



News Release

Provincial Auditor

Auditor finds problems persist

For Release After Report Has Been Tabled

Regina, December 12, 2002—Saskatchewan Provincial Auditor Fred Wendel today released Volume 2 of his *2002 Fall Report*. While the first volume was a report card on the Government's finances, this second volume describes the results of audits of nearly 140 Government agencies.

The Report shows that most of these agencies have adequate financial management practices to safeguard public resources. Others need to make improvements and are doing so. "Yet serious problems persist at a few agencies," said Wendel. "The agencies must move quickly to address these problems."

The Report describes how progress by Saskatchewan Indian Gaming Authority (SIGA) to properly manage public money has been slow. SIGA has no clear plan to improve its spending practices. It continues to make payments beyond its authority and without due care. Saskatchewan Liquor and Gaming Authority is responsible for supervising SIGA. While it has good practices in other areas, its supervision of SIGA remains deficient. Saskatchewan Liquor and Gaming Authority has not approved policies for SIGA's spending on salaries and marketing, SIGA's two largest expenses. Nor has Saskatchewan Liquor and Gaming Authority established sound practices to identify and recover unreasonable expenses incurred by SIGA.

The Report also describes continuing concern about the spending practices of the First Nations Fund. The Trustees of the Fund continue to make payments beyond their authority and without ensuring that recipients spend the money according to the law. Saskatchewan Intergovernmental and Aboriginal Affairs (now Government Relations and Aboriginal Affairs) was responsible for supervising the Fund. The Report describes how the Department did not have appropriate processes to supervise the First Nations Fund. The Report notes that the Government supervised two other agencies with similar programs, the Métis Development Fund and the Community Initiatives Fund, and that these were generally well managed.

"These continuing problems show how difficult it can be to achieve change," said Wendel. "While the problems continue, public money is at risk." Fixing the problems will need commitment and strong action from all of these agencies.

At the same time, some past problem areas have been cleared up. The Report describes improvement in the practices at the Office of the Public Trustee. The Department of Justice and the Public Trustee have taken steps to properly administer the affairs of the Public Trustee's clients.

The Report also notes that the Government continues its efforts to improve its public accountability. Nine out of seventeen Government departments made public their operating plans for 2003. These plans tell legislators and the public what the departments plan to achieve with the money they spend.

Another positive move toward improved public accountability is the *Saskatchewan Comparable Health Indicator Report* published by the Department of Health. The Indicator Report provides valuable information on the performance of Saskatchewan's health system and compares Saskatchewan's performance to that of other jurisdictions. This information will allow improved public debate and decision-making.

The Report also discusses how the Government is managing challenges related to changes in Saskatchewan's population. Many Government workers will retire in the coming decade, and the Government needs a viable plan to ensure that it will continue to have a well-trained workforce. The Report sets out best practices for succession plans to help Government ensure it has the skilled workforce necessary to deliver services effectively.

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This Report is available on the Internet at <http://www.auditor.sk.ca>.

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