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Main points

Saskatchewan Indian Gaming Authority Inc. (SIGA) has made good progress to address all of our past recommendations. However, some significant work remains. SIGA has not yet implemented necessary policies and procedures for certain operating areas (e.g., ancillary, marketing, and promotion). Also, SIGA needs to prepare an information technology strategic plan and security policies and procedures for its information technology.

While SIGA's compliance with approved policies improved in 2004-05, it needs to do more to ensure its employees understand and follow the approved policies. SIGA incurred expenses that did not comply with approved policies. Staff and management did not always follow the approved policies relating to delegation of authority, supporting payments for travel, business expenses, marketing, promotion, and sponsorship. SIGA can help ensure compliance by staff and management by providing more training, and clear written guidance to staff on how to do their assigned tasks. Also, SIGA must foster a culture of compliance with rules by promoting zero tolerance for non compliance.

We also report that SIGA's consolidated financial statements for the year ended March 31, 2005 are reliable.

Introduction

The Saskatchewan Indian Gaming Authority Inc. (SIGA) is a non-profit corporation established under *The Non-Profit Corporations Act, 1995*. The members of SIGA are the Federation of Saskatchewan Indian Nations (FSIN), the Tribal Councils of Saskatchewan, and independent First Nations. Saskatchewan Liquor and Gaming Authority (Liquor & Gaming) has licensed SIGA to operate four casinos. These casinos are known as Northern Lights, Gold Eagle, Painted Hand, and Bear Claw.

Northern Lights Casino is located in Prince Albert, Gold Eagle Casino is located in North Battleford, Painted Hand Casino is located in Yorkton, and Bear Claw Casino is located on the White Bear First Nation. All casinos are located on various First Nation reserves. These casinos provide table games, slot machines, and other hospitality services (ancillary operations) to the public.

Liquor & Gaming has licensed SIGA to conduct and manage table games. Under the licenses, SIGA is required to use the net profits from the operations of licensed table games for First Nations' charitable or religious purposes.

As required by section 207 of *The Criminal Code of Canada*, Liquor & Gaming owns the slot machines located in SIGA's casinos. The revenue from the slot machines belongs to Liquor & Gaming and is, therefore, public money.

Under the 2002 Casino Operating Agreement¹, Liquor & Gaming has allowed SIGA to deduct reasonable costs of operating casinos, as determined by Liquor & Gaming, from the slot machine revenues. SIGA is required to remit the remainder to Liquor & Gaming. The 2002 Casino Operating Agreement allows SIGA to recover, in any year, any net loss from the operation of licensed table games and ancillary operations from the net income earned from the operation of slot machines.

Table 1 summarizes results of SIGA's casino operations. The casino operations include slot machines, table games, and ancillary (i.e., gift

¹ The 2002 Casino Operating Agreement is an agreement between Liquor & Gaming and SIGA setting out terms and conditions for operating SIGA casinos. The Agreement expires on June 11, 2027.

shops, restaurants and lounges). The Table shows the net casino profits that SIGA made for Liquor & Gaming during the last four years.

Table 1 – Net profits (in \$000) from SIGA operated casinos

Segment	2005	2004	2003	2002
Slot operations	\$ 36,641	\$ 35,843	\$ 32,146	\$ 26,855
Ancillary operations	(2,354)	(1,976)	(1,742)	(1,400)
Table operations	(332)	(687)	(1,036)	(620)
Net profit	<u>\$ 33,955</u>	<u>\$ 33,180</u>	<u>\$ 29,368</u>	<u>\$ 24,835</u>

The Table shows that since 2002 the net profits from slot operations increased by about \$10 million. The net profits from slot machines increased because during the last four years, Liquor & Gaming installed more slot machines in SIGA casinos. Slot machines in SIGA casinos increased from 620 in 2002 to 995 in 2005. The total slot machine revenue increased from \$68 million in 2002 to \$93 million in 2005. For the same period, SIGA's slot machine expenses increased from \$41 million to \$56 million in 2005.

Background

The Government of Saskatchewan and the FSIN made an agreement called the 2002 Framework Agreement (Agreement) effective from June 11, 2002 to June 11, 2027. The Agreement permits the development and operation of casinos in Saskatchewan within the parameters of *The Criminal Code of Canada*.

