

<b>Main points .....</b>	<b>190</b>
<b>Introduction .....</b>	<b>191</b>
<b>Lottery agreement .....</b>	<b>191</b>
Background .....	192
Audit objective and criteria.....	195
Conclusion.....	196
Key findings (by criterion) and recommendations .....	196
Establish processes to monitor compliance .....	196
Carry out procedures to monitor compliance .....	200
Report to senior management on compliance .....	201
Take remedial action for any significant non-compliance.....	203
Our plans .....	204
Organizational structure and lottery profit distribution .....	205
Selected references.....	207

## **Main points**

To support sport, culture, and recreation activities throughout the Province, the Ministry of Tourism, Parks, Culture and Sport (Ministry) raises money through lottery schemes.

The Ministry, through an agreement (lottery agreement), uses the Western Canada Lottery Corporation (WCLC) and Western Canada Lottery – Saskatchewan Division Inc. and Sask Sport Distributors Inc. as its agents to operate lottery schemes. The Ministry must have processes to supervise these entities' compliance with the lottery agreement. Compliance would help ensure that 1) the Government receives the correct amount of lottery revenues and that public money is properly protected, spent prudently, and spent for intended purposes, and 2) that lottery schemes are operated with integrity (i.e., in a fair manner and in accordance with the law).

The Ministry did not have adequate processes to supervise compliance with the lottery agreement by WCLC, Western Canada Lottery – Saskatchewan Division Inc. and Sask Sport Distributors Inc. As a result, the Ministry did not know whether the Government received the correct amount of lottery revenues and lottery schemes were operated with integrity. Also, the Ministry did not know that public money was properly protected, spent prudently, and spent for intended purposes.

We make several recommendations to strengthen the Ministry's processes to supervise compliance with the lottery agreement.

## Introduction

The Ministry of Tourism, Parks, Culture and Sport (Ministry) is to support, celebrate, and build pride in Saskatchewan. The Ministry's strategic focus is on tourism enhancement, quality of life, and economic growth.<sup>1</sup>

## Lottery agreement

To fund sport, culture, and recreation activities throughout the Province, the Ministry raises monies through lottery schemes<sup>2</sup> as authorized by *The Interprovincial Lotteries Act, 1984*. All of the lottery revenue belongs to the Government and is public money.

The Ministry uses the Western Canada Lottery Corporation (WCLC) and Sask Sport Inc. (Sask Sport) as its agents to operate lottery schemes in Saskatchewan. This agency relationship is set out in the lottery agreement (described later). Exhibit II provides more information on the organizational structure and lottery profit distribution related to the lottery operations in Saskatchewan.

Sask Sport created two subsidiary companies to carry out functions assigned to it by the Government under the lottery agreement and to keep public money from the lotteries separate from Sask Sport's other operations:

- ◆ a company called Western Canada Lottery – Saskatchewan Division Inc. (known as Saskatchewan Lotteries) to fulfill Sask Sport's role in marketing WCLC lottery tickets in Saskatchewan
- ◆ a company called Sask Sport Distributors Inc. (Sask Sport Distributors), which distributes lottery tickets to the retailers and charges Saskatchewan Lotteries for its expenses

The lottery agreement authorizes WCLC, Saskatchewan Lotteries, and Sask Sport Distributors, as agents of the Crown, to raise lottery revenue

---

<sup>1</sup> Saskatchewan Provincial Budget: 2009-10 Estimates, [www.finance.gov.sk.ca/budget2009-10/Budget200910Estimates.pdf](http://www.finance.gov.sk.ca/budget2009-10/Budget200910Estimates.pdf).

<sup>2</sup> Lottery schemes in Saskatchewan include the Western 6/49, the Plus, Pick 3, Sport Select, Prairie Keno, Keno, Extra and Scratch 'n Win lottery games, Lotto 6/49, Super 7 and National Scratch 'n Win lotteries.

and to deduct approved expenses from the lottery revenue. The Ministry remains responsible for ensuring spending out of lottery ticket sales revenue is done with prudence and probity, as well as ensuring lotteries are operated fairly and in accordance with the law.

This chapter reports the results of our audit to assess the adequacy of the Ministry's processes to ensure that the WCLC, Saskatchewan Lotteries, and Sask Sport Distributors comply with the lottery agreement.

