

ANNUAL INTEGRATED AND INFORMATION TECHNOLOGY AUDITS

Chapter 1 Capital Pension Plan

Crown Investments Corporation of Saskatchewan (CIC) appropriately handled key aspects of the transfer of the defined contribution fund (DCF) component¹ of the Capital Pension Plan (Plan) to the Public Employees Pension Plan (PEPP). PEPP is another government defined contribution pension plan.

However, CIC missed completing certain steps after the completion of the June 2015 transfer of the DCF component. As a result, it did not update some of the Plan's financial records and the financial statements presented for audit contained errors. CIC corrected the financial statements prior to their finalization and approval.

The Plan's 2015 financial statements were reliable and it complied with its governing authorities.

Chapter 2 Central Services

This chapter reports the results of the annual audit of the Ministry of Central Services (Central Services) for the year ended March 31, 2015.

Central Services complied with the authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.

Central Services had effective rules and procedures to safeguard public resources except that it needs to follow its established procedures to promptly remove user access to computer systems and data. If former employees do not have access removed promptly, it increases the risk of inappropriate access to Central Services' systems and data.

Chapter 3 School Divisions

This chapter reports the results of the annual audits of the 28 school divisions for the year ended August 31, 2015. The 2014-15 financial statements of each of these school divisions are reliable, and each complied with authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.

Twenty-two school divisions had effective rules and procedures to safeguard public resources. We make recommendations for improvements to five school divisions. Chinook and Northern Lights school divisions continue to need to test their information technology disaster recovery plans. Holy Trinity and Lloydminster Public need to check their payments are proper before

¹ The DCF component received and held, in trust, member and employer contributions as well as the related investment income earned on those contributions.



issuing cheques. Ile-a-la Crosse needs to develop complete financial management policies and procedures, including an appropriate policy around journal entries.

For the Conseil scolaire fransaskois, we plan to follow up on the status of our recommendations reported in our *2015 Report – Volume 1*, Chapter 4, in the summer of 2016. We plan to report the results of our work in our *2016 Report – Volume 2*.

Chapter 4 Summary of Implemented Recommendations

This chapter provides an update on a recommendation that was implemented and the agency is not discussed elsewhere in this Report.

Chapter 5 Central Services – Data Centre Security

The Ministry of Central Services (Central Services) provides information technology (IT) services to government ministries and some other government agencies (clients). Central Services uses a data centre, operated by a third-party service provider, to deliver IT services to Central Services clients on its behalf. The data centre houses computer network equipment and servers that support client systems and data.

Each year, we examine whether Central Services has effective processes to secure the data centre. For the period January 1, 2015 to December 31, 2015, Central Services addressed three of our five recommendations. However, the remaining two areas continue to require attention. We found that Central Services had effective processes to secure the data centre except it needs to:

- › Properly update and configure all network equipment and servers
- › Have an approved and tested plan to recover critical systems and data in the event of a disaster

As a result, there is continued risk that systems and data will not be available to clients when required, or that systems or data may be inappropriately modified or accessed.

PERFORMANCE AUDITS

Chapter 6 Central Services – Web Application Security Requirements

Web applications may allow attackers to access or corrupt confidential government information or interrupt government services if not appropriately designed or operated.

Government ministries use various web applications to provide services. As owners of these applications, ministries are responsible for their security within the parameters set by the

Ministry of Central Services (Central Services). In addition to providing the security policy framework for these web applications, Central Services develops and hosts them in a data centre for ministries.

At December 2015, Central Services' overall information technology security policy framework was consistent with best practices. But it did not have sufficiently comprehensive procedures and guidance to support the development and operation of secure ministry web applications. In addition, it does not require routine analysis of web application vulnerabilities (weaknesses). With the Ministry's cooperation, we tested the security of 18 ministry websites. Most of them were not sufficiently secure.

We made four recommendations to help ensure new ministry web applications are appropriately designed, and existing web applications are kept secure.

Sufficiently comprehensive procedures and guidance would include working with the ministries to promptly identify and address identified web application vulnerabilities classified as higher risk. Comprehensive procedures support an organized and consistent approach to implementing and maintaining security across ministries. This helps minimize the risk of a breach of government information in the web applications, and other applications and data that Central Services hosts in the data centre.

Chapter 7

Environment—Preventing Aquatic Invasive Species in Saskatchewan

The introduction of aquatic invasive species is one of the most significant threats to biodiversity in Saskatchewan waters. If introduced, aquatic invasive species (e.g., zebra mussels) could also have costly consequences (millions of dollars) for remediation of water treatment plants, power plants, and dams in Saskatchewan.