To implement the 2002 Framework Agreement, Liquor & Gaming and SIGA signed a Casino Operating Agreement effective from June 11, 2002 to June 11, 2027.

SIGA currently operates four casinos under the terms of the 2002 Casino Operating Agreement. Liquor & Gaming is responsible for the overall conduct and management of the slot machines in those casinos as required by *The Criminal Code of Canada*.

Liquor & Gaming expects SIGA to propose spending and casino operating policies for Liquor & Gaming's approval. Under the 2002 Casino Operating Agreement, SIGA is entitled to deduct the casinos' operating expenses, incurred in accordance with the operating policies and

directives approved by Liquor & Gaming, from slot machine revenues. SIGA is required to deposit the remainder into a trust account for Liquor & Gaming in accordance with the process specified in the 2002 Casino Operating Agreement.

When Liquor & Gaming determines that any expenses that SIGA has incurred are not reasonable (i.e., expenses that did not follow the approved policies and directives), it recovers such expenses from future amounts due to the First Nations Trust Fund. Liquor & Gaming does so because SIGA has no money of its own. SIGA has no money of its own because revenues from the slot machines belong to Liquor & Gaming and SIGA must use any net income from the licensed table games for charitable or religious purposes. As a result, First Nations people bear the cost when SIGA incurs unreasonable expenses because SIGA belongs to them.

We audit SIGA for the Legislative Assembly because SIGA handles public money for Liquor & Gaming. In addition, SIGA's members have appointed the Provincial Auditor as SIGA's auditor.

Our audit conclusions and findings

In our opinion, for the year ended March 31, 2005:

- ◆ **SIGA had adequate rules and procedures to safeguard public resources except for the matters described in this chapter**
- ◆ **SIGA complied with authorities governing its activities relating to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing, except for the matters described in this chapter**
- ◆ **SIGA's consolidated financial statements are reliable**

Controls to safeguard public resources

In our past reports to the Legislative Assembly, we made several recommendations to strengthen SIGA's rules and procedures to safeguard public resources. SIGA accepted our recommendations. SIGA, however, has not fully implemented all our recommendations.

Accordingly, many of the deficiencies we reported in our past reports continued in 2005. Exhibit 1 on pages 202 to 205 summarizes our past recommendations and the status of the implementation of those recommendations as at March 31, 2005.

To help SIGA implement our recommendations, Liquor & Gaming set and communicated priorities (Directives) to SIGA. One of those Directives requires SIGA to accept and implement new policies and procedures mandated by Liquor & Gaming. Liquor & Gaming expects SIGA to propose spending policies for Liquor & Gaming's approval. The 2002 Casino Operating Agreement requires SIGA to comply with Liquor & Gaming's Directives by August 15, 2005. The Agreement also requires SIGA to sustain that compliance for at least two consecutive years. If SIGA does not meet these conditions, Liquor & Gaming may not allow SIGA to continue to operate Liquor & Gaming's slot machines.

Well-performing agencies do three things to help ensure they have effective controls to safeguard public resources. First, they ensure management provides adequate guidance to their employees. Second, they require management to establish processes to ensure employees follow the guidance provided in carrying out their tasks. Third, they monitor how well they are progressing towards achieving their established goals.

During the year, SIGA made some progress but more work remains. We describe briefly what SIGA must do to provide effective guidance to its employees, ensure its employees' follow the guidance provided, and monitor how well it is progressing towards achieving the established goals and objectives.

Effective guidance to employees

In our 2004 Report – Volume 3 and our past reports, we said SIGA needed to document and communicate all policies to its employees. Documented policies provide employees guidance to understand and follow the policies. SIGA still has not fully documented and communicated policies in some significant areas.

SIGA needs to document and communicate policies in the following areas.

Ancillary operations

In 2005, SIGA had ancillary revenue of \$6.5 million (2004 - \$6 million) and expenses of \$8.9 million (2004 - \$8 million).

Losses from ancillary operations have increased from \$1.4 million in 2002 to \$2.4 million in 2005. Since 2002, we have recommended that SIGA needs to establish policies and procedures for its ancillary operations. SIGA has not done so.

