



PROVINCIAL AUDITOR *of Saskatchewan*



2024 Report – Volume 1
Report of the Provincial Auditor
to the Legislative Assembly of
Saskatchewan



PROVINCIAL AUDITOR *of Saskatchewan*

Vision:



A valued legislative audit office making a difference for
a sustainable Saskatchewan and its people.

Mission:

To advance government's accountability, transparency,
and management of public resources through
independent assessment and reporting.

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PROVINCIAL AUDITOR
of Saskatchewan

June 2024

The Honourable R. Weekes
Speaker of the Legislative Assembly
of Saskatchewan
Room 129, Legislative Building
Regina, SK S4S 0B3

Dear Honourable R. Weekes:

I have the honour of submitting my *2024 Report – Volume 1*, to be laid before the Legislative Assembly in accordance with the provisions of section 14.1 of *The Provincial Auditor Act*.

Respectfully yours,

Tara Clemett, CPA, CA, CISA
Provincial Auditor





2024 Report–Volume 1

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The Provincial Auditor's Overview

1.0 PREAMBLE

The Office of the Provincial Auditor is the external, independent auditor of the Government of Saskatchewan. Our Office's mission is to advance government's accountability, transparency, and management of public resources through independent assessment and reporting.

The Provincial Auditor Act makes the Office responsible for auditing the Government of Saskatchewan and approximately 260 agencies. **Appendix 1** lists each agency along with its year-end date, whether matters are reported, and, if so, in which Report.

This *2024 Report – Volume 1* delivers legislators and the public critical information on whether the Government issued reliable financial statements, used effective processes to administer programs and services, and complied with governing authorities. It includes the results of audit examinations of different agencies completed by May 1, 2024, with details on annual integrated (financial) and performance audits, as well as our follow-up audit work on previously issued recommendations by our Office and agreed to by the Standing Committees on Public Accounts or on Crown and Central Agencies.

Section 2 of this Overview defines integrated, performance, and follow-up audits, and highlights key findings of each section.

2.0 HIGHLIGHTS OF EACH SECTION

2.1 Annual Integrated Audits

Integrated audits are annual financial audits of agencies that examine:

- The effectiveness of their financial-related controls (e.g., processes to plan, evaluate, and coordinate financial activities) to safeguard public resources with which they are entrusted
- Their compliance with authorities governing their activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing
- The reliability of the financial statements (where applicable)

Since our *2023 Report – Volume 2*, our Office, along with appointed auditors (if in place), completed annual integrated audits of 58 different agencies with fiscal year-ends between July and December 2023. These include integrated audits of 27 school divisions and 17 pension and employee benefit plans.

This section includes concerns at certain school divisions. There were new areas of concern around safeguarding public resources identified at four school divisions.

Three school divisions—Holy Family, Northwest, and Northern Lights—did not adequately segregate staff duties in their IT financial systems, which increases the risk that one individual can perform key financial processes, such as setting up suppliers and making



and approving payments, without involving another employee. By not segregating incompatible duties, school divisions are at an increased risk of errors and increased risk of fraud, including making inappropriate e-transfers through phishing scams that may result in significant public losses.

Also, Saskatchewan Rivers School Division did not follow its purchasing policy and obtain three quotes for a purchase over \$5,000. This increases the risk Saskatchewan Rivers did not obtain best value for the purchase.

In addition, three school divisions overstated capital grant revenue in their 2023 financial statements by not following Canadian generally accepted accounting principles when recording this revenue.

Further, IT-related issues from previous years at school divisions continued. Sun West did not test its revised disaster recovery plan, putting it at risk of not delivering programs and services if disruption occurred. Also, 16 school divisions continued to use an inadequate process to monitor their key financial system and its related IT service provider.

2.2 Performance Audits

Performance audits take a more in-depth look at processes related to the management of public resources or compliance with legislative authorities. Performance audits span various topics and government sectors. In selecting which areas to audit, we attempt to identify topics with the greatest financial, social, health, or environmental impact on Saskatchewan.

This section of the Report includes the results of six non-financial, performance audits completed since our last Report (*2023 Report – Volume 2*).

Chapter 4: Living Sky School Division—Providing Intervention Services to High School Students with Significant Mental Health Concerns

What our Office examined:

We assessed Living Sky School Division's intervention services provided to high school students with significant mental health concerns.

Living Sky is responsible for educating over 2,500 high school students in northwest central Saskatchewan, including the area surrounding North Battleford, Unity, and Spiritwood.

Why our Office examined this area:

Poor mental health can negatively impact student engagement and academic achievement.

Living Sky's recent student survey results showed 32% of its Grades 7–12 high school students experience moderate or high levels of anxiety and depression—worse than the 2022–23 Canadian student average at 26%. Studies indicate that mental health supports

in schools are effective in reducing symptoms of mental disorders with especially positive results when schools integrate support into students' academic settings.

What our Office found:

Living Sky School Division needs to:

- Analyze counsellor caseloads to identify resource gaps
- Have counsellors formally complete risk assessments and safety plans for students at risk of suicide
- Track student referrals to outside agencies (e.g., Saskatchewan Health Authority)
- Prepare mental health critical incident reports
- Analyze and report key information (e.g., counsellor caseloads, critical incidents, outside agency referrals) to assess adequacy of intervention services provided

- Living Sky has 13 high schools and 12 counsellors (part-time and full-time)
- **One school counsellor was responsible for 820 students**
- 32% of Living Sky's high school students surveyed indicated moderate or high levels of anxiety
- 40% of Living Sky's students seeing counsellors that we tested were in Grades 7 and 8

Living Sky requires better ways to assess the level of mental health supports needed for its high school students.

Chapter 5: Regina Public School Division—Delivering Prekindergarten Programming

What our Office examined:

We evaluated Regina Public School Division's delivery of prekindergarten programming. The Division offers prekindergarten in 24 schools attended by about 560 students (representing about 10% of prekindergarten students province-wide).

Why our Office examined this area:

Quality prekindergarten programs can help children from all backgrounds, with proven long-term benefits in academic, mental health, and social outcomes. Some studies found prekindergarten prepares students for kindergarten and learning in the primary grades, and continues to provide advantages to children later in life.

- Spent \$2.85 million on prekindergarten programming in 2022–23
- Each half-day program has one teacher, one teacher associate, and up to 16 students
- **149 of 708 spaces (21%) not utilized in 2023–24**
- At February 2024, 75 students on prekindergarten waitlists

What our Office found:

Regina Public School Division needs to:

- Analyze and report on changes in prekindergarten enrolment. We found the Division did not utilize 21% of its prekindergarten spaces.



- Centrally monitor and analyze its prekindergarten waitlists
- Use sufficient measures to assess and report on the performance of its prekindergarten program, such as student achievement and enrolment
- Help teachers consistently track required family visits
- Improve communication to prekindergarten teachers about partnerships with outside agencies (e.g., KidsFirst Regina) that may provide support services to children and their families
- Formally assess prekindergarten classroom environments

Underutilized prekindergarten spaces means fewer students benefit from the Division's spending on prekindergarten programming.

Chapter 2: Energy and Resources—Licensing and Inspecting Active Oil and Gas Wells and Facilities

What our Office examined:

The Ministry of Energy and Resources licenses and inspects oil and gas wells and facilities to confirm compliance with requirements, which helps ensure safe operations. We examined the Ministry's processes for the period ended December 31, 2023.

Why our Office examined this area:

Appropriate and safe operations of oil and gas wells and facilities helps to mitigate potential incidents that may impact human safety and the environment. Monitoring operators to ensure they meet licensing requirements, and take appropriate enforcement actions when they are not, helps reduce the risk of environmental or property damage and threats to human health.

- In 2023, Saskatchewan had about 54,000 active oil and gas wells and over 8,000 facilities
- Approximately 30 Ministry staff perform on-site inspections across province
- 25% of over 21,000 inspections in 2023 found operators not complying with requirements
- No plan to inspect over 37,000 wells before 2026
- One operator owed about \$2 million to the Ministry but continued to get new well licences

What our Office found:

The Ministry of Energy and Resources needs to:

- Implement a risk-informed inspection approach and plan that extends beyond 2026. The Ministry's current inspection plan excludes inspecting about 37,000 wells last inspected prior to 2021.
- Develop staff guidance to support consistent inspections and enforcement actions. We found Ministry staff gave operators different lengths of time to address similar non-compliance issues (e.g., fix berms around well sites).
- Comply with regulations by sufficiently assessing whether operators owe money to the Government before approving new well or facility licences and justify approving these licences when operators do owe money.

- Review oil and gas waste disposal facilities' annual reports timely to determine whether environmental risks exist and need to be addressed.
- Enhance reports to senior management by including analysis of regulatory activities (e.g., trends of operator non-compliance found).

We also found the Ministry of Environment needs to document key judgments about environmental risks when evaluating licence applications for oil and gas wells and facilities.

Chapter 3: Environment—Regulating Industrial Emitters

What our Office examined:

We assessed how the Ministry of Environment regulates industrial emitters to reduce greenhouse gas emissions intensity, often referred to as the Output-Based Performance Standards Program. Industrial emitters who join the Program are exempt from the Federal carbon pricing system.

The Ministry regulated 154 industrial emitters registered in the Program in 2023. Under the Program, industrial emitters exceeding annual facility-specific emission intensity limits must pay a levy to the Ministry intended to fund technologies to reduce these intensities in the future. The Ministry collected \$29 million from industrial emitters in 2022–23 and forecasts \$121 million in 2023–24. No new technologies were funded by the Ministry as of December 31, 2023.

Why our Office examined this area:

Industry-driven greenhouse gas emissions contribute to climate change. Reducing greenhouse gas emissions intensity will help Saskatchewan minimize negative impacts to provincial economic growth and environmental sustainability caused by climate change.

Jurisdictions with effective climate change strategies will help prepare their economies for increasing global competition as consumers seek out lower carbon options. Effective strategies will also help to manage climate change and its resulting impacts like heat waves, wildfires, intense storms, and droughts.

- Program grew from 80 industrial emitters in 2019 to 154 in 2023
- 17 Ministry staff work on the Program—most professional engineers
- Nearly half of the regulated emitters exceeded their permitted emissions intensity limits in 2019 and 2020
- Emitters who exceed the permitted emissions intensity do not have to pay the Ministry until 1.5 years after this was determined

What our Office found:

The Ministry of Environment needs to:

- Assess whether the Program is achieving the desired environmental and economic results by using sufficient measures to report publicly. For example: Is the Program actually reducing emissions intensity and is it enough? Is the Program saving industrial emitters money and by how much?



- Implement a robust data management system to improve analysis, create efficiencies for industrial emitters having to submit data, and reduce the risk of data errors.
- Establish staff guidance for consistently evaluating concerns in third-party verifiers' reports about industrial emitter returns. For example, staff need guidance on questions to ask emitters around concerns, when to escalate a concern to their supervisor, or methods to resolve concerns.

At this point, the public has no way of knowing whether the Ministry of Environment is delivering the Program's intended and environmental outcomes, and whether its current regulation of industrial emitters makes a difference.

Chapter 6: Saskatchewan Health Authority—Preventing the Spread of Tuberculosis

What our Office examined:

We examined the Saskatchewan Health Authority's strategies to prevent the spread of tuberculosis (TB).

Why our Office examined this area:

Early detection and treatment play a significant role in controlling the spread of TB, which is contagious and can spread rapidly through close contacts. Delays in diagnosis and notifying close contacts increases the risk of TB spreading and compromising vulnerable populations. Delays in treating TB increases the risk of it becoming more difficult to treat and potentially fatal.

Of the 138 active TB cases in 2023, 44% lived in Indigenous communities in northern Saskatchewan.

- In 2023, 138 patients had active TB and the Authority treated another 472 latent TB cases
- Active TB rate in Saskatchewan increased by 35% since 2012
- Spent \$3.9 million on TB Prevention and Control Program in 2022-23
- Four outbreaks between 2021 and 2023
- TB patients attended only 55% of scheduled in-person appointments in 2022-23

What our Office found:

The Saskatchewan Health Authority needs to:

- Work with its partners (e.g., Northern Inter-Tribal Health Authority) to update the Provincial Tuberculosis Strategy
- Track and assess whether close contacts with TB cases are notified timely
- Use criteria to determine an appropriate treatment delivery method for patients to take medication—direct observation (by a healthcare provider) or self-administered
- Reassess the models of TB care in use, such as comparing virtual care to in-person clinics (appointments)
- Set clear expectations for publicly reporting outbreaks
- Track and analyze key TB information

Chapter 7: SaskBuilds and Procurement—Responding to Cyberattacks

What our Office examined:

We audited the Ministry of SaskBuilds and Procurement's processes to respond to cyberattacks.

Why our Office examined this area:

Cybercrime in Canada causes more than \$3 billion in economic losses each year. The estimate total cost of an average data breach in Canada during 2022 was \$5.6 million.

Once detected, a cyberattack requires corrective action. These actions are crucial, yet often ineffective unless an agency has appropriate and tested response and recovery plans. Effective cyberattack response plans are critical as cybercriminals increasingly target and can exploit government IT systems and data.

What our Office found:

The Ministry of SaskBuilds and Procurement needs to:

- Centrally and continuously monitor all security events to identify potential cyberattacks
- Undertake penetration testing on a periodic basis to identify and address cybersecurity threats
- Continuously test cyber incident response plans and expand its testing techniques

- SaskBuilds and Procurement manages 700 servers and over 300 applications on behalf of clients
- About 15,000 public sector employees access information assets managed by SaskBuilds and Procurement
- Its service provider reported 150 security incidents to SaskBuilds and Procurement between Sept 2022 and August 2023

2.3 Follow-Up Audits

Follow-up audits assess the sufficiency of actions taken to address recommendations made in our past performance audits, and those made by the Standing Committees on Public Accounts and on Crown and Central Agencies from their review of our Reports.

Our Office systematically assesses the status of outstanding recommendations to determine whether agencies made recommended improvements.

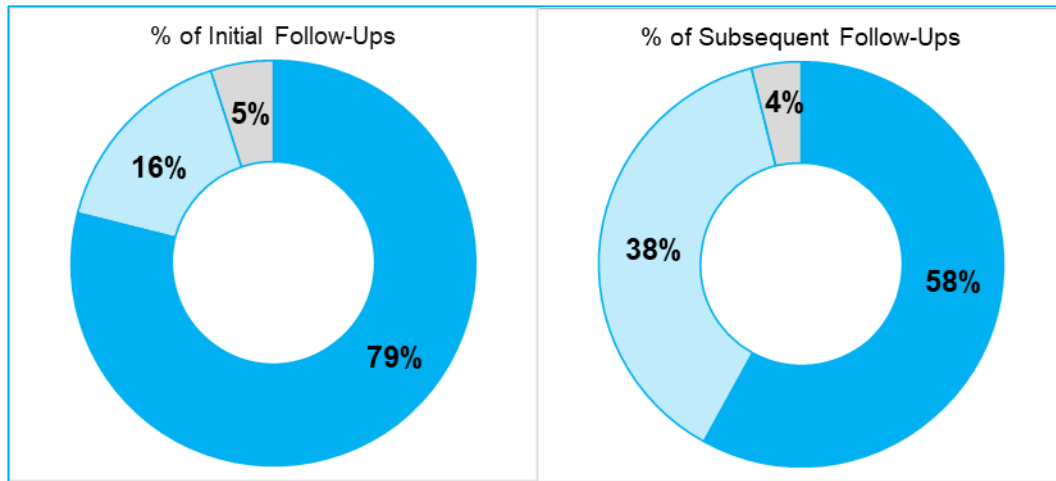
This section of the Report highlights the results of 17 follow-up audits, as well as summarizes how quickly government agencies addressed our recommendations and made process improvements.

The extent to which agencies implement recommendations demonstrates whether the recommendations reflect areas that are important to improve public sector management, and whether agencies act on them quick enough. We do our first follow-up either two or three years after the initial audit, and every two or three years thereafter until the agency either implements the recommendations or we identify them as no longer relevant. We expect some recommendations will take government agencies a longer period to implement (e.g., five years).



As shown in **Figure 1**, 79% of the audit recommendations in this Report were fully implemented after the initial follow-up (i.e., 2–3 years after original audit) at the various agencies. For agencies with subsequent follow-ups (i.e., >3 years after original audit) in this Report, 58% of audit recommendations have been fully implemented. This is well above our previous Report (*2023 Report – Volume 2*) where the rate overall was 44%. We are happy to see agencies acting on our recommendations in a timelier manner, as this means public sector management is improving.

Figure 1—Percentage of Implemented Recommendations



Grey: Not Implemented/No Longer Relevant
Light blue: Partially Implemented
Blue: Fully Implemented

The following table details the results of the 17 follow-up audits in this Report. It sets out the status of recommendations by agency, grouped by initial and subsequent follow-up audits.

As evident from the table, some agencies like Saskatchewan Liquor and Gaming Authority succeeded in making the majority of necessary process improvements related to regulating recreational cannabis in a relatively short period, while other agencies take more than five years. SaskGaming also made substantial progress in addressing our recommendations around preventing cyberattacks.

However, further work is needed at some agencies.

The Water Security Agency continues to have five recommendations outstanding from our 2018 audit of its processes to regulate drainage of water on agricultural lands. The Agency still needs to finalize its water quality and wetland retention requirements, use its wetland inventory to identify and take action to bring unapproved high-risk drainage works into compliance, and report to the public on its regulation of drainage on agricultural lands. Leaving unapproved drainage work in high-risk areas increases the risk of flooding neighbouring farmland and the receiving water body, increasing the risk of water quality issues in the water body and loss of wetlands.

Chapter Name		Related Report ^{A,B}	Status of Recommendations				
			Recommendations	Implemented	Partially Implemented	Not Implemented	No Longer Relevant
Initial Follow-Ups							
3sHealth—Managing Disability Claims	2022 V1	4	2	2	0	0	
Saskatchewan Gaming Corporation—Preventing Cyberattacks	2021 V2	7	6	1	0	0	
Saskatchewan Liquor and Gaming Authority—Regulating Recreational Cannabis	2021 V1	8	7	0	1	0	
Initial Follow-Ups Subtotal		19	15	3	1	0	
% of Initial Follow-Ups Subtotal		100%	79%	16%	5%	0%	
Subsequent Follow-Up Audits ^C							
Corrections, Policing and Public Safety—Monitoring the Community Safety and Well-Being Initiative	2016 V1 2019 V1 2021 V1	2	1	0	0	1	
Education—Instruction Time	2009 V3 2011 V2 2014 V1 2016 V1 2019 V1	2	2	0	0	0	
Government Relations—Providing Safe Drinking Water in Northern Settlements	2012 V1 2016 V1 2019 V1 2021 V1	4	2	2	0	0	
Health—Detecting Inappropriate Physician Payments	2017 V1 2020 V1 2022 V1	2	1	1	0	0	
Health—Monitoring Opioid Prescribing and Dispensing	2019 V1 2021 V2	4	2	1	1	0	
Horizon School Division No. 205—Maintaining Facilities	2020 V1 2022 V1	4	4	0	0	0	
Justice and Attorney General—Supporting Provincial Court of Saskatchewan to Manage Court Workloads	2014 V1 2017 V2 2020 V2	2	1	1	0	0	
Saskatchewan Health Authority—Delivering Accessible and Responsive Ground Ambulance Services in Southwest Saskatchewan	2016 V2 2019 V2 2022 V1	1	0	1	0	0	
Saskatchewan Health Authority—Preventing and Controlling Hospital-Acquired Infections in the Regina General and Pasqua Hospitals	2018 V2 2022 V1	4	2	2	0	0	
Saskatoon School Division No. 13—Supporting Students with Intensive Needs	2018 V1 2022 V1	5	3	2	0	0	
Social Services—Monitoring Foster Families	2020 V1 2022 V1	4	1	3	0	0	



Chapter Name	Related Report ^{A,B}	Status of Recommendations				
		Recommendations	Implemented	Partially Implemented	Not Implemented	No Longer Relevant
Social Services—Supervising Community-Based Organizations Delivering Programs to Intellectually Disabled People	2012 V1 2014 V2 2017 V1 2019 V2 2021 V2	3	3	0	0	0
St. Paul's Roman Catholic Separate School Division No. 20—Adapting Technology for Learning in Elementary Schools	2019 V2 2022 V1	1	1	0	0	0
Water Security Agency—Regulating Drainage	2018 V1 2021 V1	9	4	5	0	0
Subsequent Follow-Ups Subtotal		47	27	18	1	1
% of Subsequent Follow-Ups Subtotal		100%	58%	38%	2%	2%
Overall Total		66	42	21	2	1
% of Overall Total		100%	63%	32%	3%	2%

Source: Compiled by the Provincial Auditor of Saskatchewan.

^A V—means Volume.

^B The related Report reflects the report in which the Office first made the recommendation(s) (for initial follow-ups) and subsequent reports (for subsequent follow-ups).

^C For subsequent follow-ups, the number of recommendations is the number of outstanding recommendations that remained not implemented after the previous follow-up audit.

3.0 ACKNOWLEDGEMENTS

Our Office continuously values the cooperation from the staff and management of government agencies, along with their appointed auditors, in the completion of the work included in this Report. We are grateful to the many experts who shared their knowledge and advice during the course of our work.

We also appreciate the ongoing support of the all-party Standing Committees on Public Accounts and on Crown and Central Agencies, and acknowledge their commitment in helping to hold the Government to account. Our Office remains focused on serving the Legislative Assembly and the people of Saskatchewan and committed to making a difference for a sustainable Saskatchewan and its people.

As Provincial Auditor, I am honoured to lead the Office, and our team of professionals. I am truly proud of their diligence and commitment to quality work. Our team's steadfast professionalism helps us fulfill our mission—to advance accountability, transparency, and better management by providing legislators and Saskatchewan residents with independent assessment and reporting of the Government's use of public resources.

Provincial Auditor Team		
Abdul Shaikh	Jessica Carrier	Nicole Dressler
Angel Matyjanka	Jonathan Pituley	Peter Awala
Angèle Borys	Jordan McNaughton	Pordinan Sihotang

Provincial Auditor Team		
Angie Kater	Jordan Spitzke	Rahat Tahir
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Dylan Tazzioli	Matthew Kidder	Titilope Adewale
Heather Tomlin	Maygen Ring	Toyin Soyinka
Jason Shaw	Melanie Heebner	Trevor St. John
Jason Wandy	Michelle Lindenbach	Victor Schwab
Jennifer Robertson	Missy Castillo	Yemi Olusoga
Jesse Dang	Mohammed Amer	Zac East

4.0 ABOUT THE OFFICE OF THE PROVINCIAL AUDITOR

The Office of the Provincial Auditor is the external, independent auditor of the Government. Through *The Provincial Auditor Act*, the Provincial Auditor, the Office, and staff are independent from the Government. *The Provincial Auditor Act* makes us responsible for auditing the Government of Saskatchewan and approximately 260 agencies.

Our Office promotes accountability and better management of the Government's administration of its programs and services. We do this through our audit work and publicly reported results, along with our involvement with the legislative committees charged with reviewing our Reports (i.e., the Standing Committees on Public Accounts and on Crown and Central Agencies).

Our Office uses Canadian professional auditing standards published by CPA Canada to conduct our audits. As required by the Act, the Provincial Auditor reports directly to the Legislative Assembly on the results of all examinations, and highlights matters that require the attention of legislators.

Our Office strives to complete audits of value to legislators and the public. This means selecting audit topics of importance and with higher risk, and sharing the results (whether positive or negative) within a reasonable time. We aim to complete larger and more complex audits within a year of their initiation.

In addition to our Reports on our audit work, we give legislators two key accountability reports each year—a business and financial plan, and an annual report on operations. These describe the Office, including our purpose, accountability mechanisms, staffing, and key systems and practices. These reports are publicly available on our website, as well as further details about the Office of the Provincial Auditor at auditor.sk.ca.

A close-up photograph of a wooden desk. In the upper left, a silver laptop is partially visible. Below it, a white smartphone with a black screen lies horizontally. To the right of the phone is a large black desktop calculator with a numeric keypad and Cyrillic labels. In the foreground, a hand with a ring on the ring finger holds a black pen and is pressing a button on a blue and black handheld device, possibly a barcode scanner or a specialized calculator. The device has a small screen and various buttons. The background is slightly blurred, focusing attention on the objects on the desk.

Annual Integrated Audits

Chapter 1

School Divisions

1.0 MAIN POINTS

This chapter summarizes the results of the 2022–23 annual audits of Saskatchewan’s 27 school divisions.

The 2022–23 financial statements of each school division are reliable, except for three school divisions did not follow Canadian public sector accounting standards when recording capital grant revenue.

For the year ended August 31, 2023, school divisions need to improve their rules and procedures to safeguard public resources as follows:

- Holy Family Roman Catholic Separate School Division No. 140 did not segregate incompatible duties in its IT system for several key financial functions such as approving payments and recording journal entries.
- Northwest School Division No. 203 did not complete key financial reconciliations timely. It also did not segregate incompatible duties in its IT system for several key financial functions such as approving payments and recording journal entries.
- Northern Lights School Division No. 113 did not segregate incompatible duties related to payment approval and cheque signing.

Regular reconciliations check the accuracy and reliability of accounting records. Not segregating incompatible duties between individuals increases the risk of fraud and not detecting errors.

- Saskatchewan Rivers School Division No. 119 did not follow its purchasing policy as it did not obtain the required three quotes for certain purchases. Following its purchasing policies for buying goods and services helps ensure staff treat suppliers fairly, and buy goods and services at a fair price.
- Sun West School Division No. 207 did not yet test its IT disaster recovery plan. Testing the recovery plan helps ensure they can restore critical IT systems timely.
- By August 2023, 16 school divisions across the province did not establish a process to sufficiently monitor a key financial IT system and its related IT service provider. The Ministry of Education needs to work with the impacted school divisions to reduce the risk of unauthorized access to, or unavailability issues with, the system.

For the year ended August 31, 2023, school divisions complied with authorities governing their activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.



2.0 INTRODUCTION

Over 189,000 students attend more than 770 provincially funded schools each day.¹ *The Education Act, 1995*, and related regulations set out the roles and responsibilities of the Ministry of Education and Saskatchewan's 27 school divisions.

Elected Boards of Education (school boards), including the Conseil des Écoles Fransaskoises No. 310 (French language schools), are responsible for administering and managing provincially funded schools (i.e., public, separate, or French language). **Figure 1** provides the combined financial results of the 27 school divisions for 2021–22 and 2022–23.

Figure 1—School Divisions' Combined Financial Results

	2022–23	2021–22
	(in billions)	
Grants from the Ministry of Education	\$ 2.1	\$ 1.9
Other Revenue (e.g., property taxes, school generated funds)	0.4	0.4
Total Revenue	2.5	2.3
Total Expense	2.5	2.4
Annual Surplus (Deficit)	\$ ---	\$ (0.1)
Net Financial Assets ^A	\$ 0.2	\$ 0.2
Non-financial Assets ^B	\$ 2.4	\$ 2.3

Source: Audited school division financial statements for years ending August 31.

^A Net financial assets are financial assets (e.g., cash, receivables) less liabilities (e.g., accounts payable, debt).

^B Non-financial assets include capital assets such as schools and busses.

3.0 AUDIT CONCLUSIONS

Our Office worked with appointed auditors to carry out the annual integrated audits of the school divisions. We followed the framework in the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors*. See **Appendix 2** in this Report for the name of each school division and its appointed auditor.

In our opinion, for the year ended August 31, 2023, we found, in all material respects:

- **Two school divisions did not have effective rules and procedures to safeguard public resources—see Section 4.2 and 4.3. The remaining school divisions had effective rules and procedures to safeguard public resources except for the matters reported in Sections 4.4 to 4.7.**
- **Each school division complied with the following authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

The Education Act, 1995
The Education Regulations, 2019
The School Division Administration Regulations
The Government Service Organizations
(Provincial Sales Tax) Remission Regulations
The Education Property Tax Act

The Financial Administration Act, 1993 (section 38)
The Pension Benefits Act, 1992 (section 44)
The Pension Benefits Regulations, 1993 (section 38)
Pension Benefit Standards Regulations, 1985
 (Canada) (sections 9[1], 11[1])

¹ publications.saskatchewan.ca/#/products/83292 (21 February 2024); provincially funded schools do not include schools under the responsibility of First Nations or private schools.

- **The financial statements of each school division are reliable except for the matter reported in Section 4.1 related to proper recording of capital grant revenue.**

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audits. We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of each school division'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.

As school divisions' expenses consist primarily of payroll and other goods and services, each audit included examining processes for preparing and processing payroll, and ordering, paying for, and receiving goods and services. Also, as each school division uses IT systems to operate, audits included examining school divisions' processes to safeguard financial-related IT systems and data.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Proper Recording of Capital Grant Revenue Needed

Three school divisions inappropriately recorded capital grant revenue and overstated accounts receivable and revenues in their 2023 financial statements.

During 2022–23, the Ministry of Education approved applications for capital funding through the Minor Capital Renewal Program to renovate schools. However, as at August 31, 2023, three school divisions had not met all eligibility criteria related to the Program (i.e., had not provided confirmation of a construction contracts as required by the Ministry). Therefore, these school divisions had not earned the overall \$5.25 million approved under the Program that they recorded.

Canadian public sector accounting standards require school divisions to recognize revenue related to government transfers when the transfer is authorized, and eligibility criteria have been met.

Incorrect application of Canadian public sector accounting standards can impact the relevance and reliability of financial reports and can decrease the public's confidence in the accuracy of school divisions' financial reports.

- 1. We recommend the impacted school divisions follow Canadian generally accepted accounting principles for the public sector when recording capital transfers in their financial records.**



4.2 Holy Family Roman Catholic Separate School Division No. 140—Segregation of Incompatible Duties Needed

Holy Family Roman Catholic Separate School Division No. 140 did not adequately segregate incompatible duties related to setting up and updating employee payroll information; setting up and updating vendor information; creating and approving purchase orders; making and approving payments; and recording journal entries.

During 2022–23, Holy Family did not appropriately segregate staff duties in its financial IT system. This means it is possible for one individual to perform a key financial process from start to finish, without the involvement of another employee. Key financial functions were not segregated as follows:

- Setting up new employee payroll information and updating key employee payroll data (e.g., pay rates, banking information), as well as approving payroll.

Not segregating incompatible duties in the financial IT system increases the risk of entering a fictitious employee and processing fictitious payroll amounts, as well as paying inappropriate payroll amounts to employees. Audit work found the Division appropriately paid employees tested using authorized salary rates.

- Setting up new vendors in its financial IT system and updating vendor data (e.g., banking information), creating and approving purchase orders and making vendor payments, as well as approving and signing cheques.

Not segregating the ability to make changes to vendor information from approving vendor payments increases the risk of making payments to fictitious suppliers (e.g., through phishing scams) and not detecting errors.

- Preparing and posting journal entries.

Lack of independent electronic approval increases the risk of unauthorized or inaccurate entries to the accounting records resulting in financial information errors. Audit testing found the Division independently reviewed and approved journal entries manually.

Not segregating incompatible duties between different individuals in the IT system increases the risk of fraud and not detecting errors.

2. We recommend Holy Family Roman Catholic Separate School Division No. 140 segregate duties of employees responsible for key financial functions.

4.3 Northwest School Division No. 203—Timely Financial Reconciliations and Segregation of Incompatible Duties Needed

Northwest School Division No. 203 did not complete key financial reconciliations timely. In addition, it did not segregate incompatible duties in its IT system related to setting up and updating employee payroll information; setting up and updating vendor information; approving payments; and recording journal entries.

Key Financial Reconciliations Not Completed Timely

Northwest School Division No. 203 did not complete or review key reconciliations timely (i.e., within one month of month-end) such as bank reconciliations and reconciliations of subledgers (e.g., accounts receivable) to the general ledger. Audit work found Northwest completed its year-end bank reconciliation (e.g., August 31, 2023, bank reconciliation) timely.

Regular reconciliations check the accuracy and reliability of accounting records. For example, bank reconciliations confirm that all charges to bank accounts are proper and all money has been received and deposited into the correct accounts.

3. We recommend Northwest School Division No. 203 complete key financial reconciliations monthly and independently review and approve them in a timely manner.

Segregation of Incompatible Duties Needed

Northwest School Division No. 203 did not segregate incompatible duties related to setting up and updating employee payroll information; setting up and updating vendor information; approving payments; and recording journal entries.

During 2022–23, Northwest implemented a new financial IT system, however, it did not appropriately segregate staff duties in the system. This means it is possible for one individual to perform a key financial process from start to finish, without the involvement of another employee. Key financial functions were not segregated as follows:

- Setting up new employee payroll information and updating employee payroll data (e.g., pay rates, banking information) from approving payroll.

Not segregating incompatible duties in the financial IT system increases the risk of entering a fictitious employee and processing fictitious payroll amounts, as well as paying inappropriate payroll amounts to employees. Audit work found the Division appropriately paid employees tested using authorized salary rates for approved time worked.

- Setting up new vendors in its financial IT system and updating vendor data (e.g., banking information) from approving vendor payments.

Not segregating the ability to make changes to vendor information from approving vendor payments increases the risk of making payments to fictitious suppliers (e.g., through phishing scams) and not detecting errors.

- Preparing and posting journal entries.

Lack of independent electronic approval increases the risk of unauthorized or inaccurate entries to the accounting records resulting in financial information errors. Audit testing found the Division independently reviewed and approved journal entries manually.



Not segregating incompatible duties between different individuals in the IT system increases the risk of fraud and not detecting errors.

4. We recommend Northwest School Division No. 203 segregate duties of employees responsible for key financial functions.

4.4 Northern Lights School Division No. 113—Segregation of Incompatible Duties Related to Payments Needed

Northern Lights School Division No. 113 did not segregate incompatible duties related to payment approval and cheque signing.

Northern Lights uses electronic signatures on cheques; however, it does not have controls in place to restrict the same individual from approving invoices and authorizing release of payment (either through a cheque or electronic fund transfer). An authorized individual is to independently review and approve electronic fund transfers, but Northern Lights did not consistently do so during 2022–23.

Not segregating incompatible duties between different individuals for electronic fund transfers increases the risk of fraud (including making inappropriate electronic fund transfers through phishing scams), and not detecting errors.

5. We recommend Northern Lights School Division No. 113 segregate incompatible duties for payment approvals and cheque signing.

4.5 Saskatchewan Rivers School Division No. 119—Need to Follow Purchasing Policy

Saskatchewan Rivers School Division No. 119 did not follow its purchasing policy as it did not obtain at least three quotes prior to making certain purchases.

Saskatchewan Rivers' purchasing policy requires staff to obtain written quotes from at least three suppliers for purchases over \$5,000 and up to \$20,000. Audit testing identified one purchase of a sound system for approximately \$9,000 where Saskatchewan Rivers did not obtain any quotes prior to procurement, and therefore may not have obtained best value.

Following its competitive procurement method policies for buying goods and services helps ensure staff treat suppliers equitably and fairly, and helps Saskatchewan Rivers buy goods and services at a fair price.

6. We recommend Saskatchewan Rivers School Division No. 119 follow its purchasing policy and obtain the required quotes for its purchases.

4.6 Sun West School Division No. 207—Disaster Recovery Plan Requires Testing

We recommended Sun West School Division No. 207 formally document its IT disaster recovery plan. (2017 Report – Volume 1, p. 22, Recommendation 2; Public

Accounts Committee agreement June 12, 2018)

Status—Partially Implemented

During 2021, Sun West School Division No. 207 contracted with a third party to provide Sun West with various IT infrastructure and services (e.g., servers, data back-up). In September 2022, Sun West finalized and approved a revised disaster recovery plan. By August 2023, the Division had yet to test its revised disaster recovery plan.

Without testing its disaster recovery plan, Sun West does not know whether it could continue to deliver its programs and services if disruption or damage occurred to its key IT systems (e.g., accounting, student data). Regular testing of its disaster recovery plan would confirm the plan's effectiveness, relevance, and identify necessary updates.

4.7 Sufficient Monitoring of IT Service Provider for Key Financial System Needed

We recommended the Ministry of Education work with impacted school divisions to establish a process to monitor the key financial IT system and the IT service provider. (2022 Report – Volume 1, p. 17, Recommendation 1; Public Accounts

Committee agreement February 7, 2024)

Status—Partially Implemented

During 2022–23, school divisions did not adequately monitor a key financial IT system and the related service provider. Sixteen school divisions across the province use this key financial IT system.

The Ministry of Education and impacted school divisions did not establish a process to monitor the key financial IT system and the IT service provider in 2022–23. For example, school divisions could obtain relevant information from the IT service provider on security measures in place (e.g., privileged user access, intrusion detection controls) and on system end-of-support dates.² School divisions remain responsible for managing risks associated with their IT systems and data even when using a service provider.

Improved monitoring of the IT system and the service provider would help school divisions identify risks (e.g., security vulnerabilities) and make decisions about mitigating identified risks.

² End-of-support is when a technology company stops actively developing or providing technical support for software products.



Performance Audits

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Chapter 2

Energy and Resources—Licensing and Inspecting Active Oil and Gas Wells and Facilities

1.0 MAIN POINTS

Saskatchewan's oil and gas industry contributed over \$1.1 billion to provincial revenues in 2022–23 with about 54,000 active oil and gas wells and over 8,000 licensed, active facilities in operation.

The Ministry of Energy and Resources licenses and inspects wells and facilities as part of its regulation of oil and gas activities in Saskatchewan. Assessing whether operators meet all licensing requirements and inspecting wells and facilities helps the Ministry to ensure safe operations. For example, the Ministry found operators not complying with requirements for almost 25% of over 21,000 inspections in 2023.

We audited the Ministry's processes to license and inspect active oil and gas wells and facilities. At December 31, 2023, we found the Ministry had effective processes, except it needs to:

- Implement a risk-informed plan for inspecting oil and gas wells and facilities. During 2023, the Ministry continued to work on a five-year project to inspect higher risk wells identified in 2021. Over 37,000 wells were not part of this project. The Ministry has not developed an ongoing process to determine risk levels of all wells and facilities requiring inspection and set a related inspection frequency beyond 2026.
- Develop central staff guidance to support consistent assessment and documentation of key risk areas inspected and enforcement actions. Having guidance would help staff to assess the most significant risks and take appropriate action when they identify non-compliance. We found Ministry staff gave operators different lengths of time to address similar non-compliance issues (e.g., fix berms around well sites).
- Comply with regulations by sufficiently assessing whether operators owe money to the Government of Saskatchewan and justify approving new well or facility licences when operators do owe money. One operator owed about \$2 million in outstanding royalties but continued to get seven new well licences in 2023.
- Review oil and gas waste disposal facilities' annual reports timely to determine whether environmental risks (e.g., waste spills) exist and require further action.
- Enhance reports to senior management by including analysis of regulatory activities like inspections, complaints received, and non-compliance found.

The Ministry of Environment assesses licence applications when a proposed well or facility has increased risk of environmental impact (e.g., near a water body). Environment needs to document its key judgments about environmental risks when evaluating applications. Insufficient assessments increase the risk of oil and gas activities having significant, adverse effects on the environment.



2.0 INTRODUCTION

We audited the Ministry of Energy and Resources' processes to license and inspect active oil and gas wells and facilities. The Ministry is responsible for licensing and inspecting oil and gas wells and facilities in Saskatchewan per *The Oil and Gas Conservation Act*. A primary purpose of the Act is to protect the environment, property, and public safety with respect to operations of the oil and gas industry.

2.1 Oil and Gas Wells and Facilities in Saskatchewan

Oil and gas operations are a key industry in Saskatchewan contributing over \$1.1 billion to provincial revenues in 2022–23.¹

Operators must obtain a licence from the Ministry of Energy and Resources before drilling, operating, or producing oil or gas. The Ministry also requires operators to obtain a licence to re-enter an abandoned well, deepen an existing vertical well, or change the trajectory of a well.² Further, operators require a licence before installing a facility near a well.³ There is no fee to apply for a licence.

The Oil and Gas Conservation Act and *The Oil and Gas Conservation Regulations* set requirements for operators to comply with as terms and conditions of a licence. This legislation makes the operator, or licensee, of a well or facility responsible for obtaining and complying with the licence. This legislation also enables the Ministry to use and enforce additional Directives that provide further guidance and requirements to operators of oil and gas wells and facilities.⁴

In addition, the Act sets out that the Minister of Energy and Resources may designate any person as an inspector for any or all of the following purposes:

- Determining whether a licensee complies with this Act
- Conducting a compliance audit of the licensee's practices in relation to the construction, alteration, operation, discontinuation, or abandonment of any well or facility owned by the licensee subject to this Act

Licensing and inspecting wells and facilities is one part of the Ministry's overall regulatory structure for regulating oil and gas activities in Saskatchewan. The Ministry also regulates reportable incidents (e.g., spills), site reclamation (e.g., once oil and gas wells are inactive), and pipelines.

The Ministry has four regional field offices located at Lloydminster, Kindersley, Swift Current, and Estevan, and a head office in Regina. Field offices are responsible for delivering programs and enforcing the requirements specified under the legislation and

¹ *Public Accounts 2022–23 Volume 1*, schedule 14.

² www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/oil-and-gas/oil-and-gas-licensing-operations-and-requirements/oil-and-gas-drilling-and-operations/licence-to-drill-a-well (19 March 2024).

³ *The Oil and Gas Conservation Regulations, 2012*, define a facility as any building, structure, or equipment connected to or associated with the production, storage, or processing of oil, gas, water, or other substances produced from or used in the production of oil and gas. A facility does not include a pipeline.

⁴ An example of a Directive relevant to this audit is Directive PNG001 Facility Licence Requirements, which outlines the eligibility criteria organizations must meet to licence facilities in Saskatchewan.

Directives. A manager leads each field office. The Ministry employs approximately 30 field-office staff who go on-site to perform inspections. **Figure 1** is a summary of inspections the Ministry completed by region.

Figure 1—Wells and Facility Inspections between December 1, 2022, and November 30, 2023, by Region

Region	Total Inspections
Estevan	4,860
Kindersley	4,141
Lloydminster	9,303
Swift Current	3,415
Total Inspections Completed	21,719

Source: Adapted from Ministry of Energy and Resources' records.

At November 2023, Saskatchewan had about 54,000 active oil and gas wells and over 8,000 licensed, active facilities in operation.