The Ministry of Environment (Environment) is responsible for preventing the introduction or spread of aquatic invasive species in our province. Prevention is the most cost-effective way to deal with potential threats. For the period of February 1, 2015 to January 31, 2016, the Ministry had effective processes to prevent the entry and spread of aquatic invasive species, except it needs to:

- › Collaborate with partners, such as SaskPower and the Water Security Agency, to develop a long-term multi-agency aquatic invasive species strategy. Such collaboration would assist in leveraging additional resources to protect provincial infrastructure and Saskatchewan waters.
- › Assess the effectiveness of its public education and awareness campaign to promote prevention activities (such as boat cleaning), and enlist the public's co-operation in preventing the spread of aquatic invasive species. This assessment would allow the Ministry to determine if it has targeted its efforts on worthwhile activities.
- › Formalize its risk-based detection strategies for aquatic invasive species (i.e., frequently inspect high-risk watercraft and sample high-risk Saskatchewan waters) so that aquatic invasive species would not go undetected and be addressed before becoming established.
- › Complete and test a rapid response plan to reduce the impact and spread of aquatic invasive species.

**Chapter 8****Finance—Monitoring the Fuel Tax Exemption Program**

Saskatchewan, like other governments, frequently uses tax expenditures to promote specific policy objectives (e.g., social or economic goals) or to encourage desired behaviours without incurring direct costs. Tax expenditures reduce the amount of taxes levied on select individuals and/or corporations. For 2015-16, Saskatchewan expected to levy approximately \$3.9 billion² (2014-15: \$3.8 billion) fewer taxes given its various tax expenditure programs. The Ministry of Finance (Ministry) administers most of these programs including the fuel tax exemption program.

Under the fuel tax exemption program, since 1987, certain eligible participants (e.g., farmers, commercial fishers) can purchase fuel tax free for use in specified activities. This program offers tax exemptions to farmers, primary producers of renewable resources, and consumers of heating fuel. For 2015-16, Saskatchewan expected to levy about \$155.8 million³ (2014-15: \$145.9 million) less fuel tax revenue under this program.

For the 12-month period ended July 31, 2015, the Ministry of Finance had, other than for the following matters, effective processes to monitor whether its fuel tax exemption program is achieving program objectives. Because it has not specifically determined what the fuel tax exemption program is designed to achieve (other than reducing taxes for eligible individuals or corporations), the Ministry does not know whether the fuel tax exemption program is successful and continues to be needed. Because the use of tax expenditures results in lower revenues, the Government, and in turn legislators, must have a clear understanding of what specific tax expenditures are expected to achieve, and know whether they are achieving the intended results.

Also, at July 2015, the Government gave the public limited information on its tax expenditure programs. Determining and making public information on tax expenditure program achievements facilitates scrutiny of these programs.

In addition, Ministry staff must sufficiently and appropriately document tax expenditure program reviews to show they conduct robust program reviews, and to support recommendations made, if any. Without sufficient information, senior management risks making incorrect decisions regarding the results of program reviews.

Furthermore, the Ministry needs to document its key operating procedures, and coordinate its risk assessment activities for the fuel tax exemption program. Such documentation and coordination helps ensure staff is sufficiently aware of and address risks that may affect program delivery in the event of unplanned staff turnover.

Chapter 9**Gradworks Inc.—Achieving Intern Development Program Goals**

Gradworks Inc. (Gradworks) is responsible for the Gradworks Intern Development Program (Intern Program). The Intern Program provides recent post-secondary graduates with employment experiences through paid internships with the Crown Investments Corporation of Saskatchewan (CIC), CIC Crown corporations, and their subsidiaries (partner employers). It is

² Government of Saskatchewan, *Saskatchewan Provincial Budget 15-16*, pp. 62-63.

³ *Ibid.*, p. 62.

designed to help attract future employees, reflective of the demographics of Saskatchewan, to the public sector.

For the 12-month period ended December 31, 2015, Gradworks had effective processes to achieve the Intern Program goals, except for the following.

It needs to clearly communicate to partner employers its expectations related to using interns to help contribute to achieving a representative workforce (i.e., its diversity targets). Partner employers need this information so that the practices used when hiring interns align with Gradworks' expectations for the Intern Program.

Also, Gradworks needs to verify that internship applicants possess the required educational program eligibility requirements. Not verifying credentials increases the risk of ineligible interns being considered for, and filling internships.

Gradworks needs to report the results (i.e., what it achieved) of the Intern Program to partner employers and the public. Reporting results informs partner employers of areas where action to contribute towards the achievement of the Intern Program goals is needed, and facilitates public scrutiny of the Intern Program.

Chapter 10

Justice—Leading the Building Partnerships to Reduce Crime Initiative

Under *The Correctional Services Act, 2012*, the Ministry of Justice (Ministry) is responsible for establishing programs and strategies to prevent and reduce crime including the implementation and promotion of programs for public education respecting the criminal justice system. The Ministry's strategic plan indicates that promoting safe and secure communities is a key aspect of its mandate. The Building Partnerships to Reduce Crime initiative targets and attempts to mitigate the root causes of crime through coordinated efforts of local human service agencies. This initiative directly supports the Ministry's strategic intent.