During 2004, employees prepared a draft ancillary operations manual setting out policies and procedures to control and monitor ancillary operations. However, management has not implemented the manual because the Board of Directors has not formally considered and approved the manual. Because management has not implemented any monitoring procedures, staff did not always explain differences between the planned and actual results for ancillary operations.

SIGA uses the cost of inventory to determine the selling price of ancillary merchandise. Employees, however, did not always update the inventory cost records promptly. Delays in updating the inventory costs increase the risk that SIGA may not fully recover its costs of ancillary merchandise. Inaccurate inventory records could result in less than full recovery of the purchase price of the merchandise sold. For this reason, SIGA needs to ensure employees update the inventory records promptly.

Accounting and reporting

Since 1999, we have recommended that SIGA must establish adequate policies and procedures to ensure its books reflect its business operations and there is support for all transactions.

To do so, SIGA must propose and Liquor & Gaming must approve adequate policies. SIGA has proposed and Liquor & Gaming has approved almost all operating policies. SIGA must also ensure that management provides guidance to help employees follow the approved policies in doing the assigned tasks. SIGA has not fully done so.

SIGA has not documented and communicated guidance to employees in the following areas:

- ◆ support and authority necessary to make payments, adjust financial records, and transfer money between bank accounts
- ◆ monitoring of cash discrepancies (overages or shortages)

Although management has drafted some procedures for staff guidance, the Board and Liquor & Gaming have not yet approved those procedures. Nor has management communicated those procedures to SIGA's employees. As a result, employees do not have readily available guidance to do all their tasks.

Because management has not provided adequate guidance to employees, they did not always ensure approved and documented support for all recorded transactions. For example, employees processed:

- ◆ payments totalling nearly \$4,000 for cigarettes and tobacco products. Documents attached to payment requests did not show who received these items.
- ◆ a payment of \$20,611 for "staff training kits". The payment request did not include evidence of receipt of goods.

Because employees did not have adequate guidance for making changes to financial records and making transfers between bank accounts, they made changes to the financial records without adequate support and approval. Employees also made transfers between SIGA's bank accounts before management approved such transfers.

Hospitality organizations including casinos often encounter differences between the cash on hand recorded in their accounting records and the actual cash on hand. Such differences are commonly known as cash overages/shortages. Mostly, unintentional human errors and/or machine errors cause these overages/shortages. To ensure employees properly monitor, follow up, and resolve all overages/shortages, such organizations establish processes to ensure overages/shortages are not intentional. Those processes would set out who is responsible for

monitoring, how to monitor, and who must review the results of such monitoring.

Management has not established and communicated processes for monitoring cash overages/shortages. As a result, staff did not always adequately explain the cash overages/shortages.

When employees do not have clear and documented guidance, there is a risk that they may not do their tasks as expected or may not do them at all. This could result in unsupported and unreasonable transactions. When Liquor & Gaming determines that any expenses that SIGA has incurred are not reasonable, it recovers those expenses from future amounts due to the First Nations Trust Fund.

We continue to recommend that SIGA should establish policies and procedures to ensure its books and records reflect its business operations and there is support for all transactions.

On October 12, 2005, management told us that SIGA has recently hired a permanent Vice-President of Finance and Administration. Also, management told us that SIGA has provided training to staff on processing of payments and monitoring of cash overages/shortages.

Marketing and promotion

In 2005, SIGA spent approximately \$7 million (2004 - \$6.7 million) for marketing and promotion. Marketing and promotion includes advertising, complimentary goods/services, promotional merchandise, entertainment, and public relations.

Since 1999, we have recommended that SIGA needs to establish policies for marketing and promotion. SIGA has not fully done so. SIGA has not established and Liquor & Gaming has not approved policies for controlling public relations events such as golf, entertainment, and cultural events. Such policies should set the supporting documents for seeking approval for such events, who can approve such events, who can attend such events, and why.

Every year, SIGA establishes and Liquor & Gaming approves a budget for marketing and promotion. However, SIGA has not yet established and

Liquor & Gaming has not approved some policies for marketing and promotion activities. When employees do not know what they must achieve with the resources provided, there is a risk that they may use those resources inappropriately or may not use them at all.

We continue to recommend that SIGA establish complete policies for marketing and promotions.

