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Main points

Since its establishment on January 1, 2000, Saskatchewan's Information Services Corporation (ISC) has been developing the Government's new automated land titles system (LAND Project). ISC completed the LAND Project in 2003 at a cost of \$58.9 million.

In this chapter, we report the results of our follow-up of two previous reports on ISC. In our 2001 Fall Report – Volume 2, we made recommendations on ISC's project management practices for managing the LAND Project. In our 2002 Fall Report – Volume 2, we reported the results of the work we did for The Standing Committee on Crown Corporations, an all-party committee of the Legislative Assembly. In December 2001, the Committee asked our Office to report on the LAND Project's expected costs, ISC's financing, and ISC's progress in achieving its stated objects, including the benefits of the LAND Project.

ISC implemented the recommendations contained in our first report. To follow up on our work for the Committee, we recommended to ISC that we verify the performance information that it planned to include in its *2003 Annual Report*. ISC agreed.

We report that ISC's Schedule of Performance Information (Schedule) for the year ended December 31, 2003 is reliable. We describe key changes in ISC's stated objectives and its financing since December 31, 2001. We also report on the cost of the LAND Project. Exhibit 2 contains our audit report, management's representations, and the Schedule.

We commend ISC for including audited performance information in its *2003 Annual Report*. Legislators and the public have assurance that the information presented is reliable. It is a first for a Saskatchewan Crown corporation. The debate of whether a program or project is worthwhile belongs with legislators and the public. To have an informed debate, legislators and the public need reliable information about a program's or a project's planned costs and benefits, the actual costs, and the benefits achieved.

We also report that ISC's financial statements are reliable; that it had adequate systems and practices to safeguard public resources; and that it complied with the authorities governing its activities.

Introduction

Saskatchewan's Information Services Corporation (ISC) is responsible for administering Saskatchewan's land titles, surveys, geographical information, and personal property registry.

Since its establishment on January 1, 2000, ISC has been developing the Government's new automated land titles system (LAND Project). The LAND Project is now complete at a cost of \$58.9 million. In previous reports, we made recommendations on ISC's project management practices for managing the LAND Project. We also reported our findings on three reports prepared by ISC: one on its financing, one on the LAND Project's expected costs, and one on ISC's progress in achieving its stated objects, including the benefits of the LAND Project.

In this chapter, we report on ISC's actions on our recommendations and on our follow-up of ISC's three reports. We also report on the results of our audits for the year ended December 31, 2003.

At December 31, 2003, ISC held assets of \$54.8 million, had revenues for the year of \$36.7 million, and expenses of \$42.5 million. ISC's 2003 Annual Report includes its financial statements and is on its web sit at <http://www.isc-online.ca>.

Background

In 2001, we examined whether ISC had adequate project management processes for the LAND Project. We reported the results of this work in Chapter 1 of our 2001 Fall Report – Volume 2. We concluded that ISC had adequate project management processes to manage the LAND Project, except for five areas. We made five recommendations to help ISC successfully complete the LAND Project. We follow up on these recommendations later in this chapter.

In December 2001, The Standing Committee on Crown Corporations (Committee), an all-party committee of the Legislative Assembly, asked our Office to report to the Committee on ISC's financing, the expected costs of the LAND Project, and ISC's progress in achieving its stated objectives, including the benefits of the LAND Project. Exhibit 1 sets out the Committee's requirements for each of these matters.

ISC prepared three reports in response to the Committee's request. We worked with Deloitte & Touche LLP, ISC's appointed auditor, to audit these reports as of December 31, 2001. We concluded that ISC's reports were reliable.

We encouraged readers to use these reports, but to keep in mind the report's limitations. The *SPECIAL REPORT to the Standing Committee on Crown Corporations, June 2002* (Special Report) contains the three reports and the accompanying audit reports. The Special Report is available from the Clerk of the Legislative Assembly and on ISC's web site¹.

At December 31, 2001, the LAND Project was not complete and ISC had to use several key assumptions and estimates to prepare its reports. Also, at that time, ISC lacked the operating history to set some of the targets, establish some of the processes to measure, and report reliably on whether it was achieving its stated objectives, including the benefits of the LAND Project.

