from a surface water body source. (*The Waterworks and Sewage Works Regulations*).

⁵ A distribution system is that portion of a waterworks, including water pipes, storage reservoirs, valves, hydrants and associated components designed or used to convey water for human consumption to a service connection, but does not include tank fill drop tubes, surface piping or hoses attached to a well. (*The Waterworks and Sewage Works Regulations*)

⁶ Water Security Agency 25-Year Saskatchewan Water Security Plan, p.13.

⁷ www.thestar.com/news/canada/2017/04/13/after-16-years-victims-of-saskatchewan-citys-tainted-water-get-33-million-settlement.html (24 September 2019).

- **Consistently supervise operations**
- **Specify water quantity requirements and require prompt notification where breaches in drinking-water standards occur in agreements with municipalities supplying drinking water to parks**

Figure 1—Audit Objective, Criteria, and Approach

Audit Objective: To assess whether the Ministry of Parks, Culture and Sport had effective processes, for the 15-month period ended July 31, 2019, to provide safe drinking water in provincial parks where provided.

Audit Criteria:

Processes to:

1. Plan to provide safe drinking water
 - 1.1 Have safe drinking water supply processes (e.g., maintain risk-informed policies and procedures, use sufficiently trained and educated personnel, maintain sufficient documentation)
 - 1.2 Develop maintenance plans for Ministry-owned water systems
2. Provide safe drinking water
 - 2.1 Keep Ministry-owned drinking water infrastructure maintained
 - 2.2 Operate Ministry-owned water systems consistent with applicable requirements (e.g., use of qualified personnel, maintaining records)
 - 2.3 Maintain contract for provision of drinking-water to confirm drinking water received meets applicable requirements (e.g., timely receipt of water quality reports)
3. Monitor quality of drinking water
 - 3.1 Test drinking water quality consistent with requirements (e.g., drinking water-quality standards, regulatory requirements, Ministry policies)
 - 3.2 Review results of tests of drinking water quality promptly
 - 3.3 Promptly inform public and park visitors when results of water quality tests do not meet requirements
 - 3.4 Take timely corrective action, as required

Audit Approach:

To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's processes, we used the above criteria based on our related work, reviews of literature including reports of other auditors, and consultation with management. The Ministry agreed with the above criteria.

We examined the Ministry's policies and procedures relating to providing safe drinking water. We interviewed Ministry staff responsible for providing safe drinking water and discussed drinking-water system regulation with the Water Security Agency, the Ministry of Health, and the Saskatchewan Health Authority. In addition, we reviewed related documentation (e.g., drinking-water system permits, records of drinking water quality tests, maintenance records). We observed drinking-water systems at a sample of provincial parks. We tested key aspects of the Ministry's processes including testing drinking water quality, assigning certified operators to drinking-water systems, as well as whether staff followed regulatory processes. We obtained drinking water quality lab-test results from the Water Security Agency and Ministry of Health and compared them to provincial drinking-water quality standards.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Understanding of Applicable Regulator Clear

The Ministry has a clear understanding of which drinking water regulations it must follow when supplying drinking water in provincial parks.

In Saskatchewan, either one of two agencies regulate the quality of drinking water including compliance with provincial drinking-water quality standards—the Water Security Agency or the Ministry of Health.⁸

⁸ A summary of Saskatchewan's drinking water quality standards can be found at www.saskh2o.ca/pdf/epb507.pdf (24 September 2019).



- The Water Security Agency regulates larger and more complex water systems; it regulates waterworks where the amount of water used exceeds 18,000 litres per day (on average). In this chapter, we refer to drinking-water systems monitored by the Agency as WSA-regulated systems.
- The Ministry of Health (with the assistance of the Saskatchewan Health Authority) regulates smaller and less complex water systems; it regulates waterworks using less than 18,000 litres per day.⁹ In this chapter, we refer to drinking-water systems monitored by the Ministry of Health as health-regulated systems.

Figure 2 briefly describes key responsibilities of each regulator for drinking water quality.

Figure 2—Description of Provincial Regulators’ Key Responsibilities for Drinking Water

Regulator	Key Responsibilities for Drinking Water
Water Security Agency	<ul style="list-style-type: none"> • Administers provincial drinking-water quality standards in <i>The Waterworks and Sewage Works Regulations</i> • Regulates, under <i>The Waterworks and Sewage Works Regulations</i>, operators (e.g., municipalities, provincial parks) of larger and more complex water systems • Issues operating permits to operators of drinking-water systems (e.g., reservoirs, tanks, buildings, pumps, and pipes). It periodically inspects and enforces compliance with conditions of its issued permits. • Typically issues precautionary drinking water advisories for seasonally operated drinking-water systems during start-up, and removes them once the drinking-water system operator submits two consecutive water quality samples that meet drinking-water standards.
Ministry of Health	<ul style="list-style-type: none"> • Regulates, under <i>The Public Health Act, 1994</i>, and <i>The Health Hazard Regulations</i>, certain non-municipal drinking-water systems with limited capacity serving tourist accommodations and campgrounds, including provincial parks. • Delegated its regulatory activity to public health inspectors of the Saskatchewan Health Authority who periodically inspect water systems. • Issues, through the Authority, drinking water advisories for identified risks to public safety (e.g., identified harmful bacteria in the water).

Source: www.saskh20.ca/RolesAndResponsibilities.asp and information obtained during the audit (04 October 2019).

For Ministry-owned drinking-water systems, the Ministry recognizes it must comply with the applicable regulators’ requirements. Where the Ministry obtains drinking water from a nearby municipal system, it knows it must also ensure the drinking water supplied complies with provincial drinking-water quality standards.

We found the Ministry clearly identified the applicable regulator for each of its water systems. Of its 62 drinking-water systems, the Water Security Agency regulates 22 systems, and the Ministry of Health regulates 38 systems.¹⁰

As shown in **Section 5.0**, many provincial parks operate more than one water system. The drinking-water systems of these parks differ in size, resulting in these drinking-water systems being regulated by different regulators in the same park. At July 2019, 10 parks have both WSA-regulated and health-regulated water systems.

The Ministry was fully aware, while the water quality standards of these regulators are similar, the requirements each regulator imposes on drinking-water system operators differ significantly. **Figure 3** highlights key differences.

⁹ *The Waterworks and Sewage Works Regulations*.

¹⁰ The Ministry self-regulates the remaining two drinking-water systems.

In general, the Water Security Agency imposes detailed and prescriptive requirements over both the operation and maintenance of the water systems it regulates. Whereas, the Ministry of Health imposes limited requirements over the operation of the water systems it regulates. As shown in **Figure 3**, both regulators require routine water quality sampling and testing.

Figure 3—Comparison of Key Drinking-Water System Requirements by Regulator

Requirement	Water Security Agency	Health
Requirement of Water System Operators^A		
Follow detailed permit to operate issued by regulator	✓	
Obtain regulator's written approval before significantly upgrading drinking-water systems	✓	✓
Use certified operator(s) to operate drinking-water system	✓	
Test chlorine and turbidity of water ^B	Daily	
Submit drinking water quality samples to Provincial Lab for testing for presence of harmful bacteria ^C : Drinking-water systems operated all year Drinking-water systems operated seasonally	Weekly or Bi-monthly Weekly or Bi-monthly	Quarterly Annually
Submit drinking water quality samples to Provincial Lab for chemical testing (e.g., magnesium, arsenic, lead)	Every other year	Ground water: Annually Surface water: Every other year
Keep detailed records (operator logbook) about key operating activities (e.g., details on chemicals applied to the water for treatment, any departures from normal operating procedures) and maintenance performed	✓	
Have supervisor review key records (e.g., tracking sheet of daily chlorine and turbidity tests, operator logbook)	Monthly	
Have a qualified engineer assess condition of drinking-water systems	Every five years	
Report publicly on drinking water quality (e.g., annual notice to consumers summarizing drinking water quality test results from the previous year and availability on regulator website)	✓	
Requirement of Regulator		
Complete inspection of drinking-water systems (by regulator)	Annually	Annually
Require the Provincial Lab to report test results to the regulator	✓	✓
Advise the public about unsafe drinking water (based on test results)	✓	✓

Source: Developed by the Provincial Auditor of Saskatchewan.

^A Requirements listed here summarize an example of a Water Security Agency permit and *The Health Hazard Regulations*. Each WSA permit can be different based on WSA's professional judgment (e.g., required frequency of bacteriological and chemical tests could be different for each drinking-water system).

^B Turbidity refers to water's cloudiness.

^C The Provincial Lab is the Roy Romanow Provincial Laboratory (formerly the Saskatchewan Disease Control Laboratory). It is part of the Saskatchewan Health Authority and located in Regina. It works to identify, respond to, and prevent illness and disease in the province. www.saskhealthauthority.ca/Services-Locations/RRPL%20 (08 October 2019).

Since 2016, the Ministry acts as its own regulator for water systems in two provincial parks—Buffalo Pound and Danielson. For each of these parks, the Ministry distributes drinking water obtained from a nearby municipality. In this chapter, we refer to oversight of



these two water systems as self-regulated.¹¹ For these two systems, the Ministry informally decided to use past requirements that the Water Security Agency placed on these systems as its basis to self-regulate them.

4.2 Certified Water System Operators Used

Although not always required by law, the Ministry uses certified operators for water systems to oversee and operate each of its drinking-water systems. By law, only WSA-regulated water systems must use certified operators.

Water system certified operators are individuals with specialized training on several aspects of operating and maintaining water systems (such as water treatment, water distribution, water sampling). The Operator Certification Board offers a certification program with different certification levels.^{12,13}

Water systems are classified by their complexity. The Ministry's highest drinking-water system classification is a level 2.

WSA-regulated water systems must use a certified operator with a certification level appropriate for the water system's complexity (e.g., a level 1 water system must use an operator with at least a level 1 certification). WSA-regulated water systems must also ensure certified operators are available by phone for questions and be capable of arriving at a water system location within four hours of receiving a call in emergencies.¹⁴

The Ministry employs (staffed or through contract) at least one qualified person (i.e., certified water system operator) to operate systems in each provincial park. At July 2019, the Ministry employed 56 certified water system operators on staff or on contract with varying certification levels, with some individuals responsible for water systems at more than one park.

We found the Ministry used certified operators with the appropriate level of certification to oversee its drinking-water systems. In situations where the Ministry was unable to hire the appropriate level of certified operator (i.e., Level 2 operator for a Level 2 drinking-water system), we found it contracted a certified operator with the appropriate level of certification to supervise Ministry staff.

We found the Ministry's agreements with contracted certified operators appropriately included clauses for the operator to be onsite one or two days a week. For WSA-regulated water systems, park staff who are not certified operators cannot add chemicals to the drinking-water system without a certified operator present. Although, staff can perform water sampling and routine maintenance on drinking-water systems.

¹¹ In 2015–16, the Water Security Agency determined and advised the Ministry of Parks, Culture, and Sport it was not required to regulate two of the Ministry's drinking-water systems. These systems receive drinking water from a nearby municipal system—Buffalo Pound and Danielson provincial parks. For example, for Buffalo Pound, the Ministry receives drinking water from the same water treatment plant supplying drinking water to the cities of Regina and Moose Jaw.

¹² A Water Security Agency policy establishes water system classifications and education requirements operators must possess to operate them. Water systems classifications range from the most complex class 4 system to less complex class 1 system.

¹³ Based on the Water Security Agency's classification of drinking-water systems, individuals wishing to become certified operators of water systems must complete a certain level of prior education and experience to be eligible to take a certification course. For example, to become a level 1 operator, the individual must have completed grade 12, worked at least one year in a level 1 or higher facility, and received a mark higher than 70% on the Level 1 Certification exam. www.sask20.ca/pdf/epb144.pdf (26 September 2019).

¹⁴ *Water Security Agency Regional/Contract Operator Program* (EPB 286), www.sask20.ca/dwbinder.asp (3 October 2019).

For the nine parks we visited, certified operators and park maintenance staff seemed knowledgeable about their park's drinking-water systems and related regulatory requirements. We observed these drinking-water distribution systems and water treatment plants were clean and staff had extra supplies on hand (e.g., extra chlorine, water testing supplies).

During 2018–19, the Ministry hired a consulting firm to train and assist some drinking-water system operators. For example, consultant work included training new operators on how to maintain water filters and operate water systems at Meadow Lake Provincial Park.

Using qualified staff (like certified water system operators) helps staff understand regulatory requirements and good practice in operating drinking-water systems. Use of qualified staff also increases the likelihood of adherence to provincial water quality standards and regulatory requirements.

4.3 Formalization of Key Decisions and Processes Needed

The Ministry has not formalized key operational decisions and processes related to providing safe drinking water.

For its 38 **health-regulated drinking-water systems**, the Ministry has not established minimum documentation staff operating them must maintain, or determined the expected level or frequency of supervision of key activities.

Regulatory requirements for health-regulated water systems (*The Health Hazard Regulations*) only specify the frequency to test drinking water for bacteria and chemicals, and, unlike for WSA-regulated systems, do not outline operating requirements, such as record-keeping and supervisory activities (see **Figure 3** for detail).

We found not having written guidance resulted in inconsistent operations of health-regulated water systems; for example:

- Two of 11 health-regulated drinking-water systems tested did not keep operator logbooks.¹⁵
- Four of 11 health-regulated drinking-water systems tested did not perform daily chlorine and turbidity testing. Frequency of completed chlorine and turbidity testing for these four water systems ranged from almost daily (e.g., only missing a few days) to only a few days per month.

We also found the Ministry does not have a policy or written guidance outlining its decision to use certified operators to operate these drinking-water systems. Job descriptions for these positions do not require individuals to be certified operators.

For its two **self-regulated drinking-water systems**, the Ministry has not formalized its processes for how it will self-regulate and operate them—Danielson and Buffalo Pound water distribution systems.

¹⁵ Water system operators record important activities in logbooks such as water sampling performed, situations arising outside the normal course of operations, maintenance performed, and chemicals added to the water system.



The Ministry assigned an individual from head office to oversee these two drinking-water systems. The individual understands the Ministry wants to oversee these drinking water systems following the Water Security Agency's 2016 cancelled permit requirements. We found this individual had sufficient training/experience, and performed annual inspections of these systems using an inspection checklist similar to the Water Security Agency's inspection checklist.

However, we found the Ministry does not have a policy or written guidance that outlines its 2016 decision to continue to operate these water systems following the requirements outlined in the Water Security Agency's cancelled permits for each system.

We also found the Ministry had not established written processes to monitor these two drinking-water distribution systems on an ongoing basis. For example, how often it would inspect these drinking-water systems, and when and how it will issue water advisories. Or, when or how it will update its requirements for these drinking-water systems when the Water Security Agency changes its requirements for systems it regulates (i.e., changes its best practice established in the operational permits it issues). For example, the Ministry indicated it was aware drinking-water quality standards may be changing for manganese in the future.¹⁶

Not formalizing key decisions or processes (through policies or written procedures) increases the risk of staff not fully understanding requirements, and not operating systems consistent with regulatory requirements. In addition, without sufficient written guidance, staff may not operate drinking-water systems consistent with good or expected practice.

1. **We recommend the Ministry of Parks, Culture and Sport document key operational decisions and processes for its drinking-water systems regulated by the Ministry of Health or itself.**

4.4 Clear Responsibility for Preparation of Procedural Manuals Needed

The Ministry did not assign clear responsibility for the preparation and maintenance of key procedures necessary to provide safe drinking water.

Management indicated it expected staff at each park to prepare and maintain key procedures. Park staff we interviewed were unaware of this expectation.

For its **seasonal drinking-water systems** (i.e., water systems operating from May until September), for two health-regulated and one self-regulated drinking-water systems we visited, the Ministry had not made sure staff documented water system start-up and shutdown procedures (39 of the Ministry's 62 drinking-water systems operate seasonally).

Seasonal drinking-water systems must have water lines opened at the beginning of each season and blown out at the end of the operating season. Documented procedures set tasks to start-up and shutdown properly. Proper start-up helps ensure clean lines upon start-up, and do not contaminate water distributed through them. Proper shutdown helps ensure removal of all water from lines to avoid freezing and line breakage.

¹⁶ Manganese is a chemical element.

Three of nine parks we visited did not have documented start-up and shutdown procedures for seasonal water systems (two health-regulated, one self-regulated).

For its **WSA-regulated drinking-water systems**, the Ministry did not make sure it maintains quality control procedures as the Water Security Agency's permits require.

Formal quality control procedures include providing additional operational details about permit requirements, and outlining task responsibilities for each person in the park relating to the specific drinking-water system (e.g., Park Manager is to review operational records and logs).

We found, for two of six WSA-regulated drinking-water systems tested, the Ministry did not prepare or approve quality control procedures.

Not having written procedures for key processes to operate drinking-water systems increases the risk of staff not having a clear understanding of Ministry requirements or expectations. In addition, without sufficient written guidance, staff may not operate drinking-water systems consistent with good practice or regulatory requirements.

2. **We recommend the Ministry of Parks, Culture, and Sport assign clear responsibility for preparing and maintaining written procedures necessary to operate its drinking-water systems.**

4.5 Operating Permits Current for WSA-Regulated Systems

The Ministry obtained the required permits for its WSA-regulated drinking-water systems.

By law, the Ministry must maintain a current permit with the Water Security Agency for its WSA-regulated drinking-water systems. The permit outlines the operating conditions for the system. See **Figure 3** for typical permit conditions.

For all six WSA-regulated drinking-water systems tested, the Ministry held an approved and current permit to operate.

4.6 Condition of Larger Water Systems Monitored

The Ministry uses well-established processes to assess the condition of its large drinking-water systems and to decide when to make improvements.

Consistent with WSA-regulatory requirements, the Ministry regularly assessed the condition of its WSA-regulated, and the two self-regulated water systems. The WSA-regulated systems are the Ministry's larger and more complex water systems.

The Water Security Agency requires a condition assessment of WSA-regulated water systems every five years.¹⁷ The Ministry informally adopted the same practice for its two self-regulated systems.

¹⁷ WSA issues permits to operate every five years. Therefore, water systems must undergo a water system assessment once during the five-year permit period.



The Ministry hired an appropriately qualified engineer to do these assessments. The last assessments occurred in 2015–16. These assessments analyzed equipment condition (estimated remaining asset service life) and recommended system improvements.

We found the Ministry actively tracked the status of actions it took, or was taking, to address the 2015–16 recommendations. For significant recommendations not implemented at July 2019, we found it either planned to address them, or was considering how best to address them. For example, the Ministry planned significant upgrades to its water treatment plant at the Battlefords Provincial Park.¹⁸

We also found the Ministry used the assessments' results to help evaluate its provincial parks' drinking-water systems' infrastructure risks, and considered these risks during its annual capital planning process (see **Figure 4**).

Figure 4—Brief Description of the Ministry's Capital Budgeting Process

Annually, the Ministry undergoes a capital budgeting process that includes a risk assessment of provincial parks' drinking-water systems' infrastructure. It uses its asset management IT system to record information about its infrastructure, including drinking-water systems. Ministry staff enter information into the system for identified improvements.

The Ministry's Capital Planning Committee meets regularly to review identified asset improvement requests accumulated in the system. The Committee ranks requests using a Ministry-established priority matrix, and allocates capital funding to address the most needed improvements. This Committee includes members of senior management.

Source: Developed by the Provincial Auditor of Saskatchewan.

We observed the Ministry used its asset management IT system to track infrastructure improvement needs. Our review of the Ministry's Capital Planning Committee minutes found the Committee discussed needs and prioritized them, including ones related to its drinking-water systems. We further found the Ministry's 2018–19 capital budget consistent with the Committee's work.

Good Spirit Provincial Park was the only drinking-water system with an active drinking water advisory at July 2019 (the end of our audit period), which remained active since at least May 2017. The Ministry identified drinking water quality issues and completed significant system upgrades to the drinking-water system from 2016 to 2018. While these upgrades improved water quality somewhat, it did not significantly improve turbidity. As a result, the precautionary drinking water advisory remained. We found the Ministry plans to add a reverse osmosis system to the Good Spirit water treatment plant in 2019–20 to address the turbidity issue.¹⁹ This upgrade comes at an additional estimated cost of \$630,000.

Having a systematic process to assess the condition of large drinking-water systems helps ensure the Ministry has sufficient information to assess the risk of infrastructure being incapable of providing safe drinking water and it can take appropriate actions to reduce risk.

¹⁸ www.globalnews.ca/news/4380964/saskatchewan-provincial-parks-facilities-infrastructure (03 October 2019).

¹⁹ Reverse osmosis is a water treatment process that removes contaminants from water by using pressure to force water molecules through a semipermeable membrane. During this process, the contaminants are filtered out and flushed away, leaving clean drinking water.

4.7 Drinking-Water System Improvements Appropriately Permitted

The Ministry obtained the required written approval before making significant upgrades to its drinking-water systems.

Both WSA-regulated and health-regulated water systems must have written approval from the applicable regulator before the water system operator makes significant upgrades.

The Ministry hires engineering firms to prepare the necessary construction drawings for significant upgrades. Because of their expertise, these firms also prepare and submit the application for regulatory approval.

For all three major upgrades, we found the Ministry obtained the appropriate written approvals before it commenced construction on the drinking-water systems for the 15-month period ending July 2019.

4.8 Written Guidance for Routine Maintenance Needed

The Ministry does not have written routine maintenance expectations for its drinking-water systems.

Very detailed and voluminous manufacturers' operation and maintenance manuals exist for staff to consult for information about maintenance of large drinking-water systems (e.g., water treatment plants). Recommended maintenance procedures are scattered throughout these lengthy, not user-friendly manuals.

The Ministry depends primarily on its certified operators' knowledge and experience to determine maintenance requirements.

We found operators base routine maintenance primarily on regulatory requirements. While WSA-regulated water systems have detailed requirements, as noted in **Section 4.1**, health-regulated systems have limited regulatory requirements. The Ministry operates 38 health-regulated systems varying in design and complexity. We found the Ministry had not established clear, routine maintenance requirements for each type of drinking-water system.

In addition, even though the Ministry uses certified operators, each drinking-water system differs. Operator certification does not train operators for variances between each of the Ministry's drinking-water systems (e.g., new, highly-automated drinking-water systems versus old filter and pump drinking-water systems).

We found only one of 19 drinking-water systems tested had documented maintenance procedures (i.e., a WSA-regulated water system).

Because the Ministry did not have documented routine maintenance procedures, we could not determine whether staff completed all expected maintenance. However, our testing



found staff did not always complete some routine maintenance activities the Ministry indicated it expected. We found:

- For two of the 19 drinking-water systems tested, the system's daily water testing equipment did not have an annual recalibration performed (one WSA-regulated system, one health-regulated system).

Typically, the Ministry requests recalibration from the equipment's manufacturer.

Not annually calibrating equipment used for chlorine and turbidity testing increases the risk certified operators receive inaccurate test results. Maintaining proper chlorine levels helps ensure drinking water is safe and meets water quality standards.

- Five of the 19 drinking-water systems tested had no record of maintenance performed during the 15-month period ending July 2019 (one WSA-regulated system; three health-regulated systems; one self-regulated system).

The operator logbooks for the other 14 drinking-water systems tested included evidence of maintenance activities. These included checking and replacing, when required, water filters, replacing tubing, flushing tanks, and cleaning equipment that add chemicals to water.

Not having documented routine maintenance expectations increases the risk of staff not understanding or knowing what routine maintenance is required. This risk increases when staff turnover occurs. In addition, routine maintenance keeps drinking-water systems working effectively and helps avoid costly repairs or replacements. Improper or insufficient maintenance increases the chance of infrastructure failure. If drinking-water system infrastructure fails, the Ministry cannot provide safe drinking water to its park visitors.

- 3. We recommend the Ministry of Parks, Culture and Sport document routine maintenance expectations for its drinking-water systems.**
- 4. We recommend the Ministry of Parks, Culture and Sport complete routine maintenance on its drinking-water systems consistent with documented routine maintenance expectations.**

4.9 Consistent Supervision of Operations Needed

The Ministry does not consistently review daily activity tracking sheets and operator logbooks. In addition, it did not consistently maintain operational records for its 38 health-regulated water systems.

As noted in **Figure 3**, staff of WSA-regulated water systems must maintain records of key operating activities, and appropriate personnel must review these records. For example:

- Park staff of each WSA-regulated system must maintain daily activity tracking sheets and an operator logbook. Tracking sheets record the daily chlorine and turbidity tests. Logbooks document key operating activities (e.g., chemicals applied to water treatment plant, departures from normal operating procedures).

- Certified operators must regularly review operator logs.
- Each month, supervisors must review daily activity tracking sheets and operator logs. Supervisors are typically park managers.

The Ministry informally decided to follow this same process for its two self-regulated water systems. As noted in **Section 4.3**, it has not formally decided what process it expects staff responsible for health-regulated water systems to follow.

In our testing of water systems, we found:

- No evidence of the contracted certified operator responsible for Good Spirit Provincial Park reviewing logbook entries; Good Spirit has both WSA-regulated and health-regulated water systems
- Three of the six WSA-regulated drinking-water systems tested lacked evidence of permit-required supervisory review of daily activity tracking sheets
- All six WSA-regulated drinking-water systems tested lacked evidence of permit-required supervisory review of the operator logbook
- Nine of 11 health-regulated drinking-water systems tested lacked evidence of supervisory review of daily activity tracking sheets
- Nine of the 11 health-regulated drinking-water systems with an operator logbook lacked evidence of supervisory review of the logbook

Not regularly supervising the completion of key activities increases the risk that Ministry staff do not complete key operational procedures as required. For example, not testing chlorine and turbidity levels daily increases the risk that drinking water is not safe.

5. We recommend the Ministry of Parks, Culture and Sport routinely review key drinking-water system operational records including daily activity tracking sheets and operator logbooks.

4.10 Drinking Water Tested as Required

The Ministry completed bacteriological and chemical tests consistent with requirements.

As shown in **Figure 3**, operators must submit water samples to test for the presence of harmful bacteria and chemicals for both WSA-regulated and health-regulated water systems.

For WSA-regulated systems, the permit outlines testing frequency required for each test type (e.g., daily chlorine and turbidity tests). For health-regulated systems, *The Health Hazard Regulations* outline testing frequency required for each test type. For its two self-regulated systems, the Ministry informally decided to follow the frequency outlined in the cancelled WSA permits.



For 19 water systems tested, we found the Ministry submitted water samples for testing consistent with the requirements of the applicable regulator. Ministry staff appropriately took water samples from various points throughout the drinking-water distribution system. It most commonly submitted samples to the Provincial Lab for detailed analysis.²⁰

4.11 Documentation of Lab-Test Results Review Needed

Ministry staff do not document evidence of reviewing drinking-water lab-test results. As a result, the Ministry cannot show it promptly reviewed lab-test results.

We confirmed key Ministry staff responsible for provincial parks received, and were aware of, lab-test results for water systems for which they were responsible. We observed three Ministry staff (i.e., a central park water system specialist at the Ministry's head office, the Park Manager, and the certified water system operator) received lab-test results directly via email from the Provincial Lab.

Documenting its timely review of drinking-water quality test results enables the Ministry to demonstrate it actively identifies when drinking water is unsafe, should it occur. This is especially important for the two drinking-water systems it self-regulates, as the Ministry is the only one reviewing these water quality test results.

6. We recommend the Ministry of Parks, Culture and Sport document evidence of its review of water quality test results.

We found the Ministry took appropriate action when drinking-water test results identified unsafe bacteria levels.

Three lab-test results for the 19 drinking-water systems tested indicated the presence of bacteria in the water. We found the operator informed the applicable regulator of the results; and the Ministry took the appropriate steps to address the findings. We found operators re-tested the water and found the previous test result incorrect. For example, this can happen when the person taking the sample has dirty hands and touches the inside of the sample cup. Also, when the regulator issued a drinking water advisory, the operator took steps to rectify the problem (e.g., fixed a piece of equipment that failed at a water treatment plant). **Figure 5** briefly describes drinking water advisories or boil water orders regulators can issue.

Figure 5—Description of Drinking Water Advisories and Boil Water Orders

Precautionary drinking water advisory: Regulators issue a precautionary drinking water advisory where drinking water quality problems may exist (e.g., something went wrong at the water treatment plant), but have not identified an immediate public health threat.

Emergency boil water order: Regulators issue an emergency boil water order when a confirmed threat to public health exists (i.e., microbial contamination).

Under both advisories and orders, users must boil water at a rolling boil for at least one minute before consuming to ensure bacteriological safety. Consuming includes drinking, brushing teeth, dishwashing, or washing fruits and vegetables.

A listing of these orders and advisories are publicly available on the SaskH₂O website at www.saskh2o.ca/advisories.asp.

Source: www.saskh2o.ca/advisories.asp (04 October 2019).

²⁰ The lab also sent drinking water test results directly to the applicable regulator.

4.12 Updates Needed to Drinking Water Provider Agreements

The Ministry did not have sufficiently robust agreements with nearby municipalities supplying drinking water to certain provincial parks.

The Ministry obtained drinking water from a nearby municipal drinking-water system for five of its provincial parks (see grey highlighted items in **Section 5.0**). We assessed four of the Ministry's agreements with these five provincial parks.²¹

None of the four agreements tested specified that the municipality must promptly inform the Ministry if water quality standards are breached (e.g., provincial drinking-water quality standards). Also, one of the four agreements did not include the quantity of drinking water the Ministry required from the municipality.

By not having municipalities promptly inform the Ministry of drinking-water quality standard breaches, the Ministry exposes itself to additional risk of receiving water that does not meet provincial drinking-water standards, and having that water contaminate its distribution systems. In addition, by not agreeing on the minimum quantity of drinking water it requires, the Ministry increases the risk of not having enough safe drinking water to provide to park visitors.

7. We recommend the Ministry of Parks, Culture and Sport update its agreements with municipalities supplying drinking water to provincial parks to set needed water quantity and require municipalities to promptly advise the Ministry of breaches in provincial drinking-water standards.

4.13 Park Visitors Notified about Drinking Water Quality

The Ministry appropriately advises park visitors about concerns with drinking water quality.

For WSA-regulated and health-regulated water systems, the Ministry must communicate to the public when drinking water may be unsafe (e.g., by posting precautionary drinking water advisories). For example, in September 2019, an active precautionary drinking water advisory remained in effective at Good Spirit Provincial Park since May 2017.²²

During our onsite visits, we found Good Spirit Provincial Park posted adequate signage to inform park users of the precautionary drinking water advisory in effect, including on all drinking water access points (e.g., water taps, entry points into the campgrounds/cabins, bathrooms).

Also, for WSA-regulated drinking-water systems, the Ministry must annually prepare and post an 'Annual Notice to Consumer' report in the park. We found the Ministry appropriately prepared and posted the report (see **Figure 3**) for the six WSA-regulated systems we tested.

²¹ The Ministry does not have an agreement with the third-party that supplies drinking water to Fort Carlton Provincial Park because the third-party only provides (i.e., hauls) drinking water on an as needed basis.

²² www.sask20.ca/reports/GOC/EnvActive.pdf (24 September 2019).



Advising park visitors about drinking water quality concerns, if concerns exist, allows visitors to take necessary precautions before drinking the water (e.g., boil water).

4.14 Regulator-Issued Drinking Water Advisories and Orders Publicly Available

As described below, each regulator publishes information on issued precautionary drinking water advisories and boil water orders including those issued for provincial parks it regulates. At July 2019, the Ministry has not determined how it will advise the public about unsafe drinking water conditions at the two parks it self-regulates. See **Section 4.3** and **Recommendation 1**.

Regulators must advise the public of unsafe drinking water based on lab-test results (see **Figure 3**). As shown in **Figure 6**, the Water Security Agency and the Ministry of Health publish advisories on the same website. In addition, other provincial government agencies (such as Tourism Saskatchewan) publish information about advisories and orders on their respective websites.

The Ministry's campsite reservation system does not advise potential provincial park visitors where to find published information about drinking water quality before arriving at a provincial park. Potential visitors may find this information useful to help them properly prepare for their visit (e.g., bring potable water or equipment to boil water before consumption if necessary).²³ We suggest the Ministry add reference(s) to this published information on its campsite reservation system.

We found regulators issued, each calendar year, about 30 drinking water advisories for drinking water in provincial parks. The majority of these were short-term precautionary drinking water advisories when the Ministry starts up WSA-regulated drinking-water systems each spring. See **Section 4.6** for discussion on the only long-standing drinking water advisory for a provincial park.

Figure 6—Public Sources of Information on Saskatchewan Drinking Water

Website	Information Typically Provided
Tourism Saskatchewan www.tourismsaskatchewan.com/places-to-go/provincial-parks/our-parks#sort=relevancy (26 September 2019)	Detailed information about the provincial park selected (e.g., services, amenities, accessibility, activities, maps, contact information), including a section for any advisories (e.g., active drinking water advisories, trail closures) to inform potential park visitors of unusual situations they may experience when visiting the park.
Water Security Agency's SaskH ₂ O www.saskH2O.ca/ (26 September 2019)	Detailed information on quality of drinking water in the province by listing drinking water advisories for health- and WSA-regulated drinking-water systems. Detailed drinking water lab-test and inspection results for WSA-regulated drinking-water systems. Does not include information about active drinking water advisories, should they exist, for the Ministry's self-regulated drinking-water systems.

²³ <https://saskparks.goingtocamp.com/> (26 September 2019).

Website	Information Typically Provided
SaskAlert http://emergencyalert.saskatchewan.ca/ (08 October 2019)	Lists some but not all active drinking water advisories for health- and WSA-regulated drinking water systems including advisories for provincial park water systems (e.g., did not include the ongoing Good Spirit water advisory).

Source: Developed by the Provincial Auditor of Saskatchewan.

5.0 SUMMARY OF DRINKING WATER SYSTEMS BY REGION AND PROVINCIAL PARK AT JULY 1, 2019

Provincial Park	Number of Water Systems Supplying Park Drinking Water	Water System Regulator ^B	Number of 2018 Visitor Days ^E (000s)	Water Source for Drinking Water
Northern Parks				
Bronson Forest recreational site	1	Health	17	Ground water
Candle Lake	4	WSA & Health	112	Ground and surface water
Great Blue Heron	2	WSA & Health	87	Ground and surface water
Lac La Ronge	3	Health	49	Surface water
Makwa Lake	2	WSA & Health	115	Ground water
Meadow Lake	16	WSA & Health	380	Ground water
Narrow Hills	4	Health	77	Ground water
Central Parks				
The Battlefords	1	WSA	215	Ground water
Blackstrap ^D	1	WSA ^D	115	Park receives drinking water from a nearby municipal system. Ministry distribution system used.
Duck Mountain	2	WSA	239	Ground water
Fort Carlton	1	Health	7	Park receives hauled drinking water from a nearby municipal system.
Good Spirit	3	WSA & Health	192	Ground water
Greenwater Lake	1	WSA	196	Surface water
Pike Lake	3	WSA & Health	264	Ground water
Southern Parks				
Buffalo Pound ^C	1	Self-regulated ^C	190	Park receives drinking water from a nearby municipal system. Ministry distribution system is used.
Cannington Manor	1	Health	1	Ground water



Provincial Park	Number of Water Systems Supplying Park Drinking Water	Water System Regulator ^B	Number of 2018 Visitor Days ^E (000s)	Water Source for Drinking Water
Crooked Lake	1	WSA	58	Ground water
Cypress Hills	2	WSA & Health	333	Ground water
Danielson ^C	2	Self-regulated ^C & Health	87	Park receives drinking water from a nearby municipal system. Ministry distribution system used and separate Ministry system for visitor centre.
Douglas	2	WSA & Health	92	Ground water
Echo Valley	3	WSA & Health	182	Ground water
Katepwa	1	Health	-- ^A	Ground water
Moose Mountain	1	WSA	369	Ground water
Rowan's Ravine	1	WSA	171	Ground water
Saskatchewan Landing ^D	3	WSA & Health ^D	232	Part of this park receives drinking water from a nearby municipal system and Ministry's distribution system used. Other systems that supply other parts use ground water.
Remaining parks	--	Not in audit scope	171	--
Total	62		3,951	

Source: Ministry records.

Grey shading in the table above identifies provincial parks that receive some or all drinking water from nearby municipal systems.

^A The Ministry did not keep visitor statistics for this provincial park.

^B Ministry of Health (Health), Water Security Agency (WSA). See Figures 2 and 3 for a description of the differences between these agencies.

^C The WSA regulates the nearby municipal water treatment system. The WSA chose to no longer regulate the distribution system distributing drinking water within the provincial park. The Ministry self-regulates the distribution system in the park.

^D The WSA regulates the nearby municipal water treatment system and the Ministry's distribution system.

^E Visitor days is the total days spent in Saskatchewan's provincial parks, recreation sites, and historic parks between Thursday of the Victoria Day long weekend in May and Monday of the Labour Day long weekend in September. A visitor day represents a single person spending up to 24-hours in one of these locations, and can include day visits, camp visits, and cottage visits. The Ministry makes numerous assumptions to estimate visitor days (e.g., estimates number of days visitors with seasonal passes visit the park).

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Chapter 24

Saskatchewan Health Authority—Treating Patients at Risk of Suicide in Northwest Saskatchewan

1.0 MAIN POINTS

This chapter reports on the processes the Saskatchewan Health Authority uses to treat patients at risk of suicide in northwest Saskatchewan. Communities in northwest Saskatchewan include North Battleford, Lloydminster, Meadow Lake, and La Loche.

The rate of suicide has been consistently higher in northwest Saskatchewan than the rest of the province for the last three years. In 2018, the average suicide rate (per 100,000) was 27.9 in northwest Saskatchewan compared to the provincial average of 18.7. This higher rate increases the importance of the Authority appropriately treating patients at risk of suicide in this part of the province.

The Authority has effective processes to treat patients at risk of suicide in northwest Saskatchewan, other than the following areas. The Authority needs to:

- Work with other parties to analyze key data about suicide rates and prevalence of suicide attempts to rationalize services available to patients at risk of suicide. Systematic analysis of trends by hospital and by geographical region could better inform treatment program planning and implementation.
- Offer ongoing staff training for assessing and managing suicide risk. Not providing ongoing training increases the risk staff may not follow practices the Authority expects and may result in patients receiving inconsistent care.
- Conduct psychiatric evaluations for emergency department patients at high risk of suicide, as required. Not having psychiatric consultations prior to discharging a patient after an attempted suicide increases the risk of those patients not receiving needed support and treatment.
- Consistently follow up with patients at risk of suicide after emergency department discharge to encourage treatment, where needed. Proactive follow-up care promotes care continuity and continued suicide risk assessment and management.
- Address barriers to effective use of telehealth (videoconferencing) for psychiatric consultations.
- Determine reasons why patients miss scheduled mental health outpatient service appointments. Such information would help the Authority assess the appropriateness of its services to patients at risk of suicide.
- Conduct risk-based file audits of patients at risk of suicide and periodically inspect the safety of facilities providing services to these patients. Conducting audits of patient files would help supervisors actively monitor and support staff. Periodic inspections of facilities will help to identify and address any patient safety risks.



2.0 INTRODUCTION

Not every person who contemplates suicide will access health care services for help but for people who do access health care services, they should be screened for risk of suicide. Suicidal behaviour is one of the most common and stressful psychiatric emergencies. There is neither a single explanation for suicide attempts nor any simple solution to treatment. Health care providers play a key role in early detection and intervention with patients who are at risk of suicide.¹

2.1 Suicide Rates Are Higher in Saskatchewan

One of the public health and safety issues Saskatchewan faces is suicide. Based on annual rates of suicide per 100,000 population for 2013–16, Saskatchewan's three-year average rate of 14.9 suicides is significantly higher than the Canadian average rate of 11.7 suicides for the same period.²

According to Statistics Canada in 2016, suicide was the ninth leading cause of death in the nation. On average, 10 people die by suicide daily in Canada. Of the approximately 4,000 annual deaths by suicide, 905 individuals lived with a mental health problem or illness. Death by suicide for children, youths (ages 10 to 19 years) and young adults (ages 20 to 29 years) remains the second leading cause of death after accidents in Canada. Additionally, for every suicide there are 25 to 30 suicide attempts on average.³

Certain individuals are at a higher risk of suicide than others. For example, men are three times more likely to die by suicide than women, while women are three-to-four times more likely to attempt suicide than men. As such, hospitalization rates for women attempting suicide are 1.5 times greater than men.⁴

The Saskatchewan Coroners Service reported 2,000 people in Saskatchewan lost their lives to suicide between 2005 and 2018.⁵ Consistent with national statistics, the highest numbers of suicide in Saskatchewan were among children, youths, and young adults. The highest number of suicide for men were in the age group of 20 to 29. The highest group for women who died by suicide were those between ages 10 and 19.

Research shows multiple factors influence individuals attempting or committing suicide. Common risk factors for suicide include mental disorders (particularly depression or substance abuse), and some physical illnesses.⁶ Other determinants may include marital breakdown, economic hardship, changes in physical health, a major loss, or a lack of social support.⁷

¹ Ministry of Health, *Saskatchewan Suicide Framework for Saskatchewan Health Care Providers*, 2012.

² www.suicideinfo.ca/resource/cross-canada-comparison-statistics/ (21 May 2019)

³ Public Health Agency of Canada, *Suicide in Canada – Current Context*, 2016.

⁴ Statistics Canada, *Suicide Rates: An Overview, 2017*. Catalogue no. 82-624-X.

⁵ Saskatchewan Coroners Service, *Suicides by Year, Sex and Age Group, Saskatchewan, 2005 to 2018*, (17 January 2019).

⁶ www.conferenceboard.ca/hcp/provincial/society/suicides.aspx?AspxAutoDetectCookieSupport=1 (16 January 2019).

⁷ Health Canada, *Suicide in Canada: Update of the report of the task force on suicide in Canada*, 1994.

2.2 Role of the Health Care System in Suicide Prevention and Intervention

Research also shows that many individuals who die by suicide either were in treatment or received recent treatment from health care providers. About 45% of those who died by suicide saw a primary care physician in the 30 days before they died.⁸ A 2015 Canadian study showed that 30% of people who died by suicide ages 11 and older visited an emergency department in the month prior to their death.⁹

Suicide in health care settings is a serious adverse event affecting health care providers in addition to the individual's family and community. When individuals die by suicide, their family and friends often experience shock, anger, guilt, and depression.¹⁰

Suicide is a complex issue, and no one determinant alone is enough to be the cause. Whether the risk factors result in suicide is partly determined by the level of support a society provides toward addressing root causes, raising awareness, and investing in multi-sectoral suicide prevention strategies.¹¹ It is important to acknowledge that, similar to other medical conditions such as heart attacks, not all suicides are entirely preventable.

Health care services can offer a significant role in preventing suicide by screening for suicide risk and appropriately following up on positive screens. Routine screening might detect individuals thinking about suicide during office visits.¹²

The public health system failing to assess suicide risks may result in missed opportunities to identify suicide-prone individuals and to provide timely treatment to help them address contributing factors. Not doing so, may subsequently result in fatal consequences.

2.3 Saskatchewan Health Authority is Responsible for Implementing the *Saskatchewan Suicide Framework*

Under *The Provincial Health Authority Act*, the Ministry of Health is responsible for the strategic direction of the health care system, and the Saskatchewan Health Authority is responsible for the planning, organization, delivery and evaluation of the health services as permitted by *The Provincial Health Authority Act*.

In 2012, the Ministry of Health and several former regional health authorities developed the *Saskatchewan Suicide Framework* for provincial health care providers to use for assessment and management of people at risk of suicide.¹³ The Framework recognizes health care providers play key roles in early detection and intervention for people at risk of suicide. See **Figure 6** for details about the Framework. The Authority makes the Vice-President of Integrated Northern Health responsible for overseeing the delivery of health services to patients, including using the Framework, in northwest Saskatchewan.