This chapter reports, for the 12-month period ended January 31, 2016, that the Ministry of Justice did not have effective processes to lead the Building Partnerships to Reduce Crime initiative. It needs to:

- › Confirm participating agencies' acceptance and understanding of the expectations of Community Mobilization Hubs to ensure those agencies are engaged and understand how the model works
- › Provide direction and tools to support all members to facilitate collaboration at the Community Mobilization Hub
- › Identify how to measure the success of the initiative and collaborate with the Centre of Responsibility and Community Mobilization Hubs to identify and address systemic issues



Chapter 11

North East School Division No. 200—Increasing Grade 3 Students Reading at Grade Level

Grade 3 reading levels are considered a leading indicator of future student performance. Grade 3 students who do not make the transition to comprehending what they read fall behind, impacting their overall academic success.

In 2014, Saskatchewan's education sector jointly set a goal to increase the percentage of Grade 3 students reading at grade level from 70% at June 2014 to 80% by 2020. At June 2015, 73% of Grade 3 students in the provincial education system could read at grade level.

North East School Division No. 200 (North East or Division) is responsible for educating about 5,000 students in the area surrounding Nipawin, Tisdale, Hudson Bay, and Melfort. This includes about 1,400 students in Kindergarten to Grade 3. At June 2015, 66% of its Grade 3 students were reading at or above grade level.

In 2015, North East had, other than for the following, effective processes to increase the percentage of Grade 3 students reading at grade level to meet the Education Sector Strategic Plan goal of 80% by 2020. North East School Division No. 200 needs to:

- › Document all of its key risks related to increasing the percentage of Grade 3 students reading at grade level, and strategies for managing the risks. This documentation would support understanding and proactive management of the risks within each school and across the Division.
- › Work with other school divisions to develop additional guidance on exempting students from provincial reading level assessments. This guidance would foster consistent decisions on exempting students from reading assessments across school divisions.
- › Periodically evaluate the effectiveness of tools it uses to assess student reading levels. These evaluations would determine whether assessment tools provide teachers with the necessary information to help them increase individual student reading levels.
- › Advise the public of reasons for differences between planned and actual results for Grade 3 reading levels, and changes the Division plans to make in response to those differences. This information can help staff, parents, and communities identify ways to support North East's efforts to improve students' reading.

We encourage other school divisions to use the information in this chapter to assess their own processes for increasing the percentage of Grade 3 students reading at grade level.

Chapter 12

Prairie Spirit School Division No.206—Maintaining Facilities

This chapter reports for the 12-month period ended November 30, 2015, the results of our audit of processes Prairie Spirit School Division No. 206 (Prairie Spirit, Division) uses to maintain its facilities.

In the last few years, the Division became aware of structural deficiencies in approximately 40% of its schools. The Division has investigated and determined the extent and estimated cost of structural deficiencies identified in those schools. Prairie Spirit did not keep documentation to support approximately \$13 million of \$22.6 million cost estimates. Prairie Spirit focused on addressing immediate maintenance priorities to keep students and staff safe.

Determining maintenance priorities over the short, medium, and long term, and having documented strategies to address them are critical components of an overall maintenance plan. We made seven recommendations surrounding Prairie Spirit's need to:

- › Develop a maintenance plan that defines what level of maintenance is needed, when, and at what cost
- › Obtain complete and accurate information about its facilities and significant components – including setting out expectations regarding how often to update information and the nature, extent, and frequency of inspections
- › Provide its Board with reports on the condition of all its facilities, timely completion of maintenance, and the nature and extent of deferred maintenance and its anticipated impact
- › Require the review of cost estimates against supporting information by someone other than preparer of the estimates

Effective maintenance processes help enhance the future viability and safety of schools, improve the quality of space, protect against loss of facility value or service life (i.e., replacing a facility earlier than intended), and limit repair costs in the future.

Chapter 13

Regina School Division No. 4 – Promoting Positive Student Behaviour

Promoting positive student behaviour, and addressing problem behaviour, facilitates student success at school and provides a safe learning environment. All school divisions have a responsibility for promoting positive student behaviour at schools.

This chapter sets out the results of our second audit of processes for promoting positive student behaviour at school. Our first audit focused on South East Cornerstone School Division No. 209, a large rural-urban school division. This audit focused on Regina School Division No. 4 (Regina Public or Division), one of Saskatchewan's largest urban school divisions.