## **Background**

The *Interprovincial Lotteries Act, 1984* (Act) gives the Ministry authority:

- ◆ to make agreements with other governments to conduct and manage a lottery scheme in Saskatchewan
- ◆ to issue a license to non-profit organizations to conduct and manage a lottery scheme in Saskatchewan on behalf of the Government
- ◆ to designate a Saskatchewan non-profit organization to act as a marketing organization for a lottery scheme in Saskatchewan

The lottery agreement<sup>3</sup> makes WCLC an agent of the Governments of Saskatchewan, Alberta, and Manitoba to operate a lottery scheme in each province. WCLC distributes the profits to the governments as outlined in the agreement. The lottery agreement lists what expenses can be deducted from each government's lottery revenues.

The Government of Saskatchewan has two representatives on the Board of WCLC<sup>4</sup>. These representatives are employees of Sask Sport. Sask Sport, a non-profit corporation established in 1972, is a federation of provincial sport governing bodies (members). Sask Sport is managed by twelve board of directors who are elected by the members for a three-year term.

---

<sup>3</sup> See Order in Council 736/1991 for the current lottery agreement and Order in Council 266/2000 for amendments to the lottery agreement.

<sup>4</sup> Note 1 in Exhibit II further describes the composition of the board members of WCLC.

The lottery agreement requires the Government to designate a Provincial Marketing Organization to market lottery schemes in the Province and to perform certain other functions. In 1974<sup>5</sup>, Cabinet designated Sask Sport as the marketing organization (also known as the Provincial Marketing Organization or PMO) for Saskatchewan. Sask Sport uses its subsidiary, Saskatchewan Lotteries, as the PMO.

Saskatchewan Lotteries, as the designated PMO, carries out procedures established by WCLC including coordinating the selection of retailers, coordinating the installation and maintenance of computer equipment at the retailer sites, providing training and communicating to retailers, and assisting WCLC in the collection of payments from the retailers. Saskatchewan Lotteries is also responsible for advertising and promoting lotteries and their benefits in Saskatchewan.

Lottery revenues and expenses flow from WCLC to Saskatchewan Lotteries. The financial statements of Saskatchewan Lotteries and Sask Sport Distributors are not tabled in the Legislative Assembly.

Saskatchewan Lotteries' audited financial statements show Saskatchewan's share of the revenues and expenses from the lottery scheme for the year ended March 31 as follows:

---

<sup>5</sup> Order in Council 169/2009 appointed Sask Sport Inc as PMO to June 30, 2009.

	<u>2008</u>	<u>2007</u>
		(000's)
Revenue:		
Lottery ticket sales	\$ 158,291	\$ 156,144
Investment income	651	631
Retailer fees	<u>203</u>	<u>207</u>
Total revenue	\$ <u>159,145</u>	\$ <u>156,982</u>
Lottery expenses:		
Provincial sales tax	\$ 100	\$ 143
Goods and services tax	1,195	1,291
Share of the costs of the Western Canada Lottery Corporation:		
Prizes	84,586	81,541
Retailer commissions	8,985	8,871
Other operating expenses	4,310	3,791
Media and advertising	3,059	2,926
Telecommunications	2,684	2,798
Ticket printing	2,303	2,244
Depreciation and amortization	1,392	1,192
Provincial expenses:		
Operating	1,018	955
Distribution	<u>1,781</u>	<u>1,665</u>
Total lottery expenses	\$ <u>111,413</u>	\$ <u>107,417</u>
Net lottery profits	\$ <u><u>47,732</u></u>	\$ <u><u>49,565</u></u>

The net lottery profits flow from Saskatchewan Lotteries to the Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation (Trust Fund). Sask Sport established the Trust Fund in 1974 pursuant to *The Interprovincial Lotteries Act* (enacted in 1974). The Trust Fund's annual audited financial statements, tabled in the Legislative Assembly, show how lottery profits are distributed to agencies for sport, culture, and recreation programs.

As stated earlier, lottery ticket sales in Saskatchewan are public money and are significant. The Ministry is responsible to ensure that the Government receives the correct amount of lottery revenues and that public money is properly protected, spent prudently, and spent for intended purposes. Also, the Ministry is responsible to see that WCLC

and Saskatchewan Lotteries operate lotteries with integrity (i.e., in a fair manner and in accordance with the law).

In the past few years, the media have reported problems in the operation of lotteries in Canada including possible fraudulent activities. The public has made several complaints regarding allegations of lottery retailers claiming their customers' prizes for themselves. Individual lottery prizes can range from a free ticket to several millions of dollars. These high dollar payouts increase the potential for lottery fraud.