Our audit conclusions and recommendation

Our Office worked with Deloitte & Touche LLP, ISC's appointed auditor, using the framework recommended by the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors* (to view a copy of this report, see our web site at <http://www.auditor.sk.ca/>). Deloitte & Touche LLP and our Office formed the following opinions.

In our opinion, for the year ended December 31, 2003:

- ◆ **ISC's financial statements are reliable;**
- ◆ **ISC had adequate rules and procedures to safeguard public resources; and**
- ◆ **ISC complied with the authorities governing its activities relating to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.**

¹ <http://www.isc-online.ca/adx/asp/adxGetMedia.asp?DocID=443,14,1,Documents&MediaID=471&Filename=SpecialReport%20-%20Crown%20Corporations.pdf> (March 2004).

Our Office also formed the following opinion:

In our opinion, ISC’s Schedule of Performance Information for the year ended December 31, 2003 is reliable.

We audited the Schedule in order to follow up on previous work for the Committee and to follow up on the recommendations from our 2001 audit of the LAND Project.

We commend ISC for including the audited Schedule of Performance Information (Schedule) with our audit report in its *2003 Annual Report*. It is a first for a Saskatchewan Crown corporation. The debate of whether a program or project is worthwhile belongs with legislators and the public. To have an informed debate, legislators and the public need reliable information about a program’s or a project’s planned costs and benefits, the actual costs, and the benefits achieved.

We include our audit report, management’s representations, and the Schedule in Exhibit 2.

The Schedule is a work in progress. Management has set out in the Schedule its limitations due to the lack of data and quantifiable performance targets, and the uncertainty about the relevancy of some performance measures. Management has fairly stated the limitations and why they exist. We encourage readers to use the Schedule, keeping in mind management’s explanations of the limitations.

From our audit of the Schedule, we found that ISC should improve its performance measurement and reporting processes. We make the following recommendation.

1. **We recommend that ISC:**
 - ◆ **clearly define, document, and communicate its performance measures to staff involved in collecting, processing, and reporting the performance information; and**
 - ◆ **set quantified performance targets and establish systems to collect, process, and report the performance information early in the reporting process.**

2. **We recommend that ISC introduce new performance measures and targets to replace outdated ones.**
3. **We recommend that ISC use its internal auditor to review the performance measuring systems and verify the results.**

Follow up of previous work

ISC completed the LAND Project in November 2003. To investigate the matters that we raised in our previous work, we audited ISC's Schedule of Performance Information (Schedule). We chose this method because it was both efficient and effective. ISC did not have to prepare additional reports on the completion of the LAND Project and the Schedule was similar to part three of the Special Report that the Committee requested at the end of 2001 (Exhibit 1).

We present the follow-up of our work for the Committee under the headings: Stated objectives and benefits; ISC's financing; and LAND Project cost. We then present the follow-up of our 2001 recommendations.

Stated objectives and benefits

The Schedule has five key differences from the performance report in part three of the Special Report. These differences are due to changes in ISC's stated objectives since December 31, 2001 and its completion of the LAND Project.

1. ISC dropped its stated objective of selling its land system technology;
2. ISC changed its stated objective (after receiving Cabinet approval - OC 124/03) of charging customers land title fees based on the cost of providing these services. It now charges customers fees based on the underlying value of the land transferred. This method is similar to how it charged fees in the old paper-based land titles system (i.e. the higher the land values, the higher the fees).

3. ISC reported the achievement of the LAND Project's design benefits (e.g. accessible from the Internet) in its report for part three of the Special Report but does not repeat them in the Schedule;
4. ISC includes more performance measures, targets, and results in the Schedule; and
5. ISC discloses in the Schedule that it has deferred its performance reporting on Innovation in Geomatics. ISC has deferred this pending the development of a new Government policy for the management and funding of the Geomatics infrastructure.

We encourage readers to review the entire Schedule, including our audit report and management's representations (Exhibit 2).

ISC's financing

The Schedule does not address ISC's financing requirements. Our follow-up of this matter consisted of identifying the significant factors behind ISC's debt requirements from December 31, 2001 to December 31, 2003.

Part one of the Special Report provided information to help legislators and the public understand why ISC expected its debt to increase to \$55 million by March 31, 2002. In the discussion and analysis of that report, ISC projected that its borrowing would peak at \$64 million in the fall of 2003.

