



PROVINCIAL AUDITOR  
*of Saskatchewan*

November 29, 2023

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

Dear Sir:

I have the honour of submitting my *Business and Financial Plan for the Year Ended March 31, 2025*, to be laid before the Legislative Assembly in accordance with the provisions of section 14.1 of *The Provincial Auditor Act*.

Respectfully submitted,

A handwritten signature in black ink that reads "T. Clemett".

Tara Clemett, CPA, CA, CISA  
Provincial Auditor

/dd





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## Introduction

The Legislative Assembly sets out the accountability process for the Office in *The Provincial Auditor Act*.

This report—*Business and Financial Plan for the Year Ended March 31, 2025* (2025 Business and Financial Plan, the Plan)—is one of the Office's two key accountability documents.

The Office prepares the Plan using reporting practices set out in the Public Sector Accounting Board's *Statement of Recommended Practice (SORP-2) Public Performance Reporting* published by the Chartered Professional Accountants of Canada. This Plan includes the information the Act requires along with additional supporting information.

The *2025 Business and Financial Plan* is comprised of three main sections:

- **Section 1.0 – Understanding the Office of the Provincial Auditor** provides a brief description of the Office including its purpose, accountability mechanisms, staffing, and key systems and practices.
- **Section 2.0 – 2024–25 Funding Request** sets out the 2024–25 Funding Request (Estimates) and factors, forces, and trends affecting the Office's work plan upon which the request is based.
- **Section 3.0 – Annual Work Plan for 2024–25 and Supporting Schedules** includes the Office's Audited Financial Forecast and other key information on trends in costs, average salaries, and training. The Office's Audited Financial Forecast sets out planned time spent on tasks and the 2024–25 annual work plan (i.e., planned costs to audit government agencies).

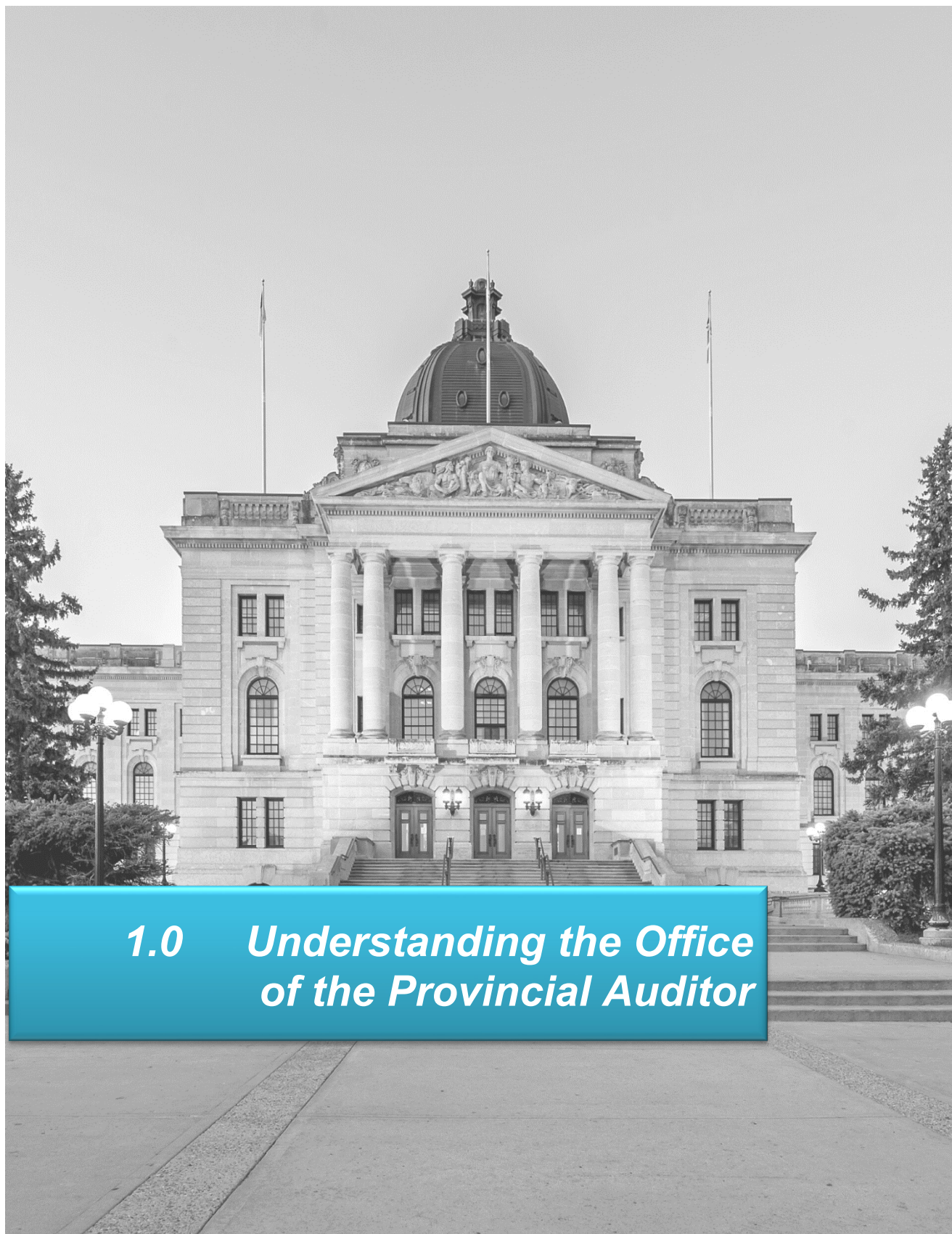
The Act requires the Public Accounts Committee to review and approve the Estimates for inclusion in the *Estimates* tabled in the Legislative Assembly.

In reviewing this Plan, the Office encourages the members of the Public Accounts Committee to consider the Office's *2023 Annual Report on Operations* tabled on June 21, 2023, and available on the Office's website.<sup>1</sup> The *2023 Annual Report on Operations* describes the Office's performance in achieving the goals and objectives set out in the *2023 Business and Financial Plan*. It also includes audited financial statements for the fiscal year ended March 31, 2023.

Also, members of the Public Accounts Committee can find the Office's prior business and financial plans (e.g., for the Year Ended March 31, 2024) on the Office's website.<sup>2</sup>

<sup>1</sup> Available at [auditor.sk.ca](http://auditor.sk.ca) under [Publications/Our Annual Report on Operations](#).

<sup>2</sup> Available at [auditor.sk.ca](http://auditor.sk.ca) under [Publications/Our Business and Financial Plans](#).



# **1.0**    *Understanding the Office of the Provincial Auditor*



## 1.1 Purpose of the Office of the Provincial Auditor

As shown in **Exhibit 1**, the Office of the Provincial Auditor contributes to the Legislative Assembly's accountability process. The Office's work and Reports affect public confidence in the Government. They provide legislators and the public with critical information on whether the Government issues reliable financial and other reports, uses effective processes to safeguard public resources (i.e., resources with which it is entrusted), and complies with governing authorities.

In addition, the Office:

- Supports and adheres to Canadian generally accepted assurance standards as published by the Chartered Professional Accountants of Canada (CPA Canada)
- Recommends improvements to the Government's management of public resources and compliance with authorities
- Encourages discussion and debate about public sector management and accountability issues
- Assists the Standing Committee on Public Accounts and the Standing Committee on Crown and Central Agencies in carrying out their mandates in holding the Government to account
- Develops professionals for public service

## 1.2 Accountability of the Office

The Office is accountable to the Legislative Assembly through the Standing Committee on Public Accounts (Public Accounts Committee, the Committee). Key accountability mechanisms in *The Provincial Auditor Act* require the Provincial Auditor to:

- Prepare and submit to the Committee key accountability documents—an annual business and financial plan, and an annual report on operations that includes audited financial statements<sup>3</sup>
- Present to the Committee, for its review and approval, the Office's annual funding request and supplementary estimates (if any)
- Table with the Committee, for its information, the Office's human resources and financial management policies, and quarterly financial forecasts
- Use Canadian generally accepted assurance standards to carry out the Office's audits
- Be a member in good standing of the Institute of Chartered Professional Accountants of Saskatchewan, including maintaining firm and member licensing requirements for the provision of professional accounting services<sup>4</sup>

*The Rules and Procedures of the Legislative Assembly of Saskatchewan* require the Public Accounts Committee to review and report to the Assembly on the results of its review of the Provincial Auditor's Reports. The Committee's reports include whether the Committee agrees with recommendations the Office makes in its Reports.

For the parliamentary system of government to work properly, it must have the public's confidence. To merit this confidence, the Government's programs must be effective, open, and accountable to the public. One important

<sup>3</sup> When the Assembly is not in session, the Standing Committee on Public Accounts receives these reports upon their submission to the Speaker.

<sup>4</sup> *The Provincial Auditor Act* deems the Provincial Auditor a firm for the purposes of *The Accounting Profession Act*.



responsibility of the Legislative Assembly is to hold the Government of Saskatchewan accountable for its management of public resources.

The Office's work and Reports contribute to informed decision-making in government. This, in turn, helps the Government carry out its responsibility using sound management practices.

### Exhibit 1—The Value and Benefits of a Legislative Audit Office



Gold: Value and benefits of a Legislative Audit Office  
Gradient blue: Key services and products of a Legislative Audit Office  
Adapted from a Canadian Legislative Auditors Working Group



## 1.3 Auditor Independence

Auditor independence is critical for a successful legislative audit regime. Auditor independence allows auditors to exercise objectivity—to not be compromised by bias, conflict of interest, or undue influence of others. Independence also enhances professional skepticism (i.e., appropriate challenge of management’s assertions).

*The Provincial Auditor Act* provides the legislative framework for the independence of the Office and its staff. The framework enables the Provincial Auditor, the Office, and its staff to be independent of the Government and be able to exercise that independence—that is, make decisions without being affected by influences that would compromise their judgment. The Act:

- Creates an independent Officer of the Legislative Assembly called the Provincial Auditor with the responsibility to audit all government agencies and report the results directly to the Legislative Assembly.
- Ensures the Provincial Auditor is independent from elected and appointed officials including the Assembly’s committees and boards.
- Requires an order of the Legislative Assembly based on a unanimous recommendation of the Public Accounts Committee to appoint the Provincial Auditor for an eight-year, non-renewable term.<sup>5</sup> The Public Accounts Committee is an all-party committee chaired by a member of the Opposition that does not include Cabinet ministers.
- Sets the Provincial Auditor’s salary and benefits (e.g., equal to the average salary of all the deputy ministers and acting deputy ministers of the Government of Saskatchewan calculated at April 1 in each year).
- Makes the Office’s employees part of the Legislative Branch of Government. They are neither part of the Executive Branch of Government nor members of the public service of Saskatchewan.
- Gives the Office’s employees access to similar benefits as those available to public servants.
- Requires the Public Accounts Committee to review the Office’s annual Business and Financial Plan and recommend the Office’s annual funding to the Legislative Assembly.
- Gives the Provincial Auditor administrative independence—the power to administer, manage, and control the Office, its general business, as well as oversee and direct the Office’s staff. This includes the ability to decide which employees to hire and at what rate, and what audit work to do and how.

The Office has put into place additional safeguards to enable staff to act with integrity, and exercise objectivity and professional skepticism.

## 1.4 Staffing

The Office’s employees are its most valuable resource because the quality and timeliness of the Office’s work depends on their knowledge, skills, and professionalism. Creating and maintaining an environment that encourages and rewards ongoing learning is crucial to the Office’s success.

The competencies of the Office’s staff affect the quality and timeliness of the work the Office does for the public, the Legislative Assembly, and the Government. The Office works with the Canadian legislative audit community to identify and develop the required competencies for legislative auditors. The required competencies include those identified by CPA Canada for chartered professional accountants.

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<sup>5</sup> The Legislative Assembly appointed Tara Clemett as Provincial Auditor effective November 15, 2021, based on the unanimous recommendation of the Standing Committee on Public Accounts.





The Office's staff must have and apply suitable knowledge, skills, and attributes to enable the Office to fulfill its mandate as expected. These include:

- Objectivity and professional skepticism because of the Office's full independence from the Executive Government (e.g., ministries, Crown corporations, boards, commissions, funds)
- Thorough knowledge of the:
  - Complex structure and systems the Government uses to manage public resources
  - Structure of legislative authorities governing the activities of government agencies related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing
  - Audit of IT systems and use of data analytics
  - Accounting and assurance standards published by CPA Canada
- Working knowledge of the issues facing government agencies operating in diverse types of businesses including education, health, insurance, protection of people and property, pension and benefit plans, energy, telecommunications, gaming, transportation, renewable and non-renewable resources, human resources, construction, and financial services
- A business view derived from rigorous professional training and practical knowledge of public administration

The Office has four operating divisions (education, environment and infrastructure, finance, and health) and one support services division. A deputy provincial auditor leads each division with assigned staff. Each operating division has an assigned portfolio of audit work, and is responsible for completing that work within an assigned budget and agreed upon deadlines. The Support Services Division is responsible for human resources including training, payroll, financial reporting, performance reporting, IT systems, communications, and general administration. The Assistant Provincial Auditor is responsible for maintaining the quality management system for the Office's compliance with generally accepted assurance standards.

During 2023–24, the Office expects to employ 58 equivalent positions (2022–23: 60). As of October 31, 2023, 31 of the Office's employees were professional accountants (October 31, 2022: 31) with 14 staff training to become professional accountants. Of these professional accountants, 7 have non-accounting designations (e.g., Certified Information System Auditor, Certified Internal Auditor, Certification in Risk Management Assurance, and Chartered Professional in Human Resources). Four audit staff are non-accountant professionals (e.g., MPA, MSc).

## ***1.5 Maintaining Effective Systems and Practices Including Mitigating Risks***

Sound risk management, and effective systems and practices, are essential for the Office's management and use of public resources. As part of risk management, the Office identifies and assesses the possible adverse consequences it may experience from events or circumstances. The Office accepts some risks because it is not cost effective to have no risks.

**Exhibit 2—Key Risks and Responses** sets out key risks the Office faces and processes it uses to mitigate those risks to an acceptable level. In addition, the Office implements strategies to manage residual risks.

The Office maintains strong systems and practices supported by policies and procedures so that:

- The Office provides quality services and products at a reasonable cost
- The Office's work is relevant—it assists in strengthening and advancing the Government's ability to achieve intended results



- The scope of the Office's work covers all government agencies accountable to the Legislative Assembly and the people of Saskatchewan
- Stakeholders understand and value the Office's work

Each year, the Office's Annual Report on Operations includes the independent auditors' report on the Office's systems and practices. In the last report—*2023 Annual Report on Operations*—the Office's external auditor reported that the Office had effective processes to safeguard public resources entrusted to it by the Assembly. The Office has not made significant changes to its systems and practices since that audit.

## Exhibit 2—Key Risks and Responses

**Stakeholders do not support the Office's goals and objectives.** For the Office to remain viable, legislators, the public, and government officials (stakeholders) must support its goals and objectives. Pursuing its goals and objectives must result in relevant assurance (audit reports) and advice for its stakeholders. The Office uses strategic planning processes so that its goals and objectives result in relevant assurance and advice for its stakeholders. In addition, gaining and keeping stakeholder trust is essential for the viability of the Office. Maintaining trust includes respecting the confidentiality of information to which the Office has access. The Office has processes to maintain the confidentiality of information.