⁸ Ahmedani B., Simon G., et al. *Health care contacts in the year before suicide death*. J Gen Intern Med. 2014;29(6):870–7.

⁹ Vasiliadis H. *Factors associated with suicide in the month following contact with different types of health services in Quebec*. DOI: 10.1176/appi.ps.201400133, 2015.

¹⁰ www.cdc.gov/violenceprevention/suicide/fastfact.html (14 May 2019).

¹¹ www.conferenceboard.ca/hcp/provincial/society/suicides.aspx?AspxAutoDetectCookieSupport=1 (16 January 2019).

¹² Ahmedani B., Simon G., et al. *Health care contacts in the year before suicide death*. J Gen Intern Med. 2014;29(6):870–7.

¹³ www.sken.ca/saskatchewan-suicide-framework/ (21 May 2019).



Health care facilities in northwest Saskatchewan serve a population of about 100,000 (slightly less than ten percent of Saskatchewan's total population). They employ about 4,160 health care providers.

Northwest Saskatchewan encompasses mainly those health care facilities associated with the former Keewatin Yatthé and Prairie North health regions. Communities in the area include North Battleford, Lloydminster, Meadow Lake, and La Loche.

The average suicide rate (per 100,000 population) and self-injury hospitalization rate in this area exceeds provincial averages. For example, for the five-year period (2011–2015), the average suicide rates in the former Keewatin Yatthé health region was 37.8 and 13.0 in the former Prairie North health region, compared to the provincial average suicide rate of 11.8 for the same period.¹⁴ In 2017–18, the self-injury hospitalization rate in the former Keewatin Yatthé health region was 126 and the former Prairie North health region was 150 (individuals per 100,000 population) compared to the provincial self-injury hospitalization rate average of 92.¹⁵

The higher than provincial average suicide and self-injury hospitalization rates increases the importance of treating patients at risk of suicide in this part of the province.

3.0 AUDIT CONCLUSION

We concluded that for the 12-month period ended August 31, 2019, the Saskatchewan Health Authority had, other than the following areas, effective processes to treat patients at risk of suicide in the northwest integrated service area.

With respect to services provided to patients at risk of suicide located in northwest Saskatchewan, the Saskatchewan Health Authority needs to:

- Offer ongoing staff training for assessing and managing suicide risk
- Conduct psychiatric evaluations for emergency department patients with high suicide of risk, as required
- Consistently follow up with patients at risk of suicide after emergency department discharge
- Address barriers to effective use of telehealth for psychiatric consultations
- Determine reasons why patients miss scheduled outpatient service appointments
- Conduct risk-based file audits of patients at risk of suicide and periodically inspect the safety of facilities

The Authority needs to rationalize services made available to patients at risk of suicide.

¹⁴ Vital Statistics data provided by the Ministry of Health (July 2019).

¹⁵ Canadian Institute of Health Information website:
www.yourhealthsystem.cihi.ca/hsp/indepth.jsessionid=Blaud91nenpGkpl+DNkH9CMy.yhs?lang=en#/indicator/042/2/C7082/N4lgKgTgpgdaJqeQG5QmAlqWvgYQC4QA2IAXKDFoqOYAWARqPYCuEAzqQNog4DsADAA4eIADTd-ATi4gAugF85QA
(7 July 2019).

Figure 1—Audit Objective, Criteria, and Approach

Audit Objective: The objective of this audit is to assess whether the Saskatchewan Health Authority has effective processes for the twelve-month period from September 1, 2018 to August 31, 2019 to treat patients at risk of suicide in the northwest integrated service area.

The northwest integrated service area is one of the six service areas of the Authority. The area mainly includes the former Keewatin Yatthé and Prairie North health regions. Communities in the area include North Battleford, Lloydminster, Meadow Lake, and La Loche.

The audit did not include patients residing in special care homes within the northwest integrated service area, or in the Saskatchewan Hospital North Battleford.^A Also, the audit did not include patients who sought medical assistance in dying nor assess the appropriateness of medical decisions related to patients at risk of suicide.^B

Audit Criteria:

Processes to:

1. Assess patients for risk of suicide
 - 1.1 Provide health care providers with clear guidance on assessing suicide risk (e.g., protocols, procedures, ongoing education and training)
 - 1.2 Use standard suicide risk assessment tools
 - 1.3 Establish suicide risk level (e.g., assess patients in timely manner)
 - 1.4 Allocate appropriate resources (e.g., services, beds, staff)
2. Implement appropriate treatment and monitoring strategies
 - 2.1 Determine urgency of service based on assessed risk level
 - 2.2 Maintain policies and procedures for guiding patient treatment and monitoring
 - 2.3 Document treatment plan and monitoring strategy in a timely manner
 - 2.4 Treat in accordance with plan, addressing immediate safety needs promptly
 - 2.5 Reassess patient's suicide risk consistent with monitoring strategy
3. Monitor the quality of suicide risk assessment and treatment
 - 3.1 Determine specific quality indicators (e.g., readmissions, wait times)
 - 3.2 Evaluate service performance information against indicators (e.g., complaints, critical incidents)
 - 3.3 Maintain quality assurance processes (e.g., periodically review patient files for compliance with policies)
 - 3.4 Take action where required

Audit Approach:

To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Authority's processes, we used the above criteria based on related work, reviews of the literature including reports of other auditors and *The Saskatchewan Suicide Framework*. The Authority's management agreed with the above criteria.

We examined Authority's policies and procedures that relate to suicide assessment and treatment for services provided in northwest Saskatchewan. We interviewed staff in this area responsible for providing services to people at risk of suicide. We visited health care facilities in North Battleford, Buffalo Narrows, and La Loche to observe emergency department, inpatient and outpatient services, and tested 37 files of patients at risk of suicide.

^A The Saskatchewan Health Authority operates Saskatchewan Hospital North Battleford on behalf of the Ministry of Health to serve patients from across the province who need longer-term psychiatric rehabilitation and whose needs cannot be met in local inpatient mental health facilities. www.pnrha.ca/programs_services/Pages/Saskatchewan-Hospital--North-Battleford.aspx (25 September 2019).

^B Patients who meet the criteria set in *The Medical Assistance in Dying Act* (Canada).

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Varying Services Available for Patients at Risk of Suicide But Unclear if they are in the Right Locations

The Saskatchewan Health Authority makes available varying health care services in northwest Saskatchewan to identify and treat patients at risk of suicide. However, the Authority has not rationalized whether these services are accessible where most patients need them.



Range and Location of Services Available to Northwest Saskatchewan

Patients at risk of suicide typically access health care services by going to an emergency department or outpatient services.¹⁶

- The Authority makes emergency services available in Beauval, Buffalo Narrows, Île-à-la-Crosse, La Loche, Lloydminster, Macklin, Meadow Lake, North Battleford, Turtleford, Spiritwood, Unity, and Wilkie.¹⁷ Emergency departments assess patients at risk of suicide and direct them to the appropriate services (e.g., outpatient or inpatient mental health or addictions services).

Recognizing mental illness as a common risk factor for patients at risk of suicide, the Authority offers the following mental health services in northwest Saskatchewan:

- Outpatient services (direct clinical and counselling)

The communities of Beauval, Île-à-la-Crosse, La Loche, Lloydminster, Meadow Lake, North Battleford, and Unity each provide mental health outpatient services from Monday to Friday from 9 a.m. to 5 p.m. direct clinical and counselling services are available through walk-in clinics or by appointment. In addition, Authority staff can travel between smaller communities when needed.

Patients requiring psychiatric services must have a referral from a physician and either travel for face-to-face sessions to locations with psychiatrists or receive services via telehealth (i.e., videoconferencing technologies). The Authority employs (either directly or through contract) psychiatrists in Lloydminster Hospital and Battlefords Union Hospital along with other locations in the province (e.g., Saskatoon).¹⁸ Psychiatrists are available by appointment for outpatient services, or through the emergency department.

- Inpatient services (provided in a hospital outside of an emergency department)

Patients requiring mental health inpatient services must have a referral from a physician, and travel to North Battleford (Battlefords Union Hospital) or to other facilities with such services. See **Figure 2** for inpatient mental health services available across Saskatchewan.

As indicated in **Figure 2**, Battlefords Union Hospital's mental health inpatient department has 22 adult beds. It does not have adolescent inpatient beds, but, occasionally, youth patients may stay in the adult beds.

Also, as shown in **Figure 2**, the occupancy rate for North Battleford inpatient beds in 2016–17 was 83.5%. The occupancy rate was lower in 2017–18 (60.1%) and 2018–19 (72.4%).¹⁹

¹⁶ The scope our audit did not include patients coming to general practitioners (family physicians) with suicidal thoughts.

¹⁷ Based on information provided on websites of former health regions that now comprise the northwest integrated service area (i.e., Keewatin Yatthé, Prairie North, Prince Albert Parkland, Heartland).

¹⁸ As of August 2019, there were four Authority-contracted psychiatrists who provide services to Battlefords Union Hospital. These psychiatrists also provide services to Saskatchewan Hospital North Battleford. There were four fee-for-service psychiatrists that provide services to Lloydminster Hospital, as well as have their own practices.

¹⁹ Saskatchewan Health Authority (northwest integrated service area), *Inpatient Statistical Report 2017–2018 and 2018–2019*.

Figure 2—Mental Health Inpatient Services Across Saskatchewan

Integrated Area	Facility	In 2016–17				2016	
		# of Beds	Patient Days	Average Daily Patient Census	Occupancy Rate ^A	Population Served ^B	% of Total Provincial Population
North West	Battlefords Mental Health Centre – Adult	22	6,721	18	83.5%	100,842	9.2%
Total		22	6,721				
South West	Swift Current Mental Health Centre – Adult	10	2,590	7	70.8%	130,600	11.93%
	Moose Jaw Mental Health Centre – Adult	12	3,373	9	76.8%		
Total		22	5,963				
North East	Prince Albert Mental Health Centre – Adult	29	9,183	25	86.5%	142,965	13.06%
	Prince Albert Mental Health Centre – Adolescent	10	3,082	8	84.2%		
Total		39	12,265				
Regina	Regina General Hospital – Adult	50	18,313	50	100.1%	241,686	22.07%
	Regina General Hospital – Adolescent	10	3,243	9	88.6%		
Total		60	21,556				
Saskatoon	Saskatoon Dubé Centre – Adult	54	21,481	59	108.7%	299,660	27.36%
	Saskatoon Dubé Centre – Adolescent	10	3,355	9	91.7%		
Total		64	24,836				
South East	Weyburn Mental Health Centre – Adult	10	2,353	6	64.6%	179,330	16.38%
	Yorkton Mental Health Centre – Adult	15	2,314	6	42.1%		
Total		25	4,667				
Total		232	76,008	208	89.5%	1,095,083	100%

Source: Ministry of Health, 2017–18 Community Program Profile and Ministry of Health data with addition of related integrated service area; 2016 population data supplied by the Ministry of Health based on the 2016 Census. Note: table excludes the Saskatchewan Hospital North Battleford.

^A Occupancy rate: Average daily census/ rated bed capacity.

^B The number of people who live in the various integrated areas (based on 2016 Census) who may be served by the Authority.



Better Data Analysis Needed for Patients at Risk of Suicide to Rationalize Services

The Saskatchewan Health Authority has not sufficiently rationalized whether services available to patients at risk of suicide in northwest Saskatchewan address the demand for services in this area. This is, in part, because it does not have complete key data. Also, we found its analysis of existing key data was limited.

At August 2019, the Authority has not implemented IT systems to track the services provided to patients at risk of suicide in all of its facilities in northwest Saskatchewan. Rather, many facilities (particularly those serving smaller communities) keep manual records on the delivery of many services making data collection and analysis labour intensive.

To assess services provided to patients at risk of suicide, good practice suggests focusing on four key measures—suicide rate, hospitalization rate for self-injury, emergency department rate for self-inflicted injury, and prevalence of suicide attempts.²⁰ *The World Health Organization Practice Manual* (2016) suggests using two sources of information about suicide attempts: medical records (usually hospital records) and self-reported attempts of suicide (public surveys).²¹

As shown in **Figure 3**, we found complete data is largely available for some of the measures. We further note as the Authority continues to move forward in its adoption of IT systems related to delivery of health services to these patients, these systems will enable the Authority to collect data related to the suggested measures.

Figure 3—Availability of Data for Suggested Key Outcome Measures of Suicide Programing

Suggested Measures	Potential sources of Saskatchewan data	Is generally complete data available? If not, what is missing
Suicide rates – the mortality rate for deaths due to intentional self-inflicted injury	Saskatchewan Coroners Service data – the rate of suicide (published annually) Vital Statistics database (maintained by eHealth Saskatchewan)	Partial – Coroners data does not include place where person lived (only where they died). Vital Statistics database included a number of deaths without a cause indicated.
Hospitalization rate for self-injury – suicide attempts and non-suicidal self-harm related to injuries or poisoning ^A	Saskatchewan Health Authority discharge database – number of patients discharged from the mental inpatient department in North Battleford, and the area to which the patient is discharged	Yes

²⁰ Tracking progress in suicide prevention in Indigenous communities: a challenge for public health surveillance in Canada, www.bmcpublichealth.biomedcentral.com/articles/10.1186/s12889-018-6224-9/figures/1 (27 September 2019).

²¹ World Health Organization, *Practice Manual for Establishing and Maintaining Surveillance Systems For Suicide Attempts And Self-Harm*, 2016 www.who.int/health-topics/suicide#tab=tab_1 (10 September 2019). The Manual provides guidance on establishing and maintaining surveillance systems for suicide attempts and self-harm. Surveillance systems provide information to decision-makers responsible for planning, funding, delivering, and evaluating interventions that fall under the umbrella of suicide prevention.

Suggested Measures	Potential sources of Saskatchewan data	Is generally complete data available? If not, what is missing
Emergency Department rate for self-inflicted injury – suicide attempts and non-suicidal self-harm related to injuries or poisoning ^A	Emergency department IT systems in use by some Saskatchewan hospitals; these IT systems track reasons for emergency visits, including intentional self-harm, (e.g., suicide attempts).	No – not all Saskatchewan emergency departments have IT systems. Emergency departments in many smaller communities maintain manual patient files. See Section 4.2 .
Prevalence of suicide attempts and thoughts – % of population who report having attempted suicide or having serious thoughts about suicide (in the past year or lifetime)	A Canadian Community Health Survey done occasionally by Statistics Canada obtains and tracks this information.	Partial – data does not provide details beyond the provincial level (i.e., community level)

Source: Provincial Auditor Saskatchewan adapted from *Tracking progress in suicide prevention in Indigenous communities: a challenge for public health surveillance in Canada*, www.bmcpublichealth.biomedcentral.com/articles/10.1186/s12889-018-6224-9/figures/1 (27 September 2019).

^A Non-suicidal self harm is an intentional self-injury without the desire or intention to die (e.g., accidental overdose, or self-cutting without intention to die).

Our analysis of the data available at August 2019 related to patients at risk of suicide in northwest Saskatchewan found the following.

- The rate of suicides per 100,000 population in northwest Saskatchewan was consistently higher than the provincial rate for the last three years. See **Figure 4** for the suicide rates per 100,000 population over the last three years.

Figure 4—Suicide Rates per 100,000 Population in Saskatchewan, 2016–2018

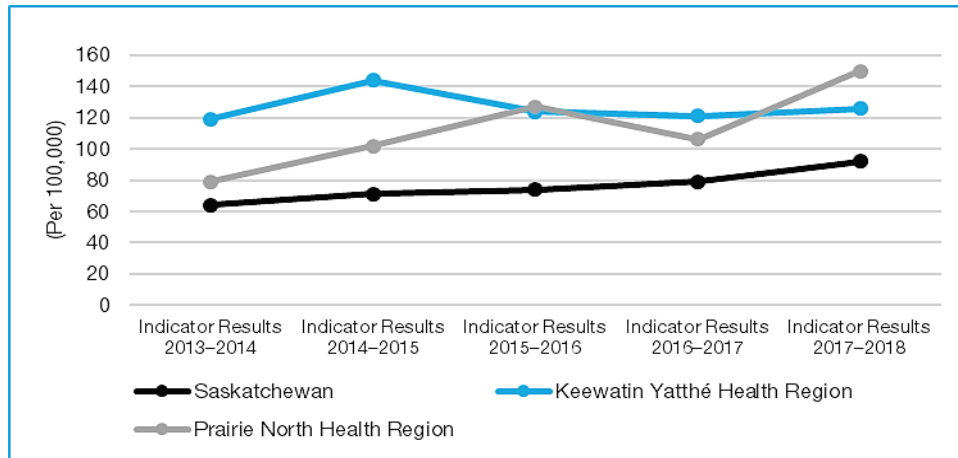
Location/Year	2016	2017	2018
Northwest Saskatchewan	18.8	25.9	27.9
Saskatchewan	16.4	15.8	18.7

Source: Provincial Auditor of Saskatchewan, based on information from the Saskatchewan Coroners Service, the Ministry of Health, and Statistics Canada. Rates are calculated as the total number of deaths by suicide in a given year, divided by the total population that year, and multiplied by a factor of 100,000.

- The rate of self-injury hospitalizations in the former Prairie North Health Region and Keewatin Yatthé Health Region from 2013 to 2018 was higher than the provincial rate over the last five years (see **Figure 5**). Northwest Saskatchewan is comprised primarily of these former regions.



Figure 5—Rate of Self Injury Hospitalizations per 100,000 Population in Saskatchewan, former Prairie North Health Region, and former Keewatin Yatthé Health Region, 2013–2018



Source: Canadian Institute of Health Information, www.yourhealthsystem.cihl.ca/hsp/indepth;jsessionid=Blaud91nempGkpl+DNkH9CMY.yhs?lang=en#/indicator/042/2/C7082/N4IqKgTqpgdqJqeQG5QmAlgWygYQC4QA2IAXKDFoqOYAWARgPYCuEAzqQNoq4DsADAA4eIADTd-ATj4gAugF85QA (27 September 2019).

- The emergency department rate for self-inflicted injury was not available for all emergency departments in northwest Saskatchewan as not all departments have related IT systems. For those that did, we found, for 2018–19, 107 patients came to the emergency department in North Battleford due to self-harm, 70 in Lloydminster, and 96 in Meadow Lake. The number of patients were similar in 2017–18 (North Battleford: 130, Lloydminster: 58, Meadow Lake: 85).²²
- The prevalence of suicide attempts and suicidal thoughts data obtained through the 2015 Canadian Community Health Survey projected (based on about 65,000 Canadian respondents) 112,200 people in Saskatchewan aged 15 and over reported they seriously contemplated suicide in their life, and 126,900 people saw or talked to a health care professional about their emotional or mental health.^{23,24} Data for northwest Saskatchewan was unavailable.

We are aware the Ministry of Health does some data analysis related to demand for health care services for policy and funding purposes. For example, the research unit within its Emergency Services Branch analyzes certain suicide rate data on an ad hoc basis (e.g., suicide mortality rates, suicide attempts in some emergency departments). The Ministry's Mental Health and Addictions Branch collects and analyzes mental health and addictions program usage data annually.

The Authority and the Ministry did not have any co-ordinated efforts to analyze data related to services to patients at risk of suicide.

We are also aware the federal government, along with the provincial government, is increasing its investment in suicide prevention programs. For example, in recent years, the federal government invested in Indigenous-focused suicide prevention programs

²² Ministry of Health, Research Department, *Emergency department visits for self-harm in selected Saskatchewan hospitals*.

²³ The Canadian Community Health Survey does not provide details beyond the provincial level.

²⁴ Statistics Canada. Table 13-10-0098-01 *Mental health characteristics and suicidal thoughts*, 2015. [Do76i.org/10.25318/1310009801-eng](https://doi.org/10.25318/1310009801-eng).

(e.g., federally-funded psychiatrist from Saskatoon to provide psychiatric services one day a month to patients in La Loche since 2016).²⁵ Also in 2019–20, Saskatchewan expected to receive \$14.27 million from the federal government for improving access to mental health and addiction services.

We found funding for suicide prevention programs fragmented across provincial government agencies, the federal government, and First Nations agencies. While often these investments support multi-sectoral suicide prevention strategies, there is limited sharing of information across the multiple sectors affecting their abilities to determine if they are making a difference. Better co-ordination and analysis of multi-sector suicide prevention strategies may identify duplication or absence of services in certain communities.

Systematic trend analysis of key measures by hospital and by geographical region would inform the planning and implementation of treatment programs. It would help the Authority determine whether it gives individuals at risk of suicide in northwest Saskatchewan sufficient access to services. In addition, such analysis would help the health sector determine if its programs are making a difference.

1. **We recommend the Saskatchewan Health Authority work with others (e.g., Ministry of Health) to analyze key data about rates and prevalence of suicide attempts to rationalize services made available to patients at risk of suicide.**

4.2 Integrated Patient Files Needed

In common with other parts of the province, the Authority manually records some of the emergency, outpatient, and inpatient services it provides to patients at risk of suicide in northwest Saskatchewan. At September 2019, the Authority was in the process of implementing a new IT system called the Mental Health and Addiction Information System (MHAIS) in certain health care facilities.²⁶

Staff using manual files cannot access MHAIS. As a result, they do not have the benefit of considering medical history contained in MHAIS when making care decisions. In addition, they do not have the means to share information from their manual patient files easily with other health care service providers.

Also, many patients at risk of suicide may access more than one health service (e.g., emergency department, mental health inpatient department, First Nations health facilities). Many patients from smaller communities in northwest Saskatchewan travel to larger health centres to receive services. For example, in 2018–19, 51% of the patients treated at North Battleford mental health inpatient services came from places outside of the Battlefords area.²⁷

²⁵ As of September 2019, Authority staff indicated that another psychiatrist planned to start providing services to Île-à-la-Crosse paid for by the federal government.

²⁶ MHAIS is the province-wide mental health and addictions IT system. The system includes a level of care utilization tool that will help staff determine the level of care needed for patients.

²⁷ 204 out of 401 patients.



MHAIS can serve as a complete provincial electronic health record for mental health and addictions patients. It can become a single, provincially accessible file if facilities and health care providers have system access.

Outpatient staff in certain facilities, like North Battleford and Lloydminster, use MHAIS to document medical history, suicide risk screening, assessment and treatment progress for patients at risk of suicide receiving outpatient services. At August 2019, facilities at La Loche and Meadow Lake providing outpatient services continued to use separate manual patient files to document services provided. The Authority planned to implement MHAIS in La Loche by December 2019.

The Authority implemented MHAIS for mental health inpatient services provided in North Battleford in June 2019. However, staff continued to use separate manual patient files to determine medical history.

At August 2019, only one emergency department (North Battleford) in northwest Saskatchewan had access to MHAIS. After the Authority's investigation of an April 2019 critical incident, the Authority began giving staff at the North Battleford emergency department MHAIS access. It plans to give access to physicians at emergency departments in Lloydminster and Meadow Lake in 2019–20.

Giving emergency department staff access to MHAIS is consistent with a previously identified area for improvement by Accreditation Canada. In its last reviews of emergency departments located in northwest Saskatchewan, Accreditation Canada suggested the Authority have comprehensible shareable patient files.²⁸

Not having a single file that includes all mental health services provided to a patient can impede diagnosis and provision of care for those at risk of suicide. In addition, it may create inefficiencies in the provision of care. The importance of instant access to complete information increases when physicians and psychiatrists are managing patients in life-threatening situations.

We recommended in our *2018 Report – Volume 1*, Chapter 8, that the Saskatchewan Health Authority implement a provincial integrated mental health record system to record services to mental health and addictions clients.²⁹

4.3 Policies Align with Suicide Risk Framework

On an overall basis, the suicide-related policies the Authority uses in its facilities located in northwest Saskatchewan align with the *Saskatchewan Suicide Framework*.

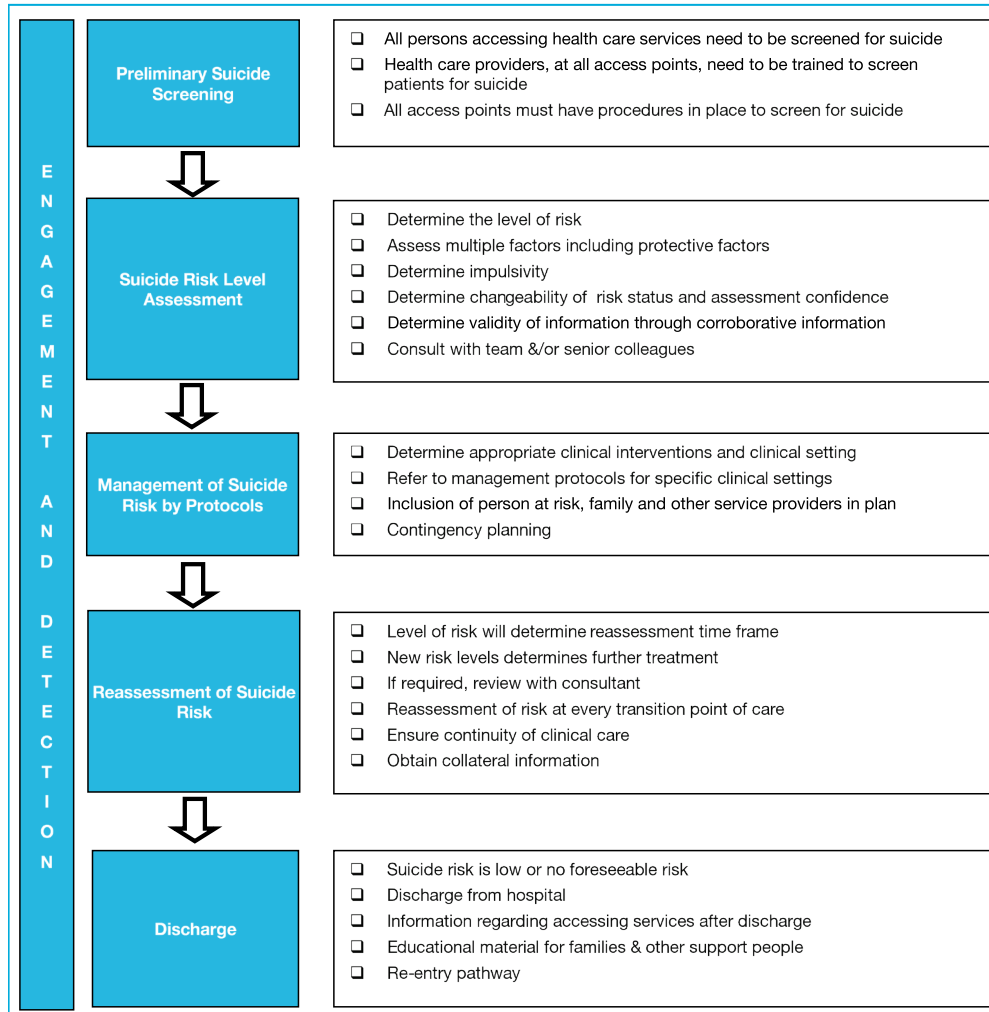
The Framework expects health care providers to screen all individuals accessing health care services through mental health, addictions, primary care, emergency, or special care homes for suicide risk. As shown in **Figure 6**, it expects health care providers to assess individuals with suicide risk, intervene, reassess, and follow up. The Framework applies to

²⁸ Accreditation Canada (usually every three to four years) assesses the Saskatchewan Health Authority against standards of best practice. The assessments includes a review of policies related to suicide prevention (e.g., screening and risk assessment). The latest available 2017 and 2018 Accreditation Canada reports for the former health regions in northwest Saskatchewan found emergency departments met the requirements for suicide prevention. For example, emergency departments did suicide risk assessments at every intake. They also identified areas for improvements (such as, staff training and having a comprehensible shareable patient file).

²⁹ See our *2018 Report – Volume 1*, Chapter 8 Recommendation 2 on page 113.

key treatment settings (e.g., emergency departments, inpatient mental health departments, outpatient clinics).

Figure 6—Framework for Suicide Risk Assessment and Management for Saskatchewan Health Care Providers



Source: Ministry of Health, *Saskatchewan Suicide Framework for Saskatchewan Health Care Providers*, 2012.

At August 2019, the Authority continued to work on establishing a common set of clinical policies to promote consistent care across the province. This includes policies related to treating patients at risk of suicide.

In the meantime, health care staff in facilities located in northwest Saskatchewan continue to use the policies of their former health regions (e.g., Keewatin Yatthé and Prairie North). This results in the Authority using multiple sets of policies to treat patients.

Our review of policies related to treating patients at risk of suicide for this area found the following. Even though the form and content of them varied, they generally provided sufficient direction. They included high-level direction for suicide screening, risk assessment, and some treatment options for patients at risk of suicide. In addition, the policies for inpatient and outpatient mental health services aligned with the Framework's guidance (see **Figure 6**).



We also noted management of these facilities continue to keep these policies current. For example, one was last updated in 2017 and the other in 2018.

Staff can access these policies in various ways. We found them sufficiently accessible. For example, staff in facilities of the former Prairie North health region access policies electronically via the intranet, whereas staff in facilities of the former Keewatin Yatthé health region access manual copies of policies.

We found the Authority used other ways to give staff detailed direction in these areas. This includes making standardized checklists available, embedding the process into related IT systems (where used), and using staff with expertise in mental health. Also at August 2019, the Authority continued to implement its patient care IT system (i.e., MHAIS) in more facilities in northwest Saskatchewan. This IT system includes a level of care utilization tool to help staff determine the level of care needed for mental health patients.

Policies promote consistent patient care and clarify file documentation expected.

4.4 Ongoing Staff Training Needed

The Authority is not giving staff at facilities in northwest Saskatchewan working with patients at risk of suicide with sufficient training on caring for these patients.

The Authority employs psychiatrists, mental health therapists, social workers, registered psychiatric nurses, and psychologists to provide mental health inpatient and outpatient services in northwest Saskatchewan.

We found more professional staff tend to work in larger communities. For example, at August 2019, the Authority has five full-time psychiatry positions in North Battleford to provide services; one position was vacant. In common with other parts of Saskatchewan, the Authority experiences challenges in employing a sufficient number of psychiatrists for northwest Saskatchewan. In addition, it contracts four psychiatrists (on a fee-for-service basis) to provide services at the Lloydminster Hospital.

Smaller communities in this area have more difficulty attracting and retaining professional mental health staff. For example, we noted outpatient services in La Loche experience chronic vacancies for its mental health positions. As of August 2019, four of seven mental health related positions remained vacant, placing additional pressures on supervisors and managers.

Also, the qualifications of staff in smaller communities caring for patients at risk of suicide varies. We found health care staff in smaller communities did not always possess the educational qualifications that aligned with their job descriptions. Rather, because of a limited supply of potential staff with preferred educational qualifications, smaller communities place a greater emphasis on hiring staff with suitable experience.

We found the Authority has not determined its training needs for staff in the area of caring for patients at risk of suicide. Rather, the Authority allows staff at individual facilities to determine and co-ordinate their own training needs, other than for staff training on new clinical-related IT systems (e.g., MHAIS).

We found the nature and extent of training varies significantly. For example, new nursing staff in the emergency department in North Battleford received on-line training related to mental health and suicide screening, whereas staff at other emergency departments we visited did not. Also, only certain mental health staff in North Battleford received one-day training on clinical interviewing of patients at risk of suicide in December 2018.

In addition, training provided did not meet the foundational training expected in the *Saskatchewan Suicide Framework*. The Framework identifies the Applied Suicide Intervention Skills Training as the foundational training for health care staff encountering patients at risk of suicide. The Framework expects all health care providers, at all access points, to be trained to screen patients for suicide.

Staff in North Battleford facilities last received the Applied Suicide Intervention Skills Training course in 2012, and staff in La Loche last received this course in 2017. Newer staff working with patients at risk of suicide at both locations would never have received this training course. For example in 2018–19, La Loche had 50% of their outpatient services staff turnover. Therefore, these staff had not received the Applied Suicide Intervention Skills Training at August 2019.

Training helps keep staff up-to-date. Not providing sufficient, ongoing training for staff treating patients at risk of suicide increases the risk staff may not follow practices the Authority expects and may provide patients with inconsistent care.

2. We recommend the Saskatchewan Health Authority give suitable training to staff located in northwest Saskatchewan caring for patients at risk of suicide.

4.5 Preliminary Suicide Screening Done Consistently But Not Always Referred to a Psychiatrist

Staff in facilities located in northwest Saskatchewan consistently followed established protocols to screen patients for risk of suicide, but emergency department staff did not always seek psychiatric consultation for patients with a high risk of suicide.

Consistent with the Suicide Framework, the Authority expects all persons accessing health care services to be screened for suicide. As indicated in **Section 4.1**, patients at risk of suicide typically access health care services by going to an emergency department or to outpatient services. Preliminary suicide screening helps staff identify patients at high risk of suicide and appropriate services needed.

To guide preliminary screenings of persons accessing health care services (e.g., presenting at emergency departments, and mental health outpatient and inpatient services), the Authority gives staff standard forms to complete either manually or electronically. We found that although the questions and ways to record responses and risk level of screening varied between facilities and types of services provided, they aligned sufficiently with the expectations of the Framework.



We also found the Authority gives health care providers useful tools to help them gather sufficient and appropriate information to determine the level of a patient’s risk of suicide. See **Figure 7** for preliminary questions used in screening patients for suicide risk. See **Figure 8** for the categories of information gathered to determine the suitable suicide risk level (high, medium, low or no foreseeable risk).

Figure 7—The Saskatchewan Suicide Framework Preliminary Suicide Screening Questions

1. Are you having any feelings of hopelessness, helplessness or depression?
 2. Have you had any thoughts, urges or behaviors related to harming yourself?
 3. Have you recently engaged in any reckless behaviour such as; abusing alcohol or drugs, reckless driving or impulsive actions?
 4. Have things been so bad lately that you have thought you would rather not be here?
 5. Are you thinking of suicide?
 6. Have you made any current plans?
 7. Do you have the means to act on your plan?
- If a patient answers “Yes” to any of these seven questions, staff are to complete a more detailed suicide risk assessment to gauge their risk of attempting suicide.

Source: Ministry of Health, *The Saskatchewan Suicide Framework*, 2012, p.16.

Health care providers are to use this information to gauge a patient’s mental state (e.g., feeling helpless, or having a plan to act on suicidal thoughts). For example, health care providers will likely assess, as a high risk of suicide, a patient with signs of severe depression, hostility, evidence of clear intention for suicide, currently dependent or using drugs, refusing help, and lacking supportive relationships.

The Authority expects staff to document this process using standard manual forms or inputting information into the patient’s electronic mental health file (if available). Manual forms are to be retained in patient files.³⁰

Figure 8—Categories of Information Used to Determine a Suicide Risk Level

‘At Risk’ Mental States	Suicide Attempts/ Suicidal Thoughts	Substance Use	Corroborative History	Strengths/ Supports	Reflective Practice
<ul style="list-style-type: none"> • Depressed • Psychotic • Hopelessness, despair • Guilt, shame, anger, agitation • Impulsivity 	<ul style="list-style-type: none"> • Intentionality • Lethality • Access to means • Previous suicide attempt/s 	<ul style="list-style-type: none"> • Current misuse of alcohol and other drugs 	<ul style="list-style-type: none"> • Family, parent or guardian • Medical records • Other service provider/ sources 	<ul style="list-style-type: none"> • Expressed communication • Availability of supports • Willingness/ capacity of supports • Safety of person and others 	<ul style="list-style-type: none"> • Level & quality of engagement • Changeability of risk level • Assessment confidence in risk factors
<p>There is no a definite predictor of suicide, however, in combination with good clinical judgment, such risk assessment provides a means to determine treatment.</p>					

Source: Ministry of Health, *Saskatchewan Suicide Framework. Appendix B: Protocol for Management of Mental Health In-Patient Departments for Saskatchewan Health Care Providers*, 2012, p.18.

For each of the 14 files tested of patients who came to mental health outpatient services, files showed mental health staff completed the required suicide screening, and assessed the patient’s suicide risk level. We found files sufficiently documented a patient’s circumstances, risk factors, patient-provided past history, and the results of preliminary screening.

³⁰ The Authority does not require psychiatrists to complete a standard form.

We found the Authority had clear protocols for handling patients who came to an emergency department and indicated a plan to attempt suicide. We found the protocols consistent with the Framework. It expected health care providers to rate those patients who attempted suicide or had a plan to attempt as high risk. It also expected the staff completing the preliminary screening to consult with an emergency department physician to validate the assessed risk of suicide. Where an emergency physician agreed with a high level of risk, it expected the emergency department to consult with a psychiatrist for further assessment, and determine next steps.

We found emergency department staff in smaller communities sent patients considered to be at high risk of suicide to the North Battleford emergency department.

We found this emergency department protocol appropriately recognizes emergency department health care providers may not have specialized training to determine appropriate clinical interventions for patients at high risk of suicide. Also, the protocol is consistent with literature that suggests a patient who sees a psychiatrist after a suicide attempt is at lower risk of repeating a suicide attempt.³¹

For 23 files tested of patients who attempted suicide and came to emergency departments, we found staff did not always follow the protocols to consult with a psychiatrist prior to discharge:

- Nine files showed staff completed the preliminary suicide screening and determined suicide risk level the same day the patient came to emergency.

However, contrary to Authority protocol, one of these patients who presented with intention of self-harm and under substance influence (i.e., suicide attempt) did not see a psychiatrist prior to discharge. The patient was screened as high risk of suicide and discharged once their body cleared the harmful substance.

- Fourteen files did not include a preliminary suicide screening. Emergency department health care providers did not do the screening because all 14 patients presented with intention of self-harm and were under substance influence at point of emergency department admission. Not screening patients under substance influence aligns with the protocol.

For two of the 14 files, patients came to the emergency department with intention of self-harm, but did not see a psychiatrist prior to their discharge. Both patients were discharged once their bodies cleared the harmful substance. For one of the 14 files, the patient refused to co-operate, or see a psychiatrist prior to discharge.

Emergency department health care providers not consistently following the Authority's protocol to consult with psychiatrists prior to discharge of a patient with a plan to attempt suicide (e.g., overdose with intention of self-harm) increases the risk of those patients not receiving needed support and treatment. In addition, it may open the Authority to litigation if it did not provide the patient with appropriate care.

³¹ M. Roelands, et. al, *Psychiatric Consultation and Referral of Persons Who Have Attempted Suicide. The Perspective of Heads of Emergency and Psychiatry Departments*, 2017, doi.org/10.1027/0227-5910/a000445.



3. We recommend the Saskatchewan Health Authority follow its established protocols to provide psychiatric consultations to patients accessing emergency departments in northwest Saskatchewan who are at high risk of suicide.

4.6 Analysis of Telehealth Use Needed

The Authority has not analyzed why patients at greater than a low risk of suicide are not showing up for scheduled telehealth (i.e., videoconferencing) appointments. Its provision of psychiatric services through telehealth also remains low.

Given the geographic spread and size of communities in northwest Saskatchewan, the Authority cannot offer onsite psychiatrists in all healthcare facilities. Therefore, it requires patients needing outpatient psychiatric services to book appointments and travel to larger centres like North Battleford for face-to-face sessions with psychiatrists, or to their local facility with telehealth to receive services via videoconferencing.

To receive psychiatric services in various emergency departments located in northwest Saskatchewan, the Authority has varied contractual arrangements with psychiatrists.

We found the length of time patients with a high risk of suicide wait at emergency departments to see a psychiatrist varies. The location of the emergency departments in northwest Saskatchewan where patients accessed services presented the primary variable in wait times. For example, patients at high risk of suicide accessing emergency departments located in:

- North Battleford waited, in 2018–19, on average 34 minutes (ranging from 23 minutes to 47 minutes) to see a psychiatrist in an emergency department—North Battleford retains psychiatrists on staff in its mental health inpatient department at North Battlefords Union hospital.³²
- Lloydminster often waited more than an hour to see a psychiatrist. In March 2019, more than half of the patients in emergency waited more than one hour to see a psychiatrist—psychiatrists in Lloydminster are available under fee-for-service contracts.³³
- Smaller communities with no psychiatrists onsite had to book appointments for either face-to-face or telehealth sessions with psychiatrists. Appointments are booked as outpatient services (Monday to Friday from 9 a.m. to 5 p.m). If a patient requires immediate psychiatric assessment, staff arrange transfer to North Battleford’s mental health inpatient services via ambulance. Ground ambulance transports from La Loche take at least five hours to get to North Battleford.
- We noted mental health staff in smaller communities located in northwest Saskatchewan typically refer patients at low or moderate risk of suicide to psychiatrists located in North Battleford or Saskatoon for outpatient psychiatric services. Since 2016, patients in La Loche can also receive services from a federally-funded psychiatrist who travels from Saskatoon or conducts telehealth one day every month.

³² Information provided by the Saskatchewan Health Authority.

³³ Information provided by the Saskatchewan Health Authority. Fee-for-service psychiatrists also have their own private practices.

We found the Authority's use of telehealth for providing psychiatric services depends on whether it has a sufficient number of psychiatrists available. For example, the Authority stopped using telehealth in 2018 because of a shortage of psychiatrists in North Battleford. It resumed its use in 2019 when it filled the vacant psychiatrist positions.

We also found patients poorly utilize telehealth to access psychiatric services in northwest Saskatchewan. For example, in both 2017 and 2019, the rate of "patient no shows" for telehealth appointments with North Battleford psychiatrists was at least 50%.

The Authority recognizes "no shows" result in a significant amount of unproductive time for psychiatrists. Psychiatrists must conduct a telehealth session in a specific room located in the Battlefords Union Hospital because the telehealth technology does not permit them to conduct sessions from their own offices.

Also, the Authority has not formally tracked or assessed why patients miss appointments. It assumes some patients may prefer face-to-face sessions with psychiatrists. It also expects some patients may have difficulty in obtaining transport to the appointment (e.g., many smaller communities do not have taxi services).

Given the geographic spread and size of communities in northwest Saskatchewan, better delivery of psychiatric services through videoconferencing can be effective. Research shows psychiatric consultations and short-term follow-ups can be as effective when delivered via telehealth as when provided face to face.³⁴ In addition, use of videoconferencing can help patients and psychiatrists minimize travel time and costs to attend face-to-face appointments.

Not determining reasons for poor use of videoconferencing for psychiatric services in northwest Saskatchewan communities reduces the Authority's opportunities to identify and address barriers to its use.

4. We recommend the Saskatchewan Health Authority address barriers to using videoconferencing to provide psychiatric services to communities in northwest Saskatchewan.

4.7 Inpatient and Outpatient Services Used to Manage Suicide Risk

Patient files show the Authority took steps, consistent with the *Saskatchewan Suicide Framework*, to manage suicide of risk of patients receiving outpatient and inpatient services.

Of the patient files we tested, 13 patients were referred to and received mental health inpatient services in North Battleford, and nine patients received mental health outpatient services. For the combined 22 patients tested, we found each patient file showed management of suicide risks. In particular, each showed mental health staff:

- Obtained the patient's medical history and assessed current mental state consistent with the Authority's protocols

³⁴ R. O'Reilly, et al. *Is Telepsychiatry Equivalent to Face-to-Face Psychiatry? Results From a Randomized Controlled Equivalence Trial*, *Psychiatric Services*, June 2007, Vol. 58, no.6.



- Used information gathered to determine clinical interventions/treatments
- Used, to the extent possible, a collaborative approach (i.e., engaging family, other supports) to help the patient stay safe and receive treatment

For nine patients who received outpatient services, we further found each patient file showed mental health staff:

- Worked with each patient to create a safety plan. Each safety plan outlined scheduled appointments and coping strategies for the patient to use when feeling hopeless or attempting suicide

For 13 patients who received inpatient services in North Battleford, we further found each patient file showed:

- Mental health staff took physical safety measures with patients at high risk of suicide (e.g., constant watch of patient, and placing patient into safe room with no physical dangers)
- Services mental health staff and psychiatrists provided, and the patient's progress

Having each patient file outline the steps taken to manage suicide risk shows what health care providers did to help patients reduce or eliminate factors contributing to suicidal thoughts or suicidal crisis.