In 2022–23, the Ministry spent \$24.8 million (2021–22: \$24.2 million) for its oil and gas regulatory activities (e.g., regulating pipelines, licensing and inspecting wells). The Ministry levies operators 90% of the total budgeted regulatory activity costs.⁵

2.2 Risk of Ineffective Regulatory Processes

Effectively assessing whether operators applying for a licence satisfactorily meet all requirements set by the Ministry of Energy and Resources helps ensure operators have the capacity to construct and operate wells and facilities in the province appropriately and safely. For example, Ministry staff need to verify operators do not have a significant history of regulatory non-compliance. Also, Ministry staff need to check whether the Ministry of Environment (Environment) has determined if operators meet environmental requirements to lessen environmental effects caused by oil and gas operations, such as adverse impacts to land, water bodies and wetlands, and wildlife habitat.

Appropriate and safe operation of oil and gas wells and facilities helps to mitigate potential incidents that may contaminate air, soil, or water and may pose a risk to human health, public safety, property, or the environment and wildlife. Examples of common oil and gas incidents include fires at an operating well or facility, equipment failures, and the release or spill of hazardous fluids or gases (e.g., highly poisonous hydrogen sulphide).

Operators report incidents related to wells and facilities to the Ministry of Energy and Resources near daily. Between January 1, 2023, and March 12, 2024, operators reported 151 incidents related to wells and 105 related to facilities; 49 of these incidents were still under investigation or required reclamation work as of March 2024. Historically, incidents causing significant damage (e.g., to the environment) occur infrequently. However, such incidents can have devastating consequences to human health and to wildlife, as well as significant costs in repairing the damage.

⁵ In 2022–23, the Ministries of Energy and Resources, Environment, and Agriculture spent \$26.4 million on oil and gas regulatory activities. pubsaskdev.blob.core.windows.net/pubsask-prod/141454/EROilGasCostRecoveryRegulatoryLevyAnnualReport%252B2022-23.pdf (28 March 2024).



Monitoring operators to ensure they meet licensing requirements, and taking appropriate enforcement actions when they are not, helps to reduce the risk of environmental or property damage and threats to human health.

3.0 AUDIT CONCLUSION

We concluded, for the 12-month period ending December 31, 2023, the Ministry of Energy and Resources had effective processes, except in the following areas, to license and inspect active oil and gas wells and facilities.

The Ministry needs to:

- Implement a risk-informed plan to inspect oil and gas wells and facilities (e.g., ongoing process to determine risk level of wells and facilities and related inspection frequency)
- Develop standard expectations to guide staff to support consistent assessment and documentation of key risk areas inspected and enforcement actions
- Comply with regulations by sufficiently assessing whether operators owe money to the Government of Saskatchewan and justify approving new well or facility licences for those operators
- Review waste disposal facilities' key annual reports timely to determine whether environmental risks exist and require further action
- Enhance analysis reported to senior management about regulatory activities

Additionally, the Ministry of Environment needs to document its key judgments about environmental risks when reviewing and approving oil and gas well and facility applications identified as higher risk to the environment (e.g., near water, near sensitive wildlife habitat).

Figure 2—Audit Objective, Criteria, and Approach

Audit Objective:

Assess the effectiveness of the Ministry of Energy and Resources' processes, for the 12-month period ending December 31, 2023, to licence and inspect active oil and gas wells and facilities.

This audit focused on the Ministry's processes to license oil and gas wells and facilities, and to monitor operators' compliance with key operating requirements (e.g., through inspections). The audit did not assess the following processes that we previously assessed in separate audits at the Ministry of Energy and Resources:

- Regulating pipelines (*2012 Report – Volume 1*, Chapter 5)
- Addressing and resolving incidents (e.g., oil spills) (*2018 Report – Volume 1*, Chapter 4)
- Managing risks related to reclaiming sites once operators are finished producing oil from the site (*2012 Report – Volume 2*, Chapter 31)

Audit Criteria:

Processes to:

1. **Approve licences for eligible applications for oil and gas wells and facilities**
 - Communicate appropriate criteria for eligible operators consistent with legislation and good practice
 - Confirm applicants meet established criteria (e.g., use qualified staff, verify applicant information for new and amended licences)
 - Issue licences timely with appropriate terms and conditions to successful applicants

2. Monitor compliance with licence requirements

- Set guidance for monitoring compliance with licence terms and conditions (e.g., risk-based inspection checklists, inspection procedures, penalties, escalation processes for identified non-compliance, how to enforce corrective action)
- Set risk-based plans for inspecting licensed operators
- Regularly assess compliance with licence terms and conditions (e.g., use qualified staff, complete inspections as expected, communicate results to operators, track trends of non-compliance)
- Investigate complaints about operators in a timely manner

3. Address and report non-compliance

- Require prompt action on non-compliance based on severity of non-compliance
- Escalate action on continued non-compliance (e.g., cancel or suspend licence, levy fines)
- Analyze trends to determine whether changes to licences or risk-based plans are needed
- Report information on non-compliance and related enforcement actions, and regulating results to senior management and the public

Audit Approach:

To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's processes, we used the above criteria based on our related work, reviews of literature including reports of other auditors, and consultations with management. Ministry management agreed with the above criteria.

We examined the Ministry's criteria, policies, and procedures relating to licensing and inspecting oil and gas wells and facilities. We interviewed key staff responsible for performing activities related to oil and gas licences and inspections (e.g., reviewing applications, performing inspections). We assessed the Ministry's processes for tracking its licensing and inspection activities using its IT system. We tested samples of well and facility licence applications, inspections of wells and facilities, complaints received, and reports provided to regional field offices and senior management. We used an external consultant with expertise in the area to help us identify good practice and to assess the Ministry's processes.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Licence Application Guidance and Operating Requirements Available

The Ministry of Energy and Resources provides sufficient guidance to operators about the licence application process and ongoing operating requirements.

The Ministry uses an IT system called Integrated Resource Information System (IRIS), an online business system to support the regulation of Saskatchewan's oil and gas industry. The Ministry uses IRIS to record key information about all oil and gas wells and facilities including tracking licence information, recording inspections completed, receiving information, and communicating with operators.

Operators can directly input relevant licence and business activity information in IRIS. This includes information needed to obtain licences and required approvals, as well as operations' information. Operators can also receive inspection results and regulatory tasks issued by the Ministry (e.g., actions needed to address non-compliance identified during inspections).⁶

The Ministry has a user learning centre on its website providing operators with detailed instructions and information to guide them through the application process in IRIS.⁷ For example, resources include online courses on how to use IRIS, how to apply for a licence, and how to fill out forms in IRIS.

⁶ www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/oil-and-gas/oil-and-gas-licensing-operations-and-requirements/integrated-resource-information-system-iris (28 March 2024).

⁷ www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/oil-and-gas/user-learning-centre (28 March 2024).



The online resources also provide guidance to operators on ongoing operating requirements (e.g., Directives) and on how to comply with them (e.g., how to report incidents in IRIS).

We found the resources relevant and covered key topics related to licensing and inspections.

The Ministry regularly sends operators emails and notifications in IRIS informing them of changes to legislation or operating requirements (e.g., updated or new Directives), system changes (e.g., new functions in IRIS), and periodic training sessions for process changes affecting operators. We found Ministry communications with operators clear and timely (i.e., provided operators with sufficient time to prepare for upcoming changes).

Having understandable, publicly available resources for operators helps ensure operators are sufficiently informed to comply with Ministry requirements and keeps these operating requirements transparent.

4.2 Qualified Staff Perform Key Regulatory Activities

The Ministry of Energy and Resources uses qualified staff to assess oil and gas applications and to complete inspections. Staff from the Ministry's Well Licensing and Facilities & Pipelines units along with staff from its four regional offices complete this work.

The Ministry set requirements for relevant education and prior experience when hiring staff responsible for reviewing applications and completing inspections. We found the Ministry's requirements for relevant education (e.g., engineering degree) and relevant industry experience (e.g., oil and gas) reasonable when hiring these staff.

We tested 20 Ministry staff and found all staff had the appropriate qualifications set in the job descriptions. For example, the Ministry requires professional engineering qualifications for those roles that review facility applications due to higher complexity.

Having qualified staff perform key regulatory activities (e.g., reviewing applications, completing inspections) allows the Ministry to appropriately identify key risks related to regulating wells and facilities.

4.3 Inadequate Assessment of Outstanding Payments Prior to Approving New Licences

The Ministry of Energy and Resources sufficiently verified applicants met eligibility requirements prior to issuing licences, except for assessing whether operators have outstanding debts to the Government of Saskatchewan before issuing new licences.

4.3.1 Sufficient Information Required and Obtained for Licence Applications

The Ministry of Energy and Resources established eligibility criteria in legislation and in its application requirements.⁸ These eligibility requirements are built into questions and information fields operators must provide when applying for a licence in IRIS.

⁸ Eligibility requirements for a licence set out in *The Oil and Gas Conservation Regulations, 2012*, section 12(1).

The Ministry requires all operators to respond to questions and provide information about the well or facility as part of the application.⁹ The questions provide the Ministry with information about the proposed well or facility (e.g., type of well, operating plans, design and use of equipment on site). There are 44 questions for well applications and 17 questions for facility applications. We found the information the Ministry requires in well and facility applications consistent with good practice.

The Ministry designed IRIS to use the responses to the questions to assess applications based on risk. IRIS classifies applications as routine or non-routine depending on an applicant's responses. This process allows the Ministry to prioritize applications for higher risk wells or facilities. Ministry staff review high-risk applications (i.e., non-routine) before approval. The IT system automatically approves and issues a licence for low-risk applications (i.e., routine) upon submission. Ministry staff still review low-risk applications after IRIS automatically issues licences to verify application information is appropriate and complies with requirements.

For non-routine applications, Ministry staff must review the applications prior to issuing a licence. IRIS sends the application to the appropriate approval authority. For example, applications that include infrastructure close to water bodies or critical habitats are first sent to the Ministry of Environment for its review and approval of the application, before the Ministry of Energy and Resources approves the licence. See **Section 4.4** for further details on the Ministry of Environment's involvement.

See **Figure 3** for examples of key information the Ministry of Energy and Resources requires and reviews during the application process.

Figure 3—Summary of Information Operators Provide to Apply for Well or Facility Licence

Survey plan: Detailed information of the planned operations of the well or facility site (e.g., specific locations of planned equipment, distances between equipment on the site called setback requirements, and distance from water bodies and utility lines).
Ground elevation: Determines whether inspectors need to perform an on-site inspection of the proposed well site as part of the application review (done when well site is planned on large elevation changes).
Information about the planned well: Vertical or horizontal, depth, underground oil reservoir it will produce from.
Environmental screening checklist: When proposed well is on land with higher environmental sensitivity.
Factors to involve other Government agencies: Ministry of Environment reviews and approves applications where a proposed well site or access road is on Crown land. Ministry of Agriculture reviews and approves applications when a proposed well is on agricultural Crown land (e.g., ensures applicant has signed lease agreement).
Engineering designs: Facilities' applications require additional information such as engineering designs stamped by a professional engineer.

Source: Adapted from Ministry of Energy and Resources' records.

We tested a sample of 51 well and facility applications and found:

- IRIS appropriately classified each application with 26 applications classified as non-routine and 25 as routine.

⁹ training.saskatchewan.ca/EnergyAndResources/well-licensing/#/lessons/9BgsAWeV-AMKUXn3mc4tylHEEWgwwuld (28 March 2024).



- Staff found minor issues with 6 of the 25 routine applications identified after the Ministry automatically issued the licence, which did not ultimately impact the licence's approval.
- Appropriate Ministry staff reviewed and approved applications. For example, a professional engineer reviewed all facility applications consistent with Ministry requirements.
- Staff documented their review of applications on an exception basis (i.e., documented areas where application did not meet eligibility criteria, had concerns with information provided, required more information, or documented rationale for denying application).

For all applications tested, we found all required information (e.g., survey plans) included in IRIS.

- Approved applications were complete and met all Ministry requirements.

Staff identified deficiencies with certain applications in IRIS and documented actions taken to resolve concerns; staff found issues with 13 of 51 applications tested (e.g., requested additional information before approval). For example, one application proposed a well located closer to a power line than regulations allow. Ministry staff required the operator to provide consent from SaskPower, which the operator obtained and then provided to the Ministry for licence approval.

- The Ministry denied 1 of the 51 applications tested because the operator proposed a well too close to other infrastructure.

Once approved, an operator can access their licence in IRIS, which outlines the terms and conditions they are required to comply with. For example, the licence will show any outstanding or additional requirements (called obligations) either the Ministry of Energy and Resources or the Ministry of Environment require of operators (e.g., build a fence or a berm around well site). For all applications tested, we found the terms and conditions included in the issued licence appropriate based on the completed application.

We found operating requirements generally align with good practice and other jurisdictions where applicable (i.e., the Ministry has reasonable rationale when Saskatchewan's requirements differ from other jurisdictions). For example, we found venting and flaring and other site spacing (setback) requirements consistent with Alberta, which are important for safely operating wells, and in protecting the environment and the public surrounding wells.

4.3.2 Need to Check for Money Owed Before Licence Approval and Justify Approval Decision Where Money Owed

The Ministry of Energy and Resources has not formally determined how it plans to comply with legislative requirements and identify applicants owing money to the Government of Saskatchewan, and make decisions around approving new licences when applicants do owe money.

Figure 4 outlines eligibility requirements in legislation for new well or facility licences relating to operators who owe money to the Government of Saskatchewan.

Figure 4—Certain Eligibility Requirements in *The Oil and Gas Conservation Regulations*, 2012

Eligibility requirements to be issued a licence:

12(2) Unless otherwise approved by the minister, no licence shall be issued to, or transferred to or from, a person if:

(a) that person:

(i) has not paid the required annual orphan fund levy; or

(ii) owes any money to the Crown in right of Saskatchewan

Source: *The Oil and Gas Conservation Regulations*, 2012.

The Ministry does not have a formal process to consistently apply these eligibility requirements. For new licence applications, Ministry staff do not assess whether an operator owes money to the Ministry.¹⁰ Additionally, staff do not document rationale if they are aware an applicant has outstanding debts and choose to issue the licence anyway.

Some of the most common or significant amounts of money the Ministry receives from operators include resource royalties, annual levies, and security deposits.^{11,12}

The Ministry also does not have a way to check whether operators have significant outstanding debts to other government agencies (e.g., whether an operator owes provincial sales tax to the Ministry of Finance).

We identified one operator where the Ministry continued to issue new well licences (seven licences in total) during 2023 and yet the operator owed significant money to the Ministry (i.e., about \$2 million in outstanding royalty payments accumulated since 2017). While we observed the Ministry working with the operator to collect the outstanding debts during 2023, it did not document rationale for why it continued to approve licences.

We reviewed all operators where the Ministry approved new licences during August 2023 and compared them to a list of operators owing money to the Ministry at that time. We identified 11 operators where the Ministry approved new licences (35 well licences), but the operators owed money to the Ministry (over \$1,000). We did not see any evidence where Ministry staff considered these outstanding debts before approving licences or documented rationale for approving the licences.

Not formally verifying whether operators have unpaid debts owing to the Government of Saskatchewan increases the risk the operator will not pay money owed and the unpaid amounts will continue to increase. Also, approving operator licences without sufficient justification when those operators owe money may not comply with the requirements in legislation. Formally documenting decisions about money owed and applications approved decreases the risk of not treating operators fairly and appropriately.

1. We recommend the Ministry of Energy and Resources justify approving applications for new oil and gas wells or facilities where the operator owes money to the Government of Saskatchewan.

¹⁰ We found the Ministry of Energy and Resources implemented a well-designed process to assess whether applicants have amounts owing to the Ministry while assessing applications to transfer licences from one operator to another; however, the Ministry did not use this process for new licence applications.

¹¹ The Ministry of Energy and Resources collects an annual administrative levy to fund the regulatory activities of the oil and gas industry and an annual levy to support the cleanup of orphaned wells by the Oil and Gas Orphan Fund.

¹² The Ministry of Energy and Resources collects security deposits from operators who it assessed may pose a higher risk of not meeting their well clean up requirements.



4.4 Ministry of Environment Needs to Document Key Judgements When Assessing Potential Environmental Impacts

The Ministry of Environment (Environment) does not sufficiently document its judgments when assessing well and facility applications.

Environment completes assessments of and approves applications for oil and gas wells and facilities (on both private and Crown land) when it needs to consider environmental factors before the Ministry of Energy and Resources can approve an application. Environment delegates its review between two branches. The Environmental Assessment and Stewardship Branch (EASB) conducts a full environmental assessment process when reviewing applications with significant potential environmental impact (e.g., applications for waste processing facilities). Its Lands Branch reviews applications with potential impacts on the environment that are not as significant (e.g., sites proposed on sensitive areas such as grasslands, wetlands, ravines, rivers).¹³

No applications required EASB review during our audit period.

The Lands Branch reviews an environmental screening checklist completed by the operator, which identifies areas where the well site or facility could impact the environment. Some examples of key factors the Lands Branch assesses include:

- Water bodies: If the project is within 45 metres of water bodies or wetlands additional requirements on a well site must occur (e.g., berm construction requirements, restrictions on equipment locations)
- Activity on native prairie: If a project encroaches on native grassland on private land, Environment recommends additional measures to protect the land (e.g., avoid topsoil stripping, re-seed using native plant species)

Environment also reviews an operator's detailed oil and gas project plan (in addition to the environmental screening checklist) on how they plan to mitigate environmental risks posed by a project. It assesses whether an operator's plan appropriately address the risk factors. If a proposed site has certain environmental sensitivities (e.g., sand hills, native grassland), Environment may also complete a physical inspection before approval. If it determines the applicant has not sufficiently reduced the environmental risk, it may require the operator to take additional protection measures (e.g., equipment can only be moved over sensitive wildlife habitat when ground is frozen).

The Lands Branch does not have a checklist or formal guidance for staff to use when reviewing environmental information and to document their assessments. We found it also maintained no documentation of these assessments, only documenting licence approvals in IRIS.

¹³ *Environmental Review Guidelines for Oil and Gas Activities* (September 2022). pubsaskdev.blob.core.windows.net/pubsask-prod/138811/EnvironmentalReviewGuidelinesForOilAndGasActivities%252BSeptember%252B2022.pdf (28 March 2024).

In our sample of 51 applications tested, 11 applications required Environment's approval. We found:

- Environment received all information required in the application (e.g., site survey, site layout, setback requirements, environmental screening checklist)
- Appropriate staff approved all applications we expected them to based on the environmental screening checklists submitted by operators¹⁴
- Environment was unable to provide any evidence as to whether the operators' proposed plans were appropriate, whether it determined the operators planned appropriate mitigation steps, or its rationale when it added additional mitigation steps to the licence requirements (if any)

Without documenting key judgements when assessing areas of higher risk or complexity, there is risk that Environment staff do not appropriately consider key risks when approving licence applications that could lead to significant adverse effects on the environment.

2. We recommend the Ministry of Environment document key judgments about environmental risks when reviewing and approving oil and gas well and facility applications.

4.5 Licence Applications Approved Timely

Ministry of Energy and Resources' staff generally review and approve well and facility applications timely to verify whether applicants meet eligibility requirements and comply with legislation.

The Ministry generally meets its target for reviewing and approving applications timely, striving to approve non-routine applications within 14 days of application receipt, and to review routine, automatically-approved applications within 14 days. We considered 14 days for review of routine and approval of non-routine applications appropriate. For example, for routine applications it is unlikely an operator will have started significant work on the site within that period.¹⁵

See **Figure 5** for a summary of well and facility licences the Ministry approved.

Figure 5—Well and Facility Licences Reviewed and Approved between December 1, 2022, and November 30, 2023

Licence Type	Licences Reviewed	Target to Approve/Review Within (days)	Average Time to Approve/Review (days)
Well Licence – Non-Routine	940	14	10.7
Well Licence – Routine	793	14	Not regularly assessed
Total Well Licences	1,733		

¹⁴ We tested one item of the Ministry of Environment approving a new oil well on agricultural Crown land protected under *The Wildlife Habitat Protection Act*. In this item, the operator proposed not removing soil to build access roads and constructing the well in fall/winter when agricultural land is frozen and not in use as measures to reduce environmental impact.

¹⁵ If the application requires review from other Ministries (e.g., Ministries of Environment or Agriculture), the target to approve applications is 35 days.



Licence Type	Licences Reviewed	Target to Approve/Review Within (days)	Average Time to Approve/Review (days)
Facility Licence – Non-Routine	56	14	13.7
Facility Licence – Routine	47	14	20 (ranged from 1–54 days late)
Total Facility Licences	103		

Source: Adapted from Ministry of Energy and Resources' records.

We found the Ministry did not regularly assess whether it reviewed routine well applications within its 14-day target (Well Licence – Routine row in **Figure 5**). For 7 of 25 (28%) routine well and facility applications tested, we found the Ministry did not always complete a post-approval review within its 14-day expectation (ranged from 1–23 days late). See **Section 4.11** where we indicate additional internal analysis of measures needed.

We tested a sample of 51 applications and found the Ministry did not meet its target for reviewing and approving 11 applications (ranged between 1–23 days later than the target). While we found it reviewed some applications later than expected, we did not consider these to be significant delays (23 days late).

Additionally, we recognize some delays occur when other agencies involved do not complete their review timely. For example, of the non-routine applications tested, we identified four not approved timely. Of these four applications, three required the Ministry of Environment's review and approval. Overall, our analysis of well and facility application approvals found staff reviewed and approved approximately 85% of non-routine well applications and 64% of facility non-routine applications timely.

Approving applications timely enables the Ministry to ensure applicants meet requirements and that it does not cause operators to experience project delays.

4.6 Risk-Informed Inspection Plan Needed

The Ministry of Energy and Resources continued to work on a project to inspect higher risk wells it identified in 2021 that it had not inspected since 2015. It expected to complete this project by 2026. However, the Ministry has not developed a risk-informed plan to perform ongoing inspections for all wells and facilities beyond 2026.

Ministry staff inspect wells and facilities to monitor operators' compliance with key operating requirements (e.g., Regulations, Directives). From December 1, 2022, to November 30, 2023, the Ministry inspected about 25% of all active and inactive wells (about 21,700 of 84,000).

Each regional manager uses their experience and judgment to prioritize inspections and assign staff to complete inspections. For example, one regional office documented guidance to help staff prioritize inspections depending on informally assessed risk. The guidance prioritizes inspections where a landowner complained, or a reportable incident occurred. The other regional offices did not have documented guidance to prioritize inspections. Although, through our discussion with each regional office, each indicated they

used similar practices such as prioritizing public complaints for selecting which wells to inspect first.

In 2021, the Ministry began a five-year project to focus its regulatory oversight on wells it had not inspected since at least 2015. In 2021, the Ministry assessed the risk of each uninspected well based on various factors such as location, fluid type (e.g., oil, gas, water) and production volume. We found the factors it used to assess risk appropriate. Its goal is to inspect each of the wells assessed as high and medium within five years (complete by 2026).

See **Figure 6** for status of the project as of December 31, 2023. The Ministry inspected 88% of the 18,511 wells identified as higher risk. However, the Ministry did not have a plan for when to inspect low-risk wells (28,169 wells) or when to reinspect wells it inspected between 2015–21 (37,709 wells) after 2026. Also, its project does not include facilities (i.e., no plan for when to inspect facilities) or new wells since 2021.¹⁶

Figure 6—Status of Project to Inspect Wells Without Recent Inspections in IRIS

Region	Risk Rating	Wells Identified for Inspection (2021) ^A	Inspected at December 31, 2023	Wells Remaining to be Inspected at December 31, 2023	% Completed
Estevan	High	319	173	146	69%
	Medium	6,165	5,591	574	91%
Kindersley	High	1,364	1,364	-	100%
	Medium	8,547	6,931	1,616	84%
Lloydminster	High	92	92	-	100%
	Medium	1,679	1,494	185	90%
Swift Current	High	12	12	-	100%
	Medium	333	333	-	100%
Project Total		18,511	15,990	2,521	88%
Wells assessed as low risk ^B	Low	28,169			
Wells not part of project		37,709			
Total wells (active and inactive) ^C		84,389			

Source: Adapted from Information provided by the Ministry of Energy and Resources.

^A Wells not included in this project already had an inspection prior to 2021 documented in IRIS.

^B Wells assessed as low risk are not targeted for inspection as part of the project, but still may be inspected.

^C Total wells (active and inactive) at March 12, 2024.

Other than its inspection project, the Ministry did not have an ongoing plan for how it determines a risk rating for wells and facilities and for how it will use those ratings to plan inspection frequency of oil and gas wells and facilities going forward.

Having an inspection plan stating the required inspection frequency of wells and facilities will help reduce the risk of unnoticed non-compliance and subsequent consequences. It is good practice to develop inspection plans based on risk. Such plans use risks (e.g., history of non-compliance) to determine the nature and extent (frequency) of inspections.

¹⁶ The Ministry of Energy and Resources completed 275 facility inspections from December 1, 2022, to November 30, 2023, which is about 3.5% of total active facilities.



Having a written risk-informed inspection plan would help the Ministry allocate its resources to inspect the highest priority wells and facilities, especially as Saskatchewan has a significant number of wells and facilities. In addition, inspectors are also responsible for other tasks including handling complaints and reported incidents.

3. We recommend the Ministry of Energy and Resources implement a risk-informed plan for inspecting oil and gas wells and facilities.

4.7 Need to Strengthen Guidance to Staff Around Completing Inspections and Escalating Enforcement Actions

The Ministry of Energy and Resources does not set central expectations to guide staff in completing inspections or escalating enforcement actions when it identifies operators not complying with operating requirements. We found the Ministry does not document whether it routinely inspects the highest risk areas during its inspections of wells and facilities.

The Ministry does not have guidance (e.g., manual or standard checklist) establishing central expectations for staff to follow for inspection or enforcement actions. Instead, it expects staff to use their knowledge and experience to make these decisions. Management indicated it relies on on-the-job training, mentoring newer staff, and senior inspectors reviewing work of newer inspectors. Lack of written central expectations may result in inconsistent decisions or actions taken. We found the Ministry did not have central written guidance on:

- Prioritizing inspections (i.e., which wells or situations to address first).

We found one region documented how staff should prioritize tasks (e.g., complaints addressed first then incidents) and found this reasonable.

- Timelines for completing inspection activities (i.e., how quickly staff need to complete inspections and document in IRIS, inspect actions taken by operators to address issues found in past inspections, and follow up on outstanding issues from past inspections).
- Documenting completed inspections (i.e., expected level of detail documented in IRIS).

We found the Ministry documents inspections on an exception basis meaning it only requires staff to document issues found during inspections in IRIS. We expect the Ministry to require staff to document results of minimum mandatory inspection items to ensure all inspections assess the areas of highest risk (e.g., require minimum documentation in IRIS). This would enable the Ministry to demonstrate it completed sufficient inspections.¹⁷

¹⁷ This may not include inspections for specific purposes such as to assess complaints or reported incidents.

- Guide staff on what to inspect during inspections.

As each region has its own inspection checklist, we found key differences in these checklists (used as guides for staff; the Ministry does not require staff to fill out and retain checklists). Some examples of significant items missing:

- One region's well checklist did not include checking whether the operator constructed a proper berm around the well site as required
- Two regions' well checklists did not include checking the distance of flaring equipment to other equipment on the well site
- One region did not have an inspection checklist to assess facilities

We also compared each region's facility checklist to the Alberta Energy Regulator's facility checklist and found each checklist missing some important inspection items such as whether emergency controls and pressure relief systems are present, checking temporary storage tanks are connected properly, and observing equipment inspection records (e.g., pressure vessels) completed by other agencies.

We found each region's well checklists generally consistent to Alberta's well checklist.

Having a standard checklist for all regions to use would help the Ministry communicate key risk areas it expects staff to assess consistently during inspections.

We also found no central guidance for staff to use when escalating enforcement actions such as when to use financial penalties or to suspend/cancel a licence. This increases the risk staff may inconsistently escalate actions on non-compliance and not treat operators fairly.

Not having established guidance for consistent inspections increases the risk staff may not check the most significant risk areas when completing inspections. Additionally, the Ministry may not identify significant deficiencies or risks at well sites or facilities that could impact public health and the environment.

4. **We recommend the Ministry of Energy and Resources develop standard expectations to guide staff when completing oil and gas well and facility inspections and escalating enforcement actions.**

4.8 Inspections Identifying Regulatory Non-Compliance

The Ministry of Energy and Resources' inspections identified operators not complying with operating requirements. The Ministry worked with these operators to fix issues identified.

Consistent with good practice, inspections consist of visual assessments of a well or facility.

When inspectors find issues, based on the risks of the issues found, they select in IRIS the item of non-compliance, the associated risk of the issue, and the appropriate timeframe for operators to address issues. For example, IRIS standard timeframes indicate zero days for high-risk items, and 30 days to fix low or medium risk issues such as needing to construct or repair a berm around a well site. We found the Ministry's defined items of non-compliance, associated risk, and length of time established in IRIS for operators to fix issues appropriate. Staff can adjust the timeframes for operator response using their judgment.



IRIS automatically sends the operator notification when inspectors require actions to address non-compliance issues. IRIS also notifies operators when required actions are overdue (e.g., a few days before the action is overdue for 30, 60, and 90 days).

We tested a sample of 32 inspections and found:

- Because inspection documentation is on an exception basis, we could not determine what the Ministry inspected (see **Section 4.7—develop standard expectations**).
- For 6 of 32 inspections, staff did not enter the inspection into IRIS within five days of the completed inspection. These ranged between 6–32 days after inspection. Four of six inspections identified non-compliant issues requiring follow-up actions from the operator. The Ministry’s lack of established targets on how timely it expects staff to add inspection information to IRIS means delays in notifying the operator and addressing the issue (see **Section 4.7— develop enforcement actions**).
- 15 of 32 inspections found non-compliant inspection items (i.e., operator not in compliance with requirements). The Ministry communicated appropriate actions required based on its inspection. All non-compliance items found were assessed as moderate or low risk.
- 7 of these 15 inspections with non-compliance used the 30-day guidance per the standard timeframe in IRIS. For the other 8 inspections with non-compliance, staff provided operators with additional time to resolve issues (ranging from 9–51 extra days). Staff do not document rationale for providing extra time (e.g., in IRIS).

We found five different time lengths staff gave operators to address similar non-compliance issues (fix berms around well site). Providing different timeframes to address issues without documenting rationale increases the risk of not treating all operators fairly (see **Section 4.7**).

- For 6 of the 15 inspections with non-compliance, the operator did not resolve the issue by the Ministry’s required deadline. Three of these six inspections with non-compliance still had outstanding actions required at the time of our testing. For two of these inspections, we were unable to see evidence the Ministry actively followed up with the operator (e.g., documented date of phone call, sent letter).

The Ministry does not have formal guidance on when or how it expects staff to follow up with operators when there is outstanding action required. This is an example where the Ministry may not be responding timely (see **Section 4.7**).

- For 12 non-compliant inspections, the operator indicated they addressed the issues. For four of these inspections, the Ministry did not complete a re-inspection (i.e., revisit site to verify the operator addressed the issue) within 30 days.¹⁸ Our analysis found the Ministry re-inspected industry fixes within 30 days 77% of the time. We consider this reasonable.

¹⁸ One region documented its expectation for staff to re-inspect issues resolved by operators within 30 days; we assessed this expectation to be reasonable.

The Ministry's on-site inspections led to certain significant findings. Some items found in our testing included:

- One well-site inspection found an unlicensed facility operating on the site
- One inspection found a previously unreported incident related to leaking tanks (including risk of leaking hydrogen sulphide)
- Berm improvements around well sites or tanks (helps reduce risk of fluids leaving the well site if a spill occurred) was a common finding

The Ministry found operators not complying with requirements in about 25% of over 21,000 inspections in 2023.

Completing appropriate inspections is important to hold operators accountable for complying with operating requirements, which helps ensure operators conduct operations safely (e.g., reduces risk of negative impact to the environment).

4.9 Complaints Assessed Timely

While the Ministry of Energy and Resources does not have central guidance for staff to respond to complaints, regional offices had reasonable informal processes to appropriately receive and respond to complaints timely.

The Ministry does not have central guidance on how it expects staff to track and respond to complaints. Each regional office developed their own processes to track complaints (e.g., manual forms, spreadsheet). Upon receipt, staff verify complaint legitimacy and document complaint details in a form (e.g., who submitted, date received). Staff record findings from inspections resulting from complaints in IRIS following the same process as all other inspections.

While the Ministry does not have a formal expectation of how quickly staff should respond to complaints (i.e., when to complete on-site inspection), we found one region used two days for odour complaints (high-risk) and 10 days for other lower risk concerns (weeds), which we consider reasonable.

We tested 15 inspections the Ministry completed resulting from complaints and found it completed inspections timely 85% of the time. It sufficiently recorded these inspection results in IRIS.

Adequately resolving complaints enables the Ministry to address situations that may identify operators not complying with operating requirements. Timely inspection of complaints helps protect public safety by identifying possible non-compliance with regulatory requirements.



4.10 Need to Review Waste Disposal Facilities' Reports Timely

The Ministry of Energy and Resources does not review reports it receives for waste disposal facilities timely.

The Ministry requires operators of waste disposal facilities to submit an annual report that summarizes operational details the Ministry uses to assess if additional action is required (e.g., request field staff to complete an on-site inspection). The Ministry of Environment considers these types of facilities to have a higher risk of environmental impact because they collect waste from oil and gas operations (e.g., contaminated soil, oil and other chemicals).¹⁹ These reports, for example, include the results of groundwater testing surrounding these facility sites. If these facilities are not operating appropriately, there is a risk of contaminated fluids escaping the site and polluting groundwater.

We tested three of 29 waste disposal facilities' reports and found:

- The Ministry received the annual reports for these facilities by its deadline (i.e., March 31, 2023).
- The Ministry did not maintain evidence it reviewed these annual reports (as of March 2024). Management indicated it did not review these reports due to other staff priorities.
- None of these annual reports tested identified significant issues (e.g., environmental impact) the Ministry needed to take immediate action on such as inspecting the site. Additionally, site operators did not report an incident during the previous year.

Not reviewing key reports increases the risk the Ministry may not identify concerns at facilities that can significantly impact the environment (e.g., waste spills) and make sure operators take appropriate action timely.

5. We recommend the Ministry of Energy and Resources review oil and gas waste-disposal facility reports timely to monitor whether environmental risks are identified requiring further action.

4.11 Periodic Reporting to Senior Management Lacks Analysis

The Ministry of Energy and Resources periodically provides some information about its key regulatory processes to senior management; however, we found this information often lacked sufficient analysis (e.g., trends).

The Ministry provides quarterly and annual reports to senior management highlighting key regulatory activities or updates to current projects. For example:

- Number of inspections completed quarterly by region
- Annually, number of inspections completed by type (e.g., wells, facility, pipelines) and a five-year comparison on the number of inspections completed including compliance rate (i.e., number of satisfactory inspections compared to total inspections)

¹⁹ *Environmental Review Guidelines for Oil and Gas Activities* (September 2022).

- Top inspection issues (e.g., during 2023, 2,579 inspections identified issues with appropriate and visible signage at sites)
- Updates on its five-year project for uninspected wells (see description in **Section 4.6**), including a summary of sites the Ministry still needs to inspect

However, for the items listed, we found the Ministry completes minimal trend analysis or detailed analysis. The Ministry could use this information to inform how it prioritizes future inspection activities. See **Figure 7** for examples of key areas where the Ministry could improve its analysis.

Figure 7—Potential Analysis Areas to Report to Ministry of Energy and Resources’ Senior Management

Area of Analysis	Analysis Details
Licence application processing targets	Whether it is improving the timeliness to review and approve licence applications on a year-over-year basis, whether it meets its 14-day target to review routine well applications
Inspection non-compliance rates	Trends on non-compliance for all inspections (e.g., percentage of unsatisfactory inspections), most common issues of non-compliance, compliance rates by region
Non-compliance rates by operator	Trends on operator non-compliance with operating requirements (e.g., year-over-year comparison of operators with high rates of non-compliance) For example, we identified 20 operators in 2023 with three or more inspections with 100% inspection non-compliance rates (i.e., all Ministry inspections were unsatisfactory).
Complaints received	Trends from complaints received such as common issues, common locations or specific operators, and how timely the Ministry responds to complaints
Reported incidents	Trends in incidents reported to support risk-informed inspection activities

Source: Developed by the Office of the Provincial Auditor of Saskatchewan based on Ministry of Energy and Resources’ data.

During 2023, the Ministry was developing a formal process to identify trends in which questions in the licence application were often filled out incorrectly. This will inform ways to improve responses (e.g., provide targeted training to operators). The Ministry expected to fully implement this new process in 2024.

Having a robust process to analyze trends in its key regulatory activities would provide senior management with more meaningful information to inform key regulatory activities (e.g., inspections). It would also help the Ministry prioritize its work and identify areas for improvement. See **Section 4.6** for recommendation to develop a risk-informed inspection plan.

6. **We recommend the Ministry of Energy and Resources enhance written reports given periodically to senior management by including analysis on regulatory activities (e.g., inspections, complaints, non-compliance) related to oil and gas wells and facilities.**

4.12 Public Reporting Reasonable

The Ministry of Energy and Resources’ public reporting on its licensing and inspection activities for oil and gas wells and facilities is reasonably consistent with good practice and other jurisdictions.



The Ministry reports information publicly about its licensing and inspection activities annually in its *Oil and Gas Regulatory Cost Recovery Levy Annual Report*.²⁰ For example, this report provides information on inspections (e.g., explains what inspectors do, number of inspections) and information on reviewing and approving licence applications (e.g., timeliness of review, percent of applications cancelled by operators).

We evaluated whether the Ministry's publicly reported information is consistent with other jurisdictions (e.g., Alberta Energy Regulator). Overall, the reported information is consistent except for:

- Outcome of inspections (e.g., percentage of compliant/non-compliant inspections).
- Processing licence application target. The Ministry reports on the average time it takes to process non-routine licence applications but neither discloses its licence application processing target (i.e., 14 days) nor how often it meets this target.

Once it develops a risk-informed inspection plan (see **Recommendation 3**), the Ministry can improve its public reporting about inspections completed (e.g., report on risk assessments, inspection results, and whether it is achieving its inspection plan).

We suggest the Ministry consider reporting additional information publicly. Reporting sufficient information publicly increases transparency.

5.0 SELECTED REFERENCES

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²⁰ publications.saskatchewan.ca/#/products/121964 (28 March 2024).

Chapter 3

Environment—Regulating Industrial Emitters

1.0 MAIN POINTS

Industry-driven greenhouse gas emissions contribute to climate change. Climate instability impacts the environment, human health, and the economy. For example, Saskatchewan has experienced more prolonged droughts, wildfires, and extreme temperatures in recent years.

In 2019, the Ministry of Environment began operating an Output-Based Performance Standards Program designed to regulate industrial emitters to reduce greenhouse gas emissions per unit of production (called emissions intensity). Emitters who join the Program are exempt from the Federal carbon pricing system. Regulated industrial emitters, such as from the oil and gas, potash and steel industries, accounted for about 16% of Saskatchewan's total greenhouse gas emissions in 2021. The Program has grown from 80 industrial emitters in 2019 to 154 in 2023.

The Program intends to help maintain industrial sector economic competitiveness while also reducing greenhouse gas emissions intensity. Under the Program, industrial emitters exceeding annual facility-specific emissions intensity limits must pay a levy to the Ministry intended to fund technologies to reduce emissions intensities.¹ Nearly half of regulated emitters exceeded their permitted limit for 2019 and 2020.

We audited the Ministry's processes to regulate industrial emitters to reduce greenhouse gas emissions intensity. We found the Ministry had effective processes, except it needs to:

- Determine and use sufficient measures to publicly report on the effectiveness of the Program

The Ministry does not have sufficient measures focused on assessing whether the Program is achieving the desired environmental and economic results (e.g., reducing emissions intensity, saving industrial emitters money). Public reporting on measures helps the public hold the Government accountable for achieving the expected benefits and supports ongoing assessment to help improve the effectiveness of carbon levy programs.

- Implement a robust data management system to improve analysis and decrease the risk of information errors or inaccuracies. Poor data management systems reduce the Ministry's ability to assess the Program's results.
- Document staff guidance for consistently evaluating concerns identified in third-party verifier reports about industrial emitter returns. This will help ensure the Ministry receives reliable emitter information and collects all levies owed.

¹ The Ministry collected \$29 million from industrial emitter levies in 2022–23 and forecasts \$121.3 million from these same emitters for 2023–24.



2.0 INTRODUCTION

The Ministry of Environment is responsible for managing and protecting Saskatchewan's environment for the wellbeing of the province and its people.² In 2022–23, the Ministry spent \$4.4 million on climate change related initiatives such as the development and administration of regulatory programs (2021–22: \$4.5 million).³ It planned to spend \$5 million on climate change related initiatives in 2023–24.⁴

The Ministry manages several initiatives within the Government of Saskatchewan's climate change strategy. One of these initiatives is an Output-Based Performance Standards Program that began in 2019 to regulate industrial emitters to reduce greenhouse gas emissions intensity. Emissions intensity is greenhouse gas emissions relative to production for an emitter's industrial facility.

At December 2023, the Ministry had 17 staff who work on the Output-Based Performance Standards Program.

2.1 Greenhouse Gas Emissions Cause Climate Change

Greenhouse gas emissions are the current primary cause of climate change because, once released, these gases warm the earth by trapping solar radiation.⁵ Some human activity (such as manufacturing, agriculture, or use of fossil fuels) creates greenhouse gas emissions, thereby increasing the risk of global climate change.⁶

Climate change poses significant threats to environmental sustainability, economic growth, biodiversity, human health, infrastructure, and water resource management. Climate change can be caused by natural processes (sun, atmosphere-ocean-land systems), as well as from human activity.⁷

Climate change is a long-term shift in the average weather conditions of a region, such as its typical temperature, rainfall, and windiness. It means that the range of conditions expected in many regions will change over the coming decades, including changes in extreme conditions.

The average global temperature has increased about 1.1° Celsius since 1880 with most of this warming occurring since 1975.⁸ The 2023 calendar year was the warmest year on record globally, with the seven months from June to December all breaking temperature records.⁹

The prairies have one of the most variable climates in Canada with typically hot and dry summers and cold winters. Climate change affects weather, such as increasing the number or intensity of heat waves, wildfires, intense storms, torrential rains, and droughts.¹⁰

² Ministry of Environment, *Business Plan 2023–24*, p. 3.

³ Ministry of Environment, *2022–23 Annual Report*, p. 11.

⁴ Ministry of Environment, *Business Plan 2023–24*, p. 9.

⁵ International Panel on Climate Change, *Climate Change 2023 Synthesis Report*, p. 4.