ISC used the following key assumptions in making these projections.

- ◆ It would complete the LAND Project in 2003 for a cost of \$60.5 million.
- ◆ It would incur significant capital expenditures in 2003 to redevelop its Personal Property Registry System² using new information technology.

² The Personal Property Registry System provides for the registration of loans, and liens against personal property such as cars and machinery.

- ◆ It would generate sufficient revenues in 2003 from its land titles fees to become profitable.
- ◆ It would continue to pay the General Revenue Fund (GRF) \$11.7 million per year (\$8 million from the land titles registry and \$3.7 million from the personal property registry).

ISC completed the LAND Project in 2003 for a cost of \$58.9 million. ISC also deferred the redevelopment of its Personal Property Registry System to 2004. In 2002, ISC's financial situation worsened and it was not profitable in 2003. Instead, it lost \$5.8 million. One of the key reasons the loss arose was that revenues from charging customers based on the cost of service did not meet ISC's revenue targets. ISC's revenues remained approximately the same as they were in the old manual land titles system.

Because ISC's revenues did not increase as expected, ISC's \$11.7 million annual payments to the GRF significantly increased its deficit and its borrowing requirements. For example, between January 1, 2000 and April 1, 2003, ISC paid the GRF a total of \$34.3 million. These payments represented approximately 46% of the search and registration fees that ISC collected from its customers. To assist ISC, CIC gave it \$18.3 million in operating grants. The net impact to ISC was an increase in its deficit of \$16 million. To continue its operations, ISC borrowed the \$16 million from the GRF.

In February 2003, Cabinet (Order in Council 123/2003) cancelled the requirement for ISC to pay \$11.7 million annually to the GRF. Also in April 2003, ISC started charging its customers its new land registry fees. With this change, ISC's 2003 land registry revenue increased to \$29.6 million (2002 - \$20.1 million).

With the above changes in ISC's operations, its debt peaked at \$67.9 million in 2003. As of December 31, 2003, ISC outstanding debt totalled \$64.9 million. ISC now projects that it will become profitable in 2004.

LAND Project cost

Part two of the Special Report provided information to help legislators and the public understand the LAND Project's projected cost and how this cost compared to the budget approved by Cabinet in November 1999.

The projected cost on December 31, 2001 was \$60.5 million and the November 1999 budget was \$58 million. ISC reports in its Schedule that it completed the LAND Project at a cost of \$58.9 million.

ISC determined the cost of the LAND Project using Canadian generally accepted accounting principles (GAAP) except for training and organizational costs that it incurred. ISC adds these costs, \$1.7 million, less \$0.4 million in training revenues from its customers, to get the total cost of the LAND Project. We agree with this calculation.

As with all information technology systems, ISC is making changes to its new land titles system to improve its performance and customer service. ISC does not count these costs as LAND Project costs. It records these costs as costs of the new initiatives.

2001 audit recommendations

In Chapter 1, 2001 Fall Report – Volume 2, we recommended ISC should:

- ◆ strongly encourage key outside users to take training before conducting business using the LAND System and that ISC continue to monitor outside user feedback;
- ◆ set measurable and verifiable LAND Project benefits and report publicly on the achievement of all planned benefits;
- ◆ complete, test, and approve its business continuity plan;
- ◆ receive monthly reports on the comparison between actual costs to date on the LAND Project to the budget to date; and
- ◆ perform a post-implementation review of the LAND Project and make the results available to all government organizations;

ISC implemented these recommendations. The Schedule provides performance measures related to the first three recommendations. For the fourth recommendation, ISC implemented it for the remainder of the LAND Project. ISC recently completed a post-implementation review of the LAND Project. Before other government agencies embark on large

scale IT projects, we encourage them to discuss with ISC the results of the post implementation review.

Lessons learned from preparing and verifying ISC's performance information

The preparation and verification of performance information is a relatively new experience for government agencies. The key lessons learned from this experience are that agencies need to:

- ◆ clearly define, document, and communicate their performance measures to staff in order to reduce the risk of incorrect and or inappropriate measurements;
- ◆ quantify their performance targets and establish their systems for measuring performance at or near the beginning of the process in order to reduce the risk of incorrectly measuring their performance and/or not measuring it;
- ◆ maintain the effectiveness of the performance reporting process by promptly defining and implementing relevant performance measures when business circumstances change, causing existing measures to become irrelevant; and
- ◆ independently review and verify their performance measures and the systems that collect, process, and report the data in order to reduce the risk of errors.