4.8 Suicide Risk Level Reassessed at Appropriate Intervals Where Patients Available

The Authority reassessed suicide risk level of patients receiving mental health inpatient and outpatient services at appropriate intervals where patients attended appointments.

Consistent with the *Saskatchewan Suicide Framework*, the Authority uses a risk-based approach to determine when to reassess the suicide risk level of patients receiving mental health inpatient and outpatient services. As shown in **Figure 9**, it bases the frequency of reassessment on risk determined from previous suicide risk assessments. The frequency of reassessments increases as the suicide risk level increases.

Figure 9—Frequency of Suicide Risk Level Reassessments

Suicide Risk Level	Frequency of reassessment (Inpatient services)	Frequency of reassessment (Outpatient services)
High Risk	At least twice daily (i.e., every 12 hours)	Within 24 hours
Medium Risk	At least daily	Within one week
Low Risk	At least weekly	Within one month

Source: Ministry of Health, *Saskatchewan Suicide Framework. Appendix A: Protocol for Management in Community Mental Health Services*, 2012, p. 23, *Appendix B: Protocol for Management of Mental Health In-Patient Departments for Saskatchewan Health Care Providers*, 2012, p.22.

For five of nine patient files receiving outpatient services tested, we found mental health staff were unable to reassess the patient within the required timeframe. The patient either refused to receive outpatient services or did not attend booked appointments. See **Recommendation 5** about analyzing reasons for missed appointments.

For four of 13 patient files receiving inpatient services tested, we found files included psychiatrists' notes documenting informal risk assessments instead of formally completed reassessments. Once these patients discharged from inpatient services, outpatient staff booked timely appointments and followed up if patients did not attend a booked appointment.

Situational factors that contribute to suicidal inclinations are dynamic and the level of a patient's suicide risk can increase or decrease quickly. Timely reassessment of a patient's risk of suicide is essential to keeping the patient safe.

4.9 Analysis of No-Shows and Follow-Up Care Needed for Discharged ER Patients at Risk of Suicide

The Authority actively follows up with patients who received outpatient and inpatient services but does not know why certain patients do not show up for scheduled appointments.

Health care follow-ups act as a safety mechanism to check on a patient who may still be emotionally fragile.

The Authority followed its follow-up protocols for patients at risk of suicide receiving mental health inpatient and outpatient services. We found:

- For all nine files tested of patients receiving outpatient services, files clearly showed mental health staff actively followed up with patients, and attempted to contact patients when they missed appointments.
- For 13 files tested of patients receiving inpatient services, we found files showed, for patients discharged from inpatient services, mental health staff booked timely follow-up outpatient appointments. In addition, they clearly showed mental health staff actively followed up if patients did not attend a booked appointment.

However, we found patients often miss appointments, which disrupts the continuity of clinical care. For example, four of nine patients receiving outpatient services missed appointments. Not knowing why patients miss appointments reduces the Authority's opportunities to identify and help patients overcome barriers to attending appointments. Such information would help the Authority assess the appropriateness of its services for patients at risk of suicide. See **Recommendation 1**.

5. We recommend the Saskatchewan Health Authority analyze reasons patients at risk of suicide miss appointments for mental health outpatient services to help address barriers.



In northwest Saskatchewan, the Authority's follow-up protocols for patients at risk of suicide accessing services through emergency departments differ from those for patients accessing services through mental health outpatient services. Because the Authority does not have the same protocols, it did not always formally follow up with patients at risk of suicide after discharge from emergency departments.

For four files tested of patients who attempted suicide and were discharged from emergency departments, we did not find any evidence of the patient being referred to mental health or addictions services. We found:

- Two of the four patients later sought mental health outpatient services
- One patient did not have ongoing contact with the health system, and died five months following the emergency department visit (cause of death was undetermined)
- One other patient left before receiving a psychiatric consultation and appears to have not accessed mental health and addiction services in northwestern Saskatchewan since

The *Saskatchewan Suicide Framework* indicates the people most at-risk to die by suicide are those who attempted it in the past year. The World Health Organization estimates for every suicide in society, 20 attempts occurred.³⁵ Research supports contacting people and providing support after discharge from emergency departments reduces suicidal behaviours and deaths.³⁶ Making sure patients are all right, connecting them with services, and letting them know somebody cares can reduce the number of patients who attempted suicide from re-attempting (and reduce patients accessing emergency services).

We did not find emergency department staff referred patients to mental health outpatient services for follow-up.

We did find the North Battleford emergency department provides, upon discharge, patients who attempted suicide with an informational package. This package includes information about mental health services available along with contact details, and information to help the individual self-assess their level of suicide risk to help them decide when to seek help. It started providing this package to patients following a critical incident review in July 2019.

We did not find any other emergency departments in northwest Saskatchewan providing patients who attempted suicide with a similar information package.

Having differing follow-up protocols for patients who attempted suicide accessing health services through emergency departments from those accessing services through outpatient services may result in not providing patients with consistent levels of care. Proactive follow-up care promotes continuity of care and continues the assessment and management of suicide risk.

³⁵ World Health Organization, *Practice Manual for Establishing and Maintaining Surveillance Systems For Suicide Attempts And Self-Harm*, 2016, p. 6. www.who.int/health-topics/suicide#tab=tab (10 September 2019).

³⁶ Zalsman G, et al. *Suicide prevention strategies revisited: 10-year systematic review*. *Lancet Psychiatry* (2016) 3(7):646-59. doi:10.1016/S2215-0366(16)30030-X (27 September 2019).

6. We recommend the Saskatchewan Health Authority follow up with patients (who attempted suicide) discharged from emergency departments in northwest Saskatchewan to encourage treatment, where needed.

4.10 Risk-Based Approach to Monitoring Patient Files Needed

The Saskatchewan Health Authority does not use a risk-based approach for conducting patient file audits in the northwest Saskatchewan health care facilities. Patient file audits can determine whether staff follow policy and provide appropriate care to patients at risk of suicide.

The Framework expects former health regions to audit 10% of mental health inpatient and outpatient files monthly to determine whether files document the various items outlined in the **Figure 10**. The Framework goal was to have all required documentation in 100% of the audited patient files. The Framework did not expect audits for emergency department patient files, even though many patients at risk of suicide access services through an emergency department.

Figure 10—Required Documentation in Patient Files

- Suicide screening
- Suicide risk assessment tool utilized and assigned level of risk
- Triage action appropriate to risk level
- Consultation
- Action plan/intervention (treatment)
- Level of observation
- Discharge plan (safety plan)
- Risk level prior to discharge or leave
- Established follow up with a patient
- Evidence of follow-up

Source: Ministry of Health, *Saskatchewan Suicide Framework*, Appendix C: Facility Checklists & Access to Means Auditing, Outcome Measures and Quality Assurance for Saskatchewan Health Care Providers, 2012, p.7.

The Authority did not conduct monthly mental health outpatient file audits since April 1, 2018, or inpatient file audits since March 31, 2019 in northwest Saskatchewan health care facilities, as the Framework expects. It has never conducted audits of files for emergency department patients at risk of suicide.

Consistent with Ministry of Health expectations, the Authority gave the Ministry a summary of certain patient-file audit results (see **Figure 11**).³⁷

As shown in **Figure 11**, the 2018–19 inpatient audit results from North Battleford's mental health inpatient department showed its files were not as complete as compared to the rest of the province. For example, only 79% of North Battleford inpatient files had evidence of a safety plan and follow-up care, 21% did not. Management indicated that they discussed non-compliance with staff.

³⁷ In 2018–19, the Ministry stopped asking for results of outpatient file audits, and only requested inpatient file audit results.

**Figure 11—Results of North Battleford Mental Health Inpatient Audit File Results 2018–19**

	Interventions	Safety Plan	Follow Up
North Battleford mental health inpatient audit results	100%	79%	79%
Provincial mental health inpatient audit results	87%	86%	94%

Source: Information provided by the Ministry of Health.

We also found the past inpatient and outpatient file audits conducted in northwest Saskatchewan did not cover all the requirements outlined in **Figure 10**. For example, the Authority is not confirming it does appropriate suicide screening and risk assessments in each of these settings (i.e., emergency, outpatient, and inpatient).

A risk-based approach to audits involves focusing audit effort on identified areas of high risk within an organization. For example with respect to mental health file audits, it focuses on areas (e.g., certain facilities, departments, policies, patient files) where there is higher risks of services not following policies or providing consistent treatment to patients at risk of suicide.

Conducting systematic risk-based audits of patient files would help supervisors and management actively monitor staff and help identify areas needing improvement. Not following policy may result in inadequate services provided to patients at risk of suicide.

7. We recommend the Saskatchewan Health Authority conduct risk-based file audits of patients at risk of suicide in northwest Saskatchewan.

4.11 Safety Inspections of Facilities Required to Reduce Suicide Risks

The Saskatchewan Health Authority does not routinely inspect facilities providing mental health services in northwest Saskatchewan to identify safety risks for patients at risk of suicide.

The Saskatchewan Suicide Framework requires annual facility safety inspections of inpatient facilities. It includes a checklist to aid in these inspections. The purpose of inspections is to identify obstructions to staff observation of high-risk patients (e.g., furniture or room design) and physical structures that patients could use in attempting suicide (e.g., shower fittings, internal piping, and door knobs).

We found staff conducted quick visual reviews of all inpatient rooms to identify any obvious safety risks every 12 hours (e.g., plastic bags, items with cords). The staff documented the completion of these visual reviews in a log. We found the scope of these reviews are narrower than the Framework expects (e.g., assessing whether curtain rails or bed frames are collapsible).

The Authority does not formally inspect the safety of facilities periodically in northwest Saskatchewan used to provide mental health inpatient services or emergency department services to patients at risk of suicide.

Not doing periodic (e.g., annual) robust inspections of facilities used to care for patients at risk of suicide increases the risk of not sufficiently identifying and addressing safety risks.

8. **We recommend the Saskatchewan Health Authority periodically inspect the safety of its facilities in northwest Saskatchewan providing services to patients at risk of suicide.**

4.12 Critical Incidents Acted Upon

The Authority followed its established process to identify, report, and investigate critical incidents related to patients who died by suicide and to act on results.

The Authority has a well-defined and understood process to identify and handle critical incidents including incidents when a recent patient dies by suicide. Saskatchewan Critical Incident Reporting Guideline requires the Authority to report all critical incidents to the Ministry of Health.³⁸

We found the Authority internally investigates the incident, identifies factors contributing to the incident, and makes recommendations for process improvements. It reports the results of its investigations to the Ministry.

From April 2018 to August 2019, it investigated eight critical incidents related to recent patients who died by suicide in northwest Saskatchewan. In addition, it was investigating two critical incidents that occurred in summer 2019.

We found the Authority submitted the eight investigation reports to the Ministry as expected. In addition, we noted the Authority acted on or was actively considering how best to address recommendations included in reports.

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Chapter 25

St. Paul's Roman Catholic Separate School Division

No. 20—Adapting Technology for Learning in Elementary Schools

1.0 MAIN POINTS

St. Paul's Roman Catholic Separate School Division No. 20 set a vision to adapt technology to enrich learning and promote excellence in education. Consistent with the Ministry of Education's expectations, it allows teachers to decide how best to use technology in the classroom.

The Division had effective processes to adapt technology for learning in elementary schools, other than in the following areas. The Division needs to:

- Determine the extent it currently uses and wants to integrate technology in elementary classroom instruction, and share that future vision with its teachers

Knowing both the current level of technology integration in the classroom, and determining the desired future level of integration would help the Division determine how much effort it needs to make in supporting and encouraging teachers to use technology in classroom instruction. It would also help the Division assess whether its current efforts in helping teachers use technology in meaningful ways proves successful.

Making certain teaching staff understand to what extent the Division expects them to use technology in the classroom, and by when, helps engage them. It also assists teachers to better identify needed support and professional development.

- Periodically verify the existence and location of its over 9,000 devices for student use assigned to different elementary schools

Verifying device locations ensures availability for teachers and students to use in the classroom.

- Assess the cost-benefit of its practice of buying different device brands and IT platforms for classroom use

Cost-benefit analysis compares the costs of both buying and supporting multiple device brands using different platforms against the benefits of exposing students to differing brands and IT platforms. Periodically doing such an analysis ensures the Division uses resources efficiently.

Technology serves as a significant aspect of modern education. Having strong processes to support and encourage its use in classroom instruction helps students develop essential competencies to succeed.



2.0 INTRODUCTION

This chapter discusses our audit on St. Paul's Roman Catholic Separate School Division No. 20's processes to adapt technology for learning in elementary schools.

2.1 Use of Technology in Education

Today's students must be digitally fluent to be competitive in an ever-changing workforce as our lifestyles and workplaces embed technology.¹ Digital fluency means an ability to use digital technologies readily and strategically to learn, work, and play, as well as to move nimbly and confidently from one technology to another.²

Use of technology in the classroom transforms lessons in a way that challenges students to create, connect, and grow as problem-solvers in new ways.³ For example, technology enables students to share and peer edit digital documents and demonstrate their growth in developing documents using revision history to teachers. Furthermore, its use could provide a video reflection on student writing, and illustrate student learnings about the competencies they gained.⁴

Learning technology uses interactive tools, and information and communication technology to educate, teach, and assess students. Examples of learning technology devices include smartboards, laptops, tablets, and IT applications.⁵

Effective adaptation of learning technology includes more than identifying and making suitable computer equipment and software available to students. It includes giving teachers appropriate and sufficient access to, and support for use of, technology in schools. Appropriate and sufficient technology support is key to enrich learning and promote excellence in education as research suggests teachers transform their teaching ways gradually.⁶

2.2 Use of Education Technology Encouraged, But Not Mandated in Saskatchewan Schools

The Education Act, 1995 makes Boards of Education (school boards) responsible for administrating and managing schools with oversight from the Ministry of Education, and for delivering programs and courses of study consistent with Ministry direction.^{7,8}

In June 2013, the Ministry of Education published a framework entitled *Technology in Education Framework: Teaching and Learning, Administrative Operations, Provincial Infrastructure*.⁹ The Framework provides high-level direction for the use of technology within the Saskatchewan education system.

¹ Victoria Auditor General's Office, *Learning Technologies in Government Schools*, December 2012.

² Adapted from Ministry of Education, *Technology in Education Framework: Teaching and learning, administrative operations, provincial infrastructure*, p. 1 (pubsaskdev.blob.core.windows.net/pubsask-prod/85655/85655-Technology_in_Education_Framework.pdf August 2019) and Clint Lalonde, *Digital Fluency vs Digital Literacy*, (edtechfactotum.com/digital-fluency-vs-digital-literacy/).

³ Sniezek, Todd, *The Learning Exchange, *pedagogy not included*, October 2016.

⁴ Ibid.

⁵ Victoria Auditor General's Report, *Learning Technologies in Government Schools*. December 2012.

⁶ Education Week, *Technology in Education: An Overview*, February 2016.

⁷ Section 85(1) of *The Education Act*.

⁸ School boards approve administrative procedures pertaining to the internal organization, management, and supervision of schools.

⁹ pubsaskdev.blob.core.windows.net/pubsask-prod/85655/85655-Technology_in_Education_Framework.pdf (16 August 2019).



At June 2019, the Ministry encourages the use of technology to teach students but does not require it. The Ministry has not formally embedded the use of technology in the curriculum and courses of study that school divisions are required, by law, to provide.

2.3 St. Paul's Roman Catholic Separate School Division's Vision for Education Technology

St. Paul's Roman Catholic School Division is one of the largest of Saskatchewan's 27 school divisions. Its mission is to provide a welcoming community to nurture faith, encourage excellence in learning, and inspire students to serve others.¹⁰

It is responsible for educating about 19,000 students in 50 schools in both urban and rural settings that service students from varied socio-economic circumstances.

Forty-three of the 50 schools are elementary schools (i.e., Kindergarten to Grade 8) located in Saskatoon, Martensville, Warman, Humboldt, and Biggar. They employ about 865 elementary teachers in 820 full-time equivalent positions.

The age of its schools, and computer equipment and internet capabilities within each school, vary.

The Division recognizes that technology acts as a significant aspect of modern education. Its educational technology vision is as follows: the Division is a *faith-based community adapting technology to enrich learning and promote excellence in education*.¹¹ At June 2019, while the Division encourages and supports teachers to use technology in the classroom, consistent with the Ministry's expectations, it does not make it mandatory.

Each year, the Division spends about \$920,000 on technology used in schools (i.e., internet services, and devices like computers, iPads, tablets, and related software for student use), and about \$25,000 on training staff on IT. As shown, in **Figure 1**, at September 2018, it supplied schools with a variety of types of devices for student use.

Figure 1—Number of Division Devices by Type at September 2018

Device Type	Device Quantity	Device Type	Device Quantity
Computers	2,541	Tablets	201
Laptops	2,984	Chromebooks	455
Classroom iPads	2,808	Smartboards	615
Student Support iPads	100	3D Printers	6

Source: Based on data provided by St. Paul's Roman Catholic Separate School Division.

Without effective processes to adapt technology for use in schools, the Division is at risk of its teachers not using resources (e.g., equipment, training, and support) efficiently and not meeting its vision of using technology to enrich student learning. In addition, students may not develop essential competencies to help them in high school, post-secondary education and the work force.

¹⁰ www.gscs.ca/faith/Pages/Statements.aspx (24 March 2019).

¹¹ www.gscs.ca/studentsandfamilies/curriculum/Pages/Technology.aspx (24 March 2019).



3.0 AUDIT CONCLUSION

We conclude that for the 16-month period ended June 30, 2019, St. Paul's Roman Catholic Separate School Division No. 20 had, except for the following areas, effective processes to adapt technology for learning in elementary schools. The Division needs to:

- Periodically determine the extent it integrates technology use in its elementary schools' classroom instruction
- Determine and communicate to teachers the extent it wants to integrate technology use into its elementary school classrooms
- Periodically verify the existence and location of educational technology devices in its elementary schools
- Assess the cost-benefit of its decision to own varying brands of devices on differing IT platforms for student use in its elementary schools, and better link its purchases of these devices to its Educational Technology Plan

Figure 2—Audit Objective, Criteria, and Approach

Audit Objective: To assess the effectiveness of St. Paul's Roman Catholic Separate School Division No. 20's processes to adapt technology for learning in elementary schools for the 16-month period ending June 30, 2019.

Audit Criteria:

Processes to:

1. Determine key actions
 - 1.1 Determine current state of learning technology used in schools (e.g., devices, internet availability)
 - 1.2 Determine desired future state of technology use in schools (e.g., percentage of schools that have technology and/or technical support)
 - 1.3 Develop action plans for using technology in schools (e.g., technology equipment needs, resources, timelines)
2. Support implementation of key actions
 - 2.1 Engage key users to support actions (e.g., principals, technology facilitators, teachers)
 - 2.2 Use resources in accordance with action plans (e.g., learning technology, training, technology resources)
3. Monitor process of actions
 - 3.1 Analyze successes and barriers to implementing actions.
 - 3.2 Adjust actions as required
 - 3.3 Regularly report on progress to key stakeholders (e.g., senior management, Board, Ministry)

Audit Approach:

To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Division's processes, we used the above criteria based on our related work, reviewed literature including reports of other auditors, and consulted with management and an external expert. Division management agreed with the above criteria.

We examined the Division's plans, policies, and procedures relating to adapting technology for learning in elementary schools. We assessed the Division's processes to support schools and plan for technology use in schools. We interviewed 17 school officials to gather school-level evidence and learn the processes in place at the selected schools.

For the purpose of this audit, elementary schools include schools that teach children in Kindergarten through Grade 8. The scope of our audit does not include technology supports for students identified with intensive needs. The audit focus is on learning technology used by mainstream students (i.e., general population students who do not require special or individualized attention or lessons) in elementary grades.



4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 High-Level Education Technology Plan in Place

Each year, the Division publishes a *Learning Services Educational Technology Plan*.

The Plan clearly documents its belief statements, goals, questions to consider for continuing to integrate technology in the classroom, and strategies. Questions to consider for continuing to integrate technology in the classroom include ways to identify and engage teachers who are reluctant to integrate technology, and how to help teachers become more digitally fluent so they can effectively integrate technology into the curriculum.

Its *Educational Technology Plan for 2018–19* identifies the following four broad goals: professional development, technology team collaboration, technology purchasing support for schools, and support for its Educational Technology Facilitators.

We found these goals consistent with its publicly stated educational technology belief statements set out in **Figure 3** and reiterated in the Division's *Educational Technology Plan for 2018–19*.¹²

Figure 3—St. Paul's Educational Technology Beliefs

1. Technology is an integral part of education
2. All stakeholders have a voice
3. Students and teachers can achieve curricular outcomes by adopting technology
4. Professional development is critical for effective integration of technology
5. Technology must empower students by developing skills to meet their diverse needs as global and digital citizens.

Source: www.gscs.ca/studentsandfamilies/curriculum/Pages/Technology.aspx (24 March 2019).

In addition, on its website, the Division describes its elementary learning program as being guided by the provincial government curriculum and priorities, and that technology supports and enriches student learning.¹³

We found the Division clearly messaged the optional use of technology in classrooms, and it thinks technology adapted for classroom use benefits teachers and students. Our interviews with teachers found them fully aware the Division encouraged and supported technology use in the classroom, but did not require it.

We found the Division's four broad educational technology goals not easily measured. Good practice, at this time, recognizes the difficulty in quantifying technology's impact on students' learning outcomes, and determining whether time and money spent on classroom technology offers a good investment. Good practice indicates while general agreement exists that effective adaptation of technology in the classroom can contribute to student success and positive outcomes, no generally accepted measures of success exist, at this time, to quantify those outcomes.¹⁴

¹² Greater Saskatoon Catholic Schools, 2018/19 Learning Services *Educational Technology Plan*.

¹³ www.gscs.ca/studentsandfamilies/elementaryschools/Pages/ElementaryLearningProgram.aspx (24 March 2019).

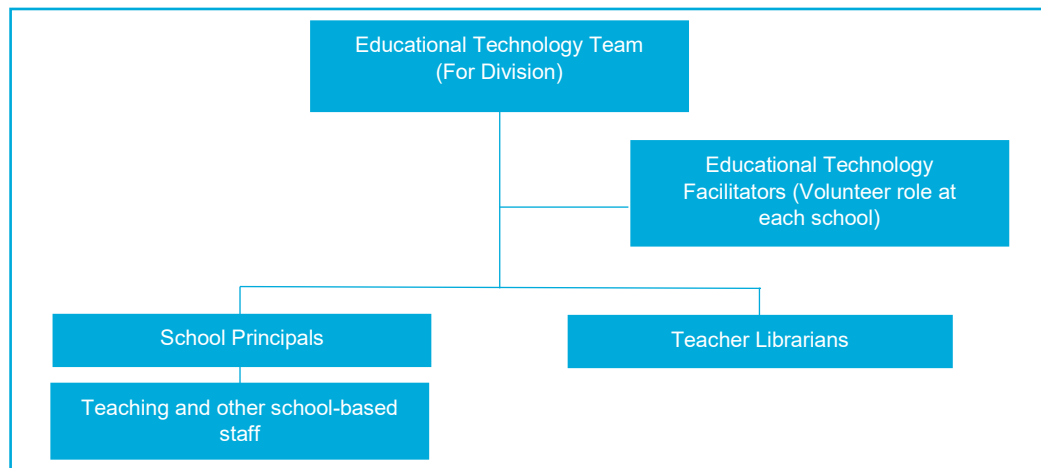
¹⁴ Western Australian Auditor General's Report, *Information and Communication Technology (ICT) in Education*, August 2016.

4.2 Responsibilities for Supporting Integration of Learning Technology Clear

The Division clearly assigned responsibility for leading and supporting integration of learning technology; and staff sufficiently understand these responsibilities.

At the Division-wide level, the Division establishes an Information Technology Team, and an Education Technology Team; and at the school-level, it engages volunteer teachers as Educational Technology Facilitators (Facilitators) within each school as shown in **Figure 4**.

Figure 4—Role of Division Educational Technology Team and School-Level Staff



Source: Extracted from the Division's 2018/19 Educational Technology Handbook. Note in 2018–19, the Division removed the Teacher Librarian support position due to budgetary constraints.

The Information Technology Team (with 24 full-time equivalent positions) supports and maintains the Division's IT systems and processes. While their responsibilities do not include integration of learning technology, they ensure IT equipment available to teachers operate as intended, and provide staff with technical support. The Team operates an IT helpdesk helping Division staff (including teachers) resolve issues with technology (e.g., accessibility to the internet, password resets).

We found the IT Technology Team responsive to resolving identified school-level issues. For example,

- For all 10 helpdesk tickets related to school issues we tested, the IT staff resolved the reported issues within reasonable timeframes based on the complexity of the issue. For tickets we tested, the IT Team resolved simple issues (e.g., forgotten passwords) the same day, and took as many as 20 days to resolve more complex issues (i.e., equipment replacement).
- The Division purchased additional internet connections for its schools after it informally determined CommunityNet insufficiently handled school-level internet traffic.¹⁵ School staff we interviewed noted improvements in their internet connection within the past few years.

¹⁵ The Division receives internet through the Ministry of Education's agreement with SaskTel for CommunityNet.

The Division's Education Technology Team (with 1.3 full-time equivalent positions) is responsible for leading and encouraging the use of technology in classrooms. It leads the development and implementation of the Educational Technology Plan and provides training opportunities about learning technology to teachers, as well as assistance with planning and delivery of lessons using technology in classrooms.

We found the Education Technology Team used feedback obtained from Facilitators, teachers, and school administrators to help develop its *Educational Technology Plan for 2018–19*, and kept senior management informed of its activities. For example, we found the Team:

- Obtained input from Facilitators informally throughout the year, at an annual meeting, and during meetings with teachers and principals at schools selected for the periodic renewal of their IT equipment.¹⁶ Also, in June 2019, the Team created a new survey to seek feedback from Facilitators for use in developing its *2019–20 Education Technology Plan*.
- Periodically obtained feedback from students. For example, the Division last collected feedback from students in 2014–15. It used this student feedback to inform its 2016 plan.¹⁷ It may benefit from collecting feedback from students on a periodic basis to inform future technology plans.
- The Team reports in writing each year to senior management on actions taken during the year. We found its reports for the past few years describe activities completed and summarize feedback received. They did not describe the extent of progress achieved in integrating technology into the classroom.

Educational Technology Facilitators (beside their teaching duties) liaise between the Education Technology Team and staff in their assigned schools. The Division clearly documents the role of Facilitators in its Education Technology Handbook. The Division gives the Handbook to Facilitators in each school.

Facilitators from each school attend annual training (one half-day session) hosted by the Educational Technology Team. At times, this session may include external presenters.

We found the 2018–19 training event focused on the role of the Facilitator, professional development opportunities, resources such as the online courses, use of its matrix (see **Figure 5**) to transform teaching and other items such as *Digital Citizenship and Acceptable Use Policies* from the Handbook.

In addition to outlining Facilitators' role, we found the Handbook sufficiently set out support and resources available (e.g., media releases, Digital Citizenship, Acceptable Use Policies, and *Working in the Cloud* course) to schools and teachers in using learning technology.

¹⁶ While the Division surveys teachers and administrators upon their completion of a mandatory training course, the format of collected results did not allow for useful analysis. This 11-question survey included questions about how often the teacher used technology and how.

¹⁷ *2015–16 Educational Technology Plan Report*, p. 4.



4.3 Current State of Technology Use Needed to Facilitate Assessment of Progress

The Division does not have a clear picture of the current instructional use of technology in its elementary classrooms. As a result, it does not know whether it is making progress in integrating the use of technology into its classrooms.

We noted that over the last several years, the Division’s Educational Technology Plans include an educational technology strategy to improve technology integration in its schools. In addition, in late 2018, the Division developed a matrix based on best practices for integrating technology in classrooms. The matrix recognizes technology serves as an integral part of education (see **Figure 5**).

As shown in **Figure 5**, the Division’s matrix describes technology integration in four instruction areas—environment, curriculum, student assessment, and instruction as a five-level continuum. The first instruction level is entry into technology use, whereas the fifth instruction level is transformation of teaching by using technology. At the entry level, students use technology to substitute other tools to complete assigned activities. At the transformation level, students participate in meaningful projects requiring problem-solving strategies, and facilitating awareness using technology tools.

Figure 5—Division’s Technology Integration Matrix

Entry	Adoption	Adaptation	Infusion	Transformation
The teacher uses technology to deliver curriculum content to students.	The teacher directs students in the conventional use of tool-based software. ^A This level is recommended if such software is available.	The teacher encourages adaptation of tool-based software by allowing students to select a tool and modify its use to accomplish the task. ^A	The teacher consistently provides for the infusion of technology tools with understanding, applying, analyzing, and evaluating learning tasks.	The teacher cultivates a rich learning environment, promoting blending choice of technology tools with student-initiated investigations, discussions, composition, or projects across any content area.

Source: adapted from the Division’s Technology Integration Matrix.

^A Tool-based software includes software such as audio, graphics, photo editing, presentation, publishing, spreadsheets, etc.

We found this matrix included in the Education Technology Handbook available at each elementary school.

While the Division makes this matrix available to teachers for self-assessment, and it set a 2014–15 strategy to use the matrix as a teaching tool and an assessment/data collection tool, as of June 2019, it had not done so.¹⁸ That is, neither the Education Technology Team nor Facilitators nor individual elementary teachers formally assessed what level on the Technology Matrix teachers and/or schools fell. Good practice suggests assessment of current state of instruction use on a periodic basis (e.g., every three to five years).

Rather, to June 2019, the Educational Technology Team focused on gathering information about the reliability of technology provided to teachers and students.¹⁹

¹⁸ 2014–15 Educational Technology Plan, p. 2

¹⁹ 2015–16 Educational Technology Plan Report, p. 4.



Having a clear understanding of the current level of integration of technology use in the classrooms (by grade, by school) would provide a reference point for assessing whether the Division is making progress in improving technology integration.

In addition, it would assist in determining the desired level of integration, and determining how long the Division would need to achieve the desired level. This in turn, would help the Division achieve its Educational Technology beliefs (see **Figure 3**).

1. **We recommend St. Paul's Roman Catholic Separate School Division No. 20 periodically determine the extent it integrated technology use in its elementary schools' classroom instruction.**

4.4 Desired Level of Learning Technology Use Unclear

The Division has not determined to what extent or how fast it would like elementary teachers to integrate the use of technology into classrooms. As a result, teachers remain unclear as to what extent and how fast they are expected to do so.

Neither the Division nor the Education Technology Team set the desired level of instruction integration for individual grades, or schools (e.g., adoption, adaptation, or infusion), or by when (e.g., within five years).

Unlike good practice, the Division's broad goals and related education technology plans do not set out its desired level for the use of learning technology in classrooms (e.g., overall basis, by grade, by school). As previously noted, its strategies focused on improving integration.

Management reiterated the use of technology in the classrooms remained optional. In addition, they noted the Division's limited resources to advance its use.

However, good management practice indicates a clear vision (knowing how far by when) helps an organization more optimally direct its resources.

In our interviews with elementary teachers, many indicated they remain unclear of what the Division expects for the future use of technology in the classroom (e.g., adoption level versus adaptation level). They also noted a clearer understanding for the Division's future vision would help them determine their professional development needs and priorities, and help inform their requests for classroom IT devices and supports.

Not determining the current state or desired future state of technology use in schools means the Division cannot reasonably assess whether its current actions are sufficient and appropriate. Furthermore, not establishing and communicating a clear vision may make engaging teachers in meaningful use of technology in classrooms difficult.

2. **We recommend St. Paul's Roman Catholic Separate School Division No. 20 determine the extent it wants to integrate technology use in its elementary schools' classroom instruction and by when.**



3. We recommend St. Paul's Roman Catholic Separate School Division No. 20 communicate its future vision of integrating technology in the classroom to its teachers.

4.5 Actively Engaging Teachers in Using Technology in Classrooms

The Division used a variety of ways to engage teachers in using technology in the classroom.

The Division allocated various types of devices, other than 3D printers, to specific schools.²⁰ We found it varied the availability methods for these devices in each of its 43 elementary schools based on consultations with staff in the schools. For example, its elementary schools make devices available for student use using one or a combination of the following:

- Having a dedicated computer lab (i.e., students only use devices in the lab)
- Using portable carts with varied devices (e.g., laptop or tablet carts) to readily move devices between classrooms
- Assigning specific computers or tablets to a classroom to make them always available to that classroom teacher, unless the teacher lends them to another classroom

As noted in **Section 4.2**, school-based Facilitators and its Educational Technology Team provided elementary teachers with both ongoing and requested support. Through working with school-based Facilitators, the Division recognized that comfort levels of elementary teachers' use of technology varied, and continued support was essential.

We found, during 2018–19, the Educational Technology Team focused teacher training on security and privacy matters related to using technology in the classroom (e.g., acceptable use policies, *Working in the Cloud* training course, digital citizenship). The Educational Technology Handbook also included a focus on privacy. Focusing on security and privacy matters are both good practice and reasonable first steps in using technology in classrooms appropriately.

In addition, the Division required all teachers take the *Working in the Cloud* training course. We found the course contains basic information on privacy and sharing of information online.

In addition, it made online training available to teachers at some elementary schools to support technology use in classrooms. For example, its online school called Cyber School contains resources for adapting teacher lesson plans.²¹

Other training opportunities and resources for teachers include Division partnerships. Partners such as the Saskatchewan Industry Education Council and Apple Education Canada provide in-class training opportunities or professional development for teachers.

²⁰ Teachers can arrange to borrow the 3D printers to use in their classroom.

²¹ These online resources are not available for all elementary classes.



4.6 Existence of Devices Not Periodically Confirmed

The Division does not periodically confirm devices assigned to schools continue to exist.

As noted in **Figure 1**, the Division assigned over 9,000 different technological devices for student use in classrooms. It lists (referred to as a master list) devices assigned to schools. This master list shows the device type and its location (e.g., school name). It does not show age of devices, or include devices schools bought or received through fundraising or donations.

The Division does not use processes to keep the master listing accurate or complete. It does not periodically determine whether devices on the master list continue to be at the assigned location, are elsewhere, or disposed of, or lost.

We found the six schools we visited kept track, to varying extents, of devices assigned to their school. For example, one school tracked specific devices like iPads; whereas another school only tracked devices on its portable carts including damaged ones.

We also found the master list at June 2019 disagreed with school listings. For example, our comparison of a device listing for one school to the Division's master list found significant differences. The school's listing for 90 devices recorded 22 less devices than the Division's master list.

Not periodically (e.g., in conjunction with purchasing new devices) verifying the accuracy of the master list for devices increases the risk of not detecting missing devices, or knowing the location of devices. This results in devices being unavailable for teachers and students to use in the classroom.

- 4. We recommend St. Paul's Roman Catholic Separate School Division No. 20 periodically verify the existence and location of educational technology devices available in its elementary schools.**

4.7 Periodic Cost-Benefit Analysis of Purchasing Approach Needed

The Division has not analyzed the cost versus benefit for its decision to purchase and support different device brands and IT platforms for its elementary schools.

The Division updates educational technology devices provided to schools on a four-year rotational cycle.²² Every four years, it allocates a budget to each school to buy some new technology devices for classroom use. We found the use of a four-year cycle reasonable and generally consistent with the pace of changes in technology.

In 2018–19, the Division budgeted \$320,000 (2017–18: \$320,000) to buy new educational technology devices, and distributed this budget among ten schools.

The Division does not restrict the device brands (e.g., Dell, Chromebook, iPad, HP), or type of IT platforms on which devices operate (e.g., Microsoft, Google, Apple).²³ Rather, the

²² Some schools also receive technology donations or have the ability to use in-school funds to purchase additional technology for the school (e.g., through their school community councils)—this varies from school-to-school.

²³ An IT platform is the software (operating system) on which to run software applications.



Educational Technology Team gives schools with allocated budgets a list of various devices (e.g., Dell, Mac, Netbooks, iPads, Chromebooks) and prices to guide decisions on what devices to buy for classroom use. The listing includes items such as stationary items like smartboards or accessories such as storage carts.

We found the 2018–19 school year listing included about 35 different devices (e.g., desktops, laptops, tablets) from different brands (Dell, Mac, Netbooks, iPads, and Chromebooks) and operating on differing platforms (Microsoft, Google, Apple). The Team could not readily explain or show how it decided which devices to include on its listing. The Team confirmed its prior year listings also included devices operating on differing IT platforms, and potentially differing versions of those platforms. The Team supports this approach as it thinks students can benefit from exposure to different device brands and IT platforms.

While this view has merit, we found the Division has not analyzed the cost-benefit of taking a multiple brand and IT platform approach instead of a common brand and IT platform approach (e.g., use of either one or specific brands or IT platforms).

Research shows a multiple brand and IT platform approach reduces bargaining power (lower volume purchases decrease the opportunity for negotiating volume discounts). Variations in different brands for devices and platforms increase costs and time for IT support, and staff training. Teacher transfers between schools with differing brands of educational devices using different IT platforms require added support to enable teachers to use these devices effectively.

Not periodically and formally analyzing the cost-benefit of its decision to both purchase and support multiple brands of devices using different platforms increases the risk of not using the Division's limited resources efficiently. As a result, the Division may be paying more for devices and experience increased technology support costs.

- 5. We recommend St. Paul's Roman Catholic Separate School Division No. 20 periodically assess the cost-benefit of its decision for using differing device brands and IT platforms for classroom use in its elementary schools.**

4.8 Better Collection of Technology Use Information Needed to Support Purchasing Decisions

The Division does not assess technology requirements against the Technology Integration Matrix when buying new IT devices for classroom use. Also, when the Division buys new educational technology devices for a school, it does not take into account the nature and number, or age, of devices in operation at the specific school.

We found that despite the quantity of available devices (on a per student basis) at each elementary school varied, quantities showed, on an overall average, above acceptable averages aligning with good practice. Good practice recommends 0.33 devices per student as acceptable averages for elementary schools. At September 2018, the ratio of devices per student ranged from 0.4 devices per student to 1.37 devices per student for the



Division's 43 elementary schools. Based on this data, the Division's average student to device ratio equated to 0.66 devices per elementary student.

Our discussions with staff at the six schools we visited and with the Educational Technology Team found some variations in number and types of devices resulted from certain schools using fundraising and donations to buy additional devices. As noted in **Section 4.6**, the Team does not keep up-to-date listings of devices available at schools or the age or state of repair; and its listing does not include devices schools bought or obtained through fundraising or donations.

Principals at the six schools we visited also confirmed when they budget to buy new devices, the Educational Technology Team meets with them to discuss technology at the school-level and help them determine which devices would be the best fit for the school.

In late 2018, the Division developed a form to help school administrators engage its teachers about technology purchase decisions, and guide Educational Technology Team discussions with school administrators about technology purchases and use. It expects to use the form to gather information on the following three areas: where is the school currently, where do you want to go, and how we can support (see **Figure 6**).

Figure 6—St. Paul's School Division Technology Purchase Considerations

Where is school currently?	Where do you want to go?	How can we support?
What is the comfort level with technology within the school?	Devices to consider: iPads: tech totes, mirroring software, wired keyboards, apps Chromebooks: printing, storage carts, cloud-based Laptops: more robust functionality	Cloud course, digital citizenship, digital literacy, specific tools/apps (i.e. O365, Google, etc.)
How is technology already being used?	Pedagogy First: What kind of learning environment do you hope to create?	Other types of support
How many staff completed the Cloud Course?	Management Plans/Logistics	
Acceptable Use Policies in place (school wide and classroom specific)		
Review of Digital Citizenship Planning Checklist (e.g., student safety online, student learning, student devices)		

Source: Adapted from St. Paul's School Division Technology Refresh Planning Document.

However, while using the form will collect information to provide the Division with some insight into school-level actions related to these three areas, the form does not provide a clear link to the Division's Educational IT plan or to the Technology Integration Matrix. In addition, the form does not clearly show whether planned purchases is a renewal or update for an existing device, or a new device that would advance the school's use of technology in the classroom, and student technology skills.

In addition, at June 2019, we found the Division used this form only once. Our review of the completed form found it largely incomplete.



Not assessing whether individual technology purchases support the technology goals of the Division through the Technology Integration Matrix increases the risk that limited resources are not used to their full potential.

Effectively using assessment information from schools when purchasing technology would provide the Division with valuable information about where schools are at in technology integration. In addition, it would provide insight into what schools are planning to do to with technology in the classroom, see **Section 4.3** and **4.4**.

- 6. We recommend St. Paul's Roman Catholic Separate School Division No. 20 better link technology purchasing decisions to its Educational Technology Plan (or equivalent documents).**

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Follow-Up Audits

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Chapter 26

Advanced Education—Managing Risks Related to its Critical IT System

1.0 MAIN POINTS

By October 2019, the Ministry of Advanced Education implemented the three outstanding recommendations related to managing risks associated with its unsupported critical IT system, the One Client Service Model (OCSM) system.

Since February 2018, when the Ministry and the Ministry of Central Services signed an amended agreement, Advanced Education received sufficient information to enable it to manage risks associated with the OCSM system.

Additionally, the agreement clarifies responsibility for upgrading and patching IT infrastructure, and the Ministry implemented a plan for these IT infrastructure upgrades and patches.

2.0 INTRODUCTION

2.1 Background

The Ministry of Advanced Education is responsible for the post-secondary education system, including coordinating, developing, implementing, and promoting the Government of Saskatchewan's policies and programs related to post-secondary education. The Ministry uses its OCSM system to support delivery of programs. Key post-secondary services include student financial assistance, training programs, registration services, and employment-related counselling.

2.2 Focus of Follow-Up Audit

This chapter describes our second follow-up of management's actions on the recommendations we made in 2015.

Our *2015 Report – Volume 2*, Chapter 32, concluded that for the 12-month period from September 1, 2014 to August 31, 2015, the Ministry of Advanced Education had, other than the areas of our three recommendations, effective processes to manage the risks to service delivery from its unsupported IT system, the One Client Service Model system. By July 31, 2017, the Ministry partially implemented our three recommendations.¹

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. The Ministry's management agreed with the criteria in the original audit.

¹ We reported our previous follow-up on the Ministry's actions on recommendations in our *2017 Report – Volume 2*, Chapter 28.



To carry out our follow-up audit, we interviewed Ministry staff; reviewed agreements, committee minutes and reports received by the Ministry; and assessed the reasonableness of supporting documentation.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at October 1, 2019, and the Ministry's actions up to that date.

3.1 Updated Agreement Clarifies Responsibilities for Reporting and Upgrading Infrastructure

We recommended that, to analyze risks and make decisions about its One Client Service Model system, the Ministry of Advanced Education periodically obtain information about its One Client Service Model system's:

- ***Indirect costs***
- ***Information technology infrastructure end-of-life or end-of-support dates***
- ***Estimated information technology infrastructure upgrade costs to maintain vendor support***

(2015 Report – Volume 2, p. 155, Recommendation 1; Public Accounts Committee agreement September 15, 2016)

Status—Implemented

We recommended the Ministry of Advanced Education develop and implement a plan, over the One Client Service Model system's expected remaining life, for upgrading and patching the information technology infrastructure on which the system resides. (2015 Report – Volume 2, p. 157, Recommendation 2; Public Accounts Committee agreement September 15, 2016)

Status—Implemented

We recommended the service level agreement between the Ministry of Advanced Education and the Ministry of Central Services clearly outline responsibility for upgrading and patching the information technology infrastructure on which the One Client Service Model system resides and the associated costs. (2015 Report – Volume 2, p. 157, Recommendation 3; Public Accounts Committee agreement September 15, 2016)

Status—Implemented

In February 2018, the Ministry of Advanced Education and the Ministry of Central Services (its IT service provider) signed an amended IT service agreement, which better enables Advanced Education to manage risks associated with OCSM.