⁶ canada.ca/en/environment-climate-change/services/environmental-indicators/greenhouse-gas-emissions.html (14 February 2024).

⁷ canada.ca/en/environment-climate-change/services/climate-change/canadian-centre-climate-services/basics/concepts.html (4 March 2024).

⁸ earthobservatory.nasa.gov/world-of-change/global-temperatures (14 February 2024).

⁹ climate.copernicus.eu/warmest-december-concludes-warmest-year-record (4 March 2024).

¹⁰ Ministry of Environment, *2023 State of the Environment Report*, p. 19.

Globally, governments have been working for many years to develop and implement achievable strategies aimed at managing climate change and the resulting impacts. Jurisdictions with effective climate change strategies will help prepare their economies for increasing global competition as customers seek out lower carbon options.

2.2 Saskatchewan's Output-Based Performance Standards Program

Saskatchewan created an Output-Based Performance Standards (OPBS) Program within its climate change strategy in response to the Federal Government's national carbon pricing system that started in 2019.

The national carbon pricing system has two parts: a regulatory charge on fossil fuels like gasoline and natural gas (fuel charge) and a performance-based system for emitting industries (output-based pricing system). Provinces and territories can request Federal Government approval to run their own programs or let one or both parts of the Federal pricing system apply.¹¹

Under an output-based pricing system, emitters pay a price if they produce more greenhouse gas emissions (carbon dioxide and equivalents such as methane and nitrous oxide) than permitted by the pricing system. The Federal pricing system uses national emissions data to determine permitted emissions intensity benchmarks for various industry sectors. The system tightens each respective sector benchmark annually by defined increments up to 20% by 2030. The system expects to encourage innovation while maintaining competitiveness and protecting against 'carbon leakage' (i.e., risk emitters move operations from one country to another to avoid paying a price on emissions, which may lead to higher global emissions).¹²

Under approved jurisdictional programs, provinces and territories can use jurisdictional emissions data as the basis for determining permitted emissions intensity benchmarks for emitters rather than national emissions data. Appropriate permitted emissions intensity benchmarks can help protect provincial economies by keeping pricing systems affordable to emitters (e.g., avoid bankruptcy), and may help to protect the environment by preventing carbon leakage that could increase global emissions.

In 2018, the Federal Government approved the Government of Saskatchewan's Output-Based Performance Standards (OBPS) Program to begin January 1, 2019. The Ministry of Environment became responsible for the OBPS Program under *The Management and Reduction of Greenhouse Gases Act* (Saskatchewan). The Federal Government intends to periodically review Saskatchewan's Program to confirm alignment with the Federal guidelines.

The approved Program allows the Government of Saskatchewan to determine sectors eligible to register in its Program and the greenhouse gas emissions thresholds that require emitters to join the Program (e.g., 25,000 tonnes of carbon dioxide equivalent emitted annually).^{13,14} The Government also sets the emissions intensity reduction requirements

¹¹ canada.ca/en/environment-climate-change/services/climate-change/pricing-pollution-how-it-will-work.html (26 March 2024).

¹² canada.ca/en/environment-climate-change/services/climate-change/pricing-pollution-how-it-will-work/output-based-pricing-system.html (27 February 2024).

¹³ Emitters with lower thresholds may voluntarily opt into the Program.

¹⁴ Saskatchewan's OBPS Program includes five additional sectors than the Federal pricing system: chemical manufacturing, wood product manufacturing, mineral product manufacturing, agricultural and industrial equipment manufacturing, and food and beverage processing.

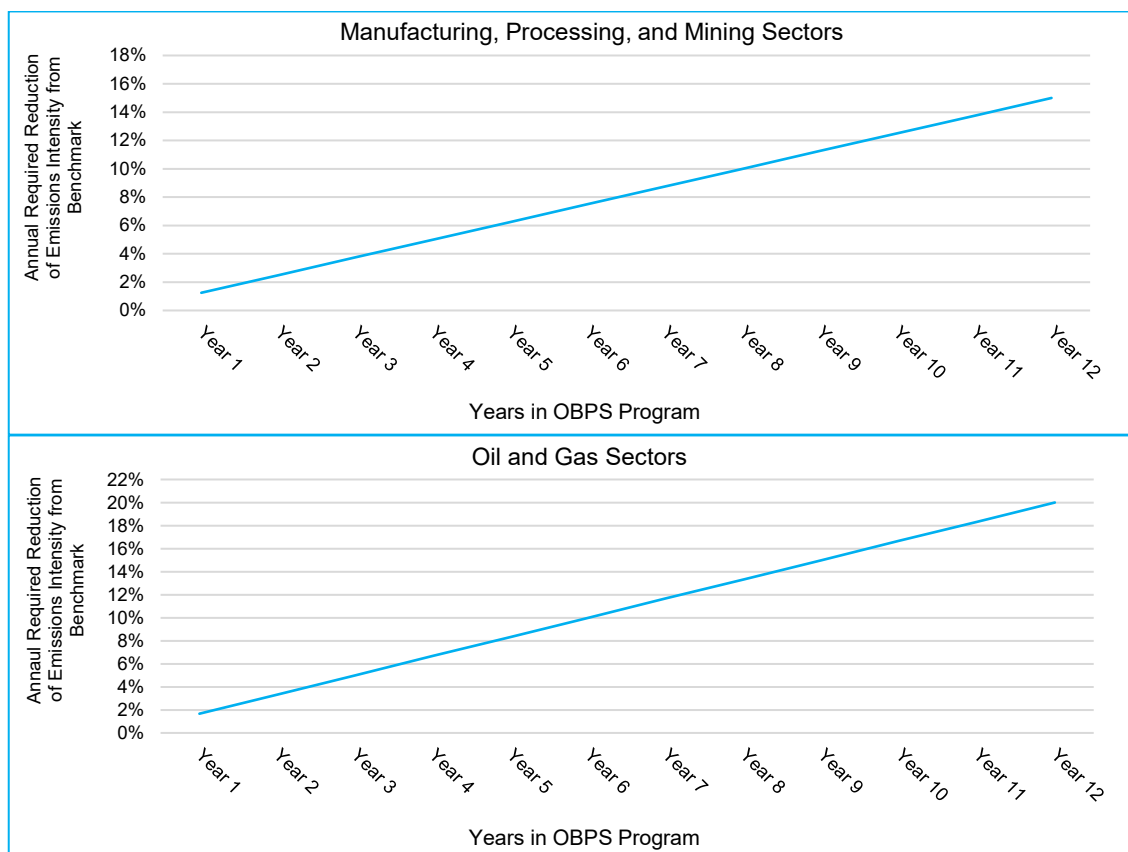


emitters must meet each year, or consequently pay levies if they do not achieve expected reductions. Emitters are exempt from the Federal Program, including the fuel charge component, once registered in Saskatchewan's OBPS Program. Also, similar to other Canadian jurisdictions with their own programs, Saskatchewan's Program allows more gradual reductions of emissions intensity, resulting in lower levies until 2030. The Ministry estimates Saskatchewan's OBPS Program will save regulated industrial emitters about \$3.7 billion compared to the Federal Program by 2030.¹⁵

Under Saskatchewan's OBPS Program, regulated industrial emitters who reduce their emissions intensity below an annual facility-specific limit will earn performance credits that can be sold or saved for future use. Regulated industrial emitters who exceed their facility-specific limits must either use credits or make a payment (i.e., pay a levy) to the Ministry. These levies may then be used to fund technologies that reduce greenhouse gas emissions intensity at regulated industrial facilities (i.e., through the Ministry's Saskatchewan Technology Fund).¹⁶

Figure 1 shows the cumulative emissions intensity reduction requirements for Saskatchewan's OBPS Program from Year 1 to Year 12 from when an industrial emitter enters the Program. For example, under the Program, the upstream oil and gas sector will have to annually reduce emissions intensity by 1.67% or pay a levy.

Figure 1—Saskatchewan Cumulative Emissions Intensity Reduction Requirements



Source: Adapted from *The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations*, 2023, Table 1.

¹⁵ Ministry of Environment, 2022–23 Annual Report, p. 4.

¹⁶ The Saskatchewan Technology Fund administers non-repayable grants to regulated industrial emitters to support projects to reduce greenhouse gas emissions intensity. The Fund began receiving grant applications in September 2023.

Figure 2 indicates about 16% of total greenhouse gas emissions in Saskatchewan are from sectors the Ministry regulated through the OBPS Program and that we focused our audit on (shaded in **Figure 2**). The Ministry became responsible for regulating the electricity sector in 2023, but the Ministry did not receive any reporting from these emitters by December 31, 2023, and, as a result, our audit did not include this sector. In 2023–24, the Ministry forecasts revenue of \$447.6 million from OBPS Program levies, of which \$326.3 million relates to the electricity sector.¹⁷

Figure 2—2021 Greenhouse Gas Emissions by Sector and under Ministry Regulation^A

Economic Sector	% of Total 2021 Provincial GHG Emissions ^B	Regulated by Ministry's OBPS Program	% of 2021 GHG Emissions included in Ministry's OBPS Program
Oil and Gas	25%	Yes	10%
Agriculture	24%	No	0%
Electricity^C	23%	Yes	0%
Transportation	14%	No	0%
Heavy Industry (e.g., potash, steel)	6%	Yes	6%
Buildings	6%	No	0%
Waste and Others	3%	No	0%

Source: Government of Saskatchewan's 2023 *State of the Environment Report*, p. 19, and adapted from information provided by the Ministry of Environment.

^A 2021 data used because 2022 data was not yet available.

^B GHG means greenhouse gas.

^C Effective January 1, 2023, the Ministry also became responsible for regulating the electricity sector, which will account for another 23% of the province's emissions. Our audit did not include the electricity sector because no reporting was required by December 31, 2023.

2.3 Importance of Regulating Industrial Emitters

Regulating industrial emitters through its Output-Based Performance Standards Program helps the Ministry of Environment to monitor greenhouse gas emissions intensity.

Reducing greenhouse gas emissions intensity will help Saskatchewan minimize negative impacts to provincial economic growth and environmental sustainability caused by climate change. Much of the economy relies on the environment, including agriculture, forestry, tourism, and other resource-based industries (e.g., mining, oil and gas). The success of these industries, and the province, depends on a stable climate to do such things as grow food and have healthy forests.¹⁸

Without effective processes to regulate industrial emitters, Saskatchewan may not achieve reductions in greenhouse gas emissions intensity as expected to protect the environment and economy. Having appropriate processes to collect, analyze, and report accurate and complete emissions intensity data helps the Ministry support the Government of Saskatchewan's climate change strategy, as well as contributes to national efforts to achieve net-zero emissions by 2050.¹⁹

¹⁷ Government of Saskatchewan, 2024–25 *Saskatchewan Budget*, pp. 47 and 48.

¹⁸ www.saskatchewan.ca/residents/environment-public-health-and-safety/saskatchewan-state-of-the-environment-2023/greenhouse-gas-emissions (16 October 2023).

¹⁹ Net-zero emissions means the economy either emits no greenhouse gas emissions or offsets its emissions. www.canada.ca/en/services/environment/weather/climatechange/climate-plan/net-zero-emissions-2050.html (19 March 2024).



3.0 AUDIT CONCLUSION

We concluded for the period ended December 31, 2023, the Ministry of Environment had effective processes, except in the following areas, to regulate industrial emitters to reduce greenhouse gas emissions intensity.

The Ministry needs to:

- **Use sufficient measures to publicly report on the effectiveness of its Output-Based Performance Standards Program**
- **Implement a robust data management system to efficiently track and analyze reported emissions intensity data**
- **Document staff guidance for consistently evaluating concerns identified in third-party verifier reports about industrial emitter returns**

Figure 3—Audit Objective, Criteria, and Approach

Audit Objective:

Assess the effectiveness of the Ministry of Environment's processes, for the period ending December 31, 2023, to regulate industrial emitters to reduce greenhouse gas emissions intensity.

The audit did not examine the Ministry's processes to fund technologies that mitigate, sequester, or capture greenhouse gas emissions at industrial facilities as the Ministry did not approve any funding applications by December 31, 2023 (i.e., from the Ministry's Saskatchewan Technology Fund).

Audit Criteria:

Processes to:

- 1. Set appropriate requirements for regulating industrial emitters**
 - Clearly outline emissions intensity limits and reporting policies to emitters (e.g., compliance return, training, communication to emitters)
 - Register emitters for regulation (e.g., required and voluntary registrations)
 - Establish baseline emissions intensity for industrial facilities to enable measuring reductions in emissions intensities
- 2. Monitor regulated industrial emitters' compliance with emissions intensity requirements**
 - Analyze regulated industrial facilities' data on emissions intensity (e.g., completeness of compliance return, adequate verification, trend analysis, use qualified staff)
 - Assess industrial facilities' emissions intensity against annual limits (e.g., determine whether limits met and any levies)
 - Accurately track and value performance credits (e.g., earned, retired, sold)
 - Take action to resolve non-compliance in industrial facilities' reporting (e.g., warnings, penalties)
- 3. Report emissions intensity results**
 - Analyze provincial emissions intensity against expectations (e.g., trend, impact on emissions and economy)
 - Recommend changes to achieve results (e.g., adjust limits, adjust eligibility requirements)
 - Provide emissions intensity results to senior management and the public

Audit Approach:

To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry of Environment's processes, we used the above criteria based on our related work, reviews of literature including reports of other auditors, and consultations with management. Ministry management agreed with the above criteria.

We examined the Ministry's policies and procedures relating to regulating industrial emitters to reduce greenhouse gas emissions intensity. We interviewed key staff responsible for administering the Program. We assessed the Ministry's processes for providing guidance to facilities for various submissions required under the Program. We tested a sample to determine whether emitters provided the required information, Ministry staff reviewed the information and provided appropriate approval, and levies were in accordance with rates outlined in legislation. We assessed the Ministry's measures and reports to senior management and the public on regulating industrial emitters. We used an external consultant with expertise in the area to help us identify good practice and to assess the Ministry's processes.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Sufficient Measures Needed to Assess Program Effectiveness

While the Ministry of Environment had two measures to monitor emitter participation levels in its Output-Based Performance Standards (OBPS) Program, it needs further measures to assess whether the Program is resulting in the economic and environmental benefits expected, including identifying key measures to use for public reporting.

The Government of Saskatchewan did not formally set out the objectives of its OBPS Program. However, based on its public communications about the Program, objectives include:

- Maintaining economic competitiveness by reducing the amount industrial emitters pay for carbon pricing (e.g., fuel charge)
- Protecting against carbon leakage that can increase global greenhouse gas emissions (industry moving production and jobs to other countries with less stringent climate policies, meaning increases in global emissions and decreases in Saskatchewan exports)²⁰

The Ministry had two measures specific to the OBPS Program at December 2023, as shown in **Figure 4**. Both measures focus on Program participation, as reflected by the quantity and the size of industrial emitter facilities registered in the Program. These measures are output focused (e.g., levels of activity) rather than achievement oriented (e.g., reducing emissions intensity), which do not support effective assessment of the Program. In addition, these measures lacked adequate targets (e.g., did not quantify increases expected). The Ministry plans to report on the status of these measures in its 2023–24 annual report.

Figure 4—Ministry of Environment’s Measures Specific to the OBPS Program

Desired Result	Measure	Target	Actual Results
Increased number of facilities in Saskatchewan taking part in emissions intensity reduction program	Number of facilities registered in the OBPS Program	Increase the number of facilities covered under the OBPS Program	See Figure 7 – number of facilities increased by 74 since 2019
Increased amount of emissions in Saskatchewan covered by the emissions intensity reduction program	Amount of Saskatchewan emissions covered under the OBPS Program	Increase the amount of provincial emissions covered under the OBPS Program	See Figure 2 – electricity sector added in 2023

Source: Adapted from Ministry of Environment, *Business Plan 2023–24*, p. 5. Results column added by Provincial Auditor Saskatchewan.

Management advised us the Ministry is considering future measures such as percentage of emitters who pay required levies timely.

²⁰ saskatchewan.ca/government/news-and-media/2022/january/19/saskatchewan-expands-obps-to-protect-additional-sectors-from-the-federally-imposed-carbon-tax (26 March 2024).



In July 2021, the Federal Government provided the Ministry with a list of public reporting requirements for its OBPS Program (e.g., total emissions from facilities and sectors covered by the OBPS Program, total OBPS levies issued and paid). The Federal Government did not set or require targets for these measures; the Ministry did not set its own targets for these measures. These measures could potentially be used to better inform the public whether the Ministry is delivering the Program's intended economic and environmental outcomes. The Ministry had not reported on these measures at December 31, 2023, and is not required to report until 2025.

Figure 5 provides some examples of potential performance measures the Ministry could consider to effectively assess the OBPS Program.

Figure 5—Examples of Other Performance Measures to Assess OBPS Program

Other Performance Measure Examples	Potential Economic Outcomes	Potential Environmental Outcomes
Total levies issued and paid to the Ministry's Saskatchewan Technology Fund	Reduced levies due to environmental improvements by industrial emitters	Decreases in emissions intensity due to environmental improvements by industrial emitters
Greenhouse gas emissions intensity under the OBPS Program per unit of gross domestic product (GDP)	Size of the industrial economy (GDP) increases at a faster rate than emissions intensity due to producing less emissions-intensive products	
Industrial emitter pricing system savings resulting from the OBPS Program	Savings from fuel charge exemption resulting in increased size of the industrial economy (GDP)	None
Changes in regulated emitters' emissions intensity	Decreases in emissions intensity lead to invested savings that increase the size of the industrial economy (GDP)	Decreases in emissions intensity due to environmental improvements by industrial emitters

Source: Developed by the Office of the Provincial Auditor of Saskatchewan.

Without sufficient measures, the Ministry cannot effectively assess and publicly report on the performance of the OBPS Program toward economic and environmental goals of the Government, and report on what is important to the public.

- 1. We recommend the Ministry of Environment use sufficient measures to publicly report on the effectiveness of its Output-Based Performance Standards Program.**

4.2 More Robust Data Management System Needed

The Ministry of Environment needs to complete development of its IT data management system to support robust and efficient analysis and reporting. Manual processes to track greenhouse gas emissions reported by industrial emitters can result in inefficiency and data inaccuracies.

We found the Ministry manually input limited data in a spreadsheet, such as the total emissions of emitters registered in the Output-Based Performance Standards (OBPS) Program. For example, it did not track emissions and units produced by product type (e.g., iron and steel). This process did not efficiently support detailed trend analysis and increased the risks of manual input errors or unauthorized changes to data.

More extensive data analysis can help to identify potential errors or fraud. While we did not identify any input errors or fraud during our testing, using a more sophisticated data management system can help the Ministry identify data inaccuracies and improve analysis to identify potential issues. We note while fraud may be rare, it can occur as illustrated by a case in 2023 where the Alberta government criminally charged a private company for falsifying emissions data for Alberta's regulated emitters program.²¹

Poor data management processes reduce the Ministry's ability to assess the Program's results. We could not reasonably complete detailed analysis of total emissions intensity of emitters in the Program since the Ministry did not have a robust process to track all relevant data. For example, we could not readily assess whether industrial emitters' emissions intensities collectively are trending down or up. Sufficient, quality data systems will also support robust analysis for reporting against performance measures once defined by the Ministry, as described in **Section 4.1**.

In addition, we found the Ministry combined actual and baseline data in its spreadsheet used to track actual emissions for a year. The Ministry used baseline data as a proxy where actual results were not available. Such estimation methods do not provide accurate provincial emissions data for emitters; clear explanations will need to be provided for these data inconsistencies to support effective decision-making.

At December 2023, the Ministry was developing an IT system to allow efficient tracking of all information collected from emitters, which will support more robust analysis and reporting. Allowing direct entry of required information by emitters through online forms may also increase efficiency for both emitters and the Ministry, as well as reduce the risk of data entry errors.

Without an adequate data management system, the Ministry cannot efficiently obtain, track, and analyze greenhouse gas emissions data reported by industrial emitters to determine whether the OBPS Program is achieving the desired results.

2. We recommend the Ministry of Environment implement a robust data management system to efficiently obtain, track, and analyze sufficient greenhouse gas emissions data reported by industrial emitters.

4.3 Clear Requirements Conveyed to Register Emitter Facilities

The Ministry of Environment provided clear requirements to staff and emitters for registering facilities in the Output-Based Performance Standards (OBPS) Program, such as standardized registration forms and checklists.

The Ministry required each emitter in the regulated sectors (see **Figure 2**) to register each of its industrial facilities exceeding annual emissions of 25,000 tonnes of carbon dioxide equivalents (CO₂e).²² See **Figure 6** for similar registration requirements in other Canadian jurisdictions compared to Saskatchewan. In Saskatchewan, any industrial facility within the regulated sectors may also voluntarily register with the Ministry to become a regulated

²¹ www.westernstandard.news/alberta/alberta-government-charges-company-with-falsely-reporting-emissions/article_0dfc8320-2290-11ee-bf2a-b31729be6995.html (11 October 2023).

²² 25,000 tonnes of CO₂e is the equivalent of driving about 5,500 gasoline-powered passenger vehicles for one year. www.epa.gov/energy/greenhouse-gas-equivalencies-calculator#results (27 February 2024).



industrial facility. For example, a facility may want to register with the Ministry to obtain a carbon pricing exemption certificate to reduce costs from the fuel charge incurred under the Federal carbon pricing system.

Figure 6—Registration Requirements for OBPS Programs

Jurisdiction	Mandatory Registration Requirement in tonnes of CO ₂ e	Voluntary Registration Requirement in tonnes of CO ₂ e
Alberta	> 100,000	> 2,000 ^B
Canada ^A	> 50,000	> 10,000
New Brunswick	> 50,000	> 10,000
Ontario	> 50,000	>10,000
Saskatchewan	> 25,000	> 0
Newfoundland and Labrador	> 25,000	> 15,000
British Columbia	> 10,000	> 0

Source: Developed by the Office of the Provincial Auditor of Saskatchewan.

^A Provinces and territories that do not have their own OBPS program are included in Canada's pricing system.

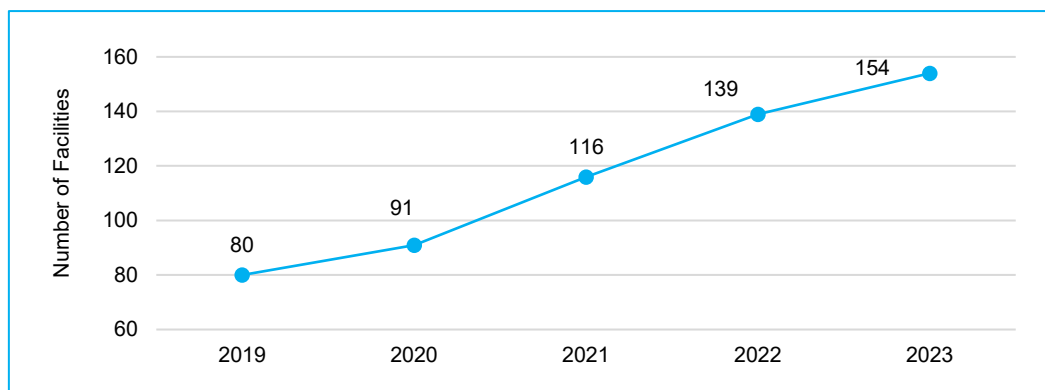
^B Unless the emitter has already registered a facility in the same sector, in which case the requirement is 0 tonnes of CO₂e.

The Ministry periodically checks a Federal listing of all facilities in Canada that produce at least 10,000 tonnes of CO₂e to ensure required industrial facilities in Saskatchewan are registered. We analyzed the Federal listing and found all Saskatchewan facilities that produce at least 25,000 tonnes of CO₂e were registered in Saskatchewan's OBPS Program.

The Ministry also allowed voluntary registration into the Program for aggregate facilities—individual facilities producing less than 25,000 tonnes of CO₂e operated by an emitter grouped together.²³ All aggregate facilities are upstream oil and gas companies involved with the production of oil and gas.

As shown in **Figure 7**, at December 2023, the Ministry regulated 100 emitters who operate 154 facilities (58 industrial facilities mandatorily registered in the OBPS Program; the rest voluntarily registered). The number of facilities registered has almost doubled since 2019.

Figure 7—Number of Registered Facilities in Saskatchewan's OBPS Program, by Year



Source: Adapted from information provided by the Ministry of Environment.

²³ An aggregate facility consists of a collection of two or more individual facilities of the same operator, including all the operator's individual and industrial facilities with total regulated emissions less than 25,000 tonnes of CO₂e. It does not include any industrial facility with emissions greater than 25,000 tonnes of CO₂e. Source: Government of Saskatchewan, *The Aggregate Facility Standard*, p. 15.

In 2023, the Ministry registered 17 new facilities in the Program.²⁴ About 75% of these emitters registered voluntarily.

The Management and Reduction of Greenhouse Gases (Standards & Compliance) Regulations, 2023, and the Ministry's facility standards outline the registration requirements for facilities. The Ministry's registration requirements expect an emitter to submit a registration form and a signed declaration from an authorized signing officer (i.e., person legally responsible for information provided), and may request additional information such as a map showing the location of each individual facility.

Once the Ministry receives a request to register from an emitter, it provides a registration application package to eligible emitters. We found the Ministry's registration form included all expected information requirements and was consistent with legislation and other Canadian jurisdictions.

Two Ministry staff (i.e., a primary and a secondary reviewer) review the registration application using a checklist that sets out expected steps (e.g., check completeness, first production date, appropriate signing authority). The checklist includes all the information the Ministry expects to receive with the registration application.

If no issues occur during the registration review, the Ministry provides the facility a registration approval letter. The Ministry also sends the letter to Environment and Climate Change Canada (ECCC) to inform the Federal Government of the facility's approval into the Saskatchewan OBPS Program.

For 16 registrations (from 2019 to 2023) tested, we found:

- Appropriate Ministry staff completed the reviews, including completing the registration review checklists
- Emitters provided required registration information
- The Director of Emissions Management and Compliance signed the facility registration approval letters and communicated approvals into the Program timely to the emitter and ECCC (i.e., within a month of Ministry staff finalizing review of a completed registration package)

Providing standardized registration forms and checklists for staff supports consistent and appropriate review of emitter registration applications.

4.4 Guidance Provided to Complete Returns, But Remittance Time Lengthy

The Ministry of Environment maintains reasonable guidance about various returns it requires from regulated emitters to support their compliance with Output-Based Performance Standards (OBPS) Program requirements. However, we suggest the Ministry reassess how long it gives emitters to submit payments when they exceed their facility-specific emissions intensity limits (i.e., have excess emissions).

²⁴ In 2023, two facilities left the Saskatchewan OBPS Program.



The Ministry provides guidance and templates on its website to emitters to use to meet emissions intensity reporting requirements.²⁵ The guidance and return templates promote consistency of information received from emitters to support efficient review by Ministry staff. We found the Ministry's guidance adequate and consistent with legislation. The guidance is also clear when the emissions information is due to the Ministry. The Federal Government approved these deadlines as part of the Program.

Figure 8 outlines the baseline, emissions and compliance returns the Ministry requires from emitters.

Figure 8—Types of Returns Required from Emitters

Type (Frequency)	Description	Deadline	Example – New Industrial Facility Registered March 31, 2021	
			Due Date	Ministry Review
Baseline Return (One-time unless operations change)	Used to determine annual permitted emissions intensity which reduces over time – see Figure 1	New facility: ^A June 1 following 2 years of operation	June 1, 2024	Registration review – April 30, 2021 Baseline Return review – June 1, 2025
Emissions Return (Annual)	Reports actual emissions intensity to determine whether emitter exceeded the annual permitted emissions intensity for the year Performance credits are earned where actual emissions intensity is below the annual permitted amount	June 1 following the compliance year	June 1, 2025 for 2024 emissions; June 1, 2026 for 2025 emissions; and so on	October 31, 2026 for 2024 emissions; October 31, 2027 for 2025 emissions; and so on
Compliance Return (Annual) ^B	Submitted by emitter for all its regulated facilities (i.e., one combined compliance return) if it has a levy (actual emissions intensity exceeded the annual permitted amount), along with any required payment	October 31 following the year in which the emissions return is submitted	October 31, 2026 for 2024 emissions; October 31, 2027 for 2025; and so on	November 30, 2026 for 2024 emissions; November 30, 2027 for 2025 emissions; and so on

Source: Adapted from information provided by the Ministry of Environment.

^A A new facility is one that had no operations prior to 2019; its baseline used an average of two years of actual emissions following registration. A new facility registers with the OBPS Program when it begins operations. An existing facility was required to submit its baseline return six months after registration was approved.

^B Prior to the 2023 compliance year, emitters could provide a two-year combined compliance return (e.g., 2019 and 2020 reported together).

The Ministry gives emitters extensive time to file their compliance returns and pay any levies after filing their actual emissions intensity (emissions return) for a year, as shown in **Figure 8**. For example, for the 2024 compliance year, the Ministry requires actual emissions intensity information that indicates whether emitters met their permitted emissions intensity for each facility to be submitted by June 1, 2025. However, if emitters exceed the permitted emissions intensity, they do not have to file their compliance returns and pay the Ministry until October 31, 2026. This is about 1.5 years after emitters determine they exceeded their limits.

²⁵ www.saskatchewan.ca/business/environmental-protection-and-sustainability/a-made-in-saskatchewan-climate-change-strategy/guidance-for-emitters (28 February 2024).

We found other Canadian jurisdictions set earlier compliance return deadlines for their OBPS programs (see **Figure 9**).

Figure 9—Canadian Jurisdiction Compliance Return Deadlines

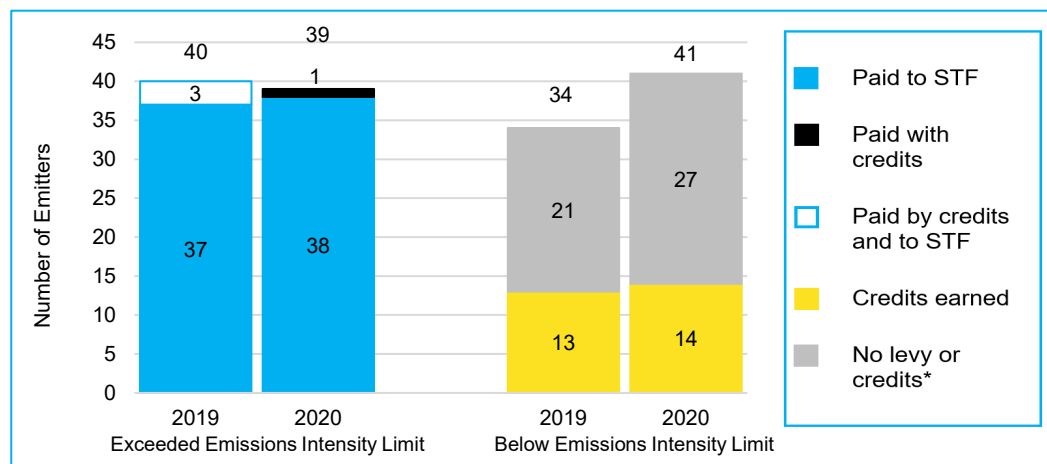
Jurisdiction	Deadline	Example for 2023 compliance year
Alberta	June 30 (half a year after compliance year)	June 30, 2024
Canada	December 15 (year after compliance year)	December 15, 2024
Ontario	December 15 (year after compliance year)	December 15, 2024
Saskatchewan	October 31 (almost two years after compliance year)	October 31, 2025

Source: Developed by the Office of the Provincial Auditor of Saskatchewan.

While longer timeframes may be reasonable during the implementation phase of the OBPS Program, the Ministry should reassess these timeframes as the Program matures. Earlier payment of levies supports timely consequences for not meeting permitted emissions intensity, as well as supporting earlier funding of technologies that reduce greenhouse gas emissions through the Ministry's Saskatchewan Technology Fund. In 2022–23, regulated industrial emitters paid levies of \$29 million for the 2019 and 2020 compliance years, and owed an additional \$0.2 million.²⁶ If levies are not paid in a timely manner, the amount owing to the Technology Fund may be at risk of non-payment in the event emitters cease operations.

Figure 10 outlines compliance results for returns received for 2019 and 2020 compliance years. About half of these emitters exceeded their permitted emissions intensity and were required to pay a levy (2019: 40 emitters; 2020: 39 emitters).

Figure 10—Summary of Compliance Return Results Received for 2019 and 2020



Source: Developed by the Office of the Provincial Auditor of Saskatchewan.

STF – Saskatchewan Technology Fund

* Data is incomplete because the Ministry does not require emitters to submit a compliance return if they do not owe a levy.

²⁶ Ministry of Environment, *Saskatchewan Technology Fund Annual Report 2022–23*, p. 4.



Communicating adequate guidance to emitters allows for clarity and consistency in the emitter information received by the Ministry. See **Section 4.7** for further details on our testing of actual emitter returns submitted and reviewed by the Ministry.

4.5 Insufficient Expectations for Staff Evaluating Verification Concerns

The Ministry of Environment had sufficient expectations for staff to evaluate information received from emitters except when third-party verifiers reported concerns with the accuracy of the information.

The Ministry receives all information from emitters via a centralized email account. The Ministry manually tracks returns received in a spreadsheet (e.g., return type, reported year, due date, submitted date, and any notes). While we did not find any issues in the information tracked, we note that a more robust data management system will be needed to support efficiency and accuracy of data processes as the Output-Based Performance Standards (OBPS) Program matures and requires more extensive trend analysis (see **Section 4.2**).

The Ministry outlined in review checklists the expected steps Ministry staff (e.g., emissions engineers) should complete when reviewing each type of required emitter return. While the Ministry did not set formal deadlines for staff to complete reviews, it used the date of the next reporting requirement for the emitter as the maximum time for when staff must complete reviews, including resolving concerns and issuing approvals (see **Figure 8**).

We found the checklists outline who completes each step (i.e., primary or secondary reviewer), documents required for the review, and where to locate documents and communications (e.g., emails from emitters). However, guidance did not include how staff should evaluate concerns third-party verifiers report (see **Section 4.5.1**).

If the Ministry does not receive emitter returns or levy payments within the deadlines, staff first follow up with emitters to attempt voluntary compliance. If the Ministry finds this ineffective, it provides written warnings giving 30, 60, and finally 90 days to comply following a formal process that includes review and approval by the OBPS Program's Executive Director.

If the written warnings do not result in compliance, the Ministry may fine the emitter. *The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations, 2023*, outlines a maximum fine of \$10,000 if the emitter fails to comply with the items outlined in **Figure 11**. The Ministry has not imposed a fine to an emitter since the Program began in 2019.

Figure 11—Examples of Non-compliance Provisions

Provisions for which an administration penalty may be imposed that includes failure to:

- Provide reports
- Comply with an applicable standard
- Register a regulated facility
- Provide information as required
- Comply with a direction (adverse opinion, correction of errors)
- Fulfil a compliance obligation (i.e., levy)
- Submit returns
- Retain documents

Source: *The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations, 2023*, Table 3.

We found the non-compliance guidance reasonable and comparable to other Canadian jurisdictions (i.e., similar guidance and steps to address non-compliance as in other provinces).

As of December 31, 2023, one instance of significant non-compliance occurred in Saskatchewan where a voluntary emitter did not submit baseline and emissions returns by the Ministry's deadlines.²⁷ The Ministry was actively working with the emitter to receive the outstanding submissions before the compliance return deadline. We found the Ministry followed its guidance and sent a warning letter to the emitter.

4.5.1 Guidance Needed for Addressing Concerns Reported by Third-Party Verifiers

The Ministry of Environment did not provide adequate guidance to staff for evaluating concerns identified in third-party verifier reports about industrial emitter returns.

As part of the review of baseline and emissions returns, Ministry staff confirm that emitters use third-party verifiers accredited in accordance with specific ISO standards (International Organization for Standardization) to verify the accuracy of the returns. See **Figure 12** for further information about the verification process and the different types of verification report opinions.

Figure 12—Summary of Verification Process

The Ministry of Environment's standards require emitters to use a third-party verifier to provide assurance that the information submitted in returns is accurate, complete, and in accordance with Ministry standards. This helps the Ministry check that it has adequate data to evaluate emitter compliance with requirements of the OBPS Program.

Verifiers use a variety of activities to validate the data and how it was gathered (e.g., site visits, data review). In their reports, verifiers describe their work (e.g., scope, approach, risk assessment, significance), independence, and opinion.

Verification reports may include one of the following three opinions:

- **Positive (unmodified) opinion** means the third-party verifier did not find any significant errors in the emissions data and data was prepared in accordance with the standards.
- **Positive qualified (modified) opinion** means the third-party verifier did not find any significant errors in the emissions data and data was substantially prepared in accordance with the standards (e.g., estimates used for missing or poor data had no significant impact).
- **Adverse opinion** means the third-party verifier found significant errors in the emissions data or data was not in accordance with the standards (e.g., inappropriate methodology). The Ministry does not accept adverse opinions. It requires the emitter to correct its emissions data within the same compliance year and have the third-party verifier re-issue its verification statement.

Source: Adapted from the Ministry of Environment's OBPS Program guidance.

Of 480 verification opinions on emitter returns up to December 31, 2023, 56 were qualified and four were adverse, as shown in **Figure 13**. The Ministry followed up to confirm the concerns reported did not result in a significant deficiency that would impact levies due or performance credits earned (i.e., accepted all the qualified opinions) or required revised returns with re-issued positive opinions (i.e., for all the adverse opinions).

²⁷ The Ministry of Environment required voluntary industrial emitters to submit returns within the Ministry's deadlines.

**Figure 13—Type of Verification Opinions for Industrial Facilities from Baseline Year to 2022**

Types of Opinions	Baseline Returns	Resubmitted Baseline Returns	Emissions Returns				Total Returns
			2019	2020	2021	2022	
Positive opinions	104	13	63	71	87	82	420
Qualified opinions	30	0	9	7	6	4	56
Adverse opinions	2	0	2	0	0	0	4
Total	136	13	74	78	93	86	480
% Qualified and Adverse	24%	0%	15%	9%	6%	5%	13%

Source: Adapted from information provided by the Ministry of Environment.

Of the 16 facilities we tested, eight had qualified opinions. The Ministry followed up with these facilities to obtain further details and assessed the significance of reported concerns (e.g., methodology to estimate missing emissions data reasonable and will result in consistent measurement over time).

We found the Ministry did not have documented processes that outline the steps staff should take when third-party verifiers report concerns (i.e., adverse or qualified opinions). While Ministry staff addressed the concerns reported to December 31, 2023, more complex concerns may arise in future years where staff need more guidance. For example, staff may need guidance on questions to ask emitters for common types of concerns, when to escalate a concern to their supervisor, or methods to resolve disagreements (such as joint meeting with emitter and verifier, or use of another verifier to validate reported concerns).

Not having written guidance for staff to follow when third-party verifiers report concerns with information submitted by emitters may lead to inappropriate or inconsistent follow up or compliance action for emitter returns, increasing the risk the Ministry may not collect all levies owed or treat all emitters fairly.

3. We recommend the Ministry of Environment document staff guidance for evaluating concerns identified in third-party verifier reports about industrial emitter returns.

4.6 Qualified Staff Evaluate Emitter Information

The Ministry of Environment uses qualified staff to review emitter information.

The Ministry's staff update standards, register industrial emitters, approve baseline submissions, review emissions returns, and assess levies owed or credits earned through the Output-Based Performance Standards Program. For all key staff positions (e.g., director, managers), we found their job descriptions outlined key responsibilities (e.g., review technical accuracy of emissions data, develop and interpret emissions management regulations).

The majority of the Program's staff are professional engineers. We verified three staff in key positions were active engineers registered with the Association of Professional Engineers and Geoscientists of Saskatchewan, as required.²⁸

²⁸ register.apecs.ca (28 February 2024).

For staff working toward their educational requirements (e.g., engineering degree), we found the Ministry completed another level of review of this staff's work by using a secondary reviewer who met the educational requirements.

Using qualified staff to evaluate emitter returns and emissions data received from emitters reduces the risk of using inaccurate or incomplete information to regulate compliance by emitters.

4.7 Required Emitter Returns Filed

The Ministry of Environment sufficiently monitored whether emitters submit returns (i.e., baseline, emissions, and compliance) by required deadlines as summarized in **Figure 8** and performed detailed reviews of the returns.

4.7.1 Baseline Return

A baseline return determines the annual permitted emissions intensity for each emitting facility, includes the quantification methodology used for the intensity calculation, and requires a third-party verification report.

The Ministry of Environment's guidance document provides detailed explanations for calculating the baseline emissions intensity. For new industrial facilities, the baseline emissions intensity calculation is based on the average emissions intensity of the two years after registration approval (for existing facilities, average of any three consecutive years of the previous five years' production except aggregate facilities that use the year prior to registration).

The Ministry's quantification methodology form expects a description of the tools, techniques, and calculations used to measure emissions. It also anticipates a description of operations, emissions sources, key equipment, products, and a listing of the regulated emissions produced (e.g., carbon dioxide, nitrous oxide) by emissions source (e.g., types of fuel, lagoons).

Ministry staff complete a review checklist that outlines required steps when reviewing a baseline return (e.g., check for receipt of all required documents and their location, document any follow up, confirm certification of third-party verifier). The Ministry confirms the verifier's certification with national boards in Canada and the United States that issue relevant accreditations. A second staff completes a final review of the baseline return before the Director signs the approval letter.

Regulated emitters can resubmit a baseline calculation if there is reasonable justification for a baseline change (e.g., change in operations, improvements in emissions reporting such as including flare emissions).

For all 16 baseline returns tested (including re-submitted baselines), we found Ministry staff completed the required reviews and approvals, and facilities submitted the required documents, used the correct emissions/production years in their baseline calculations, and had completed verification by an accredited third-party. The Ministry found these baseline emissions intensity amounts acceptable when monitoring compliance.



We found the Ministry re-assessed baseline calculations for 12 facilities submitted between August 2019 and June 2023. We reviewed reasons for seven of these facilities' reassessments and found the Ministry documented acceptable rationale for the changes to each baseline.

At December 2023, one registered emitter in the Output-Based Performance Standards (OBPS) Program had not submitted a baseline return by the required deadline (i.e., 1.5 years late as of December 2023). The Ministry sent a warning letter to this emitter as outlined in **Section 4.5**.

4.7.2 Annual Emissions Return

The annual emissions return enables the Ministry of Environment to determine whether a facility exceeds its annual permitted emissions intensity. Annual emissions returns include the quantification methodology for actual emissions and production information, and a third-party verification report.