Information technology

SIGA needs to establish adequate information technology (IT) security policies and procedures to ensure the confidentiality, privacy, integrity, and availability of its information systems and data. Without adequate IT policies, employees may not know the rules to ensure the protection of SIGA's systems and data. Also, management may not know if it has addressed all the threats and risks to SIGA's security. An IT strategic plan can help management do so.

In 2004, SIGA's IT staff prepared a draft IT manual that includes IT security policies and procedures. Not all employees use the draft manual. Employees do not do so because senior management and the Board have not approved and provided the manual to all staff. Nor has Liquor & Gaming approved the draft manual.

Also, SIGA's IT staff prepared a draft IT strategic plan. Senior management and the Board have not reviewed the draft IT strategic plan. Accordingly, senior management and the Board do not know if the draft IT strategic plan has addressed all the threats and risks.

Without established IT policies and procedures, SIGA risks unauthorized disclosure of confidential information, reliance on incomplete and/or inaccurate information, and loss of vital information. Also, without an approved IT strategic plan, SIGA may not know if it has addressed all IT risks.

Management needs to review the drafted IT strategic plan and ensure it is consistent with SIGA's overall strategic plan. The SIGA Board should approve an IT strategic plan and the IT policies and procedures. SIGA should then communicate the approved IT plan, policies, and procedures to employees.

SIGA faces a challenge to complete these tasks because its senior manager responsible for IT left SIGA in January, 2005. At the time of our audit, this position was still vacant.

- 1. We recommend that management review and the Board approve an information technology strategic plan for the Saskatchewan Indian Gaming Authority Inc.**
- 2. We recommend that Saskatchewan Indian Gaming Authority Inc.'s Board of Directors approve the information technology policies and procedures.**

Management told us that in September 2005 the Board delegated the approval of information technology policies and procedures to management.

Ensuring compliance with established policies

In our 2004 Report – Volume 3 and our prior reports, we said SIGA must train its employees so that they follow the established policies to do their tasks. We also said SIGA should ensure its employees comply with established policies. During the year, we noted an improvement in employees' compliance with established policies. However, SIGA needs to do more to ensure all of its employees understand the reasons for the established policies and follow those policies. As we said earlier, when Liquor & Gaming determines that any expenses that SIGA has incurred are not reasonable (e.g., expenses that did not follow the approved policies), it recovers such expenses from future payments due to the First Nations Trust Fund. Liquor & Gaming has not yet finished its review of SIGA's 2004-05 spending.

We describe below the significant areas where staff did not comply with approved policies.

Delegation of authority

SIGA has established an appropriate delegation of authority. The policy sets out who is responsible to authorize specific transactions. Employees, however, did not always comply with the policy. We provide below some

examples of non-compliance with the established delegation of authority policy.

The policy requires the Chair of the Board or any member of the Audit Committee of the Board to approve out-of-province travel and expense claims for the President. In September 2004, the President approved for payment an invoice that included his own travel expenses of approximately \$1,100.

The policy also requires two levels of approval for Board members' pay and expense claims. The President alone approved some pay and expense claims for Board members during the year.

Payment support

SIGA's policy requires employees to document who received goods and services before paying suppliers. However, employees did not always leave evidence of who received goods and services and when. As a result, SIGA may have paid for goods and services that it did not receive. For example:

- ◆ SIGA paid for some golf tournaments and other public relations events without any evidence of who attended the event and why.
- ◆ SIGA paid employee relocation costs without requiring employees to provide support for actual expenditures. Employees did not always provide support for claiming real estate fees.
- ◆ SIGA reimbursed employees for business expenses without appropriate documentation of the business purpose for such expenses.

Travel and business expenses

SIGA has established a travel and business expense policy that Liquor & Gaming has approved. The policy sets out authorized rates for meals, transportation, and hotels. Employees did not always comply with the approved travel and business expense policy.

For example, SIGA's travel policy requires employees to stay in standard rooms at non-luxury hotels at corporate rates unless there is evidence that standard accommodation was not available or a non-standard room was necessary. However, employees stayed in suites and/or non-standard rooms without evidence that standard accommodation was not available.

Also, employees claimed and received meal expenses in excess of approved rates. Although the claims did not comply with the approved policies, managers approved those claims for payment. Approval of transactions that do not comply with policies sends the message to employees that non-compliance with policies is acceptable.