Reduced public confidence in the lottery schemes could result in lower lottery ticket sales and less money available for sport, culture, and recreation activities. The Ministry, through the lottery agreement, has delegated authority to WCLC and Saskatchewan Lotteries to operate the lotteries. The Ministry remains accountable to the Assembly for the administration and integrity of the lottery operations.

The Ministry must have adequate processes to supervise WCLC's and Saskatchewan Lotteries' compliance with the lottery agreement. These processes should help ensure the Ministry that lotteries in Saskatchewan are being operated in a fair manner, in accordance with the law, and that the Government receives the correct amount of lottery revenues and pays only expenses that are prudent and for the intended purposes.

Exhibit II contains further information regarding WCLC's governance structure and outlines the distribution of lottery profits in Saskatchewan.

For the remainder of this chapter, all references to Sask Lotteries pertain to the two companies that Sask Sport set up to carry out functions assigned to it by the lottery agreement (i.e., Western Canada Lottery – Saskatchewan Division Inc. and Sask Sport Distributors Inc.).

## **Audit objective and criteria**

The objective of our audit was to assess the adequacy of the Ministry's processes as of September 30, 2008 to ensure that WCLC and Sask Lotteries are complying with the lottery agreement. We did not audit WCLC's and Sask Lotteries' processes to operate the lottery scheme.

We used the criteria set out in Exhibit I to assess the Ministry's processes. We based our criteria on related work, reviews of literature including reports of other auditors, and consultations with management. The Ministry agreed with the criteria.

Throughout the audit, we followed *The Standards for Assurance Engagements* established by The Canadian Institute of Chartered Accountants.

**Exhibit 1—Audit criteria**

To ensure that WCLC and Sask Lotteries comply with the Western Canada Lottery Agreement (Agreement), the Ministry needs to:

1. Establish processes to monitor compliance with the terms of the Agreement
2. Carry out procedures to monitor compliance with the Agreement
3. Report to senior management on compliance with the Agreement
4. Take remedial action for any significant non-compliance with the Agreement

**Conclusion**

**At September 30, 2008, the Ministry of Tourism, Parks, Culture and Sport did not have adequate processes to ensure that the Western Canada Lottery Corporation and Sask Lotteries were in compliance with the Western Canada Lottery Agreement.**

**Key findings (by criterion) and recommendations**

We describe below what we expected (in italics) and our key findings for our four criteria, together with our recommendations.

***Establish processes to monitor compliance***

*We expected that the Ministry would have processes to supervise WCLC's and Sask Lotteries' compliance with the terms of the lottery agreement including:*

- ♦ *assigning responsibility for monitoring compliance*
- ♦ *documenting the procedures to monitor compliance with the agreement and their timing and frequency*



- ◆ *setting out the timing and frequency of the reports to senior management of the Ministry on compliance with the agreement*

The Ministry had not established adequate procedures to supervise compliance with the agreement.

The Ministry's procedures manual<sup>6</sup> assigns responsibility for supervising WCLC's and Sask Lotteries' operations to the Ministry's Strategic Policy Branch. However, the manual does not include procedures for supervising compliance with the lottery agreement or reporting on compliance to senior management. The manual only required staff to review WCLC's annual reports.

Management of the Ministry told us that its staff performed certain procedures to supervise compliance with the agreement. These procedures included: a general review of the financial information sent by WCLC and Sask Lotteries; frequent meetings and discussions with Saskatchewan's representatives on the WCLC board; a review of WCLC's board minutes; and periodic meetings between senior management of the Ministry and Saskatchewan's representatives on the WCLC Board. Management and staff generally did not keep written evidence of these procedures.

In some instances, there was evidence that staff reviewed documents that WCLC provided and brought forward concerns and issues to management. Staff documented the concerns in memos to management together with background information on an ad hoc basis. The Ministry did not have formal processes to document the results of the reviews that its staff carried out. Also, the Ministry did not document its discussions and meetings with its representatives on the WCLC Board.

WCLC is a joint venture created by the Ministry and two other governments to increase the scope of lottery schemes and revenues, increase efficiencies, and share common costs such as administration and capital assets. Because the Ministry appoints only two of WCLC's six directors, the Ministry can only influence the operations of WCLC. The Ministry must take steps to ensure WCLC's operating policies and

---

<sup>6</sup>*Entitled-Procedures Manual: Stewardship of Third Party Agencies, Tourism, Parks, Culture and Sport.*

financial plans are consistent with the Ministry's objectives by providing direction to its two representatives on the WCLC Board.