The amended agreement clearly outlines:

- The information Central Services must give Advanced Education on indirect costs, end-of-life or end-of-support dates, and estimated IT infrastructure upgrade costs to maintain vendor support.

We found this information is sufficiently robust to enable the Ministry to monitor risks associated with OCSM. We also found the Ministry is receiving this information as expected.

- The responsibilities of Advanced Education, Central Services, and other OCSM partners for implementing and funding activities to upgrade and patch the OCSM system, including both the infrastructure supporting the system and application software.

We found Advanced Education, Central Services, and other OCSM partners developed an upgrade schedule. This schedule includes planned projects for upgrades to OCSM infrastructure and applications up to March 31, 2021. The Ministry obtains cost estimates for planned upgrades from Central Services as part of its annual budgeting process.

We also found the parties worked together to prioritize upgrades and patching through regular meetings. We found the Ministry monitored upgrades and patches ensuring it is done when expected.

Obtaining the necessary information (e.g., end-of-support dates, estimated upgrade costs) to analyze risks and make decisions about its OCSM system will help the Ministry and OCSM partners to assess risks to make effective decisions related to the OCSM system.

Maintaining a plan to upgrade and patch the OCSM system over its expected remaining life will reduce the risk of security breaches that could expose confidential information (e.g., student personal information) maintained in the OCSM system.

Chapter 27 Agriculture—Mitigating Risk of Livestock Diseases

1.0 MAIN POINTS

To prevent and control the spread of diseases among farmed animals in Saskatchewan the Ministry of Agriculture maintains a list of diseases it considers of sufficient threat to require provincial notification and monitoring. It carries out surveillance activities on about one-half of its listed provincially notifiable diseases and on other diseases that it considers a risk to Saskatchewan industries.

By July 2019, the Ministry implemented all four recommendations from our 2017 audit of its processes to minimize the risk of the occurrence and spread of diseases in farmed animals in Saskatchewan.

The Ministry developed a Standard Operating Procedures document and related decision trees to guide its decision making and help it document the rationale for its key decisions. Key decisions include adding new diseases to its notifiable list, developing response plans, and undertaking surveillance activities. It also kept complete and sufficient records of its actions when it received positive laboratory confirmation of the presence of notifiable diseases.

2.0 INTRODUCTION

2.1 Background

The Ministry of Agriculture is responsible for preventing and controlling the spread of diseases among farmed animals in Saskatchewan. This includes responsibility for developing regulations to prevent and control any disease, and to inspect, test, vaccinate and quarantine animals.¹

Cabinet, through regulations, identified 15 livestock diseases requiring provincial notification and monitoring (see **Section 4.0**). Notifiable diseases are laboratory-confirmed livestock diseases requiring monitoring to detect and understand their presence in Saskatchewan's farmed animals. The Ministry requires all positive laboratory-confirmed cases of notifiable livestock diseases to be reported within 24 hours of confirmation.

Based on the assessed risk, the Ministry may not take any actions for some notifiable diseases, but may require additional investigation for others.

Disease outbreaks can significantly affect production, price, and value of livestock products, which is particularly important for exporting jurisdictions like Saskatchewan.

¹ *The Diseases of Animals Act* Section 5(1): The Lieutenant Governor in Council may make regulations for the prevention and control of any disease.



The Ministry uses annual livestock-sector revenue as one of its performance measures. It set a target to increase annual cash receipts from farm livestock sales to more than \$2 billion by 2020. Saskatchewan met, and exceeded, this target since 2014, and generated an annual revenue of \$2.3 billion in 2018.²

2.2 Focus of Follow-Up Audit

This chapter describes our first follow-up of management's actions on four recommendations we made in 2017. We concluded, for the 12-month period ending August 2017, the Ministry had, other than the few areas of our recommendations, effective processes to minimize the risk of the occurrence and spread of diseases in farmed animals in Saskatchewan.³

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Ministry's management agreed with the criteria in the original audit.

We examined the Ministry of Agriculture's procedures and records that relate to livestock diseases prevention and control. We interviewed staff at the Ministry responsible for mitigating the risk of occurrence and spread of livestock disease. We examined the records of positive test results of notifiable diseases.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at July 31, 2019, and the Ministry's actions up to that date.

3.1 Rationale for Including Diseases on Notifiable Disease List and Requiring Response Plans Documented

We recommended the Ministry of Agriculture maintain support for its decisions on which livestock diseases to include on its notifiable disease list. (2017 Report – Volume 2, p. 113, Recommendation 1; Public Accounts Committee agreement October 3, 2018)

Status—Implemented

The Ministry maintains sufficient documented support of decisions about which livestock diseases to include on its notifiable disease list.

² Ministry of Agriculture, *Annual Report for 2018–19*, p.9.

³ Find the original report regarding these recommendations at www.auditor.sk.ca/publications/public-reports. We reported the original audit work in *2017 Report – Volume 2*, Chapter 20, pp. 107–120.

In September 2018, the Ministry developed written guidance where it listed all notifiable diseases and documented its rationale for each disease listed. The Ministry refers to this guidance as their Standard Operating Procedures document. Documented rationale often includes lack of federal response to a particular disease, impact on public health, or effect on livestock industry in event of outbreak (e.g., trade implications).

The Ministry also developed several decision trees to assist it in documenting decisions related to livestock diseases. In June 2019, the Ministry developed a decision tree to determine if it should add any new diseases to the list. This decision tree provides guidance in determining whether to add a disease to the list based on risk and impact (i.e., risk to public health, impact to the industry).

We found the Ministry documented the use of the decision tree to support the decision to include one disease on the notifiable list and not to include another disease.^{4,5} The Ministry also used this decision tree to support its consideration for including two other diseases (salmonella dublin in cattle and american foulbrood in bees). As of July 2019, these diseases were still under consideration. As part of its assessment process, the Ministry consults with stakeholders (e.g., industry representatives, Canadian Food Inspection Agency representative).

We found the Minister's Order for adding chronic wasting disease to the notifiable diseases list documents the rationale for including this disease on the list and a summary of public consultation.

Having a documented basis for decisions provides key support for decisions made. In addition, it makes it easier to revisit for changing circumstances and defends decisions by capturing the logic behind them (e.g., rationale for including certain diseases on the notifiable disease list and excluding others, or requiring response plans for some diseases, but not others).

We recommended the Ministry of Agriculture maintain support for its decisions on which livestock diseases require response plans.

(2017 Report – Volume 2, p. 113, Recommendation 2; Public Accounts Committee agreement October 3, 2018)

Status—Implemented

The Ministry's Standard Operating Procedures (developed in 2018) includes sufficient details on the Ministry's response to each of the notifiable diseases (e.g., a response plan for some and only monitoring for others). For these diseases, it also documented why or why not the Ministry required a response plan.

⁴ The Ministry of Agriculture through the Minister's Order from April 6, 2018 added Chronic Wasting Disease (CWD) to the Provincially Notifiable Animal Diseases list. CWD is a designated disease pursuant to Section 2 of *The Domestic Game Farm Animal Regulations*. It is a fatal, infectious disease of deer, elk, reindeer and moose (cervids) that affects the central nervous system (www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/agribusiness-farmers-and-ranchers/livestock/animal-health-and-welfare/chronic-wasting-disease) (1 October 2019). No case of humans infected with CWD has been identified, but transmission to humans cannot be excluded. This disease is federally reportable.

⁵ The Ministry assessed Bluetongue serotype 13 and concluded the Ministry would not add it to the notifiable list. Bluetongue serotype 13 is a disease of domestic and wild ruminants. Insects, particularly biting midges spread the disease. The disease can affect animals such as cattle, bison, deer, goats and sheep. This disease is federally notifiable. (www.inspection.gc.ca/animals/terrestrial-animals/diseases/reportable/bluetongue/fact-sheet/eng/1306116803992/1306121522520) (1 October 2019).



For example, the Standard Operating Procedures note the Ministry will not respond to confirmed cases of bovine anaplasmosis, other than to notify industry and partners.⁶ It does not have response plans in place for this disease since it is not a human health concern and industry has not yet indicated a need.

The Ministry has response plans for anthrax, rabies and porcine epidemic diarrhea. As at July 2019, the Ministry continued work on developing a response plan for chronic wasting disease (a recently added disease). For each of these diseases, the Ministry sufficiently documented rationale, which includes consideration of the impact on industry in case of outbreak and significant impact on human health.

In June 2019, the Ministry developed a separate decision tree to determine if a particular disease requires a response plan. For example, it used this decision tree to document its rationale for requiring a response plan for chronic wasting disease. It documented the federal response program changed in 2018. As a result, if chronic wasting disease is detected, most herds in Saskatchewan would be ineligible for a federal response, warranting a Ministry response. The Ministry is concerned about the effects of this fatal disease on farmed cervids (e.g., elk) as well as potential food safety risks. The Ministry noted the Ministry of Environment is also concerned about uncontrolled diseases on farms contributing to the spread of disease in wild cervid (e.g., deer) populations. The Ministry plans to finalize the chronic wasting disease response plan in spring 2020.

Determining which diseases to assess, and which to develop response plans for is crucial to mitigating the occurrence and spread of livestock diseases. One incident of a particular disease can have significant economic consequences to the livestock industry.

3.2 Procedures for Surveillance Activities Developed

We recommended the Ministry of Agriculture maintain support for its decisions on which notifiable livestock diseases to have surveillance activities performed. (2017 Report – Volume 2, p. 116, Recommendation 3; Public Accounts Committee agreement October 3, 2018)

Status—Implemented

The Ministry of Agriculture developed a separate decision tree to guide the decision to undertake active surveillance for a specific disease. It is applying the guide to document its decisions about undertaking active surveillance activities.

To help detect livestock diseases early, the Ministry undertakes surveillance activities, including taking samples from animals for laboratory testing. Testing allows for analysis of disease strains occurring in the province.

The Ministry did not add any new diseases from its notifiable diseases list for active surveillance since our audit in 2017. At July 2019, its surveillance activities included regular testing for rabies, porcine epidemic diarrhea, anthrax, swine delta coronavirus, swine

⁶ Bovine Anaplasmosis is a disease caused by a vector-borne micro-organism (*Anaplasma marginale* and *A. Centrale*) that is a parasite of red blood cells. It affects domestic and wild ruminants, including cattle, sheep, goats and deer.

influenza, and transmissible gastroenteritis. The Ministry did not identify a need to undertake surveillance activities for other diseases from the notifiable list.⁷

The Ministry spends about \$1 million on surveillance activities; most of this funding is provided through the Canadian Agricultural Partnership (CAP) agreement.⁸ Supporting documents for CAP include rationale for each of the Ministry's surveillance activities including the risk to human health and industry losses.

The Ministry cannot prevent instances of livestock disease in the province, but doing sufficient surveillance activities are key to minimizing risks of livestock disease occurrence. Having documented support for the basis of selecting which diseases to do surveillance on and when, helps show the Ministry's actions to reduce the risk of the occurrence and spread of diseases in farmed animals in Saskatchewan.

3.3 Improved Record Keeping on Actions Taken

We recommended the Ministry of Agriculture consistently document its analysis of the sufficiency of actions taken on all positive cases of notifiable livestock diseases. (2017 Report – Volume 2, p. 119, Recommendation 4; Public Accounts Committee agreement October 3, 2018)

Status—Implemented

The Ministry staff kept complete records for each of the 15 diseases on the notifiable diseases list including the history, outcomes and action taken as required. We found that the records of the action taken correspond with the documented responses the Ministry recorded for each disease in its Standard Operating Procedures, 2018.

Keeping complete, accurate records will help the Ministry to manage livestock diseases and ensure that its contracted third parties take appropriate actions to resolve positive cases of notifiable livestock diseases.

4.0 FEDERALLY REPORTABLE LIVESTOCK DISEASES AND PROVINCIALY NOTIFIABLE LIVESTOCK DISEASES

The regulation and control of certain animal diseases is a shared responsibility between federal and provincial governments.

Both federal and provincial governments require reporting of the livestock diseases listed in the following table. Saskatchewan is in the process of developing a list of reportable diseases, but currently calls these notifiable diseases. Both Canada and Saskatchewan require reporting of instances for anthrax, rabies, and chronic wasting disease (see **bold font**).

⁷ For the newly added chronic wasting disease, testing is mandatory under the provincial *Domestic Game Farm Animal Regulations*. All farmed cervids that die or are slaughtered for meat must be tested, providing the animal is located early enough for a suitable testing sample. The Ministry pays for the testing.

⁸ The majority of this funding comes from the Government of Canada through grants from the Canadian Agricultural Partnership (CAP). The Canadian Agricultural Partnership is a five-year, \$3 billion investment by federal, provincial and territorial governments to strengthen the agriculture and agri-food sector.



Federally Reportable Livestock Diseases ^A	Provincially Notifiable Livestock Diseases ^B
<ul style="list-style-type: none"> ➤ African horse sickness ➤ African swine fever ➤ Anthrax ➤ Bluetongue ➤ Bovine spongiform encephalopathy (BSE) ➤ Bovine tuberculosis ➤ Brucellosis ➤ Chronic wasting disease ➤ Classical swine fever ➤ Contagious bovine pleuropneumonia ➤ Contagious equine metritis ➤ Cysticercosis ➤ Equine infectious anaemia ➤ Equine piroplasmiasis ➤ Foot and mouth disease ➤ Fowl typhoid ➤ Lumpy skin disease ➤ Newcastle disease ➤ Notifiable avian influenza ➤ Peste des petits ruminants ➤ Pseudorabies ➤ Pullorum disease ➤ Rabies ➤ Rift Valley fever ➤ Rinderpest ➤ Scrapie ➤ Sheep and goat pox ➤ Swine vesicular disease ➤ Trichinellosis ➤ Venezuelan equine encephalomyelitis ➤ Vesicular stomatitis 	<ul style="list-style-type: none"> ➤ Anthrax ➤ Bovine anaplasmosis ➤ Chronic wasting disease ➤ Equine herpes virus ➤ Infectious laryngotracheitis ➤ Lyme disease ➤ Malignant catarrhal fever ➤ Porcine epidemic diarrhea ➤ Q Fever ➤ Rabies ➤ Salmonella enteritidis ➤ Swine delta coronavirus ➤ Swine influenza ➤ Transmissible gastroenteritis ➤ West Nile virus

^A Reportable diseases: Terrestrial animals: www.inspection.gc.ca/animals/terrestrial-animals/diseases/reportable/eng/1303768471142/1303768544412 (30 September 2019).

^B www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/agribusiness-farmers-and-ranchers/livestock/animal-health-and-welfare/notifiable-disease-list (6 September 2019).

Chapter 28

Agriculture—Regulating Livestock Waste

1.0 MAIN POINTS

By September 2019, the Ministry of Agriculture completed its work of reviewing and confirming the existence and operational status of intensive livestock operations it permitted before 1996 (pre-1996). The Ministry verified the compliance of all intensive livestock operations with approved permits. When an operation is not compliant, the Ministry continued to work with the operator to have them comply with approved permits.

Enforcing the intensive livestock provisions under *The Agricultural Operations Act* and regulations helps ensure intensive livestock operations store and manage livestock waste in a manner that protects water resources.

2.0 INTRODUCTION

2.1 Background

The Ministry of Agriculture is responsible for administering the intensive livestock provisions under *The Agricultural Operations Act* and related regulations to ensure intensive livestock operators store and manage livestock waste in a manner that protects water resources.

A critical action in protecting water resources is identifying the risks (contaminated sources, transport paths, and water sources receptors) resulting from the development and operation of an intensive livestock operation.¹

The Ministry inspects waste storage facilities to assess compliance with the requirements of approved plans. The Ministry may undertake enforcement (e.g., fines) when operators do not address potential risks identified.

2.2 Focus of Follow-Up Audit

This chapter describes our third follow-up of management's actions on the status of a recommendation we initially made in 2013.

Our *2013 Report – Volume 2*, Chapter 28, concluded the Ministry had effective processes to regulate waste generated from livestock operations, except for a few areas. We made three recommendations.² By April 30, 2017, the Ministry fully implemented two of three recommendations and partially implemented the remaining recommendation.³

¹ Under the Act, an intensive livestock operation is intensive if the confined livestock inhabit a space per animal unit less than 4,000 square feet. One cow, 200 broiler chickens, or six feeder pigs represent one animal unit.

² We reported the original audit work in *2013 Report – Volume 2*, Chapter 28, pp. 193–203. www.auditor.sk.ca/publications/public-reports.

³ *2017 Report – Volume 2*, Chapter 29, pp. 225–226.



To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. The Ministry agreed with the criteria in the original audit.

We interviewed Ministry staff responsible for livestock waste regulation and discussed the actions made to address the recommendation. We also obtained, reviewed and assessed related documentation.

3.0 STATUS OF RECOMMENDATION

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at September 13, 2019, and the Ministry's actions up to that date.

3.1 Pre-1996 Intensive Livestock Operations Reviewed

We recommended the Ministry of Agriculture confirm that intensive livestock operations, that it approved prior to 1996, have sufficient controls to protect water resources. (2013 Report – Volume 2, p. 199, Recommendation 1; Public Accounts Committee agreement November 26, 2014)

Status—Implemented

The Ministry verified the compliance of all intensive livestock operations with approved permits.^{4,5}

The Ministry considers operations with sufficient controls to protect water resources (e.g., earthen manure storage structure, run-off control dikes and ditches, holding ponds, liner systems) compliant with Ministry-approved permits. As of June 30, 2019, the Ministry found approximately 94% of the operating intensive livestock operations comply with approved permits. As of September 2019, about 700 intensive livestock operators have approved permits including around 330 with permits approved pre-1996.

When the Ministry identifies an operation with an approved permit is not compliant, regional Ministry staff actively monitor and work with the operator of the non-compliant operation to ensure they implement sufficient controls.

Adequate waste storage is key to protecting groundwater and surface water from potential contamination.

⁴ *The Agricultural Operations Act* became law in 1996. Provisions in the Act allow intensive livestock operators that obtained waste storage approval prior to October 1996 (pre-1996) to continue to operate with a previously approved waste storage plan even though waste storage requirements changed under the Act. At August 2013, just over 400 intensive livestock operators operated under permits approved pre-1996.

⁵ The Ministry requires intensive livestock operators to apply to it for approval of proposed waste storage plans. In review of the application, the Ministry considers the operations' size, collected site information (e.g., topographic maps) and completed site visit. It approves the plan/permit when it determines the operator implements sufficient waste management controls.

Chapter 29

Central Services—Planning Accommodations

1.0 MAIN POINTS

The Ministry of Central Services is responsible for providing accommodation to government agencies (clients/tenants), and managing government leased and owned office and program spaces.

By August 2019, the Ministry implemented the two remaining recommendations from our 2011 audit of its processes to plan for accommodations. The Ministry now verifies staffing and space use information provided by its clients, and actively monitors the implementation of its accommodation plan.

2.0 INTRODUCTION

As part of providing centralized support services, the Ministry is involved in accommodation planning, which includes providing clients with appropriate spaces to enable them to deliver programs and services. Accommodation planning includes planning for the acquisition, alteration, repair, maintenance, management, operation and disposal of real property.

This is our third follow-up audit of recommendations first made in 2011.

Our *2011 Report – Volume 1*, Chapter 5, reported the Ministry had adequate processes to plan accommodations for clients for the year ended March 31, 2011 other than six areas reflected in our recommendations. It needed to prepare an overall accommodation plan, including a risk assessment, and monitor the overall accommodation plan's implementation. The Ministry implemented two recommendations by January 2014, and a further two recommendations by February 2017.¹

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. The Ministry's management agreed with the criteria in the original audit.

As part of the audit, we tested a sample of leases to determine if the Ministry assessed whether clients met or obtained approval for their spatial requirements. We also reviewed communications to determine whether the Ministry monitored the overall accommodation plan.

¹ For details, see our *2014 Report – Volume 1*, Chapter 18, and our *2017 Report – Volume 1*, Chapter 15.



3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at August 31, 2019, and the Ministry's actions up to that date.

3.1 Office Space Requirement Verified

We recommended the Ministry of Central Services (formerly Ministry of Government Services) verify staffing information provided by its clients for the Ministry's buildings. (2011 Report – Volume 1, p. 66, Recommendation 4; Public Accounts Committee agreement August 28, 2012)

Status—Implemented

The Ministry verified clients met the standard office space requirements and, where clients did not meet requirements, made sure clients obtained Treasury Board approval.

In 2010–11, Cabinet directed the Ministry to implement a firm space standard of 18.6 square meters of office space per full time equivalent employee (FTE). This standard does not apply to program space (e.g., correctional facilities, space required to house and maintain snow-clearing equipment). Cabinet requires clients who need more than the standard office space to obtain Treasury Board approval prior to the Ministry entering into a new Accommodation Space and Services Agreement (ASSA).

The Ministry revised its standard ASSA in April 2017, requiring clients to confirm that they either meet the office space standard or give support that they obtained Treasury Board approval to exceed the standard.

Our testing of five ASSAs confirmed the Ministry obtained sufficient evidence that clients either met the office space standard or obtained Treasury Board approval when they exceeded the standard.

3.2 Accommodation Plan Monitored

We recommended the Ministry of Central Services (formerly Ministry of Government Services) monitor and report on implementation of an overall accommodation plan. (2011 Report – Volume 1, p. 67, Recommendation 6; Public Accounts Committee agreement August 28, 2012)

Status—Implemented

The Ministry monitored the overall accommodation plan through daily team meetings and workshops with clients.

The Ministry updates the plan on an annual basis. Ministry senior management approved the 2019–20 accommodation plan in August 2019.

Beginning June 2017, the Ministry instituted client/tenant representative workshops with meetings occurring semi-annually. The Ministry uses these workshops with client/tenant representatives to communicate any changes to the Ministry's policies or the overall accommodation plan, including discussions around areas of concern such as maintenance and pricing.

We reviewed the May 2019 workshop material and the resulting customer satisfaction survey. We observed evidence of discussion of the accommodation plan with topics including pricing, policy changes, and building cleaning.

Chapter 30

Education—Enforcing P3 Joint-Use School Project Agreements

1.0 MAIN POINTS

This chapter is our first follow-up on the recommendation made in our 2017 audit of the Ministry of Education's processes to manage the enforcement of its public-private partnership (P3) joint-use school Project Agreements. By July 2019, the Ministry implemented the recommendation.

The Ministry actively monitors the maintenance services provided by the private sector partner (Project Co.) responsible for both P3 projects using expectations set out in each of the two, 32-year P3 Project Agreements. It obtains and reviews regular reports received from Project Co. for each Project Agreement. It also works with Project Co. to obtain services as expected, and applies penalties consistent with the Agreements when warranted.

Consistent enforcement of contract provisions is critical given the 32-year duration of the P3 Project Agreements. It ensures the public receives the scope of services anticipated under the Agreements. Consistent monitoring and enforcement of all reporting provisions reduces the risk of not attaining expected value when using P3s.

2.0 INTRODUCTION

2.1 Background

In 2014, the Government decided to use a public-private partnership (P3) approach to finance, build, and operate 18 new, joint-use schools at nine joint-use sites located in Regina, Saskatoon, Martensville and Warman.

In August 2015, the Ministry of Education selected one private sector partner, Project Co., for two, 32-year Project Agreements. One P3 Project Agreement is for six schools located in Regina (Greens on Gardner, Rosewood Park, and Harbour Landing) in two different school divisions. The other Agreement is for another 12 schools located in Saskatoon, Martensville, and Warman (Hampton Village, Evergreen, Rosewood, and Stonebridge) in three different school divisions.

Under each agreement, the private sector partner (Project Co.) builds, finances, and maintains the new elementary (Kindergarten to Grade 8) schools. These two agreements collectively cost the Ministry approximately \$731 million.

The Ministry is responsible for overseeing the P3 Project Agreements' execution and enforcement, while relevant school divisions own the new schools located in their respective division post-construction.



2.2 Focus of Follow-Up Audit

This chapter reports the results of our first follow-up of management's actions on a recommendation we made in 2017.

Our *2017 Report – Volume 2*, Chapter 21, reported that the Ministry needed to enforce all reporting provisions for P3 Project Agreements for which it is responsible. We made one recommendation.

To conduct this follow-up audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Ministry management agreed to the criteria in the original audit.

We discussed Ministry processes since 2017 with relevant management. We reviewed each Project's reports (e.g., Performance Monitoring Report, Penalty Summary Report, Annual Service Plan). We tested a sample of monthly and annual reports, as well as analyzed related Authority Review Reports and reporting requirements.

3.0 STATUS OF RECOMMENDATION

This section sets out the recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation on July 31, 2019, and the Ministry's actions up to that date

3.1 Ministry Actively Using Reports to Monitor Compliance with P3 Joint-Use School Project Agreements

We recommended the Ministry of Education enforce all reporting provisions of public-private partnership Project Agreements for which it is responsible. (*2017 Report – Volume 2*, p.130, Recommendation 1; Public Accounts Committee agreement June 12, 2018)

Status—Implemented

As of July 31, 2019, the Ministry enforced reporting provisions of P3 Project Agreements for which it is responsible.

The Ministry received regular project monitoring reports as required by the P3 Project Agreements. These reports include Annual Service Plans, and monthly Performance Monitoring Reports and Penalty Summary Reports.

- The Annual Service Plan sets out the expectations of all services the Agreement requires Project Co. to provide such as a helpdesk, and life-cycle maintenance and general management services.

- The Performance Monitoring Report includes information such as maintenance summaries, helpdesk response times and life-safety equipment (e.g., fire extinguishers) testing.
- The Penalty Summary Report contains information on Project Co.'s service deliveries and service failures, planned corrective actions, and penalty adjustments, if any, made to its billing.

The two Annual Service Plans we tested reported the expected information to the Ministry as set out in the Agreement (e.g., contract obligations, policies, procedures and staffing, maintenance management, Occupational Health and Safety Report).

The seven Performance Monitoring Reports we tested contained the reporting expected under the Project Agreement.

The six Penalty Summary Reports we tested reported the expected information to the Ministry as delineated in the Agreement.

The Ministry documents its review of Project Co.'s reports in other reports referred to as Authority Review Reports. It prepares these review reports demonstrating whether the Ministry agrees with Project Co.'s self-assessment of fulfilling Agreement requirements. It prepares these reports using the same format as the Performance Monitoring Reports.

We found the Ministry formally reviewed the Project Co. reports and applied penalties to Project Co. when it did not meet service provisions (e.g., failure to meet response times) consistent with provisions of the Agreements. The Ministry also ensured payments to Project Co. adjusted for these penalties. The four Authority Review Reports we reviewed followed the same template as the Performance Monitoring Reports, and contain expected information for any implemented penalties or any discrepancies found (e.g., penalty deductions for service failures).

Consistent monitoring and enforcement of all reporting provisions reduces the risk of not attaining expected value when using P3s. In addition, obtaining and actively reviewing the required reports reduces potential delays in identifying issues and facilitates making appropriate and timely adjustments to ensure Project Co. delivers services as, and when, expected.

Chapter 31

Education—Monitoring Kindergarten Students' Readiness to Learn in the Primary Grades

1.0 MAIN POINTS

The Ministry of Education improved its processes to monitor Kindergarten students' readiness to learn and it plans for further work.

By September 2019, the Ministry analyzed Kindergarten Early Years Evaluation data to identify school divisions whose students are most at risk of not being ready to learn in Kindergarten. While the Ministry identified seven school divisions whose students are most at risk, it had yet to take specific actions to assist these school divisions. The Ministry expects to do so during 2019–20.

The Ministry also actively monitored Kindergarten programs delivered by school divisions such as periodically meeting with and surveying school divisions' officials. While the Ministry co-ordinated its review of school divisions' Early Years Action Plans, it had yet to provide school divisions with feedback from its reviews. It expects to do so during 2019–20.

Taking specific actions to assist identified school divisions and providing all divisions with feedback on Early Years Action Plans will reduce the risk of future students not being ready to learn in the primary grades upon exiting Kindergarten.

2.0 INTRODUCTION

2.1 Background

Research shows that quality education early in life leads to better health, education, and employment outcomes later in life, especially for children from disadvantaged backgrounds.¹ During the earliest years of life, a child develops the basic skills, knowledge, and abilities upon which all further learning is built.² Ensuring children receive a quality education early in life not only reduces the risk of poverty, but also improves school readiness, and overall health and wellness. Moreover, it reduces employment and education gaps for First Nations and Métis people, as well as improves graduation rates and lifelong success for all citizens.³

The Ministry is responsible for all matters relating to early learning, elementary, and secondary education. The Ministry leads and co-ordinates all areas, including developing goals and objectives, and educational planning for the present and future growth and development of the Kindergarten to Grade 12 educational system.⁴ It works with the 27 locally elected Boards of Education and appointed Directors of Education.

¹ Auditor General New South Wales, *Early Childhood Education: Department of Education*, (2016), p. 6.

² Ministry of Education, *Saskatchewan's Early Years Plan 2016–2020*, p. 3.

³ *Ibid.*, p. 2.

⁴ *The Education Act, 1995*, also makes the Ministry responsible for overseeing school divisions.



In 2014, the Ministry and school divisions set a goal supporting the educational development of children aged zero to six such that by June 2020, 90% of students exiting Kindergarten demonstrate a readiness to learn in the primary grades.⁵ Students scoring in the appropriate Early Years Evaluation (EYE) range demonstrate learning readiness and should experience success in subsequent grades.⁶

In 2018–19, 80% of almost 14,000 Kindergarten students exiting Kindergarten scored within the appropriate EYE ranges in each of the five domains (2017–18: 80%).⁷ See **Figure 1** for details. The results for this measure remained flat since the Ministry began measuring Kindergarten students' readiness to learn in 2014–15.

Figure 1—Five Domains of Early Years Evaluation (EYE)

The EYE's five domains are:

- Awareness of self and environment
- Social skills, behaviour, and approaches to learning
- Cognitive skills
- Language and communication
- Physical development

Source: www.earlyyearevaluation.com/index.php/en/products/eye-ta. (28 August 2019).

Assessing students early in Kindergarten helps identify those who may be in need of professional services such as speech pathology or additional school supports. Students experience more difficulty in catching up with their peers the longer their needs go undiagnosed and unsupported.⁸

Without effective processes to monitor the aggregate EYE scores of Kindergarten students, the Ministry risks placing students at greater risk of not achieving their academic, financial, and social potential.

2.2 Focus of Follow-Up Audit

This chapter describes our first follow-up of management's actions on the four recommendations we made in our *2017 Report – Volume 2*, Chapter 22, about the Ministry's processes to monitor Kindergarten students' readiness to learn in the primary grades. We concluded that for the 12-month period ended April 30, 2017, the Ministry of Education had, other than the matters reflected in those four recommendations, effective processes to monitor improving the percentage of Kindergarten students scoring within the appropriate Early Years Evaluation range to meet the sector goal of 90% by 2020.

⁵ *Ministry of Education Plan for 2019–20*, p. 3.

⁶ The Ministry adopted a skill-based assessment tool, the Early Years Evaluation (EYE), designed to help teachers assess the skills of Kindergarten children in five domains related to readiness to learn. Kindergarten teachers across the province administer the EYE assessment to all students at Kindergarten entry, and again at Kindergarten exit for those students who scored outside the appropriate EYE range.

⁷ Adapted from information provided by the Ministry of Education.

⁸ UHEY Regina Research Update, September 2009, *Understanding the Early Years Regina*, Measuring Early Childhood Development in Regina. www.reginakids.ca/rsu_docs/uey-regina_edi-results-sept200953738.pdf (23 September 2019).

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. The Ministry's management agreed with the criteria in the original audit.

To perform this follow-up audit, we reviewed data analysis conducted by the Ministry, tested the Ministry's assessment of school divisions' Early Years Action Plans, and reviewed evidence of supports the Ministry provided to school divisions. We also interviewed relevant Ministry staff.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at September 6, 2019, and the Ministry's actions up to that date.

3.1 School Divisions Most at Risk Identified

We recommended the Ministry of Education more thoroughly analyze data related to the development of students to identify those school divisions whose students are most at risk of not being ready to learn in the primary grades when exiting Kindergarten. (2017 Report – Volume 2, p. 138, Recommendation 1; Public Accounts Committee agreement June 12, 2018)

Status—Implemented

The Ministry analyzed Kindergarten EYE data to identify those school divisions whose students are most at risk of not being ready to learn in Kindergarten.

Starting in 2018–19, the Ministry's Early Years Branch began analyzing the EYE data at Kindergarten entry to understand which schools' students show the most vulnerability and highest risk of experiencing skill development difficulties. The Ministry's analysis identifies three key areas:

- **Schools of Opportunity:** the 50 schools with the largest number of students scoring outside the appropriate EYE range at Kindergarten entry.
- **Top Vulnerable Schools:** the 50 schools with largest percentage of students scoring outside the appropriate EYE range at Kindergarten entry.
- **High Count, High Rate Schools:** a combination of the two data-sets described above. In addition to having large numbers of students scoring outside the appropriate EYE range, these schools' students are most at risk of not being ready to learn in Kindergarten. Students entering Kindergarten in these schools are among the most likely to display difficulties with developmental tasks.



In addition to the analysis described above, we found the Ministry also analyzed the effectiveness of school divisions' and schools' abilities to improve EYE scores over the course of the 2017–18 school year (i.e., from Kindergarten entry to exit). The Ministry's analysis of effectiveness for the 2018–19 school year was incomplete, but in progress at the time of our audit.

Better data analysis related to the development of Kindergarten students helps the Ministry identify those school divisions whose students are most at risk and provides insight into where the Ministry should focus its resources.

3.2 Ministry Reviewing School Divisions' Action Plans, But Not Providing Feedback

We recommended the Ministry of Education co-ordinate its analysis of action plans of school divisions at risk of not achieving the early learning goal to assist them in increasing the number of students who are ready to learn in the primary grades upon exiting Kindergarten.

(2017 Report – Volume 2, p. 139, Recommendation 2; Public Accounts Committee agreement June 12, 2018)

Status—Partially Implemented

The Ministry's Early Years Branch assessed school divisions' Early Years Action Plans, but has yet to establish a process to provide school divisions with feedback based on its analysis of these action plans.

In 2018–19, the Ministry's Early Years Branch established suitable criteria for assessing school divisions' Early Years Action Plans. We found these criteria included school divisions' use of established early years guidance and the *Help Them Tell My Story* program, actions to engage families in their children's education, and inclusion of professional development for early years teachers.⁹

Although the Ministry did not require school divisions to submit Early Years Action Plans in 2018–19, it received plans from 22 of 27 school divisions. The Ministry expects to require all school divisions to submit Early Years Action Plans in 2019–20.

Our review of the Branch's assessment of four school divisions' Early Years Action Plans found the Branch completed its assessments using the established criteria. The Branch completed these reviews in April 2019. However, we found the Ministry has yet to provide school divisions with feedback on identified areas of improvement. The Ministry expects to provide feedback to school divisions in 2019–20.

Until the Ministry assesses all school divisions' Early Years Action Plans and provides divisions with feedback regarding the adequacy of their plans, there will be further delay in putting appropriate actions in place—resulting in future students potentially not being ready to learn in the primary grades.

⁹ The *Help Me Tell My Story* program is a holistic and interactive tool used by teachers to measure students' oral language development.

3.3 Kindergarten Programs Actively Monitored

We recommended the Ministry of Education actively monitor the Kindergarten programs delivered by school divisions. (2017 Report – Volume 2, p. 140, Recommendation 3; Public Accounts Committee agreement June 12, 2018)

Status—Implemented

The Ministry actively monitored Kindergarten programs delivered by school divisions.

Since our 2017 audit, we found the Ministry established a process to conduct biennial Kindergarten surveys of schools divisions. The surveys provide the Ministry with information about the Kindergarten practices used by school divisions, such as teacher education levels, classroom and programming information, assessment tools, and the successes or challenges school divisions' experience.

The Ministry conducted its first survey in 2017 and shared the results at its November 2017 Early Years biannual meeting. The Ministry invites all school divisions to attend the meetings typically held in November and May each year. The Ministry completed the survey again in 2019 with the results expected in September 2019.

Also, starting in 2017, we found the Ministry established biennial meetings with individual school divisions. These meetings assist the Ministry with obtaining a more detailed understanding of each school division's Kindergarten programs.

The Ministry held its most recent biennial meetings with seven school divisions in fall 2018. We tested a sample of two school divisions' biennial meetings and found the Ministry discussed, and reviewed, information specific to the school divisions' Kindergarten programs with the divisions' officials.

In addition, as described in **Section 3.2**, the Ministry's Early Years Branch reviews school divisions' Early Years Action Plans—doing so also assists the Ministry in monitoring school divisions' Kindergarten programs.

By obtaining a better understanding of school divisions' Kindergarten programs, the Ministry is better able to evaluate whether school divisions take sufficient action to improve Kindergarten students' readiness to learn in the primary grades. It also helps the Ministry identify and share best practices related to Kindergarten programs.

3.4 Ministry Has Yet to Take Specific Actions to Assist School Divisions Most at Risk

We recommended the Ministry of Education take specific actions to assist those school divisions whose students are most at risk of not being ready to learn in the primary grades when exiting Kindergarten.

(2017 Report – Volume 2, p. 141, Recommendation 4; Public Accounts Committee agreement June 12, 2018)

Status—Partially Implemented



The Ministry takes actions to assist all school divisions with preparing Kindergarten students to learn in the primary grades, but it has yet to take specific actions to assist the school divisions whose students are most at risk.

As described in **Section 3.1**, the Ministry identified specific school divisions whose students are most at risk of not being ready to learn in Kindergarten. We found the Ministry shared its data analysis with each of the seven school divisions experiencing the largest numbers and percentages of students entering Kindergarten outside of the appropriate EYE range.

However, the Ministry has yet to take specific actions to assist these seven specific school divisions. The Ministry expects to visit these school divisions in fall 2019 to consult and discuss options toward improving their Kindergarten students' readiness to learn in the primary grades.

While the Ministry had yet to take specific actions to assist school divisions whose students are most at risk, we found the Ministry took several actions benefitting all school divisions in the province, such as:

- Drafting a list of possible actions supporting students' readiness to learn in the primary grades (e.g., actions related to student attendance, curriculum, and responding to EYE results)
- Creating forums to share best practices and effective strategies (e.g., biannual meetings)
- Providing information about professional development opportunities for early years' teachers and facilitating professional learning opportunities (e.g., site visits at select Kindergarten programs that follow quality practices, workshops for Pre-Kindergarten and Kindergarten teachers)
- Developing the *Supports for Kindergarten* publication that sets out resources available for Kindergarten education (e.g., student assessments, First Nations/Métis/Inuit Education, Fransaskois Kindergarten, French Immersion, Play-Based Learning, etc.)

Actively assisting those school divisions identified as struggling to improve Kindergarten students' readiness to learn can help the Ministry identify possible root causes for the lower than desired performance of Kindergarten students in these divisions. Obtaining a better understanding of root causes would assist the Ministry in focussing the support it provides to these school divisions thereby reducing the risk of future students not being ready to learn in the primary grades.

Chapter 32 Environment—Detecting Wildfires

1.0 MAIN POINTS

By July 2019, the Ministry of Environment improved its processes to detect wildfires in Saskatchewan's wildfire management areas.

The Ministry worked with other government agencies (e.g., SaskPower, SaskTel) to update its information on values-at-risk (e.g., human life, communities, significant public and industrial infrastructure, commercial timber, remaining structures, natural resources and commercial/industrial operations) from wildfires. By July 2019, the Ministry collected information on 3,627 values-at-risk in its database, an increase of 359 values-at-risk since our original audit.

The Ministry increased the number of wildfire prevention and preparedness plans it received from operators, but only received 46 out of a potential 238 plans. Operators can submit plans via email or drop plans off at firebases. When the Ministry does not centrally receive plans, the risk of misplacing plans increases.

Having incomplete information for operators' temporary values-at-risk increases the risk of the Ministry not prioritizing its wildfire detection activities appropriately, and not developing suitable, related suppression strategies.

2.0 INTRODUCTION

2.1 Background

Under *The Wildfire Act*, the Ministry of Environment is responsible for the prevention, detection, control, suppression, and investigation of wildfires within the province's wildfire management areas, including provincial forests.

Provincial wildfire management areas include provincial forests, parkland, vacant Crown land, and every quarter section of land lying wholly or partly within 4.5 kilometres of the boundaries of a provincial forest.^{1,2}

The Wildfire Management Branch within the Ministry manages wildfires. The Branch employs about 127 full-time equivalent employees excluding front-line staff (e.g., fire fighters). The Wildfire Management Branch has three fire centres located in La Ronge, Buffalo Narrows, and Prince Albert. These centres oversee 12 forest protection areas.³

¹ *The Wildfire Act*, s. 2(gg).

² According to *The Wildfire Act*, the Ministry is not responsible for detection on land within any city, town, village, hamlet, northern village, northern hamlet, northern settlement, regional park, and resort village or resort subdivision.

³ The Wildfire Management Branch divided the province into 12 forest protection areas.



The 2018 season experienced 416 wildfires; the number of wildfires and area burned was below the 10-year average. The majority of these wildfires occurred within wildland-urban interface areas.⁴

In 2018–19, the Ministry spent \$67.7 million on forest fire operations.⁵

2.2 Focus of Follow-Up Audit

This chapter describes the results of our first follow-up on the actions of the Ministry on the two recommendations made in our 2017 audit.

Our *2017 Report – Volume 2*, Chapter 23, concluded that, for the 12-month period ending March 31, 2017, the Ministry had, other than the areas of our two recommendations, effective processes to detect wildfires in Saskatchewan's wildfire management areas.⁶

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. The Ministry's management agreed with the criteria in the original audit.

Our audit approach primarily included examining information in the Ministry's computer systems pertaining to values-at-risk and fire preparedness plans submitted by operators, and discussions with management responsible for wildfire detection.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at July 31, 2019, and the Ministry's actions up to that date.

3.1 Central Method to Receive Plans Needed

We recommended the Ministry of Environment actively seek wildfire prevention and preparedness information from industrial and commercial operators that they are required by law to submit. (2017 Report – Volume 2, p. 149, Recommendation 1; Public Accounts Committee agreement June 13, 2018)

Status—Partially Implemented

The Ministry improved operator awareness on the need to submit wildfire prevention and preparedness plans.

The Wildfire Act (s.20) requires operators to submit wildfire prevention and preparedness plans annually. These plans include the location, number of people, structures, and

⁴ Ministry of Environment, *Annual Report for 2018–19*, p. 5.

⁵ Ibid, p. 15.

⁶ Find the original report regarding these recommendations at www.auditor.sk.ca/publications/public-reports. We reported the original audit work in *2017 Report – Volume 2*, Chapter 23, pp. 143–158.

equipment at the operation and their contact information. The Ministry allows operators to submit plans to firebases or via email. By allowing operators to submit plans to several locations increases the risk of received plans not saved on the Ministry's network.

The Ministry held meetings with stakeholders to inform them of the requirement to submit these plans. At the time of our original audit in 2017, the Ministry only received 13 plans. By 2019, this number increased to 46 plans (out of a potential 238 operators in the area).

Wildfire prevention and preparedness plans of temporary industrial and commercial operators are especially important as the plans contain information to help the Ministry assess the risk of wildfires and to notify the operators in the event of wildfire threats.

Having incomplete information about temporary values-at-risk increases the risk of the Ministry not prioritizing its wildfire detection activities appropriately, and not developing suitable, related suppression strategies.