Regina Public had, other than in the following areas, effective processes for promoting positive student behaviour at school. It needs to do the following:

- › Keep consistent and accessible documentation of key discussions, decisions, and steps taken to support positive student behaviour. Such documentation would assist in monitoring steps taken to support positive student behaviour, and help avoid repeating intervention strategies found ineffective for students who transfer between schools.
- › Communicate training expectations for initiatives to promote positive student behaviour, and require information on staff trained in key initiatives be made readily available at schools. This would help make sure the Division has a sufficient number of trained school



administrators and staff available, and such personnel are readily identifiable at each school to support students and respond to high-risk situations.

- › Track and report to its Board of Education the success of key initiatives to promote positive student behaviour. Such information would enable the Division to determine if initiatives are making a difference.

Chapter 14

Saskatchewan Cancer Agency—Delivering the Screening Program for Breast Cancer

Under *The Cancer Agency Act*, the Saskatchewan Cancer Agency (SCA) is responsible for the planning, organization, delivery, and evaluation of cancer care services throughout Saskatchewan in collaboration with Saskatchewan's 12 regional health authorities.

As part of meeting its responsibilities, since 1990, SCA provides a systematic population-based screening program for breast cancer.

For the 12-month period ended February 29, 2016, SCA had, other than the following, effective processes to deliver its systematic population-based screening program for breast cancer. SCA needs to:

- › Evaluate the success of its screening program promotional activities. This would allow SCA to assess whether these activities effectively educate the public.
- › Develop a strategy to engage physicians to increase awareness of the screening program. Engaging physicians would create opportunities to increase participation in the screening program and thus, detect breast cancer earlier.
- › Analyze information on difficult-to-screen populations to assess the sufficiency of strategies to reach these individuals.
- › Broaden the use of key quality indicators relevant to Saskatchewan's screening program. Regular analysis of this information would allow SCA to take timely action to address areas that fall short of established benchmarks.
- › Periodically report to senior management, the Board, and the public on key screening program performance information. This reporting would enable SCA to better assess the effectiveness of its screening program.

Chapter 15

Saskatchewan Government Insurance—Only Qualified Drivers Remain Licensed

On behalf of the Saskatchewan Auto Fund (Auto Fund), Saskatchewan Government Insurance (SGI) is responsible for not only issuing driver's licences to those eligible, but also confirming that only qualified drivers remain licensed to operate motor vehicles. It may suspend or revoke licences from individuals with habits or who exhibit conduct that makes the operation of a motor vehicle a source of danger to the public, or sanction them (e.g., requiring the completion of a defensive driving course).

At December 2015, SGI had licensed about 790,000 drivers. SGI used two key improvement programs for monitoring drivers that commit driving offences—one for monitoring inexperienced drivers, and another for monitoring experienced drivers. At December 2015, it was monitoring about 14,000 inexperienced drivers, and over 27,000 experienced drivers.

For the 12-month period ended December 31, 2015, SGI had effective processes to confirm only qualified drivers remain licensed, except for the following.

SGI uses a computer system to administer driver's licences and to monitor drivers. Therefore, it is important the information in the system be kept as current as possible. It is equally important staff complete key monitoring activities within a reasonable timeframe. SGI and its staff did in most areas. However, SGI needs to enter information on out-of-province traffic offences using similar timeframes as traffic offences that occur in the province, instead of as time permits.

Also, SGI needs to give staff written guidance for the following areas: expected timeframes for entering driver information into its computer system and for completing manual evaluations of driver information when required by its improvement programs, and on determining acceptable lengths of extensions that staff can grant to drivers for the completion of required actions or sanctions.

SGI needs to confirm changes to licensing and traffic safety legislation are approved, and in effect before it makes corresponding changes in its computer system used to administer driver's licences (i.e., driver demerit points and sanctions). We found that it did not always do so.

Chapter 16

Saskatchewan Legal Aid Commission—Providing Legal Aid Services

Legal aid is an important feature of a democratic society, aimed at helping to promote fair and equitable access to justice and the legal system. Legal aid involves providing publicly funded legal services to persons who otherwise cannot afford them.

Under *The Legal Aid Act*, the Saskatchewan Legal Aid Commission (Commission) is responsible for providing publicly funded legal aid services. The Commission provides legal aid services primarily through staff at its head office and 14 area offices located throughout the province. It handled over 14 thousand cases in 2014-15.

For the 12-month period ended January 31, 2016, the Commission had, other than the following, effective processes to provide legal aid services to eligible persons.

The Commission needs to clearly set out what it views as timely and quality legal aid services. This will enable it to better assess its success in providing such services.

Also, the Commission needs to keep key information about legal aid cases in its electronic case management system up-to-date (e.g., status of cases). Keeping up-to-date information in its system would enable centralized monitoring of lawyer caseloads, and accurate reporting of the timeliness of legal aid services.



The Commission also needs to formally evaluate, at least annually, the performance of staff lawyers. Written performance evaluations can provide staff with useful feedback on the quality and timeliness of legal aid services and support a culture of professional engagement.