For 32 emissions returns tested, we found the Ministry completed expected reviews and approvals and asked relevant follow-up questions. We found emitters:

- Provided annual emissions returns timely (by the due date or extended due date)
- Provided all required information for the 2019 to 2022 years for the deadlines up to December 31, 2023
- Used accredited third-party verifiers who declared no conflicts of interest with the industrial emitter they verified

For 2019 and 2020 annual emission returns reviewed by the Ministry, 44 facilities out of 87 exceeded their annual permitted emissions intensity. One emitter used credits earned to pay its levy.

By December 2023, five emitters (33 facilities) earned performance credits by reducing emissions intensity by more than required.

The Ministry had not encountered any emitters in the OBPS Program who sold performance credits to another emitter. See further details on tracking and using performance credits in **Section 4.8**.

4.7.3 Annual Compliance Return

The Ministry of Environment provides detailed guidance to emitters on the deadlines to submit required annual compliance returns and how to fulfill the levies (i.e., payment into the Saskatchewan Technology Fund or use of performance credits).

Table 4 of *The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations, 2023*, outline the payment rates for each tonne of CO₂e over the permitted emissions intensity. The rates increase over time (e.g., 2019: \$20 per tonne; 2020: \$30 per tonne; 2023: \$65 per tonne; 2030: \$170 per tonne), consistent with rates set by the Federal Government. See **Figure 14** for an example of the reduction requirements and resulting payment rates for the oil and gas sector.

Figure 14—Example of Reduction Requirements and Payment Rates

The Regulations require the oil and gas sector to reduce greenhouse gas emissions per production unit by 20% over 12 years. For each compliance (i.e., calendar) year, the reduction is 1.67% (or 20% divided by 12). For example, year 1 is a 1.67% reduction from the baseline; year 2 is a 3.33% reduction from the baseline, and so on. If an industrial emitter is unable to achieve the expected reduction, it pays a levy based on the rate for that year in Table 4 of the Regulations.

For example, if, after completing calculations in accordance with Program requirements, a facility exceeded its permitted emissions intensity by 400 tonnes in 2019, 825 in 2020, and 5,000 tonnes in 2030, it would owe the following levies:

2019: \$8,000 (400 tonnes x \$20)

2020: \$24,750 (825 tonnes x \$30)

2030: \$850,000 (5,000 tonnes x \$170)

Likewise, if an emitter applied performance credits in the above quantities, these credits would have the same values as noted above for the year the credit is used. Note, credits may be bought and sold at amounts determined by the parties to the transaction, but this does not impact their redemption value as each credit is equal to one tonne of emissions intensity.

Source: Adapted from *The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations, 2023*, Tables 1 and 4.

For eight compliance returns tested related to 2019 and 2020, we found:

- Emitters used correct rates per legislation to calculate the levy
- The Ministry provided emitters approval letters timely (i.e., within one to three days after review)
- The Ministry provided emitters with confirmation of amounts owing (i.e., number of tonnes of CO₂e over permitted amounts after performance credits used)
- The Ministry appropriately documented approval for a payment extension

Receiving and reviewing required emitter returns supports Ministry evaluations of emitters' compliance with the OBPS Program.

4.8 Enhanced Tracking for Performance Credits Required

The Ministry of Environment lacks a robust system for tracking performance credits of its Output-Based Performance Standards Program.

If actual emissions intensity falls below the permitted emissions for the compliance year, emitters in the Program earn performance credits. These credits can be retired (used) in the future to fulfill the emitter's future levies or sold to other emitters in Saskatchewan. Emitters earn one performance credit for each one tonne CO₂e below the permitted emissions intensity.²⁹

The Ministry maintains and communicates guidance on performance credits to emitters. The guidance outlines key definitions (e.g., performance credit, retire, revoke), how to earn a performance credit, how to use a performance credit to fulfill a levy, how to buy/sell performance credits, and the various terms and conditions with performance credits (e.g., performance credits found to be invalid). We found the performance credit guidance contains enough information to inform regulated emitters about how performance credits are earned, bought/sold, and used.

²⁹ Prior to January 1, 2023, an emitter earned a performance credit if it reduced emissions 10–15% below the permitted emissions. Credits may be bought and sold at amounts determined by the parties to the transaction, but this does not impact their redemption value as each credit is equal to one tonne of emissions intensity.



The Ministry assigns each performance credit with a unique serial number and tracks it in a spreadsheet noting when it was earned, sold, and used.

We found for five emitters tested:

- For one emitter who earned and used performance credits for 2019 and 2020 compliance years, the value of the credits agreed to the levy amount set out in the Regulations. In addition, the serial numbers of the credits used matched the serial numbers of the credits previously earned by the emitter. The emitter owned a few industrial facilities and used the credits from one facility to pay the levy of three other facilities.
- For four emitters tested who earned but did not use any performance credits for 2019 or 2020 compliance years, the number of serial numbers tracked in the Ministry's spreadsheet agreed to the total amount of tonnes of CO₂e noted in the compliance calculation.

As the Ministry receives more returns and emitters buy and sell performance credits, it will be harder for the Ministry to accurately track these credits in a spreadsheet. Without a robust system to track credits, there is an increased risk of error or fraud (e.g., where emitters use the same credit more than once). See **Recommendation 2** regarding the need for an effective data management system.

4.9 Program Changes Adequately Communicated to Emitters

The Ministry of Environment communicated in a timely manner to stakeholders (e.g., emitters, industry sectors covered by the Program) proposed changes to the Output-Based Performance Standards (OBPS) Program.

There are two reasons the Ministry may initiate changes to the Program:

- To align with Federal Government requirements (minimum requirements set out by Federal legislation)
- To implement Program efficiencies and improvements

Before making large Program changes (e.g., change to legislation), staff will inform the Executive Director, Deputy Minister, and the Minister of these changes for their approval. We found the Ministry followed a structured and reasonable process for making changes to the Program.

The Ministry communicates program changes to its staff responsible for leading the OBPS Program and to emitters via email, as well as through working groups. We found the Ministry communicated timely, consistent, and relevant information with stakeholders, including for a sample of three working groups tested.³⁰

³⁰ The Ministry's Climate Resilience Branch interacts with 13 working groups supporting the OBPS Program. For example, the Ministry's Climate Change Committee includes all divisions within the Ministry. Also, the Regulations and Legislation Working Group includes directors and executive directors from the Ministries of Environment; Energy and Resources; Justice and Attorney General; Agriculture; Finance; and Trade and Export Development, as well as from Innovation Saskatchewan and Executive Council.

For example, in 2021, the Federal Government notified the Ministry of pending changes to the Federal Government requirements effective January 1, 2023 (e.g., annual carbon price increases of \$15/tonne of CO₂e). The Ministry communicated and consulted with stakeholders for upcoming changes through webinars, working group meetings, and posted relevant changes on its website. We found the Ministry had an adequate communications strategy on upcoming changes to the OBPS Program, including a webinar outlining:

- Amendments to guidance
- Changes to the Regulations
- New reduction requirements (e.g., increase to 20% reduction from baseline level for oil and gas sectors)
- How to re-establish baselines for oil and gas facilities
- Transition to new requirements and the next steps

In November 2022, the Federal Government informed the Ministry of its approval of Program changes effective January 1, 2023. In December 2022, the Ministry informed its stakeholders of this approval.

Effectively communicating with stakeholders assists the Ministry in making proposed changes to the Program and in having stakeholders understand any changes.

4.10 Improved Program Performance Reporting to Senior Management and the Public Needed

The Ministry of Environment's reporting to senior management and the public needs improvement.

The Director provides regular updates to the Executive Director on significant issues or concerns as they occur (e.g., emitter non-compliance) within the Output-Based Performance Standards (OBPS) Program. We found staff do not provide formal reporting to senior management, except for significant changes to the Program requiring approval (like changes to guidance or regulations) or significant non-compliance issues. Only one instance of significant non-compliance has occurred since the Program's inception.

At Executive Management Committee meetings, the Executive Director provides verbal updates to senior management on the Program (e.g., new emitter registrations, non-compliance instances).

The Ministry did not report results of the OBPS Program in its annual report for 2022–23, although it provided the public with an update about revenue from levies through the annual report of its Saskatchewan Technology Fund. This provides limited insight into the purpose of the Program and whether it is providing expected benefits. For example, the public has no information on:

- Comparisons of relative changes in emissions intensity and GDP



- Increases in GDP (the economy) resulting from industrial emitter savings due to exemption from the Federal fuel charge
- Whether emissions intensity is trending up or down for various industry sectors
- Impact on emissions intensity when the Ministry starts funding innovations from levies

Better reporting will allow senior management and the public to assess the contributions this Program has on protecting the economy and limiting climate change, as well as possible impacts on national efforts to achieve net-zero emissions by 2050.

The Ministry expects to enhance its reporting to senior management and the public as it sets appropriate measures and targets to evaluate the OBPS Program as described in **Section 4.1**. By clearly linking and quantifying desired outcomes, measures, and targets, the Ministry can better demonstrate to the public what its Program achieved relative to desired outcomes.

5.0 SELECTED REFERENCES

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Chapter 4

Living Sky School Division No. 202—Providing Intervention Services to High School Students with Significant Mental Health Concerns

1.0 MAIN POINTS

Poor mental health can negatively impact student engagement and academic achievement. Mental health challenges can cause high school students to be vulnerable to other at-risk behaviours such as substance abuse, suicide, self-harm, and violence. Timely intervention for mental health concerns in high schools can help to reduce lifelong mental health challenges and potentially save lives.

Living Sky School Division No. 202 is responsible for educating over 2,500 high school students in northwest central Saskatchewan. Its recent student survey results showed Grades 7–12 high school students experiencing moderate or high levels of anxiety and depression at 32%—worse than the 2022–23 Canadian student average at 26%.

We assessed Living Sky's processes to provide timely intervention services to high school students with significant mental health concerns. At December 31, 2023, we found Living Sky had effective processes, except it needs to:

- Analyze counsellor caseloads to determine whether resource gaps exist and need addressing. One counsellor was responsible for over 820 students at three high schools who could potentially have significant mental health issues.

Without formally analyzing counsellor workloads, Living Sky is unable to assess whether it provides appropriate resources to support students with mental health concerns and to determine actions or decisions to address any gaps in delivering those supports in a timely manner.

- Have counsellors formally complete risk assessments and safety plans for students at risk of suicide, which help inform appropriate support services needed.
- Track student referrals to outside agencies (e.g., Saskatchewan Health Authority) and work with these agencies to develop information sharing agreements.

Doing so would help counsellors know whether students who require mental health supports get the needed services outside of school hours.

- Prepare mental health critical incident reports to assist in assessing trends, root causes, and sufficiency of actions.
- Analyze and report key information (e.g., counsellor caseloads, critical incidents, outside agency referrals) to assess the adequacy of intervention services provided to high school students with significant mental health concerns.



2.0 INTRODUCTION

This chapter outlines the results of our audit of Living Sky School Division No. 202's processes, for the period ended December 31, 2023, to provide timely intervention services to high school students (Grades 7–12) with significant mental health concerns.

Intervention services include student counselling within the schools or referrals to outside agencies (e.g., mental health and addictions agencies, family support services, health centres).

2.1 Background

Mental health is a state of mental wellbeing that enables people to cope with stresses of life, realize their abilities, learn well, and contribute to their community. Adolescence is a crucial period for developing social and emotional habits (e.g., healthy sleep patterns; developing coping, problem-solving, and interpersonal skills; learning to manage emotions), which are important for mental wellbeing.¹

Risk factors that affect mental health include living conditions, discrimination or exclusion, relationships with peers, bullying, exploration of identity, or lack of access to quality support and services.²

The Ministry of Education identified mental health and wellbeing as one of its key priorities in its *Framework for a Provincial Education Plan 2020–2030*, released in November 2019. Mental health and wellbeing is one of the four pillars in the Framework. The Ministry's goal seeks to have students feel supported in their mental, physical, emotional, and spiritual health and wellbeing.³

The Education Act, 1995, gives Boards of Education (school boards) the responsibility for administration and management of schools. School boards are expected to deliver services to students to meet the Ministry's key priorities, including supporting positive student mental health.

School boards may employ specialized personnel to provide psychological and related services necessary to the growth, development, and general wellbeing of students and in their educational advancement. Boards may also enter into agreements with agencies and individuals to provide these specialized services.

2.2 Living Sky School Division No. 202

Living Sky School Division No. 202 is responsible for educating approximately 5,300 students in northwest central Saskatchewan, which includes the area surrounding North Battleford, Unity, and Spiritwood.⁴ There are 28 schools in the Division, of which 13 are high schools. Almost half of Living Sky's students (or over 2,500) are high school students in Grades 7–12.

¹ www.who.int/news-room/fact-sheets/detail/adolescent-mental-health (1 November 2023).

² Ibid.

³ Ministry of Education, *Framework for a Provincial Education Plan 2020–2030*, p. 5.

⁴ Living Sky School Division No. 202, *2022–2023 Annual Report*, p. 6.

Each year, Living Sky administers the OurSCHOOL survey designed to collect information such as students' sense of belonging, wellbeing, and safety. Living Sky's Grades 7–12 survey results in 2022–23 showed students' levels of anxiety and depression worsened since 2015–16, from 21% to 32%. Living Sky's rate at 32% for moderate or high levels of anxiety and depression is also worse than the 2022–23 Canadian student average at 26%.⁵

Since January 2019, Living Sky's largest school, North Battleford Comprehensive High School, has participated in the Mental Health Capacity Building initiative led by the Saskatchewan Health Authority, of which it is one of 10 schools across the province with the initiative as of November 2023.⁶

The initiative's intent is to build strong mental health in youth and focuses on prevention and mental health promotion, early identification, and intervention. The initiative provides support to all students (i.e., Tier One) by helping them to better manage their feelings and increase awareness of where they can find help. Living Sky receives funding from the Authority to hire Mental Health Capacity Building staff (i.e., one school coordinator and one wellness promoter) to work at the high school.

As shown in **Figure 1**, Living Sky uses a tiered approach to provide support to students with mental health concerns at all its schools.

Figure 1—Tiered-Level Support Provided to Living Sky School Division Students

Tier	Type of Support	Support Provided By
Tier One	Mental health promotion for all students. Activities, such as encouraging positive social, emotional, and behavioural skills and wellbeing, designed to meet the needs of all students regardless of whether they are at risk for mental health challenges/issues or concerns. An example is the Mental Health Capacity Building initiative.	School counsellor, student services teacher ^A , classroom teacher, Mental Health Capacity Building staff
Tier Two	Focuses on prevention and early intervention (e.g., small group interventions for students with similar needs) for students experiencing mild distress, mildly impaired functioning, or at risk for a given mental health issue or concern.	School counsellor, student services teacher, classroom teacher
Tier Three	Addresses mental health concerns for students who are already experiencing significant distress and impaired functioning. Interventions are individualized to specific student needs (e.g., one-on-one counselling).	School counsellor, student services teacher, classroom teacher, parents, healthcare professionals

Source: Adapted from information provided by Living Sky School Division No. 202.

^A Student services teachers have specialized training, skills, and qualifications in special education.

Our audit focused on intervention services provided to high school students experiencing some mental health concerns (i.e., Tier 2 and 3)—students who experience mild or significant distress and impaired functioning, and who are at a higher risk of mental health issues.

⁵ Adapted from Living Sky School Division No. 202's OurSCHOOL survey results.

⁶ The Mental Health Capacity Building initiative led by the Saskatchewan Health Authority promotes positive mental health in children, youth, families, and people in the community who interact with children by focusing on prevention and mental health promotion, early identification, and intervention. It also helps young people better manage their feelings and increase awareness of where they can find help. www.saskatchewan.ca/government/news-and-media/2022/august/30/more-students-to-benefit-from-mental-health-capacity-building-in-saskatchewan-schools (20 November 2023).



2.3 Importance of Timely Intervention Services for Students with Significant Mental Health Concerns

Poor mental health can negatively impact youth school engagement and academic achievement. If untreated, mental health disorders may have severe consequences, such as hospitalizations or suicide. In Canada, hospitalizations for mental health disorders among children and youth (aged 5–24) increased from 21% in 2019 to 23% in 2020. Nearly 1 in 4 hospitalizations for children and youth were for mental health conditions in 2020.⁷

The Canadian Psychological Association noted 10–20% of children and youth worldwide will be diagnosed with mental health disorders during their school years. Despite the high and increasing rate of mental health concerns, only about 20% of children and youth requiring mental health support receive it.⁸

In 2019, the Saskatchewan Alliance for Youth and Community Wellbeing conducted a province-wide survey on the health and wellbeing of youth in Grades 7–12.⁹ It found:

- 38.6% of youth reported symptoms of depression
- 21.6% reported ever self-harming
- 23.4% considered suicide, with 9.7% having attempted suicide
- 1 in 3 youth (31.8%) who self-harmed reported not knowing where to get help¹⁰

The COVID-19 pandemic negatively affected students' mental health—symptoms of anxiety, depression, and other mental health concerns increased globally with students stating the pandemic negatively affected their mental health 'very much' or 'extremely'.¹¹

Given that children and youth spend more than six hours per day and 180 days per year in school, it is important that schools deliver activities and initiatives related to positive mental health.¹² Some studies indicate mental health supports in schools can effectively reduce symptoms of mental disorders with especially positive results when schools integrate support into students' academic settings.¹³

Mental health challenges can cause youth to be vulnerable to other at-risk behaviours such as substance abuse, suicide, self-harm, and violence. This can ultimately affect students' future opportunities and have implications for health, social, and judicial services. Having effective processes to provide intervention services to students with mental health concerns help to ensure schools support students when they are feeling their worst. Early and timely intervention in schools can help to reduce lifelong mental health challenges and potentially save lives.

⁷ Canadian Institute for Health Information. www.cihi.ca/en/children-and-youth-mental-health-in-canada (27 March 2024).

⁸ Canadian Psychological Association (2022). *Mental Health Care for Canadian Children and Youth. The Role of School Psychologists. A Position Paper of the Canadian Psychological Association.* p. 4.

⁹ The Saskatchewan Alliance for Youth and Community Wellbeing, dissolved as of January 31, 2023, was a partnership between health, education, and other community stakeholders focused on improving the health and wellbeing of the Saskatchewan population.

¹⁰ Saskatchewan Alliance for Youth and Community Wellbeing (2020), *Thriving Youth, Thriving Communities Report, 2019 Survey Findings*, p. 2.

¹¹ smho-smso.ca/about-student-mental-health-in-ontario/ (2 November 2023).

¹² Morrison, W. and Peterson, P. (2013). *Schools as a Setting for Promoting Positive Mental Health: Better Practices and Perspectives. Second Edition.* Summerside: Pan-Canadian Joint Consortium for School Health.

¹³ National Center for School Mental Health (2020). *School Mental Health Quality Guide: Early Intervention and Treatment Services and Supports.* NCSMH, University of Maryland School of Medicine.

3.0 AUDIT CONCLUSION

We concluded, for the period ended December 31, 2023, Living Sky School Division No. 202 had, other than the following areas, effective processes to provide timely intervention services to high school students with significant mental health concerns.

Living Sky needs to:

- Analyze counsellor caseloads to determine whether resource gaps exist and need addressing
- Have counsellors formally complete risk assessments and safety plans for students at risk of suicide
- Track student referrals to outside agencies (e.g., Saskatchewan Health Authority) and work with these agencies to develop information sharing agreements
- Prepare mental health critical incident reports
- Analyze and report key information (e.g., critical incidents) to assess the adequacy of intervention services provided to high school students with significant mental health concerns

Figure 2—Audit Objective, Criteria, and Approach

Audit Objective:

To assess whether Living Sky School Division No. 202 had effective processes, for the period ended December 31, 2023, to provide timely intervention services to high school students with significant mental health concerns.

Audit Criteria:

Processes to:

1. **Plan for intervention services**
 - Set policies, procedures, and guidance to support students with mental health concerns
 - Allocate appropriate resources
 - Identify students with mental health concerns
 - Establish working relationships with outside agencies (e.g., community-based organizations, Saskatchewan Health Authority)
2. **Respond to students with mental health concerns in a timely manner**
 - Assess students' mental health
 - Manage mental-health emergency situations
 - Provide appropriate and timely intervention (e.g., internal and external referrals) based on assessment
 - Facilitate collaboration between agencies (e.g., Saskatchewan Health Authority) in complex cases
 - Provide ongoing support to students with mental health concerns
3. **Monitor intervention services provided to students with mental health concerns**
 - Analyze key information related to intervention services (e.g., number of students with mental health concerns, schools with high number of students with mental health concerns, number of referrals)
 - Take corrective action in response to critical incidents (e.g., suicides)
 - Report key information to senior management and impacted parties (e.g., Board, Ministry)

**Audit Approach:**

To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate Living Sky's processes, we used the above criteria based on our related work, review of literature including reports of other auditors, and consultations with management. Living Sky management agreed with the above criteria.

We examined Living Sky's policies and procedures, the Counselling Handbook, the Safe Schools Handbook, and other key documents related to providing timely intervention services to high school students with significant mental health concerns. We also interviewed key Living Sky staff. We tested a sample of students with significant mental health concerns. In addition, we used an independent consultant with subject matter expertise in the area to help us identify good practice and assess Living Sky's processes.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Counselling Handbook Maintained

Living Sky School Division No. 202 has a Counselling Handbook to guide counsellors in providing intervention services to students with significant mental health concerns.

The Handbook provides clear direction to school counsellors, school administrators (e.g., principals) and other student services' team members on proper handling of student counselling records and to provide consistency in counselling practices. It contains key information such as:

- Roles and responsibilities of school counsellors (see **Figure 3**)
- Student referral process—includes who (teacher, parent/guardian, student) can refer students to school counselling and the requirements for obtaining parent/guardian consent prior to the student entering a counselling relationship¹⁴
- Documentation expected from counselling sessions (e.g., counselling goals)
- Suicide protocol—counsellors should have training in suicide risk intervention and the Handbook has a link to a suicide assessment tool (Columbia-Suicide Severity Rating Scale)¹⁵

The Handbook also refers to other supports and documents. For example, when counsellors are supporting students at risk of substance use/abuse, it lists mental health and addictions facilities within the school division (i.e., northwest central Saskatchewan) with contact numbers. It also refers to Living Sky's Safe Schools Handbook for handling critical incidents and crisis response (see **Section 4.8**).

We found Living Sky keeps the Counselling Handbook up to date and makes it accessible to all counsellors on an internal sharing platform. Living Sky updated the Handbook in November 2023.

Having clearly written and up-to-date guidance and procedures help staff involved in providing interventions to students with mental health concerns to have a clear understanding of expected processes.

¹⁴ Students aged 16 and older can consent to their own counselling supports.

¹⁵ cssrs.columbia.edu/wp-content/uploads/C-SSRS_Pediatric-SLC_11.14.16.pdf (3 April 2024).

4.2 Qualified Staff Providing Counselling Services to Students

Living Sky School Division No. 202 has qualified staff providing intervention services (i.e., counselling) to its high school students.

At November 2023, Living Sky employed 12 counsellors (part-time and full-time) who provided support to Grades 7–12 students at its 13 high schools. The Division has more than 2,500 high school students. Some counsellors provide support to more than one school (e.g., spend two days a week at one school and three days a week at two other schools). **Figure 3** sets out the key responsibilities of school counsellors.

Figure 3—Key Responsibilities of School Counsellors

- Provide counselling and/or crisis response for students with an emergent need
- Use a tiered approach to provide support to students with mental health concerns^A
- Provide behavioural, academic, social/emotional wellbeing counselling
- Maintain records/notes of individual students in counselling IT system
- Make referrals to outside agencies (e.g., Prince Albert Mental Health Centre)
- Identify and advocate for systemic changes to improve equity and access, achievement, and opportunities for all students

Source: Living Sky School Division No. 202, Position Summary for Counsellor.

^A See **Figure 1** for a description of the tiered-level support provided to students.

Living Sky requires counsellors to have a university degree in social work, counselling, or psychology. For the six counsellors tested, we found each had an appropriate degree.

It also requires certain staff (e.g., counsellors, principals, vice principals) have training related to mental health. Key training includes mental health first aid, violence threat risk assessment, and suicide intervention skills training. For the staff tested (counsellors, principals, and vice principals) at three high schools, we found each had the required training for their respective role.

Having qualified staff helps ensure students receive proper support and counselling when dealing with mental health concerns.

4.3 Identifying Students with Mental Health Concerns

Living Sky School Division No. 202 identifies students with mental health concerns mainly through referrals from school staff, parents/guardians, and students.

Any staff member (e.g., teachers, principals) within the Division's schools or parents/guardians can identify students with mental health concerns and refer them to a counsellor. Students themselves can also request to see a counsellor. However, we note some high schools do not always have a counsellor on-site daily (see **Recommendation 1** about analyzing counsellor caseloads to determine sufficiency of mental health supports for students).

During our interviews with staff at the three high schools tested, they indicated staff within the schools monitor students' day-to-day wellbeing by walking through the halls and within classrooms. Staff know their students and can identify behavioural changes



(e.g., withdrawing socially, severe mood swings, decrease in attendance). Staff will approach the student to talk and, if they determine more support is necessary, they refer the student to a counsellor.

We also found Living Sky's high school counsellors are aware of elementary students (i.e., Grade 6 students) with mental health concerns transitioning to high school. For example, in one high school, staff from the elementary school share a list of students with mental health concerns with the high school counsellor. This makes high school counsellors aware of students requiring mental health supports once they start high school. In another high school, the counsellor noted they meet with the elementary school counsellor at the end of each school year to discuss the existing counselling list and whether a plan exists to continue counselling at the high school.

Students are made aware of counselling services available to them through various means (e.g., school calendars, school assemblies).

During our testing of files for 20 students with mental health concerns at three high schools, we found:

- Staff identified seven students with mental health or behavioural concerns (e.g., depression, poor attendance)
- Elementary school counsellors identified six students needing continued counselling
- Parents/guardians of four students requested counselling
- Three students referred themselves for counselling

Counsellors are to obtain consent (verbal or written) from parents/guardians prior to providing counselling to certain students.¹⁶ We found all students we tested who required consent had consent forms signed and on file, or the counsellor was attempting to obtain consent.

Identifying students with mental health concerns helps those students get the necessary support when needed.

4.4 Analysis of Counsellor Caseloads Required

Living Sky School Division No. 202 does not formally track and analyze counsellor caseloads to support its counsellor allocation decisions.

Living Sky management indicated that it assigns counsellors to schools after considering its historical allocation of counsellors, counsellor workloads, and observation of where the greatest need exists. However, management could not provide any evidence of its assessment or analysis.

Our analysis found the number of students seeing counsellors on a regular basis steadily increased in the Division since the 2020–21 school year, as well as at the three high

¹⁶ Students aged 16 and older can consent to their own counselling supports.

schools (North Battleford, Unity, and Spiritwood) we tested (see **Figure 4**). However, Living Sky noted the number of counsellors has stayed the same.

Figure 4—Number of High School Students Seeing School Counsellors Each School Year

High School	2020–21	2021–22	2022–23	2023–24 (up to November)	Part-time and Full-time Counsellors at November 2023
North Battleford Comprehensive	44	49	73	97	4
Unity Comprehensive	16	16	30	41	1
Spiritwood	7	12	27	27	1
Totals—Living Sky School Division	257	354	542	Not Provided	12

Source: Adapted from information provided by Living Sky School Division No. 202. Living Sky did not provide partial year information for 2023–24.

Living Sky also does not consistently track the number of students with mental health concerns who walk into (i.e., without referral) high school counsellor offices—this means the numbers in **Figure 4** may also not reflect all students who see school counsellors in a year. Therefore, this limits Living Sky’s ability to properly assess mental health resources needed to support students.

Our analysis determined that counsellor caseloads vary significantly between counsellors. For example, the counsellor at Unity Comprehensive High School is also responsible for two other schools. This counsellor had a total caseload of 89 students at November 2023—reflecting only students with scheduled appointments. Whereas at North Battleford Comprehensive High School, two permanent and two part-time counsellors shared the caseload of 97 students up to November 2023. Living Sky has not assessed whether these caseloads are reasonable.

Overall, the counsellor at Unity Comprehensive High School is responsible for over 820 students at three schools who could potentially have significant mental health issues. In the United States, the American School Counsellor Association recommends a ratio no higher than 250 students to one counsellor. In addition, a 2018 survey in Ontario found an average student-to-counsellor ratio of 396 to 1.

Without formally analyzing counsellor workloads, Living Sky is unable to assess whether it provides appropriate resources to support students with mental health concerns and determine what actions or decisions may be needed to address any gaps. Without appropriate resources, there is an increased risk that students who need ongoing counselling may not get it in a timely manner.

- 1. We recommend Living Sky School Division No. 202 formally analyze counsellor caseloads to assess whether it has appropriate resources to support high school students with mental health concerns.**

4.5 Suicide Risk Assessment Not Always Completed

Counsellors assess students with significant mental health concerns; however, they do not always complete risk assessments using good practice tools for students at risk of suicide.



When students are referred to counselling, counsellors use their professional judgment based on their various professional training and past work experience to assess students' mental health. If a student is at risk of suicide, good practice recommends counsellors use standard risk assessment tools (e.g., Columbia-Suicide Assessment Rating Scale) to document a student's risk of suicide.

We found Living Sky's Counselling Handbook recommends counsellors use the Columbia-Suicide Assessment Rating Scale as an assessment tool. This assessment tool guides counsellors through a series of questions to help determine the student's risk of suicide.

During our testing of files for 20 students with mental health concerns at three high schools who saw a counsellor in the 2022–23 school year and up to November 2023, we found counsellors assessed four students as at risk of suicide on the same day the student expressed suicidal thoughts to the counsellor. Of these four students, we found counsellors:

- Used the Columbia-Suicide Assessment Rating Scale to assess two students—the counsellors assessed one student as high risk and the other student as low risk of suicide. For the high-risk student, the counsellor appropriately developed a safety plan (see **Section 4.6** for more information on safety plans).
- Did not use an assessment tool to assess two students. Counsellors noted they used their professional judgment to determine the suicide risk level. We found both students assessed as low risk of suicide according to the counsellors' notes. However, the counsellors did not document rationale for their decisions.

Not documenting decisions for students at risk of suicide based on standard assessment tools increases the risk appropriate services (e.g., external referrals) may not be provided when needed.

2. We recommend Living Sky School Division No. 202 have all counsellors use standard risk assessment tools when documenting decisions for high school students at risk of suicide.

4.6 Safety Plans Not Always Documented

Living Sky School Division No. 202 counsellors do not always document safety plans for high school students at risk of suicide.

Counsellors follow up with students based on the students' needs. Each day, counsellors schedule their day to meet with students with mental health concerns. However, if an emergency arises, counsellors noted they adjust their schedule (i.e., reschedule counselling sessions) to deal with the emergency case.

For the 20 students with mental health concerns tested, we found counsellors met with those students weekly, bi-weekly, or monthly. However, as noted in **Recommendation 1**, Living Sky has not analyzed counsellor caseloads to determine sufficiency of its mental health supports for high school students.

Living Sky requires counsellors to document and retain information related to students' counselling goals and/or participation in counselling, as well as safety plans for students at risk of suicide. This includes documenting counselling goals or tools to use (e.g., self-talk techniques, coping strategies) to help students cope with their mental health concerns (e.g., anxiety, substance abuse). We found this aligns with good practice.

When a student is at risk of suicide, the counsellor and student should work together to document a safety plan. The safety plan includes information to help the student know what to do if they start feeling like they could harm themselves (see **Figure 5**).

Figure 5—Components of a Safety Plan for Students at Risk of Suicide

- Triggers (what sets the student off, how can the triggers be managed)
- Warning signs (thoughts, emotions, body sensations, behaviours)
- Things to do or tell themselves to make themselves feel better (e.g., talk to someone they trust, journal, listen to music, go for a walk)
- Reasons for living
- Supports (names of individuals, relationship, contact information, and how the individual can support the student)
- How to create a safe environment
- Resources (e.g., phone numbers for Crisis Services Canada, Kids Help Phone, First Nations and Inuit Hope for Wellness Help Line, SK Healthline, 911)
- Support services to access during office hours (e.g., school counsellors, outside agencies such as Prince Albert Mental Health Centre)

Source: Adapted from information provided by Living Sky School Division No. 202.

For the four students assessed as at-risk for suicide in the three high schools tested, we found two students did not have a documented safety plan. Counsellors assessed these two students as low risk and continued to provide counselling sessions (every 2–3 weeks). However, we found the counsellors did not document any counselling goals or tools to use to further help these two students. Counsellors noted during our interviews that they would have discussed goals or tools to use at the counselling sessions.

For the remaining 16 students with mental health concerns (i.e., not at risk for suicide) tested, we found:

- Ten students had documented goals or suggested tools to use. For example, one counsellor used a workbook for depression that helped the student identify signs and symptoms, as well as provided education on depression.
- Six students did not have documented goals or suggested tools to use. The students continued to have regular counselling sessions (e.g., bi-weekly, monthly). Counsellors noted during our interviews that they would have discussed goals or tools to use at the counselling sessions to help these students with their mental health concerns.

Not documenting safety plans can make it difficult to assess progress and ensure proper follow-up is conducted for students at risk of suicide. A safety plan intends to support someone when they experience suicidal thoughts and to help them avoid a state of intense suicidal crisis.

3. We recommend Living Sky School Division No. 202 have counsellors document safety plans for all high school students at risk of suicide.



4.7 Information Sharing Agreements with Outside Agencies Needed

Living Sky School Division No. 202 does not track referrals of students with significant mental health concerns to outside agencies. It also does not have information sharing agreements with key outside agencies that help support high school students with significant mental health concerns.

When counsellors assess students with significant mental health concerns, they may determine the student would benefit by accessing support from an outside service provider (e.g., addictions counsellor). In these cases, the school counsellor would refer the student to an outside agency. The counsellor can recommend the student receive additional support outside of school. However, it is ultimately up to the parent/guardian whether to agree and take the student to an outside agency for additional support.

Various staff (e.g., counsellors, principals, superintendent) indicated several outside agencies work with Living Sky to provide intervention services to students with significant mental health concerns (see **Figure 6**).

Figure 6—Examples of Outside Agencies Used for Intervention Services

Saskatchewan Health Authority—Child and Youth Community Mental Health Services

- Services available to children and youth with serious and persistent mental health disorders, with less severe mental health and behavioural challenges, and those who are at risk of developing mental health and behavioural problems. Services provided through mental health clinics across Saskatchewan include intake/screening/referral, assessment, treatment/intervention, case consultation, and education/training.

Catholic Family Services of the Battlefords Inc.

- Supports individuals, couples, families, and groups with programs such as general counselling, family violence outreach (e.g., counselling to victims of violence and those at risk of violence), children exposed to violence (e.g., counselling related to interpersonal violence such as bullying, dating violence, family violence), school-based services (e.g., counselling and support related to bullying, grief, exposure to domestic violence), and rapid access counselling.^A

Prince Albert Sexual Assault Centre and Battlefords & Area Sexual Assault Centre

- Supports survivors of sexual assault and/or abuse through the provision of accessible counselling and advocacy services.

Battle River Treaty 6 Health Centre

- Located in North Battleford, the Centre provides community-based health services to promote, support, and encourage the physical, mental, social, and spiritual health of the people living on Little Pine, Lucky Man, Sweetgrass, and Poundmaker First Nations reserves.

West Central Crisis Centre

- Located in Kindersley, the Centre provides support services to individuals and families experiencing violence and crisis in their lives, as well as outreach programs to communities such as counselling services to adults, children and youth; crisis intervention services; and rapid access counselling. It provides services to some communities within Living Sky School Division (e.g., Unity, Macklin), but not all (e.g., North Battleford, Spiritwood).

Source: Adapted from website information for each outside agency.

^A Rapid access counselling is quick, free access to brief mental health services (i.e., counselling) for individuals, couples, and families experiencing anxiety, depression, addictions, suicidal ideation, stress, etc. Services are prioritized for individuals who do not have access to workplace benefits, who live on a fixed or low income, and who may experience long wait times for publicly funded services.

Management indicated Living Sky has a representative (school liaison) who attends Community Mobilization Hub meetings.¹⁷ During these meetings, Hub partners (e.g., police officers, teachers, social workers, youth workers) review whether acutely at-risk individuals or families are at risk of harm or victimization and coordinate interventions as necessary. Management indicated Living Sky has not made any referrals to a Hub.

We found Living Sky does not track referrals to outside agencies. Once a counsellor makes an external referral, Living Sky does not receive any information from the outside agency. The counsellor may not know whether the student ever gets timely, additional support.

During our testing of 20 files for students with significant mental health concerns at three high schools, we found counsellors referred three students to outside agencies (e.g., Catholic Family Services, emergency room). We also found two other students involved with individuals at outside agencies (i.e., psychologist, addictions counsellor), but this involvement was not initiated through the school referral process. None of these files included any information from the outside agencies about timeliness of services provided.

Not tracking external referrals limits Living Sky's ability to sufficiently analyze trends and assess the level of mental health supports (e.g., intensity and nature of supports needed, frequency of referrals, number of referrals rejected) provided to students with significant mental health concerns. It also limits the counsellors' ability to know whether students who require mental health supports get the needed services outside of school hours.

4. We recommend Living Sky School Division No. 202 track referrals of high school students with significant mental health concerns to outside agencies.

Living Sky also does not receive any information from the Saskatchewan Health Authority if a student is admitted to the emergency room for mental health emergencies (e.g., attempted suicide). Staff indicated the Division is only made aware if the student or parent/guardian informs the school. This limits Living Sky's ability to assess whether students with significant mental health concerns receive the required supports. For example, if Living Sky knew this information, then counsellors would be able to add the student to their caseload and assess the supports needed to keep the student safe. However, it is ultimately up to the parent/guardian to decide whether to share the information with Living Sky.

During our testing of one file for a student assessed as high risk of suicide, we found the counsellor did recommend the parent take the student to the emergency department. However, the parent chose to take the student to another counsellor. The school counsellor subsequently found out from the student that they did visit the emergency department.

We found other jurisdictions are working toward developing information sharing agreements between school boards and outside agencies. For example, Ontario's Ministry of Education has a student mental-health policy stating the commitment of the Ministries of Education and Health to working together to build a continuum of mental health and addictions care across schools, community-based child and youth mental health providers,

¹⁷ Community Mobilization Hubs are a component of The Community Safety and Well-Being Initiative. Numerous Hubs serve communities across the province.



and hospitals that is coordinated, comprehensive, and responsive to the needs of each and every student.¹⁸

Ontario school boards are required to develop and implement a three-year mental health and addictions strategy and one-year action plan. We found an Ontario school board had the following action plans related to outside agencies:

- Regular communication and meetings with community-based children's mental health agencies to solidify partnerships and maintain clear service pathways
- Data sharing with other children's mental health service providers to inform service planning
- Share trends, data, successes and needs with community partners to keep up to date on effective interventions
- Develop clear processes around privacy and information sharing externally for school mental health services

Having information sharing agreements with key outside agencies that provide intervention services to high school students with significant mental health concerns would help Living Sky's high school students to receive appropriate and coordinated support. Formulating these agreements may require collaboration from the Ministries of Education and Health.

Key information sharing also reduces the risk students will be missed and/or forgotten and not receive intervention services needed to address their significant mental health concerns.

5. We recommend Living Sky School Division No. 202, with leadership support from the Ministry of Education, develop and implement information sharing agreements with key outside agencies to share relevant information relating to high school students' mental health concerns.

4.8 Critical Incident Reports Needed

Living Sky School Division No. 202 does not formally track mental health emergencies (e.g., suicides, student deaths) or write critical incident reports.

Living Sky sets out requirements for handling critical incidents (e.g., traumatic events including suicides or student deaths) in its Safe Schools Handbook. It requires crisis teams (Superintendent of Learning, student services' teacher, counsellor, principal, vice principal, community school liaison) to respond to critical incidents. For example, the Handbook outlines steps to take (e.g., notifying parents/guardians, notifying superintendent, determining supports needed) when a student completes suicide or attempts suicide.

¹⁸ www.ontario.ca/document/education-ontario-policy-and-program-direction/policyprogram-memorandum-169 (15 April 2024).

The Handbook also requires the crisis team to prepare critical incident reports immediately following an incident documenting a description of the crisis, action taken, and current status/follow-up.

Since January 2018, Living Sky has had eight student suicides (three in 2023) and six other student deaths (e.g., accidents, complications due to influenza).

We found Living Sky does not track critical incidents. It also does not prepare critical incident reports for student suicides or deaths as required in its Safe Schools Handbook. Doing so may help Living Sky determine whether process improvements could prevent future incidents from occurring.

In December 2023, we found the crisis team documented a retrospective report on two incidents (one suicide, one death) that occurred in November 2023. The report discussed the incidents from an administrative point of view—what went well, what went poorly, ideas for improvement, and next steps. However, the report did not contain sufficient detail describing each incident, current state of incident (e.g., investigating, investigation concluded), impact on other students and staff, what could be done to reduce impact, or action items/plans to address root causes.

Without tracking and reporting on critical incidents, Living Sky is unable to adequately assess whether it sufficiently identifies trends, addresses root causes, and determines corrective actions. This increases the risk that similar events may reoccur.

6. We recommend Living Sky School Division No. 202 formally track and prepare mental health critical incident reports for its high schools.

4.9 Limited Analysis and Reporting of Key Information

Living Sky School Division No. 202 does not analyze or report key information related to intervention services provided to high school students with significant mental health concerns. Living Sky's current IT system does not track key information to support effective analysis (e.g., student counselling caseloads, referrals to outside agencies).

Each year, Living Sky administers the OurSCHOOL survey designed to collect information such as students' sense of belonging, wellbeing, and safety. As illustrated in **Figure 7**, Living Sky's Grades 7–12 survey results showed students' levels of anxiety and depression worsened since 2015–16, with 32% of students experiencing moderate or high levels of depression or anxiety. There was no accompanying analysis to indicate what Living Sky plans to do to address worsening mental health concerns of its students.

Figure 7—Comparison of Living Sky's OurSCHOOL Survey Results Between 2015–16 and 2022–23

Indicator	Description	2015–16	2022–23
Students with moderate or high levels of anxiety	Students experiencing intense feelings of fear, intense anxiety, or worry about particular events or social situations	21%	32%
Students with moderate or high levels of depression	Students experiencing prolonged periods when they feel sad, discouraged, and inadequate	20%	32%

Source: Adapted from Living Sky School Division No. 202's OurSCHOOL survey results.