3.2 Information on Permanent Values-at-Risk Obtained

We recommended the Ministry of Environment actively work with other government sources to obtain information on values-at-risk from wildfires. (2017 Report – Volume 2, p. 150, Recommendation 2; Public Accounts Committee agreement June 13, 2018)

Status—Implemented

The Ministry worked with other government agencies (e.g., SaskPower, SaskTel, Ministry of Agriculture) to obtain information on values-at-risk from wildfires. Values-at-risk include human life, communities, significant public and industrial infrastructure, commercial timber, remaining structures, natural resources and commercial/industrial operations, and wildlife habitat.

The Ministry records key information about values-at-risk in its Wildfire Management database. Capturing this information makes it available for making decisions about managing fires. For example, the Ministry creates interactive maps from this database.⁷ These maps include pertinent information for both detecting and managing fires such as the location and specifications of values-at-risk, contact information of owners, etc.

The Ministry requires a values-at-risk approach to prioritizing wildfire activities. Under this approach, knowing the nature and location of values-at-risk is the first step to protecting them.

Since our 2017 audit, the Ministry signed agreements with SaskTel and SaskPower to provide the Ministry with access to information on locations of values-at-risk for these agencies. Prior to this, the Ministry relied on its staff to update information on values-at-risk during inspections performed during slow fire seasons. This only occurred every two to four years.

⁷ Interactive maps are live online maps the Ministry can use to view, query, and print Geographic Information System (GIS) maps, databases, and images using an internet browser. The interactive design makes it easy to pinpoint a given location. The Ministry overlays wildfires on the map so staff can see what is potentially threatened.



At July 2019, the Ministry collected information on 3,627 values-at-risk in its database, an increase of 359 values-at-risk since March 2017.

Having current information or an accurate understanding of the types of values-at-risk from wildfires decreases the risk of the Ministry not developing appropriate daily plans (including detection) and suppression strategies, and helps prioritizing wildfire detection activities appropriately. In addition, excluding destroyed properties as values-at-risk helps ensure the Ministry does not expend activities and resources for non-existent values-at-risk.



Chapter 33

Executive Council—Communicating Information about Government Programs and Services in a Non-Partisan Way

1.0 MAIN POINTS

The Office of the Executive Council promptly implemented the recommendation we made in our 2019 study of processes about communicating to the public about government programs and services in a non-partisan way.

In June 2019, the Government published its policy for non-partisan communications on its website, including the criteria for what constitutes non-partisan communications. Publishing criteria for non-partisan communications increases transparency, builds public confidence that communications remain neutral, and helps educate government officials involved in external communications.

2.0 INTRODUCTION

2.1 Background

The Office of the Executive Council provides support to the Premier, Cabinet and Cabinet committees.¹ It also develops and advances the Government's plan for Saskatchewan, and manages the plan's implementation across government.

Its other functions include co-ordinating government business in the Legislative Assembly; maintaining all Cabinet documents, orders-in-council, and regulations on behalf of the Government of Saskatchewan; providing strategic direction in communications throughout government; administering policies on communications procurement, visual identity, and online development; and operating the Government's web, mobile, and social presence.²

2.2 Focus of Follow-Up

This chapter describes our follow-up of management's actions on the recommendation we made in our *2019 Report – Volume 1*, Chapter 13, about processes that selected government agencies use to make sure communications to the public about government programs and services are non-partisan.

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001).

We assessed the Government's public policy including its criteria for what constitutes non-partisan communications about government programs and services.

¹ *The Executive Government Administration Act* section 26 establishes the Office of the Executive Council.

² www.saskatchewan.ca/government/government-structure/ministries/executive-council-and-office-of-the-premier (5 September 2019).



3.0 STATUS OF RECOMMENDATION

This section sets out the recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at September 24, 2019, and the Government's actions up to that date.

3.1 Non-Partisan Communication Criteria Made Public

We recommended the Government of Saskatchewan make public its criteria for what constitutes non-partisan communications about government programs and services. (2019 Report – Volume 1, p. 210, Recommendation 1; Public Accounts Committee has not yet considered this recommendation as of October 25, 2019)

Status—Implemented

In June 2019, the Government published its policy for non-partisan communications on its public, external website.³

The policy requires all Government of Saskatchewan agencies (including Ministries, Boards, Crown Corporations, and other government agencies) to communicate to the public in a non-partisan manner. It clearly defines the criteria for what constitutes non-partisan communications. For example, the policy requires government communications be presented in a factual manner, and focus on informing and educating the public about government programs, services and policies.

The policy directs each government agency to ensure its communications are non-partisan. It gives each agency the flexibility to develop additional guidance to help its staff apply the criteria within the specific context and environment in which the agency operates.

³ <https://taskroom.sp.saskatchewan.ca/Documents/NonPartisanCommunicationsPolicy.pdf> (24 September 2019).

Chapter 34

Finance—Implementing the Revenue Administration Modernization Project

1.0 MAIN POINTS

The Ministry of Finance expects its Revenue Administration Modernization Project (RAMP) to change how it administers many types of taxation revenue.

By September 2019, while the Ministry started developing its processes for how and when it will measure and report on RAMP's benefits, it has not started reporting on benefits achieved. Through reporting, the Ministry can determine and show if it achieved the benefits it expects from implementing RAMP. It expects RAMP to generate productivity gains, financial benefits of \$103 million over 15 years, improve customer service, and increase IT system availability.

2.0 INTRODUCTION

2.1 Background

The Government of Saskatchewan relies on its taxation revenues to finance its core services (e.g., provision of health and education). The Ministry of Finance is responsible for administering and collecting certain provincial taxes.¹ Each year, the Ministry directly levies about \$4 billion of taxation revenue.

Through the Revenue Administration Modernization Project, the Ministry updated its administration processes for taxation revenue including related IT systems over five years (2014 to 2019). The Ministry used RAMP to change how it administers many types of taxation revenue, including provincial sales, education property, fuel, and tobacco taxes.

2.2 Focus of Follow-Up Audit

This chapter reports our first follow-up of two recommendations we made in 2017.

Our *2017 Report – Volume 1*, Chapter 5, concluded that, for the 12-month period ended January 31, 2017, the Ministry had effective processes for managing the implementation of RAMP, except it needed to:

- Document how and when it will measure and report benefits achieved
- Report all costs incurred in project reports

¹ *The Revenue and Financial Services Act*, s. 10. gives the Minister of Finance the authority to collect or control the collection of public money, assess taxes, and collect those taxes.



To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. The Ministry's management agreed with the criteria in the original audit.

To carry out this follow-up audit, we examined plans for reporting project benefits, and reports about project costs. We also interviewed Ministry staff responsible for implementing RAMP.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at September 25, 2019, and the Ministry's actions up to that date.

3.1 Processes to Measure and Report Benefits Needed

We recommended the Ministry of Finance establish how and when it will measure and report to stakeholders about the benefits achieved from its Revenue Administration Modernization Project (2017 Report – Volume 1, p. 61, Recommendation 1; Public Accounts Committee agreement February 26, 2019)

Status—Partially Implemented

By September 2019, the Ministry had not yet determined how and when to measure and report to its executive and the public about the benefits achieved from RAMP.

Figure 1 sets out identified benefits expected. The Ministry spent about \$33 million on capital expenditures to implement RAMP between 2015 to 2019.²

Figure 1—Identified Benefits Expected from Implementing RAMP

The Ministry identified benefits included:

- Productivity gains (e.g., reducing time to process revenue transactions) resulting in reallocating resource capacity equivalent to eight full-time employees to other value added activities
- Revenue gains (e.g., identifying underreported taxes) and reduced costs (e.g., lower costs to fix broken IT systems) resulting in a financial benefit of \$103 million over 15 years
- Improved customer service (e.g., faster and improved access to records)
- Increased IT system availability (e.g., reduced downtime)

Source: Adapted from Ministry of Finance, *Updated Business Case, Revenue Administration Modernization Program*, (2014).

Since the 2017 audit, the Ministry considered reporting to its executive about benefits achieved, but as of September 2019 had not finalized its reporting approach or timing of reporting. The Ministry set targets for over half of the benefits it expects from implementing RAMP.

² Ministry of Finance's financial records.

Also, the Ministry had not determined its strategy for reporting to other stakeholders, such as the public. That is, it has not determined the types of information, frequency, or level of detail to report.

Having established processes to determine benefits obtained helps the Ministry show whether it is achieving the productivity, revenue and efficiency gains expected, and takes corrective action when needed.

3.2 Final Project Cost Report Accurate

We recommended the Ministry of Finance report all costs incurred when reporting on its Revenue Administration Modernization Project.

(2017 Report – Volume 1, p. 63, Recommendation 2; Public Accounts Committee agreement February 26, 2019)

Status—Implemented

The Ministry's final status report for the project accurately includes all costs incurred for RAMP.³

Reporting complete information about project costs provides management with good information to make timely decisions about the project.

³ The final report included costs to March 31, 2019.

Chapter 35 Government Relations—Proposing Education Property Tax Mill Rates

1.0 MAIN POINTS

By September 2019, the Ministry of Government Relations implemented four of the six recommendations made in our 2017 audit of its processes to propose education property tax mill rates and partially implemented the two remaining recommendations.

The Ministry gave its staff more robust and comprehensive written guidance about the process it expects staff to use. In addition, it better documented options proposed.

However, the Ministry needs to better document why it proposed certain education property tax mill rate options over other potential options. In addition, it needs to include in its proposal submitted to decision makers, a more robust impact analysis for its proposed options. Without robust analysis, decision makers may have insufficient information to make informed decisions regarding education property tax mill rates.

2.0 INTRODUCTION

This chapter describes our first follow-up of management's actions on the recommendations we made in 2017.

Our *2017 Report – Volume 2*, Chapter 24, concluded, from July 1, 2016 to June 30, 2017, the Ministry of Government Relations had effective processes to propose education property tax mill rates for Cabinet approval except for the areas related to our six recommendations.

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Ministry management agreed with the criteria in the original audit.

2.1 Proposing Mill Rates to Cabinet

Cabinet, by law, is responsible for determining the amount of education property taxes levied each year to help pay for the delivery of PreK–12 education, and related mill rates.¹ It makes its mill rate decisions public through Orders in Council.

¹ *The Education Property Tax Act* (s. 6(1)) indicates the Lieutenant Governor in Council shall determine the mill rates. Cabinet, when setting the provincial budget, ultimately determines the amount of education spending and the mix of revenues from property taxes and grants (financed primarily through income taxes and resource revenues) used to deliver education.



The Ministry of Government Relations, on behalf of its Minister (by law), determines and recommends options for education property tax mill rates, other than for the City of Lloydminster and separate school divisions.^{2,3}

- The City of Lloydminster, in accordance with *The Lloydminster Charter*, uses the Government of Alberta's legislation to determine its education property tax funding requirements.^{4,5} The Ministry's role is limited to reviewing the accuracy of the City's calculations before seeking Cabinet's approval of them.
- Separate school divisions can pass bylaws to set their own education property tax mill rates.⁶ As of September 2019, separate school divisions that passed such bylaws chose to approve mill rates equal to those set by Cabinet.

The Ministry has a goal of ensuring a fair and effective property tax regime.⁷ **Section 5.0** briefly describes the key components of property taxes.

With respect to education property taxes, the Ministry's role is to provide Cabinet with robust, objective, evidence-based mill rate options and advice so Cabinet has a solid basis to make decisions about education property tax revenue it wants to levy. Cabinet ultimately decides which option, if any, to choose.

Section 4.0 highlights the Ministry's process to propose mill rate options to Treasury Board.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at September 30, 2019, and the Ministry's actions up to that date.

3.1 Rationale for Key Decisions Needed

We recommended the Ministry of Government Relations document its rationale for decisions made on which education property tax mill rates to propose. (2017 Report – Volume 2, p. 166, Recommendation 2; Public Accounts Committee agreement October 10, 2018)

Status—Partially Implemented

While the Ministry better documents the various options staff consider when proposing education property tax mill rates, it does not clearly document its rationale for selecting options proposed to Treasury Board.

² *The Education Property Tax Act* (s. 3) assigns responsibility for the “establishment, operation, collection, administration or management of school tax” to the Minister of Government Relations.

³ *The Education Property Tax Act* (s. 6(2)(b)) allows establishing different mill rates for school divisions located in Lloydminster. The City of Lloydminster is located in both Saskatchewan and Alberta.

⁴ *The Lloydminster Charter*, s. 302(2)(c), requires the City of Lloydminster to use the Government of Alberta's legislation to determine its education property tax funding requirements.

⁵ Two school divisions operate in Lloydminster: Lloydminster School Division No. 99 and Lloydminster Roman Catholic Separate School Division No. 89.

⁶ *The Education Property Tax Act*, s.7(1).

⁷ *Ministry of Government Relations Plan for 2019–20*, p. 4.

The Ministry's manual includes potential mill rate options (e.g., no change to mill rates, adjust mill rates to keep revenue the same as prior year, increase revenues) and directs staff to document rationale for the options chosen in its options paper.

We found its December 2018 options paper included some pros and cons of the selected options. However, the paper did not explain why the Ministry chose those options over other options.

Only a small number of staff (about three) are involved in the Ministry's process to assess and propose education property tax mill rates.

Not documenting the rationale for decisions made could result in decision makers not understanding the evidence on which the Ministry based its proposed mill rate options. In addition, it may result in the Ministry being unable to explain the basis for its proposed options, especially in the event of key personnel turnover.

3.2 Key Assumptions Supported, But More Robust Impact Analysis Needed

We recommended the Ministry of Government Relations document the factors it considered and their impact when making assumptions about growth in assessed property values as part of its determination of education property tax mill rate options. (2017 Report – Volume 2, p. 168, Recommendation 3; Public Accounts Committee agreement October 10, 2018)

Status—Implemented

We recommended the Ministry of Government Relations include the impact of potential changes in key assumptions (property growth rates) and more information on economic and social impacts when proposing education property tax mill rate options to decision makers. (2017 Report – Volume 2, p. 171, Recommendation 5; Public Accounts Committee agreement October 10, 2018)

Status—Partially Implemented

The Ministry clearly documented the factors it considered and their impact when making assumptions about growth in assessed property values. In addition, since our initial 2017 audit, the Ministry improved its analysis of each proposed mill rate option, but further improvements are needed.

Growth rates are the most significant assumption the Ministry makes when estimating assessed property values for the upcoming year.

We found the Ministry's December 2018 options paper:

- Included factors it considered when setting growth rates
- Referenced the external sources of information the Ministry used (e.g., building permit information provided by the Saskatchewan Construction Association) when estimating the growth rate



- Discussed the impact of certain proposed options on other public policies related to provincial-municipal relations (e.g., establishing limits on municipal mill rate ratios)
- Provided some high-level discussion of economic impacts for the various options proposed (e.g., impact of options on certain sectors of the economy)

However, the paper did not include the following:

- An assessment of the impact of changes in the growth rate assumption on each option. A 1% change in the growth rate in each property class affects education property tax revenue by approximately \$3.7 million.
- Information about the social impact of proposed options (e.g., potential impact on housing affordability such as a general discussion of the trend in housing affordability and whether proposed options expect to impact that trend) given the cost of property taxes are borne not only by property owners, but also by renters.

Without robust, objective, and evidence-based analysis of mill rate options, key decision makers may have insufficient information to make informed decisions.

3.3 Key Processes Formalized

We recommended the Ministry of Government Relations formalize its process for confirming the reasonableness of estimated assessed property values used in proposing education property tax mill rates.

(2017 Report – Volume 2, p. 169, Recommendation 4; Public Accounts Committee agreement October 10, 2018)

Status—Intent of Recommendation Implemented

We recommended the Ministry of Government Relations formalize which levels of management need to review and approve proposed education property tax mill rate options, and when. (2017 Report – Volume 2, p. 172, Recommendation 6; Public Accounts Committee agreement October 10, 2018)

(2017 Report – Volume 2, p. 172, Recommendation 6; Public Accounts Committee agreement October 10, 2018)

Status—Implemented

Since our initial 2017 audit, the Ministry changed its process to receive property assessment data from service providers. It now receives data on a quarterly basis instead of annually. As such, the Ministry obtains and uses more current property assessment data to prepare its education property tax options paper than previously, reducing its need to estimate changes in assessed property values.

In addition, the Ministry formalized its review process. The Ministry updated its process manual to set out levels of management needed to review and approve proposed mill rate options, and expected timing. We found senior management reviewed the proposed mill rate options as expected.

Clear guidance helps ensure important processes continue as expected in the event of key staff turnover.

3.4 Guidance Updated

We recommended the Ministry of Government Relations give staff guidance on when to investigate changes to assessed property values used in proposing education property tax mill rates. (2017 Report – Volume 2, p. 165, Recommendation 1; Public Accounts Committee agreement October 10, 2018)

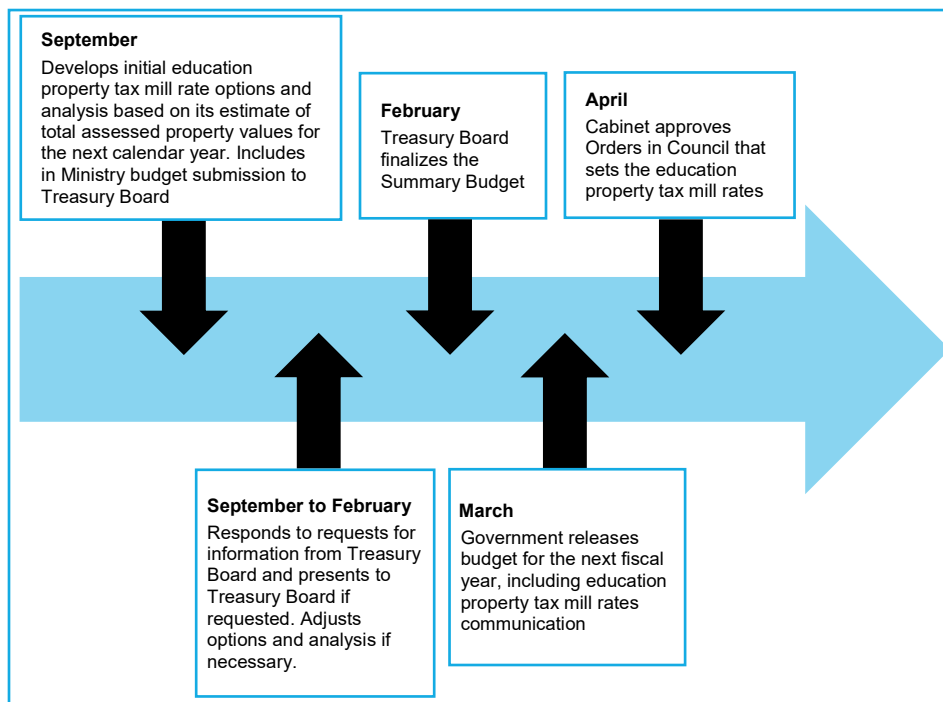
Status—Implemented

The Ministry developed guidance for staff in assessing and investigating changes in assessed property values used to prepare education property tax mill rate options.

Since our initial 2017 audit, the Ministry updated its process manual. The manual now includes detailed instructions to identify which variances in assessed property values to investigate. In addition, the manual now requires staff to use the most recent data available when preparing education property tax mill rate options.

Formal guidance on what the Ministry considers significant helps ensure it uses staff resources wisely (that is, staff only investigate differences viewed as important).

4.0 GOVERNMENT RELATIONS' GENERAL EDUCATION PROPERTY TAX MILL RATE PROCESS AND TIMING



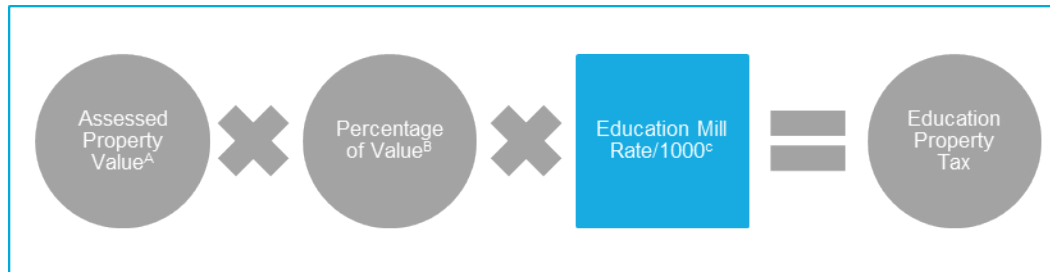
Source: Developed by Provincial Auditor of Saskatchewan



5.0 COMPONENTS OF EDUCATION PROPERTY TAXES

As shown in **Figure 1**, in common with other property taxes, education property taxes are based on two key parts—the taxable assessment of a property (the product of assessed property value and percentage of value) and mill rate.

Figure 1—Education Property Tax Calculation



Source: Adapted from www.saskatchewan.ca/government/municipal-administration/taxation-and-service-fees/municipal-property-tax-tools (25 September 2019).

^A Determined by assessment service providers who are not part of the Government of Saskatchewan; assessed values are updated every four years or when changes to property occur (e.g., addition of a new building).

^B Set by Cabinet for each property class under *The Municipalities Regulations*, *The Cities Regulations*, and *The Northern Municipalities Regulations*; education property taxes include four different property classes (i.e., agricultural, residential, commercial and industrial, and resource) (Section 3 of *The Education Property Tax Regulations*).

^C Set by Cabinet using information prepared by the Ministry of Government Relations. Property tax mill rates represent the amount, per \$1,000 of the taxable assessed value of a property, used to calculate education property taxes.

Chapter 36

Health—Meat Safety

1.0 MAIN POINTS

Since 2017 (the time of our last follow up), the Ministry of Health improved its regulatory meat safety processes related to 77 Health-licensed slaughter plants. In Saskatchewan, unlike in other provinces, two ministries (the Ministries of Health and Agriculture) are responsible for regulating meat safety.

As of July 2019, Health fully implemented the remaining four recommendations. It finalized and approved slaughter plant standards, revised the *Food Safety Regulations* to include slaughter plants, allowed for the online posting of inspection results, and began running reports of overdue follow-up inspections.

2.0 INTRODUCTION

In Saskatchewan, two ministries are responsible by law for regulating the production of meat safe for human consumption—the Ministry of Health and the Ministry of Agriculture.

Our *2012 Report – Volume 2*, Chapter 33, concluded that, for the period from September 1, 2011 to August 31, 2012, the Government of Saskatchewan, and the Ministries of Agriculture and Health needed to strengthen their processes that help keep meat safe in Saskatchewan. It included 10 recommendations—one directed to the Government of Saskatchewan, three to the Ministry of Agriculture, and six to the Ministry of Health.¹ By September 2017, the Government of Saskatchewan partially implemented its recommendation, the Ministry of Agriculture fully implemented its three recommendations, and the Ministry of Health implemented three of six recommendations.²

This chapter describes the results of our third follow-up of the actions of the Government of Saskatchewan on its remaining recommendation and Health on its outstanding three recommendations.

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Government of Saskatchewan and Health's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Health's management agreed with the criteria in the original audit.

Our audit approach primarily included examining Health's standards relevant to slaughter plants and discussing them with management. We tested a sample of inspections of high and medium risk slaughter plants to assess whether follow-up inspections occurred promptly and assessed whether Health posted the inspections' results to its website.

¹ Find the original report regarding these recommendations at www.auditor.sk.ca/publications/public-reports. We reported the original audit work in *2012 Report – Volume 2*, Chapter 33, pp. 279–294.

² In *2017 Report – Volume 2*, Chapter 35, pp. 247–252.



3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at July 31, 2019, and the Ministry of Health's actions up to that date.

3.1 Decisions Made for Provincial Regulation of Meat Safety

We recommended the Government of Saskatchewan formally assess the risks related to uninspected meat and consider updating its regulations for the production of meat that is safe for human consumption.

(2012 Report – Volume 2, p. 284, Recommendation 1; Public Accounts Committee agreement February 12, 2015)

Status—Implemented

Since our 2017 follow-up, the Government of Saskatchewan decided not to unify the regulation of slaughter plants in the province to one Ministry. Health indicated this decision resulted because of the potential costs to the industry (i.e., bringing slaughter plants up to the Ministry of Agriculture's standards), costs to government and no evidence of food-borne illnesses from Health-regulated slaughter plants. As a result, the Government revised its *Food Safety Regulations* to include health regulated slaughter plants.

As reported in our 2012 Report – Volume 2, Chapter 33, provincial governments are responsible for regulating meat safety within each province. Saskatchewan is the only province in Canada that assigns this responsibility to two different ministries whose regulatory responsibilities differ.

The Ministry of Agriculture is responsible for administering a voluntary meat inspection program to its licensed slaughter plants. This program inspects the safety of meat by inspecting animals antemortem, post-mortem and facility inspections.³ The Ministry of Health is responsible for inspecting the sanitation of smaller slaughter plants; it does not inspect the health of the animals.

Health indicated it does not view farm gate sales (e.g., meat sold directly by farmers for consumption) as falling within the scope of smaller slaughter plants as long as customers pick up the meat directly from a farm's preparation facility or by other means that Health considers appropriate (e.g., repeat customer where the farmer delivers the meat). However, it has not documented this activity in policy or legislation, or routinely monitored for compliance. Health will respond to food safety complaints surrounding farm gate sales.

We found an instance of a website allowing customers to purchase farm gate meat with producer delivery to a customer's home. This does not follow the province's current, informal rules for farm gate meat.

³ Antemortem means prior to death. Post-mortem means after death.

Health's legislation states that all people who prepare and sell food/drink must do so in a manner that is safe for human consumption.⁴ This would include farm gate sales. Therefore, farmers are legally responsible for ensuring meat sold to the public is safe to consume.

3.2 Slaughter Plant Standards Finalized and Approved

We recommended the Ministry of Health, consulting with the Ministry of Agriculture and regional health authorities, develop and approve detailed sanitation standards for slaughter plant operations. (2012 Report – Volume 2, p.290, Recommendation 5; Public Accounts Committee agreement February 12, 2015)

Status—Implemented

In October 2018, Health finalized and approved its Slaughter Plant Standards (i.e., provides guidance to slaughter plant operators on how to safely handle and prepare meat for human consumption). While not as detailed, these standards are consistent with Agriculture's Domestic Meat Inspection Standards.

Having specific, approved, written standards readily accessible helps slaughter plants to produce meat that is safe, and allows regional health inspectors to inspect slaughter plants effectively.

3.3 Monitoring of Overdue Slaughter Plant Inspections Reasonable

We recommended the Ministry of Health confirm regional health authorities take appropriate action to ensure that high and medium risk slaughter plants correct identified problems that could reduce the safety of the meat produced. (2012 Report – Volume 2, p. 292, Recommendation 7; Public Accounts Committee agreement February 12, 2015)

Status—Implemented

Since our 2017 follow-up, Health began monitoring the timeliness of the public health inspectors follow-up of deviations (problems) identified in previous inspections of slaughter plants.

Annually, management runs reports of overdue inspections. We found the report run in July 2019 listed only two slaughter plants overdue for inspection, and Health reminded public health inspectors of those overdue inspections. At July 2019, Health was responsible for inspecting 77 slaughter plants.

Health sets re-inspection frequency based on the risk-rating assigned to a facility from deviations public health inspectors find in inspections. For a low rating, it requires annual re-inspection, and for moderate and high ratings, it requires re-inspection within six months or one month, respectively.

⁴ The Public Health Act s.16 and The Food Safety Regulations s.19.



Health allows progressive action on slaughter plants not addressing high-rated deviations, but does not track instances of progressive action.⁵ It expects public health inspectors to do so. Slaughter plants that continue not to correct identified deviations can lose their operating license or be issued a temporary operating license.

Our audit work found public health inspectors followed up, within a reasonable timeframe, on identified problems at facilities rated as moderate or high risk.

Taking appropriate and timely corrective action ensures slaughter plants produce meat that is safe for human consumption.

3.4 Slaughter Plant Inspection Results Made Public

We recommended the Ministry of Health update its public website to include the inspection results for all slaughter plants licensed under The Sanitation Regulations, 1964. (2012 Report – Volume 2, p. 293, Recommendation 9; Public Accounts Committee agreement February 12, 2015)

Status—Implemented

In October 2018, the Government updated its *Food Safety Regulations* to allow for public reporting of Health's results of inspections of slaughter plants.

For 16 inspection reports tested, we found Health posted the most current inspection results to its website.⁶

Publicly posted inspection results serve as an efficient way to gain public assurance that Health inspected a slaughter plant and deemed it suitable at the time of inspection. This increases public confidence that meat is safe to consume.

⁵ Progressive action refers to the health inspectors' ability to apply different tactics to gain compliance (e.g., perform re-inspections, escalate to issuing temporary license to operate until compliance achieved, suspend operating license).

⁶ www.healthinspections.saskatchewan.ca/SlaughterPlants/Map (09 October 2019).



Chapter 37

Justice and Attorney General—Enforcing Maintenance Payments

1.0 MAIN POINTS

Under *The Enforcement of Maintenance Orders Act, 1997*, the Ministry of Justice and Attorney General is responsible for enforcing court-ordered, agreed-upon payments for child and/or spousal support.

By September 2019, the Ministry implemented the two recommendations initially made in our 2012 audit. Since November 2018, the Ministry requires its maintenance enforcement officers to review and document actions taken to enforce maintenance payments where payers defaulted. Officers do this review every two months. This review allows the officers to verify they keep accurate and up-to-date information for maintenance enforcement clients. It also helps them assess the sufficiency of the Ministry's actions to enforce payments, and adjust actions as needed.

2.0 INTRODUCTION

2.1 Background

Single parents or guardians raising children on low or moderate incomes depend on the timely receipt of maintenance payments.

The Ministry is required to provide a fair justice system that upholds the law and protects the rights of all individuals in Saskatchewan. This includes administering the provincial maintenance enforcement program, which involves monitoring and collecting support payments ordered by the court or agreed to by the two parties, and distributing these payments to the appropriate recipients (e.g., the specified parents or guardians). If necessary, the Ministry also enforces the payments under court orders or agreements for action (e.g., garnishing wages, collecting money owed to the payers from the federal government). At March 31, 2019, the Ministry had an 81% collection rate and collected about \$47 million (2017–18: 77% and \$44 million).¹

2.2 Focus of Follow-Up Audit

This chapter describes our fourth follow-up of management's actions on the recommendations we made in 2012.

In 2012, we assessed the Ministry of Justice and Attorney General's processes to enforce maintenance payments. Our *2012 Report – Volume 1*, Chapter 10, concluded that the Ministry of Justice and Attorney General had effective processes to enforce maintenance payments, except for areas in our recommendations. We made five recommendations.

¹ Adapted from information provided by the Ministry of Justice and Attorney General.



To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry of Justice and Attorney General's progress toward meeting our recommendations, we used the relevant criteria from the original audit. The Ministry of Justice and Attorney General agreed with the criteria in the original audit.

We reported on our most recent follow-up of the recommendations in our *2018 Report – Volume 2*, Chapter 36. In order to complete our follow-up of the two remaining recommendations, we discussed actions taken to implement the recommendations with management. We reviewed 'Default Lists', including comments and sign-offs by maintenance enforcement officers and supervisors.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each remaining recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at September 18, 2019, and the Ministry of Justice and Attorney General's actions up to that date.

3.1 Monitoring Reports Prepared and Reviewed

We recommended the Ministry of Justice and Attorney General periodically review reports that show who owes outstanding maintenance support payments, how much is owed, and how long amounts have been outstanding. (2012 Report – Volume 1, p.103, Recommendation 5; Public Accounts Committee agreement December 9, 2013)

Status—Implemented

We recommended the Ministry of Justice and Attorney General keep accurate and up-to-date information for its maintenance enforcement clients. (2012 Report – Volume 1, p. 99, Recommendation 2; Public Accounts Committee agreement December 9, 2013)

Status—Implemented

Starting in November 2018, management implemented a process where they generate 'Default Lists' every two months for maintenance enforcement officers to review. The Default Lists identify maintenance payers defaulting on their support payments (that is, individuals who owed maintenance support payments).

Maintenance enforcement officers then take action on the identified default files, and document these actions and comments on the Default Lists. Supervisors review the reports with the officers' comments verifying that officers complete reviews and the enforcement actions indicated by the reports.

We found the Default Lists contain sufficient information on the individuals owing outstanding maintenance support payments to enable officers to determine the relevant files and information to review. They also contain sufficient information to allow officers to verify the accuracy of their records for maintenance enforcement clients.

We reviewed all four of the Default Lists from November 2018 to September 2019, and found each list included comments on actions taken and review sign-offs, as expected.

Having up-to-date payer information helps facilitate appropriate enforcement action on payers who owe maintenance enforcement payments. Periodic reviews of outstanding maintenance enforcement payments helps the Ministry monitor how well enforcement actions work, and adjust any actions, as necessary.

Chapter 38

Saskatchewan Gaming Corporation—Minimizing Employee Absenteeism

1.0 MAIN POINTS

Common to the service and casino industries, the Saskatchewan Gaming Corporation (SaskGaming) has challenges with employee absenteeism (e.g., shift work, direct contact with customers, handling cash). By August 2019, SaskGaming implemented the three recommendations we made in 2017 related to managing employee absenteeism.

SaskGaming takes addressing reasons for employee absenteeism seriously. In 2018–19, SaskGaming performed an organization-wide analysis of employee attendance patterns and trends to identify root causes of absenteeism, and confirmed its attendance management strategies focus resources in the right areas. As a result, it revisited and updated its support programs and strategies to better address those root causes. In addition, SaskGaming gave its managers additional guidance and support in analyzing patterns and trends in staff absences, and tools to address them.

In 2018–19, SaskGaming's employee absenteeism rate was 6%. It continues to actively work toward a long-term employee absenteeism target of 5%.¹

2.0 INTRODUCTION

SaskGaming operates two casinos (one in Regina, and another in Moose Jaw) under *The Saskatchewan Gaming Corporation Act*. At August 2019, it employed staff in 584 full-time equivalent positions.²

This chapter is our first follow-up audit of management's actions on the three recommendations we made in 2017.

Our *2017 Report – Volume 2*, Chapter 26, concluded that, for the period from August 1, 2016 to July 31, 2017, SaskGaming had effective processes to minimize employee absenteeism other than the areas reflected in our three recommendations.³

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate SaskGaming's progress toward meeting our recommendations, we used the relevant criteria from the original audit. SaskGaming's management agreed with the criteria in the original audit.

¹ *SaskGaming 2018–19 Annual Report*, pp. 23 and 83.

² SaskGaming's human resources records.

³ Read the original report regarding these recommendations at www.auditor.sk.ca/publications/public-reports. We reported the original audit work in *2017 Report – Volume 2*, Chapter 26, pp. 193–206.

auditor.sk.ca/pub/publications/public_reports/2017/Volume_2/CH%2026_SaskGaming_Absenteeism.pdf (24 August 2019)



We examined SaskGaming's absenteeism policies, guidance, and reports. We also reviewed select attendance files and interviewed staff responsible for managing employee absenteeism.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Crown and Central Agencies agreed to the recommendation, the status of the recommendation on August 23, 2019, and SaskGaming's actions up to that date.

3.1 Clear Guidance Provided

We recommended the Saskatchewan Gaming Corporation provide its staff with clear guidance for documenting the reasons for not referring eligible employees to attendance management programming. (2017 Report – Volume 2, p. 201, Recommendation 1; Crown and Central Agencies Committee agreement September 10, 2018)

Status—Implemented

In May 2018, SaskGaming updated its *Attendance Support Policy* to require managers to document reasons for not referring employees with high absenteeism rates to attendance support programs. The policy also required its Human Resources staff to review the decisions and provide support to the managers.

SaskGaming sufficiently communicated the policy changes to its employees. It made the updated policy readily available to all staff through its employee intranet. The two managers we interviewed advised us that Human Resources provided support in applying the policy.

For the six employees' attendance files we tested, SaskGaming maintained adequate documentation of its decisions not to refer the employees to attendance support programs; Human Resources staff centrally tracked these reasons.

Having clear guidance reduces the risk of not providing employees with timely support to help minimize their absenteeism.

3.2 Guidance Provided for Analysis of Absenteeism Trends and Patterns

We recommended the Saskatchewan Gaming Corporation develop guidance to help managers analyze absenteeism trends and patterns of their employees. (2017 Report – Volume 2, p. 203, Recommendation 2; Crown and Central Agencies Committee agreement September 10, 2018)

Status—Implemented

Since 2017, SaskGaming updated its IT systems and used its Human Resources staff to support its managers in analyzing absenteeism trends and patterns. In addition, it drafted changes to its policies to formalize additional guidance.

In 2018, SaskGaming added additional time entry codes in its payroll IT system allowing managers and Human Resources staff to better track employee absenteeism.⁴ This additional information helps them to analyze trends and patterns in employee absences.

Human Resources staff and managers manually compare employee absences to employee work schedules to assess whether a pattern or trend emerges. To confirm the trend or pattern, the manager typically meets with the employee. To reduce time spent on manual comparisons, SaskGaming updated its payroll IT system in 2018–19 to electronically compare time entered in that system to time expected per the scheduling system and report any identified patterned absences. SaskGaming expects to implement this reporting process fully in early 2020 after piloting it in 2019.

In 2019, SaskGaming updated its *Attendance Support Policy* and *Sick Leave Policy* to formalize the additional guidance Human Resources staff share with managers for assessing absenteeism trends and patterns. For example, the policies require consideration of the number of incidents and the length of absence, as well as patterns such as absences on a particular day of the week, before or after a statutory holiday or scheduled vacation, or related to declined vacation dates. Management advised us it expects formal approval for the updated policies in fall 2019.

Trend and pattern analysis for two departments we reviewed considered the types of absence concerns management described to us during interviews, and as expected by the draft 2019 policies.

Adequate guidance for analyzing absenteeism trends and patterns can help managers focus their attendance management strategies and support organization-wide analysis of root causes of absenteeism.

3.3 Analysis of Root Causes and Strategies Confirmed

We recommended the Saskatchewan Gaming Corporation regularly analyze organization-wide employee attendance patterns and trends to help identify root causes of its employees' absenteeism, and confirm its strategies address these causes. (2017 Report – Volume 2, p. 204, Recommendation 3; Crown and Central Agencies Committee agreement September 10, 2018)

Status—Implemented

In 2018–19, SaskGaming analyzed root causes of its employees' absenteeism and effectiveness of its attendance management strategies.

⁴ For example, separate time codes for sick, pressing necessity, bereavement, family responsibility, and work injuries.



In 2018, SaskGaming approved an updated policy requiring an annual root cause analysis of the reasons for employee absences and a review of its attendance support program to determine its effectiveness in addressing root causes. It also requires changes to adjust the program as necessary.

SaskGaming analyzed organization-wide employee attendance patterns and trends in 2018–19. It assessed sick time and other absences by division, union, location, and absence type. It combined the results of this analysis with information from its service providers (e.g., work injury, family assistance, health benefits) to identify new or confirm suspected root causes of employees' absenteeism (e.g., shift work, work-related injuries, prescription drug use, sick leave, culpable absences).⁵

SaskGaming confirmed that one of its two attendance management programs insufficiently addressed root causes. It discontinued this program and adopted another program to try to better address some of the root causes. While SaskGaming confirmed its second attendance management program addressed root causes of absenteeism, it identified other gaps. It implemented additional strategies to address these gaps (e.g., Safer Workplace Initiative, Employee Wellness Strategy).

Analyzing employee attendance trends and patterns helps identify root causes of absenteeism and assesses the effectiveness of existing attendance management strategies. Together, these processes can support directing time and resources to areas with the highest rates of absenteeism.

⁵ Culpable absences are when an employee is absent from work without authorization or for reasons considered to be within their control (e.g., lateness, false explanation for an absence, unsubstantiated absence).

Chapter 39

Saskatchewan Health Authority—Delivering Accessible and Responsive Ground Ambulance Services in Southwest Saskatchewan

1.0 MAIN POINTS

By April 2019, the Ministry of Health and the Saskatchewan Health Authority had implemented one of the seven recommendations we made in our 2016 audit of accessible and responsive ground ambulance services in the former Cypress health region (i.e., southwest Saskatchewan). All ambulance operators in the former Cypress health region held current licences at April 2019.

Since our 2016 audit, the Authority was transitioning to its provincial structure and determining who is responsible for emergency medical services, including ambulance services. As a result, it had yet to determine consistent processes for monitoring ambulance response times and addressing instances where responses took too long.

The Ministry of Health along with the Authority undertook significant work to develop a performance-based contract template for ambulance services. The Authority plans to use the template as it signs, over the next few years, new contracts with contracted ambulance service providers.

Through new contracts, the Ministry and the Authority should obtain better performance information to use in conducting a future comprehensive review of patient demand relative to ambulance services across the province. Collecting better performance information should also support the Authority in assessing the success of its ground ambulance services.

2.0 INTRODUCTION

2.1 Background

Ambulance services are a critical component of the provincial health care system, providing emergency lifesaving treatment and transporting patients to the necessary level of care. Ambulance services stabilize and improve patients' conditions at emergency scenes, as well as during transfers to and between health care facilities.

Under *The Provincial Health Authority Act*, the Saskatchewan Health Authority is responsible for the planning, organization, delivery and evaluation of the health services it provides. This includes delivering accessible and responsive ground ambulance services to people of Saskatchewan as outlined in *The Ambulance Act*.

The Ministry of Health remains responsible for the strategic direction of the health care system and for *The Ambulance Act*, which requires all ground ambulance services operators to hold a valid licence issued by the Ministry.



In 2017, the Cypress health region became part of the Saskatchewan Health Authority, and subsequently the Authority became responsible for delivery of ground ambulance services in and around Swift Current.

Accessible and responsive ambulance services can be challenging because of the geographic spread and remoteness of some communities in rural Saskatchewan, including the former Cypress health region. In 2018, the former Cypress health region had a population of 45,341.¹ This population spreads across approximately 44,000 square kilometers with one urban centre being Swift Current with a population of 18,336.

To provide a 30-minute ambulance response time for rural areas (a Ministry established response time target), the former Cypress health region located ground ambulance operators throughout various parts of the region. As of April 2019, the former Cypress health region had 12 ambulance services using a mix of SHA-owned ambulances and contracted ambulance service providers. Since 2002, the 12 ambulance services in the former region have remained the same.

2.2 Focus of Follow-Up Audit

Our *2016 Report – Volume 2*, Chapter 25, concluded that, for the period from September 1, 2015 to August 31, 2016, the former Cypress Regional Health Authority had effective processes to deliver accessible and responsive ambulance services, except in a few areas.² This chapter sets out the status of five recommendations directed to the former Cypress Regional Health Authority and two recommendations directed to the Ministry of Health.

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Saskatchewan Health Authority and Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Former Cypress Regional Health Authority's management agreed with the criteria in the original audit.

We interviewed key Authority and Ministry staff, and examined relevant ambulance service records, reports, and contracts.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation, including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at April 30, 2019 and the Authority's and Ministry's actions up to that date.

¹ www.opendata.ehealthsask.ca/MicroStrategyPublic/asp/Main.aspx (15 May 2019).

² The original report regarding these recommendations is located at auditor.sk.ca/publications/public-reports. We reported the original audit work in *2016 Report – Volume 2*, Chapter 25, pp. 123-142.

3.1 Province-Wide Assessment of Ambulance Services Needed

We recommended the Ministry of Health, along with regional health authorities, formally assess whether the distribution of ambulance services are optimal for responding to patient demand. (2016 Report – Volume 2, p. 131, Recommendation 1; Public Accounts Committee agreement February 26, 2019)

Status—Not Implemented

At April 2019, the Ministry of Health has not done a comprehensive review of patient demand relative to ambulance services across the province.