Chapter 17

Social Services—Protecting Children-in-Care Information in the Linkin System

The mandate of the Ministry of Social Services (Ministry, Social Services) is to support citizens at risk as they work to build better lives for themselves through economic independence, strong families, and strong community organizations. The Ministry assists in these efforts through income support, child and family services, support for persons with disabilities, affordable housing, and by building greater capacity in community-based organizations.⁴

The Child and Family Programs Division (CFP) of the Ministry is responsible for developing, designing, implementing, and maintaining effective programs and services for children in need of protection and their families. CFP is also responsible for the safety and well-being of children in care in Saskatchewan. The Ministry uses its electronic case management system, Linkin, to support the delivery of its programs and services for children in care.

For the 12-month period ended December 31, 2015, the Ministry had, other than the following, effective processes to protect information about children in care in the Linkin system. The Ministry needs to:

- › Establish a written plan for updating its Linkin system against known security vulnerabilities; updating addresses security vulnerabilities, which reduces the risk of security breaches.
- › Implement a policy requiring prompt removal of unneeded user access to Linkin to reduce the risk of unauthorized access to confidential data.
- › Verify the completeness of care provider information entered in Linkin. Accurate information helps ensure children who are in care of the Minister are properly protected and cared for.
- › Consistently document its review of Linkin reports designed to identify unusual payments. This documented review increases the likelihood of tasks being completed timely and as expected. It also helps reduce the risk of inappropriate payments being made.

AUDIT FOLLOW UPS

Chapter 18

Modernizing Government Budgeting and Financial Reporting

In our *2013 Special Report – The Need to Change, Modernizing Government Budgeting and Financial Reporting in Saskatchewan* (2013 Special Report), we called on the Government to modernize its budgeting and financial reporting practices. We made 11 recommendations.

⁴ Ministry of Social Services, *Annual Report for 2014-15*, p. 3.

We are pleased to report that, since 2013, the Government focuses on summary budgeting and reporting. It publishes a Summary Budget, quarterly interim summary reports, and audited Summary Financial Statements. By focusing its financial information on summary budgeting and reporting, the Government reports its plans and results in a way that captures the full nature and extent of its financial activities.

The Government appropriately no longer publishes a separate budget, quarterly interim reports, or audited financial statements for the General Revenue Fund. Not providing this second set of information has helped clarify the Government's financial situation to legislators and the public.

The Government recognizes changes to the law are necessary to complete its transition to summary budgeting and financial reporting. Such changes will help remove confusion, and make summary budgeting and financial reporting practices sustainable.

Chapter 19 **Economy—Nominating Qualified Immigration Applicants**

The Ministry of the Economy (Ministry) facilitates immigration. It uses the Saskatchewan Immigrant Nominee Program (Program) to recommend the nomination of qualified applicants for permanent immigrant status to the Federal Government.

Since our 2013 audit of the Ministry's processes to nominate qualified immigration applicants to meet the Saskatchewan Immigrant Nominee Program's needs, the Ministry has made progress in implementing our five recommendations. As of March 2016, the Ministry had implemented three of five recommendations.

The Ministry had followed its policies and procedures to document how decisions were reached on eligibility and qualifications of immigrant applicants. It had also established a process to estimate and communicate future processing times for its Program, and updated its policies to reflect its risk-based practice for quality reviews for the Program. The Ministry was working on updating its manual. But it had not yet provided training for staff to assess the feasibility of relocation and settlement plans and business establishment plans for the Entrepreneur Immigration Categories. Due to the complexity of these plans, training and written guidance would help ensure potential immigrants' applications are consistently assessed by staff.

Chapter 20 **Education—School Instruction Time for Students**

Instruction time requirements reflect the minimum number of hours of educational instruction that the Ministry of Education (Ministry) thinks are necessary to enable students to learn a particular area of study (e.g., math). The Ministry sets minimum total instructional time requirements for each grade (e.g., 950 hours/year for Grade 8), and for core curriculum areas of study (e.g., 200 minutes/week for Grade 8 math).

This chapter sets out the status of three recommendations we first made in 2009 to improve the Ministry's processes to achieve compliance by school divisions in delivering student instruction time as required by the Minister.



By December 2015, the Ministry had implemented one of the three recommendations – it requires all school divisions to publicly report their school calendar for the upcoming school year. This includes setting out instructional days and hours of school operation. However, the Ministry continued not to have processes to monitor school division compliance with its instruction time requirements for core curriculum areas of study. Rather, it expected school divisions to self-monitor. Our further work found some school divisions knowingly did not comply with the Ministry’s requirements and did not advise the Ministry of this non-compliance. In these cases, they provided students with less instruction time in some courses than the Ministry required so they could offer students more course options each year.⁵

Chapter 21

eHealth Saskatchewan—Buying IT Services

eHealth Saskatchewan (eHealth) has made progress on the two outstanding recommendations related to its processes to buy IT (Information Technology) services. At March 2016, eHealth was piloting a vendor performance management program with a small group of its key IT vendors. eHealth plans to use the results of the pilot to change its procurement processes. Evaluating past vendor performance can assist in making future buying decisions.