Marketing, promotion and sponsorship

In 2005, SIGA spent \$8.1 million (2004 - \$8.1 million) on marketing, promotion, and sponsorship.

SIGA has established a sponsorship policy and various marketing policies that Liquor & Gaming has approved.

The sponsorship policy sets out criteria for approving various sponsorship requests. However, we found SIGA employees did not always follow the established policy. As a result, SIGA sponsored events and projects that do not qualify under the approved policy.

For example, we found that SIGA paid \$25,000 to the Federation of Saskatchewan Indian Nations to sponsor two assemblies. First Nations assemblies are political gatherings. SIGA's sponsorship criteria do not allow sponsorship of political events. Management told us that SIGA considers the assembly gatherings as public meetings rather than political events. However, management told us that SIGA has stopped sponsoring such assemblies.

During the year, SIGA implemented various policies and procedures for marketing and promotion. One of those policies related to complimentary items. The policy states that SIGA employees are not eligible for complimentary items such as food and beverage, promotional merchandise, golf, hotel, and entertainment tickets. However, SIGA often provided concert tickets and promotional merchandise to its employees.

SIGA does not maintain adequate records of who received promotional items and why. Adequate records would clearly show the promotional items purchased, who received the items and why, and how many items remain in inventory.

For example, SIGA made payments totalling nearly \$47,300 to buy T-shirts, ski pants, golf balls, silver pens, and jackets/vests. SIGA's records did not show how many items have not yet been given away and where they are kept. SIGA also paid \$15,000 to purchase gift certificates for a prize giveaway. However, SIGA's records did not show the promotional event for this prize giveaway.

SIGA's promotion policy requires each casino to regularly report on its promotional activities. Casinos must prepare promotional proposals, including a cost-benefit analysis, and submit these proposals to central office for approval. Casinos must also prepare and submit an evaluation report upon completion of the proposed event. Casinos, however, did not always prepare and submit required reports to central office. As a result, SIGA cannot determine if the significant promotional events achieved their intended objectives.

Conflict of interest

SIGA has established code of conduct and conflict of interest policies.

Under the policies, employees must complete and sign a checklist (form) stating that they understand the policies and have complied with those policies. The policies also require management to review and approve all completed forms. In some cases, however, employees did not complete the forms and in some other cases, there was no evidence that management has reviewed and approved the completed forms.

When employees do not face consequences for their failure to follow established policies, they receive the wrong message. They receive the message that non-compliance with established policies is acceptable. SIGA should ensure its employees know that those who continue to ignore the established policies will face consequences.

Management told us that SIGA has recently implemented an electronic process to ensure conflict of interest forms are properly completed and approved.

Accounting

SIGA has established policies to control its bank accounts, capital assets, and inventory. However, employees did not always comply with these policies. We provide examples of non-compliance below.

- ◆ The established policies require employees to agree all recorded bank balances to the bank's records (bank reconciliations) regularly. The policies also require an independent official to review and approve the bank reconciliation.

We noted employees regularly prepared bank reconciliations throughout the year. However, there was no evidence of independent review and approval of the bank reconciliations from October 2004 to February 2005. Independent approval of bank reconciliations reduces the risk of loss of money and errors in the financial records.

- ◆ The approved accounting policies require employees to verify the support and proper approval of transactions before processing. Employees did not always know what support they must receive and who must approve the transactions. We found instances where employees made payments without proper support and approval. Some payment requests had approvals of employees who did not have that authority. Also, some payment requests did not include the required support. For example, employees processed payment requests for travel claims. Some of the travel claims did not:
 - show the time of travel that would support meal allowances
 - include the appropriate hotel bills that would support the accommodation charges (e.g., overnight stay in Regina but the bill attached from a hotel in Yorkton) and why some charges exceed the standard corporate room rates
 - have the appropriate approval of the authorized officials

We continue to recommend that SIGA should establish rules and procedures to ensure that employees comply with established policies.

Monitoring performance

Boards of Directors of well-managed agencies review and approve their agency's mission, vision, and strategies periodically and when major shifts occur. SIGA's Board has approved SIGA's mission, vision, and strategies (strategic plan) and has determined goals and objectives for SIGA. Liquor & Gaming has also approved SIGA's strategic plan. Consistent with its strategic plan, SIGA also prepared and Liquor & Gaming approved SIGA's 2004-2005 business plan, marketing plan, and human resources plan. We commend SIGA for doing so.