Since our 2016 audit, the Ministry conducted provincial consultations, and developed a performance-based contract template for contracted ground ambulance services. We found:

- In 2017, the Ministry conducted provincial consultations with a broad range of emergency medical stakeholders, including private ambulance service operators. The purpose of the consultations was to determine how to improve ground emergency medical services.
- Following the consultations, the Ministry, the Saskatchewan Health Authority, and contracted ambulance operators' representatives developed a standard performance-based contract template. Under the contract template, the closest ground ambulance would respond to an emergency call, and contracted service providers would be required to regularly report on delivery of services (e.g., call volumes), safety (e.g., incidents, grievances), and quality of services (e.g., service availability). See **Section 3.2** for further details about the new contract template.
- The Authority expects to sign new contracts over the next two to three years. New contracts for five services were signed as of April 2019; 53 contracted services were in place as of April 2019.

The Ministry and the Authority expects to use the data collected under these new contracts to assess the number and location of ambulance services across the province.

The number of ground ambulance services across the province remains the same as of April 2019 as in 2016—104 operators with 51 SHA-owned and operated.

Since our 2016 audit, the distribution and demand for ambulance services remained unchanged in the former Cypress health region. Ambulance services continued to exist in 12 communities in the former Cypress health region using a mix of SHA-owned ambulances and contracted ambulance service providers.



In 2018–19, ambulance service providers in the former Cypress health region responded to 3,859 ambulance services calls (2014–15: 3,826 service calls); see **Figure 1** for further details. Emergency responses made up about 54% of total calls, 15% more than in 2014–15.³

Figure 1—Ambulance Service Calls for 2018–19 in the Former Cypress Health Region

Community	Ownership	Total service calls 2018–19	Average number of calls per week 2018–19	Emergency Calls	Emergency Calls as % of Total 2018–19	Emergency Calls as % of Total 2014–15
Cabri	SHA	59	1.13	37	63%	43%
Consul	SHA	41	0.79	15	37%	50%
Eastend	SHA	82	1.58	57	70%	33%
Frontier	Contracted	50	0.96	43	86%	41%
Gull Lake	Contracted	172	3.31	104	60%	39%
Leader	SHA	207	3.98	70	34%	28%
Maple Creek	SHA	528	10.15	235	45%	28%
Ponteix	Contracted	121	2.33	80	66%	51%
Richmound	SHA	29	0.56	11	38%	43%
Shaunavon	SHA	324	6.23	97	30%	36%
Swift Current	Contracted	2,226	42.81	1,318	55%	28%
Val Marie	Contracted	20	0.38	5	59%	52%
Total		3,859	74.21	2,078	54%	39%

Source: Regional Communication Centre (Regina).

SHA: Saskatchewan Health Authority.

Shaded boxes are where ambulance operators responded to less than two calls per week in 2018–19.

As shown in **Figure 1** (shaded boxes), six out of 12 ambulance services responded to less than two calls per week (same as in our 2016 audit).

Without a comprehensive review of patient demand relative to ambulance services, there is a risk that the Ministry and the Authority are not making the best use of resources.

3.2 Timetable for Signing Updated Ground Ambulance Service Contracts Set

We recommended Cypress Regional Health Authority update its contracts related to the provision of ground ambulance services to include service quality expectations and periodic reporting on them.

(2016 Report – Volume 2, p. 133, Recommendation 2; Public Accounts Committee agreement February 26, 2019)

Status—Partially Implemented

³ Other service calls mainly related to patient transfers (inter-facility transfers).

As noted in **Section 3.1**, the Ministry along with the Authority and contracted ambulance operators developed a performance-based contract template. In addition, the Ministry and the Authority developed a schedule to notify contracted ambulance operators of new performance-based contracts, and set time targets for signing them.

The new performance-based contract template clearly sets out service quality expectations (e.g., response time targets, compliance with the applicable law and policies) and requires regular reporting on specific measures (e.g., the volume and quality of services provided, reports on any incidents or complaints). The expected frequency of required reporting from contracted ambulance operators to the Authority ranges from immediate to annually.

As of April 2019, the Authority continues to work to implement new contracts with private ambulance operators using the template over the next two to three years. It signed new contracts for five ambulance services in the province. While negotiations started with contracted ambulance operators, the Authority has not signed any new contracts in the former Cypress health region using the new template.

Incorporating service quality expectations into contracts will help contracted ground ambulance service providers understand the level of service the Authority expects of them and allow the Authority to hold the contracted ambulance operator accountable for the quality of service they provide.

3.3 Legislation Update Consideration Needed

We recommended the Ministry of Health consider updating The Ambulance Act related to contracted ground ambulance service providers to align with contract management best practices. (2016 Report – Volume 2, p. 134, Recommendation 3; Public Accounts Committee agreement February 26, 2019)

Status—Not Implemented

The Ministry of Health did not analyze whether it needs to change *The Ambulance Act*. Rather, since 2016, it focused on developing a performance-based contract template for contracted ambulance service providers.

The Act, which came into effect in 1989, appropriately recognizes using contracted ambulance services providers helps to provide adequate ambulance coverage.

However, the Act contains unique provisions inconsistent with best contract management practices. The Act contains detailed provisions over the continuance, renewal, and terminations of contracts between the Authority and ambulance service providers (sections 10 and 18). For example, under the Act, these contracts automatically renew upon expiry; the Authority can only terminate them with just cause.

The new performance-based contract template references the Act and, consistent with the Act, expects contracts to renew automatically upon expiry. Automatic contract renewals is inconsistent with contract management best practices, and may not result in the best value for money.



3.4 Ambulance Operator Licences Are Current and Monitored

We recommended Cypress Regional Health Authority confirm ground ambulance operators operating in its region hold current ambulance licences. (2016 Report – Volume 2, p. 135, Recommendation 4; Public Accounts Committee agreement February 26, 2019)

Status—Implemented

The Authority implemented a process to confirm ambulance operators, either owned or contracted, hold a current ambulance licence.

The Ambulance Act requires an ambulance operator to hold a valid ambulance licence issued by the Minister of Health.

We found the Ministry sends email reminders to ambulance operators a few months prior to the expiry of the current licence. The emails ask operators to provide required information for issuing a new licence (e.g., a current SGI ambulance vehicle inspection, a current vehicle registration, etc.).

We also found the Authority's management receives information on the validity of the ambulance operators' licences. All operators for 12 ambulance services in the former Cypress health region held current licences at April 2019. Holding current ambulance licences confirms that ambulances are safe to drive and all required equipment is on board.

3.5 Consistent Monitoring of Response Time and Reporting of Incidents Required

We recommended Cypress Regional Health Authority monitor response times against targets for all ground ambulance operators on a regular basis (e.g., monthly or quarterly). (2016 Report – Volume 2, p. 140, Recommendation 5; Public Accounts Committee agreement February 26, 2019)

Status—Partially Implemented

We recommend Cypress Regional Health Authority follow its established policy to obtain completed incident reports (for instances when ground ambulance response times do not meet targets) so it can determine required actions. (2016 Report – Volume 2, p. 140, Recommendation 6; Public Accounts Committee agreement February 26, 2019)

Status—Partially Implemented

Since our 2016 audit, the Authority began monitoring response times monthly for most ambulance operators, as well as receiving explanations when responses took longer than expected. Because of organizational changes, gaps in monitoring certain operators occurred from December 2018 to April 2019. The Authority has yet to determine actions it should take to address reasons for delayed response times.

As noted in **Section 3.2**, the Authority started to negotiate new contracts (with updated reporting requirements) with contracted ambulance service providers. As a result, incident reporting from contracted ambulance service providers remained inconsistent.

Since our 2016 audit, management overseeing the emergency medical services (EMS), which includes ground ambulance services, changed. Beginning December 2018, one of four provincial EMS Directors became responsible for monitoring response time compliance in southern Saskatchewan, which includes the former Cypress health region.

After December 2018 and as of April 2019, there was less monitoring than previously.

Prior to December 2018, the former Cypress health region EMS Director:

- Reviewed individual ambulance response reports from all ambulance operators in the area (SHA-owned and contracted ambulance operators), as well as certain monthly reports. At the time of our 2016 audit, the EMS Director did not review monthly reports. Many monthly reports now include explanations of instances/incidents when response time was longer than the expected time. However, not all contracted ambulance operators provide monthly reports outlining reasons for incidents (most contracts in place do not require them to do so).
- Reviewed SHA-owned ambulance operators' response time compliance through monthly reports. However, the monthly reports did not always include an explanation for all incidents where the response time was greater than 30 minutes. For example, we found seven ambulance responses of one SHA-owned ambulance operator took more than 30 minutes, but less than 40 minutes in 2018–19 without explanations.

After December 2018, there was a gap in monitoring of response times of contracted ambulance operators. The Cypress EMS Manager monitored only SHA-owned ambulance response times, and their instances of non-compliance (e.g., instances where response times were greater than 30 minutes). The provincial EMS Director responsible for southern Saskatchewan had not yet started monitoring response times of any ambulance operators in this area.

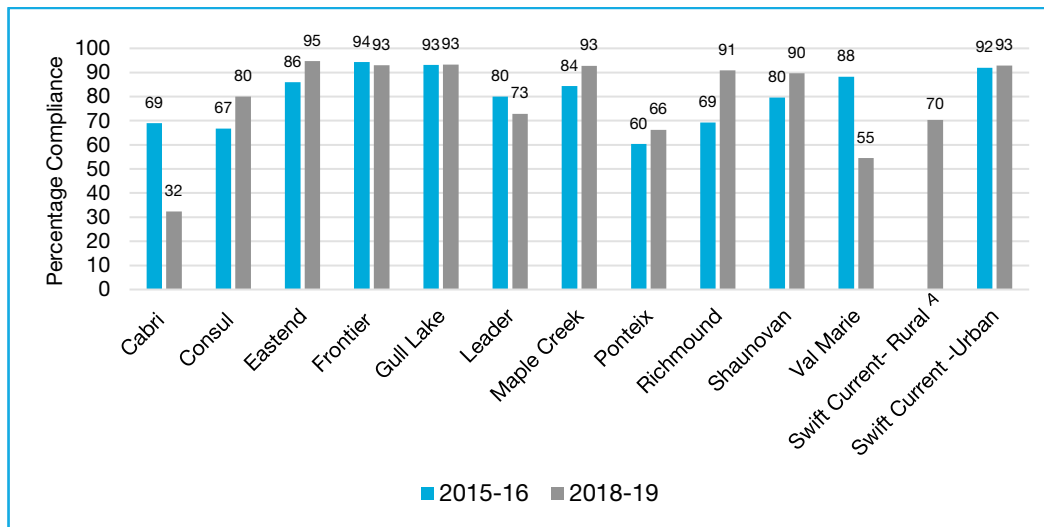
We found the former Cypress health region's compliance with response time targets did not improve since our 2016 audit. It remained below its target to respond to an emergency call—less than 30 minutes in rural locations and less than nine minutes in urban locations, 90% of the time. In 2018–19, the actual compliance rate for the former Cypress health region was 81.4%, lower than 83% compliance rate in 2016–17 (the time of the original audit).

As shown in **Figure 2**, in 2018–19, three out of 12 operators (Cabri, Ponteix, and Val Marie) had response-time compliance rates ranging below 70% (as compared to four [Cabri, Consul, Ponteix, and Richmond] in 2015–16).⁴

⁴ Two response rates are provided for Swift Current—for emergency calls in the city and for emergency calls in the rural area surrounding Swift Current. No such comparative was obtained in 2015–16.



Figure 2—2015–16 and 2018–19 Ambulance Response-Time Compliance Rates for the Former Cypress Health Region



Source: Regional Communication Centre (Regina).

Note: In summer 2018, ambulance services in Cabri were discontinued because of staff shortages. Ambulance operators from other communities (Leader, Swift Current and Gull Lake) responded to emergency calls in Cabri affecting response times in Cabri because of distance.

^A Two response rates are provided for Swift Current—for emergency calls in the city and for emergency calls in the rural area surrounding Swift Current. No such comparative was obtained for Swift Current rural calls in 2015–16.

We found the Authority analyzed trends of response times of ground ambulances monthly. However, the Authority could not show actions it took to determine and/or address reasons for delayed response times.

Without detailed trend analysis, the Authority may not know the extent to which excessive response times contribute to negative patient outcomes, and what actions are required.

Management informed us that the Authority planned to increase monitoring beginning May 2019. It expects the Cypress EMS Manager to monitor response time compliance of contracted ambulance operators, and the provincial EMS Director to monitor overall compliance rates.

3.6 Performance Reporting Not Yet Developed

We recommend Cypress Regional Health Authority report to senior management, the Board, and the public actual results against key measures to assess the success of its ground ambulance services at least annually. (2016 Report – Volume 2, p. 141, Recommendation 7; Public Accounts

Committee agreement February 26, 2019)

Status—Not Implemented

As of April 2019, the Authority had not finalized the nature and timing of its reports about the success of its ground ambulance services. As of April 2019, neither the Board, senior management, nor the public received reports on key measures related to the delivery of ground ambulance services.

Management noted it intends to create an annual provincial EMS report with trends and analysis. It further notes that once updated performance-based contracts are in place with contracted ambulance service providers, it will have better information about service quality.

Periodic measuring and reporting key performance results would enable better oversight of the quality of the Authority's delivery of accessible and responsive ground ambulance services.

Chapter 40

Saskatchewan Health Authority—Delivering Provincially Funded Childhood Immunizations in La Ronge and Surrounding Area

1.0 MAIN POINTS

By August 2019, the Saskatchewan Health Authority implemented two of the five recommendations we made in our 2017 audit about processes to deliver provincially funded childhood immunization in La Ronge and surrounding area.

Within La Ronge and surrounding area, the Authority annually analyzes and reports on childhood immunization coverage rates by community, and properly stores vaccines as required by the Saskatchewan Immunization Manual.

However, the Authority, within La Ronge and surrounding area, does not:

- Properly manage vaccine inventory by regularly reconciling its on-hand vaccine inventory to quantities recorded in its records
- Consistently prepare complete emergency event recovery plans expected by the Saskatchewan Immunization Manual
- Give its Board provincially funded childhood immunization coverage rates

Ineffective delivery of provincially funded childhood immunizations can put the public at risk due to increased transmission of preventable diseases.

2.0 INTRODUCTION

This chapter describes our first follow-up of management's actions on the recommendations we made in 2017 about processes to deliver provincially funded childhood immunization in La Ronge and surrounding area.

Immunization is a cornerstone of public health. Research shows its use significantly contributes to the prevention and control of infectious diseases in Canada and internationally.¹

2.1 Background

Under *The Provincial Health Authority Act*, the Saskatchewan Health Authority is responsible for the planning, organization, delivery, and evaluation of health services. This includes delivering immunizations to Saskatchewan residents.

¹ www.healthycanadians.gc.ca/healthy-living-vie-saine/immunization-immunisation/canadian-immunization-guide-canadien-immunisation/introduction-eng.php (26 September 2019).



The Authority delivers provincially funded immunization services to 2,859 children under the age of 17 living off-reserve in La Ronge and surrounding area.

Provincially funded childhood immunizations are free, routine vaccines that public health nurses and other health care providers (e.g., physicians) provide to Saskatchewan residents.

2.2 Focus of Follow-Up Audit

This audit follows up on five recommendations made in our *2017 Report – Volume 1*, Chapter 9, about the former Mamawetan Churchill River Regional Health Authority's processes to deliver provincially funded childhood immunizations.² We concluded that for the period from February 1, 2016 to January 31, 2017, the former Mamawetan Churchill River Regional Health Authority had effective processes other than areas identified in our five recommendations.

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Authority's progress toward meeting our recommendations, we used the relevant criteria from the original audit. The Authority's management agreed with the criteria in the original audit.

To complete this follow-up audit, we reviewed the Authority's policies and procedures, and other documents relevant to childhood immunization. In addition, we tested a sample of temperature logs and emergency event recovery plans.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation for facilities in La Ronge and surrounding area including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at August 31, 2019, and the Authority's actions up to that date.

3.1 Analysis of Immunization Coverage Rates by Community Conducted

We recommended the Saskatchewan Health Authority periodically formally analyze and report childhood immunization coverage rates by community. (2017 Report – Volume 1, p. 123, Recommendation 1; Public Accounts Committee agreement February 26, 2019)

Status—Implemented

The Authority annually analyzes and reports on childhood immunization coverage rates by community in La Ronge and surrounding area.

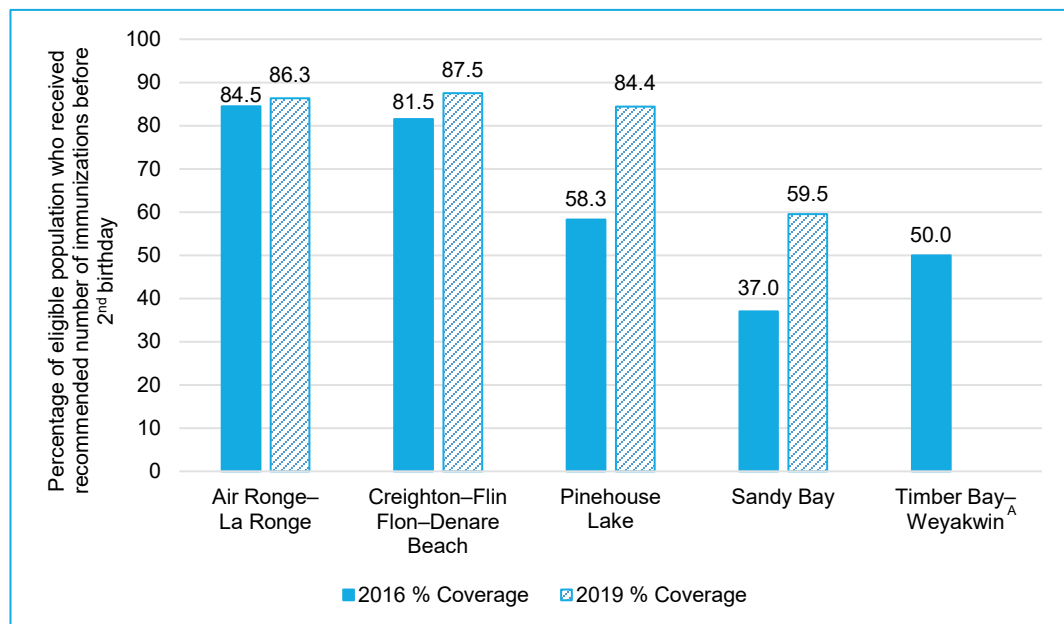
² The former Mamawetan Churchill River Regional Health Authority became part of the Saskatchewan Health Authority in December 2017.

In January 2017, the Authority began analyzing and reporting on childhood immunization coverage rates by community for each calendar year. The reports include the community coverage rates for two-year-old children for pertussis, measles, and meningococcal serogroup C. The Medical Health Officers in La Ronge and surrounding area receive these reports.

Formally analyzing immunization coverage rates by community helps the Authority to decide where to adjust its immunization strategies to increase coverage.

Focused efforts and analysis can help increase coverage, and the Authority focused on communities with lower coverage rates. As shown in **Figure 1**, from 2016 to July 15, 2019, the pertussis immunization coverage rates for two-year-old children improved in each community.

Figure 1—Comparison of 2016 and 2019 Two-Year-Old Childhood Immunization Coverage Rates for Pertussis by Community in La Ronge and Surrounding Area



Source: Information prepared by Population Health Unit.

^A Included in Air Ronge–La Ronge for 2019.

3.2 Vaccines Properly Stored

We recommended the Saskatchewan Health Authority properly store vaccines as required by the Saskatchewan Immunization Manual.

(2017 Report – Volume 1, p. 125, Recommendation 2; Public Accounts Committee agreement February 26, 2019)

Status—Implemented

The Authority, within La Ronge and surrounding area, properly stores vaccines consistent with the requirements of the Saskatchewan Immunization Manual.



To maintain vaccine effectiveness, the Manual requires the Authority to keep vaccines within the recommended temperature range (two to eight degrees Celsius). To help do so, the Manual directs staff to record the minimum/maximum temperatures of storage fridges twice a day using a temperature log. The storage fridges must also contain a continuous temperature recorder.³ In addition, the Manual requires regular maintenance on the storage fridges.

We found for all three locations we sampled:

- Staff consistently filled out the temperature logs more than 90% of the time
- Continuous temperature recorders installed in all storage fridges
- Maintenance performed regularly on storage fridges

Following recommended storage procedures helps keep vaccines within recommended temperature ranges, thus maintaining vaccine effectiveness.

3.3 Vaccine Inventory Not Reconciled to Records

We recommended the Saskatchewan Health Authority regularly reconcile its on-hand vaccine inventory to quantities recorded in its records. (2017 Report – Volume 1, p. 125, Recommendation 3; Public Accounts Committee agreement February 26, 2019)

Status—Not Implemented

The Authority, within La Ronge and surrounding area, does not regularly reconcile its on-hand vaccine inventory to quantities recorded in its records.

The Authority uses a centralized provincial IT system called Panorama to maintain vaccine information (e.g., quantity of vaccine on-hand), and determine when more vaccines are needed.

At least once a month, staff physically count the vaccines in the storage fridges.⁴ They record the quantity of each vaccine counted. However, no one compares the quantity counted to the quantity recorded in Panorama.

Not reconciling the amount of vaccines on-hand to the amount expected increases the risk vaccines could go missing without notice. It also increases the risk the Authority acquires vaccines it may not need.

³ Continuous temperature recorders provide information about the length of time vaccines may have been outside of the recommended temperature range.

⁴ In one location, staff count vaccines weekly. In other locations, staff count vaccines monthly.

3.4 Not All Emergency Event Recovery Plans Complete

We recommended the Saskatchewan Health Authority document and make staff aware of emergency event recovery plans as required by the Saskatchewan Immunization Manual. (2017 Report – Volume 1, p. 126, Recommendation 4; Public Accounts Committee agreement February 26, 2019)

Status—Partially Implemented

While facilities located in La Ronge and surrounding areas that store vaccines had emergency event recovery plans and staff working in these facilities were aware of the plans, not all of the plans were complete.

The Saskatchewan Immunization Manual sets out procedures for developing emergency event recovery plans for staff to follow in the event of an emergency (e.g., power outages, natural disasters). It requires a written emergency event recovery plan for every facility storing vaccines. It requires each plan to include, at least the following:

- Emergency phone numbers for employees, building maintenance, power companies, and repair companies
- The arrangements for an alternative storage facility with backup power where the vaccines can be properly stored and monitored in the interim
- Written procedures for entering the alternative facility and vaccine storage spaces in an emergency if the facility is closed or it is after hours

For the three facilities located in La Ronge and surrounding area sampled, we found each had an emergency event recovery plan. Each facility placed the plan on the side of the vaccine storage fridges as required, and staff of each facility were aware of the plans and their location.

However, one of the three plans did not contain all of its expected content. This plan did not include the written procedures for entering the alternative facility and vaccine storage spaces in an emergency if the facility is closed or it is after hours.

Incomplete emergency event recovery plans increase the risk vaccines are improperly protected in the event of an emergency. It also increases the risk of the Authority incurring monetary losses through vaccine inventory loss.

3.5 Limited Reporting to the Board

We recommended the Saskatchewan Health Authority periodically give its Board coverage rate information as it relates to provincially funded childhood immunizations. (2017 Report – Volume 1, p. 128, Recommendation 5; Public Accounts Committee agreement February 26, 2019)

Status—Partially Implemented



The Authority does not give its Board coverage rate information as it relates to provincially funded childhood immunizations, although, it plans to do so in the near future.

Up until the amalgamation of the health authorities in December 2017, the former Mamawetan Churchill Regional Health Authority Board continued to receive reports on the number of individuals not receiving immunizations when expected. The June 2017 and October 2017 reports included pertussis immunization coverage rates for the number of children who received pertussis vaccination by 91 days of age.⁵ However, since the amalgamation, the Authority's Board does not receive immunization coverage rate information. Management indicated it expects to report to the Board on a comparison of actual rates to the provincial and national targets in late September 2019.

The Authority set immunization targets for increasing childhood immunization coverage rates for pertussis and measles (e.g., meet or exceed the provincial target of 90% by 2022 and the national vaccine coverage goals of 95% by 2025).

Without adequate reporting, the Board cannot determine whether the Authority's immunization services are effective (i.e., is it providing the right level of services in the right locations) and may not make informed decisions about the Authority's immunization services.

⁵ Certain childhood vaccines are supposed to be received by certain ages and grades. A child should receive their first pertussis vaccination by two months old.

Chapter 41

Saskatchewan Health Authority—Safe and Timely Discharge of Patients from Regina Hospitals

1.0 MAIN POINTS

From March 2017 to June 2019, the Saskatchewan Health Authority continued to improve its processes for the safe and timely discharge of hospital patients from its two acute care facilities in Regina, but has more work to do.

As of June 2019, the Authority's two acute care facilities followed its policy of documenting its patient discharge instructions, and discussing those instructions with patients before discharge.

However, those two facilities often did not follow the Authority's policy to conduct medication reconciliations before discharging patients.¹ As of June 2019, the Authority was in the process of automating medication reconciliations. Medication reconciliations help to reduce drug-related incidents.

In addition, those two facilities inconsistently documented consultations with health care providers in a central and comprehensive manner to facilitate a co-ordinated, informed approach to individual patient care.

2.0 INTRODUCTION

2.1 Background

Discharge is one of the key components in a patient's hospital experience. For a hospital to effectively manage its beds and patient flow, acute care facilities must discharge patients in a timely, yet safe manner to avoid disrupting other areas of the bed management chain.

The Saskatchewan Health Authority is responsible for the planning, organization, delivery and evaluation of the health services it provides, including discharging hospital patients from its facilities.

2.2 Focus of Follow-Up Audit

This chapter describes our second follow-up of management's actions on three remaining recommendations we first made in 2015 about processes for the safe and timely discharge of hospital patients from its two acute care facilities in Regina—Pasqua Hospital and Regina General Hospital.²

¹ A medication reconciliation is the process of completing an accurate and complete list of all medications a patient is taking to prevent medication errors.

² We reported the original audit work in our *2015 Report – Volume 1*, Chapter 14, pp. 147–168. auditor.sk.ca/publications/public-reports/item?id=138 (14 August 2019). Our *2015 Report – Volume 1*, Chapter 14, concluded that, for the 12-month period ended February 28, 2015, the former Regina Qu'Appelle Regional Health Authority had effective processes for the safe and timely discharge of hospital patients from its two largest acute care facilities (Regina General and Pasqua Hospitals) with a few exceptions. We made 11 recommendations.



By March 2017, the former Regina Qu'Appelle Regional Health Authority implemented eight of 11 recommendations.³ The former Regina Qu'Appelle Regional Health Authority became part of the Saskatchewan Health Authority in December 2017.

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Authority's progress toward meeting our recommendations, we used the relevant criteria from the original audit. The Regina Qu'Appelle Regional Health Authority agreed with the criteria in the original audit.

To complete this follow-up audit, we reviewed the Authority's policy and procedures, and other documents relevant to patient discharge. In addition, we tested a sample of patient files at both the Regina General and Pasqua Hospitals.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at June 30, 2019, and the Authority's actions up to that date.

3.1 Consultations with Health Care Providers Not Centrally Compiled

We recommended Regina Qu'Appelle Regional Health Authority require health care professionals involved in patient care prepare a comprehensive, multidisciplinary patient care plan. (2015 Report – Volume 1, p. 157, Recommendation 2; Public Accounts Committee agreement September 17, 2015)

Status—Partially Implemented

As of June 2019, the Authority inconsistently documented consultations with health care providers in nursing care plans in its two acute care facilities in Regina.

Subsequent to our original audit in 2015, management decided not to proceed with the use of a comprehensive, multidisciplinary patient care plan template. Rather, it expected each patient's nursing care plan to document interactions with other health care providers (e.g., dietitians, pharmacists).

In the 30 patient files we tested, we found:

- None of 27 files incorporated the results of documented consultations with other health care providers in the nursing care plan, but only noted that consultations occurred
- Three files did not require consultations with other health care providers

³ See our 2017 Report – Volume 1, Chapter 24.

All patient files, including nursing care plans, are in paper form. Management indicated it plans to move to electronic health records to enable better centralized co-ordination of multidisciplinary patient care directions. At June 2019, the Authority had not decided when it would make this move.

The Authority also continued to use Accountable Care Units as its main strategy to facilitate better co-ordinated patient care.⁴ These Units use a team-based approach to patient care and actively involve all team members, including the patient and their family. The Authority has five Units in the Pasqua Hospital. It intends to expand Accountable Care Units to the Regina General Hospital in 2020–21.

Consistently documenting consultations between health care providers in one central location (e.g., nursing care plans) provides complete information to help health care professionals make informed decisions about a patient's care while in a hospital and promotes a co-ordinated approach to patient care.

3.2 Medication Reconciliations Not Always Completed Upon Patient Discharge

We recommended Regina Qu'Appelle Regional Health Authority require staff to follow the policy when completing medication reconciliations prior to discharging patients. (2015 Report – Volume 1, p. 164, Recommendation 8; Public Accounts Committee agreement September 17, 2015)

Status—Partially Implemented

Its two Regina acute care facilities inconsistently follow the Authority's policy to complete medication reconciliations prior to discharging patients.⁵

Only two of the 30 patient files we tested contained completed medication reconciliations.

The Authority expects to implement electronic medication reconciliation in all units in both acute care facilities by 2020. The following activities and plans are underway:

- Management expects to approve a new medication reconciliation policy in fall 2019. It drafted this policy and created a related electronic form in winter 2018. The new policy clarifies the specific roles of staff (e.g., physician, nurse, pharmacist), and outlines tasks to complete medication reconciliations.
- In early 2019, the Authority began piloting the new electronic form in two units at the Regina General Hospital. The Authority's audit of this pilot indicate staff complete the new electronic form about 83% of the time.

Medication reconciliations can help to reduce the risk that inaccurate medication information is communicated across transition points of care (e.g., discharge). Inconsistently performing medication reconciliations at discharge may lead to adverse drug-related incidents or unplanned readmissions.

⁴ The Authority began using Accountable Care Units in 2016.

⁵ A medication reconciliation is the process of completing an accurate and complete list of all medications a patient is taking to prevent medication errors.



3.3 Instructions Documented and Discussed with Patients Discharged from Hospitals

We recommended Regina Qu'Appelle Regional Health Authority follow its policy to document patient instructions and discuss those instructions with patients before discharge. (2015 Report – Volume 1, p. 159, Recommendation 4; Public Accounts Committee agreement September 17, 2015)

Status—Implemented

The Authority followed, within the two acute care facilities in Regina, its policy to document patient instructions and discuss those instructions with patients before discharge.

Its policy requires patient files to include documented discharge instructions signed by a patient or a family member.

The Authority found, through its Fall 2017 and 2018 chart audits, 85% of patient files contained discharge instructions, and 97% included a discharge care plan signed by the patient or a family member. The Authority plans to complete another chart audit in fall 2019.

Our test of 30 patient files found similar results—97% of patient files included discharge instructions, and a patient or family member signed 93% of the discharge care plans.

Having signed discharge care plans on file show staff shared and discussed the discharge instructions and plan with the patient prior to discharge.



Chapter 42

Saskatchewan Liquor and Gaming Authority—Assurance on Safety of Liquor Products

1.0 MAIN POINTS

By September 2019, the Saskatchewan Liquor and Gaming Authority improved its processes to buy liquor for distribution and resale. It implemented the last outstanding recommendation from seven recommendations initially made in our 2012 audit of its processes to procure liquor.

The Authority developed its *Beverage Alcohol Quality Assurance Policy* in 2018. By following its Policy and related processes, the Authority obtains formal assurance (independent laboratory test reports) from alcohol suppliers on the safety of alcohol and the percentage of alcohol content. It obtained formal assurance reports for almost 90% of the products it regularly distributes from its warehouse.

2.0 INTRODUCTION

Under *The Alcohol and Gaming Regulation Act, 1997*, the Authority is responsible for distributing, controlling, and regulating liquor and gaming in Saskatchewan.¹ The Authority aims to achieve a balance between generating revenue, promoting responsible use of alcohol, and providing customers with product selection and value. In 2018–19, it generated gross revenue of \$638 million from liquor sales.²

Our *2012 Report – Volume 1*, Chapter 17, concluded the Authority had effective processes in place to procure liquor other than the areas reflected in the seven recommendations.³ By August 2017, it implemented six recommendations.⁴

This chapter describes the results of our fourth follow-up of the actions of the Authority on the remaining recommendation.

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001). To evaluate the Authority's progress toward meeting our recommendation, we used the relevant criteria from the original audit. The Authority's management agreed with the criteria in the original audit.

Our audit approach primarily included examining the Authority's policy and procedures relevant to buying liquor for distribution and resale, and discussing them with management. We tested a sample of assurance reports to assess whether the Authority obtained and reviewed appropriate reports showing liquor products' safety and that the products contained their stated alcohol content.

¹ *The Alcohol and Gaming Regulation Act, 1997*, s. 12.

² Saskatchewan Liquor and Gaming Authority, *2018–19 Annual Report*, p. 18.

³ *2012 Report – Volume 1*, Chapter 17, pp. 145–157.

⁴ www.auditor.sk.ca/pub/publications/public_reports/2012/Volume_1/2012v1_17_LiquorProcurement.pdf (10 October 2017).

⁵ In 2013, 2015, and 2017, we reported on the status of the Authority's implementation of these recommendations.



3.0 STATUS OF RECOMMENDATION

This section sets out the recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at September 6, 2019, and the Authority's actions up to that date.

3.1 Formal Assurance on Liquor Product Safety Obtained

We recommended Saskatchewan Liquor and Gaming Authority obtain formal assurance that liquor products sold in Saskatchewan are safe to drink and contain their stated alcohol content. (2012 Report – Volume 1, p. 154, Recommendation 6; Public Accounts Committee agreement December 9, 2013)

Status—Implemented

The Authority requires and obtains formal assurance that liquor products sold in Saskatchewan are safe to drink and contain their stated alcohol content.

At September 6, 2019, the Authority received formal assurance for almost 90% of the products it regularly distributes.

The Authority finalized and implemented its *Beverage Alcohol Quality Assurance Policy* on September 24, 2018.⁵ Under its new Policy, the Authority:

- Requires formal assurance for each product it regularly distributes. A certified laboratory issues a formal assurance report.⁶ In addition, conducting an alcoholic product analysis must be consistent with the alcohol testing requirements established by the Liquor Control Board of Ontario's Guidelines for Chemical Analysis.⁷
- Requires it to receive formal assurance for all new liquor products planned for regular distribution since Policy implementation.
- Requests alcohol suppliers to provide it with formal assurances for all products it regularly distributed when the Authority implemented the Policy. The Authority planned to receive these by November 30, 2018.
- Requires alcohol suppliers to provide it with an updated formal assurance report every 24 months.
- Requires customers to agree on waivers acknowledging and accepting the product they purchase may not have been tested or meet recognized quality assurance standards for products it does not regularly distribute (e.g., special order of a specific wine for customers).

⁵ www.slga.com/liquor/partners/for-liquor-suppliers (02 September 2019).

⁶ The Policy states SLGA will accept reports from laboratories that are ISO 17025 certified; ISO 17025 are general requirements for laboratories completing testing and calibration. www.iso.org/files/live/sites/isoorg/files/store/en/PUB100424.pdf (02 September 2019).

⁷ These Guidelines are designed to assist alcohol suppliers to ensure their products meet minimum safety requirements. For example, the Guidelines set labelling requirements for alcohol content (i.e., alcohol %), acceptable differences the actual alcohol content percentage can be from the amount stated on the label, and maximum amounts of about 15 potentially harmful chemicals allowed in alcoholic products (e.g., arsenic, lead). www.doingbusinesswithlcb.com/tro/Packaging-Quality/Downloads/PPS_EN.pdf (02 September 2019).

We found the Authority received formal assurance reports for almost 90% of the more than 2,000 products it regularly distributed when its new Policy came into effect in September 2018.

We determined the Authority actively sought outstanding assurance reports. It periodically contacts (by phone and email) suppliers who have not supplied the required assurance reports. The Authority indicated it meets with suppliers each fall (e.g., September to November) and discussions include the new quality assurance policy.

We observed it emailed suppliers in mid-August and listed each product requiring assurance reports from suppliers. It expects to receive the remaining assurance reports during fall 2019.

For products distributed when the policy came into effect, we found the Authority received and reviewed appropriate formal assurance reports for 29 of 30 alcohol products we sampled. The Authority deemed the alcohol products safe and contained appropriate alcohol content. As of August 2019, the Authority had not yet received a formal assurance report for one product sampled.

For all of the approximately 170 new, regularly distributed alcohol products since its Policy came into effect, the Authority indicated it received formal assurance reports.

For almost all of the 16 new products we sampled, the Authority reviewed appropriate reports, and deemed the alcohol products safe and contained appropriate alcohol content before ordering the new products.

The Authority subjects all products from local alcohol manufacturers to the new policy if manufacturers choose to use the Authority for distribution. The Authority regulates all locally produced alcohol when the manufacturer distributes directly to customers using its local manufacturer regulatory process (e.g., licensing and periodically inspecting the manufacturer).⁸

All 30 special orders we sampled contained evidence customers acknowledged in writing that they accept responsibility for product quality. The Authority processed about 1,700 special orders from October 1, 2018 to August 5, 2019.

In addition, we found the Authority updated its agreement in December 2017 to make national beer distributors (e.g., Molson) dispensing beer products directly to customers responsible for providing safe to consume products.

Some consumers use the alcohol content listed on labels to help them drink responsibly. At times, the content listed on the label may be incorrect, or the product may contain other dangerous chemicals.⁹ Taking formal steps to confirm marked alcohol content reduces the risk of the Authority distributing unsafe liquor or liquor with incorrectly marked alcohol content. This decreases the risk to the health and safety of liquor consumers, and litigation.

⁸ www.slga.com/permits-and-licences/liquor-permits/commercial-liquor-permits/manufacturing-liquor (27 September 2019).

⁹ In June 2019, 19 people died in Costa Rica after consuming methanol-laced alcohol. www.globalnews.ca/news/5671222/costa-rica-alcohol-deaths/ (02 September 2019).

Chapter 43

Saskatchewan Workers' Compensation Board—Co-ordinating Injured Workers' Return to Work

1.0 MAIN POINTS

The Workers' Compensation Board (WCB) is in the early stages of addressing the six recommendations we made in our 2016 audit related to co-ordinating workers' return to work. Return-to-work programs are essential to get the injured worker back to suitable and productive employment.

At August 2019, the WCB not only revised its training manual, but it was also working with stakeholders (e.g., health care providers, employers) to increase the timely submission of reports on the recovery of injured workers. The WCB continued to assess ways to standardize the process to promote consistent documentation of injured workers' recovery and return-to-work plans, as well as measure progress in executing those plans. The WCB had not yet identified metrics to monitor the program's success.

2.0 INTRODUCTION

This chapter describes our follow-up of management's actions on the recommendations we made in 2016.

In 2016, we assessed the Workers' Compensation Board's processes to co-ordinate injured workers' return to work. Our *2016 Report – Volume 2*, Chapter 31, concluded that for the 12-month period ended August 31, 2016, other than in the areas of the six recommendations we made, the WCB had effective processes to effectively co-ordinate workers' return to work.

WCB refers to claims resulting from reported workplace injuries where the injured workers cannot work as time-loss claims. In 2018, WCB reported it accepted 8,151 time-loss claims (2017: 7,888).¹

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the WCB's progress toward meeting our recommendations, we used the relevant criteria from the original audit. The WCB's management agreed with the criteria in the original audit.

We tested 30 injured employees' files requiring recovery and return-to-work plans to assess whether required communication occurred, and within expected timeframes. We assessed the timeliness of the WCB's return-to-work plans and completeness of information in the plans. We also assessed education provided to staff and stakeholders regarding the WCB's return-to-work program.

¹ Saskatchewan Workers' Compensation Board Stakeholders Report.



3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at August 31, 2019, and the WCB's actions up to that date.

3.1 Active Pursuit of Missing Initial Injury Reports Needed

We recommended, for claims requiring recovery and return-to-work plans, Saskatchewan Workers' Compensation Board consistently record its communications with injured workers, employers, and health care professionals. (2016 Report – Volume 2, p. 225, Recommendation 1; Public Accounts Committee agreement October 10, 2018)

Status—Partially Implemented

We recommended, for claims requiring recovery and return-to-work plans, Saskatchewan Workers' Compensation Board actively obtain requested reports (e.g., injury and recovery progress reports) from injured workers, employers, and health care professionals. (2016 Report – Volume 2, p. 226, Recommendation 2; Public Accounts Committee agreement October 10, 2018)

Status—Partially Implemented

Contact with injured workers improved more than contact with employers and health care providers, however, more work remains for all.

The WCB changed its expectations for initial contact with injured workers from 10 business days to five business days of assigning cases to its Case Management Unit. The WCB piloted this change in April 2018 for its North Unit and implemented it for all units in June 2019. Regardless of the standard used, five or 10 business days, initial communication with injured workers occurred for 83% of cases tested within the standard timeframe.

For one instance where communication was not within the expected timeframe, there was no evidence of WCB staff attempting to make the required initial contact with the injured worker.

The WCB expects its staff to request an update from injured workers every 28 days if workers themselves have not communicated with the WCB during that period. The WCB consistently requested updates from workers through an automated request process. This resulted in consistent requests for contact from injured workers in all files tested.

The WCB also changed its expectation for initial contact with employers from 10 business days to five business days of assigning cases to its Case Management Unit. The WCB made this change in the same manner and timing as it did for injured workers' communications.

Similar to initial contact for injured workers, contact with employers occurred within the standard timeframe in 97% of the files tested; initial communication with and from employers met both the 10 and five day timeframes.

The WCB also expects its staff to request an update every 28 days if employers have not communicated with the WCB during that period. Communications for an employers' update request is not automated, so WCB staff must directly request communication from employers. Thirty percent of files tested contained consistent requests for communication while some files included sporadic requests while still others had no requests for communication to the employer. The WCB either did not receive ongoing employer reports on time or at all in 70% of the files tested.

The WCB set expectations regarding the receipt of medical reports for some health care providers, including chiropractors and physiotherapists who are expected to submit the following reports to the WCB:

- Assessment report within three business days following the injured worker's initial appointment.
- Progress reports within three days after a block of treatments, six days for chiropractors and five days for physiotherapists, unless the worker is discharged from their care prior to the completion of a block.

Physicians are expected to submit the following reports to WCB:

- Expedited appointments require assessment report submissions within five business days of the appointment date; however, the WCB has not communicated their expectations with physicians regarding the submission of a medical report following a regular medical appointment.

Testing of initial reporting from health care providers found 97% of the files tested included contact with a health care provider within five business days of the cases' assignment to Case Management.

However, testing of subsequent reporting from health care providers (e.g., progress reports) in the files tested dropped to 60% within five business days and 77% within 10 business days.

In May 2019, WCB revised and distributed its training manual to its staff to help address some of the concerns from the reduction in time expected to submit assessment reports. The WCB continues to meet with health care providers to further educate them about the program, and its submission requirements.

The WCB has not yet developed any reporting tools for its management to assess overall timeliness of the information received. Moreover, management has neither evaluated the impact of these changes nor completed a root cause assessment as to why it cannot consistently receive timely reporting.



3.2 Return-to-Work Plans Not Always Complete or Done

We recommended, for claims requiring recovery and return-to-work plans, Saskatchewan Workers' Compensation Board verify the completeness and currency of those plans and the agreement of injured worker and related employer with the plan. (2016 Report – Volume 2, p. 228, Recommendation 3; Public Accounts Committee agreement October 10, 2018)

Status—Not Implemented

At August 2019, management continued to assess how to standardize its recovery and return-to-work plans to promote consistency in creating and completing the plans. Thirty percent of the tested files lacked a documented plan. Of the 21 files that included plans, five lacked a return-to-work date or further updates after a particular health care event, even though a health care provider indicated a course of action in their progress report.