Chapter 22

eHealth Saskatchewan—Implementing Electronic Health Records

eHealth Saskatchewan (eHealth) is responsible for creating a system for comprehensive electronic health records (EHR) for patients and providing healthcare professionals access to those records. Patient health information in electronic form is more likely to be legible, and is easily and quickly accessible no matter where an individual seeks medical attention. An EHR system improves the delivery of health care by making the right data available at the right time to the right healthcare professionals.

By March 2016, eHealth had implemented three of the four recommendations we initially made in 2009 related to guiding, monitoring, and reporting on the implementation of the EHR system. eHealth needs to extend its budgeting process for EHR systems to cover more than one year.

Chapter 23

Environment—Regulating Air Emissions

This chapter reports the results of our fifth follow-up of the three outstanding recommendations we made to the Ministry of Environment (Ministry) related to regulating air emissions. By November 15, 2015, the Ministry had addressed all three recommendations.

The Environmental Management and Protection Act, 2010, which came into effect on June 1, 2015, created a new regulatory framework (Environmental Code) for air emissions in Saskatchewan. After December 31, 2019, the Ministry will not use permits to regulate air emissions of industrial sites; rather, the Environmental Code requires industrial sites to submit

⁵ www.finance.gov.sk.ca/budget2015-16/2015-16governmentdirection.pdf (1 April 2015).

environmental protection plans and obtain the Ministry's approval. The Ministry plans to continue conducting environmental compliance monitoring.

Chapter 24

Government Relations—Safe Drinking Water in Northern Settlements

The Ministry of Government Relations (Ministry) is responsible for providing safe drinking water to Saskatchewan's northern settlements. Northern settlements are unincorporated communities in northern Saskatchewan that the Ministry administers.⁶ The northern settlements are located in the Northern Saskatchewan Administration District.⁷ The Minister of Government Relations functions as the municipal council for each of the northern settlements.⁸

By December 31, 2015, the Ministry had implemented one half of the recommendations we first made in 2012. The Ministry clarified responsibility for safe drinking water for northern settlements and communicated how it is addressing the results of the 2010 Waterworks System Assessments to residents. It defined a long-term approach for providing safe drinking water. It consistently received water quality test results from First Nations communities that provide drinking water to northern settlements, and reported results of drinking water testing and related issues to senior management.

While the Ministry made progress on the other half of the recommendations, further work remains in the following areas:

- › Testing of drinking water samples as required by its water system permits
- › Completing water system maintenance as expected for all drinking water systems
- › Consistently documenting its supervision of the completion of maintenance activities
- › Communicating the safety of drinking water to the residents of the northern settlement of Stanley Mission
- › Resolving long-standing issues with the safety of drinking water for the northern settlement of Uranium City
- › Access to clean and safe drinking water is essential for public health and well-being.

Chapter 25

Highways and Infrastructure—Maintaining Bridges

The Ministry of Highways and Infrastructure (Ministry) is responsible for all matters related to bridges on the provincial highway system, including the maintenance of these bridges. By November 30, 2015, the Ministry had implemented two recommendations initially made in our 2011 audit of the Ministry's processes to maintain bridges on provincial highways. By November 2015, it was keeping its bridge management system records up to date, and gave its senior management comprehensive and timely reports on the results of bridge maintenance activities.

⁶ The Ministry administers the northern settlements through the Northern Municipal Services branch of the Ministry.

⁷ The Northern Saskatchewan Administration District is a geographical area defined under *The Northern Municipalities Regulations*.

⁸ The Minister's responsibilities are set out in *The Northern Municipalities Act, 2010*.



Keeping up-to-date information and providing robust and timely reports aids in making informed decisions about the Ministry's bridge maintenance.

Chapter 26

Highways and Infrastructure—Maintaining Highways

This chapter reports the results of our third follow-up of the one outstanding recommendation we made to the Ministry of Highways and Infrastructure (Ministry) related to highways maintenance. By January 31, 2016, the Ministry had addressed the recommendation. The Ministry gives senior management sufficient reports on the results of its maintenance activities.

Chapter 27

Justice—Monitoring Municipal Policies

The Police Act, 1990 assigns responsibility for promoting adequate and effective policing throughout Saskatchewan to both the Saskatchewan Police Commission (Commission) and the Minister Responsible for Corrections and Policing.⁹ Municipal police services and the Royal Canadian Mounted Police (RCMP) provide policing services in Saskatchewan. Municipal police services, excluding policing services provided by the RCMP, are responsible for providing police services in 13 municipalities.