Strategic and business plan

SIGA's Board monitors SIGA's performance towards achieving established goals through reports it receives from management and its internal auditor. The Board currently receives separate financial, operational, and human resource reports. The reports the Board receives are adequate and provide necessary information.

However, the Board needs to receive a comprehensive report to show progress towards the detailed performance measures/targets as identified in the strategic and business plans.

To monitor employees' compliance with the approved policies, the Board requires the internal auditor to provide periodic reports on the probity and propriety of expense transactions and to make recommendations for improvement when necessary.

We have examined the reports the internal auditor provides to the Board. The reports are adequate and useful. We commend the Board for establishing this process. Now, the Board should require management to set out a detailed plan to address the findings of the internal auditor and his recommendations for improvement. Also, the Board should demonstrate that repeated non-compliance with policies is not acceptable.

Staff performance

SIGA's approved human resource policies require annual performance evaluations for employees.

SIGA did not monitor the performance of its employees on a timely basis. Timely evaluation of employees is important to ensure they continue to perform as expected. The evaluation could also provide opportunities for further training and promotion for deserving employees. At the time of our audit, SIGA had only reviewed the performance of about half of its central office employees.

In 2003, SIGA and Liquor & Gaming agreed on criteria for evaluating the President's performance. The evaluation determines the bonus SIGA can pay its President. During 2004-05, the Board evaluated the President's performance for 2002-03 and 2003-04. However, the Board used different criteria for these evaluations.

The performance evaluation policy that Liquor & Gaming approved requires the Board to establish revised criteria, if necessary, before the beginning of the fiscal year. The Board revised the evaluation criteria in 2004 and used the revised criteria to evaluate the President's performance for the past two years. Liquor & Gaming informed SIGA that this practice is not acceptable under the approved evaluation policy.

Based on revised criteria, the Board paid the President nearly \$112,000 as bonuses for the above years. Had the Board used the agreed upon criteria, the bonus paid would have been about \$42,000 less.

SIGA's Audit and Finance Committee told us that for the years 2002-04, the Board had directed the President to focus on developing new casinos. The Committee also told us that the Board revised the President's bonus criteria to better reflect the Board's revised expectations for the President's performance.

Exhibit 1

Status of the implementation of our past recommendations as at March 31, 2005.

Recommendations	Year First Reported	Date policy/info sent to Liquor & Gaming	Date policy/info approved by Liquor & Gaming	Implemented	Partially Implemented	Not Implemented
1. SIGA should establish a proper code of conduct and that code of conduct should be appropriate for managing public money.	2000 Fall Report – Volume 2	N/A	November 2000 Directive	✓		
2. SIGA should document and communicate to its senior management the goals and objectives of SIGA	2000 Fall Report – Volume 2	2004 – 2007 Strategic Plan – March 2004	March 2004	✓		
3. SIGA's Board should establish an appropriate conflict-of-interest policy for Board members and management.	2000 Fall Report – Volume 2	N/A	November 2000 Directive	✓		
4. SIGA's Board should ensure all Board members and senior management comply with the established conflict-of-interest policy.	2000 Fall Report – Volume 2	N/A	November 2000 Directive		✓	
5. SIGA should prepare a complete business and financial plan for its operations.	2000 Fall Report – Volume 2	2004/05 business plan – March 2004	March 2004	✓		
6. SIGA's Board should define its management reporting needs and communicate those needs to management for regular reporting. - Financial reporting - Performance reporting	2000 Fall Report – Volume 2	N/A	N/A	✓	✓	
7. SIGA should establish an independent internal audit function that should report directly to the Board.	2000 Fall Report – Volume 2	N/A	November 2000 Directive	✓		
8. SIGA should report publicly through FSIN and Liquor & Gaming setting out SIGA's planned results and actual results.	2000 Fall Report – Volume 2	N/A	November 2000 Directive	✓		