Receiving relevant, accurate, and understandable performance information is essential for making informed decisions and to support effective governance and accountability. Boards, legislators, and the public require this kind of information.

We recognize that performance measuring and reporting is relatively new and that practices continue to evolve. As stated earlier, we commend ISC for taking a lead in providing audited information on its performance to legislators and the public.

Exhibit 1 – The Standing Committee on Crown Corporations’ Questions

Part 1

“On the matter of the \$55 million debt, to identify the key expenditure segments for ISC and the corresponding revenue and budgets at 2001 year-end.”

Part 2

“On the matter of the projected costs in relation to the original approved budget, to identify the projected costs to complete the LAND Project against the assumptions of actual cost of work completed and the assumptions used by ISC to make the projections.”

Part 3

“On the matter of ISC meeting its stated objectives, to review progress of the corporation with regards to its stated objectives, including the stated benefits of the Land Project.”

Exhibit 2 – Auditor’s Report, Management’s Representations, and the Schedule of Performance Information

AUDITOR’S REPORT ON SCHEDULE OF PERFORMANCE INFORMATION

To the Legislative Assembly of Saskatchewan,

I have audited the Schedule of Performance Information of Information Services Corporation of Saskatchewan (Schedule) for the year ended December 31, 2003. The Schedule is intended to show management’s progress in achieving its stated objectives and performance targets. Management is asserting that they have prepared the Schedule in accordance with the reporting principles set out on this page. The Schedule is the responsibility of management. My responsibility is to express an opinion on the Schedule.

I conducted my audit in accordance with standards for assurance engagements established by The Canadian Institute of Chartered Accountants. Those standards require that I plan and perform an audit to obtain reasonable assurance that the Schedule is free of significant misstatement. An audit includes examining, on a test basis, evidence supporting the content of the Schedule and related disclosures. An audit also includes assessing the reporting principles used and their presentation by management. As well, an audit includes assessing significant judgements made by management, and evaluating the overall presentation of the Schedule.

In my opinion, the Schedule presents fairly, in all significant respects, the Corporation’s progress towards achieving its stated objectives and performance targets in accordance with the above reporting principles, including the described departures from those principles due to the lack of data, quantifiable targets and relevancy for certain performance measures.

The Schedule is a work in progress. Management has set out, as departures from the reporting principles, areas where the Schedule departs from the reporting principles. The reader is encouraged to use the Schedule to assess the performance of the Corporation but in so doing, keep in mind management’s explanations of the departures.



Regina, Saskatchewan
March 22, 2004

Fred Wendel, CMA, CA.
Provincial Auditor

MANAGEMENT’S REPRESENTATION ON THE SCHEDULE OF PERFORMANCE INFORMATION

We prepared the performance information in accordance with the following principles except as otherwise described in the Schedule:

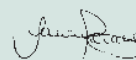
The performance information is relevant. It is related to stated objectives and performance targets and enables an assessment of the extent to which the objectives and targets are being achieved. It shows how results were achieved and how progress in achieving performance targets was measured.

The performance information is reliable. It is based on data that are accurate, complete, and available over a long period of time and at a reasonable cost. It is derived from data that is fair and unbiased, and that is capable of being replicated by independent and knowledgeable observers.

The performance information is understandable. It provides the level of detail needed to enable a proper understanding of performance and is limited to a key set of performance measures that are comparable over time and are aggregated at appropriate and meaningful levels.

.. . .

Mark MacLeod
President and Chief
Executive Officer



Laurie Powers, CA
Chief Financial Officer

Schedule of Performance Information (Balanced Scorecard) For the Year Ended December 31, 2003

CUSTOMER & STAKEHOLDER

Crown Sector Goals:

- The Crown sector must ensure access to reasonably priced utility services on an equitable basis and, in general, to provide reliable, accessible, high quality products and services at the lowest possible cost.
- Crown Sector customers are satisfied with the products and services provided, and this is reflected in customer retention and usage rates.