We found Living Sky does not track, analyze, or report key information such as:

- The number of students with significant mental health concerns (including disaggregated data such as ethnicity, age, gender)
- Schools with high numbers of students with mental health concerns
- Counsellor caseloads (see **Recommendation 1**)
- The number of students referred to outside agencies (see **Recommendation 4**)
- Critical incidents (see **Recommendation 6**)

As shown in **Figure 8**, for two of the three schools we tested, the number of students with mental health concerns increased ranging from 33%–37% from 2022–23 to 2023–24. However, Living Sky has not analyzed possible causes for this increase or determined proper allocation of counsellors at its schools.

Figure 8—Number of Students with Mental Health Concerns Seeing Counsellors

High School	2022–23	2023–24 (up to November)	Percentage Increase
North Battleford Comprehensive	73	97	33%
Unity Comprehensive	30	41	37%
Spiritwood	27	27	0%

Source: Adapted from information provided by Living Sky School Division No. 202.

Due to IT system limitations, Living Sky could not easily provide a complete list of students who see its school counsellors. For the three high schools tested, Living Sky compiled the list of students with significant mental health concerns seeing counsellors, which showed the grade each student was in, but did not provide further information such as ethnicity, age, or gender.

Management indicated Living Sky will be implementing a new IT system in 2024–25.

For the 20 files of students with significant mental health concerns tested, we found:

- Over 40% of students seeing school counsellors were in Grades 7 and 8. This may indicate students transitioning into high school experience more mental health issues. Living Sky may need to offer more support to those students upon transition. For example, Living Sky may want to consider a class (e.g., coping skills for stress, bullying) to help students transition to Grade 7 from elementary school.
- 55% of students self-identified as Indigenous as compared to 30% of the total kindergarten to Grade 12 student population of Living Sky. This may indicate Living Sky needs to assess whether it needs more culturally appropriate interventions like providing more access to Elders.

Without tracking and analyzing key information, Living Sky is unable to sufficiently analyze trends and better assess the level of mental health support (e.g., counsellor allocations, intensity and nature of supports) needed for its high school students.

In addition, without reporting key information annually to senior management and the Board, each will be unaware of trends in the main issues/themes affecting mental health of students within Living Sky. Understanding trends can provide support to senior management and its Board in making relevant decisions (e.g., resource allocation, facilitating community partnerships) to provide timely intervention services to high school students with significant mental health concerns.

- 7. We recommend Living Sky School Division No. 202 analyze and report key information to senior management and the Board related to timely intervention services provided to high school students with significant mental health concerns.**

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Chapter 5

Regina Public School Division No. 4—Delivering Prekindergarten Programming

1.0 MAIN POINTS

Prekindergarten is an early childhood education program targeting three- and four-year old children living in vulnerable circumstances and/or experiencing developmental delays.

We assessed Regina Public School Division No. 4's process to deliver prekindergarten programming. About 560 students annually attend half-day prekindergarten programs offered by the Division at 24 schools. At January 2024, we found the Division had effective processes, except in the following areas where it needs to:

- Analyze and report on changes in prekindergarten enrolment to help identify and mitigate barriers to students entering the program. We found the Division did not utilize 21% of its prekindergarten spaces (149 of 708 spaces) in 2023–24.
- Centrally monitor and analyze its prekindergarten waitlists. The Division does not centrally monitor these waitlists for its schools, which could provide relevant information to improve utilization of its prekindergarten spaces (e.g., consider whether to relocate existing prekindergarten classes).

At February 2024, we found 75 students waiting for acceptance in prekindergarten across the Division's schools with almost 70% (over 50 students) waiting at three specific schools.

- Use sufficient measures to assess and report on the performance of its prekindergarten program, such as progress on prekindergarten enrolment and student achievement.
- Help teachers consistently track required family visits (i.e., twice each school year) for their prekindergarten students. Family visits give teachers an opportunity to learn about family activities, traditions/culture, and views on discipline—knowing these visits take place and obtaining information can help teachers plan effective learning opportunities and supports for students.
- Improve its communication with prekindergarten teachers about its partnerships with outside agencies that could provide additional support or specialized services to children (e.g., KidsFirst Regina).
- Formally assess prekindergarten classroom environments periodically against established expectations (e.g., physical classroom organization, natural light, child-sized furniture).

Without effective processes to deliver prekindergarten programs, students from vulnerable situations are at greater risk of not achieving their academic, financial, and social potential.



2.0 INTRODUCTION

This chapter outlines the results of our audit of Regina Public School Division No. 4's processes to deliver prekindergarten programming.

The Education Act, 1995, sets out the duties of Boards of Education. The Act also makes Regina Public School Division responsible for providing educational instruction to students within its division, which includes prekindergarten programming.¹

2.1 Prekindergarten in Saskatchewan

In collaboration with school divisions, the Ministry of Education introduced prekindergarten programming into the province during the 1990's. Prekindergarten is an early childhood education program targeting three- and four-year old children living in vulnerable circumstances and/or experiencing developmental delays.²

The Ministry provides school divisions with prekindergarten funding, program and policy guidelines (e.g., curriculum), and consultative support. School divisions hire staff, select prekindergarten students, and operate the programs. At March 31, 2023, over 5,600 students attended 316 prekindergarten programs across Saskatchewan.³ **Figure 1** sets out the Ministry's goals for prekindergarten in the province.

Figure 1—Goals for Prekindergarten in Saskatchewan

- **School and Life Success** – Children are better able to achieve their full potential and to succeed in school and life when appropriate development opportunities and supports are provided at an early age.
- **High-Quality Programming** – Prekindergarten is holistic, caring, developmentally appropriate and culturally responsive. It is delivered in a safe and caring environment providing young children with required physical, social-emotional, intellectual, and spiritual supports.
- **Family Engagement and Learning** – Families develop good relationships with educators, make connections with other families and gain a deeper understanding of their role in supporting their child's development. They are offered opportunities to provide input, actively participate in the program and share their family knowledge.

Source: *Prekindergarten Essentials—Effective Practices, Policies and Guidelines*, p. 6.

Prekindergarten provides young students with learning experiences through play and exploration. High-quality programs engage students and their families in the planning and delivery of a healthy, safe, culturally sensitive and stimulating program promoting students' abilities and interests.⁴

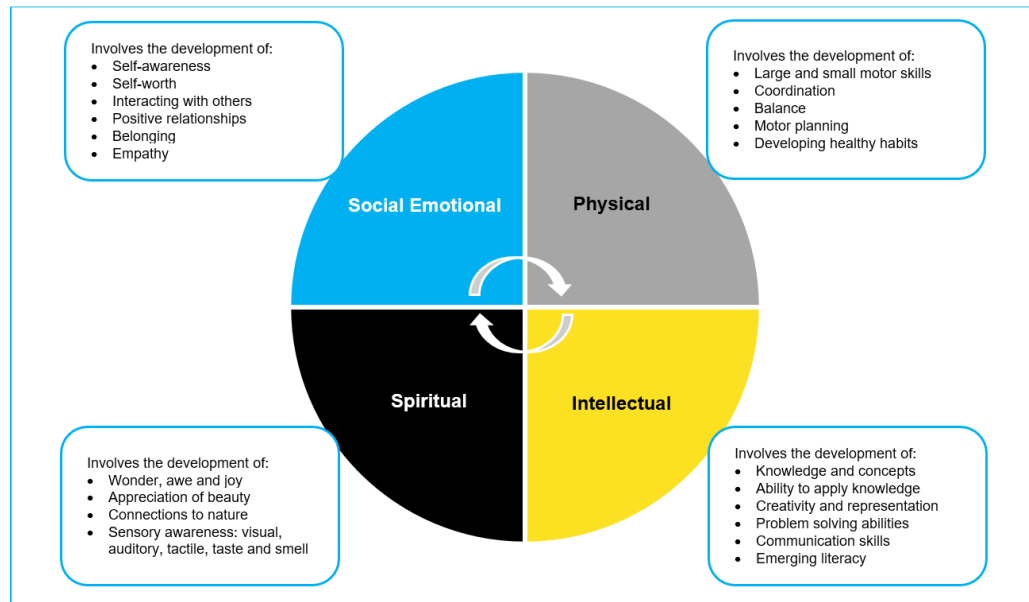
Figure 2 describes the essential learning experiences set out in Saskatchewan's prekindergarten curriculum for young students' learning development in four domains.

¹ *The Education Act, 1995*, s. 85.

² Ministry of Education, *Prekindergarten Essentials—Effective Practices, Policies and Guidelines*, p. 4.

³ Ministry of Education, *Annual Report for 2022–23*, p. 3.

⁴ Ministry of Education, *Play and Exploration—Early Learning Program Guide*, p. 1.

Figure 2—Prekindergarten Essential Learning Experiences

Source: Ministry of Education, *Essential Learning Experiences*, p. 2.

The Ministry expects quality early learning programs, such as prekindergarten, to incorporate the following principles into their daily practice:

- **Holistic development and learning:** Integrate the domains of social-emotional, physical, intellectual, and spiritual development (see **Figure 2**) into learning experiences, while recognizing that individual children develop at different rates
- **Strong positive relationships:** Educators partner with children, families, and community in program planning
- **Stimulating and dynamic environments:** Facilitate and guide play, exploration and discovery, interactions with others, and encourage children's independence, responsibility, and participation in the learning environment
- **Children as competent learners:** Children are active learners who learn best when their ideas are valued, their physical needs are met, and they feel psychologically secure⁵

2.2 Regina Public School Division

Regina Public School Division No. 4 educates almost 18,000 elementary school students in 44 elementary schools, including about 560 prekindergarten students (representing about 10% of prekindergarten students province-wide).⁶ The Division spent \$2.85 million on prekindergarten programming in 2022–23.⁷

⁵ Ministry of Education, *Play and Exploration—Early Learning Program Guide*, p. 5.

⁶ *Regina Public School Division Annual Report 2022–23*, pp. 6 and 43.

⁷ *Ibid.*, p. N-13.



Figure 3 sets out the 24 schools (i.e., about half of its elementary schools in Regina) where the Division specifically offers prekindergarten programming. Each half-day program has one teacher, one teacher associate, and up to 16 students. It employs prekindergarten teachers and teacher associates in almost 21 full-time equivalent positions.

Figure 3—Schools with Prekindergarten in Regina Public School Division

Albert	Glen Elm	McDermid
Arcola	Grant Road	McLurg
Coronation Park	Henry Janzen ^A	Plainsview
Douglas Park ^B	Imperial	Rosemont
Dr. George Ferguson	Judge Bryant	Seven Stones
Dr. L.M. Hanna	Kitchener	Thomson
Connaught	M.J. Coldwell	W.H. Ford
Elsie Mironuck	Marion McVeety	Walker

Source: Adapted from *Regina Public School Division Annual Report 2022–23*, pp. 49 and 50.

^A Henry Janzen School offers a prekindergarten pilot program (i.e., Children Communicating, Connecting and in Community Pilot) to provide learning experiences and interventions for children who are deaf or hard of hearing. As this program is unique from the Division's other prekindergarten programs, we did not include this program in our audit.

^B Douglas Park School offers both a standard prekindergarten program, as well as an Early Years Transition Prekindergarten Program designed for children requiring intensive support due to significant social-emotional, communication, and behavioural challenges. We did not include this intensive support prekindergarten program in our audit.

Prekindergarten teachers and associates use educational practices tailored to the individual and to the age of the students. They model language and behaviour, encourage and extend learning, and challenge students through play, exploration, and development of readiness skills that support learning.⁸

Prekindergarten is not a universal program available to all students in Saskatchewan schools. A student's acceptance into prekindergarten depends on their level of vulnerability and spaces available. Outside agencies (e.g., KidsFirst Regina) can refer students to a prekindergarten program, or parents/guardians can apply for their child to attend.⁹

2.3 Importance of Prekindergarten to Children

During the earliest years of life, children develop the foundation upon which they build all further learning. Prekindergarten is especially important for children living in vulnerable circumstances because their early years have the potential to define their future.^{10,11}

Quality prekindergarten programs can help children from all backgrounds with proven long-term benefits in academic, mental health, and social outcomes (e.g., breaking the poverty cycle).¹²

⁸ www.reginapublicschools.ca/early_learning (15 March 2024).

⁹ KidsFirst is a home-visiting program designed to support children and families by enhancing parenting knowledge, providing support, and building family strengths. www.kidsfirstregina.com/ (26 March 2024).

¹⁰ Ministry of Education, *Saskatchewan's Early Years Plan 2016–2020*, p. 3.

¹¹ Children living in vulnerable circumstances include children from families with low income/socio-economic status, children experiencing social-emotional difficulties, and children referred by other community-based agencies.

¹² McKinsey & Company, *Expanding publicly funded pre-K: How to do it and do it well*, p. 2. www.mckinsey.com/industries/education/our-insights/expanding-publicly-funded-pre-k-how-to-do-it-and-do-it-well (24 March 2024).

Research shows that children enrolled in prekindergarten have higher test scores, better language development and motor skills, and often have better attendance and fewer behavioural problems in school. Studies also find prekindergarten enrolment continues to provide advantages to children later in life, including improved high school graduation rates, higher earnings as adults, and lower probability of needing income assistance or going through the justice system.¹³

In addition to building fundamental skills, prekindergarten programs can help to identify learning or developmental delays at an early stage and provide children and their families with appropriate support (e.g., speech language pathology). Early detection allows children to receive specialized help sooner, which can prevent an issue from intensifying and having to correct it at a later age, which can be more challenging.¹⁴ Prekindergarten can also help provide vulnerable children with the skills to become more successful in kindergarten and future grades.

Without effective processes to deliver prekindergarten programs, students from vulnerable situations are at greater risk of not achieving their academic, financial, and social potential. Having effective processes to deliver prekindergarten programs prepares students for entering kindergarten and helps to set them up for future academic success.

3.0 AUDIT CONCLUSION

We concluded, for the period ending January 31, 2024, Regina Public School Division No. 4 had, except in the following areas, effective processes to deliver prekindergarten programming.

The Division needs to:

- **Formally analyze and report on changes in prekindergarten enrolment to help identify and mitigate barriers to students entering the program**
- **Centrally monitor and analyze its prekindergarten waitlists**
- **Use sufficient measures to assess and report on the delivery of the prekindergarten program**
- **Consistently track prekindergarten family visits undertaken by teachers**
- **Periodically conduct formal assessments of prekindergarten classroom environments**
- **Improve its communication with prekindergarten teachers about other agencies that could provide support services to children**

¹³ McKinsey & Company, *Expanding publicly funded pre-K: How to do it and do it well*, p. 3. www.mckinsey.com/industries/education/our-insights/expanding-publicly-funded-pre-k-how-to-do-it-and-do-it-well (24 March 2024).

¹⁴ TD Economics, *Early Childhood Education has Widespread and Long-Lasting Benefits*, p. 3.

**Figure 4—Audit Objective, Criteria, and Approach****Audit Objective:**

To assess the effectiveness of Regina Public School Division No. 4's processes, for the period ending January 31, 2024, to deliver prekindergarten programming.

Audit Criteria:

Processes to:

1. Establish accessible prekindergarten programming

- Assess demand and supply for prekindergarten program
- Determine students eligible for prekindergarten program (using reasonable criteria)
- Set standards for prekindergarten classrooms (e.g., class size, learning environment, learning program)
- Allocate appropriate resources (e.g., teachers, educational assistants, special supports)
- Develop performance measures and targets to assess delivery of prekindergarten program

2. Deliver quality prekindergarten programming to eligible students

- Carry out established learning program
- Track and assess individual students' progress consistent with good practice
- Engage with families throughout program delivery

3. Monitor performance of prekindergarten program

- Continually align prekindergarten program with good practice (e.g., tools used, changes in teaching methods)
- Assess achievement of program results (e.g., comparison to targets, level of engagement with families, students' transition to kindergarten)
- Periodically report program results to interested parties (e.g., senior management, Board of Education, Ministry of Education)

Audit Approach:

To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Division's processes, we used the above criteria based on our related work, review of literature including reports of other auditors, and consultation with management. Division management agreed with the above criteria.

We examined the Division's policies, strategies, and reports relating to delivering prekindergarten programs. We interviewed Division staff and teachers responsible for delivering prekindergarten programs. We assessed the Division's processes for assessing prekindergarten demand and monitoring student enrolment, providing adequate training opportunities to teachers, and assessing program results. We visited three schools offering prekindergarten to assess, for a sample of students, the Division's processes for selecting eligible students, tracking student progress, and engaging with families. We also used an external consultant with expertise in the area to help us identify good practice and to assess the Division's processes.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Analysis of Program Enrolment Needed

Regina Public School Division No. 4 is not fully utilizing its available prekindergarten spaces and had yet to formally analyze its prekindergarten enrolment, including possible barriers to enrolment and associated ways to address barriers.

As described in **Section 4.2**, the Division receives funding from the Ministry of Education to operate its prekindergarten program, with each prekindergarten classroom having space available for 16 students. For 2023–24, the Division had 708 prekindergarten spaces available through two half-day programs in 17 schools and one half-day program in seven schools.¹⁵

¹⁵ The Division's 708 prekindergarten spaces for 2023–24 includes 52 spaces designated for students participating in the Early Learning Intensive Support Program (ELISP) and 656 spaces for non-ELISP students. The Ministry of Education makes this Program available to children with intensive needs who require a significant level of support to participate in an early learning program in select school divisions.

Figure 5 provides details about the Division's utilization of its available prekindergarten spaces from 2019 to 2023. As the data illustrates, the Division is not fully utilizing its available prekindergarten spaces despite existing waitlists at certain schools (see more details on waitlists in **Section 4.2**). Underutilized prekindergarten spaces mean fewer students benefit from the Division's spending on the program.

Figure 5—Regina Public School Division Prekindergarten Space Utilization 2019–23^A

	2019–20	2020–21	2021–22	2022–23	2023–24
Prekindergarten spaces available ^B	692	692	692	692	708
Unused prekindergarten spaces	49	259	134	134	149
Space utilization	93%	63%	81%	81%	79%

Source: Adapted from *Regina Public School Division Annual Report 2022–23*, p. 43 and additional information provided by the Division.

^A Prekindergarten utilization at September 30 of each year.

^B Includes spaces designated for students participating in the Early Learning Intensive Support Program (ELISP) and non-ELISP students. ELISP students and non-ELISP students learn together in the same the prekindergarten classrooms.

The Division experienced a marked decrease in prekindergarten utilization in the 2020–21 school year, aligning with provincial school divisions' transition between in-class and online learning during the COVID-19 pandemic. The Division indicated the Provincial Government's subsidy for regulated childcare introduced in April 2023 also impacted its prekindergarten enrolment, as many families chose regulated full-day childcare rather than prekindergarten.¹⁶ Having children attend prekindergarten provides them with access to supports (e.g., speech language pathologists) and certified teachers that they may not have access to at a regulated childcare facility.

However, we found the Division had not formally analyzed its prekindergarten enrolment, including consideration of possible barriers to families and associated actions to help mitigate those barriers.

Our discussions with the Division's early learning staff and prekindergarten teachers found a lack of transportation to prekindergarten as a common barrier for families. While staff indicated the Division used to provide transportation for prekindergarten students, it stopped over a decade ago due to safety concerns of young students riding on school buses.¹⁷

While student safety is of utmost importance, we found an example of another urban school division in Saskatchewan offering prekindergarten transportation in specific circumstances (e.g., for prekindergarten students in specific neighbourhoods). This school division takes appropriate precautions when transporting prekindergarten students, such as using child restraints on school buses. While there is a cost associated with transporting students, analyzing prekindergarten transportation could help the Division identify opportunities

¹⁶ The Ministry of Education implemented a *Maximizing Early Learning Spaces* policy in 2012 with the goal of ensuring the maximum number of young children have access to early learning programs by preventing duplication of services between childcare and prekindergarten programs. In January 2024, the Ministry provided updated guidance to school divisions recognizing circumstances where children may benefit from attending both childcare and prekindergarten. As such, the Ministry allows school divisions to accept children into prekindergarten who also attend regulated childcare for the 2024–25 school year.

¹⁷ Transport Canada research suggests that children under 18 kilograms, or younger than approximately four-and-a-half years old, do not benefit from the design of school bus seats as much as older children do. The heads of younger children are proportionately larger, causing them to move forward faster and contact the seat back in a different fashion. In addition, their bodies are not heavy enough to take full advantage of the energy-absorbing seat back design. tc.canada.ca/en/child-seats-school-buses-questions-answers (23 March 2024).



where providing transportation offers a feasible option to help remove barriers for some families and better utilize empty prekindergarten spaces.

We also found the Division does not track information about students moving in and out of its prekindergarten programs. Students may leave the program for various reasons, such as inconvenient location or issues with program expectations. In addition, families may relocate, transfer to another school division, or begin attending another early learning/childcare program (e.g., French immersion prekindergarten). While we found schools maintain information about students leaving their school, the Division does not maintain this information centrally. Gaining an overall understanding about the reasons students leave prekindergarten can provide the Division with valuable information about common possible barriers to full utilization of its program.

Without formal analysis of prekindergarten utilization, there is increased risk of the Division not appropriately responding to possible barriers (e.g., transportation, program locations) to full prekindergarten program enrolment. Significant underutilization of prekindergarten spaces is an inefficient use of public funds.

- 1. We recommend Regina Public School Division No. 4 formally analyze its prekindergarten enrolment to help identify and mitigate barriers to students entering the program and full space utilization.**

4.2 Waitlists Not Centrally Monitored

While Regina Public School Division No. 4 monitors demand for prekindergarten programming, it does not centrally monitor prekindergarten waitlists for its schools.

The Division's assessment of demand for prekindergarten, along with its ability to meet demand, is a critical aspect of delivering prekindergarten programming. To meet the needs of families across Regina, the Division needs to offer prekindergarten in the right schools, and at the right time.

Monitoring enrolment helps the Division assess whether its prekindergarten classrooms are appropriately located across Regina. The Division receives funding (2022–23: \$2.86 million) from the Ministry of Education to operate its prekindergarten programs. As funding becomes available, the Ministry allocates prekindergarten programs (i.e., classrooms) to the highest-need communities across the province based on education, social, and health indicators.¹⁸ Each classroom approved by the Ministry creates 16 spaces for prekindergarten students.

If the Division identifies a need to adjust the locations of its prekindergarten programs, it can submit a request to the Ministry for the relocation of a program from one neighbourhood to another. The Ministry last approved a new prekindergarten program within the Division during 2014–15. The Division has not recently relocated any of its existing programs (i.e., last relocation occurred in 2018–19).

When forecasting prekindergarten enrolments, the Division considers the location of applications for prekindergarten from across Regina, along with demographic data from a

¹⁸ Ministry of Education, *Relocation of an Assigned Prekindergarten Program*.

third-party. This helps the Division with enrolment projections and trend analysis, as it provides demographic data about Regina from federal, provincial, and local sources—including current birth, population, and preschooler data for each school, along with multiple years of data for comparison. We observed evidence of school principals assessing the forecasted enrolment for their schools, including prekindergarten, and adjusting the forecast using knowledge of their schools' population.

Since school enrolment fluctuates throughout the year (e.g., due to new students moving to Regina, or existing students leaving Regina or transferring to another school or school division), the Division monitors enrolment monthly. For example, the Division had prekindergarten enrolment of 559 students in September 2023 compared to 574 students in January 2024. For three months during this period, we reviewed emails showing staff providing updated monthly enrolments to Division senior management.

Each school in the Division informally maintains a waitlist for its prekindergarten program. However, we found the Division does not centrally monitor the prekindergarten waitlists for its schools—we consider it good practice to do so.

We collected waitlist information from the Division's schools at February 2024 and found 75 students waiting for acceptance in prekindergarten across the city, with almost 70% (or over 50) of these students waiting at three schools (i.e., Arcola, Grant Road, Marion McVeety). However, the Division had 559 students enrolled in prekindergarten spaces in 2023–24 compared to 708 spaces available, which means it is not utilizing 21% of its available spaces when 149 spaces were available for waitlisted students (see **Recommendation 1**).

Figure 6 summarizes the Division's prekindergarten enrolment for 2021 to 2024. The Division is projecting enrolment of 564 prekindergarten students in 2024–25, which is comparable to prior years but does not consider waitlisted students.

Figure 6—Regina Public School Division Prekindergarten Enrolment 2021–24

	2021–22 Actual	2022–23 Actual	2023–24 Actual	2024–25 Forecast
Prekindergarten enrolment ^A	558	558	559	564

Source: Adapted from *Regina Public School Division Annual Report 2022–23*, p. 43 and additional information provided by the Division.

^A Prekindergarten enrolments at September 30 of each year.

We observed evidence (e.g., emails, online chat group) of prekindergarten teachers communicating with each other about finding placements for students on their waitlists. However, centrally monitoring waitlists can provide the Division with relevant information to analyze its waitlists across the city and improve utilization of its prekindergarten program, or determine possible classroom relocations.

By not monitoring prekindergarten waitlists centrally, there is increased risk of the Division missing opportunities to find placements for students at other schools. Analyzing waitlists may help in making decisions about the Division's prekindergarten programs (e.g., changing school locations, addressing possible barriers impacting certain families or neighbourhoods).



2. We recommend Regina Public School Division No. 4 centrally monitor and analyze its prekindergarten waitlists.

4.3 Lack of Performance Measures Specific to Prekindergarten

While Regina Public School Division No. 4 measures overall student achievement in the primary grades, it does not have measures to specifically assess the performance of its prekindergarten program.

The Division's objective for prekindergarten is to prepare students to be ready to learn in primary grades. **Figure 7** sets out the Division's expectation associated with students' readiness to learn.

Figure 7—Readiness to Learn at Regina Public School Division

Regina Public Schools believes readiness to learn is:

- Children's ability, understanding, and disposition to engage in the learning process and communicate their learning with independence, capability, competence, and confidence
- Demonstrated through children's social-emotional, physical, intellectual, and spiritual preparedness
- Dependent upon meeting children's basic needs and providing a developmentally appropriate learning environment that encourages independence, communication, and relationships through play

Source: Adapted from information provided by Regina Public School Division.

We found the Division does not have measures for specifically assessing the performance of its prekindergarten program. However, it did have processes to monitor and assess student achievement in kindergarten to Grade 3.

For example, we found the Division annually monitors students' readiness to learn using the Early Years Evaluation – Teachers Assessment (EYE-TA) for students at kindergarten entry, including specifically reviewing EYE-TA results for schools identified as High Count High Rate (HCHR) schools by the Ministry of Education.^{19,20} Our review of the Division's results for the 2020–21 to 2022–23 school years found the percentage of students at an appropriate level of development (Tier 1) at kindergarten entry remained relatively consistent—between 55% to 58% (this is comparable to results across the province).²¹ In addition, we found the Division established a team in 2023–24 to monitor reading levels for students in Grades 1–3 at 10 different schools (with a large focus on HCHR schools).²²

Assessment of student achievement in the primary grades provides the Division with an opportunity to consider changes to its prekindergarten program. For example, the Division indicated it took steps to further incorporate phonics (e.g., learning letters by sounds) into prekindergarten learning centres in 2021–22, based on its review of student performance in the primary grades. We observed the use of phonics programs in prekindergarten classrooms during our school visits.

¹⁹ The Division uses a skill-based assessment tool, the Early Years Evaluation (EYE), to help teachers assess the skills of kindergarten children in five domains related to readiness to learn. Kindergarten teachers across the Division administer the EYE assessment to all students at kindergarten entry, and again at kindergarten exit for those students who scored outside the appropriate EYE range (Tier 1).

²⁰ HCHR schools have a large number of students scoring below the appropriate EYE-TA range, as well as students among the most vulnerable (i.e., most likely to experience difficulty with developmental tasks). Office of the Provincial Auditor of Saskatchewan, *2021 Report – Volume 2, Chapter 23*, p. 187.

²¹ Regina Public School Division Annual Report's for 2020–21 to 2022–23.

²² The Division's Responsive Instructional Team monitors reading levels for students in Grades 1–3 to determine whether students read at or above, below, or well below expected reading levels.

However, as not all students attend prekindergarten in the Division (i.e., limited to vulnerable students only), its assessment of overall student achievement in the primary grades is not sufficient for making conclusions about the performance of its prekindergarten program. Establishing measures and targets specific to prekindergarten can assist the Division in assessing the quality of its program and identify potential areas for improvement. **Figure 8** includes examples of potential performance measures and targets the Division may want to consider for assessing its program, including measures addressing the prekindergarten environment and student achievement.

Figure 8—Potential Performance Measures Specific to Prekindergarten

Potential Performance Measure	Potential Outcome
Percentage utilization of available prekindergarten spaces	Optimal prekindergarten student enrolment
Percentage of families attending prekindergarten engagement events	Increased family engagement with prekindergarten program and support of prekindergarten students at home
Percentage of prekindergarten students at an appropriate level of development (Tier 1) in the Early Years Evaluation – Teachers Assessment (EYE-TA) at kindergarten entry	Improved prekindergarten student readiness for transition to kindergarten
Percentage of prekindergarten classrooms with high Early Childhood Environmental Ratings (ECERS) ^A	High quality prekindergarten classroom environments
Monitor future achievement (e.g., literacy) for a cohort of prekindergarten students	Increased student achievement for students participating in prekindergarten program

Source: Developed by the Office of the Provincial Auditor of Saskatchewan.

^A ECERS is a prekindergarten classroom assessment based on classroom observations across six quality indicators: space and furnishing, personal care routines, language-reasoning, activities, interactions, and program structure. The quality indicators use a rating scale between 1.0 (inadequate) and 7.0 (excellent).

Without sufficient measures specific to prekindergarten, the Division cannot effectively assess and report on the performance and success of its prekindergarten programming (e.g., report on achievement of prekindergarten enrolment target, including analysis).

3. We recommend Regina Public School Division No. 4 use sufficient measures to assess and report on the delivery of its prekindergarten programming.

4.4 Eligible Students Selected for Prekindergarten

Regina Public School Division No. 4 adequately reviews applications for prekindergarten and selects vulnerable students for acceptance into prekindergarten.

The Division communicates its prekindergarten program on social media and on its websites (i.e., Division, schools), where it makes prekindergarten applications available to families. We found it also works with partners to communicate its program, such as coordinating prekindergarten enrolment for immigrant families with the Regina Open Door Society, and including links to its website on partners' websites (e.g., KidsFirst Regina, 211 Saskatchewan).²³ We found the application form requests appropriate information about prospective students and their families, such as names, addresses, self-declarations

²³ 211 Saskatchewan offers a database of over 6,000 community, social, non-clinical health, and government services across the province. [sk.211.ca/](https://www.sk.211.ca/) (30 March 2024).



(i.e., for those identifying as Indigenous), and student background information (e.g., early learning behaviours and experiences, health history).

Parents submit their completed application to the school where they want their child to attend based on school attendance boundaries. Upon receipt of prekindergarten applications, schools select children for their program. Each school uses a prekindergarten selection committee to review applications and perform family visits to assess students' eligibility (see **Section 4.10**). A selection committee is typically comprised of:

- Prekindergarten teacher and associate
- Administrator (i.e., principal)
- Other school-based professionals (e.g., learning resource teacher, speech language pathologist)

Schools select students demonstrating the highest levels of vulnerability for enrolment—they do not consider applications that do not clearly illustrate children exhibiting vulnerabilities. As such, schools may have spaces available in their prekindergarten program if they did not receive enough applications from vulnerable children (i.e., schools would leave spaces available so they can accommodate vulnerable children as they arrive).²⁴ **Section 4.1** describes how the Division needs to analyze its prekindergarten enrolment to help identify and mitigate barriers to students entering the program.

The Division provides schools with a prekindergarten selection form staff use to document their assessment of children's vulnerabilities. **Figure 9** sets out guidance from the Ministry of Education about identifying and selecting the most vulnerable students for prekindergarten. We found the factors within the Division's assessment form aligned with the Ministry's guidance.

Figure 9—Factors to Assess Student Vulnerability

<ul style="list-style-type: none">• Speech or language difficulties• Challenges with social or emotional development• Little or no opportunity for contact with other children• Learning English as an additional language• Child living with only one parent• Child's family members absent from home for long periods of time• Child lives with a teen parent	<ul style="list-style-type: none">• Child's parent(s) have less than a high school education• Impact on the family from a traumatic experience• Family experiencing financial need• Family experiencing a healthcare crisis (e.g., addiction, mental illness)• Limited extended family support• Child receiving support from other programs (e.g., KidsFirst)
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Source: Ministry of Education Prekindergarten Admission Screening Tool.

For three schools, we found all students selected for their 2023–24 prekindergarten programs had applications with documented vulnerabilities as described in **Figure 9**.

Accepting the most vulnerable children in prekindergarten provides these students with time in a classroom setting and additional supports as they prepare to begin school.

²⁴ Schools receive prekindergarten applications for three- and four-year old children. The Division indicated that three-year-old children accepted into prekindergarten typically attend as four-year-old children as well.

4.5 Program Curriculum Aligned with Good Practice

Regina Public School Division No. 4 aligns its prekindergarten program with good practice by using a provincially-established prekindergarten curriculum.

The Division uses the curriculum set out by the Ministry of Education for prekindergarten across Saskatchewan. **Figure 10** describes the prekindergarten curriculum materials set out by the Ministry. We found these materials align with good practice and provide a basis for consistent prekindergarten learning across the province.

Figure 10—Ministry of Education Prekindergarten Curriculum Materials

Document	Purpose
<i>Prekindergarten Essentials—Effective Practices, Policies and Guidelines</i>	Provides a guide to implementing a holistic, developmentally appropriate and caring learning program. It focuses on the healthy development of the whole child: social-emotional, physical, intellectual, and spiritual development. Family engagement and community partnerships are also foundational components.
<i>Play and Exploration—Early Learning Program Guide</i>	The Guide is an important part of Saskatchewan's early childhood development initiatives. It affirms the importance of high-quality learning experiences for all Saskatchewan children during their preschool years—three to five years of age.
<i>Essential Learning Experiences for Three-, Four-, and Five-Year Olds</i>	Supplements the <i>Play and Exploration—Early Learning Program Guide</i> and assists educators to provide holistic and responsive early learning programs for young children.

Source: Adapted from curriculum.gov.sk.ca/CurriculumHome?id=406 (27 March 2024).

The Ministry expects a student to educator ratio of eight students to one educator for prekindergarten. A low ratio provides opportunity for quality interaction, modelling and teaching. For example, teachers become more actively involved in activities with students and in responding to their needs. In addition, students can interact in small groups, create friendships, and reduce behavioural challenges.²⁵ We reviewed the Division's prekindergarten enrolment and found it complied with the student to educator ratio of eight students to one educator (i.e., a maximum of 16 students per classroom taught by one prekindergarten teacher and one teacher associate).

Aligning the prekindergarten program with good practice helps ensure students receive relevant and appropriate instruction and support as they prepare to enter kindergarten.

4.6 Learning Plans Developed

Regina Public School Division No. 4 uses learning plans to guide prekindergarten students' learning toward curricular outcomes.

As described in **Section 4.5**, the Division uses the prekindergarten curriculum set out by the Ministry of Education. We found the Division appropriately communicates the curriculum to its prekindergarten teachers to ensure they incorporate appropriate content in their classroom instruction.

²⁵ Ministry of Education, *Prekindergarten Essentials—Effective Practices, Policies and Guidelines*, p. 18.



We visited three prekindergarten classrooms, and we found each prekindergarten teacher used a different method to track their learning program. All teachers used pictures to show students the general plan for the day (e.g., welcome, tabletop activities, gathering to sing and read books, free play, snack, guided activity, leave). One teacher used a desktop calendar to plan monthly activities (e.g., family engagement sessions, field trips, holiday-themed activities), while another teacher created a document to set out a general plan for each month during the school year.

While each prekindergarten teacher had their own method to track their learning programs, we found the teachers' learning plans did not clearly illustrate how they meet all expectations set out in the curriculum established by the Ministry. The Division may want to suggest teachers do so to help ensure alignment with the curriculum. However, we found prekindergarten teachers clearly assess students' progress against expected curricular outcomes (see **Section 4.9**).

Use of learning plans assists prekindergarten teachers in delivering relevant and appropriate learning to students consistent with the expectations set out in the curriculum.

4.7 Classroom Learning Environments Informally Monitored

While Regina Public School Division No. 4 established appropriate expectations for prekindergarten classroom learning environments, it does not formally assess whether learning environments meet those expectations.

Classroom environments have the power to shape the learning that takes place. When teachers create a setting reflecting what children can do and what children can be, the environment sends positive messages to everyone. The setting can teach children the classroom is a place where they are valued as people capable of exploring materials and learning with the teacher and each other.²⁶

We found the Division appropriately established its expectations for classroom learning environments based on guidance from the Ministry of Education (e.g., *Prekindergarten Essentials, Play and Exploration*). It appropriately communicated these resources to prekindergarten teachers via email at the start of the school year.

We compared the Ministry's classroom learning environment expectations to a source of good practice (i.e., Early Childhood Environment Rating Scale—ECERS) and found the Ministry's expectations to be reasonable.²⁷ We also visited three prekindergarten classrooms and found the Division and teachers maintained physical classrooms consistent with good practice (e.g., natural light, child-sized furniture, spaces arranged for play, display of students' work, child-sized toilets and low sinks).

During our school visits, principals indicated they frequently (e.g., weekly) visit prekindergarten classrooms to observe teachers delivering the program to students. However, we found none of the principals documented their assessment of the prekindergarten learning environment. We found the Ministry makes guidance available for administrators (including principals) to assess prekindergarten learning environments and

²⁶ Ministry of Education, *Play and Exploration—Early Learning Program Guide*, p. 44.

²⁷ ECERS is a prekindergarten classroom assessment based on classroom observations across six quality indicators: space and furnishing, personal care routines, language-reasoning, activities, interactions, and program structure.

programs, including a one-page checklist they may use to guide and document their assessments.²⁸ The checklist addresses areas such as:

- Physical classroom organization
- Program planning/scheduling
- Language development
- Assessment and evaluation
- Classroom management

Periodic (e.g., annual) assessments of prekindergarten learning environments reduce the risks of inconsistent learning experiences for students across the Division and not meeting the needs of students.

4. We recommend Regina Public School Division No. 4 periodically conduct formal assessments of prekindergarten classroom environments.

4.8 Prekindergarten Resources Considered

Regina Public School Division No. 4 established appropriate education and experience requirements for prekindergarten staff and provided adequate professional development opportunities. Additionally, the Division has reasonable processes to assign additional supports (e.g., speech language pathologists) to prekindergarten students. However, it needs to improve its communication to teachers about community partnerships relating to the prekindergarten program.

4.8.1 Assigning Teachers and Teacher Associates

Regina Public School Division considers its staffing requirements for prekindergarten classrooms between March and June each year for the upcoming school year. It indicated it places teachers in classrooms based on teacher qualifications, skills, and experience. The Division also considers observations from principals and, where applicable, information provided by the teachers themselves (e.g., requests for transfers to another school).

We found the Division requires all teachers, including prekindergarten teachers, to have an undergraduate degree in education, along with a valid Teacher's Certificate.²⁹ The Division indicated it is not always possible to fill vacant prekindergarten teacher positions with teachers having previous early learning experience. However, we found the Division appropriately assigns a mentor (i.e., experienced prekindergarten teacher) to new prekindergarten teachers to help address knowledge gaps. We reviewed emails showing the Division detailing mentorships to new prekindergarten teachers for both the 2022–23 and 2023–24 school years.

²⁸ Ministry of Education, *Leading for Change—Supplement to Play and Exploration: Early Learning Program Guide*, p. 22.

²⁹ Teachers in the province's prekindergarten–Grade 12 education system must hold a Saskatchewan teacher's certificate issued by the Saskatchewan Professional Teachers Regulatory Board (SPTRB). Teachers issued a certificate and working as teachers are required to register annually with the SPTRB. sptrb.ca/SPTRB/SPTRB/Certification/Certification.aspx (26 March 2024).



The Division requires teacher associates to:

- Have a Grade 12 diploma and relevant post-secondary training (e.g., teaching assistant, early childhood education)
- Demonstrate the ability to provide personal care to students with health impairments
- Support students experiencing challenging behaviour (e.g., difficulty regulating emotions)
- Provide academic support under the guidance of a teacher

Additionally, the Division attempts to place teacher associates in schools within the communities where they live to help bring an understanding of the communities into the classroom.

We reviewed the experience and educational backgrounds of the prekindergarten teachers and teacher associates at the three schools we visited. We found all had the necessary requirements set by the Division (i.e., each teacher held an undergraduate degree in education and a valid teaching certificate; each teacher associate had a Grade 12 diploma and relevant post-secondary training and experience).

In addition, we found the Division provides its prekindergarten teachers with relevant professional development. It provides teachers 12 professional development days each year and maintains a schedule of training, such as training for new prekindergarten teachers (i.e., Prekindergarten Basics) and training for creating student learning stories.³⁰ In addition, the Ministry gives prekindergarten teachers access to training materials (i.e., webinars) about prekindergarten and the curriculum.

Staffing prekindergarten classrooms with appropriate resources helps provide students with a fulfilling early learning experience.

4.8.2 Identifying and Assigning Additional Student Supports

When teachers identify a prekindergarten student requiring additional classroom supports (e.g., speech language pathologist, psychologist, occupational therapist), we found the Regina Public School Division had reasonable processes to consider and assign these supports.

The Division employs a variety of specialized support staff to help support learning for teachers and students across the Division, including those in prekindergarten. For example, the Division employs approximately 22 speech language pathologists, 14 psychologists, and four occupational therapists. The Division expects schools to request additional supports for students when deemed necessary. Upon receiving a request, the Division determines whether supports already exist at the particular school, or whether it needs to access Division-wide supports (e.g., positions shared with other schools such as speech language pathologists).

³⁰ Prekindergarten teachers use an online application (Edsby) to post pictures for families, so they are aware of what their child is learning in the classroom—these are often referred to as “learning stories.”

We visited three prekindergarten classrooms and two teachers confirmed their students had access to all additional supports they required. The third teacher indicated not all students in their classroom have access to necessary supports. For example, the teacher indicated students who needed to see a speech language pathologist or occupational therapist had yet to do so.

In response to demands for specialized student needs, we found the Division allocated additional funding in June 2023 to assist in meeting demand. For example, we found the Division posted job ads for additional speech language pathology and occupational therapy resources in June 2023 and filled the positions by October 2023.