Recommendations	Year First Reported	Date policy/info sent to Liquor & Gaming	Date policy/info approved by Liquor & Gaming	Implemented	Partially Implemented	Not Implemented
9. SIGA should make public through FSIN and Liquor & Gaming a list of persons (e.g., employees, suppliers) who have received money from SIGA and the amount each person received.	2000 Fall Report – Volume 2	N/A	November 2000 Directive	✓		
10. SIGA's Board should establish appropriate delegation of authority rules for management.	2000 Fall Report – Volume 2	N/A	November 2000 Directive		✓	
11. SIGA should establish written policies for management and staff pay, benefits, professional development, and performance evaluation.	2000 Fall Report – Volume 2	Senior Mgt. Wage Grid – May 2003 Cell phones and Vehicles – July 2003, various other policies – March 2004	December 2003 & March 2004		✓	
12. SIGA should establish an appropriate travel policy for Board members and executive management expenses including spousal travel, business expenses, and travel advances.	2000 Fall Report – Volume 2	N/A	November 2000 Directive		✓	
13. SIGA should establish adequate policies and procedures to ensure its books and records reflect its business operations and there is support for all transactions.	2000 Fall Report – Volume 2	September 2003 & January 2004	December 2003 & February 2004		✓	
14. SIGA should establish appropriate written policies and procedures for tendering and awarding contracts.	2000 Fall Report – Volume 2	N/A	November 2000 Directive	✓		
15. SIGA should establish appropriate policies and procedures for its marketing, promotion, and sponsorship activities. Those policies and procedures should include a clear definition of marketing and promotion activities and an approval process for sponsoring community events.	2000 Fall Report – Volume 2	Marketing & promotion policies – March 2004 Sponsorship – N/A	March 2004 November 2000 Directive for sponsorship		✓	

Chapter 7B – Saskatchewan Indian Gaming Authority Inc.

Recommendations	Year First Reported	Date policy/info sent to Liquor & Gaming	Date policy/info approved by Liquor & Gaming	Implemented	Partially Implemented	Not Implemented
16. SIGA should establish rules and procedures to ensure that only authorized persons can access its financial systems.	2001 Fall Report – Volume 2	N/A	N/A		✓	
17. SIGA should properly segregate the duties of its employees.	2001 Fall Report – Volume 2	September 2003	December 2003		✓	
18. SIGA should establish rules and procedures to ensure compliance with the Casino Operating Agreement.	2001 Fall Report – Volume 2	N/A	N/A		✓	
19. SIGA should incur only costs necessary to operate its casinos under the Casino Operating Agreement.	2002 Fall Report – Volume 2	N/A	N/A		✓	
20. SIGA should ensure the staff comply with the sponsorship policy.	2002 Fall Report – Volume 2	N/A	November 2000 Directive		✓	
21. SIGA should establish rules and procedures to ensure that staff comply with its delegation of authority policy.	2002 Fall Report – Volume 2	N/A	November 2000 Directive		✓	
22. SIGA should: -periodically monitor the actual house advantage for table games to ensure games are being played in accordance with approved rules; and -establish appropriate rules and procedures to monitor expected and actual revenue of table games and communicate these to casino staff.	2002 Fall Report – Volume 2	N/A	N/A	✓		
23. SIGA should comply with the terms and conditions of its gaming licence.	2002 Fall Report – Volume 2	N/A	November 2000 Directive	✓		
24. SIGA should comply with its annual report policy.	2002 Fall Report – Volume 2	N/A	November 2000 Directive	✓		
25. SIGA should amend its agreement with the internal auditor to allow us full access to the internal auditor's files and records.	2003 Report – Volume 3	N/A	N/A	✓		

Recommendations	Year First Reported	Date policy/info sent to Liquor & Gaming	Date policy/info approved by Liquor & Gaming	Implemented	Partially Implemented	Not Implemented
26. SIGA should: -complete and implement its human resource plan; -ensure its casinos consistently follow established human resource policies; -prepare and provide to the Board more information about how SIGA is managing its staff retention risks; -prepare and provide to the Board more information about the effectiveness of SIGA's training activities.	2003 Report – Volume 3	N/A	N/A	Not evaluated as part of current year audit because SIGA needs time to address these recommendations. Planned to follow up in 2005 - 06		
27. SIGA should provide annual audited financial statements to Liquor & Gaming and the Director of the Corporation Branch in accordance with the 2002 Casino Operating Agreement and The Non-Profit Corporation Regulations 1997.	2004 Report – Volume 3	N/A	N/A	✓		