By February 29, 2016, the Commission and the Ministry of Justice (Justice) had implemented all recommendations resulting from our 2011 audit of the Commission's and Justice's processes to monitor municipal policing (other than services provided by the RCMP).

Chapter 28

Prairie North Regional Health Authority—Granting Physician Privileges

This chapter describes our second follow-up of the actions of Prairie North Regional Health Authority (Prairie North) on four recommendations we initially made in our 2011 audit of Prairie North's processes to grant physician privileges. By February 29, 2016, Prairie North had implemented the four recommendations.

Prairie North has aligned its processes with the Practitioner Staff Bylaws, clarified the responsibilities of its Medical Advisory Committees, developed requirements for physicians doing special procedures, and analyzed and revised medical privileges as necessary.

Chapter 29

Public Employees Benefits Agency—Securing Information Systems and Data

This chapter reports our third follow-up of an outstanding recommendation from our *2010 Report – Volume 2*, Chapter 8, regarding the Public Employees Benefits Agency's (PEBA) processes to secure its information systems and data.

⁹ This responsibility is carried out through the Ministry of Justice.

By March 2016, PEBA had fully implemented this recommendation. PEBA formalized its process for testing information technology (IT) security, and continues to periodically test the effectiveness of its IT security.

Chapter 30

Saskatchewan Apprenticeship and Trade Certification Commission—Enabling Apprentices to Achieve Certification

The Saskatchewan Apprenticeship and Trade Certification Commission (Commission) is responsible for developing and executing a relevant, accessible, and responsive apprenticeship training and certification program in Saskatchewan. Apprenticeship is an agreement between a person who wants to learn a trade (an apprentice) and an employer who needs a skilled worker.

In our *2014 Report – Volume 1*, Chapter 11, we made eight recommendations for the Commission to strengthen its processes to enable apprentices to achieve certification. By February 29, 2016, the Commission had implemented six recommendations and made progress on two recommendations. The Commission improved its reporting, better communicated requirements for apprentices to report trade time worked, verified employers complied with regulatory requirements, and improved the timeliness of its issue-driven inspections. Also, it was working on improvements to industry inspections.

Chapter 31

Saskatchewan Immigrant Investor Fund Inc.—Operating HeadStart on a Home Program

The HeadStart on a Home (HeadStart) program provides loans to homebuilders and developers to construct entry-level housing in Saskatchewan. Saskatchewan Immigrant Investor Fund Inc. (SIIF) is responsible for managing HeadStart.

By December 31, 2015, SIIF had implemented the recommendation we made in our *2014 Report – Volume 1* about HeadStart. It gave its staff guidance that clearly set out what it constituted as success of HeadStart, along with details on how to calculate and track these measures.

Chapter 32

Saskatoon Regional Health Authority—Triaging Emergency Department Patients

Research is one of the core functions of the University of Regina (University). Research also plays a pivotal role in the University's ability to carry out its other core function, education, since a strong research program helps attract qualified professors, which in turn attracts students.

In 2013, we audited the University's processes to protect its interests (e.g., financial, reputational, ownership) as it fosters research and commercialization of research. By March 10, 2015, the University had made excellent progress in addressing the 26 recommendations resulting from that audit. It had implemented 13 recommendations and was actively working on clarifying expectations, further updating policies and procedures, and improving processes to protect research rights.



Chapter 33

Social Services—Protection of Children in Care

This chapter describes our follow-up of management's actions on the seven outstanding recommendations we previously made relating to the Ministry of Social Services (Ministry) processes to protect children in care.

By March 2016, the Ministry had implemented two recommendations. It changed the frequency of its quality assurance reviews at the First Nations agencies to be the same as for its three service areas – annually. The Ministry also monitored quality assurance results and established targets for compliance with child protection standards.

The Ministry has more work to do on the remaining five recommendations. While it continues to actively work with its staff and First Nations agencies who provide services to children in care, and monitor compliance with its child-protection standards, progress on improving compliance with its child-protection standards is slow. The Ministry also needs to work with the First Nations agencies to receive all of the information it needs to monitor the well-being of children in care.

Chapter 34

Sunrise Regional Health Authority—Infection Prevention and Control

Sunrise Regional Health Authority (Sunrise) is responsible for preventing and controlling the spread of infections in all of its long-term care facilities. Infections pose health and safety risks to residents, staff, and visitors.

By March 2016, Sunrise Regional Health Authority had fully implemented six of ten recommendations we first made in 2014 related to the prevention and control of infections in long-term care facilities. It developed a more robust infection prevention and control plan, developed and implemented new infection prevention and control guidance, and actively trained its staff on expected practices. However, it had not yet:

- › Consistently communicated to visitors its expectations of them for preventing and controlling infection in its long-term care facilities (e.g., hand hygiene in public washrooms)
- › Consistently supervised cleaning in various areas of long-term care facilities
- › Formally analyzed and reported on trends in key types of infections that affect long-term care residents

Addressing each of the above areas can contribute to more effectively preventing and controlling infections in long-term care facilities.