**Government does not act on the Office's recommendations.** Doing independent, reliable, and relevant work at a reasonable cost is vital to the Office's success. These attributes are also essential for stakeholders to value the Office's advice and act upon it. The Office must understand the challenges the Government faces. Also, its advice must help improve program performance. The Office uses quality and financial management processes so that its assurance and advice are independent, relevant, reliable, and cost effective.

**The Standing Committees on Public Accounts<sup>A</sup> and Crown and Central Agencies<sup>B</sup> do not fulfill their responsibilities.** The Office must provide assurance and advice consistent with each Committee's objectives. The Office uses quality management processes so that it provides independent, relevant, and reliable information consistent with each Committee's objectives.

**The Office does not have the required competencies and resources to deliver its products and services.** The quality of its work is dependent on the competencies of the Office's staff. The Office has hiring processes and training programs to ensure it acquires and maintains the required competencies. To discharge its statutory duties, the Office needs sufficient resources to employ the required number of competent people. It also needs sufficient resources to equip, support, and house its staff. It needs the support of legislators to obtain the required resources. To gain this support, it uses planning and monitoring processes so that its work is reliable and relevant to legislators. Also, the Office publishes a business and financial plan and an annual report on operations to build legislators' support for its request for resources.

**The Office does not manage its resources effectively.** The Office's management practices must promote the effective use of its resources. It uses financial and human resource management processes to keep the risk of not doing so at a minimum. Its major input cost to provide services is salaries and benefits. Salaries and benefits account for approximately 80% of its spending. It carefully monitors and reports publicly on the use of staff time.

**The Office does not understand or respond to the challenges faced by its stakeholders.** If its assurance and advice is to be reliable, the Office must understand the challenges and risks the Government faces. How the Government manages its risks affects the nature and extent of work the Office must do. The Office must also understand the challenges and risks legislators and the public face if its assurance and advice is to be relevant. To be relevant, its assurance and advice should result in better parliamentary control over government activities and better program performance (see **Exhibit 1**). It uses strategic planning processes to set strategic goals and priorities, and annual planning processes to understand and revisit the challenges and risks faced by its stakeholders.

**The Office loses, or is perceived to lose, its independence.** *The Provincial Auditor Act* makes the Office responsible for examining all public resources managed by the Government and the Legislative Assembly (e.g., Legislative Assembly Service). The Act provides the legislative framework for independence of the Office. The Office carefully guards its independence and reports to the Assembly or the Public Accounts Committee when it is concerned about its independence. Also, it uses human resource management processes to maintain objectivity and independence in its work. This includes additional safeguards to enable its staff to act with integrity, exercise objectivity and professional skepticism.

**The Office provides inappropriate or incorrect assurance and advice.** Stakeholders must trust and value the Office's assurance (audit reports) and advice. The Office has processes to ensure the reliability and quality of its work, including using experts for complex matters.

<sup>A</sup> The Standing Committee on Public Accounts is the audit committee for the Legislative Assembly. The Committee is a key agent of change for improving the Government's management of public resources. The Committee's mandate is to help the Legislative Assembly hold the Government accountable for its spending of taxpayers' money and its stewardship over public resources. The Committee reviews and evaluates the activities of government ministries and Crown agencies. The Committee reviews our Office's reports and works with the Provincial Auditor to carry out the Committee's mandate.

<sup>B</sup> The Standing Committee on Crown and Central Agencies, a field policy committee, considers matters related to the Crown Investments Corporation of Saskatchewan (CIC) and its subsidiaries, supply and services, central agencies, liquor, gaming, and all other revenue-related agencies and entities. Since 2001, the Assembly, through *The Provincial Auditor Act*, has referred the parts of the Office's reports that relate to CIC and its subsidiaries to the Committee for review. The Crown and Central Agencies Committee works with the Provincial Auditor to carry out the Committee's mandate related to those reviews.





## **2.0**    *2024–25 Funding Request*





## 2.1 2024–25 Funding Request

As required by *The Provincial Auditor Act*, this section presents the Office's funding request for 2024–25 Estimates including an amount for unforeseen expenses (contingency appropriation) as envisioned by *The Provincial Auditor Act*.<sup>6</sup>

The Office asks that the Public Accounts Committee approve the 2024–25 Estimates with an appropriation for the operation of the Office of \$9,576 thousand and an appropriation for unforeseen expenses of \$641 thousand. The 2024–25 contingency appropriation request of \$641 thousand approximates the Office's previous net financial asset target of one month's salary and benefits.

The Office also asks the Public Accounts Committee, after its review, to submit the approved Estimates to the Speaker for inclusion in the *Estimates* tabled in the Legislative Assembly.

**Section 2.2 – Provincial Auditor's Estimates for Vote 28 Provincial Auditor** provides the 2024–25 Estimates with a breakdown consistent with the format the Legislative Assembly expects. These appropriations will enable the Office to fulfill its statutory duties under *The Provincial Auditor Act*.

**Section 2.3 – Factors, Forces, and Trends Affecting the Appropriation, Section 3.2 – Audited Financial Forecast, and Section 4.0 – Other Supporting Information** provide details on the basis for the 2024–25 Estimates request for the operation of the Office.

**Section 3.2 – Audited Financial Forecast** includes the audited financial forecast where an auditor, independent from the Office, concluded the financial forecast for the year ended March 31, 2025, is consistent with and reasonable in relation to the Office's strategic goals and priorities.<sup>7</sup>

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<sup>6</sup> The Legislature amended *The Provincial Auditor Act* in June 2001 (amended Act). The amended Act changed how the Provincial Auditor's Office finances its operations. Until 2001, the Office maintained net financial assets equal to approximately one month's salary and benefit expenses. The Office used this money to respond to costs of unplanned work, pressure to improve the timeliness of its work, and unplanned salary and benefit increases. This practice enhanced the Office's independence by providing the resources necessary to effectively manage unforeseen circumstances. The amended Act requires the Provincial Auditor to return all unspent money at the end of the year to the General Revenue Fund. This practice is known as "lapsing appropriations." To enable the Provincial Auditor to retain the independence to manage effectively, the Legislative Assembly accepted the recommendation of the Standing Committee on Public Accounts that the amended Act provide for the Provincial Auditor to obtain an extra appropriation each year. Since 2001, the Act provides for the inclusion of amounts for unforeseen expenses in the estimates presented by the Office each year.

<sup>7</sup> Since 1998, the Office has provided the Committee with an audited financial forecast in response to a 1998 request from the Board of Internal Economy to provide the Board with independent advice to help it assess the Office's request for resources.





## 2.2 Provincial Auditor's Estimates

### Provincial Auditor

Vote 28

The Provincial Auditor, an Independent Officer of the Legislative Assembly, serves the people of Saskatchewan through the Legislative Assembly. The Office encourages accountability and effective management in government operations through its independent examinations, advice, and reports on the management of public resources entrusted to government.

#### Summary of Appropriation and Expense

(thousands of dollars)

	Estimated 2024-25	Estimated 2023-24
Provincial Auditor .....	9,576	8,993
Unforeseen Expenses .....	641	592
<b>Appropriation</b>	<u>10,217</u>	<u>9,585</u>
Capital Asset Acquisitions .....	-	-
Non-Appropriated Expense Adjustment.....	-	-
<b>Expense</b>	<u><u>10,217</u></u>	<u><u>9,585</u></u>

#### Provincial Auditor (PA01)

To provide for the audits of the administration of programs and activities of government ministries, health and education institutions, commissions, boards, and Crown corporations and for reporting the results of all audits annually to the Legislative Assembly and the public. The Provincial Auditor also assists the Standing Committees on Public Accounts and Crown and Central Agencies in their review of the Provincial Auditor's Reports, the Public Accounts, and other reports.

#### Allocations

Provincial Auditor's Salary (Statutory).....	234	234
Provincial Auditor Operations.....	9,342	8,759

#### Classification by Type

	2024-25	2023-24
Salaries.....	6,377	5,923
Goods and Services .....	3,199	3,070
	<u>9,576</u>	<u>8,993</u>

This subvote includes "Statutory" amounts. The amount "To Be Voted" is \$9,342K.

#### Unforeseen Expenses (PA02)

Provides for unforeseen expenses pursuant to section 10.1 of *The Provincial Auditor Act*.

#### Classification by Type

	2024-25	2023-24
Salaries.....	641	592
	<u>641</u>	<u>592</u>





## 2.3 Factors, Forces, and Trends Affecting the Appropriation

The 2024–25 Funding Request of \$9.576 million for the operation of the Office reflects a net increase of 6.5% (\$583,000) from the 2023–24 approved appropriation of \$8.993 million.

The net increase is comprised of:

Estimated increase for:	(in thousands)
➤ Market pressures affecting salaries and benefits	\$ 492
➤ Employer premium increases for provincial benefit plans – dental, health, WCB	34
➤ Employer premium increases for federal benefit plans – EI, CPP	13
➤ Impact of changes to Government agencies ( <b>Section 4.1</b> )	<u>44</u>
Funding request increase	<u>\$ 583</u>

Each year, the Office prepares a work plan that will enable it to fulfill its duties under *The Provincial Auditor Act*. To prepare its work plan, the Office uses a risk-based model to set priorities, and allocate resources.

The **Schedule of Planned Costs to Audit Government Agencies** sets out the annual work plan for the year ended March 31, 2025. The Schedule forms part of the audited financial forecast included in **Section 3.2**. The Schedule sets out the planned costs to audit and report on government sectors/agencies for the Office's fiscal year ended March 31, 2025, and comparative information. The 2024–25 work plan is based on the planning approach used in prior years, and reflects a similar mix of work. See **Section 3.3** for potential areas of focus for performance work.

The work plan reflects the Office's strategic goals and priorities and information known at September 30, 2023, about the following factors.

- Market pressures affecting salaries, benefits, and the availability of accountants and auditors

The availability of professional accountants and auditors has decreased over the past two years. This resulted in significant competition for individuals seeking opportunities to attain professional accountancy designations and for auditors who recently attained their professional accountancy designation. This affects the Office's turnover, recruiting strategies, salaries, benefits and work environment.

The Office anticipates some turnover each year when setting its plan; voluntary turnover to a maximum of 13% is realistic and manageable for the Office on an annual basis. For the year ended March 31, 2023, we had 15% voluntary turnover and four retirements (2022: 18% voluntary turnover and one retirement).

Research indicates increasing salaries continues to be a key factor when recruiting top talent. Public accounting firms (i.e., firms that provide audit services like our Office) continue to struggle to hire and retain professionals. They are responding to this market pressure by increasing salaries. In-demand professionals such as professional accountants continue to demand competitive wages, benefits and flexible work environments including hybrid and remote work options.<sup>8</sup> To ensure the Office has the staff required to meet its mandate, it must maintain competitive salaries, benefits, and provide flexible work arrangements.

This plan includes the impact of economic and market pressures on the Office's salaries over the past two years. The plan includes the impact of an economic increase of 3% the Office provided to staff effective April 1, 2023. The Office's starting salaries for those training to become auditors also increased in order to

<sup>8</sup> Robert Half Finance and Accounting 2024 Salary Guide.





effectively compete for and recruit new staff required to fill vacancies left by increased turnover and retirements of the past two years.

The increase in recruiting and human resource management efforts required to hire, retain, and train staff impacts the capacity of the human resource area of the Office. This plan includes an increase of one full-time equivalent position to assist with the hiring, coaching, and training efforts of the Office. This position will also support the Office in maintaining a healthy, diverse, and inclusive workplace.

- The Office provides employees access to similar benefits as those available to public servants

The Government has not confirmed changes to salary and benefits for public servants as of September 30, 2023 (the date of finalizing this request). This funding request does not include an estimate of general salary and benefit increases (e.g., cost of living adjustments) for 2024–25. Should the Government provide such increases, the Office will provide similar increases for its employees, and finance it by drawing on its contingency appropriation.

- Rates for employer costs of benefit plans set by provincial and federal governments

Employer contribution rate increases for provincial benefit plans are estimated to increase costs by \$34 thousand (dental plan, health plan, WCB). Federal EI and CPP rate increases are estimated to increase costs by \$13 thousand.

- Changes to Government agencies

*The Provincial Auditor Act* requires the Office to audit all government agencies. Changes including the Government's restructuring, creation, and wind-up of agencies, along with changes to the Government's use of appointed auditors, affect the Office's work plan and total costs. At September 30, 2023, changes to government agencies or programs are estimated to increase the Office's costs by \$44 thousand. See **Section 4.1 – Impact of Changes to Government Agencies on the 2024–25 Work Plan** for further detail.

While the use of appointed auditors reduces the Office's costs, it increases the total cost of auditing to taxpayers in that two auditors are involved. When the Government appoints a second auditor (appointed auditor), the Office follows the recommendations of the *Task Force on Roles, Responsibilities, and Duties of Auditors*.<sup>9</sup> Following these recommendations ensures the Office serves the Assembly efficiently and minimizes duplication of effort. **Section 4.5 – Total Costs to Audit Government Agencies** sets out the total costs to audit government agencies for the last five years.

- Changes in inflation rates affecting goods and services

Changes in inflation impact contracted staff assistance, office software and security licensing, supplies, and audit travel (e.g., hotel rates). The Office anticipates the ability to absorb inflationary pressures in these areas based on a modest anticipated inflationary increase of 3% on its cost of goods and services. For example, the Office anticipates facility maintenance cost reductions as a result of the recent renovations completed by the landlord as part of the Office's lease.

- Changes to professional accounting, auditing, and assurance standards

The Canadian Public Sector Accounting Standards Board continuously updates public sector accounting standards. Recent areas of change impacted asset retirement obligations and revenue. Changes in accounting standards typically result in more work for preparers of financial statements and their auditors.

<sup>9</sup> Available at [www.auditor.sk.ca](http://www.auditor.sk.ca) under Resource Centre > Additional Documents, Publications and Guidance.



In addition, the Canadian Auditing and Assurance Standards Board continues to change auditing and assurance standards. Recent changes include those related to implementing and evaluating systems of quality management for public accounting firms such as our Office.

Changes require the Office to keep staff trained, maintain up-to-date audit methodology and practices, and often result in additional audit work effort. To minimize associated costs, wherever possible, the Office leverages its involvement with other Canadian legislative offices. In addition, the Office continuously looks for internal efficiencies like increased use of data analytics and internal training.

- The quality of and changes to the Government's records, systems, practices, and personnel

The Office recognizes government staff turnover (because of retirements or voluntary turnover) and ongoing pressures to look for cost efficiencies can create an environment that may affect this factor. The Office monitors the impact of busy administrative government staff on financial and management controls in agencies, and the delivery of government programs. Also, the introduction of new government programs or IT systems can impact the Office's audit work, including increasing its audit effort in the first year of implementation (e.g., new Saskatchewan Health Authority centralized financial and payroll system, new financial and HR system for executive government).

- The level of cooperation the Office expects to receive from government officials and appointed auditors when it does its work

The Office receives, and expects to continue to receive, good cooperation from government officials and appointed auditors. It recognizes, in some cases, staff turnover and recruiting challenges at government agencies has impacted the receipt of information for audits. It notes parties are making best efforts in these circumstances, but audits do take longer if financial information presented for audit is not accurate and timely.

- The legislators' and public's expectations

The Office is updating its Strategic Plan in Fall/Winter 2023. It is anticipated that a new five-year strategic plan (2025–2029) will be finalized by March 31, 2024. This process will include seeking feedback to assist in the assessment of continued relevance of the elements of the current strategic plan. The Office's *2021–2024 Strategic Plan (Section 5.0)* provides the foundation for the development of the *2025 Business and Financial Plan*. The new strategic plan will inform the development of the *2026 Business and Financial Plan*.