The *Canada Business Corporations Act* requires corporate directors to act in the best interests of their corporation. Some think this means that the Ministry's appointed directors on WCLC cannot take direction from the Ministry regarding their duties on the WCLC board. However, Saskatchewan's representatives on the board of WCLC are appointed by the Ministry to achieve the Ministry's lottery scheme objectives. The reason for appointing directors to the board of WCLC is to promote and protect the Ministry's objectives. If there is a conflict between WCLC's objectives and the Ministry's objectives, the directors from Saskatchewan would be in a conflict of interest and would have to resign as directors of WCLC.

The Ministry had not given its representatives on the WCLC Board written guidelines on how to protect the Ministry's interests. This guidance would assist the representatives to help the Ministry achieve its lottery objectives, e.g., its lottery revenue is properly protected, spent prudently, and spent only for intended purposes. This guidance would facilitate the timely flow of information from the WCLC board back to the Ministry. The Ministry could not provide us any written reports from its representatives on the activities and decisions of the WCLC board.

The Ministry's written guidelines to its representatives on the WCLC board should include:

- ◆ the Ministry's lottery scheme operational, financial, and compliance with the law objectives (including the lottery agreement)
- ◆ the Ministry's policies and procedures to conduct and manage the lottery scheme
- ◆ content and timing of regular written reports prepared by the board representatives for the Ministry on WCLC's actual results compared to plans, with explanations of differences between planned and actual results

We also saw limited evidence that the Ministry set direction and monitored the performance of Sask Lotteries as Saskatchewan's PMO. The Ministry had not set out, in writing, the responsibilities it expected Sask Lotteries to carry out on its behalf and how it expected Sask Lotteries to report back. This could be done in the form of an agreement. An agreement would:

- ◆ set out clearly the Ministry's financial, operational, and compliance with the law objectives (including the lottery agreement)
- ◆ require Sask Lotteries to present its strategic plan and annual budget and operational plan to the Ministry for approval
- ◆ require Sask Lotteries to present its policies and procedures to ensure lottery money is properly protected, spent prudently, and spent only for the purposes intended to the Ministry for approval
- ◆ require Sask Lotteries to report periodically to the Ministry on Sask Lotteries' assessments of the control it has established to achieve the Ministry's objectives
- ◆ require Sask Lotteries to report to the Ministry periodically on its progress in achieving the Ministry's objectives
- ◆ allow the Ministry or an independent auditor to verify Sask Lotteries' reports

We make the following recommendations for the Ministry to improve its processes to monitor compliance with the lottery agreement.

- 1. We recommend the Ministry of Tourism, Parks, Culture and Sport establish and implement written procedures for monitoring compliance with the lottery agreement by the Western Canada Lottery Corporation, Western Canada Lottery – Saskatchewan Division Inc., and Sask Sport Distributors Inc.**
- 2. We recommend the Ministry of Tourism, Parks, Culture and Sport establish written guidelines for its representatives on the board of directors of the Western Canada Lottery**

**Corporation to help achieve the Ministry's lottery scheme objectives.**

- 3. We recommend the Ministry of Tourism, Parks, Culture and Sport make agreements with the Western Canada Lottery – Saskatchewan Division Inc. and Sask Sport Distributors Inc. to help achieve the Ministry's lottery scheme objectives.**

Management told us it agrees with these recommendations and has begun to prepare processes to ensure WCLC and Sask Lotteries comply with the lottery agreement. Management also told us it has contracted a consultant to provide recommendations on the Ministry's oversight function of its lottery schemes in Saskatchewan.

### ***Carry out procedures to monitor compliance***

*We expected that the Ministry would have carried out processes to supervise compliance with the agreement including:*

- ♦ *ensuring procedures are carried out as planned*
- ♦ *documenting evidence that the procedures were carried out, including the results of the procedures performed*

As described earlier, the Ministry had not established written processes to supervise WCLC's and Sask Lotteries' compliance with the Lottery Agreement.

The Ministry told us its procedures to supervise compliance with the lottery agreement consisted primarily of a review of the audited financial statements prepared by WCLC and the Trust Fund. Audited financial statements do not provide information on compliance with the lottery agreement including whether Ministry received the correct amount of lottery revenues. The Ministry needs independent auditors' reports on WCLC's and Sask Lotteries':

- ♦ internal controls to ensure public resources are properly protected including being spent prudently and spent only for intended purposes
- ♦ compliance with the lottery agreement

The Ministry also needs to review WCLC's and Sask Lotteries' expenses to ensure they are appropriate and reasonable.