ISC Corporate Objectives:

Provide excellent value to customers and stakeholders including:

- Radically increase customer and stakeholder satisfaction
- Optimize use of delivery channels
- Implement customer-centric service strategy

Measure	2003 Target	2003 Result	Discussion and long term plans
Service level turn-around time	43% of land title registry transactions are processed within 48 hours	48%	<p>Land titles registry transactions include the registration of land titles and interests in land titles such as mortgages. The turn around time is defined as the time it takes ISC to register a land title or interest or to reject a transaction due to inaccurate data. When previously rejected transactions are resubmitted they are counted as new transactions.</p> <p>ISC's long-term target is to achieve a 72 hour turn around time for standard land titles registry transactions. With a better understanding of customer priorities, ISC changed its turn around time target from 48 hours to 72 hours. Standard land registry transactions are those submitted for registration to the Land Registry but do not include condominium registrations, registrations involving changes to the underlying survey plan, or other non-registration related requests. Standard land registry transactions account for 90% of all transactions.</p>
	15 day average processing time for legal survey submissions	10 days for December 2003	<p>Legal survey submissions include the registration of subdivision plans, condominium plans, consolidation of plans, etc. The turn around time for survey plan submissions is a measure of the total time it takes ISC to process a survey plan from start to finish. Unlike land registry transactions, when plans are returned to customers for additional information, the resubmitted plans are not counted as new submissions or transactions. Accordingly, the turn around time is the length of time from when ISC first receives a plan to when the registration is completed minus any time the plan was returned to the customer for further information.</p> <p>The average processing time is significantly affected by the volume of plans received. An average processing time of 10 days was achieved in the month of December. However, an average processing time for the 2003 year is not available. In 2004, an automated monthly tracking system was implemented.</p> <p>ISC's long-term target is to achieve a 5 day average turnaround time.</p>
	100% of personal property registry transactions are processed within 24 hours	100% (2002 – 100%)	<p>Personal property registry transactions include the registration of loans and liens against personal property such as cars and machinery.</p>

Chapter 2 – Information Services Corporation of Saskatchewan

Measure	2003 Target	2003 Result	Discussion and long term plans
Land title registry rejections	Less than 25% rejection rate for land title registry transactions	22% (2002 – 27%)	<p>The land titles registry rejection rate is a measure of the number of land title transactions rejected during the processing phase of the registration process. Rejections are caused by inaccurately submitted data and/or problems with existing land titles data. In both cases, the transactions are returned to the customers for resubmission at a later date.</p> <p>In addition to the 22% land titles registry rejections, there was a 9% (2002 – 10%) rejection rate during the titles entry phase, that is, entering land titles registry transactions into the land titles system. These rejections are the result of customers incorrectly completing registration forms.</p> <p>ISC's long-term target is to achieve a combined rejection rate (i.e. titles entry and processing phases) of 7% by 2006.</p>
ISC assurance claims	Less than \$200,000 in claims	\$16,761 (2002 - \$21,221) in claims paid by ISC	<p>The Government of Saskatchewan guarantees the accuracy of Saskatchewan's land titles. ISC is responsible for paying claims to individuals as a result of losses they incur from errors arising in the new automated land titles system. The General Revenue Fund is responsible for the claims arising from errors made prior to the implementation of the new LAND system in each land titles district.</p> <p>ISC's long-term target is for assurance claims to be less than \$100,000.</p>
Customer and stakeholder satisfaction	70% of customers satisfied (increased satisfaction)	No assessment completed in 2003	<p>Extensive customer consultations occurred in 2003 to address customer concerns. Initiatives for 2004 are targeted to improve customer satisfaction. A customer assessment will be conducted in 2004 to gauge customer satisfaction.</p> <p>ISC's long-term target is to achieve a satisfaction rating of 90% by 2006.</p>

ENHANCING VALUE – FINANCIAL / GROWTH

Crown Sector Goal:

Crown Corporations operate efficiently and competitively to provide a return on public investment in the form of dividends and improved asset value.