**Exhibit 3** highlights the external forces and trends affecting both the Office and its interested parties. Identifying external forces and trends helps keep the Office responsive to changing environments and emerging risks.







### Exhibit 3—External Forces and Trends Affecting the Office

The Office's 2021–2024 *Strategic Plan* identifies eight major external forces and trends that affect both the Office and its stakeholders (i.e., legislators, the public, and government officials). They affect the Office's resources, how it manages, and how it decides what work it does and when. The Office focuses its efforts on helping stakeholders address the challenges emerging from these forces and trends as well as several more specific issues. In particular, the Office will continue to encourage the Government to address the following challenges:

- Changing demographics – increased focus on diversity and social justice; public polarization and trust erosion
- Technology change – increasing complexity, use of artificial intelligence and data analytics
- Evolving reporting frameworks, increased regulatory oversight of professional accountants
- Changes in government service delivery models; accelerated program developments
- Changes in the public sector workforce – attitudes/expectations; alternative work arrangements
- Sustainability and protecting the environment
- Focus on nature, scope and scale of government infrastructure including financing arrangements
- Impact of global forces on Saskatchewan

Source: 2021–2024 Strategic Plan (Appendix 2).

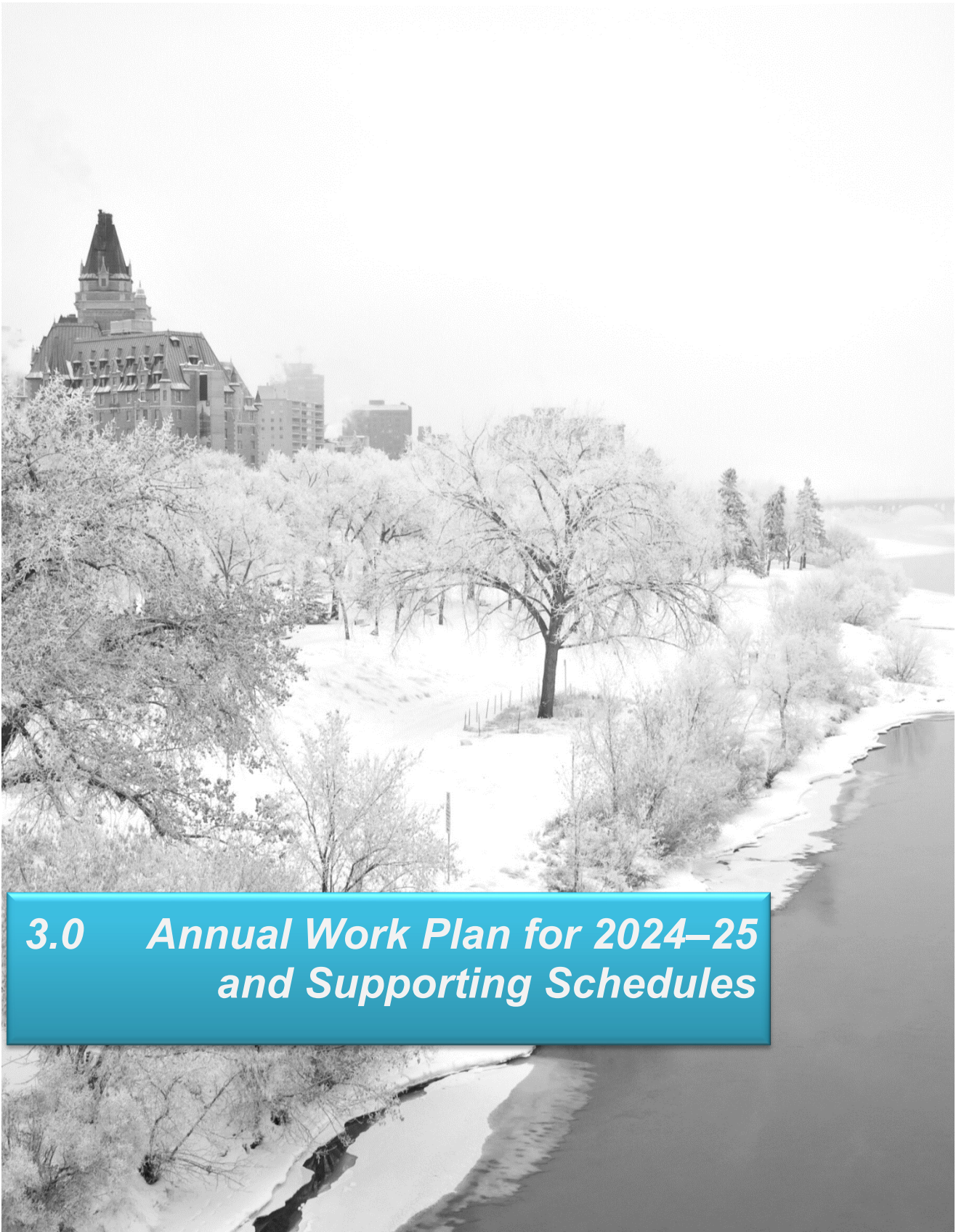
## 2.4 Impact of Alternative Funding Levels

If the Office does not obtain approval for a sufficient appropriation from the Public Accounts Committee, it will be unable to carry out its work plan. As previously noted, the Office uses a risk-based model to set its work plan. The model reflects that the Office must provide assurance on the Government's Summary Financial Statements along with assurance on the effectiveness of the Government's management of public resources, and compliance with the law. If the Office were unable to obtain sufficient funding, it would provide less service by not auditing certain agencies in the following sequence:

- Special purpose and trust funds
- Certain CIC-related Crown corporation subsidiaries
- Certain educational agencies (e.g., regional colleges)

When the Office does not examine a Government agency, the Assembly does not receive the Office's assurances on the agency's financial statements, the effectiveness of its management of public resources, and its compliance with governing authorities.

If necessary, the Office will report to the Legislative Assembly which Government agencies it was unable to audit. When this is necessary, the Office is concerned with the impact of this message on public confidence in the system of government.



### **3.0 *Annual Work Plan for 2024–25 and Supporting Schedules***





## 3.1 Glossary

### **Estimate**

Future-oriented financial information prepared using actual results, where available, and assumptions all of which reflect the entity's planned course of action for the period covered given management's judgment as to the most probable set of economic conditions.

### **Forecast**

Future-oriented financial information prepared using assumptions that reflect the entity's planned courses of action for the period given management's judgment as to the most probable set of economic conditions (*CPA Canada Handbook—Assurance*).

### **Projection**

Future-oriented financial information prepared using assumptions that reflect the entity's planned courses of action for the period given management's judgment as to the most probable set of economic conditions, together with one or more hypotheses that are assumptions which are consistent with the purpose of the information but are not necessarily the most probable in management's judgment (*CPA Canada Handbook—Assurance*).



## 3.2 Audited Financial Forecast

### Management's Responsibility for the Financial Forecast

The accompanying financial forecast, consisting of a Statement of Operations included in the Business and Financial Plan for the Office of the Provincial Auditor for the year ended March 31, 2025, is the responsibility of management of the Office. Management prepared the financial forecast in accordance with generally accepted accounting principles in Canada. The financial information presented elsewhere in this Business and Financial Plan is consistent with that in the financial forecast.

To ensure the integrity and objectivity of the financial data, management maintains an appropriate code of conduct, a comprehensive system of internal controls including written policies and procedures, and an organizational structure that segregates duties. These systems and practices provide reasonable assurance that the most probable set of economic conditions are reflected in the assumptions the Office developed to prepare the financial forecast. These measures also provide reasonable assurance that the assumptions are suitably supported, consistent with the goals and plans developed by the Office, and provide a reasonable basis for the forecast.

The financial forecast was audited by Virtus Group LLP. Its report to the Standing Committee on Public Accounts stating the scope of its examination and opinion on the financial forecast follows.

Tara Clemett, CPA, CA, CISA  
Provincial Auditor

Angèle Borys, CPA, CA, CPHR  
Deputy Provincial Auditor &  
Chief Operating Officer

November 27, 2023  
Regina, Saskatchewan

### Auditors' Report on Financial Forecast

To the Standing Committee on Public Accounts:

The accompanying financial forecast of the Office of the Provincial Auditor consisting of a Statement of Operations for the year ended March 31, 2025, has been prepared by management using assumptions with an effective date of September 30, 2023. We have examined the support provided by management for the assumptions, and the preparation and presentation of this forecast. Our examination was made in accordance with the applicable Auditing Guideline published by the Chartered Professional Accountants of Canada. We have no responsibility to update this report for events and circumstances occurring after the date of our report.

In our opinion:

- As at the date of this report, the assumptions developed by management are suitably supported and consistent with the plans of the Office, and provide a reasonable basis for the forecast
- This forecast reflects such assumptions
- The financial forecast complies with the presentation and disclosure standards for forecasts published by the Chartered Professional Accountants of Canada

Since this forecast is based on assumptions regarding future events, actual results will vary from the information presented and the variances may be material. Accordingly, we express no opinion as to whether this forecast will be achieved.

Chartered Professional Accountants

November 27, 2023  
Regina, Saskatchewan



**OFFICE OF THE PROVINCIAL AUDITOR**  
**Financial Forecast—STATEMENT OF OPERATIONS**  
**For the Years Ended March 31**  
**(thousands of dollars)**

	2022 Actual	2023 Actual	2024 Estimate (Unaudited) (Note 4)	2025 Forecast (Notes 5,6)	2026 Projection (Unaudited)
<b>Revenue:</b>					
General Revenue Fund (GRF)					
- Appropriation	\$ 8,628	\$ 8,828	\$ 8,993	\$ 9,576	\$ 9,617
- Contingency Appropriation (Note 2)	524	588	592	641	641
Other	-	31	45	42	42
<b>Total revenue</b>	<b>9,152</b>	<b>9,447</b>	<b>9,630</b>	<b>10,259</b>	<b>10,300</b>
<b>Expense:</b>					
Salaries	5,664	5,797	5,913	6,377	6,377
Employee benefits	1,103	1,175	1,250	1,315	1,315
Facilities and equipment	766	804	841	853	872
Administration	288	350	332	357	365
Agent and advisory services	268	476	631	538	550
Training and development	136	150	151	150	153
<b>Total operating expense</b>	<b>8,225</b>	<b>8,752</b>	<b>9,118</b>	<b>9,590</b>	<b>9,632</b>
Transfer to GRF (Note 3)					
- Return of unused Appropriation	949	620	464	641	641
- Other	-	31	45	42	42
<b>Total transfer to GRF</b>	<b>949</b>	<b>651</b>	<b>509</b>	<b>683</b>	<b>683</b>
<b>Total expense</b>	<b>9,174</b>	<b>9,403</b>	<b>9,627</b>	<b>10,273</b>	<b>10,315</b>
<b>Annual surplus (deficit)</b>	<b>(22)</b>	<b>44</b>	<b>3</b>	<b>(14)</b>	<b>(15)</b>
Accumulated surplus, beginning of year	132	110	154	157	143
<b>Accumulated surplus, end of year</b>	<b>\$ 110</b>	<b>\$ 154</b>	<b>\$ 157</b>	<b>\$ 143</b>	<b>\$ 128</b>

(See accompanying notes and schedules)



## Office of the Provincial Auditor Notes to the Financial Forecast—Statement of Operations For the Years Ended March 31

### 1. Summary of Accounting Policies

The Office used Canadian public sector accounting principles to prepare this financial information. The following accounting principles are considered to be significant:

#### a) Revenue

The appropriation from the General Revenue Fund is recorded when authorized by the Legislative Assembly.

Other revenue consists of bank interest that is recorded when earned.

#### b) Tangible Capital Assets

Tangible capital assets are reported at cost less accumulated amortization. Amortization is recorded on a straight-line basis at rates based on estimated useful lives of the tangible capital assets as follows:

Computer hardware	3 years	Other furniture	5 years
Computer software	3 years	Other equipment	3 years
Furniture (desks, file cabinets)	10 years		

### 2. Contingency Appropriation

To enable the Provincial Auditor to retain independence to manage unforeseen circumstances effectively, *The Provincial Auditor Act* provides for the Provincial Auditor to obtain an extra appropriation each year for unforeseen expenses (contingency appropriation). The Act provides for a contingency appropriation in place of the Office maintaining net financial assets. Prior to 2001, the Office maintained net financial assets equal to approximately one month's salary and benefit expenses.

### 3. Transfer to General Revenue Fund

*The Provincial Auditor Act* requires the Office to give all other revenues to the General Revenue Fund. The Act also requires the Office to return any excess appropriations to the General Revenue Fund. For 2024, the Office anticipates that it will give \$45,000 of other revenue and \$464,000 of its appropriation to the General Revenue Fund.

### 4. 2024 Estimate

The estimate for 2024 is based on actual information known to September 30, 2023, and the planned course of action for the remainder of the year. The actual results will vary and the variations may be material. The Office's actual expenses for the six months ended September 30, 2023, were \$5.1 million (unaudited).

### 5. 2025 Forecast – Key Assumptions

The financial information presented for 2025 is a forecast, and accordingly actual results will vary and the variations may be material.

The Office prepared the financial information for the year ended March 31, 2025, using the significant assumptions set out below. The assumptions reflect the Office's planned course of action for this period. The Office based the assumptions on management's judgment of the most probable set of economic conditions for this period based on information known at September 30, 2023.





**Appropriation** is the amount of money the Office needs from the General Revenue Fund to finance operations. The Office returns any amounts not required during the year to the General Revenue Fund at year-end (Transfer to GRF).

**Contingency appropriation** is the amount of money from the General Revenue Fund required for unforeseen expenses. The Office returns any amounts not required during the year to the General Revenue Fund at year-end (Transfer to GRF).

**Other revenue** includes bank interest earned on cash held during the year at an average rate of 4.5%.

**Salaries** are based on 62 full-time equivalent positions at an average salary cost of \$102,900 (Refer to **Section 3.5 – Forecast and Actual Full-Time Equivalent Positions and Average Salaries of Employees**). Average salary cost is determined using best estimates of expected pay for current and new employees based on past trends and expected economic conditions.

Total full-time equivalent positions of 64 (62 FTE salaried employees plus 2 FTE contracted staff assistance) reflects the staff necessary to provide 70,000 audit hours. The required audit hours for the agencies included in the **Schedule of Planned Costs to Audit Government Agencies** is based on the planned use of staff time set out in the **Schedule of Planned Time Spent on Tasks**. When determining required audit hours, the Office takes into account information known at September 30, 2023, about the state of the Government's systems and practices, the number and size of government agencies, the Government's use of appointed auditors, and changes in accounting and assurance standards.

**Employee benefits** include the costs of the following benefits: Canada Pension Plan, Employment Insurance, Workers' Compensation, Public Employees Pension Plan, Public Employees Dental Plan, Public Employees Disability Income Plan, Public Employees Group Life Insurance Plan, extended healthcare plan, parental top-up plan, and a flexible benefit plan. The costs reflect current rates charged for these benefits or expected rate changes.

**Facilities and equipment** includes rent for office space based on a 7-year lease effective April 1, 2022, and reflects management's best estimates based on past trends and current economic conditions for costs such as amortization of tangible capital assets, and computer hardware and software maintenance.

**Administration** reflects management's best estimates based on past trends and current economic conditions for costs such as audit travel, professional fees and dues, telephone, printing, and office supplies.

**Agent and advisory services** represents management's best estimates for legal costs, the cost for the audit of the Office, and other contractual services including planned use of experts to support our performance work. It includes costs for contracted staff assistance of 2 full-time equivalent positions.