WCLC provides an independent auditor's report to the Saskatchewan Liquor and Gaming Authority (SLGA) on the control procedures at WCLC Saskatchewan Video Lottery Division. The auditor's report provides SLGA assurance that its control objectives over video lottery terminal revenue are achieved. The Ministry could request a similar auditor's report from WCLC on its lottery schemes in Saskatchewan.

The Ministry relies on its agents, WCLC and Sask Lotteries, to ensure the integrity of operations of the lottery schemes in Saskatchewan. Although WCLC and Sask Lotteries have made several changes to the operation of the lotteries to react to the retailer fraud concerns, we found no evidence that the Ministry provided direction to WCLC and Sask Lotteries on how to ensure integrity.

The Ministry carried out some procedures to promote integrity. For example, the Ministry has received periodic reports from WCLC regarding the changes that it has made to improve the integrity of the lottery prize claim process. These reports show the status of the proposed changes that WCLC has made to reduce the risk that someone other than the prize winner has claimed the proceeds. The Ministry's staff reviewed these reports, obtained information from its WCLC board representatives, and provided updates to senior management.

To promote integrity in the lottery schemes, the Ministry should provide written direction to WCLC and Sask Lotteries and supervise their performance.

Recommendations related to procedures for monitoring compliance are covered in our previous recommendations.

### ***Report to senior management on compliance***

*We expected that the Ministry would have processes to report to senior management on WCLC's compliance with the agreement including:*

- ◆ *providing senior management with regular reports on WCLC's and Sask Lotteries' compliance with the lottery agreement including detailed information to assess the level of compliance*

- ♦ *having mechanisms to identify issues of non-compliance with the agreement*
- ♦ *providing a public report on its assessment of WCLC's and Sask Lotteries' compliance with the lottery agreement*

Ministry staff informed senior management of issues related to lottery operations as they arose through written memos. The Ministry had no written requirements for periodic reporting to senior management. Although management received some written reports on the operations of lotteries in Saskatchewan, the reports were not sufficient to determine WCLC's or Sask Lotteries' compliance with the agreement. As a result, senior management may not be able to take timely corrective action and could make inappropriate decisions.

The Ministry did not have a written process to identify issues of non-compliance with the agreement.

The Ministry does not report publicly on compliance with the lottery agreement. As well, the Ministry does not publicly report a list of persons who received public money from Sask Lotteries. As stated earlier, the revenue and expenses related to the Ministry's lottery schemes are public money. To increase transparency, virtually all agencies that control public money periodically report publicly a list of persons (i.e., employees, suppliers) who received that money.

4. **We recommend that staff of the Ministry of Tourism, Parks, Culture and Sport provide its senior management with regular reports on compliance with the lottery agreement by the Western Canada Lottery Corporation, Western Canada Lottery – Saskatchewan Division Inc., and Sask Sport Distributors Inc.**
5. **We recommend the Ministry of Tourism, Parks, Culture and Sport report publicly on compliance with the lottery agreement by the Western Canada Lottery Corporation, Western Canada Lottery – Saskatchewan Division Inc., and Sask Sport Distributors Inc.**
6. **We recommend the Ministry of Tourism, Parks, Culture and Sport make public a list of persons (i.e., employees,**

suppliers) who received public money from Western Canada Lottery – Saskatchewan Division Inc. and Sask Sport Distributors Inc.

7. We recommend the Ministry of Tourism, Parks, Culture and Sport give the Legislative Assembly the annual audited financial statements of Western Canada Lottery – Saskatchewan Division Inc. and Sask Sport Distributors Inc.

Management told us it agrees with these recommendations and plans to implement them.

### ***Take remedial action for any significant non-compliance***

*We expected the Ministry would have processes to:*

- ♦ *deal with significant non-compliance issues efficiently and effectively*
- ♦ *provide feedback to WCLC and Sask Lotteries regarding issues of non-compliance*

*Processes to deal with non-compliance should include procedures to:*

- ♦ *clearly define the problem*
- ♦ *provide options for corrective action*
- ♦ *promptly inform WCLC and Sask Lotteries (agents) in writing of the problem and corrective action required*
- ♦ *give the agents a deadline for fixing the problem*
- ♦ *set predetermined remedies if the agents do not correct the problem promptly*

The Ministry provided us limited evidence that Ministry staff recommended corrective action or that senior management took corrective action when necessary.

