

Chapter 39

Crown Investments Corporation of Saskatchewan— Reliable Performance Information

1.0 MAIN POINTS

This is a follow-up of recommendations from our *2010 Report – Volume 2*, Chapter 25, regarding Crown Investments Corporation of Saskatchewan's (CIC) processes for reliable balanced scorecard information about its internal operations. At July 31, 2013, CIC has implemented all of our previous recommendations.

2.0 INTRODUCTION

CIC is the holding company for eight Saskatchewan commercial Crown corporations (e.g., SaskEnergy, SaskPower) and five wholly-owned subsidiaries (e.g., Saskatchewan Immigrant Investor Fund Inc.).

As a holding company, CIC oversees the commercial Crown corporations and its wholly-owned subsidiaries in addition to operating as a Crown corporation itself. CIC develops and implements policy initiatives, directs investments, and provides dividends to the General Revenue Fund.

For over a decade, CIC has used a balanced scorecard¹ framework to present information about its strategic direction and its performance in achieving its objectives. This information is included in the quarterly reports to the Board and CIC's annual report.² This information helps management, CIC's board, and the public understand and assess CIC's performance.

In 2010, we assessed CIC's processes for reliable balanced scorecard information about its internal operations. Our *2010 Report – Volume 2*, Chapter 25 concluded that for the 10 months ending July 31, 2010, CIC had adequate processes for reliable balanced scorecard information about its internal operations except for:

- › Its processes to maintain current, detailed documentation of definitions and calculation methods
- › Its processes to confirm that documented calculation methods are appropriate and verify that they are used

This chapter describes our follow-up of management's actions on the recommendations we made in 2010 to address these matters.

To conduct this review, we followed the standards for assurance engagements published in the *CPA Canada Handbook - Assurance*. To evaluate CIC's progress

¹ A balanced scorecard is a planning and monitoring tool used by management to communicate performance objectives, specific targets, and progress.

² CIC's Annual Report is available at www.cicorp.sk.ca (19 August 2013).



towards meeting our recommendations, we used the relevant criteria from the original audit. CIC agreed with the criteria in the original audit.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation, CIC's actions up to July 31, 2013, and the status of each recommendation. The Standing Committee on Crown and Central Agencies has not considered these recommendations as of August 31, 2013. We found that CIC has addressed the recommendations.

3.1 Maintaining a Foundation for Reliable Information

We recommended that Crown Investments Corporation of Saskatchewan maintain current, detailed documentation of definitions and calculation methods for its balanced scorecard measures. (2010 Report – Volume 2; Crown and Central Agencies Committee has not yet considered this recommendation)

Status – Implemented

In March 2013, CIC senior management approved the “Protocols and Methodology” guide. This guide maintains current, detailed documentation of definitions and calculation methods for balance scorecard measures.

This guide outlines guidelines and protocols for reporting balanced scorecard results at CIC. For each measure, the guide clearly outlines the purpose of the measure, data source, method to calculate the measure, definitions of terms used in the description or method of calculation, and who is responsible for its calculation, for its verification, and final executive signoff.

3.2 Collecting Accurate Information

We recommended that Crown Investments Corporation of Saskatchewan confirm that documented calculation methods are appropriate and verify that staff use them to produce balanced scorecard information. (2010 Report – Volume 2; Crown and Central Agencies Committee has not yet considered this recommendation)

Status – Implemented

As described above, the Protocols and Methodology guide assigns responsibility for the calculation of the result of each measure and requires verification by a second person. It assigns responsibility to individuals with knowledge of the area being measured. This helps ensure balanced scorecard information is reliable and accurate.