Chapter 35

Technical Safety Authority of Saskatchewan—Inspecting Boilers and Pressure Vessels

The Technical Safety Authority of Saskatchewan (TSASK) is responsible for administering and enforcing *The Boiler and Pressure Vessel Act, 1999*, and *The Boiler and Pressure Vessel Regulations* (Regulations). By law, TSASK must perform periodic inspections on boilers and

pressure vessels. Regular inspection of boilers and pressure vessels helps prevent equipment malfunction. In the event of a boiler or pressure vessel malfunction, there could be significant harm to facilities, the environment, employees, and the general public.

By January 2016, TSASK had addressed all nine recommendations we made in our 2014 audit of its processes for the inspection of boilers and pressure vessels. TSASK began identifying and assessing risks surrounding the inspection of boilers and pressure vessels and it prepared a plan to address its backlog of outstanding inspections. TSASK also established policies and procedures regarding its risk-informed strategy for inspection selection, the handling of incidents and complaints, and its follow up of inspection deficiencies.

Chapter 36

University of Regina—Procurement of Goods and Services and Disposal of Surplus Assets

The University of Regina (University) has spent approximately \$75 million in each of the last two years acquiring goods and services including capital asset purchases. Acquiring, and later disposing of, goods and services including capital assets is complex and has increased risk because the process involves many people across the University, trade agreements, and multiple external parties. To manage its risks, the University requires effective processes to ensure that goods and services are procured, and assets are disposed of with due regard for obtaining the best value for the University while meeting its needs in a way that is fair and transparent.

In 2013, we audited the effectiveness of the University’s processes for the procurement of goods and services, and for the disposal of surplus assets (e.g., computers, equipment). By January 2016, the University had made significant improvements to its procurement processes, and processes used to dispose of surplus assets. It had implemented 9 of 13 recommendations we made related to its procurement processes, and all 5 recommendations we made related to its processes of disposing of surplus assets. It was actively working on defining the Board of Governors’ procurement reporting needs, coordinating its departments that procure goods and services, establishing sufficient contract documentation requirements, and developing a comprehensive signing authority policy.

Chapter 37

Water Security Agency—Regulating Public Wastewater Systems

The Water Security Agency (Agency) is responsible for regulating public wastewater system owners who are ultimately responsible for ensuring wastewater is adequately treated before being released into the environment. Without proper treatment, wastewater being discharged can have negative impacts on both the environment and human health.

By December 2015, the Agency had fully implemented all four recommendations we initially made in 2014 related to the regulation of public wastewater systems. The Agency updated its wastewater system design requirements, addressed non-compliant wastewater systems owners, periodically reviewed mechanical wastewater effluent¹⁰ sampling, and reported publicly on wastewater systems’ non-compliance.

¹⁰ Effluent is wastewater that has gone through a treatment process.



STANDING COMMITTEES

Chapter 38

Standing Committee on Crown and Central Agencies

Through its work and recommendations, the Standing Committee on Crown and Central Agencies (Committee) can help the Legislative Assembly (Assembly) hold the Government accountable for its management of the Crown Investments Corporation of Saskatchewan (CIC) and its subsidiary corporations. The Committee does this, in part, by reviewing chapters in our reports, and the annual reports and financial statements of agencies within its subject area. It reports to the Assembly on the results of its review. These reports may contain recommendations resulting from our audit work.

The Committee met in September 2015 to consider chapters in our reports related to CIC and its subsidiaries. On January 6, 2016, the Committee tabled with the Assembly a Report on the results of its review. This Report contains 66 Committee recommendations resulting from our audit work. At March 31, 2016, the Government has fully implemented 83% of these 66 recommendations, and partially implemented 91% of the remaining recommendations.

While the Committee's review of annual reports of CIC and its subsidiary corporations was more current than at March 2015, it had not reviewed several years of annual reports of CIC and three of its subsidiaries by March 2016.

Chapter 39

Standing Committee on Public Accounts

The work of the Standing Committee on Public Accounts (Committee) is crucial for a well-managed parliamentary system of government. It provides a vital link in the chain of accountability over public resources; it contributes to the public's confidence in government.

The Committee's discussions and recommendations to the Legislative Assembly (Assembly) promote a more open and accountable government and better management of government operations. By questioning, requesting information, and making recommendations in its reports to the Assembly, the Committee acts as an agent of change for the management practices of government. This is evident, in part, through the high extent of implementation of the Committee's recommendations.

The Government has fully implemented 60% of recommendations the Committee has made during the previous five years. It has partially implemented 43% of the remaining recommendations.