**Training and development** costs are the estimated direct costs to train staff to become professional accountants, keep the knowledge and skills of current professionals up-to-date, and have knowledge in specialized areas. The Office based the costs on past trends and Office policies (Refer to **Section 3.6 – Training Schedule**).

## 6. Schedule of Revenue and Expenditure (thousands of dollars)

The Office prepared the following schedule using the expenditure basis of accounting. Expenditures are the cost of goods and services acquired in the year whether or not the Office has made payment. The appropriation from the General Revenue Fund is determined using the expenditure basis of accounting.



—Audited—

For the Years Ended March 31	2022 Actual	2023 Actual	2024 Estimate (Unaudited)	2025 Forecast	2026 Projection (Unaudited)
<b>Revenue:</b>					
General Revenue Fund (GRF)					
- Appropriation	\$ 8,628	\$ 8,828	\$ 8,993	\$ 9,576	\$ 9,617
- Contingency Appropriation	524	588	592	641	641
Other	-	31	45	42	42
<b>Total revenue</b>	<b>9,152</b>	<b>9,447</b>	<b>9,630</b>	<b>10,259</b>	<b>10,300</b>
<b>Expenditure:</b>					
Salaries	5,664	5,797	5,913	6,377	6,377
Employee benefits	1,104	1,179	1,250	1,315	1,315
Facilities and equipment	739	846	844	839	857
Administration	287	350	332	357	365
Agent and advisory services	268	479	631	538	550
Training and development	141	145	151	150	153
<b>Total operating expenditure</b>	<b>8,203</b>	<b>8,796</b>	<b>9,121</b>	<b>9,576</b>	<b>9,617</b>
Transfer to GRF					
- Return of unused Appropriation	949	620	464	641	641
- Other	-	31	45	42	42
<b>Total transfer to GRF</b>	<b>949</b>	<b>651</b>	<b>509</b>	<b>683</b>	<b>683</b>
<b>Total expenditure</b>	<b>9,152</b>	<b>9,447</b>	<b>9,630</b>	<b>10,259</b>	<b>10,300</b>
<b>Excess of revenue over expenditure</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>





## OFFICE OF THE PROVINCIAL AUDITOR SCHEDULE OF PLANNED TIME SPENT ON TASKS

For the Years Ended March 31

<i>Employee time</i>	Actual			Planned	
	2021	2022	2023	2024	2025
Working hours	85%	86%	85%	85%	85%
Vacation leave and statutory holidays <sup>1</sup>	13%	12% <sup>4</sup>	13%	13%	13%
Sick leave	2%	2%	2%	2%	2%
<b>Total paid hours</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<i>Working hours tasks</i>					
Audits	72% <sup>3</sup>	70%	68% <sup>6</sup>	69%	67% <sup>9</sup>
Support services	10%	11%	11%	12%	12%
Management services	12%	13%	14% <sup>6</sup>	13%	14% <sup>9</sup>
Training	6% <sup>3</sup>	6%	7% <sup>6</sup>	6% <sup>7</sup>	7% <sup>9</sup>
<b>Total work hours</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total full-time equivalent positions<sup>2</sup></b>	<b>63</b>	<b>59<sup>5</sup></b>	<b>62<sup>8</sup></b>	<b>63<sup>8</sup></b>	<b>64<sup>9,10</sup></b>

(See accompanying notes)

Explanations of statistical differences in the use of employee time:

- <sup>1</sup> The Office provides vacation leave and statutory holidays similar to those provided to employees in the public service. Periodically, there is one more statutory holiday (Good Friday) in the period or one less.
- <sup>2</sup> Includes employees and contracted assistance.
- <sup>3</sup> Training-related travel time was reduced due to COVID-19 pandemic restrictions resulting in more time spent on audits.
- <sup>4</sup> Increased turnover of audit staff in 2022 resulted in the need to defer some staff vacation leave in order to meet audit deadlines.
- <sup>5</sup> 2022 FTE impacted by increased turnover of audit staff and tight market for CPAs and contracted assistance.
- <sup>6</sup> Less time spent on audits due to increase in hiring new staff. More time spent on recruiting, training, and coaching activities.
- <sup>7</sup> The Office expected reduced training-related travel time due to virtual training options available.
- <sup>8</sup> The Office required additional staff and work hours to meet CPA Canada's new quality management standards.
- <sup>9</sup> The Office requires more management staff and training time for human resource activities such as recruiting, staff development, and coaching to hire and retain quality staff.
- <sup>10</sup> This represents 62 full-time equivalent employees and 2 full-time equivalent contracted assistance.



## Office of the Provincial Auditor Notes to the Schedule of Planned Time Spent on Tasks For the Years Ended March 31

### 1. Purpose

This schedule shows work tasks and the percentage of time spent on these tasks. The schedule shows actual percentages for the years ended March 31, 2021 to March 31, 2023, and planned percentages for these tasks for the years ended March 31, 2024 and 2025.

### 2. Definitions

**Working hours** – Time available after deducting vacation leave, statutory holidays, and sick leave.

**Vacation leave and statutory holidays** – Vacation leave is based on years of service. Employees also receive paid provincial statutory holidays similar to those provided in the public service.

**Sick leave** – Sick leave is based on approved leave taken prior to being eligible for long-term disability benefits.

**Total paid hours** – Total of working hours, vacation leave, statutory holidays, and sick leave. Employees must work a minimum of 1950 hours per year to receive full pay.

**Audit hours** – Time spent on the audits set out in the **Schedule of Planned Costs to Audit Government Agencies**. Audit hours do not include the time spent on support services, office administration, and training.

**Support services** – Time spent on accounting, IT network maintenance and support, and other administrative support.

**Management services** – Time spent on human resource activities, quality reviews, internal committees and working groups, office-wide and division planning activities, and time that does not fall within any other working hours task category.

**Training** – Time spent on staff development, courses, and seminars. The time includes both employee attendance and travel time, and instructor time when employees instruct courses.

**Full-time equivalent positions** – Total paid hours divided by 1950 hours.

### 3. Time Allocation Policies

Employees and contract staff are required to record actual time spent on each task to the nearest quarter hour. Staff supervisors approve all time recorded. The Office uses the staff time information to pay employees and contract staff, and monitor productivity. The Office also uses this information to determine and monitor the costs to audit government agencies.

### 4. Actual Time

The percentages of actual time set out in the Schedule are those presented in the audited **Schedule of Actual Time Spent on Tasks** in the Office's *Annual Report on Operations* for the related fiscal year.



## OFFICE OF THE PROVINCIAL AUDITOR SCHEDULE OF PLANNED COSTS TO AUDIT GOVERNMENT AGENCIES

For the Years Ended March 31  
(thousands of dollars)

<b>Government Sector/Agency</b>	<b>2022 Actual Costs (Notes 1&amp;2)</b>	<b>2023 Actual Costs (Notes 1&amp;2)</b>		<b>2024 Planned Costs (Note 2)</b>		<b>2025 Planned Costs</b>	
Advanced Education	\$ 733	\$ 1,000	<sup>21 A</sup>	\$ 881	<sup>9</sup>	\$ 947	
Agriculture	147	160		323	<sup>10</sup>	335	
Corrections, Policing and Public Safety	174	415	<sup>22</sup>	243	<sup>11</sup>	441	<sup>1</sup>
Education	824	509	<sup>23 A</sup>	743	<sup>12</sup>	796	
Energy and Resources	213	186		280	<sup>13</sup>	191	<sup>2</sup>
Environment	115	176		255		178	
Executive Council	21	18		18		20	
Finance	936	1,001		1,013		1,116	<sup>3</sup>
Government Relations	346	329	<sup>A</sup>	296		336	
Health	1,266	1,426	<sup>24 A</sup>	1,349		1,420	
Highways	136	260	<sup>25</sup>	125	<sup>14</sup>	145	
Immigration and Career Training	147	248	<sup>26</sup>	133	<sup>15</sup>	156	
Justice and Attorney General	588	444	<sup>27</sup>	449		544	<sup>4</sup>
Labour Relations and Workplace Safety	33	31		32		40	
Legislative Assembly	151	145		125		139	
Parks, Culture and Sport	257	315		262		314	
Public Service Commission	193	113	<sup>28</sup>	98		129	
Saskatchewan Liquor and Gaming Authority	301	216	<sup>29</sup>	295		245	
SaskBuilds and Procurement	230	257		425	<sup>16</sup>	453	
Social Services	297	341		243	<sup>17</sup>	326	<sup>5</sup>
Trade and Export Development	89	130		169		258	<sup>6</sup>
Workers' Compensation Board	202	134		31	<sup>18</sup>	58	
Crown Investments Corporation of Saskatchewan	44	44		48		52	
Lotteries and Gaming Saskatchewan Corporation	99	16	<sup>30</sup>	43		61	
Saskatchewan Government Insurance	73	159	<sup>31</sup>	83		82	
Saskatchewan Opportunities Corporation	9	10		-		-	
Saskatchewan Power Corporation	75	143	<sup>A</sup>	89		80	
Saskatchewan Telecommunications Holding Corporation	59	68		69		64	
Saskatchewan Water Corporation	19	11		19		16	
SaskEnergy Incorporated	42	37		131	<sup>19</sup>	37	<sup>7</sup>
Government-wide Work	86	114	<sup>A</sup>	274	<sup>20</sup>	119	<sup>8</sup>



<b>Government Sector/Agency</b>	<b>2022 Actual Costs (Notes 1&amp;2)</b>	<b>2023 Actual Costs (Notes 1&amp;2)</b>	<b>2024 Planned Costs (Note 2)</b>	<b>2025 Planned Costs</b>
Legislative Committees and Public Reports	396	399	449	478
<b>TOTAL COSTS<sup>A</sup></b>	<b>\$ 8,301</b>	<b>\$ 8,855</b>	<b>\$ 8,993</b>	<b>\$ 9,576</b>
Average cost-per-audit-hour <sup>32</sup>	\$ 117.33	\$ 124.42	\$ 123.92	\$ 133.00

(see accompanying notes)

<sup>A</sup> Includes costs remaining to complete audits not done at September 30, 2023.

The Office plans performance work in various sectors each year. Section 3.3 Potential Areas of Focus for Performance Work includes anticipated performance work over the next three years. Variability in where the Office conducts its performance work each year creates many of the significant cost variances when comparing each year's costs.

Reasons for differences greater than \$80 thousand between years (in thousands of dollars) are provided below:

**2025 and 2024 Planned**

- 1 **Corrections, Policing and Public Safety** – 2025 is more than 2024 by \$198. Planned costs for 2025 include costs to assess Saskatchewan Public Safety Agency's processes for emergency dispatching and the Ministry's processes to support the mental health of correctional workers.
- 2 **Energy and Resources** – 2025 is less than 2024 by \$89. Planned costs for 2024 include costs to assess the Ministry's processes to license and inspect oil and gas wells and facilities.
- 3 **Finance** – 2025 is more than 2024 by \$103. Planned costs for 2025 include costs to follow up past recommendations related to fuel tax expenditures, assess public accounts' financial statement discussion and analysis, and research significant issues for public accounts.
- 4 **Justice and Attorney General** – 2025 is more than 2024 by \$95. Planned costs for 2025 include costs to assess the Ministry's processes to reduce interpersonal violence and abuse.
- 5 **Social Services** – 2025 is more than 2024 by \$83. Planned costs for 2025 include costs to assess Saskatchewan Housing Corporation's public housing and costs to follow up past recommendations related to homes for people with intellectual disabilities. Planned costs for 2024 include costs to conduct three follow-up audits related to past recommendations (e.g., children in foster care).
- 6 **Trade and Export Development** – 2025 is more than 2024 by \$89. Planned costs for 2025 include costs to assess the Ministry's monitoring of international trade offices.
- 7 **SaskEnergy Incorporated** – 2025 is less than 2024 by \$94. Planned costs for 2024 include costs to assess SaskEnergy's processes for physically securing natural gas facilities.
- 8 **Government-Wide and Sectoral Work** – 2025 is less than 2024 by \$155. Planned costs for 2024 include anticipated costs for additional research of complex matters. Resources from this category will be allocated to specific 2024 performance audits as approved by the Provincial Auditor upon completion of detailed audit plans.

**2024 Planned and 2023 Actual**

- 9 **Advanced Education** – 2024 is expected to be \$119 less than 2023. Actual costs for 2023 include costs to assess Sask Polytechnic's processes to improve program completion rates of Indigenous students and to follow up past recommendations about Sask Polytechnic's processes to manage research and Northlands College's purchasing processes. Some actual costs for 2023 were lower because of fewer significant issues requiring research and staffing continuity on audits (e.g., University of Regina).
- 10 **Agriculture** – 2024 is expected to be \$163 more than 2023. Planned costs for 2024 include costs to assess the Ministry's processes for conserving land and to follow up past recommendations about mitigating the impact of regulated pests in crops and pastures. Some actual costs for 2023 were lower because of fewer significant issues requiring research and staffing continuity on audits (e.g., Ministry of Agriculture).
- 11 **Corrections, Policing and Public Safety** – 2024 is expected to be \$172 less than 2023. Actual costs for 2023 include costs to assess the Ministry's inmate segregation processes and to follow up past recommendations about Ministry processes to: rehabilitate adult



offenders sentenced to community supervision; provide medical care to adult inmates; and provide disaster assistance under the Provincial Disaster Assistance Program.

- <sup>12</sup> **Education** – 2024 is expected to be \$234 more than 2023. Planned costs for 2024 include costs to assess a school division's prekindergarten programs, and mental health in schools. Actual costs in 2023 were also lower because of fewer significant issues requiring research and majority of meetings attended virtually, reducing travel time and costs for school division audit work.
- <sup>13</sup> **Energy and Resources** – 2024 is expected to be \$94 more than 2023. Planned costs for 2024 include costs to assess the Ministry's processes to license and inspect oil and gas wells and facilities.
- <sup>14</sup> **Highways** – 2024 is expected to be \$135 less than 2023. Actual costs for 2023 include costs to assess the Ministry's processes to maintain winter highways and increased audit costs related to contaminated sites.
- <sup>15</sup> **Immigration and Career Training** – 2024 is expected to be \$115 less than 2023. Actual costs for 2023 include costs to assess the Saskatchewan Apprenticeship and Trade Certification Commission's processes to increase underrepresented groups in skilled trades.
- <sup>16</sup> **SaskBuilds and Procurement** – 2024 is expected to be \$168 more than 2023. Planned costs for 2024 include costs to assess the Ministry's cybersecurity controls, its implementation of a new centralized financial and human resource system for ministries, and implementation of new accounting standard for asset retirement obligations.
- <sup>17</sup> **Social Services** – 2024 is expected to be \$98 less than 2023. Actual costs for 2023 include costs to assess the Ministry's income support programs and follow up past recommendations related to the Ministry's processes to reduce absenteeism. Planned costs for 2024 include costs to conduct three follow-up audits related to past recommendations (e.g., children in foster care).
- <sup>18</sup> **Workers' Compensation Board** – 2024 is expected to be \$103 less than 2023. Actual costs for 2023 include costs to assess WCB's processes to monitor safety associations' use of funding for workplace safety.
- <sup>19</sup> **SaskEnergy Incorporated** – 2024 is expected to be \$94 more than 2023. Planned costs for 2024 include costs to assess SaskEnergy's processes for physically securing natural gas facilities.
- <sup>20</sup> **Government-Wide and Sectoral Work** – 2024 is expected to be more than 2023 by \$160. In 2023, resources from this category were allocated to specific 2023 performance audits as approved by the Provincial Auditor upon completion of detailed audit plans.