During our review of student cumulative records at the three schools we visited, we found the Division identified and provided additional supports to prekindergarten students. For example, we saw evidence of the Division preparing Inclusion and Intervention Plans (IIPs) for prekindergarten students with special needs, as well as assessments from speech language pathologists.³¹

Identifying and assigning additional student supports contribute toward the Division providing needed supports to prekindergarten students to help them progress in school.

4.8.3 Improved Communication about Key Partnerships Needed

Regina Public School Division established partnerships with several outside agencies in relation to prekindergarten; however, inconsistency among prekindergarten teachers' awareness of these partnerships and the benefits they provide exists.

We found the Division formed community partnerships in relation to its prekindergarten program with various agencies, such as:

- **KidsFirst Regina:** a home-visiting program designed to support children and families by enhancing parenting knowledge, providing support, and building on family strengths³²
- **Regina Early Childhood Intervention Program:** provides specialized services to families of children aged 0–6 years who are either at risk for, have a diagnosis of, or exhibit developmental delay or disability
- **Saskatchewan Health Authority's Wascana Rehabilitation Centre:** provides intensive support programming (e.g., physical therapy, occupational therapy, exercise therapy, music therapy)
- **Métis Nation Saskatchewan:** provides funding for the Michif Early Learning Program the Division offers at McDermid Community School³³

³¹ An Inclusion and Intervention Plan is a document developed and implemented by a collaborative team (e.g., teachers, professional support staff, and parents) that sets out student outcomes, focusing on the key areas of development with the most impact on student success during the school year.

³² www.kidsfirstregina.com/ (26 March 2024).

³³ The Michif Early Learning Program connects children with Métis culture and immerses them in a half day Michif language program.



- **Regina Early Years Family Resource Centre:** provides a development centre working with families and children to foster the healthy development of children from prenatal to five years of age³⁴

By partnering with other outside agencies, additional services (e.g., health, mental health, social services) can further support prekindergarten students.³⁵ However, during our visits at three prekindergarten classrooms, we found teachers did not have an understanding of the Division's partnerships with other agencies. Having a good understanding of the Division's partnerships can assist teachers in referring families to additional supports available for their children (e.g., specialized services for developmental delays). For example, teachers may be able to inform families about the Regina Early Childhood Intervention Program if children experience significant developmental delays.

If prekindergarten teachers do not know of the Division's partnerships with other agencies, they may not be aware of all supports available to their students. This increases the risk of students and families not receiving appropriate external supports when necessary.

5. We recommend Regina Public School Division No. 4 communicate with prekindergarten teachers about its partnerships with other agencies providing support services to children.

4.9 Prekindergarten Student Progress Appropriately Assessed

Regina Public School Division No. 4's teachers use appropriate methods to assess prekindergarten students' progress at varying frequencies. This is consistent with good practice.

Prekindergarten teachers use two methods when evaluating students:

- Formative assessments—daily monitoring of student learning for providing ongoing feedback to students
- Summative assessments—evaluation of student learning at the end of an instructional unit by comparing against a standard or benchmark³⁶

We visited three prekindergarten classrooms and found the teachers used an online application (Edsby) to post pictures for families, so they are aware of what their child is learning in the classroom—these are often referred to as 'learning stories'.³⁷ When posting pictures, teachers provide a summary of the activities (e.g., painting at an easel), along with the related learning objectives accomplished (e.g., learning to work as a team and share with others). In another example, we observed one teacher preparing a fine-motor skills portfolio for each student. These portfolios illustrate students' progressive skills in writing, drawing, and using scissors over the course of the school year.

We found all prekindergarten teachers at the three schools we visited used report cards to document their evaluation of student progress in the Prekindergarten Essential Learning

³⁴ earlylearning.ca/ (26 March 2024).

³⁵ Ministry of Education, *Essential Learning Experiences*, p. 17.

³⁶ www.gre.ac.uk/learning-teaching/assessment/assessment/design/formative-vs-summative (25 March 2024).

³⁷ Edsby is a comprehensive digital learning and data platform providing a modern way for families to follow their children's progress at school and receive school updates. www.reginapublicschools.ca/edsbyparentinfo (25 March 2024).

Experiences (see **Figure 2**). The Division expects teachers to complete report cards for students twice per year (in January and June), but only requires students' final report cards from the end of the year to be placed on students' cumulative records.

We tested a sample of 12 prekindergarten students at the three schools we visited and found end of year report cards (for 2022–23) in the students' cumulative records for all but one student. The Division provided a reasonable explanation for not having a completed report card for this student (i.e., poor attendance [including extended overseas travel] resulted in eventual removal of this student from the prekindergarten program).

During our school visits, prekindergarten teachers indicated language barriers and poor student attendance as common reasons why students do not progress in their learning. When teachers identify language barriers for a particular student, they indicated they use available translation services or may invite an older sibling into the classroom to help translate. When students have poor attendance, teachers indicated they speak with families (e.g., phone calls, discussing concern during student pick-up or drop-off) to address these concerns.

We analyzed 2022–23 and 2023–24 prekindergarten attendance data for the three schools we visited and tested 13 students who were absent more than 30% of the time. We found teachers took reasonable actions (e.g., discussions with parents, reaching out to extended family, requesting assistance from principals) to address these students' absences.

Having a good understanding of prekindergarten students' progress is essential to supporting them as they transition into kindergarten. We found each of the prekindergarten teachers at the three schools we visited took reasonable approaches to informing kindergarten teachers about individual students' needs. For example, we found one teacher used an assessment tool to provide the kindergarten teacher with information about students' learning skills needed for kindergarten (e.g., letter recognition, number recognition). Another teacher established joint activities with the kindergarten classrooms so students and teachers had an opportunity to interact before the transition to kindergarten. The remaining teacher used a standard form to communicate important information about the prekindergarten students (e.g., additional supports required; behavioural, allergy, or attendance issues).

Performing adequate and timely prekindergarten student assessments help teachers understand their students' progress. Such information is necessary for teachers to adapt learning plans to the needs of their students and help prepare them for entering kindergarten.

4.10 Improved Tracking of Family Visits Needed

Regina Public School Division No. 4 requires prekindergarten teachers to engage with students' families throughout the year, including two family visits and monthly family engagement events. While teachers tracked families' attendance at monthly family engagement events, they did not maintain sufficient evidence of family visits conducted during the year.



Family engagement is an important part of prekindergarten and for children's learning. Research demonstrates parent engagement in children's learning creates significant benefits, ranging from improved intellectual functioning to greater school success. Teachers also benefit from direct contact with families, gaining greater knowledge and understanding of the children, their families, and the communities in which they teach.³⁸

The Division expects prekindergarten teachers to conduct at least two family visits each year—in the fall and spring. Family visits give teachers an opportunity to meet with families at their home or the school to learn about:

- Family activities
- Traditions and culture
- Values
- Expectations
- Views on discipline

Such information can help teachers plan effective learning opportunities and supports for students.³⁹ The Division also expects teachers to organize monthly family engagement events to provide families with opportunities to participate in learning with their children.

We found prekindergarten teachers at the three schools we visited appropriately communicated family engagement expectations at the beginning of the school year. Examples we observed included teachers addressing expectations within a Question-and-Answer sheet provided to families upon their child's acceptance into prekindergarten or within a prekindergarten handbook provided to families.

At the three classrooms we visited, we observed evidence of teachers holding family engagement events using a mixture of in-class and out-of-school activities (e.g., inviting parents to the classroom after a school concert, sending activities home for families to do together, museum field trips). We found teachers took attendance at these events with family attendance ranging from just under 60% to greater than 80%. Teachers indicated they reach out to families who did not attend events to acknowledge their absence and encourage participation.

While teachers took attendance at family engagement sessions, we were unable to see evidence of prekindergarten teachers performing family visits during the year. For all three schools we visited, we found teachers either did not formally track the family visits, or we found inconsistencies in the tracking provided (e.g., inconsistencies between the families attending monthly engagement events and the expected family visit schedule).

Lack of an effective method to track family visits increases the risk that prekindergarten teachers may not conduct family visits for all students, as expected.

6. We recommend Regina Public School Division No. 4 implement a consistent method for prekindergarten teachers to track family visits.

³⁸ Ministry of Education, *Prekindergarten Essentials—Effective Practices, Policies and Guidelines*, p. 16.

³⁹ Ministry of Education, *Family Engagement in Prekindergarten*, p. 18.

4.11 Board Reporting on Changes to Prekindergarten Enrolment Lacking

While Regina Public School Division No. 4 reports results associated with its prekindergarten program to various interested parties (e.g., Board of Education, senior management, Ministry of Education, public), the Division's reports do not include a detailed analysis of changes to its prekindergarten enrolments (e.g., explanations for underutilization of the program).

The Division annually provides information to its Board about student enrolment for all grades (including prekindergarten students).

Its annual report also includes information about student achievement data that provides some indication of the prekindergarten program's performance. For example, in its 2022–23 annual report, the Division reported:

- 56% of students at an appropriate level of development (Tier 1) on the Early Years Evaluation – Teachers Assessment (EYE-TA) at kindergarten entry
- 65% of Grade 3 students reading at grade level

The Division makes its annual report available to the Ministry of Education and the public, following approval from the Board.

However, as we describe in **Section 4.3**, the Division's assessment of overall student achievement in the primary grades is not sufficient for making conclusions about the performance of its prekindergarten program. Once the Division establishes associated performance measures, reporting on achievement of the measures will help to illustrate the effectiveness of its prekindergarten program.

We found the Division presented 2023–24 student enrolments, along with its 2022–23 annual report, to its Board in fall 2023. We also found the Division provided ad hoc information about prekindergarten to Board members upon request, such as providing information about prekindergarten enrolment and attendance in December 2022 and community partnerships in November 2023.

However, we found the Division did not provide its Board with an analysis of changes to prekindergarten enrolment (e.g., reasons for enrolment changes or why spaces are not filled, actions taken to address barriers to the program). As we describe in **Section 4.1**, the Division needs to analyze its prekindergarten enrolment to help identify and mitigate barriers to the program.

Not providing the Board with further analysis about possible causes for changes in prekindergarten enrolment increases the risk of the Board not having sufficient information to make decisions about the prekindergarten program (e.g., resource allocation).

7. We recommend Regina Public School Division No. 4 provide its Board with detailed analysis of changes to its prekindergarten enrolment.



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Chapter 6

Saskatchewan Health Authority—Preventing the Spread of Tuberculosis

1.0 MAIN POINTS

Tuberculosis (TB) is an infectious disease. On average 5–10% of those infected will develop active TB over the course of their lives, which can be fatal if left untreated. Health conditions such as chronic kidney disease, a weakened immune system (e.g., HIV), malnourishment, as well as tobacco use increase a person's risk for active TB disease.

Saskatchewan's rate of TB was 10.9 cases per 100,000 population in 2023—more than twice the national average of 5.1 cases, with higher rates of incidence in northern Saskatchewan. The Saskatchewan Health Authority collaborates with key partners (e.g., Northern Inter-Tribal Health Authority) supporting TB-related services in the province to prevent the spread of tuberculosis.

We found the Saskatchewan Health Authority had, for the period ended January 31, 2024, effective processes to prevent the spread of tuberculosis other than the following six areas. The Authority needs to:

- Work with its partners to update the Provincial Tuberculosis Strategy to ensure the Authority and its partners focus on current risks and trends in preventing and controlling TB. In 2023, there were 138 patients in Saskatchewan with active TB and most patients were in northern Saskatchewan communities.
- Track and assess whether individuals are notified timely about TB cases during close contact investigations to help reduce the risk of spreading TB.
- Establish and use criteria to determine the appropriate treatment delivery method (i.e., direct observation, self-administered) for patients with TB. Direct observation (e.g., in-person) of certain patients taking TB medication is resource intensive. Self-administered treatment may reduce costs for the Authority and its partners (e.g., less travel for nurses), meet patient needs, and still provide adequate treatment.
- Determine the most efficient and effective model to use for TB care in the province. While the Authority offers various types of clinics (e.g., telehealth, in-person), patients attended only 55% of the in-person appointments booked in 2022–23. Assessing other types of models (i.e., virtual care) may help the Authority use TB physicians and nurses more effectively.
- Set clear expectations for publicly reporting outbreaks, which may help reduce the spread of TB.
- Track and analyze key TB information (e.g., clinic attendance, TB case contact notifications) to sufficiently analyze trends and assess whether its TB services meet patient needs and reduce the spread of the disease.



2.0 INTRODUCTION

The Provincial Health Authority Act makes the Saskatchewan Health Authority responsible for planning, organizing, delivering, and evaluating healthcare services within the province. These services include health assessment, screening, and disease prevention.¹

2.1 Tuberculosis

Tuberculosis (TB) is an infectious disease generally affecting the lungs. TB bacteria spreads when a person breathes in air infected by a person with active TB who exhales the bacteria (e.g., coughs, sneezes, speaks). TB can also infect other organs (e.g., eyes, kidneys), but is generally not contagious in these cases.

Infected individuals who show no symptoms (i.e., latent TB infection) cannot transmit the disease. Latent TB is determined by a skin or blood test. However, on average, 5–10% of those infected will develop active TB over the course of their lives. Treatment for latent TB exists but should be selectively targeted to those at highest risk for progression to active TB disease, due to risks of side effects and cost.² Health conditions such as chronic kidney disease, a weakened immune system (e.g., due to HIV), malnourishment, and tobacco use increase a person's risk for active TB disease. The Authority and its partners treated 472 latent TB cases in Saskatchewan in 2023.

In 2022, the provincial rate of active TB was more than twice the national average of 5.1 cases per 100,000.³ Saskatchewan's active TB rate marginally dropped from 11.9 cases per 100,000 in 2022 to 10.9 cases in 2023. Most TB cases in Saskatchewan affect persons who are either Indigenous (particularly in northern communities) or immigrants from high-risk areas across the world. In 2023, there were 138 patients in Saskatchewan with active TB and most patients were in northern Saskatchewan communities.⁴ Active TB can be fatal if left untreated.

In 2022–23, the Authority spent \$3.9 million to support its TB Prevention and Control Program, which includes \$641,000 received from Indigenous Services Canada. Indigenous Services Canada provides proportional funding to assist with TB services costs such as nurses, travel for in-person clinics, and medication delivery to First Nations communities. The Authority budgeted \$3.7 million for its TB Program in 2023–24.

2.2 Importance of Timely Tuberculosis Treatment

Tuberculosis is preventable and curable; however, it is the second leading cause of death for infections in the world.⁵

Early detection and treatment play a significant role in controlling the spread of the disease, which is contagious and can spread rapidly through close contacts. Delays in TB diagnosis

¹ *The Provincial Health Authority Administration Regulations*, s. 2(4)(h) and (k).

² World Health Organization (2018). *Latent Tuberculosis Infection: Updated and Consolidated Guidelines for Programmatic Management*. p. 9.

³ www.canada.ca/en/public-health/services/publications/diseases-conditions/tuberculosis-canada-infographic-2022.html (22 March 2024).

⁴ Information provided by the Saskatchewan Health Authority.

⁵ www.who.int/news-room/fact-sheets/detail/tuberculosis (6 October 2023).

or notifying close contacts increases the risk of TB spreading to and compromising vulnerable populations. In addition, patients who do not complete the required treatment for active TB have a greater risk of relapse or developing drug resistant TB.

Inadequate housing (e.g., overcrowding, inadequate ventilation) and limited access to healthcare results in delayed diagnosis, prolonged infectiousness, and promotes disease transmission to numerous contacts.⁶ These conditions are more likely to occur in remote areas of northern Saskatchewan than in other areas of the province.

Without effective processes to prevent and control the spread of TB in Saskatchewan, there is an increased risk of spreading the disease and negatively impacting the quality of life of those people who contract the disease. In addition, delays in treating TB increases the risk of it becoming more difficult to treat and potentially fatal.

3.0 AUDIT CONCLUSION

We concluded, for the period ended January 31, 2024, the Saskatchewan Health Authority had, other than in the following areas, effective processes to prevent the spread of tuberculosis. The Saskatchewan Health Authority needs to:

- **Work with its partners to update the Provincial Tuberculosis Strategy**
- **Assess timeliness of contact (i.e., exposed person) investigations for cases of tuberculosis**
- **Establish and use criteria to determine appropriate treatment delivery method(s) (i.e., direct observation therapy, self-administered therapy) for patients with tuberculosis**
- **Evaluate the care models available (i.e., in-person care, virtual care) to determine an efficient and effective model for tuberculosis patients**
- **Set clear expectations (e.g., when, by who) for making the public aware of tuberculosis outbreaks**
- **Analyze and report key information about tuberculosis to senior management and the public**

Figure 1—Audit Objective, Criteria, and Approach

Audit Objective:

To assess whether the Saskatchewan Health Authority had effective processes, for the period ended January 31, 2024, to prevent the spread of tuberculosis.

Audit Criteria:

Processes to:

1. Plan to prevent and control the spread of tuberculosis

- Plan to meet national standards for tuberculosis treatment
- Collaborate with provincial and federal agencies (e.g., Ministry of Health; NITHA; Immigration, Refugees and Citizenship Canada) that are key to tuberculosis screening, treatment and data sharing

⁶ *Canadian Tuberculosis Standards—8th Edition*, www.doi.org/10.1080/24745332.2022.2033055 (19 April 2024).



- Identify individuals/areas at risk for contracting or spreading tuberculosis (i.e., create a provincial risk profile)
 - Establish strategies to address high-risk individuals/areas
- 2. Deliver tuberculosis prevention and control program**
- Maintain adequate resources (e.g., staff training)
 - Make public aware of tuberculosis (e.g., risks, prevention, symptoms, services available)
 - Screen timely for tuberculosis (e.g., in high-risk individuals/areas)
 - Provide timely treatment and follow-up for positive cases
 - Minimize spread with timely outbreak response
- 3. Monitor effectiveness of tuberculosis prevention and control program**
- Analyze data about tuberculosis prevention (e.g., screening, diagnosis, outbreaks)
 - Report tuberculosis prevention and control program analysis and results to senior management and the public

Audit Approach:

To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Saskatchewan Health Authority's processes, we used the above criteria based on our related work, reviews of literature including reports of other auditors, and consultations with management and an independent consultant. Authority management agreed with the above criteria.

We examined the Authority's policies and procedures, minutes, and other key documents relating to preventing the spread of tuberculosis. We also interviewed key Authority staff. We tested a sample of patient files and examined medical documentation (e.g., lab results, diagnosis support, prescriptions, medical administration records). In addition, we used an independent consultant with subject matter expertise in the area to help us identify good practice and assess the Authority's processes.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Collaboration with Key Partners Supporting Tuberculosis-Related Services but Roles Should be Revisited and Clarified

The Saskatchewan Health Authority collaborates with key partners supporting TB-related services in the province, but it needs to revisit and clarify the roles and responsibilities of each key partner in preventing and controlling the spread of tuberculosis in the province (i.e., assigning actions outlined in a new TB strategy).

The Tuberculosis Prevention and Control Unit within the Authority centrally administers Saskatchewan's TB Prevention and Control Program. It holds all TB health records for the province and tracks information about active and latent TB cases in its IT system.

The Unit includes a manager, administrative staff, and TB-specialists including seven physicians, 10 nurses, and seven workers. Only TB physicians can diagnose and prescribe medications. TB workers perform duties such as picking up medication sent to the community from the designated pharmacy and observing patients taking the prescribed medication. We found the Authority appropriately offered periodic TB training to the nurses and workers in the Unit.

The Authority divides the province into eight geographic areas for service delivery with a clinical team (e.g., TB physician, nurse) assigned to each area. The Unit has three offices located in Saskatoon, Regina, and Prince Albert. Clinical teams travel to communities in the eight geographic areas to deliver TB services, including First Nations communities. Various partners support the clinical teams (see **Figure 2**). For example, Indigenous Services Canada has nurses who provide direct care to TB patients in 37 First Nations communities in central and southern Saskatchewan and the Northern Inter-Tribal Health

Authority (NITHA) has nurses who provide direct care to TB patients in 33 First Nations communities in northern Saskatchewan.

Figure 2—Key Partners in TB Prevention and Control

Northern Inter-Tribal Health Authority (NITHA)^A

- Provides direct care to patients, declares and manages outbreaks, and promotes awareness of TB in 33 First Nations communities in northern Saskatchewan

Indigenous Services Canada (ISC)—First Nations and Inuit Health Branch, Saskatchewan Region

- Provides funding to Saskatchewan's TB program to assist with costs such as nurses, travel for in-person clinics, and medication delivery related to TB services in First Nations communities (2023–24 budget: \$673,000)
- Provides direct TB care to patients, declares and manages outbreaks, and promotes awareness of TB in 37 First Nations communities in southern and central Saskatchewan

Immigration, Refugees and Citizenship Canada (IRCC)

- Coordinates and prioritizes immigrants and refugees for TB screening
- Communicates, through an online portal, latent TB cases to the Authority for screening or follow up

Ministry of Health

- Provides funding to the Authority for provincial TB Program (2023–24 budget: \$3.7 million)
- Liaison for national contacts (e.g., provides annual TB reporting to Public Health Agency of Canada)

Source: Adapted from information provided by the Saskatchewan Health Authority.

^A NITHA is a First Nations' health organization comprised of Prince Albert Grand Council, Meadow Lake Tribal Council, Peter Ballantyne Cree Nation, and Lac La Ronge Indian Band with each having extensive experience in health service delivery in their respective communities.

The Authority's Unit, together with its partners and healthcare professionals (e.g., public health nurses, medical health officers) provide TB-related services (e.g., screening, treatment, contact investigation, public education, staff training) for the province.

The Unit is a member of the Saskatchewan Tuberculosis Partnership Working Group (formed in 2011). The Partnership's purpose is to ensure a collaborative approach to address the complex issues (e.g., outbreaks) contributing to TB prevalence in Saskatchewan. Other members of the Partnership include representatives from the Ministry of Health, NITHA, the First Nations and Inuit Health Branch of Indigenous Services Canada, and other employees from the Authority (e.g., laboratory services).

We found the Partnership met five times between January 2022 and November 2023. In November 2023, it discussed the need for updated terms of reference for the Partnership, as well as renewing the provincial TB strategy (see **Section 4.2** for further details on needing an updated strategy).

In 2016, the Partnership documented the roles and responsibilities of its members. It set out responsibility, provision of support, and required consultations for various tasks related to Saskatchewan's TB Program including overseeing the strategy, developing and maintaining policies and procedures, delivering services (e.g., outbreak response, contact investigation), and quality improvement. For example, NITHA responds, and is responsible for, an outbreak occurring in a northern First Nations community under its authority. The NITHA Medical Health Officer will lead the local outbreak response.



When updating its terms of reference and renewing the TB strategy, the Authority should update the roles and responsibilities of each key partner to ensure each partner clearly understands and fulfills their role in preventing and controlling the spread of TB in the province (see **Recommendation 1** requiring an updated TB strategy). For example, each partner must understand their roles in addressing, investigating, and reporting on outbreaks to ensure they are appropriately managed and contained.

Working with key partners to deliver TB-related services helps ensure all people with the disease, or at risk of acquiring it, receive the proper support at the right time.

4.2 Tuberculosis Strategy Needs Updating

Saskatchewan does not have a current provincial tuberculosis strategy guiding the Saskatchewan Health Authority's TB Prevention and Control Unit and its partners to reduce TB rates in the province and improve patient outcomes.

In June 2013, the Saskatchewan Tuberculosis Partnership Working Group published *The Saskatchewan Provincial Tuberculosis Strategy 2013–2018* to address the high rates of TB in the province. The strategy focused on five areas as shown in **Figure 3**.

Figure 3—TB Strategy Areas of Focus and Objectives

Focus Area	Objective
Clinical Diagnosis and Treatment	Ensure appropriate use of best practices to support effective management and treatment of TB cases in Saskatchewan
Public Health, Prevention and Community Engagement	Strengthen the public health aspects of tuberculosis
Training and Education	Ensure adequate capacity in healthcare practitioners and TB knowledge in Saskatchewan communities
Epidemiology and Surveillance	Improve surveillance reporting and monitoring of the TB program
Quality Improvement, Program Evaluation and Research	Review existing programs to ensure a proactive, efficient, and effective tuberculosis program

Source: Adapted from *Saskatchewan Provincial Tuberculosis Strategy 2013–2018*.

In 2018, the Authority hired a consultant to evaluate progress on the strategy and received an evaluation report in December 2019. The evaluation report outlined successes, challenges, and included 30 recommendations for improvement. The Partnership created project plans to address key recommendations in each of the focus areas.

We found the Authority implemented some changes (e.g., use of virtual clinics in northern Saskatchewan to improve clinic attendance, improved surveillance reporting); however, it indicated due to the COVID-19 pandemic and other resource challenges (e.g., staffing, outdated technology), it had yet to address many recommendations. For example, the Authority had yet to evaluate its telehealth clinics providing care to individuals with TB.

We found the Authority and its partners have not updated the provincial TB strategy (developed in 2013). Several of our audit recommendations outlining process improvements relate to the strategy areas in **Figure 3**. For example, **Recommendations 2 and 3** relate to better clinical diagnosis and treatment (i.e., tracking and assessing how quickly staff notify individuals about TB cases during contact investigations and utilizing criteria to determine appropriate treatment delivery method(s) for individuals with TB).

The Authority and its partners should consider consulting with high-risk populations and communities (i.e., Indigenous, immigrants) who account for most TB cases in the province to provide a more patient-centred approach and improve the effectiveness of the TB strategy. The Authority should also consider the evaluation report's recommendations when updating its strategy. In addition, the Authority and its partners should review and update the TB strategy periodically.

Since preventing and controlling TB in Saskatchewan involves many partners (see **Section 4.1**), it is important the Authority update the roles and responsibilities, including any reporting requirements, of each key partner involved to ensure consistency in delivering TB services to those affected. Without clearly defined roles and responsibilities, there is an increased risk of confusion between partners that may lead to gaps impacting patient care or increasing community transmission.

Having an updated TB strategy helps ensure the Authority and its partners focus on current risks and trends in preventing and controlling tuberculosis in Saskatchewan.

1. We recommend the Saskatchewan Health Authority work with its partners to update the Provincial Tuberculosis Strategy, with input from high-risk populations and communities.

4.3 Public Made Aware of Tuberculosis

The Saskatchewan Health Authority and its partners communicate general information and resources to the public about tuberculosis and disease prevention. However, as noted in **Recommendation 5**, the Authority needs to set clear expectations for notifying the public when an outbreak occurs.

The Authority maintains a public webpage for TB prevention and control, which contains information about its TB Prevention and Control Program (e.g., goals and services) and various links to other resources such as the *Canadian Tuberculosis Standards*, TB Resources for Clients and Families, and TB Resources for Health Providers.⁷

The TB Resources for Clients and Families section of the Authority's webpage contains various documents to increase the public's understanding about the disease, such as:

- Tuberculosis Information—explains active and latent TB, risk factors, and signs and symptoms of active disease
- Tuberculin Skin Test—describes who should be tested, how the skin test works, and what the results mean
- Contact Investigations Frequently Asked Questions—explains who is considered TB case contacts, the contact investigation process, and what a contact can do

⁷ www.saskhealthauthority.ca/your-health/conditions-illnesses-services-wellness/all-z/communicable-disease-control/tb-prevention-and-control-saskatchewan%20 (12 April 2024).



The Authority does not actively engage in activities that educate or promote awareness about TB to the public (e.g., social media, radio, tv advertising). The Authority indicated it relies on its partners such as the Northern Inter-Tribal Health Authority (NITHA) and Immigration, Refugees and Citizenship Canada (IRCC) to increase public awareness of TB in high-risk populations, like Indigenous communities in northern Saskatchewan and immigrants from certain regions across the globe (i.e., those from higher risk areas).

We found NITHA's website contains materials about TB in various formats including posters, client handouts, audio files for radio announcements, and videos of survivor stories. Audio files are available in English, Cree, and Dene to support communication with Indigenous communities.

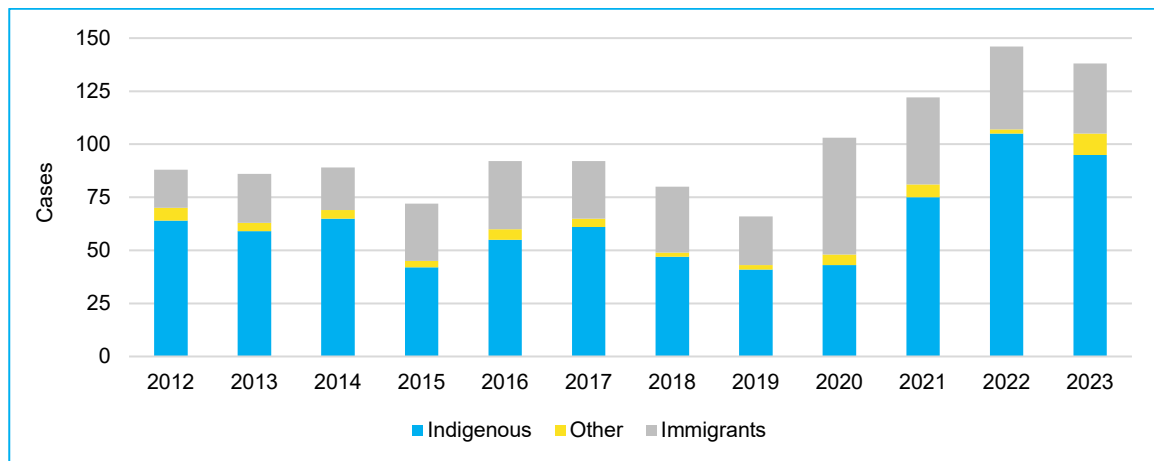
We also found IRCC provides information on its website about medical requirements for foreign persons applying to enter Canada, which includes screening for TB. According to its website, the IRCC provides a handout to applicants who require medical surveillance for the disease to enter Canada. The handout outlines the responsibilities of the applicant, some risk factors, signs and symptoms, and each province's contact number for public health authorities (e.g., Saskatchewan's Tuberculosis Prevention and Control Unit). IRCC makes this handout available in several languages, including English, French, Chinese, Hindi, and Tagalog.

Public awareness is key to preventing the spread of TB, especially in high-risk populations as informed individuals are more likely to seek medical attention promptly. The Authority relies on its partners to carry out certain public awareness initiatives. We suggest the Authority periodically review the content and frequency of its partners' communications materials to determine whether they communicate the appropriate messaging. Also, see **Recommendation 5** about setting clear expectations for communicating outbreaks.

4.4 Populations and Individuals at Risk of Tuberculosis Identified

The Saskatchewan Health Authority identifies key populations and individuals at risk for contracting or spreading tuberculosis.

Each year, the Authority's Tuberculosis Prevention and Control Unit prepares a surveillance report on epidemiological information that helps the Authority identify key populations at risk of contracting or spreading TB. As shown in **Figure 4**, most Saskatchewan TB cases infect persons who are either Indigenous (particularly in northern communities) or immigrants from high-risk areas across the world. In 2023, Saskatchewan had 95 active TB cases in its Indigenous population, making up 69% of all active cases (138 total) in the province. In addition, 33 active TB cases in the province's immigrant population represented 24% of all active TB cases in 2023.

Figure 4—Saskatchewan Active Tuberculosis Cases by Self-Identified Ethnicity

Source: Adapted from Information provided by the Saskatchewan Health Authority.

The Authority works closely with its partners (e.g., NITHA) in high-incidence communities to provide TB-related services (e.g., screening, treatment) that considers local community needs and cultures. For example, NITHA builds relationships with Indigenous people to instill trust and help them feel safe to seek medical care.

The Authority also regularly communicates TB risk factors to its healthcare providers (e.g., family physicians) so they are aware and can identify potential TB in their patients timely. For example, in April 2023, the Authority distributed a fact sheet, *Take Action Against TB: A Guide for Healthcare Providers*, outlining symptoms and risk factors of the disease. Consistent with good practice, the Authority's TB risk factors (i.e., higher risk of TB infection) include:

- HIV infection
- Children under five years of age
- Chronic kidney disease
- Transplant recipients
- Moderate/high dose steroid use
- Heavy alcohol or cigarette use
- Cancer (lung, sarcoma, leukemia, lymphoma, or gastrointestinal)
- Diabetes
- Homelessness
- Congregate settings with vulnerable populations (e.g., shelter, daycare)

Identifying high-risk populations and communicating TB risk factors to healthcare providers like family physicians, helps the Authority to increase disease awareness, and more timely diagnosis and treatment of TB, especially for high-risk individuals as they are more prone to TB and therefore, should be tested.

4.5 Patients Screened and Diagnosed Timely

The Saskatchewan Health Authority screens and diagnoses at-risk patients timely, which helps control the spread of tuberculosis.

When a family physician refers a patient at high risk of developing TB (e.g., exposed to a person with active TB, has HIV) to the Tuberculosis Prevention and Control Unit or a patient



has been identified as a contact, a TB physician or nurse screens the patient with a skin or blood test.^{8,9} These screening tests, determined at the discretion of a TB nurse or physician, can only detect the presence of tuberculosis and cannot differentiate between latent or active TB. For example, a TB physician may select blood screening test for immunocompromised patients as it may be more accurate than a skin test.

TB nurses perform the skin tests either in a clinic or at the patient's home. See further details about clinics in **Section 4.9**. The TB nurse would visit the patient's home when a patient cannot travel to a clinic for screening.

For the blood screening tests, the Authority requires a patient to travel to one of seven hospitals in the province as rapid testing of the blood is needed for proper results.¹⁰

If a patient already shows symptoms (e.g., prolonged cough, chest pain, weakness, fatigue, weight loss) or had a positive TB skin test in the past, they do not need an additional screening test. A previous positive skin test means the patient has latent TB. In both cases (i.e., presenting with symptoms, previous positive TB screening test), the TB physician will send the patient for further diagnostic testing (e.g., chest x-ray, sputum culture) to determine whether they have active TB.¹¹

The Authority expects a TB nurse or physician to screen patients within three days of their initial evaluation.

During our testing of 58 patient files, we found:

- 30 patients had a screening test (i.e., blood or skin test) completed
- 20 patients previously tested positive, so, did not require a screening test
- Eight patients already showed symptoms, so, did not require a screening test

For all patients who had a screening test, they either received the test within three days of initial evaluation by a TB nurse or physician, had reasonable explanations for delays, or had the test prior to seeing a TB physician. For example, screening tests may experience delays when staff suspect a patient has extrapulmonary TB (i.e., TB in organs other than the lungs) as it can be harder to diagnose and may not present the same symptoms as pulmonary TB (e.g., sputum, coughing).

If a patient shows a positive screening test or presents to care with symptoms indicative of the disease, the TB physician proceeds with further testing (e.g., chest x-ray, sputum culture) to obtain a diagnosis. The Authority expects a TB physician to diagnose patients within three days of an abnormal chest x-ray or positive sputum results.

⁸ A tuberculin skin test (TST) measures a skin reaction to an injection of tuberculin purified protein derivative. An interferon-gamma release assay (IGRA) is a blood test showing if tuberculosis is present.

⁹ Good practice discourages screening for TB infection among persons or groups who are healthy, have a low risk of exposure to TB, or have a low risk of progressing to active TB.

¹⁰ A phlebotomist at the Royal University Hospital (Saskatoon), St. Paul's Hospital (Saskatoon), Victoria Hospital (Prince Albert), Regina General Hospital, Pasqua Hospital (Regina), La Loche Hospital, and Meadow Lake Hospital collects blood for testing, however blood is only tested at Royal University Hospital.

¹¹ A sputum culture is a test that checks for bacteria or another type of organism that may be causing an infection in the lungs or the airways leading to the lungs. Sputum is a thick mucus made in the lungs. my.clevelandclinic.org/health/diagnostics/25174-sputum-culture (7 November 2023).

During our testing of 28 patients diagnosed with active TB, we found:

- 17 patients had a timely diagnosis (i.e., within three days of an abnormal chest x-ray or positive sputum results).
- Six patients had delayed diagnosis due to having extrapulmonary TB and needing tests from other physicians (e.g., eye specialist).
- Five patients had delays in diagnosis (14–68 days). However, delays were beyond the Unit's control (e.g., untimely lab results, patient disengaged [not attending clinic appointments or meeting with TB physicians and nurses]).

Diagnosing patients with tuberculosis timely decreases the risk of spreading the disease to other individuals as it is contagious and can spread rapidly through close contacts.

4.6 Timeliness of Contact Investigations Not Assessed

The Saskatchewan Health Authority does not track or assess the timeliness of notifying individuals during contact investigations.

When a patient is diagnosed with active tuberculosis, nurses (e.g., Authority TB nurses, Northern Inter-Tribal Health Authority nurses) interview the patient to get information on family, routines, and other information (e.g., who the patient lives with) to build a list of contacts.¹² For example, a NITHA nurse interviews patients in a NITHA community and Authority TB nurses provide assistance, if needed.

Based on this information, nurses assess the contact's level of exposure. For example, the Authority considers household contacts (those who regularly sleep in the same household or in a congregate setting such as extended family, boarders, roommates) to be high-priority. Non-household contacts (e.g., those who have regular contact with the patient on weekly basis, but not daily exposure such as caregivers, close friends, classmates, coworkers) are medium-priority contacts.

Once nurses create a list of prioritized contacts, nurses and community workers notify individuals of their TB exposure and make screening appointments. The Authority requires individuals assessed as high priority be contacted and screened within seven days of identification, and medium priority be contacted and screened within eight weeks (i.e., 40 business days). We found this aligns with good practice.

The Authority tracks all contacts identified for each original case (i.e., first case identified in a group of related TB cases), as well as the dates nurses identified and contacted the contacts. However, the Authority does not electronically track the date nurses notified the contacts in its IT system. Nurses document this date in notes within the patient's file. Therefore, the Authority does not readily know whether it notified and screened all contacts timely.

¹² *The Public Health Act, 1994*, s. 33 and *The Disease Control Regulations* s. 7 and 8 require persons with active TB to disclose their contacts to health officers. Health officers must inform each contact of their exposure and duty to get screened.



During our testing of 30 contact investigations, we found:

- 24 contacts notified and screened (when necessary) timely.
- Two contacts notified late (6 and 13 days after expected date) but had reasonable explanations for the delay (e.g., contact hospitalized, changed phone numbers). Due to having a previous positive screen test, these two individuals did not need to be screened again but proceeded to diagnostic testing (e.g., chest x-ray).
- One contact with active TB notified late (5 days after expected date). This person was in hospital for an unrelated medical condition and could not be reached for contact investigation.
- The Authority notified two high-priority contacts 6 and 12 days later than expected and did not have rationale for the delay. One patient took another three days to be screened (therefore total 9 days later than expected). Both patients were diagnosed with latent TB and were not contagious.
- One medium-priority patient (part of workplace exposure) was screened 74 days after the expected timeframe of 8 weeks. Due to the Authority not tracking the date of notification, we could not assess timeliness of notification. The patient was diagnosed with latent TB.

When the Authority does not track the date it contacts individuals due to close contact with a person with active TB, it limits its ability to analyze timeliness of contact investigations. Contact investigations not completed timely increases the risk of the Authority not identifying and treating TB cases timely, which may increase the risk of spreading TB.

2. We recommend the Saskatchewan Health Authority track and assess when individuals are notified about tuberculosis cases during contact investigations.

4.7 Timely Treatment and Monitoring of Tuberculosis Patients

The Saskatchewan Health Authority provides timely treatment and monitoring of patients with active and latent tuberculosis.

Once a TB physician confirms diagnosis, they prescribe treatment medication. The Authority centrally stores medication at the TB pharmacy in Saskatoon and distributes it to a patient's location to start treatment. For example, if a patient lives in an urban centre, staff courier (e.g., Canada Post, Fed Ex) medications to the patient's city of residence and a nurse (TB nurse or community nurse) delivers the medications to the patient. If a patient lives in a remote area, the pharmacy sends medications to the nearest medical clinic and a nurse (TB nurse or community nurse) delivers the medications to the patient. In each case, the nurse will review how the patient should take the medication and observe them doing so.

In 2023, there were 138 patients in Saskatchewan with active TB. There have been five TB deaths in Saskatchewan in the past three years.

Patients require treatment for active TB. Physicians generally treat active TB with a combination of four antibiotics, taken regularly (e.g., daily, three times per week) for at least six months, with the patient remaining contagious up to two weeks into their treatment. If individuals do not take antibiotics as directed, the TB physician may extend treatment past six months to make up missed doses unless a prolonged treatment interruption occurred. Prolonged treatment interruptions may require restarting TB treatment. The Authority expects patients to start treatment three days after diagnosis—this is consistent with good practice.

Nurses monitor active TB patients (e.g., monitor symptoms, adverse reactions) when they administer medication throughout treatment.

During our testing of 28 patients with active TB, we found:

- 20 patients started treatment within three days.
- Eight patients had delayed treatment starts (between 4–15 days after diagnosis). All had reasonable explanations for the delays (e.g., medication shipping time, unable to contact patient). In five of these cases, the patient was not contagious or deemed low risk for spreading the disease.

Of these 28 TB patients, we also found:

- 20 patients completed the prescribed treatment
- Seven patients stopped treatment before completion (e.g., adverse reaction to medication, patient not engaged in care). While the patients did not complete the required treatment, we found they received enough doses to no longer be considered contagious.
- One patient stopped treatment as it was later determined the patient did not have TB.
- All patients received ongoing monitoring by nurses during treatment.

Treatment is optional for latent TB. Patients with latent TB have the option to be monitored rather than to take medications. A TB physician monitors latent patients for symptoms (i.e., latent TB progressing to active) every six months (for up to two years). If a patient decides to take medication, they will take a less intensive medication regimen compared to active TB (e.g., one dose per week for 12 weeks or one dose per day for four months). Good practice recommends patients start treatment within 12 months of latent TB diagnosis or exposure.

During our testing of 30 patients with latent TB, we found:

- Two patients chose monitoring instead of medication.
- 28 patients started treatment within 12 months (ranged from 8–320 days). After starting treatment, we found seven of these patients stopped treatment and moved to monitoring mainly due to reactions to medication. For the patients who had ongoing treatment, they completed treatment as required.



- TB physicians followed up and monitored all patients as expected (e.g., every six months).

Having timely treatment decreases the risk of the spread of TB and the risk of negative treatment outcomes for the patient.

4.8 Analysis of Treatment Delivery Methods Needed

The Saskatchewan Health Authority does not have criteria to determine the treatment delivery method best suited for individual tuberculosis patients.