The Ministry's procedures manual did not address processes to deal with non-compliance with the lottery agreement. Without documented procedures, the Ministry may not appropriately deal with issues of non-compliance in a timely manner.

Senior management met periodically with Saskatchewan's representatives on the WCLC board to discuss WCLC operations and to provide feedback to WCLC.

Recommendations related to taking remedial action for significant non-compliance with the lottery agreement are covered in our previous recommendations.

## **Our plans**

As noted earlier, WCLC and Sask Lotteries manage public money. *The Provincial Auditor Act* requires our Office to audit all public money.

Beginning for the year ending March 31, 2010, we plan to extend the work we do at Sask Sport Inc. for the audit of the Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation. That work will now include the audits of Western Canada Lottery – Saskatchewan Division Inc. and Sask Sport Distributors Inc. Also, we plan to audit WCLC.

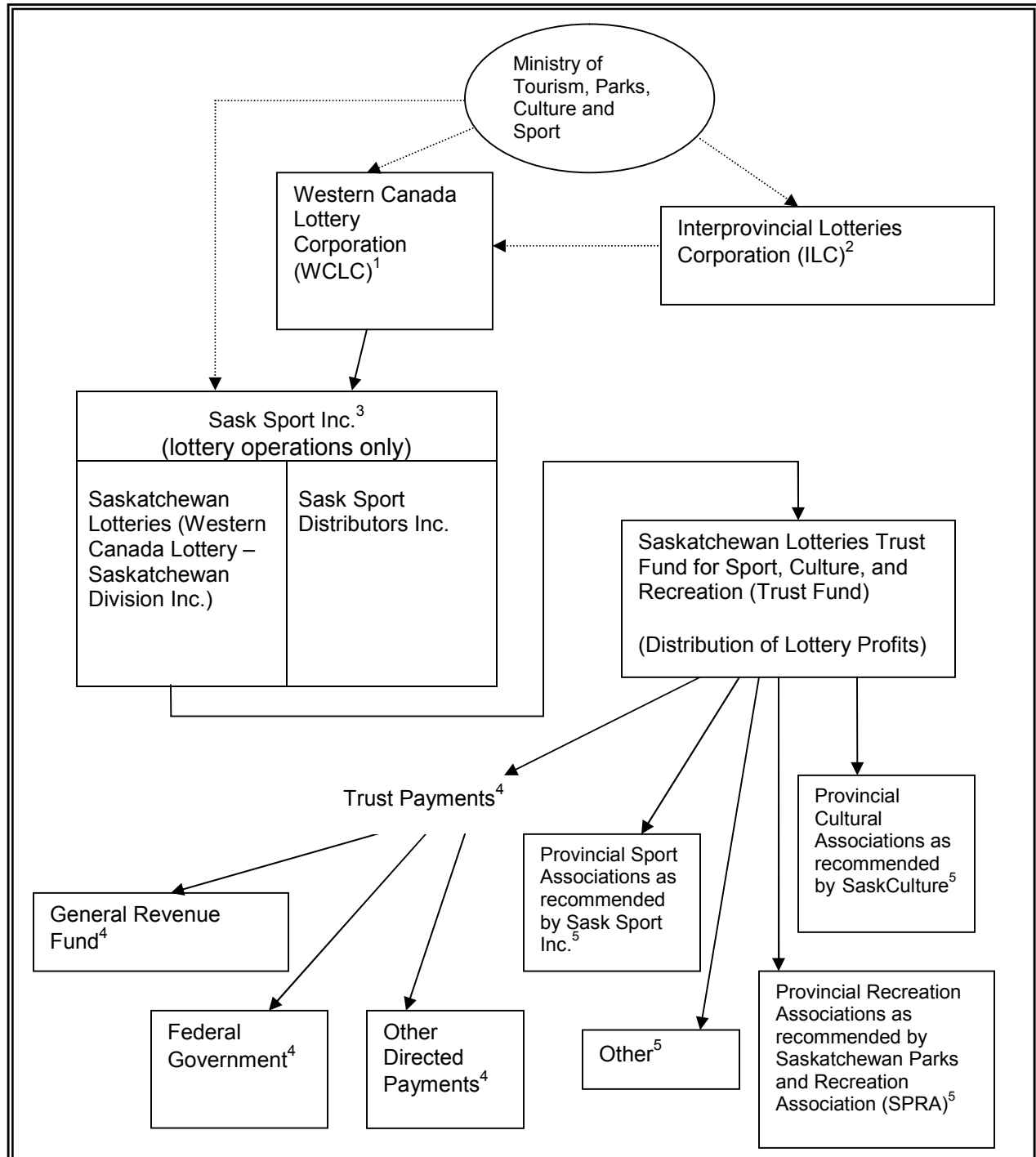
These entities have appointed auditors. When an entity has an appointed auditor, we follow the framework recommended in the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors* (to view a copy of this report, see our website at <http://www.auditor.sk.ca/rrd.html>).