### 2023 and 2022 Actual

- <sup>21</sup> **Advanced Education** – 2023 was more than 2022 by \$267. Costs for 2023 include costs to assess Sask Polytechnic's processes to improve program completion rates of Indigenous students and to follow up past recommendations about Sask Polytechnic's processes to manage research and Northlands College's purchasing processes. Actual costs for 2022 were lower because of fewer significant issues requiring research, staffing continuity on audits, and less travel than planned due to the COVID-19 pandemic (e.g., University of Saskatchewan).
- <sup>22</sup> **Corrections, Policing and Public Safety** – 2023 was more than 2022 by \$241. Actual costs for 2023 include costs to assess the Ministry's inmate segregation processes, and costs to follow up past recommendations about Ministry processes to: rehabilitate adult offenders sentenced to community supervision; provide medical care to adult inmates; provide timely financial disaster assistance under the Provincial Disaster Assistance Program; alert the public about imminent dangerous events in Saskatchewan; and coordinate emergency preparedness for provincial emergencies. 2023 also included the audit of the new Firearms Secretariat and increased audit work at the Saskatchewan Public Safety Agency resulting from increased program activity.
- <sup>23</sup> **Education** – 2023 was less than 2022 by \$315. Actual costs for 2022 include costs to assess the Ministry's processes to improve outcomes for Indigenous students, Sun West School Division's processes related to distance education, and increased costs to follow up past recommendations at school divisions.
- <sup>24</sup> **Health** – 2023 was more than 2022 by \$160. Actual costs for 2023 included costs to conduct three new performance audits (e.g., specialist wait times, IT asset maintenance), the one time audits of five Canadian Partnership Against Cancer cost claims, somewhat offset by decreased costs to follow up past recommendations in the health sector. Actual costs for 2022 included costs to conduct two new performance audits (e.g., regulation of tobacco and vapour products) and reduced travel costs due to the COVID-19 pandemic.
- <sup>25</sup> **Highways** – 2023 was more than 2022 by \$124. Actual costs for 2023 include costs to assess the Ministry's processes to maintain winter highways and increased audit costs related to contaminated sites.
- <sup>26</sup> **Immigration and Career Training** – 2023 was more than 2022 by \$101. Actual costs for 2023 include costs to assess the Saskatchewan Apprenticeship and Trade Certification Commission's processes to increase underrepresented groups in skilled trades.
- <sup>27</sup> **Justice and Attorney General** – 2023 was less than 2022 by \$144. Actual costs for 2022 include costs to assess the Office of Residential Tenancies' adjudication of tenancy disputes and the Ministry's processes to conduct coroner investigations.
- <sup>28</sup> **Public Service Commission** – 2023 was less than 2022 by \$80. Actual costs for 2022 include costs to assess processes to advance workplace diversity and inclusion in ministries.



- <sup>29</sup> **Saskatchewan Liquor and Gaming Authority** – 2023 was less than 2022 by \$85. Actual costs for 2022 include costs to assess SLGA's processes to regulate locally manufactured alcohol.
- <sup>30</sup> **Lotteries and Gaming Saskatchewan Corporation** – 2023 was less than 2022 by \$83. Actual costs for 2022 include costs to assess Saskatchewan Gaming Corporation's processes to prevent cyber attacks.
- <sup>31</sup> **Saskatchewan Government Insurance** – 2023 was more than 2022 by \$86. Actual costs for 2023 include costs to assess SGI's licensing processes for commercial drivers.

**Average Cost-per-Audit-Hour**

- <sup>32</sup> The anticipated average cost-per-audit-hour in 2025 is higher than prior years primarily because of higher salaries and benefits required to hire and retain qualified audit staff.



## Office of the Provincial Auditor Notes to the Schedule of Planned Costs to Audit Government Agencies For the Years Ended March 31

### 1. Purpose

This schedule (Annual Work Plan) shows the Office's actual costs to audit government agencies for its fiscal years ended March 31, 2022 and March 31, 2023. The schedule also shows the Office's planned costs to audit government agencies for its fiscal years ended March 31, 2024 and March 31, 2025.

The actual costs for 2022 and 2023 were originally provided in the **Schedule of Actual Costs to Audit Government Agencies** included in the Office's 2022 and 2023 Annual Reports on Operations. The audited information noted there would be future costs to complete these audits. Virtus Group LLP audited those schedules. The actual results reported in this schedule have been updated for actual costs up to September 30, 2023—including an estimate for costs remaining to complete audits not done at September 30, 2023.

The Office uses a risk-based model to set priorities and allocate resources to its audits of government agencies.

The "nature of each examination" is described in section 11 of *The Provincial Auditor Act*, which states:

*11(1) The Provincial Auditor is the auditor of the accounts of the government of Saskatchewan and shall examine all accounts related to public money and any accounts not related to public money that he is required by an Act to examine, and shall determine whether, in his opinion:*

- a) the accounts have been faithfully and properly kept;*
- b) public money has been fully accounted for and properly disposed of, and the rules and procedures applied are sufficient to ensure an effective check on the assessment, collection and proper allocation of public money;*
- c) public money expended has been applied to the purposes for which it was appropriated by the Legislature and the expenditures have adequate statutory authority; and*
- d) essential records are maintained and the rules and procedures applied are sufficient to safeguard and control public money.*

### 2. Cost Allocation Policies

Government agencies have various fiscal year-ends (e.g., March 31, June 30, August 31, and December 31). Due to the nature of auditing, audit activity related to an agency occurs before and after its fiscal year end. As such, while most do, not all audits start and finish within the Office's fiscal year. As a result, the Office's total annual operating expenditure is allocated to pay for portions of more than one Annual Work Plan.

Total Operating Expenditure is the total operating expenditure as reported in the audited financial statements for the related fiscal year. It reflects total costs incurred to March 31 in that fiscal year.

Each year, the Office allocates its total operating expenditure to the audit categories set out in its Annual Work Plan. It uses hours reported for each audit in approved employee time sheets as the basis of its allocation. It applies direct costs (e.g., travel) to their relevant audit agency and year. It determines cost-per-hour based on employees' pay and benefits and a portion of other costs (e.g., facilities and equipment, administration, training and development) allocated based on the planned time spent on audits (audit hours). Cost-per-hour is adjusted periodically to reflect changing employee and office-wide circumstances.

Actual Costs per government sector/agency shown on the schedule are the sum of actual direct costs related to relevant audits plus the product of actual time (hours) spent by employees multiplied by cost-per-hour.

As a result of changes to ministerial responsibilities, we reclassified our actual and planned work plan costs to reflect the new structure.



### 3.3 Potential Areas of Focus for Performance Work

The Office's annual planning process includes determining potential areas of focus for its future performance work. The Office anticipates performance work in the following areas over the next three years:

Government Sector/ Agency	Potential Areas of Focus for Performance Work		
	Year 1	Year 2	Year 3
Advanced Education			<ul style="list-style-type: none"> <li>Cloud computing</li> </ul>
Agriculture	<ul style="list-style-type: none"> <li>Farmland ownership</li> </ul>		
Corrections, Policing and Public Safety	<ul style="list-style-type: none"> <li>Mental health of correctional workers</li> <li>Sask911 services</li> </ul>	<ul style="list-style-type: none"> <li>Gang violence reduction<sup>A</sup></li> </ul>	
Education	<ul style="list-style-type: none"> <li>Independent schools</li> </ul>	<ul style="list-style-type: none"> <li>Indigenous student success</li> </ul>	<ul style="list-style-type: none"> <li>Childcare providers</li> </ul>
Environment		<ul style="list-style-type: none"> <li>Environmental assessments</li> </ul>	<ul style="list-style-type: none"> <li>Dams infrastructure</li> </ul>
Government Relations		<ul style="list-style-type: none"> <li>Municipal appeals</li> </ul>	
Health	<ul style="list-style-type: none"> <li>Opioid treatment services</li> </ul>	<ul style="list-style-type: none"> <li>Long-term care home inspections</li> <li>Virtual care</li> </ul>	<ul style="list-style-type: none"> <li>HIV prevention</li> <li>Mental health of healthcare workers</li> </ul>
Highways			<ul style="list-style-type: none"> <li>Regina Bypass oversight</li> </ul>
Justice and Attorney General	<ul style="list-style-type: none"> <li>Interpersonal violence and abuse</li> </ul>	<ul style="list-style-type: none"> <li>Gang violence reduction<sup>A</sup></li> </ul>	
Parks, Culture and Sport		<ul style="list-style-type: none"> <li>Provincial park land protection</li> </ul>	
Saskatchewan Liquor and Gaming Authority		<ul style="list-style-type: none"> <li>Online gaming regulation</li> </ul>	
SaskBuilds and Procurement	<ul style="list-style-type: none"> <li>IT project management</li> </ul>		<ul style="list-style-type: none"> <li>Infrastructure projects</li> </ul>
Social Services	<ul style="list-style-type: none"> <li>Public housing</li> </ul>	<ul style="list-style-type: none"> <li>Group homes for children in care</li> </ul>	
Trade and Export Development	<ul style="list-style-type: none"> <li>International trade offices</li> </ul>		
Saskatchewan Telecommunications Holding Corporation		<ul style="list-style-type: none"> <li>Accessible internet</li> </ul>	

<sup>A</sup> Potential joint project involving both agencies





### 3.4 Historical Comparison of the Costs of the Office's Work Plans

The following table shows a five-year summary comparison of costs to discharge the Office's duties under *The Provincial Auditor Act*. The **Schedule of Planned Costs to Audit Government Agencies** included in **Section 3.2 – Audited Financial Forecast** compares detailed work plans for the years 2022 to 2025 and explains key differences.

The 2026 planned costs assume an inflationary increase of 0% for salary and benefits, 2.2% for other expenditures, and that the other factors listed in **Section 2.3** will not significantly impact future costs of the Office.

Work Plan Costs to Audit Each Government Agency for the Office's Fiscal Years Ended March 31				
In millions of dollars				
2022 Actual	2023 Actual	2024 Planned	2025 Planned	2026 Planned
8.301	8.855	8.993	9.576	9.617
(Details in the <b>Schedule of Planned Costs to Audit Government Agencies</b> )				(Details to be determined in 2024)

### 3.5 Forecast and Actual Full-Time Equivalent Positions and Average Salaries of Employees

Information on full-time equivalent (FTE) positions and average salary of employees:

Fiscal Year	FTE Positions		Average Salaries	
	Actual	Forecast	Actual	Forecast
2021	62	60	\$ 92,500	\$ 91,000 <sup>1</sup>
2022	58	60	97,700 <sup>1</sup>	95,200
2023	60	61	96,000	96,800
2024	58 <sup>2</sup>	60.5	101,900 <sup>2,3</sup>	97,900
2025		62		102,900 <sup>3</sup>

<sup>1</sup> Average salary increase for 2022 includes the combined impact of economic adjustments for April 1, 2019, April 1, 2020 and April 1, 2021. The Government announced these adjustments after we determined our average salary for 2021 and made our 2021 funding request.

<sup>2</sup> Estimated number of full-time equivalent positions and average salaries for 2024 based on information known at September 30, 2023. Actual results may vary.

<sup>3</sup> Average salaries increased primarily due to the need to respond to economic and market pressures in order to hire and retain qualified staff.



### 3.6 Training Schedule

The training schedule shows employee hours and direct costs (e.g., tuition fees, travel).

Fiscal Year	Hours		Direct Costs	
	Actual	Forecast <sup>1</sup>	Actual	Forecast
2021	6,000 <sup>2</sup>	7,200	\$ 103,700 <sup>2</sup>	\$ 170,100
2022	5,800 <sup>2,3</sup>	7,200	141,400 <sup>2,3</sup>	155,000
2023	7,000	7,400	144,900	155,000
2024	6,400 <sup>4</sup>	6,300	151,000 <sup>4</sup>	150,000
2025		7,500 <sup>5</sup>		150,000

<sup>1</sup> The Office trains employees to become professional accountants (CPA) as a key strategy to recruit staff, 40%–50% of training hours relate to training these students. On average, staff are allocated 11–13 days of training and coaching time each year.

<sup>2</sup> In 2021 and 2022, training-related travel time and costs were reduced due to COVID-19 pandemic restrictions.

<sup>3</sup> In 2022, fewer students participated in the CPA professional program than anticipated.

<sup>4</sup> This is an estimate for 2023–24 based on information known at September 30, 2023. Actual results may vary.

<sup>5</sup> Anticipate increase in number of students participating in the CPA professional program and time required to enhance coaching for staff development.



## **4.0**    *Other Supporting Information*



## 4.1 Impact of Changes to Government Agencies on the 2024–25 Work Plan

The Office submits its request for resources in November each year (2023) for the next April to March fiscal (2024–25) year. The Office bases its request on information known to September 30, 2023. The Office reflects information received after that date in the next request for resources.

The Office adjusts resources when agencies are significantly reorganized or it requests additional resources to audit new agencies (created), does not request resources to audit wound-up agencies, and adjusts resources for changes in the Government's use of appointed auditors.

<i>Impact of Changes to Government Agencies</i>		
	<i>(thousands of dollars)</i>	
<b>Agencies Created<sup>1</sup></b>		
<i>Advanced Education</i>		
<i>Suncrest College (amalgamation of Parkland College and Cumberland College)<sup>2</sup></i>	-	
<i>Education</i>		
<i>Saskatchewan Distance Learning Corporation</i>	49	
<i>Lotteries and Gaming Saskatchewan Corporation</i>	46	
<b>Total Created</b>		<b>95</b>
<b>Agencies Wound Up<sup>3</sup></b>		
<i>Advanced Education</i>		
<i>University of Regina – Health Canada Agreement</i>	(7)	
<i>Justice and Attorney General</i>		
<i>Staff Pension Plan for Employees of the Saskatchewan Legal Aid Commission</i>	(16)	
<i>Saskatchewan Liquor and Gaming Authority</i>		
<i>SLGA Holding Inc.</i>	(20)	
<i>Saskatchewan Telecommunications Holding Corporation</i>		
<i>Sask 911 Account</i>	(4)	
<i>SecureTek Monitoring Solutions Inc.</i>	(4)	
<b>Total Wound Up</b>		<b>(51)</b>
<b>Changes to Use of Agency Appointed Auditors<sup>4</sup></b>		
<i>None</i>		
<b>Total Changes to Use of Appointed Auditors</b>		<b>-</b>
<b>Net Impact of Changes to Government Agencies Increase (Decrease)</b>		<b>44</b>

<sup>1</sup> These agencies or programs were either created, became a government-controlled agency, or were subject to audit under *The Provincial Auditor Act* during 2023–24 resulting in more work for the Office in 2024–25.

<sup>2</sup> This amalgamation did not change the total cost of our work related to the regional college sector.

<sup>3</sup> These agencies or programs were either wound up, ceased to be a government-controlled agency, became inactive, or were no longer subject to audit under *The Provincial Auditor Act* during 2023–24 resulting in less work for the Office in 2024–25.

<sup>4</sup> Reflects changes in integrated audit work costs resulting from the Government's decision to appoint the Office as the auditor during 2023–24 resulting in more work for the Office in 2024–25. The agency is subject to audit under *The Provincial Auditor Act* including potential performance audits.