The *Canadian Tuberculosis Standards* set various medication treatment regimens and delivery methods for both active and latent TB.¹³ Physicians may prescribe:

- Daily medication treatment (i.e., five or seven times per week)
- Intermittent medication treatment (e.g., three times per week)
- Medication delivery using directly observed therapy (DOT) requiring healthcare staff (e.g., nurse, TB worker) observing the patient taking their TB medication
- Medication delivery using self-administered therapy (SAT) where patients self-administer medications and nurses do monthly check-ins to monitor medication progress and any adverse effects

Good practice recommends physicians use DOT for patients who have a higher risk of adverse outcomes (e.g., persons with HIV, substance use or mental health disorders, higher risk of non-adherence). It also recommends DOT be required for treatment of active TB with all intermittent (i.e., non-daily) regimens to ensure adherence, as medication is taken less often and missed doses can have greater consequences (e.g., treatment failure, relapse, acquired drug resistance).

The Authority's standard practice for active TB treatment delivery is in-person, community-based DOT during the initial phase of active TB—this requires health workers (e.g., TB nurses, community nurses, NITHA nurses, TB workers) to travel to the patient's location (e.g., community, home) to observe and support the patient taking their medication.¹⁴ During the continuation phase of treatment, treatment delivery can be in-person or virtual DOT. For example, with select patients, to accommodate their lifestyle (e.g., patient works at a remote location), a TB physician may approve real-time videoconferencing to observe patients taking their medication.

The Authority does not have the technology to observe patients taking medication through recorded video.¹⁵

¹³ The Canadian Thoracic Society (CTS) and the Public Health Agency of Canada (PHAC) jointly funds, edits, and produces the Canadian Tuberculosis Standards. The clinical recommendations in the Standards are those of the CTS.

¹⁴ Initial phase of TB treatment typically lasts two months and has patients take a greater number of medications before moving to the continuation phase. The continuation phase has patients taking fewer medications and typically lasts four months.

¹⁵ Video DOT uses video enabled devices (e.g., smartphones) to facilitate remote interactions between patients and healthcare workers to promote medication adherence and clinical monitoring. [www.ncbi.nlm.nih.gov/pmc/articles/PMC10042619/#:~:text=Directly%20observed%20therapy%20\(DOT\)%20for,DOT%20can%20present%20logistical%20challenges](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC10042619/#:~:text=Directly%20observed%20therapy%20(DOT)%20for,DOT%20can%20present%20logistical%20challenges) (22 April 2024).

During our testing of 28 active TB cases, we found all treatment administered using directly observed therapy (DOT). Of the 28 latent TB cases we tested where the Authority administered treatment, approximately 70% of the cases used DOT.

We also found 12 cases (eight active TB patients/four latent TB patients) of the 56 tested to be over 95% compliant with taking treatment as prescribed using DOT. This may suggest the Authority could have used self-administered therapy instead of directly observed therapy in certain cases.

Directly observed therapy is resource intensive requiring health workers to observe (in person or virtually) patients taking their TB medication three to five times per week for active TB or once per week for latent TB. Patients must connect with health workers to take medication during Authority business hours (i.e., 8 a.m.–5 p.m., Monday to Friday).

Self-administered therapy (SAT) would allow the patient to maintain independence, accommodate lifestyles, and instill trust in the healthcare system through independent treatment.¹⁶ As SAT uses less resources, it may potentially reduce costs for the Authority and its partners (e.g., less travel for nurses) and ensure effective use of nurse time.

Having criteria to assess the delivery method best suited (e.g., in-person, virtual, self-administered) for each patient would help to meet the needs of TB patients. It may also help reduce costs associated with treatment delivery for tuberculosis.

3. We recommend the Saskatchewan Health Authority utilize criteria to determine an appropriate treatment delivery method(s) for patients with tuberculosis.

4.9 Evaluation of Tuberculosis Care Model Needed

The Saskatchewan Health Authority uses a clinical care model to provide tuberculosis screening, diagnosis, and treatment. However, a virtual-care model is emerging as good practice and may better meet the needs of the Authority and TB patients.

Residents of northern Saskatchewan are disproportionately affected by the disease. Of the 138 active TB cases in 2023, 61 (44%) lived in Indigenous communities in northern Saskatchewan.

Northern Saskatchewan communities are remote and require more travel for both patients and practitioners to screen, diagnose, and treat TB. The Authority uses a combination of remote (over the internet), telehealth (over the phone), and mobile (in-person) clinics to provide care to individuals in these communities and increase accessibility for patients. Each clinic type connects a patient directly with a TB physician for screening, diagnosis, treatment, or monitoring symptoms.

Our analysis of TB clinics held in northern Saskatchewan found the Authority held 77 clinics in northern communities in the 2022–23 fiscal year. Overall, patients attended only 55% (1,070 out of 1,957) of the appointments booked at these clinics (see **Figure 5**). Poor clinic

¹⁶ Canadian Tuberculosis Standards—8th Edition, www.doi.org/10.1080/24745332.2022.2033055 (19 April 2024).



attendance increases the risk the Authority does not screen or diagnose patients timely and TB may spread in the community.

Figure 5—Summary of Tuberculosis Clinic Attendance in Northern Communities (for fiscal year, April 1–March 31)

Clinic Type	2021–22		2022–23		2023–24 (up to November 2023)	
	Clinics Held	Attendance	Clinics Held	Attendance	Clinics Held	Attendance
Remote	32	46%	25	59%	7	49%
Telehealth	15	48%	17	57%	15	58%
Mobile	11	51%	35	51%	23	56%
Total	58	48%	77	55%	45	56%

Source: Adapted from Saskatchewan Health Authority records.

The Authority indicated there are barriers that may prevent patients from attending clinic appointments. These barriers include lack of transportation, clinic timing conflicting with work schedules, and previous trauma or mistrust with the healthcare system.

The Authority manually summarizes clinic data for northern communities. Due to system limitations, the Authority does not analyze attendance for all TB clinics held in the province (e.g., number of clinic appointments attended, by location, by type). Without this information, the Authority cannot fully assess its current clinical care model to determine whether it should make changes to clinic delivery (see **Recommendation 6** about analyzing key information).

We found other jurisdictions, such as Alberta and British Columbia, have moved toward a virtual-care model. Under this model, centrally located TB specialists (e.g., physicians, nurses) are dedicated to virtual care. TB specialists hold weekly rounds to discuss all TB cases and communicate treatment recommendations to community nurses. Community nurses work with patients on treatment and gather any required patient information (e.g., symptoms, medication reactions) or samples (e.g., collect sputum) to send to TB specialists for review. Patients are encouraged to see their physician periodically to monitor progress, but do not need to see a TB physician. TB physicians only meet with patients face-to-face when necessary (e.g., medically complex case).

Missed clinic appointments increase the risk the Authority does not diagnose potential TB patients timely and tuberculosis continues to spread in the community. When patients do not attend clinics, both time (e.g., TB physician, TB nurse) and money (e.g., chartered flights for mobile clinics) spent to hold the clinic are used less effectively.

- 4. We recommend the Saskatchewan Health Authority determine the most efficient and effective tuberculosis care model (i.e., virtual, clinical) to use for tuberculosis care in the province.**

4.10 Expectations Needed for Informing the Public of Tuberculosis Outbreaks

The Saskatchewan Health Authority has guidelines to manage tuberculosis outbreaks. However, guidelines do not set clear expectations about informing the public of an outbreak.

As shown in **Figure 6**, the Authority has guidelines for managing a TB outbreak.¹⁷ We found these guidelines align with good practice. However, while the guidelines state informing the affected community as early as possible in an outbreak investigation is crucial, it does not set clear expectations (e.g., when and by who) for public reporting.

Figure 6—Guidelines for Managing Tuberculosis Outbreaks

- Organization and Resources: sets out key staff and roles (e.g., field staff to carry out contact investigation and follow up), as well as other supports needed (e.g., hospital facilities with airborne isolation rooms and diagnostic examinations) for TB outbreak response
- Communication with healthcare providers (e.g., emergency room, primary care in outbreak community)
- Prompt isolation and treatment of active disease cases
- Case-finding, identification of source case, and contact investigation
- Timely community outreach and education
- Evaluation of the process and outcome of the outbreak investigation

Source: Adapted from the Saskatchewan Health Authority's guidelines *Management of a TB Outbreak*.

Management indicated it was at the discretion of the local Medical Health Officer (e.g., NITHA, the Authority) when and whether to inform the public. See **Recommendation 1** about updating the TB strategy and clarifying roles and responsibilities of partners, which should include outbreak management.

Since 2021, Saskatchewan declared four outbreaks—two in 2021, one in 2022, and one in 2023. We found each of the outbreaks occurred in northern Saskatchewan.

The local Medical Health Officer declared the TB outbreaks and worked with the Authority to mobilize resources in the communities to respond and contain the outbreak (e.g., supporting contact investigations, mobile chest X-ray machine sent to community). The Authority indicated these outbreaks involved 113 cases, 2,245 contacts identified and resulted in four deaths. The Authority also indicated prolonged sheltering in place due to the COVID-19 pandemic, sometimes in overcrowded settings, set the stage for poor TB control and affected the delivery of TB services in the province.

During our testing of two outbreaks, we found a Medical Health Officer:

- Declared one outbreak two days after the original case (i.e., the first case identified in a group of related TB cases). They notified the public on the same day through radio ads in the community and surrounding area, social media posts, and news outlets.
- Declared another outbreak 79 days after the original case. They did not notify the public of this outbreak. We found the Medical Health Officer had rationale for not notifying the public.

¹⁷ An outbreak is an increase in the number of active TB cases over what is usually expected for that community or region over a given time. *Saskatchewan Provincial Tuberculosis Strategy 2013–2018*. (June 2013).



In each case, we found the Authority and its partners worked together to contain the outbreak by conducting home visits, as well as providing numerous mobile clinics and chest x-rays.

Setting clear expectations for reporting outbreaks to the public timely could help promote consistency, and increase awareness of outbreaks. This could help reduce the spread of tuberculosis in a community.

5. We recommend the Saskatchewan Health Authority set clear expectations for making the public aware of tuberculosis outbreaks.

4.11 Limited Analysis and Reporting of Key Information

The Saskatchewan Health Authority does not analyze and report sufficient information to determine whether it is effectively controlling the spread of tuberculosis in Saskatchewan. Its current IT system does not track key information to support effective analysis (e.g., contact investigation notification dates, clinic data).

The Authority's TB Prevention and Control Unit tracks information about all active and latent TB cases in the province in its IT system including:

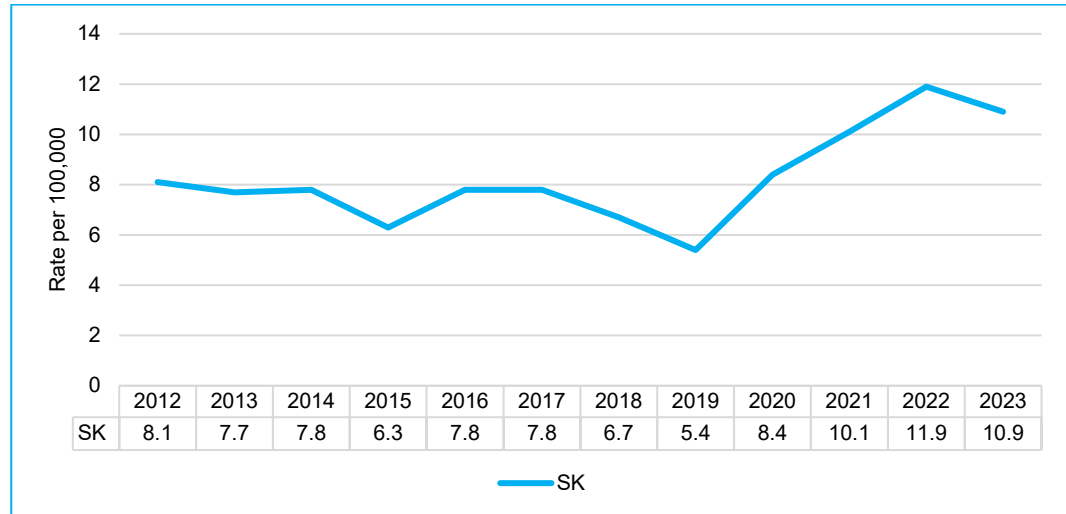
- Demographic information (e.g., birth date, location, ethnicity)
- Diagnosis date and type of TB
- Lab testing and chest x-ray results
- Treatment information (e.g., start and stop date, compliance rate, reason treatment stopped)
- Risk factors (e.g., HIV, alcohol use, exposure to TB)

Using this data, the Authority prepares an annual Surveillance Report, which it shares with medical health officers, infectious disease physicians, the Tuberculosis Partnership Working Group, and communicable-disease leads. The Report includes various graphs and charts to summarize the TB situation in the province (e.g., TB cases by age group, geography, ethnicity). It also includes 10 years of TB trends in the province; however, the Report lacks targets, analysis to explain trends, and action plans to address identified gaps.

The Saskatchewan Provincial Tuberculosis Strategy 2013–2018 set a target for a 25% reduction in the rates of new and relapsing cases of TB in Saskatchewan by 2017–18 and a 50% reduction by 2022–23. We found no evidence the Authority monitors or reports on these targets. Per the surveillance reports, as shown in **Figure 7**, the Authority's rate of active TB cases has increased since 2017–18.

The Authority achieved a 33% reduction in the active TB rate from 8.1 cases per 100,000 people in 2012 to a low of 5.4 cases by the end of 2019. However, the COVID-19 pandemic reversed the trend with an active TB rate of 10.9 cases per 100,000 reported in 2023, a 35% increase since 2012.

Figure 7—Rate of Active Tuberculosis Cases per 100,000 Population from 2012–23 in Saskatchewan



Source: Information provided by the Saskatchewan Health Authority.

We found the Authority does not track, analyze, or report key information such as contact investigation notifications (see **Section 4.6**) or clinic attendance data (see **Section 4.9**).

Good practice recommends collection and analysis of additional information to measure the effectiveness of the TB program such as:

- Treatment regimen prescribed and number of doses taken
- Standardized risk factors—the Authority tracks some risk factors, but not consistently for all patients and not in a manner that allows for efficient analysis
- Date of symptom onset
- Days between symptom onset and diagnosis date
- Days between diagnosis date and treatment start date¹⁸

However, due to IT system limitations, the Authority is not able to efficiently track and analyze this information.

We also found the Authority does not report key information to the public. We found other jurisdictions (e.g., British Columbia) provide annual and quarterly surveillance reports on its website. Reports include information such as TB case reports by month, by sex, by age group, and TB infection treatment starts by month. The Authority includes some of this information in its Surveillance Report but does not share this information publicly to increase awareness about the prevalence of TB in the province.

¹⁸ Canadian Journal of Respiratory, Critical Care, and Sleep Medicine (2022). *Canadian Tuberculosis Standards—8th Edition*. Table 1, Chapter 15: Monitoring tuberculosis program performance. www.tandfonline.com/toc/ucts20/6/sup1 (4 March 2024).



Without tracking and analyzing key information, the Authority is unable to sufficiently analyze trends and assess whether its TB services meet patient needs and reduce the spread of the disease.

In addition, without reporting key information annually to senior management, they will be unaware of trends in TB services. Understanding trends can provide support to senior management in making relevant decisions (e.g., resource allocations) to help prevent the spread of tuberculosis.

6. We recommend the Saskatchewan Health Authority analyze and report on key information related to tuberculosis services.

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Chapter 7

SaskBuilds and Procurement—Responding to Cyberattacks

1.0 MAIN POINTS

Cybercrime in Canada, including cyberattacks via the internet, causes more than \$3 billion in economic losses each year.¹

Through its Information Technology Division, the Ministry of SaskBuilds and Procurement delivers IT services to nearly 30 government ministries and agencies (i.e., clients). It manages over 700 servers and over 300 applications on behalf of its clients.

Effective cyberattack response plans are critical as cybercrime increasingly targets and can exploit government IT systems and networks resulting in data breaches, significant recovery costs, reputational damage, and disruption to the delivery of critical government services (e.g., social assistance, child and family services, public safety alerts). Tested response and recovery plans help ensure corrective actions taken lessen the devastating impact of a cyberattack.

At August 31, 2023, the Ministry had effective processes, except in the following areas, to respond to cyberattacks. The Ministry needs to:

- Centrally and continuously monitor all security event logs to identify potential cyberattacks and to ensure these are managed in a timely and responsive way.
- Undertake periodic penetration testing, which involves simulating cyberattacks, to identify and address cybersecurity vulnerabilities and threats.
- Expand its testing techniques and continuously test its cyber incident response and recovery plans.

Regular training and testing (e.g., walkthroughs, tabletop exercises, simulations) of response and recovery plans helps ensure personnel understand their roles and responsibilities to enact the plans appropriately to mitigate damage from security events, including ransomware, data breaches and cyberattacks.

The Ministry has a reasonable cyber incident response plan and several playbooks to respond appropriately to cyberattacks. These plans include processes to communicate with its clients and service providers and steps for rapid remediation and recovery.

Having comprehensive, up-to-date response plans can help reduce the associated costs and the total time the Ministry requires to recover from a cyberattack.

¹ Public Safety Canada, *National Cyber Security Action Plan: 2019–2024*, p. 1.



2.0 INTRODUCTION

The Ministry of SaskBuilds and Procurement Regulations assign the Ministry of SaskBuilds and Procurement responsibility for developing, implementing, monitoring, and enforcing IT security policies and standards. As part of its mandate, the Ministry delivers IT services to certain government ministries and agencies (i.e., clients) through its Information Technology Division—see **Section 6.0** for a list of its 29 clients at August 31, 2023, which includes all ministries except the Ministry of Health.² The Ministry does not provide IT services to the Government's Crown corporations like SaskEnergy, SaskTel, and SaskPower.

We audited the Ministry's processes to respond to cyberattacks.

A cyberattack is the use of electronic means to interrupt, manipulate, destroy, or gain unauthorized access to a computer system, network, or device.³ Attackers can interfere with the production and delivery of basic goods and services provided by the public sector. They can also undermine privacy by stealing personal information. Cyberattacks are one type of security incident that actually or potentially jeopardize the confidentiality, integrity or availability of an IT system.

The Ministry's clients' information (e.g., information about vulnerable adults and children, employee payroll information) must be protected from unauthorized use, disclosure, damage or loss; and must be available when needed, particularly during emergencies.

Due to the increasing occurrence and significance of cyberattacks globally, various frameworks exist to help organizations implement effective cybersecurity programs. One generally accepted framework is the *Framework for Improving Critical Infrastructure Cybersecurity* developed by the National Institute of Standards and Technology (NIST). NIST's Framework includes five functions that outline activities for an effective cybersecurity program as shown in **Figure 1**. Our audit focused on the last three functions: Detect, Respond, and Recover (from a cyberattack).

Figure 1—Five Functions from NIST's Framework for Improving Critical Infrastructure Cybersecurity

Function	Activities
Identify	Asset Management Business Environment Governance Risk Assessment Risk Management Strategy Supply Chain Risk Management
Protect	Identity Management and Access Control Awareness and Training Data Security Information Protection Processes & Procedures Maintenance Protective Technology

² eHealth Saskatchewan is responsible for managing critical IT services used to administer and deliver healthcare services in Saskatchewan. This includes responsibility for Saskatchewan's electronic health record and IT systems used by Saskatchewan Health Authority, Saskatchewan Cancer Agency, 3sHealth, and the Ministry of Health.

³ www.cyber.gc.ca/en/glossary#c (7 December 2023).

Function	Activities
Detect	Anomalies and Events Security Continuous Monitoring Detection Processes
Respond	Response Planning Communications Analysis Mitigation Improvements
Recover	Recovery Planning Improvements Communications

Source: The National Institute of Standards and Technology. www.nist.gov/cyberframework/online-learning/components-framework (7 December 2023).

Grey shading indicates functions included in the focus of our audit.

The **Glossary** in **Section 5.0** defines many of the IT terms used in this chapter.

2.1 The Ministry's Delivery of IT Services

The Ministry of SaskBuilds and Procurement utilizes a hosted data centre for its computer network equipment and servers supporting client systems and data, and manages over 700 servers and over 300 applications on behalf of its clients.

About 15,000 public sector employees access information assets managed by the Ministry every day.

The Ministry contracts service providers to operate the data centre and to deliver certain IT services. In addition, the Ministry contracts a cloud service provider to host and manage some of its clients' systems and data.⁴

IT is an integral part of delivering many government programs and services. To deliver services effectively and achieve objectives, government ministries and certain government agencies rely on key IT controls delivered by the Ministry to keep their IT systems and data secure.

In 2022–23, the Ministry spent \$150 million to maintain and deliver IT services.⁵ At August 2023, it had 250 full-time equivalent staff dedicated to delivering IT services.

2.2 Importance of an Effective Cyberattack Response

Cybercrime in Canada, including cyberattacks via the internet, causes more than \$3 billion in economic losses each year.⁶ These crimes do not require physical access to an organization's premises.

While there are many different types of cyberattacks, **Figure 2** describes the three most common attacks affecting Canadian organizations.

⁴ www.cyber.gc.ca/en/glossary#c (7 December 2023). Cloud computing allows users to access a shared pool of computing resources (such as networks, servers, applications, or services) on demand and from anywhere. Users access these resources via a computer network instead of storing and maintaining all resources on their local computer.

⁵ Adapted from information provided by the Ministry of SaskBuilds and Procurement.

⁶ Public Safety Canada, *National Cyber Security Action Plan: 2019–2024*, p. 1.

**Figure 2—Three Most Common Cyberattacks Affecting Canadian Organizations**

Cyberattack	Definition
Phishing	A cyberattack involving phishers (i.e., cybercriminals) pretending to be someone they are not (e.g., bank representative, government official, person from within the organization) to trick someone into sharing confidential information.
Malware	Malicious software designed to infiltrate or damage systems, networks and devices without someone knowing. Malware can take many forms, but once installed, the attacker may have access to an organization's sensitive information.
Unauthorized Access	Occurs when someone gains access to an organization's information, devices or networks without authorization.

Source: Innovation, Science and Economic Development Canada. www.ised-isde.canada.ca/site/cybersecure-canada/en/common-cyber-attacks (7 December 2023).

In 2022, Canada's foreign signals intelligence agency, the Communications Security Establishment, responded to almost 2,100 cybersecurity incidents affecting federal institutions, provincial services and critical infrastructure partners.^{7,8}

Cybercrime has a major impact on organizations' economic security. The average ransomware payment in Canada during 2022 was over \$250,000—this is in addition to other costs borne by organizations such as service disruptions, identity and intellectual property theft, IT recovery costs, and reputational damage.⁹ The estimated total cost of an average data breach in Canada during 2022 was \$5.6 million (2021: \$5.4 million).¹⁰

IBM's 2022 data security report indicated that it took an organization an average of 277 days—roughly nine months—to identify and contain a data breach.¹¹ An incident going undetected for a substantial time can result in significant losses and damage to organizations and those they serve.

Once detected, a cyberattack requires corrective action, such as rapid remediation and threat containment, along with analysis and recovery of services in a clean state. These actions are crucial, yet often ineffective unless an agency has appropriate and tested response and recovery plans.

The systems and data the Ministry of SaskBuilds and Procurement manages on behalf of clients include several critical systems imperative to the government's delivery of essential services (e.g., social assistance, child and family services, public safety alerts, wildfire detection, correctional facilities, central payroll and payment processing). Inability to access these systems for a period of time can significantly impact Saskatchewan residents.

Effective cybersecurity programs that successfully respond to cyberattacks are more important than ever as cybercrime increasingly exploits IT systems. Given the increased level of interconnectivity between systems, the consequences of lengthy breaches are significant—once an attacker breaches one system, there is increased risk of further breaches in other systems.

⁷ *Communications Security Establishment, Annual Report: 2022–23*, p. 27. The Communications Security Establishment (CSE) is Canada's technical authority for cybersecurity and information assurance. It alerts governments to the activities of foreign entities seeking to undermine national prosperity and security.

⁸ www.cyber.gc.ca/en/glossary#c (7 December 2023). A cyber incident is any unauthorized attempt, whether successful or not, to gain access to, modify, destroy, delete, or render unavailable any computer network or system resource.

⁹ *Communications Security Establishment, Annual Report: 2022–23*, p. 17.

¹⁰ IBM Security, *Cost of a Data Breach Report 2022*, p. 10.

¹¹ *Ibid.*, p. 14.

3.0 AUDIT CONCLUSION

We concluded, for the 12-month period ended August 31, 2023, the Ministry of SaskBuilds and Procurement had effective processes, except in the following areas, to respond to cyberattacks. The Ministry needs to:

- Centrally and continuously monitor all security events to identify potential cyberattacks
- Undertake penetration testing on a periodic basis to identify and address cybersecurity threats
- Expand its testing techniques and continuously test its cyber incident response plans

Figure 3—Audit Objective, Criteria, and Approach

Audit Objective:

The objective of this audit was to assess whether the Ministry of SaskBuilds and Procurement had effective processes, for the 12-month period ending August 31, 2023, to respond to cyberattacks.

Audit Criteria:

Processes to:

1. Identify potential or actual cyberattacks

- Maintain event logs for review
- Monitor network devices that report unusual network activity
- Require service providers to provide timely notification of any cyber risks and related potential impacts
- Routinely test network controls operate as expected (e.g., vulnerability scans, penetration testing, integrity checks)

2. Secure operations during a breach

- Maintain cybersecurity response plan (including incident triage and escalation)
- Plan for assembling a breach response team to prevent additional data loss
- Stop additional data loss and assess extent and cause of breach
- Promptly notify appropriate stakeholders (i.e., clients, service providers, law enforcement)

3. Resolve and recover from a breach

- Remediate vulnerabilities and confirm resilience
- Restore systems and data (based on tested plans)
- Conduct post-incident reviews and implement improvements
- Communicate results with appropriate stakeholders (i.e., clients, service providers)

Audit Approach:

To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry of SaskBuilds and Procurement's processes, we used the above criteria based on related work, reviews of literature, and consultations with management. Ministry management agreed with the above criteria.

We examined the Ministry's policies, procedures, event logs, and reports relating to responding to cyberattacks. We interviewed key staff responsible for responding to cyberattacks. We hired an external consultant to analyze the Ministry's processes to respond to a cyberattack and to help assess the processes against good practice.



4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Certain Event Logs Not Centrally and Continuously Monitored

While the Ministry of SaskBuilds and Procurement monitors its network to identify possible cyberattacks or security incidents, it does not centrally collect and monitor all the event logs and therefore assess all identified potential threats 24/7.

The Ministry uses two separate groups of IT security experts and two separate event tracking processes to monitor for security events on its network. A service provider monitors event logs from various network devices 24/7 and Ministry staff monitor network activity using different monitoring software tools than the service provider uses. However, Ministry staff do not perform their monitoring 24/7.

Identified events that indicate possible cyberattacks or security incidents (e.g., gaining network access through connection of an unauthorized device) are investigated and dealt with immediately.

Using the event logs, the service provider identifies and analyzes areas of potential security concerns and reports them to Ministry management for further investigation and mitigation. The service provider communicates minor issues to the Ministry on a weekly basis. It immediately communicates to the Ministry, any issues it considers significant and works with the Ministry to respond to the security concern; this includes reporting any concerns identified after normal business hours. For example, the service provider would report multiple failed login attempts from a single location as a potential security concern to the Ministry.

From September 2022 to August 2023, the service provider analyzed about 2,800 potential security incidents out of several million security events logged.

The service provider reported about 150 security incidents to the Ministry. Seven of these were assessed as high/critical by the service provider.

The service provider categorizes incidents into three categories: high, medium, and low. Security severity levels consider impact to the business, level of security breach into the network, and complexity to contain and resolve the situation. According to the contractual arrangement with the service provider, the service provider's response will be quicker the higher the severity level.

Between September 2022 and August 2023, the service provider identified seven high/critical incidents and reported them to the Ministry. The Ministry addressed and resolved all seven within a reasonable time.

We tested 10 incidents identified in event logs and found the Ministry or service provider appropriately followed up the incidents in a timely manner based on the assessed severity level.

We found the Ministry's processes to track and maintain event logs reasonable. For example, log data is retained for a sufficient number of months for auditing, investigation, and forensics support by the service provider.

We also tested the Ministry's processes to detect and log possible security incidents. We ran a number of test cases to determine whether the Ministry's monitoring processes detected the incident. **Figure 4** shows examples of the test cases we used. We found the Ministry adequately logged and detected the incidents tested. In certain instances, the Ministry would have notified the service provider.

Figure 4—Examples of Test Cases Used

- Password attack (attempted to gain access to the network through multiple password attempts)
- Shutdown of a server
- Change in privileged access (e.g., escalation of access, creation of new access)
- Addition of unauthorized device on the network
- Addition of unauthorized Wi-Fi access point
- Installation of unauthorized software

Source: Office of the Provincial Auditor of Saskatchewan.

The Ministry only communicates significant events identified through its monitoring to its service provider, who then investigates the events and notifies the Ministry whether it needs to take corrective action. A complete analysis of all identified events could help in detecting attack patterns.

Also, the Ministry does not perform its monitoring 24/7. This could result in the Ministry not identifying and dealing with security events timely. Undetected events could lead to loss of system availability or system compromise.

1. **We recommend the Ministry of SaskBuilds and Procurement centrally and continuously monitor all event logs to identify potential cyberattacks.**

4.2 Cyber Incident Response Plan Maintained

The Ministry of SaskBuilds and Procurement has developed response plans (Cyber Incident Response Plan and playbooks) to use in the event of a possible cyberattack or security incident.¹²

The Ministry's response plans document the steps to take after a cyberattack. The Ministry most recently updated the response plans in 2023 and intends to update them annually.

The Response Plan includes definitions of what a possible incident would be; the personnel involved in the response, including their roles and responsibilities; the response timeframe based on the assessed severity of the incident; the steps to contain (i.e., stop additional data loss) and recover from the incident; and the documentation and follow up required after the incident has been dealt with.

The Ministry also developed several incident response playbooks as guidance in specific situations (e.g., unauthorized access, denial of service attack, ransomware attack).

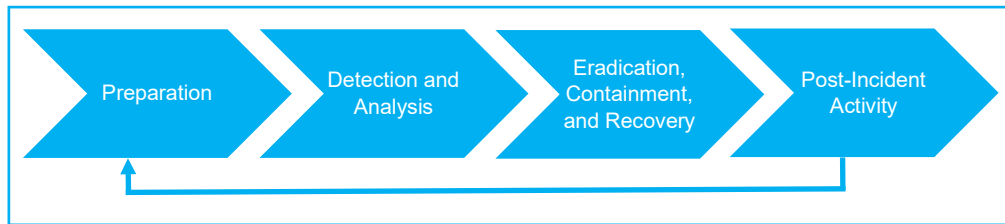
We found the Ministry's Response Plan and playbooks reasonably document the necessary steps to respond to a cyberattack or security incident. The Ministry appropriately

¹² A playbook is a document typically part of overall cyber response plans or disaster recovery plans documenting key aspects, including response and recovery steps to enact during a crisis.



used guidance from the National Institute of Standards and Technology (NIST), as described in **Figure 5**, to develop its Response Plan and playbooks.¹³

Figure 5—Incident Response Life Cycle



Source: Adapted from nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-61r2.pdf, p. 21.

The Ministry's Response Plan specifies the roles and responsibilities of its response team—the Computer Security Incident Response Team (CSIRT), which would be activated on the same day of detecting an incident determined to be high or critical by the Ministry. The team appropriately includes staff throughout the Ministry, including from the IT Help Desk, Security Team, Network Administrators, IT Operations, Human Resources, Executive Management, and Legal. The Response Plan also has processes for notifying external parties such as clients, legal advisors, and law enforcement officials.

From September 2022 to August 2023, we found the Ministry appropriately utilized its CSIRT for one incident described in **Section 4.4**.

Having comprehensive, up-to-date response plans allows agencies to respond effectively to a cyberattack or security incident. This decreases the risk of systems being unavailable when needed and the potential loss of data. In addition, appropriate response plans can help reduce the total time required to recover from a cyberattack and the associated costs.

4.3 Security Assessments and Response Plan Testing Needs Improvement

While the Ministry of SaskBuilds and Procurement performs periodic vulnerability scans of its network and has documented cyber response plans, it has not yet sufficiently tested its plans. It also needs to include periodic penetration testing within its security assessment plans.

We found the Ministry's service provider performs monthly vulnerability scans. These scans focus on the Ministry's network including servers, workstations, and firewalls by examining the security of these devices for known vulnerabilities. The Ministry assesses any identified issues to determine whether it needs to make any configuration changes to improve security and address vulnerabilities. Vulnerability scanning is an important part of testing any cyber incident response plan because it helps to identify which parts of the network are most likely to be targeted by hackers. Vulnerability scanning is also part of the Ministry's continuous efforts to enhance oversight and security as part of its security assessment plans.

Penetration testing discovers real security weaknesses, while vulnerability assessments are good for security maintenance.

¹³ *Framework for Improving Critical Infrastructure Cybersecurity*. nvlpubs.nist.gov/nistpubs/CSWP/NIST.CSWP.04162018.pdf (4 March 2024).

Another good technique to test response plans and assess the operation of network security is to perform periodic penetration tests.¹⁴

Penetration testing is a crucial part of an organization's cybersecurity strategy. It involves simulating cyberattacks to identify vulnerabilities in computer systems or networks. Good practice suggests the frequency of penetration testing may vary based on risk (cost-benefit), with many larger organizations running at least annual tests for their IT networks.

The Ministry does not perform penetration testing to help assess the security of its network and systems. At August 2023, the Ministry only performs penetration testing when requested by its clients for specific applications the Ministry hosts in its data centre. From September 2022 to August 2023, its clients did not request the Ministry to perform any penetration tests.

Regular penetration tests can help to identify such deficiencies to better support cyber risk assessments. Without robust security assessments about the effectiveness of implemented IT security controls, the Ministry increases the risk that it will not identify and adequately address new and evolving cybersecurity threats in a timely manner.

2. We recommend the Ministry of SaskBuilds and Procurement undertake penetration testing on a periodic basis to identify and address cybersecurity threats.

One of the most important good practices for incident response testing is to conduct periodic 'fire drills' (e.g., simulations, tabletop exercises) that simulates a cyber incident. Organizations conduct these fire drills to spot any weak links in their response plans, ensure that all personnel know exactly what to do, and refine the response plans based on any shortcomings observed in the fire drill.

The Ministry's latest test of its cyber response plans occurred as a tabletop exercise in August 2023. This exercise tested the processes in the Ministry's ransomware playbook. We observed this test and found it aligned with the Response Plan and playbooks. We found the participants understood their roles in the response. However, this was the Ministry's only test of its plans since its initial response plans were first developed in January 2022.

While the Ministry has set the expected frequency (i.e., annually) of testing its response plans, the plans only specify the use of tabletop exercises. Good practice includes frequently testing response plans with a variety of techniques (e.g., walkthroughs, tabletop exercises, simulations).^{15, 16}

Without periodically (i.e., at least annually) testing its response plans, there is increased risk staff of the Ministry's response team (including backup personnel) may not fully understand their roles and responsibilities when a cyber incident occurs. This could result in the Ministry not appropriately responding to incidents timely. In addition, fully tested

¹⁴ docs-prv.pcisecuritystandards.org/PCI%20DSS/Standard/PCI-DSS-v4_0.pdf, p. 245 (7 December 2023).

¹⁵ nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r5.pdf, p.151 (7 December 2023).

¹⁶ The frequency of the testing would be affected by a variety of factors including criticality of the system or application. For example, the standard for agencies that store credit card information is that penetration testing should be conducted annually or whenever there is a significant system or application change. docs-prv.pcisecuritystandards.org/PCI%20DSS/Standard/PCI-DSS-v4_0.pdf, p. 247 (7 December 2023).



response plans can give the Ministry assurance that its plans will be effective when cyber incidents occur.

3. We recommend the Ministry of SaskBuilds and Procurement expand its testing techniques and continuously test its cyber incident response plans.

4.4 Recovery Plans Documented

The Ministry of SaskBuilds and Procurement has adequate documentation to assist with recovery in the event of a cyber incident.

The Ministry's incident response playbooks include general information on its processes to recover from various cyber threats. Also, the Ministry's Disaster Recovery Plan contains information and details the Ministry would need to recover eight out of its 14 key client systems (e.g., MIDAS) in the event of loss.¹⁷ The Ministry tests its Disaster Recovery Plan for these key systems once a year and restores them at an alternate site. We found these processes reasonable.

We reviewed the Ministry's playbooks and found they contained information related to recovery processes. As each cyber incident is unique, we found the Ministry documented recovery processes in its playbooks at a high level—enabling flexibility in its responses to cyber incidents. However, the Ministry has not fully tested its recovery processes. See **Recommendation 3**.

We also reviewed the detailed recovery processes outlined in the Ministry's Disaster Recovery Plan. The Recovery Plan included key information such as server names, location of backup information, and location of recovery scripts used to restore systems and data.

Between September 2022 and August 2023, management indicated it experienced one significant cyber incident. The incident did not cause any system outages or data loss, therefore no recovery processes were required. We reviewed the Ministry's response to the incident and found it responded appropriately, including amending its firewall rules to block suspect internet addresses and also preventing unauthorized access during the attack. The Ministry detected the threat and implemented mitigation measures on the same day.

Having adequate documentation of processes to recover from a cyber incident helps agencies to recover systems and data timely.

4.5 Incident Communication Strategies Reasonable

The Ministry of SaskBuilds and Procurement communicates with its clients and service providers in the event of breach(es) due to a cyber incident consistent with its Cyber Incident Response Plan.

¹⁷ MIDAS includes modules for general ledger, cash management, accounts payable, accounts receivable, purchasing (including tendering management, requisitions and receiving), payments, public sector forecasting, capital assets, inventory and human resources/payroll used by all the ministries.

The Response Plan details processes to inform affected clients and service providers when a cyber incident occurs, as well as requires the Ministry to consult with its legal team and Privacy Officer to determine who to notify based on the circumstances of the incident.

The Response Plan sets out responsibilities of the response team—the Chief Information Security Officer is responsible for communicating the cyber incident to affected parties, including the Ministry’s executives, and clients’ ministers, deputy ministers, and management. We found the Ministry also maintains an updated client contact list. (e.g., the list included 42 contacts at 29 clients of the Ministry).

We found the Ministry developed email templates to communicate cyber incidents to its clients. We found the templates appropriately set out required information to communicate such as:

- Assessed severity of the incident
- Status of incident response
- Expected date of resolution

For the incident described in **Section 4.4**, we found the Ministry appropriately communicated with the affected clients and service providers. For this incident, the Ministry worked with two of its service providers to assist in the analysis and the response.

Having adequate communication steps helps the Ministry to provide affected parties with transparent and timely information about cyber incidents. Increasing awareness of a cyber incident as it occurs can assist in providing a more effective response.

4.6 Post-Incident Analysis Appropriate

The Ministry of SaskBuilds and Procurement’s Cyber Incident Response Plan includes steps to review the Ministry’s response to an incident once it has been resolved.

We reviewed the Ministry’s Response Plan and found it includes reasonable steps for the Ministry to review its response to cyber incidents following their resolution. Based on the severity of the cyber incident, these steps could include post-incident analysis, meetings to discuss lessons learned, and assessing the need to revise its response plan. Meetings are expected to be held with staff directly involved in the response.

We found the Ministry developed guidance for documenting its post-incident reviews. The Ministry expects its post-incident reviews to determine whether:

- Staff followed documented processes
- The response involved the appropriate staff, including consideration of additional resources, such as tools and external experts
- Communications to affected parties (e.g., clients) were appropriate
- Staff took appropriate actions to prevent similar future incidents



For the cyber incident described in **Section 4.4**, the Ministry appropriately documented and analyzed the response to the incident. Its review included a summary of actions taken to resolve the incident and recommendations for improvement to further increase security. The Ministry did not identify any required changes to its response plans.

Subsequently reviewing responses to cyber incidents allows the Ministry to improve its response plans. Improvements can also lead to increased security over the systems and data the Ministry manages and can help reduce the total time an agency requires to recover from a cyberattack and the associated costs.

5.0 GLOSSARY

Application – A software program. This includes programs such as word processors, spreadsheets, database programs, accounting programs, etc.

Denial of Service Attack – This is a type of cyberattack where an attacker attempts to slow or stop applications or network services using non-legitimate connection requests. This prevents legitimate connections.

Firewall – Software and/or hardware intended to restrict or block access to a network or computer. Firewalls can be set up using firewall rules to allow only certain types of data through.

Network – A group of computers that communicate with each other.

Penetration test – A simulation of a real-world cyberattack to find vulnerabilities in a computer system.

Ransomware attack – An individual gains access to a computer system, encrypts data and system files rendering them unusable. The individual demands a ransom in exchange for the encryption key.

Security event – An observable occurrence that could affect your information security (e.g., an unsuccessful log in attempt).

Security incident – One or more security events that actually or potentially jeopardizes the confidentiality, integrity or availability of an IT system.

Security vulnerability – An unintended weakness in a computer system exposing it to potential exploitation such as unauthorized access or malware (e.g., viruses).

Server – A computer hosting systems or data for use by other computers on a network.

Tabletop exercise – A simulation exercise where participants discuss the steps they would take in the event of a cyberattack. The participants would follow the entity's documented response plans and procedures. This allows the entity to assess their documented response plans.

Unauthorized access – When someone gains access to a website, program, server, or other systems and data using someone else's account or other methods.

Vulnerability assessment – A systematic review to identify, classify by severity, and recommend remediation actions for any known weaknesses of an IT system. Organizations generally use IT tools to help complete the review.

6.0 SASKBUILDS AND PROCUREMENT'S CLIENTS AT AUGUST 31, 2023

Ministries:	
Executive Council Ministry of Advanced Education Ministry of Agriculture Ministry of Corrections, Policing and Public Safety Ministry of Education Ministry of Energy and Resources Ministry of Environment Ministry of Finance Ministry of Government Relations	Ministry of Highways Ministry of Immigration and Career Training Ministry of Justice and Attorney General Ministry of Labour Relations and Workplace Safety Ministry of Parks, Culture and Sport Ministry of SaskBuilds and Procurement Ministry of Social Services Ministry of Trade and Export Development Public Service Commission
Agencies:	
Apprenticeship and Trade Certification Commission Financial and Consumer Affairs Authority of Saskatchewan Global Transportation Hub Authority Public Guardian and Trustee of Saskatchewan Provincial Capital Commission	Saskatchewan Housing Corporation Saskatchewan Legal Aid Commission Saskatchewan Liquor and Gaming Authority Saskatchewan Municipal Board Saskatchewan Public Safety Agency Water Security Agency

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Chapter 8

3sHealth—Managing Disability Claims

1.0 MAIN POINTS

Health Shared Services Saskatchewan (3sHealth) administers four disability benefit plans for certain healthcare employees (e.g., healthcare staff working in hospitals, emergency services, and long-term care facilities). In 2022–23, 3sHealth served 46,000 active plan members.¹

By January 2024, 3sHealth improved its processes to manage disability claims for certain healthcare employees. It implemented two recommendations and partially implemented two other recommendations we originally made in 2022.

