

## First Nations and Métis Relations

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## **Main points**

In this chapter, we report that the Department of First Nations and Métis Relations (Department) is improving its monitoring of \$33.3 million provided to the First Nations Trust Fund and four community development corporations (organizations). It is starting to receive the required information sooner from these organizations and is working with them to address reported problems. However, it did not yet receive sufficient information to know if all of these organizations spend this money as permitted by law.

Also the Department needs to prepare a human resource plan and complete the development of its performance plan. Managing with complete and robust plans will help ensure the Department's success.

## **Introduction**

In this chapter, we set out:

- ♦ a brief overview of the Department of First Nations and Métis Relations' (Department) mandate and spending
- ♦ the results of our 2006 audit of the Department

## **Background**

The Department works with First Nations and Métis people and their organizations to advance common interests. It must provide leadership to help ensure First Nations and Métis priorities and issues are reflected in the provincial Government's policies and programs. It also helps ensure the Government fulfills its obligations for treaty land entitlement.

The Department's website contains its annual reports, other key publications, agreements, and further information about its programs ([www.fnmr.gov.sk.ca/](http://www.fnmr.gov.sk.ca/)).

## **Related special purpose fund**

At March 31, 2006, the Department was responsible for the Métis Development Fund (also called Clarence Campeau Development Fund). The Fund has a December 31 year-end. Each year, the Fund gives the Legislative Assembly its annual audited financial statements. These are publicly available as publications at [www.gov.sk.ca/finance/](http://www.gov.sk.ca/finance/). Our 2006 Report – Volume 1 sets out our 2005 audit of the Fund.

## **Overview of Department's finances**

For the year ended March 31, 2006, the Department had revenues of \$0.18 million (2005-06: \$0.25 million) and, it spent \$48.3 million (2005-06: \$45.8 million). The following table lists its major programs and spending.

	<u>Original Estimates<sup>1</sup></u> (in millions of dollars)		<u>Actual</u>
Central management and services	\$	1.4	\$ 1.4
Policy coordination and support for Aboriginal organizations		3.5	4.0
Treaty land entitlements		10.2	9.6
Gaming agreements		<u>27.4</u>	<u>33.3</u>
	\$	<u>42.5</u>	<u>\$ 48.3</u>

The Department's 2005-06 Annual Report explains reasons for significant differences between its planned and actual revenues and expenses. The Department makes this report available on its website.

## **Audit conclusions and findings**

**In our opinion, for the year ended March 31, 2006:**

- ♦ **the Department had adequate rules and procedures to safeguard public resources and comply with authorities governing its activities except for the matters reported in this chapter**
- ♦ **the Department complied with authorities governing its activities relating to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing except for the matters reported in this chapter**

The following section sets out our detailed audit findings.

### **Complete performance planning needed**

The Department's performance planning is not complete.

Complete performance plans help departments set a clear direction, be realistic about its outcomes and resources, and make informed resource allocation decisions.

<sup>1</sup> *Public Accounts 2005-2006: Estimates* – First Nations and Métis Relations, Vote 25.

The Government, through the use of its Accountability Framework, expects departments to prepare performance plans. In addition, the Government expects departments to develop targets that set out the level of performance they plan to achieve in the upcoming year.<sup>2</sup> As yet, the Government does not expect departments to publish their targets in performance plans.

In April 2006, the Department published its first performance plan – the 2006-07 Performance Plan. This Plan contains most of the information that the Government expects. For example, the Plan sets out the Department's vision, mandate, goals, and related objectives.

As noted in the plan, the Department has not yet developed performance measures for four of its eight objectives. Also, at June 2006, the Department had not set targets for its performance measures. Targets provide the basis for evaluation. Without them, it is difficult to monitor performance.

- 1. We recommend that the Department of First Nations and Métis Relations complete the development of its performance plan including the identification of measures and selection of performance targets related to its goals and objectives.**

## **Human resource plan needed**

The Department does not have a human resource plan.

Effective human resource planning helps the Department to have the right people, in the right jobs, at the right time.

A good human resource plan needs to set priorities and link to the Department's strategic direction. It should also identify key human resource risks and gaps that exist in current and future available resources. The plan should also set out strategies and implementation plans to address human resource risks and gaps.

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<sup>2</sup> 2006 – 2007 Planning Guidelines are available at:  
[http://www.gov.sk.ca/finance/accountability/2006\\_2007/PlanningGuidelinesDetail2006-07.pdf](http://www.gov.sk.ca/finance/accountability/2006_2007/PlanningGuidelinesDetail2006-07.pdf). Accessed August 22, 2006.

The Public Service Commission has provided departments with guidance on the preparation of human resource plans<sup>3</sup>.

The Department has about forty staff (based on full-time equivalents). Under a service arrangement, the Public Service Commission assists the Department in some of its human resource functions.

### **2. We recommend that the Department of First Nations and Métis Relations prepare a human resource plan.**

The Department told us that it expects to work with the Public Service Commission to develop its human resource plan.

## **Follow-up of prior recommendations**

In past reports, we have reported that the Department needed to better monitor spending by the First Nations Trust Fund and the four community development corporations (CDCs) to ensure money it provides to them is spent as required by law.

Chapter 12 of our 2005 Report – Volume 3 reported that the Department, at October 2005, had not received all of the requested reports<sup>4</sup> related to the organizations' (i.e., the First Nations Trust Fund and four CDCs) March 2005 year-end. By December 2005, the Department received all but one of the missing reports. It worked with the related organization and withheld funds until it received this report in June 2006.

During the year, the Department continued to work with the organizations to encourage timely correction of reported problems. It also worked directly with each organization to help them better understand its role, its information needs, and to identify ways to improve the quality and timeliness of information they must provide the Department.

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<sup>3</sup> 2006/07 Human Resource Planning Guidelines are available at: <http://www.gov.sk.ca/psc/hrmanagement/hrplanning/guidelines.pdf> and the Human Resources Planning Checklist is available at: <http://www.gov.sk.ca/psc/hrmanagement/hrplanning/checklist.pdf>. Accessed August 23, 2006.

<sup>4</sup> Pages 272 and 273 of the 2005 Report – Volume 3 Chapter 12 lists, in detail, the reports that the Department had and had not received by October 2005 and problems reported.

At the time of the audit, the reports for the March 2006 were not yet due from the organizations. Our Office will continue to monitor the Department's actions and report its progress in future reports.

We continue to recommend:

- ◆ the Department of First Nations and Métis Relations follow all of its processes to ensure the First Nations Trust Fund spends public money as required by law
- ◆ the Department of First Nations and Métis Relations ensure it receives sufficient and timely information from each community development corporation to determine if each corporation properly managed public money and spent it only as permitted by law

The Standing Committee on Public Accounts agreed with the above recommendations on October 26, 2005 and June 15, 2004, respectively. It last discussed this matter on February 6, 2006.