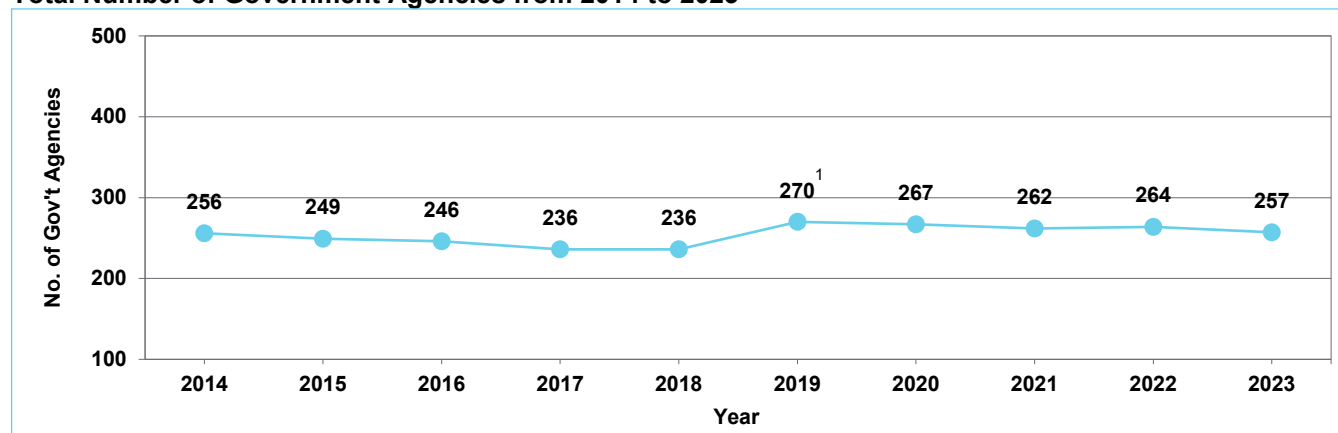


## 4.2 Spending Trends

In response to a past request from members of the Standing Committee on Estimates and the Standing Committee on Public Accounts, the Office provides the following spending trends.

The number of agencies within the Government along with their size affects the work of the Office. Over the 10-year period from 2014 to 2023, the number of government agencies has increased from 256 agencies in 2014 to 257 agencies in 2023.

### Total Number of Government Agencies from 2014 to 2023



<sup>1</sup> The number of government agencies in 2019 includes 37 healthcare affiliates that are included in the Government of Saskatchewan reporting entity since 2019.

To provide insight on the volume of government financial transactions that the Office is responsible to audit, the Office provides the Government's gross revenues and expenses, and gross assets and liabilities for the same 10-year period. Over the 10-year period from 2014 to 2023, the Office's spending increased by 10%; over the same period, the Government's gross revenue and expense increased by 39% and its gross assets and liabilities increased by 64%.

### Provincial Auditor Spending and Volume of Government Financial Activity from 2014 to 2023

Fiscal Year	Provincial Auditor Spending <sup>1</sup>		Volume of Government Financial Activity <sup>2</sup>			
	(in \$ millions)	% chg	Gross Revenue and Expense		Gross Assets and Liabilities	
			(in \$ billions)	% chg	(in \$ billions)	% chg
2014	8.0	2.6	42.2	5.0	57.2	7.5
2015	8.0	-	43.1	2.1	61.0	6.6
2016	7.8	(2.5)	46.5	7.9	64.6	5.9
2017	7.8	-	43.6	(6.2)	69.7	7.9
2018	7.9	1.3	44.1	1.1	73.7	5.7
2019	7.9	-	45.3	2.7	78.1	6.0
2020	8.0	1.3	46.4	2.4	79.8	2.2
2021	8.1	1.3	47.0	1.3	84.0	5.3
2022	8.2	1.2	55.4	17.9	88.9	5.8
2023	8.8	7.3	58.8	6.1	93.9	5.6
Ten-year change		10.0		39.3		64.2

<sup>1</sup> Provincial Auditor spending reflects the total operating expenses reflected in its audited financial statements. It does not include fees that appointed auditors charged government agencies.

<sup>2</sup> Derived from the Government of Saskatchewan Summary Financial Statements. Gross revenue and expense represents total revenue, total government business enterprises (GBE) revenue and expense, and total expense. Gross assets and liabilities represents total financial assets and total liabilities grossed up for the activities of GBE's and pensions.



### 4.3 Out-of-Province Travel

Out-of-province travel costs for the Office from 2020–21 to 2024–25.

Out-of-Province Travel Costs <sup>1</sup>							
	2020–21	2021–22	2022–23	2023–24	2024–25		
Forecast	27,400	19,300	17,200	20,000	22,000		
Actual	4,400 <sup>2</sup>	- <sup>3</sup>	17,200 <sup>4</sup>	29,600 <sup>5</sup>			

<sup>1</sup> Costs include participation in national working groups with the legislative audit community to agree on guidelines for auditing and reporting on performance. Forecasts assume that some specialized training will be available via webinar or in Saskatchewan decreasing out-of-province travel costs.  
<sup>2</sup> During 2021, flight costs incurred where the travel was cancelled due to the COVID-19 pandemic.  
<sup>3</sup> During 2022, no travel due to COVID-19 pandemic restrictions. Meetings were held via online meeting platforms and training via webinar.  
<sup>4</sup> During 2023, travel restrictions lifted and more in-person national working group meetings were held.  
<sup>5</sup> This is an estimate to March 31, 2024. Actual results may vary. Actual costs to September 30, 2023 are \$16,300. Most national working group meetings were held in-person this year.

### 4.4 Executive Management Salaries

Annual salaries of executive management for the Office for the past five years and the percentage change from the previous year.

Annual salaries as of March 31:

	2019	2020	%chg from 2019 <sup>1</sup>	2021	%chg from 2020 <sup>2</sup>	2022	%chg from 2021 <sup>3</sup>	2023	%chg from 2022 <sup>4</sup>
Ferguson, J.	227,914	231,135	1.4%	234,494	1.5%	- <sup>6</sup>	-	-	-
Clemett, T.	164,800	171,448	4.0%	178,887	4.3%	230,818 <sup>7</sup>	29.0%	233,105	1.0%
Borys, A.	175,750	180,033	2.4%	182,373	1.3%	186,020	2.0%	189,750	2.0%
Deis, K.	175,750	180,033	2.4%	182,373	1.3%	201,020 <sup>8</sup>	10.2%	- <sup>8</sup>	-
O'Quinn, C.	164,800	171,448	4.0%	178,887	4.3%	186,020	4.0%	195,000 <sup>11</sup>	4.8%
Schwab, V.	-	-	-	-	-	-	-	167,500 <sup>12</sup>	
Shaw, J.	-	-	-	-	-	164,500 <sup>9</sup>	-	170,310	3.5%
St. John, T	155,000 <sup>5</sup>	161,247	4.0%	168,243	4.3%	176,760	5.0%	185,705	5.0%
Wandy, J.	-	-	-	-	-	169,500 <sup>10</sup>	-	175,485	3.5%

Note: *The Provincial Auditor Act* states that the Provincial Auditor's salary is the average of the salaries paid to Deputy Ministers and the Provincial Auditor receives any economic adjustments that Deputy Ministers receive.

<sup>1</sup> The Government granted salary increases to all out-of-scope public servants of 1% on April 1, 2019.  
<sup>2</sup> The Government granted salary increases to all out-of-scope public servants of 1.3% on April 1, 2020.  
<sup>3</sup> The Government granted salary increases to all out-of-scope public servants of 2.0% on April 1, 2021.  
<sup>4</sup> The Government granted salary increases to all out-of-scope public servants of 2.0% on April 1, 2022.  
<sup>5</sup> T. St. John was promoted to position of Deputy Provincial Auditor effective August 1, 2018.  
<sup>6</sup> J. Ferguson retired as Provincial Auditor effective June 30, 2021.  
<sup>7</sup> T. Clemett was appointed as Acting Provincial Auditor effective July 1, 2021, and Provincial Auditor effective November 15, 2021.  
<sup>8</sup> K. Deis was promoted to position of Assistant Provincial Auditor effective November 15, 2021 and retired effective October 14, 2022.  
<sup>9</sup> J. Shaw was promoted to position of Deputy Provincial Auditor effective January 1, 2022.  
<sup>10</sup> J. Wandy was promoted to position of Deputy Provincial Auditor effective January 1, 2022.  
<sup>11</sup> C. O'Quinn was promoted to position of Assistant Provincial Auditor effective June 1, 2022.  
<sup>12</sup> V. Schwab was promoted to position of Deputy Provincial Auditor effective August 1, 2022.



## 4.5 Total Costs to Audit Government Agencies

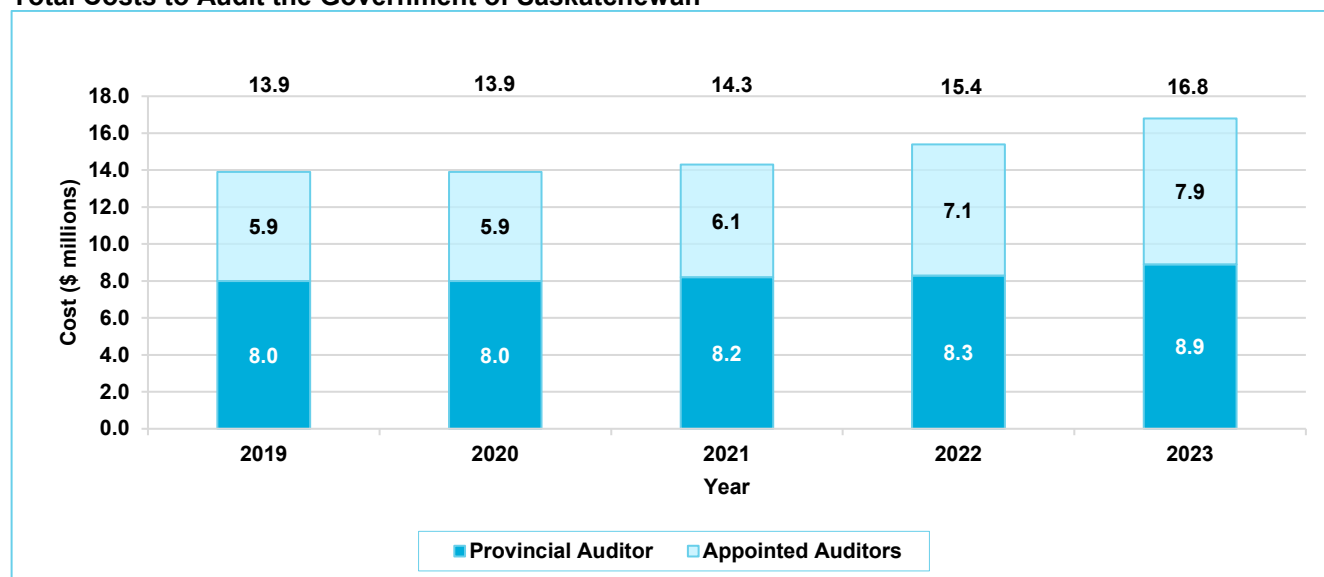
The following is a summary of the total costs to audit government agencies for the last five years.

Many of the 257 agencies the Government manages use appointed auditors for their annual audit. The Government stated it uses appointed auditors so the Saskatchewan public accounting industry can develop and retain local expertise.

As the Government is accountable for the costs of using appointed auditors, the Office's financial plan does not reflect the cost of their audit services. The Office's annual work plan reflects the known use of appointed auditors and impact on the way the Office carries out its work.

The use of appointed auditors reduces the Office's costs, but increases the total cost of auditing to taxpayers. It costs more to audit when there are two auditors.

### Total Costs to Audit the Government of Saskatchewan





PROVINCIAL AUDITOR  
*of Saskatchewan*

# STRATEGIC PLAN

2021  
2024

## 5.0 2021–2024 Strategic Plan





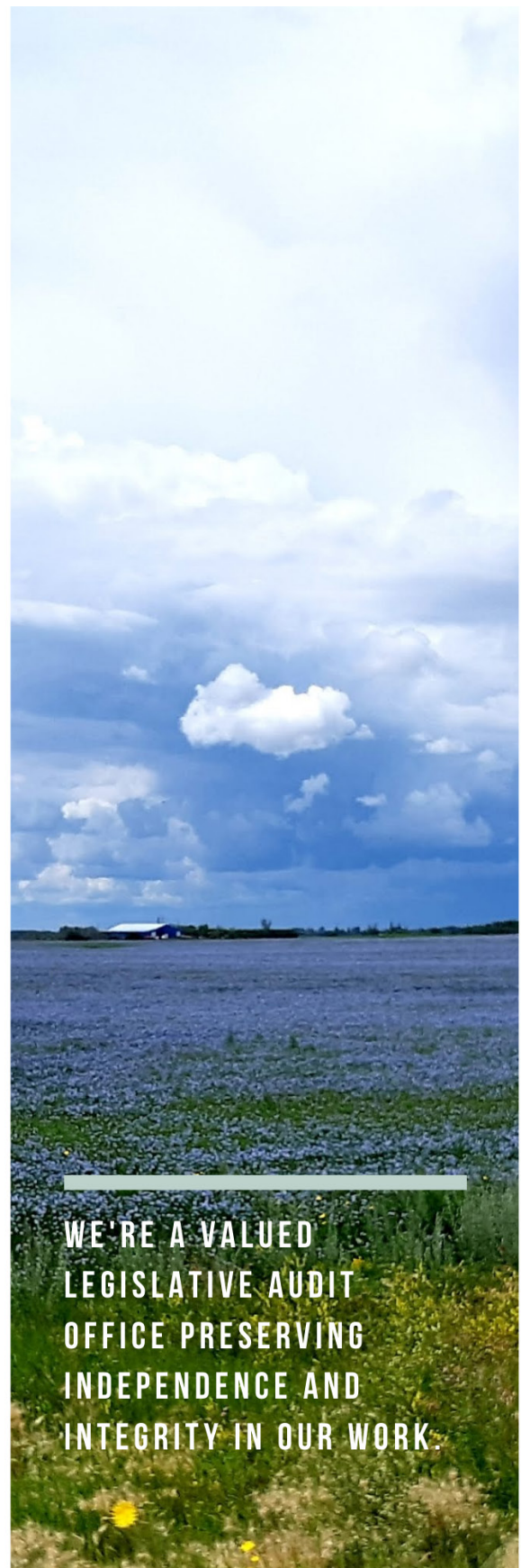


# WELCOME

Our Strategic Plan outlines what the Office intends to accomplish from 2021 to 2024 to achieve its vision and mission by expanding on who we are, what we do and how we support Saskatchewan's Legislative Assembly, government and public service.

It provides a foundation for the Office's Business and Financial Plans provided to the Standing Committee on Public Accounts (PAC) each year, as well as a strategic framework to assess and to report on the Office's performance.

In addition, our Strategic Plan highlights our value and presents an opportunity to outline the performance measures we strive to fulfill in advancing excellence and inspiring confidence in the public sector through our work.



**WE'RE A VALUED  
LEGISLATIVE AUDIT  
OFFICE PRESERVING  
INDEPENDENCE AND  
INTEGRITY IN OUR WORK.**

-1-



## MISSION

Preserving independence, we promote accountability and better management of public resources.

## VISION

A valued legislative audit office, advancing excellence and inspiring confidence in the public sector.

## VALUES

### INDEPENDENCE

We maintain objectivity

### TRUST AND INTEGRITY

We are professional, honest, courteous, and fair

### ACCOUNTABILITY

We take responsibility for our work and performance

### LEADERSHIP

We lead by example, motivate others to act, and promote teamwork

### FLEXIBILITY

We support a flexible and healthy work environment

### LEARNING

We promote on-going development and improvement

### DIVERSITY OF THOUGHT

We respect strength gained from our varied experiences, knowledge, and backgrounds





# PURPOSE OF OUR OFFICE

## WHO WE ARE

We are the external, independent auditors of the Government of Saskatchewan, and a statutory Officer of the Legislative Assembly. The Provincial Auditor's Office is responsible for evaluating and reporting on the reliability of government operations, on the management systems and practices in a wide range of government organizations, and for identifying opportunities for better systems and business practices.

