

## Chapter 23

# Saskatchewan Heritage Foundation

### 1.0 MAIN POINTS

The Saskatchewan Heritage Foundation's (SHF) financial statements for the year ended March 31, 2015 are reliable. It had effective rules and procedures to safeguard public resources. It complied with the authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing except that it did not obtain proper approval for a grant payment.

### 2.0 INTRODUCTION

Under *The Heritage Property Act*, SHF is responsible for obtaining and managing heritage property for the benefit of the Saskatchewan public, and providing financial support to individuals, community groups, municipalities, and corporations working to preserve Saskatchewan's heritage. A Cabinet-appointed Board oversees SHF, and the Ministry of Parks, Culture and Sport carries out its day-to-day operations.<sup>1</sup>

In 2014-15, SHF had revenues of \$510,286 and expenses of \$458,950 including \$358,779 in support of heritage projects. At March 31, 2015, it held financial assets of \$499,356 and a number of historic artifacts and sites (e.g., Claybank Brick Plant).<sup>2</sup>

### 3.0 AUDIT CONCLUSIONS AND SCOPE

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

- › **SHF had effective rules and procedures to safeguard public resources**
- › **SHF complied with the following authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing, except as noted in this chapter:**

*The Heritage Property Act*  
*The Executive Government Administration Act*  
 Orders in Council issued pursuant to the above legislation

- › **SHF's financial statements are reliable**

We used the control framework published by CPA Canada to make our judgments about the effectiveness of SHF's controls. The control framework defines control as comprising elements of an organization that, taken together, support people in the achievement of an organization's objectives. Our audit included examining SHF's processes to approve and make grant payments to its various grant recipients.

<sup>1</sup> *Saskatchewan Heritage Foundation 2014-15 Annual Report*, pp. 17 and 18.

<sup>2</sup> Because of the nature of historic properties, they are not recorded as assets in the Foundation's financial statements.



## 4.0 KEY FINDING AND RECOMMENDATION

### 4.1 Payment Not Properly Authorized

SHF did not obtain proper approval for a grant payment.

*The Heritage Property Act*,<sup>3</sup> requires SHF to obtain an Order in Council to give financial assistance (i.e., grant) to a single individual or agency when the amount exceeds \$50,000 in a fiscal year. An Order in Council is a directive issued by the Lieutenant Governor on the advice of Cabinet that authorizes a payment and makes the decision public.

In 2014, SHF approved and provided a grant of \$57,535 to an agency without obtaining an Order in Council. Accordingly, this payment was not properly authorized or made public.

- 1. We recommend that the Saskatchewan Heritage Foundation obtain an Order in Council, as required by law, prior to providing financial assistance to a single individual or agency when the amount exceeds \$50,000 in a fiscal year.**

<sup>3</sup> Section 5.2(3).