Maintaining a summary document for each claim throughout the return-to-work process would help ensure completed documentation and quick assessment of plan execution.

Incomplete or missing plans increase the risk of the WCB not knowing whether injured workers receive appropriate support (e.g., WCB staff may not know they need to arrange for alternate health care appointments thereby delaying rehabilitation and the employee's return to work).

3.3 Referrals to Secondary Assessment Not Clear

We recommended, for claims with recovery and return-to-work plans, Saskatchewan Workers' Compensation Board identify and address impediments to timely recovery of injured workers within a reasonable timeframe. (2016 Report – Volume 2, p. 230, Recommendation 4; Public Accounts Committee agreement October 10, 2018)

Status—Not Implemented

The WCB outlines when it needs to conduct a secondary assessment based on set criteria. However, with inconsistent documentation in the recovery and return-to-work plans (see **Section 3.2**), it was not always clear when secondary assessment is required.

The WCB continues to identify improvements in its recovery and return-to-work plans to ensure completion and consistency. Better recovery and return-to-work plans should make it clearer when secondary assessments are required. A secondary assessment is intended to address impediments to timely recovery of injured workers within a reasonable timeframe.

3.4 Stakeholders Need Further Education on Their Responsibilities

We recommended Saskatchewan Workers' Compensation Board educate injured workers, employers, and health care professionals to increase their submission of properly completed injury and progress reports for the return-to-work program. (2016 Report – Volume 2, p. 231, Recommendation 5; Public Accounts Committee agreement October 10, 2018)

Status—Partially Implemented

The WCB continues to provide information (e.g., presentations, brochures) regarding their return-to-work program to various stakeholders. Additionally, the WCB provides information on its website for stakeholders identifying the importance of each party's role in the program and the expected report submission times and frequency.

Some of the documents provided to stakeholders outline report submission timing while others discuss the need for timely report submissions, but do not define what the WCB considers timely.

3.5 WCB Needs to Better Monitor the Success of the Return-to-Work Program

We recommended Saskatchewan Workers' Compensation Board track and analyze key information about the quality and timeliness of its return-to-work program. (2016 Report – Volume 2, p. 232, Recommendation 6; Public Accounts Committee agreement October 10, 2018)

Status—Not Implemented

At August 31, 2019, WCB indicated it is still in the early stages of identifying the analytic tools it needs to evaluate the return-to-work program.

Chapter 44

SaskBuilds Corporation—Learning from Use of P3s

1.0 MAIN POINTS

At September 2019, SaskBuilds actively shared and incorporated feasible benefits and efficiencies from the use of public-private partnership (P3) approaches into the use of conventional procurement approaches for capital projects.

SaskBuilds developed a single division that leads centralized procurement processes for ministry and ministry-funded capital projects. A former P3 project director assumed the director role for the construction and infrastructure procurement unit within this division.

In addition, SaskBuilds used other ways to share lessons learned and best practices. For example, it held a symposium, and developed new guidance for capital project delivery.

Sharing best practices and lessons learned assists the Government in overcoming problems occasionally cited with using conventional procurement approaches.

2.0 INTRODUCTION

SaskBuilds is responsible for co-ordinating, managing and overseeing infrastructure projects, including evaluating the suitability of the Government using a public-private partnership (P3) approach for specific infrastructure projects. To do these evaluations, SaskBuilds works with the ministry responsible for the services the proposed infrastructure will deliver.

This chapter describes our second follow-up of management's actions on one recommendation we first made in 2015.

In 2015, we reported SaskBuilds had effective processes for evaluating infrastructure projects at the business-case development stage to determine whether projects should use a P3 approach except for the matters reflected in five recommendations.¹ By 2017, SaskBuilds implemented four recommendations and made progress toward implementing one recommendation.²

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate SaskBuilds' progress toward meeting our recommendations, we used the relevant criteria from the original audit. SaskBuilds' management agreed with the criteria in the original audit.

¹ Find the original report regarding these recommendations at www.auditor.sk.ca/publications/public-reports. We reported the original work in *2015 Report – Volume 1*, Chapter 16, pp. 183–204.

² *2017 Report – Volume 2*, Chapter 46, pp. 305–308.



We obtained and reviewed SaskBuilds' Capital Project Delivery Guide and other relevant documents. We also conducted interviews with SaskBuilds management on the actions taken to implement the recommendation.

3.0 STATUS OF RECOMMENDATION

This section sets out the remaining recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at September 13, 2019, and SaskBuilds' actions up to that date.

3.1 Consideration and Sharing of Lessons Learned

We recommended SaskBuilds leverage its analysis of value-for-money for infrastructure projects to evaluate and include feasible benefits and efficiencies in future public sector conventional procurement approaches. (2015 Report – Volume 1, p. 200, Recommendation 5; Public Accounts Committee agreement November 18, 2015)

Status—Implemented

SaskBuilds revised its procurement processes and shared its knowledge gained from P3 procurement with others in Government to improve efficiencies for future procurement projects.

Effective April 1, 2019, the Government implemented a new process for SaskBuilds to co-ordinate, manage and oversee public procurement for ministries, which includes ministry-funded capital projects. SaskBuilds refers to this as the Single Procurement Service.

SaskBuilds made a single division responsible for overseeing all ministry procurement including ministry-funded capital projects. A former P3 project director assumed the director role for the construction and infrastructure procurement unit within this division. SaskBuilds expects this new procurement service to improve the communication of lessons learned.

In addition, SaskBuilds includes its staff as representatives on steering and working committees for ministry and ministry-funded capital projects. Ensuring representation on each committee initiates early involvement helping to improve appropriate procurement decisions.

Furthermore, in November 2018, SaskBuilds held a symposium for public sector agencies about project management. The symposium included specific sessions on lessons learned on past P3 projects and how agencies can leverage these lessons in future capital projects.

Management developed a Capital Project Delivery Guide. We found this Guide incorporates some key lessons learned from using a P3 procurement approach.³ For example, the Guide suggests using a standard contract management guide as a reference.

Analyzing P3 projects' benefits and barriers, and sharing best practices and lessons learned assists the Government in overcoming problems occasionally cited with using conventional procurement approaches (e.g., using life-cycling costing, having realistic budgets and times for each phase, clearly and formally defining each party's responsibilities and key individuals at each phase).

³ As reported in our last follow-up audit, by September 2017, SaskBuilds identified and documented the benefits and barriers resulting from using a P3 procurement approach. At that time, it had not yet established processes for working with others in Government to include benefits and efficiencies in future public sector procurement approaches.

Chapter 45

SaskPower—Managing the Risk of Cyber Incidents

1.0 MAIN POINTS

SaskPower fully implemented a recommendation from our 2015 audit about managing the risk of cyber incidents. It annually updates its cyber risks assessment and confirms its strategies address those risks.

By confirming its strategies address significant threats of cyber incidents, SaskPower reduces the risk of a cyber attack jeopardizing its ability to deliver power. Depending on the timing and extent of a security incident, disruptions in power may damage power-generating plants and/or transmission equipment, adversely impact businesses in need of power, or put public safety at risk.

2.0 INTRODUCTION

SaskPower is the principal supplier of electricity in Saskatchewan operating under the mandate and authority of *The Power Corporation Act*. Its mission is to ensure reliable, sustainable, and cost-effective power for its customers and the communities it serves.¹ It is responsible for serving more than 538,000 customers in Saskatchewan.²

This is our second follow-up audit of one recommendation first made in 2015.

Our *2015 Report – Volume 1*, Chapter 18, reports, for the 12-month period ended February 28, 2015, SaskPower had effective processes to manage the risk of cyber incidents for the protection of the provision of power other than the areas reflected in our three recommendations.³ By August 2017, SaskPower implemented two of our three recommendations.

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate SaskPower's progress toward meeting our recommendation, we used the relevant criteria from the original audit. SaskPower's management agreed with the criteria in the original audit.

We examined SaskPower's IT risk registers, reports on IT projects, and other relevant documentation. We also interviewed staff responsible for monitoring and responding to cyber incidents.

¹ SaskPower, *SaskPower 2018–19 Annual Report*, p. 12.

² SaskPower, *SaskPower 2018–19 Annual Report*.

³ The original report regarding these recommendations is at www.auditor.sk.ca under the 'Publications' tab, 'Public Reports.' We reported the original audit work in *2015 Report – Volume 1*, Chapter 18, pp. 227–233. auditor.sk.ca/pub/publications/public_reports/2015/Volume_1/18_SaskPower-Cyber%20Incidents.pdf.



3.0 STATUS OF RECOMMENDATION

This section sets out the recommendation including the date on which the Standing Committee on Crown and Central Agencies agreed to the recommendation, the status of the recommendation on August 21, 2019, and SaskPower's actions up to that date. We found it implemented the recommendation.

3.1 Cyber Risk Mitigation Strategy Confirmed

We recommended SaskPower confirm that its cyber risk mitigation strategy addresses the significant threats of cyber incidents that would adversely impact its ability to provide power. (2015 Report – Volume 1, p. 231, Recommendation 2; Crown and Central Agencies Committee agreement December 13, 2016)

Status—Implemented

SaskPower annually updates its cyber risks assessment, and confirms its strategies address those risks.

Since August 2017 (our last follow-up audit), SaskPower implemented a number of new strategies to reduce risks it identified in its 2017 risk register. For example, it implemented tools allowing it to better analyze data and identify potential cyberattacks. In addition, it implemented processes to identify and prevent inappropriate sharing of sensitive information. At August 2019, SaskPower was implementing a number of additional strategies to further reduce its risks.

In addition, SaskPower actively monitored attempted security attacks to help assess the effectiveness of its risk mitigation strategies. It reported these results to its Board and executive management.

Chapter 46

Social Services—Supervising Community-Based Organizations Delivering Programs to Intellectually Disabled People

1.0 MAIN POINTS

The Ministry of Social Services provides programs and services for people with intellectual disabilities by working with and helping them access a variety of community-based services. The Ministry uses community-based organizations (CBOs) to deliver residential programs to people with intellectual disabilities. *The Residential Services Act* and *The Rehabilitation Act* give the Ministry the authority to enter into agreements with those CBOs.

This chapter describes our third follow-up of the Ministry's actions on the three remaining recommendations we initially made in our 2012 audit of the Ministry's processes to plan for, contract with, and monitor CBOs providing services to intellectually disabled people and their families.

By August 2019, the Ministry improved its processes to monitor CBOs serving intellectually disabled people and their families, but needs to make further improvements.

The Ministry continued to work on establishing measures and targets to better monitor and evaluate the results of services CBOs deliver. In addition, it continued to review its risk assessment processes to update relevant policies and procedures.

However, the Ministry inconsistently met the expected timeframes for monitoring CBOs' performance as outlined in CBO agreements. Active monitoring of CBO performance would help the Ministry assess whether the services delivered achieve the results the Ministry intended.

2.0 INTRODUCTION

Our *2012 Report – Volume 1*, Chapter 22, concluded that the Ministry had effective processes to plan for, contract with, and monitor CBOs providing services to intellectually disabled people and their families other than the areas identified in our eight recommendations. By March 2017, the Ministry implemented five of the eight recommendations.¹

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. The Ministry's management agreed with the criteria in the original audit.

¹ See our *2014 Report – Volume 2*, Chapter 55, and our *2017 Report – Volume 1*, Chapter 33.



To perform our follow-up audit, we discussed actions taken with management, reviewed relevant documentation (e.g., policy and procedures manuals, information showing CBO reviews occurred), and tested a sample of CBO agreements.

At August 31, 2019, the Ministry held agreements with 87 CBOs for providing services to intellectually disabled people. In 2018–19, the Ministry paid these CBOs about \$197 million.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at August 31, 2019, and the Ministry's actions up to that date.

3.1 Work to Include Outcome Performance Measures Continues

We recommended the Ministry of Social Services work with CBOs to establish program objectives, and outcome performance measures and targets to be used to monitor and evaluate the services CBOs deliver to intellectually disabled people and their families. (2012 Report – Volume 1, p. 192, Recommendation 1; Public Accounts Committee agreement June 17, 2014)

Status—Partially Implemented

At August 31, 2019, the Ministry had not yet established overall outcome-based measures and targets for service delivery at each CBO.

In April 2015, a task team consisting of representatives from the Ministry, the CBO sector and the Saskatchewan Association for Rehabilitation Centres began working on a CBO sustainability project. As part of this project, the task team looked at outcome-based service delivery centred on the assessed needs of clients.

The CBO sustainability project is currently developing test outcome measures to include more accountability requirements in the agreements between the Ministry and CBOs. This pilot project uses a phased approach with the goal of implementing outcome-based agreements in 2020–21.

Including outcome performance measures and targets in the agreements with CBOs would allow the Ministry to better evaluate CBO performance, and assess whether the delivered services achieve the results the Ministry intended as outlined by its objectives.

3.2 Monitoring Procedures Inconsistently Followed

We recommended the Ministry of Social Services follow their established monitoring procedures as outlined in their agreements with CBOs that provide services to individuals with intellectual disabilities. (2012 Report – Volume 1, p. 196, Recommendation 6; Public Accounts Committee agreement June 17, 2014)

Status—Partially Implemented

Staff inconsistently complete reviews of CBOs within expected timeframes.

The agreements with CBOs require Ministry staff to complete the following review steps at least once every two years: review CBOs' policies and procedures; verify compliance with those policies and procedures; and develop action plans to address non-compliance.

The Ministry tracks when it last reviewed each CBO. Based on its tracking, we determined, as of July 31, 2019, staff had not completed the review steps for 32% of the 87 CBOs within the last two years (at time of previous follow-up: 29%). Management indicated it plans to complete all outstanding reviews by the end of the 2019–20 fiscal year.

Lack of timely monitoring increases the risk that CBOs may not use public resources effectively to achieve the Ministry's mandate to support individuals with intellectual disabilities as they work to build better lives for themselves.

3.3 Policy and Procedures Update Ongoing

We recommended the Ministry of Social Services develop and implement complete policies and procedures for addressing risks identified in CBOs that provide services to individuals with intellectual disabilities. (2012 Report – Volume 1, p. 194, Recommendation 3; Public Accounts Committee agreement June 17, 2014)

Status—Partially Implemented

The Ministry has not yet developed several key policies (e.g. assessing preliminary risk, risk management) relating to CBO risk assessments.

During 2016–17, the Ministry began reviewing its approach to assessing risk management process with CBOs. The expected outcome of the review is a risk management framework for assessing, monitoring, preventing, and mitigating operational risks at CBOs including policies and procedures required to support these processes. The Ministry anticipates the revised risk management framework will be implemented in fall 2020.

Without complete and current policies, it is difficult to communicate expectations to staff and hold CBOs accountable. The lack of formal policies could also lead to staff completing inconsistent CBO risk assessments.

Chapter 47

University of Regina—Procuring Goods and Services

1.0 MAIN POINTS

The University of Regina improved its processes to better co-ordinate procurement of goods and services across the University. In addition, the University established sufficient contract documentation requirements for purchasing consulting services.

Strong procurement processes help the University protect its reputation and interests, and receive best value for money in its purchasing decisions.

2.0 INTRODUCTION

2.1 Background

Established pursuant to *The University of Regina Act*, the University is a non-profit educational organization providing post-secondary education and research.

For the year ending April 30, 2019, the University spent approximately \$21.6 million on operational supplies and expenses (2018: \$18.6 million), as well as about \$19 million on equipment, rentals, maintenance, and renovations (2018: \$17.8 million), and nearly \$26.7 million on capital asset purchases (2018: \$81.9 million).¹

The University's purchasing policy directs responsibility to its Supply Management Services department to provide professional guidance and oversight of all goods and services purchased by the University. The policy also authorizes the Library, Bookstore, and Facilities Management departments to purchase goods and services on behalf of the Supply Management Services department.

Effective purchasing processes help the University make good use of its resources while ensuring transparency, fairness, and achievement of best value.

2.2 Focus of Follow-Up Audit

Our *2013 Report – Volume 2*, Chapter 32, assessed the University's processes for the 12-month period ended June 30, 2013 for the procurement of goods and services. It included 13 recommendations. The University implemented 11 recommendations by June 9, 2017.²

This chapter describes our third follow-up of the University's actions on two outstanding recommendations we first made in 2013.

¹ Costs associated with large capital projects (e.g., College Avenue Campus, College West) resulted in the University incurring more capital asset purchases in 2018 than in 2019.

² We reported previous follow-ups of the University's actions on recommendations in Provincial Auditor Saskatchewan, *2016 Report – Volume 1*, Chapter 36, and *2017 Report – Volume 2*, Chapter 49.



To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the University's progress toward meeting our recommendations, we used the relevant criteria from the original audit. University management agreed with the criteria in the original audit.

To perform this follow-up audit, we reviewed a sample of procurement contracts to test whether they contained expected terms and complied with University tendering policies. We also interviewed relevant University officials.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at September 23, 2019, and the University's actions up to that date.

3.1 Procurement Processes Co-ordinated and Written Contractual Agreements Improved

We recommended the University of Regina implement a process to co-ordinate the departments that procure goods and services, including construction, to efficiently manage procurement in accordance with the University's policies. (2013 Report – Volume 2, p. 263, Recommendation 10; Public Accounts Committee agreement January 14, 2015)

Status—Implemented

We recommended the University of Regina establish sufficient contract documentation requirements for the procurement of goods and services. (2013 Report – Volume 2, p. 264, Recommendation 11; Public Accounts Committee agreement January 14, 2015)

Status—Implemented

The University co-ordinated procurement of goods and services across its departments. It also established sufficient contract documentation requirements.

In December 2015, the University adjusted its purchasing policy so that the Supply Management Services department maintains responsibility for co-ordinating the University's purchases of goods and services. The policy also authorizes the Library, Bookstore, and Facilities Management departments to purchase goods and services in accordance with the policy requirements.

In our 2017 follow-up, we found the Facilities Management department did not follow the formal tendering processes required by the University's purchasing policy, and it used an insufficient contract template for purchasing consulting services.

Since 2017, we found the Facilities Management department:

- Where deemed necessary, requests the assistance of the Supply Management Services department when tendering purchases. We tested a sample of seven procurement contracts from the Facilities Management department, and found all contracts adhered to the University's tendering requirements. In addition, management approved these contracts in accordance with the University's delegated signing authority.
- Adopted the terms and conditions used by the Supply Management Services department in its contracts for purchasing consulting services. We tested a sample of five consulting services contracts from the Facilities Management department and found the contracts included appropriate terms and conditions (e.g., termination, privacy, confidentiality, severability).

In September 2019, the Facilities Management and Supply Management Services departments continue to work collaboratively with the University's legal counsel to develop consistent tender and contract documents to better support construction projects. The University expects to implement these documents by January 2020.

The co-ordination of goods and services procurement across departments helps the University to ensure consistent use of its purchasing policy. The use of sufficient contract documentation requirements helps the University limit its exposure to legal and/or financial risks.



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Chapter 48

Standing Committee on Crown and Central Agencies

1.0 MAIN POINTS

Through its work and recommendations, the Standing Committee on Crown and Central Agencies helps the Legislative Assembly hold the Government accountable for its management of the Crown Investments Corporation of Saskatchewan (CIC) and its subsidiary corporations. The Committee does this, in part, by reviewing chapters in our Reports, and the annual reports, including related financial statements, of agencies within its subject area.

At September 2019, the Committee was current in its review of chapters in our Reports related to CIC and its subsidiary corporations. In addition, the Committee already reviewed half of the 2018–19 annual reports of CIC and its subsidiaries.

CIC and its subsidiary corporations' implementation of the Committee's recommendations related to our audit work remains strong. As of September 2019, the Government fully implemented 99% of the Committee's recommendations, and partially implemented the remaining recommendation.

2.0 INTRODUCTION

This chapter provides an overview of the role and responsibilities of the Committee, focusing on those responsibilities related to our Office's work. It also describes the overall status of the Committee's recommendations resulting from our Office's work, the status of its consideration of our work, and the status of the Committee's review of annual reports of CIC and its subsidiary corporations. In addition, it highlights the Committee's activities related to our Office's work since our last chapter to the Assembly about the Committee in September 2018.

2.1 Role and Responsibilities of the Standing Committee on Crown and Central Agencies

The Committee is one of the Assembly's four policy field committees. The Committee's assigned subject area encompasses CIC and its subsidiary corporations, supply and services (e.g., Ministry of Central Services), central government agencies (e.g., Ministry of Finance), liquor, gaming, and all other revenue-related agencies and entities. See **Figure 1** for a brief description of the responsibilities of a policy field committee.

**Figure 1—Responsibilities of Policy Field Committees**

The Legislative Assembly makes policy field committees responsible for examining certain documents within their assigned subject area. These documents include bills and regulations (proposed laws), estimates, and annual reports. During their reviews, these committees can consider issues of current concern, future objectives, and past performance.

Policy field committees can also conduct inquiries into matters within their mandated subject area. They provide the Assembly with reports on their activities and can make recommendations to the Assembly for its consideration.

The Standing Committee on House Services determines the membership of each policy field committee. Policy field committee meetings are open to the public. The Assembly's website contains information about the composition of each committee and records of their meetings (i.e., meeting notices, Hansard verbatim, minutes, videos, and reports).

Each committee establishes a steering committee composed of the Chair and Deputy Chair. The steering committee determines how it will plan and organize its business and makes recommendations related to the committee's meeting agenda, the calling of witnesses, times of sittings, etc. Their meetings are conducted in-camera and, unless otherwise authorized, decisions made by the steering committee must be ratified by the full committee.

Source: www.legassembly.sk.ca/media/1303/committeesoverview.pdf (12 September 2019).

The Assembly gave the Committee the following responsibilities in addition to those typically given to a policy field committee:

- The Assembly, through *The Provincial Auditor Act* and under its Rules and Procedures, refers portions of our Reports (chapters) related to CIC and its subsidiaries to the Committee.¹ When the Committee considers chapters from our Reports, our Office and the Corporation's appointed auditor, if any, attend to assist in its review.
- The Assembly requires the Minister responsible for CIC to notify the Committee, in writing, about significant transactions of CIC and any of its subsidiaries within 90 days of the transaction.² The notification must outline the objectives of the transaction, the financial implications, a statement of any changed liabilities, and the authority under which the transaction was made.³
- The Assembly periodically refers regulations and bylaws of professional associations (e.g., CPA Saskatchewan) to the Committee for its review.

Figure 2 sets out the membership of the Standing Committee on Crown and Central Agencies at September 30, 2019.

Figure 2—Members of the Standing Committee on Crown and Central Agencies at September 30, 2019

Member Name	
Fred Bradshaw, Chair	Nancy Heppner
Warren McCall, Deputy Chair	Lisa Lambert
Steven Bonk	Hugh Nerlien
Glen Hart	

Source: www.legassembly.sk.ca/legislative-business/legislative-committees/crown-and-central-agencies/ (1 October 2019).

¹ Section 14.1(8) of *The Provincial Auditor Act* and rule 143(3) of *The Rules and Procedures of the Legislative Assembly of Saskatchewan*.

² Significant transactions are defined by the Committee as those that are material in amount and outside the ordinary course of business, or are judged to be sensitive and likely of interest to legislators and the public.

³ Rule 143(4) of *The Rules and Procedures of the Legislative Assembly of Saskatchewan*.

2.2 Frequency and Purpose of Committee Meetings

For the period from October 1, 2018 to September 30, 2019, the Committee met 10 times. The purpose of most of these meetings was to review bills (proposed laws), annual reports, and the 2019–20 estimates related to agencies within its subject area.

During this period, the Committee made two reports to the Assembly:

- On November 21, 2018, the Committee presented the *Sixth Report of the Twenty-Eighth Legislature*. The report detailed the work of the Committee for the period from January 6, 2016 to September 10, 2018.
- On May 8, 2019, the Committee presented the *Seventh Report of the Twenty-Eighth Legislature*. The report outlined the 2019–20 estimates that were considered and the resolutions adopted by the Committee.

In March 2019, the Committee received one significant transaction report regarding the sales of the Coleville Gas Processing Plant and the 50% interest in the Kisbey Gas Processing Plant.

3.0 STATUS OF COMMITTEE WORK

3.1 Committee Work Related to our Audit Work Current

As of September 2019, the Committee is relatively up-to-date on its review of our Report chapters related to audits of CIC and/or its subsidiaries. It completed its review of almost all related Report chapters up to our *2019 Report – Volume 1*. At September 30, 2019, the Committee had not yet considered only two chapters from our Reports:

- One chapter relating to Gradworks Inc. in our *2018 Report – Volume 2*
- One chapter relating to Saskatchewan Government Insurance in our *2019 Report – Volume 1*

The Committee last reported to the Assembly about its review of our chapters on November 21, 2018 (i.e., *Sixth Report to the Twenty-Eighth Legislature*). The report contained 30 recommendations resulting from its review of relevant chapters for the period from January 6, 2016 to September 10, 2018.⁴

On September 17, 2019, the Committee considered six chapters from our Reports.

The table below lists the 14 recommendations the Committee agreed with, and at September 30, 2019, had not yet reported to the Assembly.

⁴ The Committee's previous report to the Assembly resulting from its review of our Reports was the *Eighth Report to the 27th Legislature* (4th Session of the 27th Legislature) tabled on January 6, 2016.



Committee Agreement Date	Recommendations Considered by the Committee ^A	Status
Saskatchewan Water Corporation (2018 Report – Volume 1)		
September 17, 2019	10-1 that the Saskatchewan Water Corporation clarify its procurement policy to set out when it is appropriate to use the sole sourcing method of procurement.	Not Implemented (as of December 31, 2017)
	10-2 that the Saskatchewan Water Corporation require staff to include documented rationale for selecting non-competitive procurement methods for purchases over \$25,000 on purchase orders submitted for approval.	
	10-3 that the Saskatchewan Water Corporation require its staff to report regularly on purchases using sole sourcing to senior management and the Board.	
	10-4 that the Saskatchewan Water Corporation require staff involved in purchasing goods and services to confirm, each year in writing, compliance with its conflict-of-interest policy.	
	10-5 that the Saskatchewan Water Corporation have periodic legal reviews of its contract templates for purchases.	
	10-6 that the Saskatchewan Water Corporation follow established procurement policies when approving the purchase of goods and services.	
	10-7 that the Saskatchewan Water Corporation track performance problems with suppliers in a way that this information is available to staff making purchasing decisions.	
Saskatchewan Power Corporation (2018 Report – Volume 2)		
September 17, 2019	25-1 that the Saskatchewan Power Corporation formally assess the risks associated with its inspection and preventative maintenance strategies for above-ground assets used to distribute electricity.	Not Implemented (as of April 30, 2018)
	25-2 for above-ground assets used to distribute electricity that Saskatchewan Power Corporation plans to maintain, it determine the condition to which it expects to maintain each type of those assets.	
	25-3 that the Saskatchewan Power Corporation consistently maintain in its IT systems key information about its above-ground assets used to distribute electricity to support evidence-based decision-making.	
	25-4 that the Saskatchewan Power Corporation maintain up-to-date information about the condition of its above-ground assets used to distribute electricity to support risk-informed asset planning.	
	25-5 that the Saskatchewan Power Corporation formally prioritize its maintenance of above-ground assets used to distribute electricity to support risk-informed allocation of resources over the longer term.	
	25-6 that where the Saskatchewan Power Corporation does not follow its plan for maintaining above-ground assets used to distribute electricity, it formally assess the consequences of not completing such maintenance.	
	25-7 that the Saskatchewan Power Corporation regularly report to its senior management on the status of its maintenance activities, and, if applicable, the consequences of not completing planned maintenance for above-ground assets used to distribute electricity.	

^A The number preceding the outstanding recommendation reflects the chapter and recommendation number of our related Report.

3.2 Implementation of the Committee's Audit-Related Recommendations Remains Strong

CIC and its subsidiaries' implementation of the Committee's recommendations related to our audit work remain strong. By September 30, 2019, they fully implemented 99% of the Committee's recommendations, and partially implemented the remaining

recommendation.⁵ This recommendation relates to our 2016 audit of Saskatchewan Government Insurance's processes to confirm only qualified drivers remain licensed to operate motor vehicles. See Chapter 27 in our *2018 Report – Volume 1* for the results of our last follow-up of this recommendation.

3.3 Committee Review of CIC Sector Annual Reports Current

Annual reports are key accountability documents. As previously mentioned, as a policy field committee, the Committee is responsible for examining annual reports including related financial statements of agencies within its subject area (e.g., CIC and its subsidiary corporations).⁶

As of September 30, 2019, the Committee already reviewed half of the 2018–19 annual reports.⁷ The Committee had not yet reviewed the 2018–19 annual reports of CIC and four subsidiary corporations.⁸

⁵ The Committee asked our Office to assess and report on the status of the recommendations the Committee makes and reports to the Assembly resulting from our audit work. We assess the status of financial-related recommendations each year as part of annual integrated audits. As part of audit follow-ups, we assess other recommendations either two or three years after the original audit and, subsequently every two or three years, until the recommendations are either implemented or no longer relevant.

⁶ Each year, CIC and its subsidiary corporations prepare annual reports and financial statements for tabling in the Assembly. CIC and almost all of its subsidiaries have a March 31 fiscal year-end. Each summer, they table their annual reports in the Assembly, which then become available for the Committee's review.

⁷ Committee's Branch, Legislative Assembly Service, Standing Committee on Crown and Central Agencies, *Business Referred to Committee*.

⁸ The four subsidiary corporations include Saskatchewan Gaming Corporation, Saskatchewan Government Insurance, Saskatchewan Opportunities Corporation, and Saskatchewan Transportation Company.

Chapter 49

Standing Committee on Public Accounts

1.0 MAIN POINTS

The work of the Standing Committee on Public Accounts is crucial for a well-managed parliamentary system of government. It provides a vital link in the accountability chain of public resources and contributes to supporting the public's confidence in the Government.

The Committee's discussions and recommendations to the Legislative Assembly promote a more open and accountable government, as well as better management of government operations. By reviewing chapters in our Reports, questioning government officials, requesting information, and making recommendations in its reports to the Assembly, the Committee acts as an agent of change for the management practices of government.

The implementation of the Committee's recommendations by the Government and its agencies remains strong. As of September 2019, the Government fully implemented 84% of Committee recommendations made during the previous five years, and it partially implemented 73% of the remaining recommendations.

In addition, during the period from October 1, 2018 to September 30, 2019, the Committee became more current in its review of our Reports' chapters. The Committee completed its review of our *2015 Report – Volume 2* and both 2016 Reports (Volumes 1 and 2). It also reviewed 20 chapters from various Reports relating to the health sector.

2.0 INTRODUCTION

This chapter provides an overview and brief description on the Committee's composition, role, and responsibilities, as well as how it reports to the Legislative Assembly. It highlights the Committee's activities since our last chapter to the Assembly about the Committee in September 2018.

It also sets out the extent to which the Government implemented the Committee's recommendations, and the status of the Committee's review of our Reports.

3.0 ROLE AND RESPONSIBILITIES' OVERVIEW

3.1 Committee Composition

At the beginning of each Legislature, the Legislative Assembly appoints members to the Committee comprised of a member of the Opposition as Committee Chair and a Government member as Deputy Chair.

On March 4, 2013, *The Rules and Procedures of the Legislative Assembly of Saskatchewan* changed to expand the Committee from seven members and a membership based on the ratio of party standings in the Assembly to eight members, including two



members of the Opposition for the duration of the 27th Legislature.¹ This practice continued into the current 28th Legislature. **Figure 1** sets out the Committee's members as of September 30, 2019.

Figure 1—Members of the Standing Committee on Public Accounts at September 30, 2019

Member Name	
Trent Wotherspoon, Chair	Herb Cox
Don McMorris, Deputy Chair	Lisa Lambert
Greg Brkich	Vicki Mowat
David Buckingham	Randy Weekes

Source: www.legassembly.sk.ca/legislative-business/legislative-committees/public-accounts/ (1 October 2019).

3.2 Responsibilities Include Review of Public Accounts and Our Reports

Because of the Committee's role to scrutinize the Government's management of public resources and review our Reports, we view it as the audit committee for the Assembly and thus, for the public.

The Committee acts as a non-partisan oversight body that helps the Assembly hold the Government accountable for its management of public resources. *The Rules and Procedures of the Legislative Assembly of Saskatchewan* require the Committee to review and report to the Assembly on the results of its review of Public Accounts and Provincial Auditor's Reports.

The Assembly refers the Public Accounts and the Reports of our Office to the Committee.² The following provides a brief description of each:

- The Public Accounts consist of two volumes. The first volume contains the Summary Financial Statements of the Government and a Financial Statement Discussion and Analysis section. The second volume contains details on revenues and expenditures of the General Revenue Fund. This volume includes comparisons of appropriations to expenditures by vote and by program, and details of expenses (e.g., payees who received \$50,000 or more for salaries and benefits, transfers, or goods and services). It also includes other information, including key financial information of some pension plans and trust funds administered by the Government, on remission of taxes and fees, and on road-use fuel tax accountability.³
- The Reports of the Provincial Auditor contain the results of our examinations of the Government and its various agencies. Chapters within our Reports identify whether the Committee agreed with our recommendations, or made its own recommendations.

The Committee asked us to monitor compliance with its recommendations and report on their status. Chapters within our Reports provide an update on the status of recommendation implementation.

¹ www.legassembly.sk.ca/media/1008/current_rules.pdf (5 September 2019).

² By law, chapters related to Crown Investments Corporation of Saskatchewan and its related agencies (e.g., Saskatchewan Power Corporation, Saskatchewan Telecommunications) within our Reports are referred to the Standing Committee on Crown and Central Agencies.

³ www.saskatchewan.ca/government/government-structure/ministries/finance#programs-and-services (5 September 2019).

The Committee's meetings are televised and open to the public. In its deliberations, the Committee is not fundamentally concerned with matters of policy; rather, it questions the economy and effectiveness of the administration of government programs. The Committee reviews the activities, performance, and reports of government ministries, agencies, and certain Crown corporations (agencies). During its review, the Committee may inquire about past performance, current concerns, and future objectives. The Committee's discussions include broader issues such as strategic plans, key risks to achieving goals and objectives, and performance measurements.

Government officials attend Committee meetings to answer questions about their agencies' administration. In advance of the meetings, agencies provide the Committee with status updates that set out actions taken or planned to address recommendations.⁴ Our Office attends the meetings to help the Committee in its reviews. The Committee discusses and recommends actions on issues raised by Committee members and our Office.

3.3 Reports of the Committee

Typically, the Committee reports to the Assembly at the end of each legislative session. Its reports include its findings and recommendations resulting from the Committee's review of our Reports. Its reports, once tabled in the Assembly, are publicly available on the Committee's website.⁵

The Committee requires the Government to respond in writing to its reports. Their response is also publicly available on the Committee's website.

The Committee's website also provides information on its composition, as well as Committee meeting records (i.e., Hansard verbatim, minutes, videos, reports).

As at September 30, 2019, the Committee last reported to the Assembly in June 2018, and was in the midst of preparing its next report. It expected to table its next report in the fall of 2019.

4.0 STATUS OF COMMITTEE'S REVIEW OF OUR REPORTS

Since September 2018, the Assembly referred eight of our Reports to the Committee for its review. These reports include the results of our examinations of the Government and its agencies.

For the period from October 1, 2018 to September 30, 2019, the Committee worked toward catching up on its review of chapters in our Reports. It reviewed our Reports at seven of its meetings.

The Committee completed its review of our *2015 Report – Volume 2* and 2016 Reports (Volumes 1 and 2). Its review also included chapters from our 2017 Reports (Volumes 1 and 2), 2018 Reports (Volumes 1 and 2), and *2019 Report – Volume 1*. It reviewed 20 chapters in various Reports relating to the health sector.

⁴ Status updates are tabled with the Committee and are available at www.legassembly.sk.ca/legislative-business/legislative-committees/public-accounts/ (1 October 2019).

⁵ www.legassembly.sk.ca/legislative-business/legislative-committees/public-accounts/ (5 September 2019).



As of September 30, 2019, the Committee had not yet completed its review of 69 chapters from our following Reports:

- One of 28 chapters from our *2017 Report – Volume 1*
- One of 46 chapters from our *2017 Report – Volume 2*
- Five of 30 chapters from our *2018 Report – Volume 1*
- Twenty-nine of 46 chapters from our *2018 Report – Volume 2*
- Thirty-three of 42 chapters from our *2019 Report – Volume 1*

In addition, the Committee considered our Annual Report on Operations for the Year Ended March 31, 2018 and our Business and Financial Plan for the Year Ended March 31, 2020.

Timely review of chapters in our Reports allows the Committee to undertake appropriate scrutiny and hold agencies accountable.

5.0 IMPLEMENTATION OF COMMITTEE'S RECOMMENDATIONS

5.1 Overall Implementation Rate of Committee Recommendations

Consistent with prior years, the implementation of the Committee's recommendations by the Government and its agencies remains strong. As of September 2019, the Government fully implemented 84% (September 2018: 76%) of the Committee's recommendations. The Government partially implemented 73% (September 2018: 59%) of the remaining recommendations.⁶

5.2 Status of Previous Committee Recommendations

The following table sets out the number of Committee recommendations not yet implemented and not reported elsewhere in this Report by an agency, and the last Report our Office gave an update on the recommendations.

Our Office follows up on the status of these recommendations until they are implemented or no longer relevant.

Agency	Chapter Title (Initial PAS ^A Report)	Last PAS Report and Chapter	Number of Committee Recommendations Not Yet Implemented
Government of Saskatchewan:			
	Modernizing Government Budgeting and Financial Reporting (<i>2013 Special Report</i>)	<i>2019 Report – Volume 1</i> , Chapter 45	3

⁶ Calculations based on the Committee's recommendations up to, and including, the *Second Report to the 28th Legislature* at June 20, 2018.

Agency	Chapter Title (Initial PAS ^A Report)	Last PAS Report and Chapter	Number of Committee Recommendations Not Yet Implemented
Ministries and Secretariats:			
Advanced Education	Working with the Advanced Education Sector (2015 Report – Volume 1, Chapter 7)	2018 Report – Volume 1, Chapter 13	1
Central Services	Web Application Security Requirements (2016 Report – Volume 1, Chapter 6)	2018 Report – Volume 2, Chapter 28	2
Corrections and Policing	Community Rehabilitation of Adult Offenders (2011 Report – Volume 1, Chapter 3)	2017 Report – Volume 2, Chapter 38	4
	Adult Inmate Rehabilitation (2008 Report – Volume 1, Chapter 2)	2018 Report – Volume 2, Chapter 30	3
	Planning for Inmate Capacity in Correctional Facilities (2016 Report – Volume 2, Chapter 28)	2018 Report – Volume 2, Chapter 29	3
Education	Monitoring School Instruction Time (2009 Report – Volume 3, Chapter 4)	2019 Report – Volume 1, Chapter 19	2
	Increasing Grade 12 Graduation Rates (2012 Report – Volume 1, Chapter 2)	2019 Report – Volume 1, Chapter 18	1
	Capital Asset Planning for Schools (2013 Report – Volume 1, Chapter 8)	2019 Report – Volume 1, Chapter 17	1
Energy and Resources	Managing Oil and Gas Wells (2012 Report – Volume 2, Chapter 31)	2018 Report – Volume 1, Chapter 17	2
Environment	Preventing the Entry and Spread of Aquatic Invasive Species in Saskatchewan (2016 Report – Volume 1, Chapter 7)	2018 Report – Volume 2, Chapter 31	4
	Regulating Landfills (2013 Report – Volume 2, Chapter 29)	2018 Report – Volume 1, Chapter 18	3
Finance	Internal Audit in Ministries (2012 Report – Volume 2, Chapter 30)	2018 Report – Volume 1, Chapter 19	1
	Monitoring the Fuel Tax Exemption Program (2016 Report – Volume 1, Chapter 8)	2019 Report – Volume 1, Chapter 24	4
Government Relations	Co-ordinating Emergency Preparedness (2015 Report – Volume 1, Chapter 12)	2018 Report – Volume 1, Chapter 21	3
	Safe Drinking Water in Northern Settlements (2012 Report – Volume 1, Chapter 12)	2019 Report – Volume 1, Chapter 25	4
Health	Preventing Diabetes-Related Health Complications (2012 Report – Volume 2, Chapter 33)	2017 Report – Volume 2, Chapter 33	5
	Special Needs Equipment for Persons with Disabilities (2016 Report – Volume 2, Chapter 27)	2019 Report – Volume 1, Chapter 27	6
	Co-ordinating the Use of Lean (2014 Report – Volume 2, Chapter 24)	2019 Report – Volume 1, Chapter 26	1
	Detecting Inappropriate Physician Payments (2017 Report – Volume 1, Chapter 6)	2017 Report – Volume 1, Chapter 6	4
Highways and Infrastructure	Addressing Road Safety Concerns on Existing Highways (2015 Report – Volume 2, Chapter 35)	2018 Report – Volume 1, Chapter 22	1
	Enforcing Vehicle Weight and Dimension Requirements (2017 Report – Volume 1, Chapter 7)	2019 Report – Volume 1, Chapter 28	1
Immigration and Career Training	Co-ordinating English-Language Programs (2015 Report – Volume 1, Chapter 8)	2019 Report – Volume 1, Chapter 29	2
Justice and Attorney General	Leading the Building Partnerships to Reduce Crime Initiative (2016 Report – Volume 1, Chapter 10)	2019 Report – Volume 1, Chapter 16	2



Agency	Chapter Title (Initial PAS ^A Report)	Last PAS Report and Chapter	Number of Committee Recommendations Not Yet Implemented
	Supporting Provincial Court of Saskatchewan to Manage Court Workloads (<i>2014 Report – Volume 1, Chapter 10</i>)	<i>2017 Report – Volume 2, Chapter 40</i>	5
Social Services	Protecting Children in Care (<i>2013 Report – Volume 2, Chapter 24</i>)	<i>2018 Report – Volume 2, Chapter 46</i>	1
	Placing Minister's Wards in Permanent Homes (<i>2013 Report – Volume 1, Chapter 14</i>)	<i>2019 Report – Volume 1, Chapter 39</i>	1
	Minimizing Absenteeism (<i>2015 Report – Volume 2, Chapter 39</i>)	<i>2018 Report – Volume 1, Chapter 31</i>	4
	Protecting Children-in-Care Information in the Linkin System (<i>2016 Report – Volume 1, Chapter 17</i>)	<i>2018 Report – Volume 2, Chapter 47</i>	1
Crown Agencies:			
eHealth Saskatchewan	Protecting Patient Information in the Saskatchewan Lab Results Repository (<i>2015 Report – Volume 1, Chapter 10</i>)	<i>2017 Report – Volume 2, Chapter 30</i>	3
Health Shared Services Saskatchewan	Procuring Goods and Services for Member Agencies (<i>2015 Report – Volume 2, Chapter 34</i>)	<i>2017 Report – Volume 2, Chapter 36</i>	5
Saskatchewan Apprenticeship and Trade Certification Commission	Enabling Apprentices to Achieve Certification (<i>2014 Report – Volume 1, Chapter 11</i>)	<i>2019 Report – Volume 1, Chapter 34</i>	1
Saskatchewan Housing Corporation	Maintaining Housing Units (<i>2012 Report – Volume 1, Chapter 24</i>)	<i>2017 Report – Volume 2, Chapter 43</i>	2
Saskatchewan Legal Aid Commission	Providing Legal Aid Services (<i>2016 Report – Volume 1, Chapter 16</i>)	<i>2018 Report – Volume 2, Chapter 41</i>	4
Saskatchewan Liquor and Gaming Authority	Managing Projects with Significant IT Components (<i>2015 Report – Volume 2, Chapter 37</i>)	<i>2018 Report – Volume 2, Chapter 42</i>	4
	Regulating Commercial Permittees' On-table Sale of Liquor (<i>2017 Report – Volume 1, Chapter 11</i>)	<i>2019 Report – Volume 1, Chapter 36</i>	3
Tourism Saskatchewan	Managing the Use of Social Media (<i>2015 Report – Volume 2, Chapter 41</i>)	<i>2018 Report – Volume 1, Chapter 32</i>	1
Water Security Agency	Dam Safety (<i>2005 Report – Volume 1, Chapter 3</i>)	<i>2019 Report – Volume 1, Chapter 44</i>	2
Western Development Museum	Removing Historical Artifacts Permanently (<i>2016 Report – Volume 2, Chapter 30</i>)	<i>2018 Report – Volume 2, Chapter 48</i>	4
Crown Agencies—Saskatchewan Health Authority (former Regional Health Authorities)			
Heartland Regional Health Authority	Medication Management in Long-Term Care (<i>2014 Report – Volume 2, Chapter 35</i>)	<i>2017 Report – Volume 2, Chapter 37</i>	7
Kelsey Trail Regional Health Authority	Medical Equipment Maintenance (<i>2010 Report – Volume 2, Chapter 11C</i>)	<i>2018 Report – Volume 1, Chapter 28</i>	1
Regina Qu'Appelle Regional Health Authority	Efficient Use of MRI (<i>2017 Report – Volume 1, Chapter 10</i>)	<i>2017 Report – Volume 1, Chapter 10</i>	7
Saskatoon Regional Health Authority	Triaging Emergency Department Patients (<i>2013 Report – Volume 2, Chapter 30</i>)	<i>2018 Report – Volume 2, Chapter 40</i>	3
Sun Country Regional Health Authority	Managing Medication (<i>2013 Report – Volume 2, Chapter 31</i>)	<i>2018 Report – Volume 1, Chapter 30</i>	1

Agency	Chapter Title (Initial PAS ^A Report)	Last PAS Report and Chapter	Number of Committee Recommendations Not Yet Implemented
Crown Agencies—School Divisions:			
Living Sky School Division No. 202	Engaging Grades 7 to 12 Students (2017 Report – Volume 1, Chapter 8)	2019 Report – Volume 1, Chapter 32	2
North East School Division No. 200	Increasing Grade 3 Students' Reading at Grade Level (2016 Report – Volume 1, Chapter 11)	2018 Report – Volume 1, Chapter 23	1
Prairie Spirit School Division No. 206	Maintaining Facilities (2016 Report – Volume 1, Chapter 12)	2019 Report – Volume 1, Chapter 33	6
Regina School Division No. 4	Promoting Positive Student Behaviour (2016 Report – Volume 1, Chapter 13)	2018 Report – Volume 1, Chapter 25	3
Regina School Roman Catholic Separate Division No. 81	Providing English as an Additional Language Programming (2016 Report – Volume 2, Chapter 29)	2018 Report – Volume 2, Chapter 37	2
Saskatoon School Division No. 13	Procuring Goods and Services (2014 Report – Volume 2, Chapter 38)	2018 Report – Volume 2, Chapter 44	1
St. Paul's School Roman Catholic Separate Division No. 20	Promoting Good Student Health and Physical Fitness (2015 Report – Volume 2, Chapter 40)	2019 Report – Volume 1, Chapter 40	1
Sun West School Division No. 207	Annual Integrated Audit (2017 Report – Volume 2, Chapter 2)	2018 Report – Volume 1, Chapter 2	1
Special Purpose and Trust Funds			
Northern Municipal Trust Account	Annual Integrated Audit (2015 Report – Volume 1, Chapter 2)	2018 Report – Volume 2, Chapter 11	2

Source: Provincial Auditor Saskatchewan (September 2019).