By sharing our audit results, we provide assurance and advice to the Legislative Assembly and the public on the management, governance, and effective use of public resources. This fosters accountability and transparency with respect to Government performance, systems, and practices.

## WHAT WE DO

Our Office is responsible for auditing all public money managed by the Government of Saskatchewan.

*The Provincial Auditor Act* outlines the Provincial Auditor's responsibilities. We report our findings directly to the Legislative Assembly through our annual and special reports. Special reports may be requested by the Standing Committee on Public Accounts (PAC), the Legislative Assembly, or Cabinet.

Our Office assists the all-party Standing Committees on Public Accounts and Crown & Central Agencies to review our reports, public accounts, and other special reports. We also encourage discussion and debate on public sector management and accountability issues. Our reports are public documents.



# PURPOSE OF OUR OFFICE

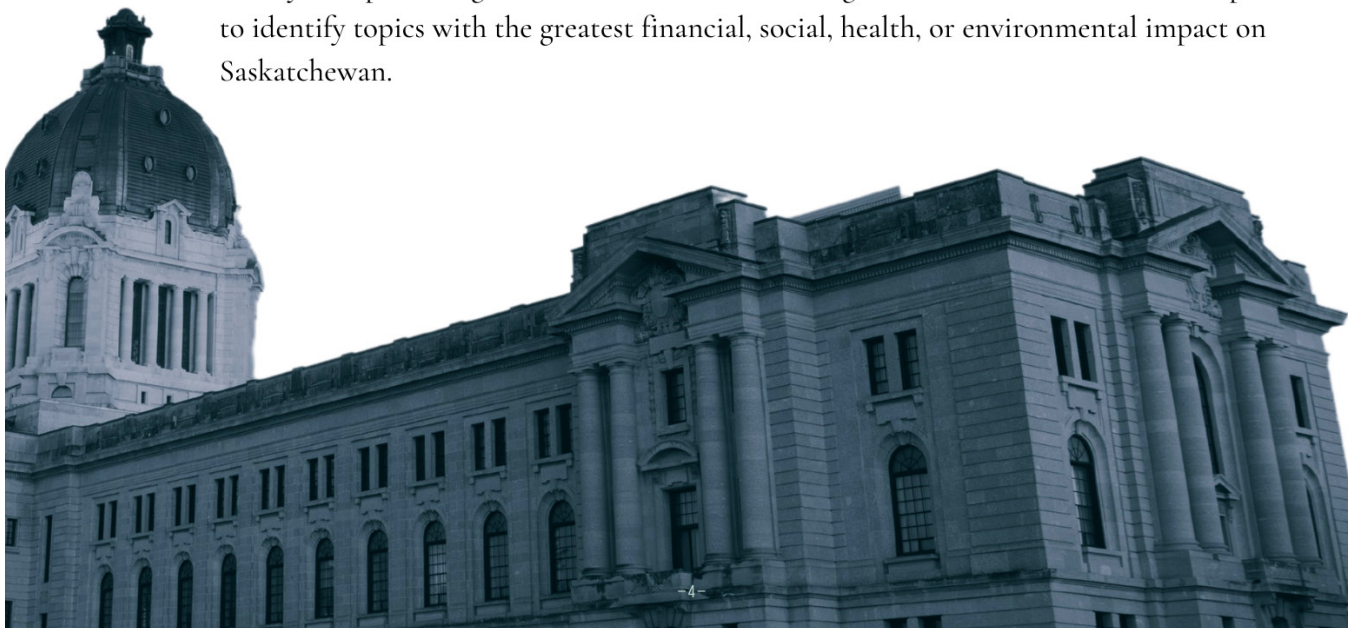
We audit more than 230 agencies of the provincial Government, including ministries, Crown-controlled corporations, Crown agencies, post-secondary institutions, health agencies, funds and benefit plans in a range of industries and government sectors such as education, health, social services, insurance, finance, environment, agriculture and infrastructure.

We complete both annual integrated and performance audits.

*Integrated audits* examine an agency's:

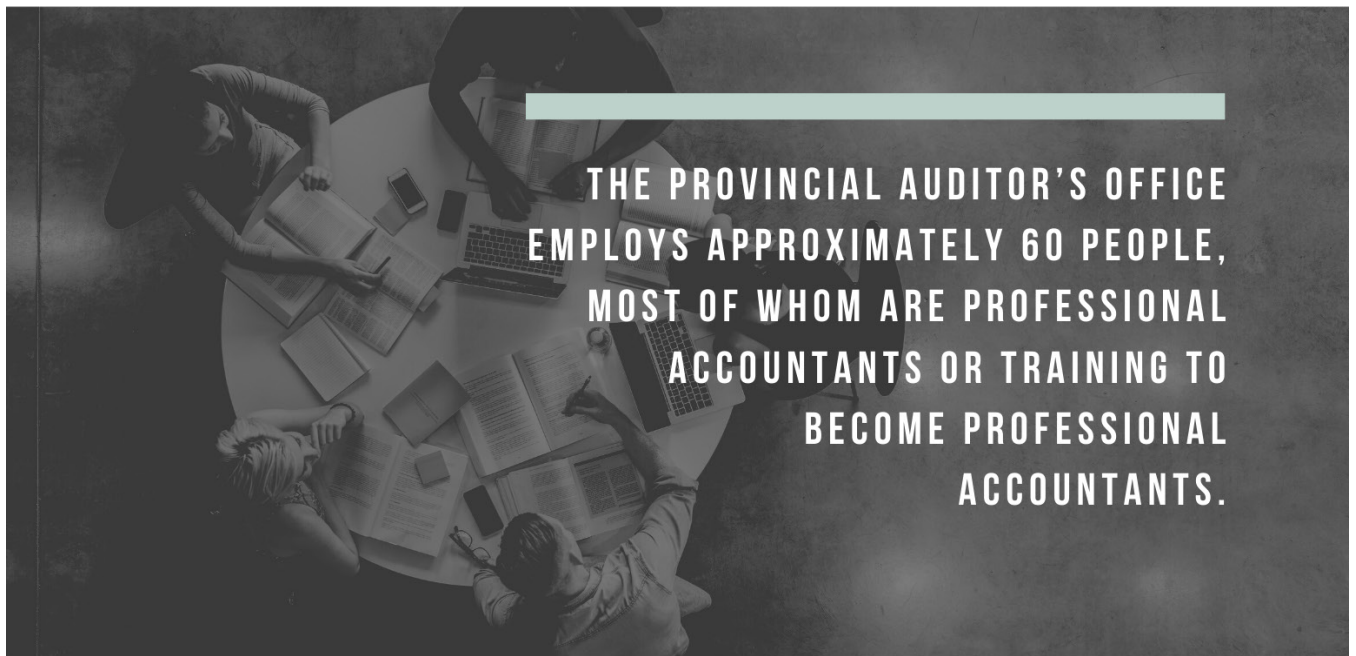
- Effectiveness of financial-related controls (e.g., processes to plan, evaluate, and coordinate financial activities) to safeguard public resources with which they are entrusted;
- Compliance with authorities governing their activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing;
- Reliability of the financial statements (where applicable).

*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 government sectors. In selecting which areas to audit, we attempt to identify topics with the greatest financial, social, health, or environmental impact on Saskatchewan.





# STRATEGIC GOALS & PRIORITIES



## KEY RISKS, AND EXTERNAL FORCES & TRENDS

The Office sets its strategic goals and supporting strategic priorities within the context of its key risks, and external forces and trends. Careful and prudent management of key risks and appropriate consideration for identified external forces and trends are critical to the Office achieving its goals.

Key risks include:

- Our stakeholders do not support our goals and objectives
- Government does not act on our recommendations
- The Standing Committees on Public Accounts and Crown & Central Agencies do not fulfill their responsibilities
- We do not have the required competencies and resources to deliver our products and services
- We do not manage our resources effectively
- We do not understand or respond to the challenges faced by our stakeholders
- We lose, or are perceived to lose, our independence
- We provide inappropriate, incorrect assurance and advice

Further details on external forces and trends set out in Appendix 2.



# STRATEGIC GOALS & PRIORITIES

## GOAL 1: FOCUS ON THE MOST RELEVANT AUDIT AREAS

STRATEGIC PRIORITY #1 – USE INPUT FROM KEY STAKEHOLDER GROUPS TO IDENTIFY AREAS OF FOCUS

STRATEGIC PRIORITY#2 – EXPLAIN AREAS OF AUDIT FOCUS TO KEY STAKEHOLDERS

As an independent legislative audit office, the Office is uniquely positioned to carry out objective and unbiased audits independent of the Government.

*The Provincial Auditor Act* makes the Office the auditor of all provincial Government ministries and agencies. The Act provides a solid framework for the Office's independence. For example, it gives the Office the power to decide what work to do, how to carry it out, and when.

For the Office's work to be relevant, it must focus its audit efforts on areas of public interest, and on where it can add value to its clients, and other key stakeholders (e.g., legislators). The Office must consult with key stakeholders to understand their needs and perspectives, share its plans, and explain the impact and value of its work.

## GOAL 2: SUSTAIN AN ENGAGED WORK FORCE

STRATEGIC PRIORITY #1 – FOSTER A WORK ENVIRONMENT REFLECTIVE OF OUR VALUES

STRATEGIC PRIORITY #2 – DEVELOP LEADERS

STRATEGIC PRIORITY #3 – RECRUIT AND RETAIN QUALIFIED EMPLOYEES

The Office's employees remain its most valuable resource because the quality and timeliness of our work depends on their knowledge, skills, and professionalism.

The Office must ensure its employees possess and maintain the necessary knowledge and skills to carry out quality financial (integrated) and non-financial (performance and follow up) audits. It must provide employees with a supportive work environment conducive to facilitating timely and quality work.

Besides training employees to become professional accountants and strategically contracting expertise for its non-financial work, the Office must attract and retain employees with diverse skill sets (e.g., financial, information technology, internal control systems, performance management, governance, risk management).





# STRATEGIC GOALS & PRIORITIES

## GOAL 3: DELIVER QUALITY AUDITS AT A REASONABLE COST

STRATEGIC PRIORITY #1 – MEET EVOLVING PROFESSIONAL STANDARDS

STRATEGIC PRIORITY #2 – CONTINUOUSLY IMPROVE OUR WORK

STRATEGIC PRIORITY #3 – MANAGE RESOURCES BASED ON REASONABLE BUDGETS AND AGREED UPON DEADLINES

The Office's advice, findings, and recommendations must be accurate, fair, timely, and understandable for them to be of value to legislators, the public, and those we audit.

The Office must keep its audit methodology current and aligned with professional standards. In addition, it must implement its methodology efficiently and economically. This includes accepting new ideas and change.

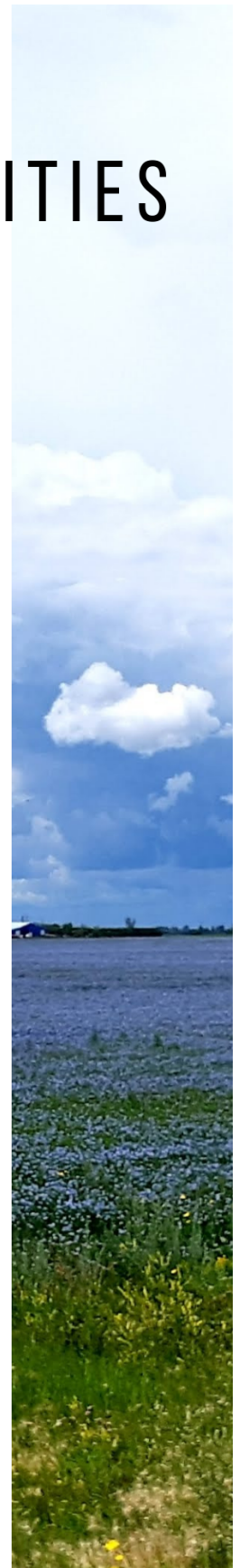
## GOAL 4: INCREASE AWARENESS OF THE OFFICE

STRATEGIC PRIORITY #1 – EDUCATE STAKEHOLDERS ABOUT THE VALUE OF OUR WORK

STRATEGIC PRIORITY #2 – BROADEN OR IMPROVE ACCESS TO OUR WORK

Gaining and keeping the trust of legislators and the public is key to the Office being a credible and trusted advisor to legislators and the public.

The Office must be well positioned to clearly communicate its purpose, its independence, its work, and how it is accountable. This includes explaining how it manages potential or perceived threats to its independence. Clear and open communications helps ensure legislators, the public, and others have a clear and accurate understanding of the Office's role and responsibilities.





# PERFORMANCE MEASURES & TARGETS

## GOAL 1: FOCUS ON THE MOST RELEVANT AUDIT AREAS

GOAL 1 PERFORMANCE TARGET: THE STANDING COMMITTEES ON PUBLIC ACCOUNTS (PAC) AND CROWN AND CENTRAL AGENCIES (CCAC) COLLECTIVELY ACCEPT 95% OF OUR RECOMMENDATIONS

The support of the Standing Committees on Public Accounts (PAC) and Crown and Central Agencies (CCAC) is critical to help hold the Government accountable and help improve public sector management. Each Committee decides whether they agree with the Office's recommendations in their review and consideration of the Office's reports.

The Committees' acceptance of our recommendations is an indication of the Assembly's confidence in and satisfaction with the Office's work.

The extent to which each Committee accepts recommendations demonstrates the Committee thinks the recommendations reflect areas that are important to improve public sector management and/or accountability.

The Office tracks the Committees' consideration of its recommendations over a five-year period using Committee decisions as reflected in the Committees' minutes.

GOAL 1 PERFORMANCE TARGET: THE GOVERNMENT ACTS ON 93% TYPE 1 AND 95% TYPE 2 RECOMMENDATIONS

The Office makes recommendations to help improve accountability and the delivery of programs.

The extent to which the Government acts on recommendations demonstrates that the recommendations reflect areas that are important to improve public sector management and, in part, the impact of the Office's work.

The Office groups recommendations into two types:

- Type 1 recommendations are those that are less complex, easier to carry out, and can be implemented in one year; these are tracked over a five-year period
- Type 2 recommendations are those that are more difficult to carry out and may take up to five years to implement; these are tracked over a 10-year period

The Office determines and tracks the extent to which the Government implements each of its recommendations.







# PERFORMANCE MEASURES & TARGETS

## GOAL 1 PERFORMANCE TARGET: 80% OF AUDITEE RESPONDENTS TO POST-AUDIT SURVEYS VIEW THE OFFICE'S WORK AS ADDED VALUE AND ARE SATISFIED WITH OUR WORK

For the Office to be successful in its vision and mission, auditees must view the Office's work as relevant and valuable. The management and/or governing bodies of public sector ministries and agencies the Office audits are respondents.

The Office surveys auditees to obtain their feedback as to whether the Office's work adds value as well as on their satisfaction with the Office's work.

The Office tracks survey responses over a five-year period.

## GOAL 2: SUSTAIN AN ENGAGED WORK FORCE

### GOAL 2 PERFORMANCE TARGET: MAXIMUM OF 13% OF EMPLOYEES VOLUNTARILY LEAVE THE OFFICE ANNUALLY

The Office's employees are its most valuable resource in the delivery of quality and timely products and services to its stakeholders.