## Organizational structure and lottery profit distribution

The following figure shows the organizational structure of lottery operations in the Province and how the Government distributes profits.

**Exhibit 2—Organizational structure and lottery profit distribution**



### Notes:

---

- <sup>1</sup> WCLC is a non-profit organization. Each of its members (Alberta, Saskatchewan, and Manitoba) have two representatives on the board of WCLC. Associate members do not have representatives on the board of WCLC. The Government of Saskatchewan is represented on the board of WCLC by two employees of Sask Sport Inc. Government of Alberta is represented on the board of WCLC by one employee and one board member of The Alberta Liquor and Gaming Commission. The Government of Manitoba is represented on the board of WCLC by one employee and one board member of the Manitoba Lotteries Corporation. WCLC conducts the Western 6/49, the Plus, Pick 3, Sport Select, Prairie Keno, Keno, Extra and Scratch 'n Win lottery games and participates in the conduct of the Special Event, Lotto 6/49, Super 7 and National Scratch 'n Win lotteries through the ILC. Lottery profits from WCLC are distributed to each province based on their share of lottery sales less direct costs and less allocated non-direct costs. For Saskatchewan, lottery profits are distributed to Saskatchewan Lotteries.
- <sup>2</sup> ILC operates joint lottery games across Canada for its members. It has a representative from each of the ten Canadian provinces. WCLC operates as a regional marketing organization for ILC representing Alberta, Saskatchewan, and Manitoba.
- <sup>3</sup> Sask Sport also conducts operations not related to the lottery schemes. This chapter only includes operations related to lottery schemes.
- <sup>4</sup> The Trust Fund receives the net lottery profits after paying for expenses relating to marketing (Saskatchewan Lotteries) and distribution (to Sask Sport Distributors Inc.) of lottery tickets. The Trust Fund pays certain amounts including:
  - ♦ the Federal Government in exchange for withdrawing from the lottery field
  - ♦ certain volunteer non-profit organizations in Saskatchewan that previously acted as lottery ticket distributors
  - ♦ the General Revenue Fund of the Province of Saskatchewan
  - ♦ other organizations such as Saskatchewan Exhibition Association and the Mackenzie Art Gallery as directed by the Minister
- <sup>5</sup> The Trust fund pays out the remainder of the lottery profits to eligible sport (50%), culture (35%) and recreation groups (15%) based on recommendations from Sask Sport, SaskCulture, and SPRA. These three organizations are independent non-profit organizations. They have a signed agreement with the Government of Saskatchewan, which set out the operations of the Trust Fund. The Trust Fund also pays money to others under the Community Development Fund and the Canada Games Program.

## Selected references

Australian National Audit Office (2007). *Developing and Managing Contracts, getting the right outcome, paying the right price*. Australia: Author.

Government of Canada (2004). *Audit of Aboriginal Human Resources Development Agreements (AHDRA's)*.  
<http://www.hrsdc.gc.ca/en/cs/fas/iarms/sp-616-12-04e.shtml> (26 February 2009).

Provincial Auditor of Ontario (2001). Chapter 3.05 - Reports on Value-for-money (VFM) Audits. Community and Social Services. *Violence Against Women Program*. Toronto: Author.

Provincial Auditor Saskatchewan. *2005 Report – Volume 3* (2005). Chapter 4 – Community Resources and Employment. Regina: Author.

Western Canada Lottery Corporation (1998). *Rules and Regulations Respecting Lotteries and Gaming*.  
[www.wclc.com/download/wclc/WCLC Rules and Regulations.pdf](http://www.wclc.com/download/wclc/WCLC_Rules_and_Regulations.pdf) (26 February 2009).