^APAS – Provincial Auditor Saskatchewan.

Appendix 1

Agencies Subject to Examination under *The Provincial Auditor Act* and Status of Audits

The Office of the Provincial Auditor's goal is to give the Legislative Assembly timely reports on the results of its examinations. It does not delay its reports to accommodate incomplete audits, but rather includes the results in a future report. It aims to report the results of its annual integrated audits of agencies with December fiscal year-ends in the spring (i.e., *Report – Volume 1*) and agencies with March fiscal year-ends in the fall (i.e., *Report – Volume 2*). Also, it reports the results of its follow-ups and performance audits in the report following their completion.

The table below lists the agencies subject to examination under *The Provincial Auditor Act* at July 31, 2019 along with its fiscal year-end. Agencies subject to our examination include ministries, Crown agencies, Crown-controlled corporations, special purpose and trust funds, other agencies that administer public money, and offices of the Legislative Assembly.

For each of these agencies, the table sets out the status of our annual integrated audits at October 25 2019. It also indicates whether we are reporting, or have reported, matters for the Assembly's attention within the last 12 months, and if so, it identifies the relevant Report.

Agency	Fiscal Year-End ^A	Status on October 25, 2019 ^B	Matters Reported / Related Report(s) ^C
Government of Saskatchewan – Summary Financial Statements	March 31	Complete	Yes/2019 Rpt V1
Ministries and Secretariats:			
Ministry of Advanced Education	March 31	Complete	Yes/2019 Rpt V2
Ministry of Agriculture	March 31	Complete	Yes/2019 Rpt V2
Ministry of Central Services	March 31	Complete	Yes/ 2019 Rpt V1 & 2019 Rpt V2
Ministry of Corrections and Policing	March 31	Complete	Yes/ 2019 Rpt V1 & 2019 Rpt V2
Ministry of Education	March 31	Complete	Yes/2019 Rpt V1 & 2019 Rpt V2
Ministry of Energy and Resources	March 31	Complete	Yes/2019 Rpt V1
Ministry of Environment	March 31	Complete	Yes/2019 Rpt V1 & 2019 Rpt V2
Ministry of Finance	March 31	Complete	Yes/2019 Rpt V1 & 2019 Rpt V2
Ministry of Government Relations	March 31	Complete	Yes/2019 Rpt V1 & 2019 Rpt V2
Ministry of Health	March 31	Complete	Yes/2019 Rpt V1 & 2019 Rpt V2
Ministry of Highways and Infrastructure	March 31	Delayed	Yes/2019 Rpt V1
Ministry of Immigration and Career Training	March 31	Delayed	Yes/2019 Rpt V1
Ministry of Justice and Attorney General	March 31	Complete	Yes/2019 Rpt V1 & 2019 Rpt V2



Agency	Fiscal Year-End ^A	Status on October 25, 2019 ^B	Matters Reported / Related Report(s) ^C
Ministry of Labour Relations and Workplace Safety	March 31	Complete	No
Ministry of Parks, Culture and Sport	March 31	Complete	Yes/2019 Rpt V2
Ministry of Social Services	March 31	Complete	Yes/2019 Rpt V1 & 2019 Rpt V2
Ministry of Trade and Export Development	March 31	Complete	No
Executive Council	March 31	Complete	Yes/2019 Rpt V2
Public Service Commission	March 31	Complete	Yes/2019 Rpt V2
Crown Agencies:			
Agricultural Credit Corporation of Saskatchewan	March 31	Complete	No
Agricultural Implements Board	March 31	Complete	No
All Nations' Healing Hospital Inc.	March 31	Note 4	
Bethany Pioneer Village Inc.	March 31	Note 4	
Border-Line Housing Company (1975) Inc.	March 31	Note 4	
Carlton Trail College	June 30	Complete	Yes/2019 Rpt V2
Century Plaza Condominium Corporation	March 31	Complete	No
Chinook School Division No. 211	August 31	Complete	Yes/2019 Rpt V2
Christ the Teacher Roman Catholic Separate School Division No. 212	August 31	Complete	No
Circle Drive Special Care Home Inc.	March 31	Note 4	
Community Initiatives Fund	March 31	Complete	No
Conseil des Écoles Fransaskoises No. 310	August 31	Complete	No
Creative Saskatchewan	March 31	Complete	No
Creighton School Division No. 111	August 31	Complete	No
Cumberland College	June 30	Complete	No
Cupar and District Nursing Home Inc.	March 31	Note 4	
Duck Lake and District Nursing Home Inc.	March 31	Note 4	
eHealth Saskatchewan	March 31	Complete	Yes/2019 Rpt V1 & 2019 Rpt V2
Financial and Consumer Affairs Authority of Saskatchewan	March 31	Complete	No
Foyer St. Joseph Nursing Home Inc.	March 31	Note 4	
Global Transportation Hub Authority, The	March 31	Complete	No
Good Spirit School Division No. 204	August 31	Complete	No
Government House Foundation, The	March 31	Complete	No
Great Plains College	June 30	Complete	No
Health Quality Council	March 31	Complete	No
Health Shared Services Saskatchewan (3sHealth)	March 31	Complete	No
Holy Family Roman Catholic Separate School Division No. 140	August 31	Complete	No
Holy Trinity Roman Catholic Separate School Division No. 22	August 31	Complete	No
Horizon School Division No. 205	August 31	Complete	No

Agency	Fiscal Year-End ^A	Status on October 25, 2019 ^B	Matters Reported / Related Report(s) ^C
Île-à-la Crosse School Division No. 112	August 31	Complete	Yes/2019 Rpt V1
Innovation Saskatchewan	March 31	Complete	No
Jubilee Residences Inc.	March 31	Note 4	
Lakeview Pioneer Lodge Inc.	March 31	Note 4	
Law Reform Commission of Saskatchewan	March 31	Complete	No
Light of Christ Roman Catholic Separate School Division No. 16	August 31	Complete	No
Living Sky School Division No. 202	August 31	Complete	Yes/2019 Rpt V1
Lloydminster Public School Division No. 99	August 31	Complete	Yes/2019 Rpt V1
Lloydminster Roman Catholic Separate School Division No. 89	August 31	Complete	No
Lumsden & District Heritage Home Inc.	March 31	Note 4	
Lutheran Sunset Home of Saskatoon	March 31	Note 4	
Mennonite Nursing Homes Incorporated	March 31	Note 4	
Métis Development Fund	December 31	Complete	No
Mont St. Joseph Home Inc.	March 31	Note 4	
Municipal Financing Corporation of Saskatchewan	December 31	Complete	No
Municipal Potash Tax Sharing Administration Board	December 31	Complete	Yes/2019 Rpt V1
North East School Division No. 200	August 31	Complete	No
North West College	June 30	Complete	No
Northern Lights School Division No. 113	August 31	Complete	Yes/2019 Rpt V1
Northlands College	June 30	Complete	Yes/2019 Rpt V1
Northwest School Division No. 203	August 31	Complete	No
Oliver Lodge	March 31	Note 4	
Operator Certification Board	March 31	Complete	No
Parkland College	June 30	Complete	No
Prairie Agricultural Machinery Institute	March 31	Complete	No
Prairie South School Division No. 210	August 31	Complete	No
Prairie Spirit School Division No. 206	August 31	Complete	Yes/2019 Rpt V1
Prairie Valley School Division No. 208	August 31	Complete	No
Prince Albert Roman Catholic Separate School Division No. 6	August 31	Complete	Yes/ 2019 Rpt V1
Providence Place for Holistic Health Inc.	March 31	Note 4	
Provincial Archives of Saskatchewan	March 31	Complete	No
Provincial Capital Commission	March 31	Complete	Yes/2019 Rpt V2
Qu'Appelle Diocesan Housing Company	March 31	Note 4	
Radville Marian Health Centre Inc.	March 31	Note 4	
Raymore Community Health and Social Centre	March 31	Note 4	
Regina Lutheran Housing Corporation	March 31	Note 4	
Regina Roman Catholic Separate School Division No. 81	August 31	Complete	No
Regina School Division No. 4	August 31	Complete	No



Agency	Fiscal Year-End ^A	Status on October 25, 2019 ^B	Matters Reported / Related Report(s) ^C
Santa Maria Senior Citizens Home Inc.	March 31	Note 4	
Saskatchewan Apprenticeship and Trade Certification Commission	June 30	Complete	Yes/2019 Rpt V1
Saskatchewan Arts Board, The	March 31	Complete	Yes/2019 Rpt V2
Saskatchewan Association of Health Organizations Inc.	March 31	Complete	No
Saskatchewan Cancer Agency	March 31	Complete	No
Saskatchewan Centre of the Arts	March 31	Complete	No
Saskatchewan Crop Insurance Corporation	March 31	Complete	Yes/2019 Rpt V1
Saskatchewan Health Authority	March 31	Complete	Yes/2019 Rpt V1 & 2019 Rpt V2
Saskatchewan Health Research Foundation	March 31	Complete	No
Saskatchewan Heritage Foundation	March 31	Complete	No
Saskatchewan Housing Corporation	December 31	Complete	No
Saskatchewan Impaired Driver Treatment Centre Board of Governors	March 31	Complete	No
Saskatchewan Indian Gaming Authority Inc.	March 31	Complete	Yes/2019 Rpt V2
Saskatchewan Legal Aid Commission	March 31	Complete	No
Saskatchewan Liquor and Gaming Authority	March 31	Complete	Yes/2019 Rpt V1 & 2019 Rpt V2
Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation	March 31	Complete	No
Saskatchewan Polytechnic	June 30	Complete	Yes/2019 Rpt V2
Saskatchewan Public Safety Agency	March 31	Note 3	
Saskatchewan Research Council	March 31	Complete	No
Saskatchewan Rivers School Division No. 119	August 31	Complete	No
Saskatoon Convalescent Home	March 31	Note 4	
Saskatoon School Division No. 13	August 31	Complete	Yes/2019 Rpt V1
SaskBuilds Corporation	March 31	Complete	Yes/2019 Rpt V2
Sherbrooke Community Society Inc.	March 31	Note 4	
SLGA Holdings Inc.	March 31	Complete	No
SLGA Retail Inc.	March 31	Complete	No
Societe Joseph Breton Inc.	March 31	Note 4	
South East Cornerstone School Division No. 209	August 31	Complete	No
Southeast College	June 30	Complete	No
Spruce Manor Special Care Home Inc.	March 31	Note 4	
St. Ann's Senior Citizens Village Corporation	March 31	Note 4	
St. Anthony's Hospital	March 31	Note 4	
St. Joseph's Home for the Aged	March 31	Note 4	
St. Joseph's Hospital (Grey Nuns) Gravelbourg	March 31	Note 4	
St. Joseph's Hospital of Estevan	March 31	Note 4	
St. Joseph's Integrated Health Centre Macklin	March 31	Note 4	

Agency	Fiscal Year-End ^A	Status on October 25, 2019 ^B	Matters Reported / Related Report(s) ^C
St. Paul Lutheran Home of Melville	March 31	Note 4	
St. Paul's Roman Catholic Separate School Division No. 20	August 31	Complete	Yes/2019 Rpt V1 & 2019 Rpt V2
St. Paul's (Grey Nuns) of Saskatoon	March 31	Note 1	
St. Peter's Hospital	March 31	Note 4	
Strasbourg and District Health Centre	March 31	Note 4	
Sun West School Division No. 207	August 31	Complete	Yes/ 2019 Rpt V1
Sunnyside Adventist Care Centre	March 31	Note 4	
TecMark International Commercialization Inc.	March 31	Note 1	
The Salvation Army—William Booth Special Care Home	March 31	Note 4	
Tourism Saskatchewan	March 31	Complete	No
Warman Mennonite Special Care Home Inc.	March 31	Note 4	
Water Appeal Board	March 31	Complete	No
Water Security Agency	March 31	Complete	Yes/2019 Rpt V1 & 2019 Rpt V2
Western Development Museum	March 31	Complete	No
Workers' Compensation Board	December 31	Complete	Yes/2019 Rpt V2
CIC Crown Corporations and related agencies:			
101069101 Saskatchewan Ltd.	March 31	Note 1	
Avonlea Holding, Inc.	March 31	Note 1	
Battleford International, Inc.	March 31	Note 1	
Bayhurst Energy Services Corporation	March 31	Note 1	
Bayhurst Gas Limited	March 31	Note 1	
BG Storage Inc.	March 31	Note 1	
Bruno Holdings Inc.	March 31	Note 1	
CIC Asset Management Inc.	March 31	Complete	No
CIC Economic Holdco Ltd.	March 31	Note 1	
CIC FTLP Holdings Inc.	March 31	Note 1	
CIC FTMI Holdings Inc.	March 31	Note 1	
Coachman Insurance Company	December 31	Complete	No
Crown Investments Corporation of Saskatchewan	March 31	Complete	No
DirectWest Canada Inc.	March 31	Note 1	
DirectWest Corporation	March 31	Complete	No
First Nations and Métis Fund Inc.	March 31	Complete	No
Manalta Investment Company Ltd.	March 31	Note 1	
Many Islands Pipe Lines (Canada) Limited	March 31	Note 1	
Nokomis Holding, Inc.	March 31	Note 1	
Northpoint Energy Solutions Inc.	March 31	Complete	No
Qu'Appelle Holding, Inc.	March 31	Note 1	
Saskatchewan Auto Fund	March 31	Complete	No
Saskatchewan First Call Corporation	March 31	Note 1	



Agency	Fiscal Year-End ^A	Status on October 25, 2019 ^B	Matters Reported / Related Report(s) ^C
Saskatchewan Gaming Corporation	March 31	Complete	Yes/2019 Rpt V2
Saskatchewan Government Insurance	March 31	Complete	Yes/2019 Rpt V1
Saskatchewan Immigrant Investor Fund Inc.	March 31	Complete	No
Saskatchewan Opportunities Corporation	March 31	Complete	No
Saskatchewan Power Corporation	March 31	Complete	Yes/2019 Rpt V1 & 2019 Rpt V2
Saskatchewan Telecommunications	March 31	Complete	Yes/2019 Rpt V1
Saskatchewan Telecommunications Holding Corporation	March 31	Complete	No
Saskatchewan Telecommunications International, Inc.	March 31	Complete	No
Saskatchewan Telecommunications International (Tanzania) Ltd.	March 31	Note 1	
Saskatchewan Transportation Company	March 31	Complete	No
Saskatchewan Water Corporation	March 31	Complete	No
SaskEnergy Incorporated	March 31	Complete	No
SaskPower International, Inc.	March 31	Note 1	
SaskTel International Consulting, Inc.	March 31	Note 1	
SaskTel Investments, Inc.	March 31	Note 1	
SecurTek Monitoring Solutions, Inc.	March 31	Complete	No
SGC Holdings, Inc.	March 31	Complete	No
SGI CANADA Insurance Services Ltd.	December 31	Complete	No
Shellbrook Holding, Inc.	March 31	Note 1	
TransGas Limited	March 31	Note 1	
Special purpose and trust funds including pension and benefit plans:			
Capital Pension Plan	March 31	Complete	No
Commercial Revolving Fund	March 31	Complete	No
Correctional Facilities Industries Revolving Fund	March 31	Complete	No
Criminal Property Forfeiture Fund	March 31	Complete	No
Crop Reinsurance Fund of Saskatchewan	March 31	Complete	No
Doukhobors of Canada C.C.U.B. Trust Fund	May 31	Complete	No
Extended Health Care Plan	December 31	Complete	No
Extended Health Care Plan for Certain Other Employees	December 31	Complete	No
Extended Health Care Plan for Certain Other Retired Employees	December 31	Complete	No
Extended Health Care Plan for Retired Employees	December 31	Complete	No
Fish and Wildlife Development Fund	March 31	Complete	No
General Revenue Fund	March 31	Note 2	
Health Shared Services Saskatchewan Core Dental Plan	December 31	Complete	No
Health Shared Services Saskatchewan Disability Income Plan – CUPE	December 31	Complete	No
Health Shared Services Saskatchewan Disability Income Plan – SEIU	December 31	Complete	No

Agency	Fiscal Year-End ^A	Status on October 25, 2019 ^B	Matters Reported / Related Report(s) ^C
Health Shared Services Saskatchewan Disability Income Plan – General	December 31	Complete	No
Health Shared Services Saskatchewan Disability Income Plan – SUN	December 31	Complete	No
Health Shared Services Saskatchewan Group Life Insurance Plan	December 31	Complete	No
Health Shared Services Saskatchewan In-Scope Extended Health/Enhanced Dental Plan	December 31	Complete	No
Health Shared Services Saskatchewan Out-of-Scope Extended Health/Enhanced Dental Plan	December 31	Complete	No
Health Shared Services Saskatchewan Out-of-Scope Flexible Health/Spending Plan	December 31	Complete	No
Impacted Sites Fund	March 31	Complete	No
Institutional Control Monitoring and Maintenance Fund	March 31	Complete	No
Institutional Control Unforeseen Events Fund	March 31	Complete	No
Judges of the Provincial Court Superannuation Plan	March 31	Complete	No
Liquor Board Superannuation Plan	December 31	Complete	No
Livestock Services Revolving Fund	March 31	Note 3	
Municipal Employees' Pension Commission	December 31	Complete	No
Northern Municipal Trust Account	December 31	Delayed	
Oil and Gas Orphan Fund	March 31	Complete	No
Pastures Revolving Fund	March 31	Complete	No
Pension Plan for Employees of the Saskatchewan Workers' Compensation Board	December 31	Complete	No
Pension Plan for the Non-Teaching Employees of the Saskatoon School Division No. 13	December 31	Complete	Yes/2019 Rpt V2
Power Corporation Superannuation Plan	December 31	Complete	No
Provincial Mediation Board Trust Accounts	March 31	Complete	No
Public Employees Benefits Agency Revolving Fund	March 31	Complete	No
Public Employees Deferred Salary Leave Fund	December 31	Complete	No
Public Employees Dental Fund	December 31	Complete	No
Public Employees Disability Income Fund	December 31	Complete	No
Public Employees Group Life Insurance Fund	December 31	Complete	No
Public Employees Pension Plan	March 31	Complete	No
Public Service Superannuation Plan	March 31	Complete	No
Public Guardian and Trustee of Saskatchewan	March 31	Complete	No
Queen's Printer Revolving Fund	March 31	Complete	No
Residential Tenancies, Office of – Director's Trust Account	March 31	Complete	No
Sask 911 Account	March 31	Complete	No
Saskatchewan Agricultural Stabilization Fund	March 31	Complete	No
Saskatchewan Government Insurance Service Recognition Plan	December 31	Complete	No



Agency	Fiscal Year-End ^A	Status on October 25, 2019 ^B	Matters Reported / Related Report(s) ^C
Saskatchewan Government Insurance Superannuation Plan	December 31	Complete	No
Saskatchewan Pension Annuity Fund	March 31	Complete	No
Saskatchewan Pension Plan	December 31	Complete	No
Saskatchewan Power Corporation Designated Employee Benefit Plan	December 31	Complete	No
Saskatchewan Power Corporation Severance Pay Credits Plan	December 31	Complete	No
Saskatchewan Power Corporation Supplementary Superannuation Plan	December 31	Complete	No
Saskatchewan Research Council Employees' Pension Plan	December 31	Complete	No
Saskatchewan Snowmobile Fund	March 31	Complete	No
Saskatchewan Student Aid Fund	March 31	Complete	No
Saskatchewan Professional Teachers Regulatory Board	August 31	Complete	No
Saskatchewan Telecommunications Pension Plan	March 31	Complete	No
Saskatchewan Water Corporation Retirement Allowance Plan	December 31	Complete	No
SaskEnergy Retiring Allowance Plan	December 31	Complete	No
School Division Tax Loss Compensation Fund	March 31	Complete	No
Social Services Central Trust Account	March 31	Complete	No
Social Services Valley View Centre Grants and Donations Trust Account and Institutional Collective Benefit Fund	March 31	Complete	No
Social Services Valley View Centre Residents' Trust Account	March 31	Complete	No
Staff Pension Plan for Employees of the Saskatchewan Legal Aid Commission	December 31	Complete	No
Teachers' Dental Plan	June 30	Complete	Yes/2019 Rpt V2
Teachers' Disability Plan	June 30	Complete	No
Teachers' Group Life Plan	August 31	Complete	No
Teachers' Superannuation Plan	June 30	Complete	No
Training Completions Fund	March 31	Complete	No
Transportation Partnerships Fund	March 31	Complete	No
Victims' Fund	March 31	Complete	Yes/2019 Rpt V2
Water Security Agency Retirement Allowance Plan	March 31	Complete	No
Offices of the Legislative Assembly:			
Advocate for Children and Youth, Office of the	March 31	Complete	No
Board of Internal Economy/Legislative Assembly Service/Office of the Speaker	March 31	Complete	No
Chief Electoral Officer, Office of the	March 31	Complete	No
Conflict of Interest Commissioner, Office of the	March 31	Complete	No
Information and Privacy Commissioner, Office of the	March 31	Complete	No
Ombudsman and Public Interest Disclosure Commissioner, Office of the	March 31	Complete	No



Agency	Fiscal Year-End ^A	Status on October 25, 2019 ^B	Matters Reported / Related Report(s) ^C
Other Agencies:			
Pension Plan for the Eligible Employees at the University of Saskatchewan	December 31	Complete	No
Pension Plan for the Academic and Administrative Employees of the University of Regina	December 31	Complete	No
Technical Safety Authority of Saskatchewan	June 30	Complete	Yes/2019 Rpt V1
University of Regina Non-Academic Pension Plan	December 31	Complete	No
University of Regina	April 30	Complete	Yes/2019 Rpt V1 & 2019 Rpt V2
University of Saskatchewan 1999 Academic Pension Plan	December 31	Complete	No
University of Saskatchewan 2000 Academic Money Purchase Pension Plan	December 31	Complete	No
University of Saskatchewan Academic Employees' Pension Plan	December 31	Complete	No
University of Saskatchewan and Federated Colleges Non-Academic Pension Plan	December 31	Complete	No
University of Saskatchewan	April 30	Complete	No

Note 1: These entities are wholly- or partially-owned subsidiary corporations that are included in the consolidated financial statements of a parent Crown agency.

Note 2: The Ministry of Finance does not prepare financial statements for this Fund.

Note 3: This entity had no active operations.

Note 4: Healthcare Affiliates—the first period-end of involvement by our Office will be March 31, 2020.

^A Fiscal Year-end	Year of last completed integrated audit
March 31	2019
April 30	2019
May 31	2019
June 30	2019
August 31	2018
September 30	2018
December 31	2018

^B "Complete" – the audit was complete.

"Delayed" – the audit was delayed.

^C "No" - no significant issues were reported.

"Yes/2019 Rpt V1" – significant issues are reported in our *2019 Report – Volume 1*.

"Yes/2019 Rpt V2" – significant issues are reported in our *2019 Report – Volume 2*.

Appendix 2

Report on the Financial Statements of Agencies Audited by Appointed Auditors

1.0 PURPOSE

This Appendix summarizes the Office of the Provincial Auditor's views on the financial statements of agencies audited by appointed auditors. It lists audits in which the Office participated for fiscal periods ending between January 1, 2019 and July 31, 2019.

2.0 BACKGROUND

Under *The Provincial Auditor Act*, the Provincial Auditor retains its overall responsibility for audits of all Crown agencies and Crown corporations regardless of who does the audit. The Legislative Assembly allows the Government to appoint auditors to annually audit certain Crown agencies and Crown corporations. **Figure 1** sets out the objectives of the annual audits—we refer to them as annual integrated audits.

The Office, Crown agencies, Crown corporations, and the appointed auditors use the recommendations of the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors* to serve the Assembly's needs efficiently and effectively.^{1,2} The Office includes the results of annual integrated audits done by appointed auditors in its reports to the Assembly. As the Task Force Report expects, the Office provides the Assembly with its views and participation in the audits of agencies' financial statements with an appointed auditor.

Figure 1—Objective of Annual Integrated Audits

The objectives of each annual integrated audit are to form the following opinions and to report the results to the Assembly:

- An opinion on the financial-related rules and procedures used by the agency to safeguard public resources.
- An opinion on the agency's compliance with the authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.
- An opinion on the reliability of the agency's financial statements. The appointed auditors' reports on the reliability of each Crown agency and each Crown corporation's financial statements accompany the respective financial statements.

The Government's Summary Financial Statements include the financial results of all agencies controlled by the Government. *Public Accounts 2018-19—Volume 1* includes the Office's independent auditor's report on the Government's Summary Financial Statements for the year ended March 31, 2019.

¹ For a copy of this report, see our website at www.auditor.sk.ca. The Task Force recommended that the Office give the Assembly a report listing the agencies whose annual integrated audits it participated in.

² In June 1994, the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors* recommended how the audit system for Crown Investments Corporation of Saskatchewan and its subsidiary Crown corporations could function more efficiently and effectively. In April 1995, Treasury Board decided that all Crown corporations and agencies should comply with these recommendations.



1.0 THE OFFICE'S VIEWS ON FINANCIAL STATEMENTS AUDITED BY APPOINTED AUDITORS

The table below provides the Office's views and participation on each financial statement audit completed by an appointed auditor for fiscal years ending between January 1, 2019 and July 31, 2019. As noted below, sometimes the Office varies the extent of its participation.

The table groups agencies and corporations by: regional colleges; other Crown agencies, special purpose and trust funds; other agencies; and CIC, its subsidiary Crown corporations, and other related entities. It lists each Crown agency or corporation whose financial statements are audited by an appointed auditor, the appointed auditor's name, the agency's year-end date, whether the Office participated in the audit, and whether the agency's financial statements are reliable.

Listing of the Office's Involvement in Financial Statement Audits of Agencies with an Appointed Auditor

Name of Agency	Appointed Auditor	Year-End Date	PAS* Participated in Audit	Financial Statements are Reliable
A. Regional Colleges				
Carlton Trail College	Cogent Chartered Professional Accountants LLP	June 30, 2019	See ^A	Yes
Cumberland College	NeuPath Group, PC Inc.	June 30, 2019	Yes	Yes
Great Plains College	Stark & Marsh CPA LLP	June 30, 2019	Yes	Yes
Northlands College	MNP LLP	June 30, 2019	See ^A	Yes
North West College	Vantage Chartered Professional Accountants	June 30, 2019	See ^A	Yes
Parkland College	Miller Moar Grodecki Kreklewich & Chorney	June 30, 2019	See ^A	Yes
Southeast College	Cogent Chartered Professional Accountants LLP	June 30, 2019	Yes	Yes
B. Other Crown Agencies, Special Purpose and Trust Funds				
Agricultural Credit Corporation of Saskatchewan	MNP LLP	March 31, 2019	Yes	Yes
Century Plaza Condominium Corporation	Deloitte LLP	March 31, 2019	Yes	Yes
Community Initiatives Fund	Virtus Group LLP	March 31, 2019	Yes	Yes
Crop Reinsurance Fund of Saskatchewan	KPMG LLP	March 31, 2019	Yes	Yes
Global Transportation Hub Authority, The	Deloitte LLP	March 31, 2019	Yes	Yes
Operator Certification Board	Mintz & Wallace	March 31, 2019	Yes	Yes
Public Employees' Pension Plan	KPMG LLP	March 31, 2019	Yes	Yes
Saskatchewan Agricultural Stabilization Fund	KPMG LLP	March 31, 2019	Yes	Yes
Saskatchewan Crop Insurance Corporation	KPMG LLP	March 31, 2019	Yes	Yes
Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation	Virtus Group LLP	March 31, 2019	Yes	Yes
Saskatchewan Research Council	Deloitte LLP	March 31, 2019	Yes	Yes

Name of Agency	Appointed Auditor	Year-End Date	PAS* Participated in Audit	Financial Statements are Reliable
Saskatchewan Trade and Export Partnership Inc.	KPMG LLP	March 31, 2019	No	See ^C
Water Security Agency	MNP LLP	March 31, 2019	Yes	Yes
Tourism Saskatchewan	MNP LLP	March 31, 2019	Yes	Yes
C. Other Agencies				
Technical Safety Authority of Saskatchewan, The	MNP LLP	June 30, 2019	Yes	Yes
D. CIC, its Subsidiary Crown Corporations & Other Related Entities				
Capital Pension Plan	KPMG LLP	March 31, 2019	Yes	Yes
Crown Investments Corporation of Saskatchewan (CIC)	KPMG LLP	March 31, 2019	Yes	Yes
CIC Economic Holdco Ltd.	See ^B			
First Nations and Métis Fund Inc.	KPMG LLP	March 31, 2019	Yes	Yes
Saskatchewan Immigrant Investor Fund Inc.	Ernst & Young LLP	March 31, 2019	Yes	Yes
CIC Asset Management Inc.	KPMG LLP	March 31, 2019	Yes	Yes
101069101 Saskatchewan Ltd.	See ^B			
CIC FTLP Holdings Inc.	See ^B			
CIC FTMI Holdings Inc.	See ^B			
SaskEnergy Incorporated	Deloitte LLP	March 31, 2019	Yes	Yes
Bayhurst Gas Limited	Deloitte LLP	March 31, 2019	Yes	Yes
Bayhurst Energy Services Corporation	See ^B			
BG Storage Inc.	See ^B			
Many Islands Pipe Lines (Canada) Limited	Deloitte LLP	March 31, 2019	Yes	Yes
Saskatchewan First Call Corporation	See ^B			
TransGas Limited	Deloitte LLP	March 31, 2019	Yes	Yes
Saskatchewan Gaming Corporation	KPMG LLP	March 31, 2019	Yes	Yes
SGC Holdings Inc.	KPMG LLP	March 31, 2019	Yes	Yes
Saskatchewan Government Insurance	KPMG LLP	March 31, 2019	Yes	Yes
Saskatchewan Auto Fund	KPMG LLP	March 31, 2019	Yes	Yes
Saskatchewan Opportunities Corporation	MNP LLP	March 31, 2019	Yes	Yes
Saskatchewan Power Corporation	Deloitte LLP	March 31, 2019	Yes	Yes
SaskPower International Inc.	See ^B			
Northpoint Energy Solutions Inc.	Deloitte LLP	March 31, 2019	Yes	Yes
Saskatchewan Telecommunications Holding Corporation	KPMG LLP	March 31, 2019	Yes	Yes
Saskatchewan Telecommunications	KPMG LLP	March 31, 2019	Yes	Yes
Saskatchewan Telecommunications International, Inc.	KPMG LLP	March 31, 2019	Yes	Yes



Name of Agency	Appointed Auditor	Year-End Date	PAS* Participated in Audit	Financial Statements are Reliable
SaskTel International Consulting, Inc.	See ^B			
Saskatchewan Telecommunications International (Tanzania) Ltd.	See ^B			
Battleford International, Inc.	See ^B			
Avonlea Holding, Inc.	See ^B			
Manalta Investment Company Ltd.	See ^B			
Qu'Appelle Holding, Inc.	See ^B			
Nokomis Holding, Inc.	See ^B			
SecurTek Monitoring Solutions Inc.	KPMG LLP	March 31, 2019	Yes	Yes
Shellbrook Holding, Inc.	See ^B			
SaskTel Investments Inc.	See ^B			
DirectWest Corporation	KPMG LLP	March 31, 2019	Yes	Yes
DirectWest Canada Inc.	See ^B			
Bruno Holdings Inc.	See ^B			
Saskatchewan Telecommunications Pension Plan	KPMG LLP	March 31, 2019	Yes	Yes
Saskatchewan Transportation Company	MNP LLP	March 31, 2019	Yes	Yes
Saskatchewan Water Corporation	Deloitte LLP	March 31, 2019	Yes	Yes

* PAS—Provincial Auditor of Saskatchewan

^A The Office reviewed the opinions of the appointed auditor on the reliability of financial statements, effectiveness of processes to safeguard public resources, and compliance with authorities. It also reviewed the appointed auditor's audit findings (including summary of errors) reported to the boards of the agencies. Where necessary, it followed up with the appointed auditor to clarify issues reported.

^B Agency does not prepare financial statements for audit.

^C Consistent with prior years, the Office examines the supervisory work carried out by the funding agency over STEP as part of its annual audit of the funding agency (i.e., Ministry of Trade and Export Development).

Appendix 3

Samples of Opinions Formed in Annual Audits of Ministries, Crown Agencies, and Crown-Controlled Corporations

The scope of the Office of the Provincial Auditor's audit work includes the Government as a whole, sectors or programs of the Government, and individual government agencies (see **Appendix 1**). *The Provincial Auditor Act* requires the Office to use generally accepted assurance standards published by CPA Canada to carry out its audits (e.g., integrated, performance, follow-up).

Individual government agencies are subject to annual integrated audits. In general, annual integrated audits examine the effectiveness of financial-related controls, compliance with financial-related authorities, and the reliability of financial statements (for agencies who prepare them).

The following are samples of audit opinions formed as part of the annual integrated audits.

1. Effectiveness of Internal Controls (Financial-Related)

We have undertaken a reasonable assurance engagement of [Agency]'s operating effectiveness of internal controls as of [Year End] to express an opinion as to the effectiveness of its internal controls related to the following objectives:

- To safeguard public resources. That is, to ensure its assets are not lost or used inappropriately; to ensure it does not inappropriately incur obligations; to establish a financial plan for the purposes of achieving its financial goals; and to monitor and react to its progress towards the objectives established in its financial plan.
- To prepare reliable financial statements.
- To conduct its activities following laws, regulations, and policies related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.

CPA Canada defines control as comprising those elements of an organization that, taken together, support people in the achievement of the organization's objectives. Control is effective to the extent that it provides reasonable assurance that the organization will achieve its objectives.

[Agency]'s management is responsible for effective internal controls related to the objectives described above. Our responsibility is to express an opinion on the effectiveness of internal controls based on our audit.

We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of [Agency]'s internal controls.¹ We did not audit certain aspects of internal controls concerning the effectiveness, economy, and efficiency of certain management decision-making processes.

We conducted our reasonable assurance engagement in accordance with Canadian Standard on Assurance Engagements (CSAE) 3001, *Direct Engagements*. This standard requires that we plan and perform this engagement to obtain reasonable assurance as to the effectiveness of [Agency]'s internal controls related to the objectives stated above. The nature, timing and extent of procedures performed depends on our professional judgment, including an assessment of the risks of material misstatement, whether due to fraud or error, and involves obtaining evidence about the effectiveness of internal controls. An audit includes obtaining an understanding of the significant risks related to these objectives, the key control elements and control activities to manage these risks, and examining, on a test basis, evidence relating to control.

Reasonable assurance is a high level of assurance, but is not a guarantee that an engagement conducted in accordance with this standard will always detect a material misstatement when it exists.

Our audit on the effectiveness of [Agency]'s internal controls related to the above objectives does not constitute an audit of internal control over financial reporting performed in conjunction with an audit of financial statements in *CPA Canada Handbook—Assurance Section 5925 An Audit of Internal Control over Financial Reporting that is Integrated with an Audit of Financial Statements*.

Control can provide only reasonable and not absolute assurance of achieving objectives reliably for the following reasons. There are inherent limitations in control including judgment in decision-making, human error, collusion to circumvent control

¹ The Committee of Sponsoring Organizations of the Treadway Commission. *Internal Control—Integrated Framework*. (www.aicpastore.com/content/media/producer_content/generic_template_content/Illustrative_Tools.jsp) (17 October 2019).



activities, and management overriding control. Cost/benefit decisions are made when designing control in organizations. Because control can be expected to provide only reasonable assurance and not absolute assurance, the objectives referred to above may not be achieved reliably. Also, projections of any evaluation of control to future periods are subject to the risk that control may become ineffective because of changes in internal and external conditions, or that the degree of compliance with control activities may deteriorate.

We believe the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, subject to the limitations noted above, [Agency]'s internal controls were operating effectively, in all material respects, to meet the objectives stated above as of [Year End] based on COSO's *Internal Control–Integrated Framework*.

[If control is not effective in all material respects, describe the risk or significant deficiency, and indicate which objective is affected. The report should state whether the deficiency resulted from the absence of control procedures or the degree of compliance with them.]

This report is provided solely for the purpose of assisting the Provincial Auditor in discharging her responsibilities and for preparing her annual report to the Legislative Assembly of Saskatchewan and is not to be referred to or distributed to any person who is not a member of management or the Board of [Agency], its supervising agencies or the Office of the Provincial Auditor and should not be used for any other purpose. Any use that a third party makes of information contained in this report, or any reliance or decisions based on such information, is the responsibility of such third parties. We accept no responsibility for loss or damages, if any, suffered by any third party as a result of decisions made or actions taken based on information contained in this report.

We have complied with the ethical requirements of the Chartered Professional Accountants of Saskatchewan—*Rules of Professional Conduct*, founded on fundamental principles of integrity, objectivity, professional competency and due care, confidentiality, and professional behaviour.

We apply the *Canadian Standard on Quality Control 1* issued by CPA Canada and, accordingly, maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

2. Compliance with Legislative Authorities

We have undertaken a reasonable assurance engagement of [Agency]'s compliance with the provisions of the following legislative and related authorities pertaining to its financial reporting, safeguarding of assets, spending, revenue raising, borrowing, and investment activities during the year ended [Year End]:

(List all legislative and related authorities covered by this report. This list must include all governing authorities).

Compliance with the provisions of the stated legislative and related authorities is the responsibility of management of [Agency]. Management is also responsible for such internal control as management determines necessary to enable the [Agency]'s compliance with the specified requirements.

Our responsibility is to express an opinion on this compliance based on our audit.

We conducted our reasonable assurance engagement in accordance with Canadian Standard on Assurance Engagements (CSAE) 3531 *Direct Engagements to Report on Compliance*. This standard requires that we plan and perform this engagement to obtain reasonable assurance whether [Agency] complied with the criteria established by the legislation and related authorities referred to above, in all significant respects. A reasonable assurance compliance reporting engagement involves performing procedures to obtain evidence about the entity's compliance with the specified requirements. The nature, timing and extent of procedures selected depends on our professional judgment, including an assessment of the risks of significant non-compliance, whether due to fraud or error.

Reasonable assurance is a high level of assurance, but is not a guarantee that an engagement conducted in accordance with this standard will always detect a material misstatement when it exists.

We believe the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, for the year ended [Year End], [Agency] has complied, in all significant respects, with the provisions of the aforementioned legislative and related authorities.

We do not provide a legal opinion on the [Agency]'s compliance with the aforementioned legislative and related authorities.

(The report should provide adequate explanation with respect to any reservation contained in the opinion together with, if relevant and practicable, the monetary effect.)

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for loss or damages, if any, suffered by any third party as a result of decisions made or actions taken based on information contained in this report.

We have complied with the ethical requirements of the Chartered Professional Accountants of Saskatchewan—*Rules of Professional Conduct*, founded on fundamental principles of integrity, objectivity, professional competency and due care, confidentiality, and professional behaviour.

We apply the *Canadian Standard on Quality Control 1* issued by CPA Canada and, accordingly, maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

3. Reliability of Financial Statements

This opinion is formed for government agencies preparing financial statements. Ministries do not prepare financial statements.

Opinion

We have audited the financial statements of [Agency], which comprise [the statement of financial position] as at [Year End[s]], and the [statement of operations and accumulated surplus], [statement of remeasurement gains and losses], [statement of changes in net financial assets] and [statement of cash flows] for the year[s] then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of [Agency] as at [Year End[s]], and [insert appropriate wording to describe financial results] for the year[s] then ended in accordance with [insert name of the acceptable financial reporting framework].

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of [Agency] in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

[Insert the following paragraphs if you expect to receive all or some of the other information (i.e., annual report that includes financial statements) prior to the date of the auditor's report and the auditor does not expect to identify a material misstatement of the other information. If you do not expect to receive other information prior to the date of the auditor's report, then there are no reporting requirements. The Other Information section can be removed from the auditor's report.]

Other Information

Management is responsible for the other information. The other information comprises the information included in [X report], but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or any knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with [insert the name of the acceptable financial reporting framework] for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing [Agency's] ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the [Agency] or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the [Agency's] financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the [Agency's] internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the [Agency's] ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the [Agency] to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.





