

Chapter 13

Parks, Culture and Sport

1.0 MAIN POINTS

This chapter reports the results of the annual audits of the Ministry of Parks, Culture and Sport (PCS), and seven of its agencies for the year ended March 31, 2015.

The 2014-15 financial statements for the seven agencies are reliable. Also, PCS and the seven agencies complied with governing authorities and had effective rules and procedures to safeguard public resources except that PCS needs to follow its procedures to remove unneeded computer access promptly.

PCS has addressed our past recommendation by recording the estimated cost to close and remediate landfills.

2.0 INTRODUCTION

The mandate of the Ministry of Parks, Culture and Sport (PCS) is to support, celebrate, and build pride in Saskatchewan with a focus on tourism enhancement, quality of life, and economic growth. It works with diverse groups and communities to enhance the province's cultural, artistic, recreational, and social life; promote excellence in the arts, culture, heritage, and sport; and support a vibrant and growing arts and cultural community. PCS also supports and promotes Saskatchewan tourism, manages Saskatchewan's provincial parks system, conserves ecosystems and cultural resources, and provides recreational and interpretive opportunities for park visitors.¹

2.1 Financial Overview

For the year ended March 31, 2015, PCS spent \$141.5 million (2013-14: \$95.1 million) including net capital acquisitions of \$13.0 million (2013-14: \$11.4 million). Also, PCS raised revenue of \$7.9 million (2013-14: \$11.9 million) from lottery licensing fees and agreements with the federal government.

Information about PCS' revenues and expenditures appear in its *2014-15 Annual Report*.²

¹ *Saskatchewan Provincial Budget: 2014-15 Estimates*, p.101.

² www.finance.gov.sk.ca/PlanningAndReporting/2014-15/2014-15PCSAnnualReport.pdf (25 September 2015).

**Figure 1—Expenses by Major Program**

	Estimates 2014-15	Actual 2014-15
	(in millions)	
Central Management Services	\$ 11.5	\$ 11.5
Community Initiatives Fund	9.3	9.0
Building Communities	0.5	0.4
Parks	32.4	33.3
Culture	31.8	27.0
Regina Stadium Project	50.0	50.0
Heritage	9.5	9.5
Sport Recreation and Stewardship	4.3	4.1
Capital Commission Operations	6.6	6.4
Total Appropriation	<u>155.9</u>	<u>151.2</u>
Capital Asset Acquisitions	(13.3)	(13.0)
Capital Asset Amortization	3.9	3.3
Total Expense	<u>\$ 146.5</u>	<u>\$ 141.5</u>

Source: 2014-15 Ministry of Parks, Culture and Sport Annual Report.

2.2 Parks, Culture and Sport Agencies

At March 31, 2015, PCS was responsible for the following agencies. We report the results of our audits of agencies in blue font in the chapter number identified.

[Commercial Revolving Fund](#) (Chapter 3)
[Creative Saskatchewan](#) (Chapter 4)
[Saskatchewan Arts Board](#) (Chapter 21)
[Saskatchewan Heritage Foundation](#) (Chapter 23)
 Community Initiatives Fund
 Doukhobors of Canada C.C.U.B. Trust Fund
 Saskatchewan Archives Board
 Saskatchewan Centre of the Arts
 Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation
 Saskatchewan Snowmobile Fund
 Western Development Museum

3.0 AUDIT CONCLUSIONS AND SCOPE

This chapter reports the results of our audits of PCS and the remaining seven agencies with a March 31 year-end.

Our Office worked with Virtus Group LLP, the appointed auditor, to carry out the audit of the Community Initiatives Fund and Saskatchewan Lotteries Trust Fund for Sport,

Culture and Recreation. We followed the framework in the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors*.³

In our opinion, for the year ended March 31, 2015:

- › **PCS and seven of its agencies had effective rules and procedures to safeguard public resources except for the matters related to PCS described in this chapter**
- › **PCS and seven of its agencies complied with the following authorities governing their activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

The Active Families Benefit Act
The Archives Act, 2004
The Culture and Recreation Act, 1993
The Doukhobors of Canada C.C.U.B. Trust Fund Act
The Economic and Co-operative Development Act
The Executive Government Administration Act
The Film Employment Tax Credit Act
The Financial Administration Act, 1993
The Interprovincial Lotteries Act, 1984
The Meewasin Valley Authority Act
The Multiculturalism Act
The Natural Resources Act

The Parks Act
The Public Service Act, 1998
The Purchasing Act, 2004
The Regional Parks Act, 1979
The Saskatchewan Centre of the Arts Act, 2000
The Saskatchewan Gaming Corporation Act (Part IV) – Community Initiatives Fund
The Snowmobile Act
The Wakamow Valley Authority Act
The Wanuskewin Heritage Park Act, 1997
The Wascana Centre Authority Act
The Western Development Museum Act
 Regulations and Orders in Council issued pursuant to the above legislation

- › **The financial statements of the seven agencies are reliable**

We used the control framework published by CPA Canada to make our judgments about the effectiveness of controls used by PCS and the seven agencies. The control framework defines control as comprising elements of an organization that, taken together, support people in the achievement of an organization's objectives.

In our 2014-15 audit, we examined the effectiveness of PCS and the seven agencies financial-related controls used to administer their spending, revenues and key assets. This included examining the effectiveness of the controls used to keep reliable financial records and prepare reliable financial reports. We paid particular attention to PCS's financial controls over operating transfers, controls over key computer systems (e.g., camping permits), and its oversight of the lottery system.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Landfill Remediation Estimates Recorded

We recommended that the Ministry of Parks, Culture and Sport record, in its accounting records, the estimated cost for closure and post closure care of landfills located in the provincial parks. (2014 Report – Volume 2; Public Accounts Committee agreement September 17, 2015)

Status – Implemented

³ See our website at www.auditor.sk.ca.



In 2014-15, PCS estimated the costs related to closing activities for landfills it is responsible to remediate as \$1.6 million (2013-14: \$1.6 million) and recorded this amount as a liability in its accounting records.

4.2 Timely Removal of User Access Needed

We recommended that the Ministry of Parks, Culture and Sport follow its established procedures and promptly remove unneeded user access to its computer systems and data. (2014 Report – Volume 2; Public Accounts Committee agreement September 17, 2015)

Status – Not Implemented

As reported in our *2014 Report – Volume 2*, PCS has established procedures for the removal of unneeded user access to its computer systems and data (e.g., properly completing the employee termination checklist). However, staff did not consistently follow them.

In 2014-15, 4 out of 10 individuals who left PCS that we tested (2013-14: 7 out of 10) did not have their computer network access removed promptly (i.e., removed between 9 and 32 days after their last day of employment).

In 2014-15, we found that one individual, who no longer needed access to MIDAS HR, did not have their access removed promptly. This individual continued to have access to MIDAS HR for 26 days after the individual left the Ministry's employ.

Not removing user access of former employees increases the risk of inappropriate access to PCS's systems and data.