ISC Corporate Objectives:

To increase the value of ISC to the shareholder including:

- Achieve profitability by the fourth quarter of 2003
- Flat-line operating costs
- Position the Corporation to leverage its assets to extract incremental revenues from non-traditional markets in 2004 and forward

Measure	2003 Target	2003 Result	Discussion and long term plans
Revenue growth	Total corporate revenue of \$47.9 million	\$36.7 million (2002 – \$27.2 million).	<p>The 2003 revenue target was set under the assumption of a higher expected revenue increase resulting from the planned fee rebalancing. The shortfall of \$11.2 million was largely due to lower targeted revenues in the rebalanced fee model implemented in April 2003. The rebalanced fee model was implemented after consultations with customers.</p> <p>For 2004, ISC is expecting total corporate revenue of \$40.8 million with continued revenue growth in the following years.</p>
Cost effectiveness	Operating expenses excluding amortization are 77% of revenues	82.7% (2002 – 103%)	<p>This percentage is 5.7% higher due to lower than expected revenues resulting from the April 2003 rebalanced fee model.</p> <p>ISC is projecting a cost effectiveness target of 71% for 2004 with further decreases in the following years.</p>

Measure	2003 Target	2003 Result	Discussion and long term plans
Profitability			
Net income	ISC is profitable in fourth quarter of 2003	Loss of \$(0.5) million	The fourth quarter loss is a result of lower than forecast fourth quarter land registry revenues as well as ISC proceeding with initiatives to improve customer satisfaction. ISC is targeting net income of \$1.5 million for 2004 with additional increases in the following years.
Return on equity	Not applicable for 2003	Not applicable for 2003	The return on equity cannot be properly calculated due to ISC's deficit (i.e. negative equity) position. ISC's long-term target is to achieve a weighted average return on equity of 11%, as approved by CIC.
Sustainability			
Debt to equity ratio	Not applicable for 2003	Not applicable for 2003	The debt to equity ratio cannot be properly calculated due to ISC's deficit position. ISC's long-term target is to achieve a weighted average debt to equity ratio of 68%, as approved by CIC.
New initiative profitability			
Return on investment	For new initiatives, achieve a return on equity of 20%	20% target was used for assessing new initiatives	ISC used the 20% return on equity target for assessing new initiatives approved during 2003. These initiatives are in progress so the actual return on investment is not available.
Self-sufficiency			
Cash flow	Shortfall of cash provided by operations less capital expenditures not greater than \$(6.7) million	\$(2.5) million (2002 - \$(14.2) million)	Actual cash provided by operations less capital expenditures is higher by \$4.2 million due to delaying certain capital investments until ISC's financial position improves and due to lower than budgeted operating expenses. ISC's long-term target is to generate \$10 million in cash from operations less capital expenditures by 2005.

PUBLIC PURPOSE

Crown Sector Goals:

- Crown Sector is to address the Saskatchewan Human Rights Commission's targets for workplace representation for women, Aboriginals, people with disabilities and visible minorities.
- The Crown Sector contributes to a better public understanding of the importance of environmental stewardship and demonstrates environmental leadership by preventing and/or reducing environmental impacts from corporate operations, and reporting its successes.

ISC Corporate Objectives:

To fulfill our public mandate and contribute to social and economic development in the Province including:

- Deliver mandated programs
- Promote development of information economy
- Contribute to environmental stewardship

Measure	2003 Target	2003 Result	Discussion and long term plans
Minimize the environmental impact from operations by reducing the volume of paper	95% of land registry packet submissions are electronic	94% (2002 – 91%)	ISC's long-term target is 98% electronic submissions by 2005.
	50% of land registry output is electronic	28.4% (2002 – 27%)	The 2003 variance is primarily due to customers comfort and transitional issues regarding the sole reliance on electronic documents. As a result, many customers request both electronic and paper documents. ISC's long-term target is 80% electronic output by 2006.