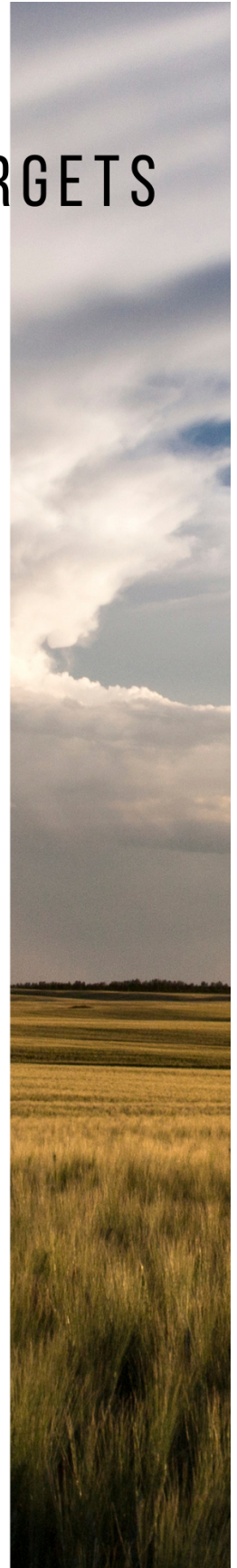
The Office trains professionals for public service (primarily professional accountants). As a Chartered Professional Accountant (CPA) training office, not all staff will pursue a legislative audit career with the Office once they achieve their CPA. As a result, the Office expects, and plans for, some turnover each year.

Voluntary turnover is due to an employee-initiated departure and does not include retirements, leaves, deaths or dismissals. Voluntary turnover to a maximum of 13% is realistic and manageable for the Office on an annual basis. The Office tracks voluntary turnover as a percentage of its permanent positions.

### GOAL 2 PERFORMANCE TARGET: AT LEAST 80% OF EMPLOYEES (SURVEY RESPONDENTS) EXPRESS POSITIVE ENGAGEMENT IN THE OFFICE

A good working environment for employees assists with productivity and retention. Each year, the Office surveys employees on satisfaction with the Office's working environment and their level of engagement.

The Office tracks survey responses and reports trends for a five-year period.





# PERFORMANCE MEASURES & TARGETS

## GOAL 2 PERFORMANCE TARGET: MINIMUM OF 6% OF EMPLOYEE WORKING HOURS SPENT ON TRAINING AND DEVELOPMENT

To maintain employee competencies and its status and abilities as a training office for legislative auditors, the Office must allocate sufficient resources for training and development activities.

The Office tracks the number of working hours each employee spends on training and development activities in its time and project management system. Working hours is the time available after deducting vacation leave, statutory holidays, and sick leave.

## GOAL 3: DELIVER QUALITY AUDITS AT A REASONABLE COST

### GOAL 3 PERFORMANCE TARGET: PUBLIC REPORTS SUBMITTED TO THE ASSEMBLY WITHIN ESTABLISHED TIME FRAMES (VOLUME 1 – FIRST TWO WEEKS OF JUNE; VOLUME 2 – FIRST TWO WEEKS OF DECEMBER)

Legislators and the public need to receive our audit work results within a reasonable time frame after its completion to use the information in holding the Government to account.

The Office schedules reporting to the Legislative Assembly regularly (e.g., biannually) on the completion of its reports and on the results of its work. The public receives audit results in the reports following completion. Consistent with *The Provincial Auditor Act*, the Office submits its reports to the Speaker for tabling in the Assembly, which become publicly available once tabled.

### GOAL 3 PERFORMANCE TARGET: 75% OF ASSURANCE REPORTS ISSUED TO GOVERNMENT AGENCIES BY AGREED UPON DATES

Government agencies need timely assurance to have confidence in the Office's findings and recommendations.

The Office tracks the timeliness of its reports to government agencies as compared to established planned dates. The Office establishes deadlines when planning each audit and sets out planned dates in audit plans discussed with and provided to government agencies. For financial statement audits, the Office sets planned dates consistent with statutory tabling deadlines.





# PERFORMANCE MEASURES & TARGETS

## GOAL 3 PERFORMANCE TARGET: 70% OF AUDITS COMPLETED WITHIN PLANNED COSTS

Providing relevant, reliable, and timely products and services at a reasonable cost helps the Office show it uses public resources wisely.

The Office tracks planned and actual costs to carry out each examination in its time and project management system.

The Office's *Annual Report on Operations* compares actual costs to examine agencies for that year to planned costs (as set out in the Office's annual *Business and Financial Plan*). It explains significant differences, if any.

## GOAL 3 PERFORMANCE TARGET: ALL EXTERNAL PARTIES REVIEWING THE OFFICE REPORT POSITIVE RESULTS

Three external parties review the various aspects of the Office—CPA Saskatchewan, Canadian Council of Legislative Auditors (CCOLA), and an auditor independent of the Office.

Because the Office is a licensed firm and training office under *The Accounting Profession Act*, CPA Saskatchewan periodically (at least once every four years) inspects the Office. CPA Saskatchewan assesses whether the Office has policies, practices, and procedures in place that enable it to provide public accounting services in accordance with the standards of the profession. Positive results mean no reportable deficiencies that result in the requirement for re-inspection within one year.

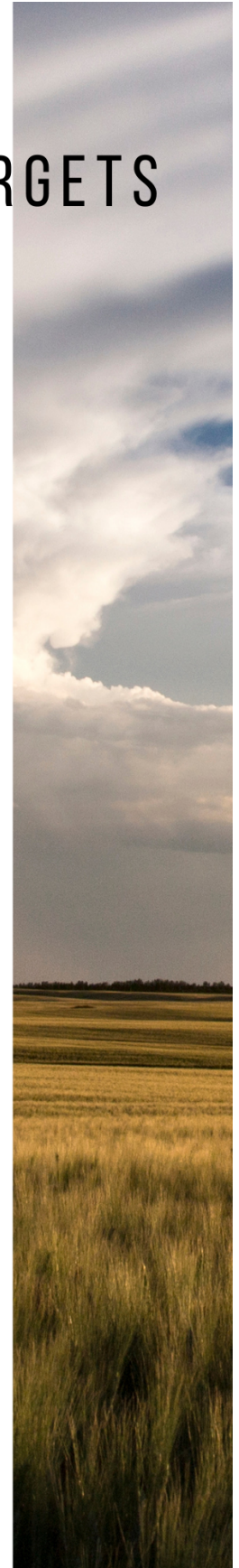
As a member of CCOLA, the Office voluntarily participates in the inter-jurisdictional peer review process of CCOLA. Every second year, it asks another legislative audit office to review a number of its audit files. This review determines whether the Office's audit work complied with generally accepted auditing standards published by CPA Canada (professional standards). Positive results are when reviewers report compliance with the professional standards.

The Assembly, through *The Provincial Auditor Act*, requires an annual audit of the Office by an auditor who is independent of the Office. The Act gives this auditor the same audit responsibilities as the Office. Each year, this auditor provides the Assembly with their opinion on the following:

- The reliability of the Office's financial statements
- The effectiveness of the Office's financial controls
- The Office's compliance with *The Provincial Auditor Act*
- The reliability of the Office's key non-financial performance indicators

The Office includes these in its *Annual Report on Operations*. Positive results are when the auditor of the Office issues unqualified opinions (no significant reportable matters).

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# PERFORMANCE MEASURES & TARGETS

## GOAL 4: INCREASE AWARENESS OF THE OFFICE

### GOAL 4 PERFORMANCE TARGET: POSITIVE TREND OVER A FIVE-YEAR PERIOD IN PUBLIC FAMILIARITY WITH THE OFFICE

To achieve the Office's vision and mission, it is important the public is aware of the Office's work and the role of the Provincial Auditor as an independent Officer of the Legislative Assembly.

To measure the public's awareness of the Office, each year, the Office participates in an Omnibus survey of Saskatchewan residents and tracks its results. The survey asks participants how familiar they are with the Office of the Provincial Auditor.





## APPENDIX 1: KEY DEFINITIONS AND ACRONYMS

**CCAC**—The Standing Committee on Crown and Central Agencies

**CCOLA**—The Canadian Council of Legislative Auditors

**Key Stakeholders**—include its primary clients (i.e., legislators such as members of the PAC and CCAC, and the public), and the governing bodies, management and staff of the entities that it audits (e.g., ministries, Crown corporations, and other agencies).

**Mission**—The fundamental purpose or why an organization exists, what it does, for what purpose, and who its clients are.

**PAC**—The Standing Committee on Public Accounts

**Performance Measure**—An indicator of success that marks progress towards goals and is fundamental to measuring alignment to the organization’s vision, mission, and values.

**Strategic Goal**—Statement that establishes time bound ‘stretch’ that, if achieved, would advance the organization toward its vision.

**Strategic Priority**—A change condition necessary to achieve the organization’s goal that requires investment (i.e., people, time, money, other resources).

**Target**—A clear and measurable definition of success that signals what is important, tells what is expected (e.g., how much by when), and helps focus attention.

**Value Statement**—Way of being believed to be critical to the organization’s success (i.e., behavioural guidance). The Office uses value statements to guide the Office and its staff. The value statements highlight specific behaviours expected of the Office and its staff; adherence to them is critical to the Office’s achievement of its mandate and success.

**Vision**—A description of the preferred future state written as an aspirational statement.



## APPENDIX 2: EXTERNAL FORCES & TRENDS

### EXTERNAL FORCES & TRENDS

These forces and trends affect both the Office and its stakeholders:

1. Changing demographics
2. Technology change
3. Evolving reporting frameworks, increased regulatory oversight of professional accountants
4. Changes in government service delivery models and accelerated program development
5. Changes in the public sector workforce
6. Sustainability and protecting the environment
7. Focus on nature, scope and scale of government infrastructure including financing arrangements
8. Impact of global forces on Saskatchewan

They affect the Office's resources, how it manages, and how it decides what work it does and when. The Office focuses its efforts on helping stakeholders address the challenges emerging from these forces and trends as well as more specific issues.

#### CHANGING DEMOGRAPHICS — INCREASED FOCUS ON DIVERSITY AND SOCIAL JUSTICE; PUBLIC POLARIZATION AND TRUST EROSION

- Diversification and growth of Saskatchewan's population and proportion of Indigenous people and immigrants
- Increased economic disparity
- An aging population with increased pressure to remain in their own homes
- Impact of demographics and socio-economic status on the delivery of public services
- Increased awareness of mental health challenges affecting government programs, resources, and employers
- Increasing distrust in public institutions
- Growing gap of public views and perspectives (e.g., political polarization, racism)





## APPENDIX 2: EXTERNAL FORCES & TRENDS

### EXTERNAL FORCES & TRENDS

#### TECHNOLOGY CHANGE — INCREASING COMPLEXITY, USE OF ARTIFICIAL INTELLIGENCE AND DATA ANALYTICS

- High use of social media communication tools (e.g., Facebook, Twitter, blogs, YouTube) giving increased ability for public to raise and debate an issue immediately
- Increased emphasis on use of websites and real-time communication in service delivery
- Changing service delivery expectations resulting from technological advances (e.g., use technology to do work better and faster; allow greater flexibility in how service is provided)
- Increased challenges with accurately capturing and analyzing data
- Growth in computer processing power and drops in price of technology driving changes in service models
- Increased use of technology (e.g., wireless and handheld systems, cloud computing) causing new audit, security, and privacy risks (e.g., changing regulation, protection of personal and private information, and regulation thereof)

#### EVOLVING REPORTING FRAMEWORKS, INCREASED REGULATORY OVERSIGHT OF PROFESSIONAL ACCOUNTANTS

- Consideration of public interest by standard setters and regulators influencing audit quality, accounting and assurance standards, and conceptual frameworks
- Changes in professional accounting and assurance (auditing) standards creating need for new training, ongoing development, and new processes
- Differing financial reporting frameworks add complexity to understanding the government's finances and to the preparation of summary financial information (budget and financial statements)
- Changing audit reporting model (key audit matters) impacting audit reports and discussions with those charged with governance
- Continuing expectation gap about the role of the auditor in detecting fraud



## APPENDIX 2: EXTERNAL FORCES & TRENDS

### EXTERNAL FORCES & TRENDS

#### CHANGES IN GOVERNMENT SERVICE DELIVERY MODELS; ACCELERATED PROGRAM DEVELOPMENTS

- Public demand for openness and transparency
- Expectations for direct and meaningful public participation in decision making
- Emphasis on effective governance systems and practices of governing bodies
- Increased use of alliances and partnerships with other jurisdictions, governments, and private sector
- Regulatory changes impacting provincial program delivery (e.g., children in care, climate change)
- Emphasis on risk assessment, and adoption of research-proven best practices impacting selection of audit criteria
- Pressure on administration to achieve efficiencies may cause deliberate or inadvertent elimination or ignoring of key processes
- Increased pressure for virtual delivery of services (e.g., distance learning, e-learning options)

#### CHANGES IN THE PUBLIC SECTOR WORKFORCE — ATTITUDES/ EXPECTATIONS; ALTERNATIVE WORK ARRANGEMENTS

- Multiple generations in the workplace with differing values and styles (e.g., use of social media, working from home)
- Employee turnover resulting from global mobility of people to pursue multiple careers; loss of employer loyalty
- Cultural diversity in the workplace
- Loss of corporate knowledge and history resulting from retirements of baby boomers employed in the public sector
- Increased opportunity for changing service delivery models given nature and extent of changes in workforce
- Increasing competition for the best employees
- Delayed retirements because of poor or lower than desired investment returns
- Reduced size of the public sector workforce impacting program quality and service delivery
- Ability to hire and retain employees given increased concerns over competitiveness of public sector compensation







## APPENDIX 2: EXTERNAL FORCES & TRENDS

### EXTERNAL FORCES & TRENDS

#### SUSTAINABILITY AND PROTECTING THE ENVIRONMENT

- More severe and intense weather events such as floods, fires, tornadoes, droughts, etc. requiring unanticipated public resources and timely responses (emergency management)
- Increasing public expectations for sustainable development and management; need for longer term planning and strategies (e.g., climate change strategy)
- New results-based regulatory systems
- Impact of international and federal expectations on provincial environmental programs and policies

#### FOCUS ON NATURE, SCOPE AND SCALE OF GOVERNMENT INFRASTRUCTURE INCLUDING FINANCING ARRANGEMENTS

- Need for long-term capital planning and asset management practices given aging infrastructure, growing infrastructure deficits, and fiscal restraint
- Use of public-private partnerships and other forms of private capital to fund public services
- Balancing the demands for certain technology-based infrastructure (cellular and digital networks) with high cost and fast pace of obsolescence
- Continued focus on risk management, governance in the public sector
- Need to understand, explain, and audit complex arrangements (e.g., who holds which risks, accountability for delivering on commitments, basis for key decisions, long term impact)

#### IMPACT OF GLOBAL FORCES ON SASKATCHEWAN

- Influence of global events on financial and capital markets, ability and cost to borrow, and repay debt
- Impact of resource economy (agriculture, oil, potash, etc.) on provincial revenues
- Requirement to work with other governments increasing importance of effective relationships with them
- Economic, security, infrastructure, and global pandemic risks resulting from tension in relationships with other countries



2021 - 2024 STRATEGIC PLAN

## THE OFFICE OF THE PROVINCIAL AUDITOR OF SASKATCHEWAN

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Visit our website for this report and further information about the Office, additional publications, including public Reports, Business and Financial Plans, and more.



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