



# **News Release**

## **Provincial Auditor**

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### **Auditor calls for improved governance and transparency**

For Release After Report Has Been Tabled

Regina, May 28, 2002 — Provincial Auditor Fred Wendel today released the results of his audit of nearly 135 Government organizations. The Auditor's conclusions, findings and recommendations are contained in his *Spring 2002 Report*.

"There continue to be areas where governance and supervision need to improve," said Wendel. The Report describes how the Workers' Compensation Board needs to improve its governance practices. The Board needs complete and accurate monthly financial reports to make informed decisions on matters such as premium rates and compensation programs. The reports do not include accurate information on how much the Board will have to pay for existing claims. Also, the reports do not include projected results to the end of the year.

The Report continues the Auditor's focus on the Government's infrastructure. The Government's infrastructure includes the computer systems and networks that the Government uses to deliver services. "Implementing new computer systems is risky," said Wendel. "The Government needs adequate practices to manage those risks."

Adequate practices include sound business and financial plans to support Government decisions. The plans should set out clear and measurable benefits that the new systems will deliver. "It is crucial that the Government then obtain those intended benefits," said Wendel. "SaskPower provides a good example of an organization taking the initiative to achieve the benefits from its new computer system—we encourage other organizations to learn from them." The Report recommends further improvements to SaskPower's practices.

The Auditor noted that most of the Government organizations his Office examined had adequate practices to safeguard public money. He also commended the Government for its initiative to improve accountability. Under the initiative, departments are expected to set objectives, manage risks and monitor their performance.

The Report describes how the Department of Finance leads the accountability initiative. The Department uses a learning culture to build the capacity of managers from across Government to focus on results. The Report makes recommendations to strengthen the Department's support for these changes. "The next step," said Wendel, "is for the Government to begin making departments' business and financial plans public. Having to answer publicly for what they plan to do and for what they actually have done will improve the Government's use of public resources."

The Report also describes the Auditor's concern regarding the transparency of election and political party financial returns. In 1999, the Public Accounts Committee recommended that the Office of the Chief Electoral Officer provide guidance to auditors of returns requiring them to determine if the returns are complete (i.e., include all contributions and expenses). The Office has not done so. Rather, because of its interpretation of the law, it advises auditors that they have no duty to determine if the returns are complete. The Auditor's Report recommends that if legislators want to ensure that returns are complete, they should amend the law.

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

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