Chapter 2 – Information Services Corporation of Saskatchewan

Measure	2003 Target	2003 Result	Discussion and long term plans
Employee diversity			
Representative permanent workforce	2.0% Aboriginal 3.1% disabilities 2.2% visible minorities	1.0% 2.6% 2.6%	ISC's long-term-targets are: 4.5% by 2008 4.8% by 2008 3.5% by 2008
Female	40.0% management 40.0% executive	43.8% 50.0%	ISC's long-term targets are: 45% 45%
New hires	40.0% diversity	16.7%	Actual of 16.7% was due to the low number of permanent hires in 2003. ISC's annual target continues to be 40%.
Universal access to utility functions			
Regional offices	7 regional offices maintained	7 (2002 – 7 regional offices)	ISC's long-term plan is to maintain 7 regional offices
Internet and phone access	No quantifiable target was set for 2003	Data is not available	ISC's long term plan is to increase service availability using the Internet. For example, provide geomatic products (e.g. maps) through the Internet and enable Personal Property Registry transactions via the Internet. Work on these initiatives is starting in 2004.
Fees that do not discourage usage	Implement a new land registry fee model in 2003	Implemented April 2003	After extensive consultations with customers, a revised pricing model was implemented in April 2003. In 2004, customer consultations will continue on all major initiatives. Six customer association sessions (e.g. with Law Society) per quarter are targeted in 2004.
Support Saskatchewan economy			
Percent of goods and services purchased in Saskatchewan	75% of goods and services	80% (2002 – 84%)	ISC's long term target is 80%.
Support of skills, training and development initiatives in the community	Participate in community initiatives - no quantifiable target was set for 2003	Participated in community initiatives	Participated in Synergy Sessions (discussion forums with Saskatchewan IT professionals and academics), the University of Regina's Student Co-op Program, and provided volunteer support to a community based adult education program . In 2004, a defined measure and quantifiable target will be determined.
Advance digital economy			
Percent of land registry and survey plan packet submissions electronically	95%	93% (2002 – 89%)	ISC's long term target is 98% and is targeted to met by 2005.
Percent of searches done independently by customer over internet	99%	99%	ISC's long-term target is 99.5% and is targeted to be met by 2007.

PEOPLE

Crown Sector Goal:

Crown Corporations advance the social and economic policies of the people of Saskatchewan, based on the values of the Saskatchewan community, with the commitment to use the Crown corporations as a tool to help stabilize the province's workforce, as well as for the skills training and development within the workforce.

ISC Corporate Objectives:

To foster an environment for opportunity and growth including:

- Retain and attract high caliber motivated workforce
- Advance the achievement of a representational workforce
- Foster a corporate culture which embodies the vision and values and engages employees in the achievement of goals and objectives

Measure	2003 Target	2003 Result	Discussion and long term plans
Workforce continuity			
Percent unplanned permanent staff turnover	10%	5.2%	ISC's long-term target is 5%.
Employee skills, training and development			
Training expenditures as a % of payroll	1.8%	1.83%	ISC changed its measure for employee skills training and development for 2004. ISC's long-term target is now 1.5% of revenue and this is to be met in 2004.
Employee satisfaction	Increase employee satisfaction from baseline of 3.28 out of 5	No survey completed in 2003	In 2002 an employee satisfaction survey established a baseline measurement of 3.28 out of 5. The 2004 target is a 20% improvement on the 2002 baseline (i.e. 3.9 out of 5). A follow up survey is scheduled for the first quarter of 2004.

INNOVATION

Crown Sector Goals:

- The Crown Sector develops measures and targets that challenge them to contribute to economic diversification and growth
- The Crown Sector takes an active role and participates in research and development initiatives that promote new technologies, potential business efficiencies, business diversification opportunities and other works that could support business growth and enhance profitability.

ISC Corporate Objectives:

To achieve the benefits of innovation, achieve organizational effectiveness and foster an environment for opportunity and growth including:

- Improve or establish an environment and framework to encourage innovation
- Develop and advance a knowledge management strategy

Measure	2003 Target	2003 Result	Discussion and long term plans
Innovative environment			
LAND project on audited forecast	\$60.5 million forecast	\$58.9 million	<p>The \$60.5 million forecast is an audited forecast for the LAND Project as of December 31, 2001¹. This audited forecast was prepared as a result of a special request by the Crown Corporations Committee. The Committee wanted to know the projected cost of the LAND Project in relation to the \$58 million budget approved by Cabinet in November 1999.</p> <p>ISC substantially completed the LAND Project as it was originally designed in November 2003. The \$58.9 million cost is net of \$0.4 million in training revenues. Subsequent development and enhancements of the LAND Project are ongoing and these costs are and will be recorded as capital costs related to the new initiatives.</p>

¹ Special Report to the Standing Committee on Crown Corporations, June 2002

Chapter 2 – Information Services Corporation of Saskatchewan

Measure	2003 Target	2003 Result	Discussion and long term plans
Availability of LAND System			
Uptime	Servers for internet access up 99% of time, 7 days per week, 24 hours per day.	99.9%	In 2004, a better measure called "availability of website and LAND system to customers" has been created to more accurately reflect the customer experience. ISC's long-term plan is 99%, 7 days a week, 24 hours a day. ISC has a disaster recovery plan and procedures in place in the event of a disaster. A disaster simulation is targeted for 2005 to further test the plan and procedures.
Knowledgeable users			
Number of users (staff and customers) trained on LAND System in year	3,000 employees and external customers	1,007 (2002 – 2,334) employees and external customers	Actual of 1,007 face-to-face trained users were lower than expected due to a change in the method of delivery in the year. Training sessions ranged from one to seven and one half hours. Due to customer and employee demand, there has been less face-to-face training and more self-directed module training. It has not been practical to measure the self-directed module training. The measure going forward has been changed to the number of training encounters with employees and customers. A training encounter includes self-directed module training via the Internet.
Innovative advancements in Geomatics	2 specific initiatives targeted	Initiatives deferred	Geomatics includes the technology and activities involved in the development, management, and distribution of geographically referenced information (e.g. digital representations of topographical maps and survey plans). Reporting on innovative advancements in Geomatics was deferred pending completion of wider client consultations and clarification of ISC role with respect to Geomatics in the Government of Saskatchewan. In the fall of 2002, ISC and the Saskatchewan Information Technology Office partnered to engage the Gartner Group in a study to recommend an appropriate governance model for geomatics services within the provincial government. The Gartner study also identified opportunities to improve policy development and geomatics standards, establish more predictable funding for geo-services and expand the use of geomatics information. ISC will continue to work with the other stakeholders involved to act on these recommendations and shape a long-term strategy for geo-services in the province.
Saskatchewan people benefit from digital economy and enhanced access			
Participation in enterprise wide digital framework across Crowns and Government agencies	Participation	Participated (no quantifiable target or results)	ISC participated in the government's enterprise wide digital framework. In 2004 a defined measure and quantifiable target will be determined.
<p>Note: During the annual planning process, ISC improves and modifies the performance indicators. Therefore, 2002 comparative figures are not readily available for some of the measures.</p>			

OUTLOOK

In 2004, ISC's focus on organizational and operational excellence will not waiver. ISC has identified seven key business drivers for achieving its 2004 strategic priorities. Goals and objectives are organized around these business drivers. While benchmarks continue to be refined as ISC evolves its operations, the 2004 balanced scorecard includes tangible business objectives and measures for each of these seven drivers including: planning, leadership, customer, organizational and financial performance, process management, people and partners. ISC understands that its people are the most critical element to long-term growth and success. As a result, a separate measure for leadership has been included for 2004.

The key operational measures identified for 2003 continue for 2004. Additional key measures for the 2004 year include:

- Develop an organization of leaders –
of people participating in leadership development
- Employees act as if they own the corporation –
% business unit workplans tied to corporate objectives
% of out-of-scope career workplans utilized and updated quarterly
of succession plans developed
- Customer trust – # of strategic customer engagements

- Customer confidence and satisfaction –
of customer association partnerships

ISC will continue to make significant investments in enhancing the core competencies of its team. Continuous employee development will be provided in the areas of leadership, customer service, management and supervisory training, project management and financial management. In 2004, enhancing the customer experience will remain a priority for ISC. More rigorous customer issue and service tracking will be implemented, including follow-up practices. ISC will undertake initiatives that will result in an enhanced understanding of our customers, better two-way communications and a more efficient organization. This includes two projects that are being undertaken as a direct result of customer feedback. The Land Registry Business Process Improvement addresses customer priorities through the implementation of on-line Land Registry submissions, improved title accuracy, reduced packet rejections and improved processes that will significantly reduce the number of and time required to correct errors. ISC will also begin to upgrade the technology platform for the Personal Property Registry to provide customers with a fully integrated self-serve, Internet based application.

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