3sHealth does not always process incoming disability benefit applications on time, which delays adjudicators' decisions. 3sHealth's goal is to have claim decisions completed within eight days, 90% of the time. In our testing, we found 3sHealth met the eight-day target 73% of the time. Delays place more stress on plan members waiting for decisions and disability payments. In February 2024, 3sHealth was working on adding more resources to improve its processing times.

3sHealth began tracking the timeliness of appeals and documenting the rationale for delays—it expects staff to complete all appeals within 30 business days. However, its tracking spreadsheet contained errors, resulting in inaccuracies in its timeliness calculations. These inaccuracies reduced 3sHealth's results for completing all appeals within 30 days from 85% to 55% for the February 2023 to January 2024 period.

3sHealth started centrally tracking and analyzing plan member complaints regarding disability benefit claims in 2022. Additionally, 3sHealth improved its reporting to senior management and the Board of Trustees by including action plans to address barriers to meeting targets, along with analysis of key performance information (e.g., whether staff adjudicated benefit claim applications within eight business days and if not, why not).

Effective processes to manage disability claims help to minimize delays in plan members receiving the appropriate support and treatment needed to improve their health and return to work. In addition, effective and accurate data collection, analysis, and reporting supports management in adjusting and improving processes as needed.

2.0 INTRODUCTION

2.1 Disability Claims Increasing

Through its service agreement with the Employee Benefit Plans' Board of Trustees, 3sHealth is responsible for administering 10 employee benefit plans (e.g., disability benefits, extended healthcare benefits) for certain healthcare employees (i.e., over 46,000

¹ 3sHealth, *Annual Report 2022–23*, p. 6.



plan members) in Saskatchewan.² Plan members include healthcare workers in hospitals, emergency services, and long-term care facilities across the province.

The disability plans protect plan members against loss of income due to injury or illness. In 2022, 3sHealth issued over \$52.4 million in disability income payments to plan members (2021: \$50.6 million).^{3,4}

3sHealth reported the following top three medical diagnoses for disability benefit claims in the last five years:

- Musculoskeletal injuries (e.g., carpal tunnel syndrome)
- Mental disorders
- Cancer

The number of applications for disability benefit claims has increased by 718 claims or 30% between 2019 and 2023. **See Figure 1** for the average number of applications per month by year.

Figure 1—Annual and Average Monthly Applications for Disability Benefits

	2019	2020	2021	2022	2023
Total Annual Applications	2,354	2,786	3,075	3,255	3,072
Average Applications per Month	196	232	256	271	256

Source: Adapted from information provided by 3sHealth.

In 2019, 3sHealth began its 'Path to Health' project to redesign its approach to disability claims management. The goal was to make the disability claims management process easier, provide additional support during the claim, and communicate with plan members earlier and more often. In 2022, 3sHealth implemented new disability claims IT management software as the final component to the Path to Health project. The new software has allowed 3sHealth to gain significant efficiencies by moving all client file management into a digital space and eliminated all paper files.

Effective methods to process incoming applications and review appeals reduce stress on plan members waiting for decisions on their disability claims and subsequent payment of benefits.

2.2 Focus of Follow-up Audit

This chapter describes our first follow-up audit of management's actions on the recommendations we made in 2022.⁵

² 3sHealth's Board of Directors signed a formal trust agreement with the Employee Benefit Plans' Board of Trustees in January 2015, effectively making it the governing authority for four disability plans. The four disability benefit plans are: Canadian Union of Public Employees (CUPE), Service Employees International Union–West (SEIU–West), the General Plan, and the Saskatchewan Union of Nurses (SUN).

³ 3sHealth, *Annual Report 2022–23*, p. 6.

⁴ 3sHealth, *Annual Report 2021–22*, p. 5.

⁵ *2022 Report – Volume 1*, Chapter 3, pp. 23–43.

In 2022, we assessed 3sHealth's processes to manage disability claims for certain healthcare employees. Our *2022 Report – Volume 1*, Chapter 3, concluded that, for the 12-month period ended October 31, 2021, Health Shared Services Saskatchewan (3sHealth) had, other than in the areas of our recommendations, effective processes to manage disability claims for certain healthcare employees. We made four recommendations.

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). We used the relevant criteria from the original audit to evaluate 3sHealth's progress toward meeting our recommendations. 3sHealth management agreed with the criteria in the original audit.

To conduct our follow-up audit, we interviewed staff responsible for managing disability claims and reviewed work standards to test key aspects of managing claims. We tested a sample of disability claim applications and appeals, analyzed appeals data, and examined reporting related to processing disability claim applications and appeals.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at January 31, 2024, and 3sHealth's actions up to that date.

3.1 Continuing Delays in Processing Incoming Applications

We recommended Health Shared Services Saskatchewan send completed disability benefit claim applications to adjudicators on time. (*2022 Report – Volume 1*, p. 30, Recommendation 1; Public Accounts Committee agreement December 14, 2023)

Status—Partially Implemented

3sHealth still experiences delays in processing incoming disability claim applications, which delays the adjudication of claims.

3sHealth expects benefit service officers to process incoming claim applications and provide them to adjudicators within three business days. After setting up plan member profiles in the claims management IT software and contacting the member to advise them that the application is complete, benefit service officers submit applications to adjudicators to assess members' eligibility and coverage.

For the 30 applications we tested, we found benefit service officers did not always make timely application submissions to adjudicators, which caused delays in decision-making. For example, for 13 out of 30 applications tested (43%), we found delays in submitting completed applications to adjudicators ranging from 4–10 business days after receiving a complete application. As a result, some members did not receive a claim decision for up to 15 days. 3sHealth's goal is to have claim decisions completed by adjudicators within eight days, 90% of the time, including benefit service officers processing and submitting claim files to adjudicators within three days. In our testing, we found 3sHealth met the eight-day target 73% of the time.



3sHealth monitors whether it processes applications within three days 90% of the time. For the 12-month period ending January 2024, 3sHealth met the three-day goal in 5 of 12 months. The lowest compliance occurred in November 2023 with 3sHealth processing only 30% of claim applications within three days.

3sHealth management noted that staff turnover, leaves, and an increasing volume of applications are major factors contributing to not meeting targets. 3sHealth took action to improve its processing of disability claims in February 2024 by filling four vacancies and adding two more staff to the benefits service team.

Delays in processing incoming applications affect timeliness of claims decision-making and payment of benefits to plan members.

3.2 Inaccurate Timelines for Completing Appeals Recorded

We recommended Health Shared Services Saskatchewan follow its established timelines to complete appeal reviews on disability claims and document reasons for significant delays. (2022 Report – Volume 1, p. 37, Recommendation 2; Public Accounts Committee agreement December 14, 2023)

Status—Partially Implemented

3sHealth improved tracking the timeliness of appeals and documenting the rationale for delays; however, its tracking spreadsheet contained errors and inaccuracies.

As set out in the collective bargaining agreements, 3sHealth expects staff to review and decide on all appeals within 30 days of their receipt. In early 2023, 3sHealth enhanced its spreadsheet for tracking appeals by embedding calculations for timeliness of review, including noting when appeals were received, and any wait times because of waiting for additional information (e.g., documentation from a medical professional).

Between February 2023 and January 2024, 3sHealth's spreadsheet showed 109 appeals received with 97 appeals completed and 12 not completed. 3sHealth's records indicated that staff completed 82 appeals within 30 business days and 15 appeals within 31–135 business days (85% on time). Staff documented reasonable rationale for all 15 appeals that took longer to review. The two main reasons for delays were high volume or waiting for additional information (i.e., from members, employers, external adjudicators).

However, our review of the appeal spreadsheet found:

- Inaccurate calculations for the timeliness of appeals—we found errors in 3sHealth's calculations, which inaccurately reflect the actual business days taken to complete appeals. We found that 3sHealth's compliance rate with the goal of completing appeals within 30 business days was 55% instead of 85% for the February 2023 to January 2024 period.
- Incomplete information—we found four appeals recorded in 3sHealth's IT software that it did not include in the spreadsheet and another appeal completed in 2023, mistakenly recorded in the archived 2022 appeal spreadsheet.

In our testing of 11 appeals, we found 3sHealth calculated one appeal as being completed beyond the 30 business days (36 days), and documented rationale for the delay (i.e., waiting for information from the employer). However, when we did our calculations, our testing found two other appeals completed over 30 business days (ranging from 31 to 39 days).

In addition, our testing found data entry errors in dates for receipt of appeals, as well as completion dates, leading to inaccurate timeliness reported for appeal reviews—these data entry errors did not impact compliance with the 30 business-day standard.

Missing appeals and inaccurate calculation of timelines presents a risk of inaccurate reporting to management and the public. It also risks not identifying additional resources to address delays in completing reviews.

3.3 Complaints Centrally Tracked and Analyzed

We recommended Health Shared Services Saskatchewan centrally track and analyze complaints from plan members regarding disability benefit claims. (2022 Report – Volume 1, p. 38, Recommendation 3; Public Accounts Committee agreement December 14, 2023)

Status—Implemented

3sHealth developed a complaint tracking spreadsheet, which management regularly reviews and analyzes.

In February 2022, 3sHealth developed a work standard for recording any complaints related to plan members' dissatisfaction with 3sHealth's services or products that it escalates to management. This standard provides clear instructions for what complaint information to record (e.g., dates received and resolved, outcome), as well as directions on how to coach staff to investigate complaints or take action as needed.

We found 3sHealth uses a tracking spreadsheet accessible as necessary to 3sHealth benefit specialists, managers, and director.

From February 2022 to January 2024, 3sHealth recorded 24 complaints. 3sHealth categorizes complaints by their nature (e.g., benefit eligibility, appeals, missed payment), and records the timelines of their receipt and resolution. Our review found most complaints related to benefit payments with few related to delays in processing applications or reviewing appeals.

We found 19 complaints resolved within three days, four complaints took 4–16 days, and one took 70 days due to delays in obtaining plan member's information and assessing eligibility for benefits.

We found evidence that management reviews and discusses complaints weekly during senior management meetings to determine whether any process changes are needed.



Tracking complaints centrally enables 3sHealth to know the number and nature of complaints it receives. Analysis of complaints helps management to improve disability management processes and address identified issues.

3.4 Key Claims Management Information Analyzed and Reported

We recommended Health Shared Services Saskatchewan enhance its written reports to senior management and the Board of Trustees about its disability claims management processes. (2022 Report – Volume 1, p. 42,

Recommendation 4; Public Accounts Committee agreement December 14, 2023)

Status—Implemented

3sHealth included written analysis on key performance measures in its reporting to senior management and the Board of Trustees about its disability claims management processes.

Starting September 2023, 3sHealth included a written analysis of why it did not meet performance targets and provided a corrective action plan in its monthly reporting to senior management. For example, reports showed for three months (October–December 2023) 3sHealth did not meet its target to adjudicate claim applications within eight days 90% of the time. It included an explanation for the backlog and a plan to prioritize this work.

In addition, 3sHealth's monthly reports now also include information on reviews of appeals. The reports include results about meeting its target to review appeals within 30 business days and provide a corrective action plan for when a target is not met (e.g., prioritizing appeals in daily work).

Starting in spring 2023, 3sHealth also provided more analysis in its reports to the Board of Trustees. We found the reports now include information about barriers to meeting targets. For example, the report for the first quarter of 2023 explained that adjudicator vacancies caused delays in meeting its target of processing 90% of initial applications within eight business days (actual: 63%), along with plans to overcome barriers (e.g., vacancies filled and new adjudicators trained).

Additionally, the reports included information about achievement of targets for completing appeals and associated action plans. For example, 3sHealth reported completing 80% of appeals within 30 business days in the first quarter of 2023 (target 100%). The report identified clearing a backlog of appeals as the reason for not meeting the target and, at March 2023, they were back on track. We note inaccurate information about the timeliness of appeal reviews can affect senior management and the Board of Trustees' full consideration of proposed actions to address barriers (see **Section 3.2**).

Having more information and analysis on its disability claims management processes allows senior management and the Board of Trustees to know whether the process works as intended and adjust as needed. In addition, it establishes accountability for proposed actions to improve disability benefit claim processes.

Chapter 9

Corrections, Policing and Public Safety—Monitoring the Community Safety and Well-Being Initiative

1.0 MAIN POINTS

In 2017, the Ministry of Corrections, Policing, and Public Safety's Building Partnerships to Reduce Crime initiative rebranded as the Community Safety and Well-Being Initiative. As a result, the focus of the Initiative shifted to further increase multi-ministry and agency collaboration and determine coordinated responses to connect at-risk individuals and families to support services through Community Mobilization Hubs.

As of January 2024, 14 Hubs continued to serve 15 communities across the province. A Hub is comprised of various government and community agencies with program delivery and support expertise of their respective community, such as the Ministries of Social Services and Health, policing services, and school divisions.

Since 2021, the Ministry uses connections made with at-risk individuals and families to coordinate services as one of its measurable outcomes for the Initiative. The Ministry monitors the number of cases (i.e., at-risk individuals and families) the Hubs connect to various support services (e.g., counselling, addictions services, educational supports).

Measuring the success of the Community Safety and Well-Being Initiative's Hubs helps the Ministry identify the number of individuals and families connected to services, thus leading to improved outcomes for at-risk individuals and families working with the Hubs.

2.0 INTRODUCTION

2.1 Background

Historically, Saskatchewan has, and continues to have, one of the highest crime rates in Canada.¹ The province requires a focused approach to crime reduction in addition to law enforcement. The Community Safety and Well-Being Initiative (formerly called Building Partnerships to Reduce Crime) was launched in 2012 to address the urgent need for new approaches to crime in Saskatchewan as desired by police, the Government of Saskatchewan and the public. Community Mobilization Hubs are a component of this Initiative. In 2022–23 the Ministry of Corrections, Policing, and Public Safety allocated \$2,900 to support Hubs. The Ministry also provides in-kind services to Hubs amounting to approximately one full-time equivalent staff.

The Hubs' objective is to provide coordinated and proactive intervention to at-risk, marginalized, and vulnerable populations. Understanding risk factors helps to inform responses while improving community safety and wellbeing.

¹ www150.statcan.gc.ca/n1/en/pub/11-627-m/11-627-m2023041-eng.pdf?st=yaW7mHir (26 March 2024).



The Hubs also identify individuals or families with acutely elevated risk factors. The Hubs mobilize human service agencies for a targeted response specific to individual and/or family needs, connecting them to support services (e.g., counselling, addictions services, and educational support).

2.2 Focus of Follow-Up Audit

This chapter describes our third follow-up audit of management's actions on the recommendations we made in 2016.²

In 2016, we reported that the Ministry of Justice and Attorney General and the Ministry of Corrections, Policing and Public Safety did not have effective processes for leading the Community Safety and Well-Being Initiative. We made four recommendations. By January 2021, the Ministries implemented two recommendations, partially implemented one, and did not implement one recommendation.

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministries' progress toward meeting our recommendations, we used the relevant criteria from the original audit. Ministries' management agreed with the criteria in the original audit.

To perform our follow-up audit, we discussed actions taken with representatives of the Ministry of Corrections, Policing, and Public Safety management team, and reviewed guidance and reports provided by the Ministry.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation, including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at January 31, 2024, and the Ministry of Corrections, Policing and Public Safety actions up to that date.

3.1 Initiative's Measure of Success Identified and Monitored

We recommended the Ministry of Justice and Attorney General and the Ministry of Corrections, Policing and Public Safety identify how to measure the success of the Community Safety and Well-Being Initiative. (2016 Report – Volume 1, p. 108, Recommendation 2; Public Accounts Committee agreement January 11, 2017)

Status—Intent of Recommendation Met

² *2016 Report – Volume 1, Chapter 10*, pp. 99–112; *2019 Report – Volume 1, Chapter 16*, pp. 223–227; and *2021 Report – Volume 1, Chapter 20*, pp. 227–230.

We recommended the Ministry of Justice and Attorney General and the Ministry of Corrections, Policing and Public Safety in collaboration with the Centre of Responsibility and Community Mobilization Hubs analyze and report on the success of the Community Safety and Well-Being Initiative.³

(2016 Report – Volume 1, p. 111, Recommendation 4; Public Accounts Committee agreement January 11, 2017)

Status—Recommendation No Longer Relevant

The Ministry of Corrections, Policing and Public Safety identified and monitored service connection rates as a key measure of success for the Community Mobilization Hubs component of the Community Safety and Well-Being Initiative.

As of January 2024, 14 Hubs continued to serve 15 communities across the province. The Hubs identify individuals or families with acutely elevated risk factors and mobilize human-service agencies for a targeted response specific to the individual's and/or family's needs by connecting them to these agencies for support services.

As noted in **Figure 1**, the Ministry measures the total number of discussions at the Hubs and the number of individuals or families connected to services.

Figure 1—Community Safety and Well-Being Initiative Measures of Success

Year	Total Discussions Concluded	Individuals or Families Connected to Services
2020–21 ^A	117	56%
2021–22	501	57%
2022–23	459	51%

Source: Adapted from information provided by the Ministry of Corrections, Policing and Public Safety.

^A Management indicated the reduced numbers in 2020–21 were due to the COVID-19 pandemic.

Identifying and monitoring success measures for the Community Safety and Well-Being Initiative's Hubs help the Ministry evaluate the number of individuals and families connected to coordinated services, thus leading to improved outcomes for at-risk individuals and families working with the Hubs.

The Centre of Responsibility (COR) previously analyzed provincial data to identify systemic issues impacting Saskatchewan and collaborated on longer-term solutions to those issues; the COR disbanded in June 2019. As such, the second recommendation in this section is no longer relevant because the COR and Hubs no longer collaborate or report.

³ The only Centre of Responsibility (COR) in the province located in Prince Albert discontinued operations effective June 28, 2019. As a result, the Ministry of Corrections, Policing and Public Safety assumed some of the COR's responsibilities, including tracking of risk information.

Chapter 10

Education—Instruction Time

1.0 MAIN POINTS

The Ministry of Education implemented the remaining two recommendations from our 2009 audit about school instruction time.

The Ministry actively monitors the total required instruction hours through its annual review of school division calendars. School divisions are expected to offer 950 hours of instruction time annually to students in Grades 1 to 12. School divisions submit their Board-approved calendars each year in May. We tested five school divisions and found the Ministry reviewed the total reported instruction hours, and all five school divisions met the 950-hour instruction time requirement.

The Ministry also uses annual declarations to monitor school divisions' compliance in providing the required instruction hours for core study areas (e.g., math, English). It expects school division officials to verify school divisions meet the required instruction hours for all core subjects as set out in the Ministry's guidance.

We tested five school divisions and found all five declared they would meet the required instruction hours for core study areas. We also confirmed two of these school divisions met the required instruction hours for core subjects and found both had the support to demonstrate compliance.

By monitoring that school divisions provide students with the required instruction hours for core curriculum subjects, the Ministry helps ensure students will understand key subject areas sufficiently.

2.0 INTRODUCTION

This chapter describes our sixth follow-up audit of management's actions on two outstanding recommendations we first made in 2009 about the Ministry of Education's processes to achieve compliance by school divisions in delivering student instruction time as required by the Minister.

The Education Act, 1995, makes the Ministry responsible for establishing regulations authorizing provincial instructional hours per year and approving courses of study authorized by Boards of Education for credit purposes in accordance with *The Education Regulations, 2019*. Instruction time is any time in which school students are in attendance and under teacher supervision for the purpose of receiving instruction in an educational program.¹

By law, in each school year, school divisions must provide at least 950 hours of total instructional time for Grades 1 to 12.²

¹ *The Education Regulations, 2019*, s. 19.

² *The Education Regulations, 2019*, s. 22.



2.1 Focus of Follow-Up Audit

In 2009, we assessed the Ministry of Education's processes to achieve compliance by school divisions in delivering student instruction time as required by the Minister. Our *2009 Report – Volume 3*, Chapter 4, concluded that for the year ending September 30, 2009, the Ministry did not have adequate processes to achieve student instruction time compliance by school divisions. We made six recommendations. By 2021, the Ministry implemented four recommendations.³

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Ministry management agreed with the criteria in the original audit.

To carry out our follow-up audit, we interviewed Ministry and school division staff, reviewed relevant legislation and policies, and assessed the reasonableness of supporting instruction time documentation.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation, including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at February 29, 2024, and the Ministry of Education's actions up to that date.

3.1 Instruction Hours for Core Subject Areas Actively Monitored

We recommended the Ministry of Education monitor for all core curriculum areas of study the extent to which school divisions meet the Ministry's requirements for instruction time. (2009 Report – Volume 3, p. 63, Recommendation 5; Public Accounts Committee agreement May 12, 2010)

Status—Implemented

The Ministry of Education actively monitored overall instruction hours required for school divisions (950 hours per school year for Grades 1–12), and it actively monitored school divisions' compliance with the required instruction hours for core curriculum areas of study (e.g., math, English, science).

Total Instruction Hours

In May each year, school divisions submit their Board-approved school-year calendars to the Ministry. The calendars outline the total instruction hours for schools in each school division for the upcoming school year. The Ministry reviews these calendars to ensure consistency with minimum requirements for students' total instruction hours.

³ 2009 Report – Volume 3, Chapter 4, pp. 58–64; 2011 Report – Volume 2, Chapter 5, pp. 109–111; 2014 Report – Volume 1, Chapter 20, pp. 171–173; 2016 Report – Volume 1, Chapter 20, pp. 243–246; 2019 Report – Volume 1, Chapter 19, pp. 239–242; and 2021 Report – Volume 2, Chapter 22, pp. 181–184.

We reviewed the Ministry's analysis of five school divisions' calendars. We found the Ministry sufficiently monitors total instruction time (950 hours). In addition, all school divisions submitted their Board-approved calendars to verify they would meet the 950-hour requirement for Grades 1–12 students.

Through its bi-weekly bulletin, the Ministry reminds school divisions of deadlines for submitting their school calendars.

Instruction Hours for Core Curriculum Areas of Study

Starting in May 2021, in addition to the school calendars, the Ministry required school divisions to submit a signed declaration confirming they planned to meet all instructional hours for core curriculum areas of study as required. For example, for secondary level students (Grades 10–12) school divisions are required to provide students with five credits total in English over the three Grades; each credit must include 95–100 hours of instruction time.

We found all five school divisions we tested declared to the Ministry, they would meet the minimum instructional hours for all core subjects.

Of the five school divisions that indicated to the Ministry they would meet the required instruction hours, we further assessed two school divisions on core subjects (secondary-level science, health education/physical education or social science) in two different semesters. We found both school divisions met the 95-hour instruction requirements per credit in both semesters. In addition, all school divisions declared they would meet the 95-hour instruction requirement for core subjects.

In February 2022, the Ministry added the requirement to submit the core curriculum declarations to the school calendar handbook used by the school divisions and gave instructions on how to fill out the declarations.

Monitoring instructional hours including in core study areas increases the likelihood students receive the necessary instruction to be successful in key curriculum areas.

3.2 Follow Up and Corrective Action Taken When Needed

We recommended the Ministry of Education take corrective action where necessary to improve school division compliance with the Ministry's requirements for instruction time. (2009 Report – Volume 3, p. 64, Recommendation 6; Public Accounts Committee agreement May 12, 2010)

Status—Implemented

The Ministry of Education follows up and addresses school divisions not complying with instruction hour requirements for core subjects (e.g., minimum 95–100 hours per credit in high school), where needed.

The Ministry communicates the results of its review of the Board-approved school calendars for total instructional hours to school divisions. In cases where school divisions indicate they will not meet the total instructional hours for core subjects, the Ministry will follow up with those school divisions to create a plan to bring them into compliance.



In our testing of five school divisions, we found the Ministry communicated the results of its school calendar analysis to school divisions. All school divisions tested met the 950-hour total instruction requirements and declared they would be meeting the core curriculum instructional hour requirements. Therefore, Ministry follow-up was not required for these school divisions. We note none of the school divisions in the province required follow-up as they met the requirements for the 2022–23 school year.

Having ways to address non-compliance with instruction time requirements for core subjects decreases the risk of students not receiving the appropriate amount of time to learn and develop skills in core curriculum areas of study.

Chapter 11

Government Relations—Providing Safe Drinking Water in Northern Settlements

1.0 MAIN POINTS

Access to safe drinking water is essential to the health and wellbeing of people living in seven northern settlements, which are unincorporated communities in the Northern Saskatchewan Administration District administered by the Ministry of Government Relations.^{1,2}

As of January 2024, the Ministry made some progress in improving its processes to provide safe drinking water to these seven northern settlements, but it still has more work to do.

We found the Ministry did not fully implement two recommendations—Uranium City continued to have an emergency boil water advisory in place and other northern settlements had drinking water systems requiring significant maintenance (e.g., water distribution lines leaking).

Since our last follow-up audit in 2021, the Ministry contracted with a third-party to install a new modular water treatment plant in Uranium City, which has had a precautionary drinking water advisory in place since May 2001, and an emergency boil water advisory in place since February 2015. The Ministry expects the plant to be in operation by summer 2024.

The Ministry completed upgrades to the Brabant Lake water treatment plant in 2023 resulting in the boil water advisory lifted for that settlement.

The Ministry improved the testing of drinking water samples as required by water system permits. It utilizes a third-party consultant to monitor the collection and submission of samples in accordance with the water system permit for each of the seven water systems. Our audit work found most sampling took place regularly as expected. For any tests missed, the Ministry provided additional training to the drinking water system operator to reduce the risk that future water sample tests are missed again.

The Ministry also leveraged its third-party consultant and hired a public works manager to supervise whether water system operators complete necessary maintenance activities (e.g., fix leaks, calibrate monitors). However, as of January 2024, three water treatment plants in the Northern Saskatchewan Administration District still required some significant maintenance.

Systematic testing of drinking water and ongoing maintenance are essential to reducing the risk of providing unsafe drinking water to northern settlement residents.

¹ The Ministry of Government Relations administers the northern settlements through its Northern Municipal Services Branch.

² The Northern Saskatchewan Administration District is a geographical area in northern Saskatchewan defined under *The Northern Municipalities Regulations*.



2.0 INTRODUCTION

2.1 Providing Safe Drinking Water to Northern Settlements

The Ministry of Government Relations is responsible for providing safe drinking water to Saskatchewan's northern settlements.

The Ministry uses various water systems to provide drinking water to northern settlements. The Water Security Agency sets the provincial water quality and water system standards in *The Environmental Management and Protection Act, 2010*, and *The Waterworks and Sewage Works Regulations*. The Agency issues permits to the Ministry where the Ministry operates water systems to provide drinking water to northern settlements.

As shown in **Figure 1**, the Ministry owns and operates drinking water systems for five settlements, and it obtains drinking water for two settlements through contracts with First Nation communities.³

Figure 1—Drinking Water Systems for Northern Settlements at January 2024

Northern Settlement	Estimated Population and Dwellings ^A	Type of Drinking Water Delivery System to Residents
Ministry-owned Water Systems		
Bear Creek	45	The Ministry transports drinking water from its water treatment plant at Bear Creek to residents' homes
Brabant Lake	27	Residents contract with a private company to transport drinking water from the Ministry's water treatment plant at Brabant Lake to residents' homes
Missinipe	27	Ministry pipeline distribution from the Ministry's water treatment plant at Missinipe to residents' homes
Sled Lake	24	Ministry pipeline distribution from the Ministry's water treatment plant at Sled Lake to residents' homes
Uranium City	91	Ministry pipeline distribution from the Ministry's water treatment plant at Uranium City to residents' homes
First Nation-owned Water Systems with Ministry Contracts		
Stanley Mission	104	Ministry pipeline distribution from nearby First Nation water treatment plant to off-reserve northern settlement residents' homes
Wollaston Lake	96	Ministry pipeline distribution from nearby First Nation water treatment plant to off-reserve northern settlement residents' homes

Source: Ministry of Government Relations' records.

^A Estimated permanent population information from Government of Canada 2021 Census data. www12.statcan.gc.ca/census-recensement/2021/dp-pd/prof/index.cfm?Lang=E (5 March 2024).

The Minister of Government Relations functions as the municipal council for each of the northern settlements.⁴ As the municipal council for each settlement, the Ministry must work within the legislative framework established for drinking water.

³ Other northern settlements that do not have water systems were outside the scope of our audit and follow-ups.

⁴ The Minister's responsibilities are set out in *The Northern Municipalities Act, 2010*.

2.2 Focus of Follow-Up Audit

This chapter describes our fourth follow-up audit of management's actions on the recommendations we originally made in 2012.⁵

Our *2012 Report – Volume 1*, Chapter 12, concluded that the Ministry of Government Relations did not have effective processes to provide safe drinking water to seven northern settlements in the Northern Saskatchewan Administration District for the period September 1, 2011, to March 31, 2012. By March 2021, the Ministry implemented six out of 10 original recommendations.

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Ministry management agreed with the criteria in the original audit.

To carry out our follow-up audit, we examined management records relating to maintaining water systems used to provide drinking water, tested a sample of water quality test results, examined related monitoring activities, and reviewed other supporting documentation. We also interviewed relevant Ministry staff and management responsible for the provision of drinking water to northern settlements.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at January 31, 2024, and the Ministry of Government Relations' actions up to that date.

3.1 Progress Made in Lifting Remaining Boil Water Advisories

We recommended the Ministry of Government Relations take prompt action to address problems in providing safe drinking water to northern settlements. (*2012 Report – Volume 1*, p. 122, Recommendation 10; Public Accounts Committee agreement January 13, 2014)

Status—Partially Implemented

The Ministry of Government Relations has developed strategies to supply safe drinking water to dwellings in the seven northern settlements listed in **Figure 1** and was in the process of fully implementing those strategies at January 2024.

Two northern settlements continued to have safe drinking water issues at the time of our last follow up in 2021—Uranium City and Brabant Lake. Since then, the Ministry upgraded the water treatment plant in Brabant Lake resulting in the boil water advisory for that community lifted in 2023.

⁵ *2012 Report – Volume 1*, Chapter 12, pp. 111–125; *2016 Report – Volume 1*, Chapter 24, pp. 257–267; *2019 Report – Volume 1*, Chapter 25, pp. 263–271; and *2021 Report – Volume 1*, Chapter 15, pp. 189–197.



The Water Security Agency issued a precautionary drinking water advisory for Uranium City in May 2001, and the Saskatchewan Health Authority issued an emergency boil water advisory in February 2015. As at January 31, 2024, this emergency boil water advisory remained in place.^{6,7 8} The advisory noted that the Uranium City water treatment plant has inadequate disinfection residual in the distribution system with E.coli detected in the drinking water system.^{9,10}

Since our last follow up in 2021, the Ministry contracted with a third-party to install a new modular water treatment plant in Uranium City. Significant construction has already taken place and system training for operators has occurred. The Ministry expects the plant to be in operation by summer 2024. Once in operation, the Ministry will require final testing, but it expects this new treatment plant to address the outstanding boil water advisory in Uranium City.

With respect to other northern settlements, the Ministry systematically monitors the trihalomethane levels for each water system and tracks when they are over the maximum allowable limits.¹¹ During our audit period, no northern settlements exceeded these maximum allowable limits.

Taking prompt corrective action to resolve drinking water quality issues is essential to ensure the safety of water consumed by northern settlement residents.

3.2 Drinking Water Tests Completed Regularly

We recommended the Ministry of Government Relations test drinking water samples and document the results as required by its water system permits issued by the Water Security Agency (previously issued by the Ministry of Environment). (2012 Report – Volume 1, p. 120, Recommendation 7; Public Accounts Committee agreement January 13, 2014)

Status—Intent of Recommendation Met

The Ministry of Government Relations received regular test results for drinking water samples at each of the seven water treatment plants we tested. For any tests not submitted, the Ministry, along with its consultant, provided training and suggested procedures to the water treatment plant operators to rectify the issue.

Drinking water permits issued by the Saskatchewan Water Security Agency require operators of these systems to regularly test the quality of the drinking water to ensure its safety.

⁶ The Water Security Agency issues precautionary drinking water advisories where drinking water quality problems may exist, but an immediate public health threat has not been identified. Under a precautionary drinking water advisory, water must be boiled before it is used for drinking purposes, or used for other activities where it could be consumed, such as brushing teeth, dishwashing or washing produce. The Ministry of Environment publicly lists all active advisories: www.saskatchewan.ca/residents/environment-public-health-and-safety/environmental-health/water-and-wastewater-management/advisories-and-warnings (11 March 2024).

⁷ The Saskatchewan Health Authority issues emergency boil water advisories when a confirmed threat to public health exists (i.e., microbial contamination).

⁸ The Ministry of Government Relations assumed responsibility for the water system in Uranium City in 1984.

⁹ waterquality.saskatchewan.ca/GoCReports/EnvActive.pdf (11 March 2024).

¹⁰ E. coli is a group of bacteria that can cause infections in a person's gut, urinary tract and other parts of the body publications.saskatchewan.ca/#/products/114884 (11 March 2024).

¹¹ Trihalomethanes includes chloroform, bromodichloromethane, dibromochloromethane, and bromoform that forms when chlorine (used to disinfect) reacts with naturally occurring organic compounds present in water. Consuming more than the maximum acceptable concentration of total trihalomethanes can increase cancer risk, particularly of colorectal cancer in humans.

For 109 drinking water tests examined, we found all daily, weekly, monthly and bi-annual water quality tests completed in accordance with the related permit. This is an improvement from the results of our previous follow-up audit where 5% of weekly tests our Office tested were not conducted in accordance with related permits.

However, as shown in **Figure 2**, our testing did note seven instances where documenting or completing water quality tests for twice monthly and quarterly water quality tests were not completed in accordance with the related permit. Our testing found:

- 25% of twice monthly (4 of 16) water tests were not completed in accordance with the related permit (2021 follow-up audit: no exceptions noted)
- 38% of quarterly tests (3 of 8) were not completed in accordance with the related permit (2021 follow-up audit: 14% not completed in accordance with permit)

Figure 2—Provincial Auditor Analysis of Drinking Water Test Results January 1, 2023, to January 31, 2024

Required Water Quality Tests (per Permit)	Required Frequency of Tests (per Permit)	Provincial Auditor Test Results of Permit Samples for each Water System
Turbidity and Chlorine	Various (daily, weekly, twice monthly, monthly)	All tests we examined completed as required except: - 4 of 16 twice monthly tests not completed at Wollaston Lake water treatment plant (First Nations' owned and operated)
Bacteria	Various (weekly, twice monthly, monthly)	All tests we examined completed as required except: - 4 of 16 twice monthly tests not completed at Wollaston Lake water treatment plant (First Nations' owned and operated)
Chemical (general)	Once every 2 years (except for Uranium City, which requires quarterly testing)	All tests we examined completed as required. Uranium City test results we examined showed abnormal results relating to chlorine levels.
Chemical (health)	Once every 2 years	All tests we examined completed as required
Trihalomethanes ^A and Haloacetic Acid ^B	Quarterly	All tests we examined completed as required except: - 1 of 2 Haloacetic and Trihalomethane tests not completed at Stanley Mission water treatment plant (operated by First Nations community) - 2 of 2 tests of both Haloacetic Acid and Trihalomethanes tests not completed at Uranium City water treatment plant (Ministry owned and operated)

Source: Individual water system operating permits and the Office of the Provincial Auditor of Saskatchewan's testing results. Shaded rows highlight where certain tests were missed by the operator.

^A Trihalomethanes include chloroform, bromodichloromethane, dibromochloromethane, and bromoform that forms when chlorine reacts with naturally occurring organic compounds present in water.

^B Haloacetic acids refer to the total of monochloroacetic acid, dichloroacetic acid, trichloroacetic acid, monobromoacetic acid and dibromoacetic acid that forms when chlorine reacts with organic matter and small amounts of bromide present in water.

The Water Security Agency monitors the Ministry of Government Relations' compliance with completing water testing, as well as communicates and reports abnormal test results and findings (such as significant concerns with the completion of water testing) to the public.



We found the results of testing noted in **Figure 2** consistent with findings in publicly available 2023 inspection reports.¹² For example:

- The Agency's July 12, 2023, inspection report indicated the Uranium City water treatment plant had instances where the Ministry did not always notify the Agency of abnormal test results (e.g., low chlorine levels as noted in **Figure 2**). This is consistent with **Section 3.1** above where a boil water advisory remains in place at Uranium City.

Ministry management was aware of these missed tests and took corrective action to address the missed tests. It indicated these missed tests were mostly due to human error. The Ministry conducted mandatory training, through its consultant, for the operators of these water treatment plants so they better understand the testing required at each location and to reduce the risk of missing these tests in the future. None of the missed tests had an adverse impact on the health and safety of the communities affected or on the permit to operate at these locations.

Completing all drinking water tests that permits require is essential to ensure the safety of drinking water consumed by northern settlement residents.

3.3 Water System Maintenance Improving

We recommended the Ministry of Government Relations consistently carry out all required maintenance for its water systems. (2012 Report – Volume 1, p. 117, Recommendation 4; Public Accounts Committee agreement January 13, 2014)

Status—Partially Implemented

We recommended the Ministry of Government Relations document its monthly supervision of maintenance carried out on its water systems to evidence that all required maintenance is occurring. (2012 Report – Volume 1, p. 118, Recommendation 5; Public Accounts Committee agreement January 13, 2014)

Status—Implemented

The Ministry of Government Relations sufficiently supervises water system maintenance and monitors such maintenance. However, high-priority maintenance like repairing leaks in water distribution lines was not completed in a timely manner in some instances.

The Ministry bases its maintenance expectations on the advice of its third-party infrastructure management consultant. Since our last follow-up audit, the Ministry also contracted this consultant to provide supervision of water systems and to monitor whether operators conduct the required maintenance for each water system.

The consultant reviews the maintenance records prepared by operators of Ministry-owned and operated water systems during site visits (twice a year) to ensure good records are present at all drinking water facilities.

¹² Inspection reports by community available at: waterquality.saskatchewan.ca/DrinkingWater (6 March 2024).

As described in **Figure 3**, the Ministry uses various processes to supervise maintenance of the five Ministry-owned and operated water systems, and the two water systems operated by First Nation communities. Key aspects of its processes include receipt of bi-annual reports from consultants on the condition of each water system and periodic inspection reports from its regulator—the Water Security Agency.

Figure 3—Processes to Supervise Maintenance of Water Systems

- For both types of water distribution systems, the Ministry engages an infrastructure management consultant to prepare bi-annual reports on the condition of each water system. The Ministry is to review these reports along with annual regulatory inspection reports of the Water Security Agency. These regulatory inspection reports of the Agency and consultant report on the condition of each of water distribution system.^A
- For First Nations' owned and operated water distribution systems, the Ministry, through its contract with each First Nation community, makes the relevant First Nation communities responsible for all normal maintenance of these systems. The Ministry does not receive detailed maintenance records to show whether the operator conducts maintenance on these systems. Instead, Ministry staff review the twice annual consultant reports to monitor each community's completion of maintenance.
- For Ministry-owned water systems, the Ministry engages its consultant to review the detailed maintenance records of the water systems and report twice annually in their consultant reports. Ministry staff review these consultant reports to determine whether each operator completed proper maintenance.

Source: Adapted from Ministry of Government Relations' information.

^A Inspection reports available at: waterquality.saskatchewan.ca/DrinkingWater (11 March 2024).

For both types of water systems (i.e., Ministry-owned and First Nations' owned and operated), our testing found the reports the Ministry received and reviewed during 2023 showed maintenance completed. The Ministry also completed adequate follow-up as required.

For the 2023 reports of each of the five Ministry-owned systems and two contracted First Nation community-owned systems, we found:

- The consultant's 2023 reports for three of seven northern settlement water systems showed some persistent urgent maintenance issues continued from the first report to the second report of 2023. For example, repairs to leaks in water distribution lines were not fixed in a timely manner, which can have an adverse effect on both water quality and supply.

This indicates that operators may not always complete important maintenance on a timely basis as expected. One of these maintenance issues was first reported in September 2020, as something that needed to be addressed "as soon as possible," but still remained incomplete on January 31, 2024.

Our testing did find the Ministry rectifying certain urgent maintenance issues (e.g., installing a spare pump, replacing a check valve) during the year, but it needs to reduce the time it takes to complete all urgent items.

- The consultant's 2023 reports for all seven northern settlement water systems also showed persistent minor maintenance issues that continued from the first report to the second report of 2023. These minor items included calibrating monitors and repairing berm damage on a lagoon storage cell.



- The Water Security Agency's 2023 inspection reports for these northern settlement water systems also cited some minor maintenance issues (e.g., pipe requiring additional sealant, water meters installed but not yet inspected).

In addition, the 2023 Water Security Agency inspection report on Uranium City's water system cited minor issues with completion of maintenance at the water treatment plant. For example, the inspection report indicated that the current water reservoir hatch was not watertight and expected it to be replaced with an aluminum hatch.

The Ministry noted it expects to address outstanding maintenance concerns at Uranium City with the completion of the new water treatment plant underway to address the long-standing drinking water concerns at Uranium City (see **Section 3.1**).

The Ministry also hired a public works manager who began piloting the use of a digital maintenance application in 2023 available to both operators and Ministry staff. The application logs and tracks maintenance in real-time which allows the Ministry to better monitor if, and when, operators conduct key maintenance activities at the water treatment plants.

Not completing maintenance in a timely manner increases the risk that water quality and water supply to northern settlements could be adversely affected.

Chapter 12

Health—Detecting Inappropriate Physician Payments

1.0 MAIN POINTS

At March 2024, the Ministry of Health made good progress in addressing the two outstanding recommendations we first made in 2017 about detecting inappropriate physician payments.

The Ministry pays over \$560 million to almost 1,900 physicians under a fee-for-service arrangement each year.¹ Physicians may submit bills for incorrect amounts because of misunderstandings, mistakes, or, on occasion, deliberate actions.²

The Ministry implemented a new physician claims IT system in February 2024.

This new claims IT system will improve processing for physician billing because it will reduce the amount of labour-intensive manual assessments previously done by Ministry staff. It will also notify physicians immediately if their billing submissions are rejected or accepted thereby reducing overpayments. Edit checks will continue to be added to the new claims IT system as the Ministry identifies new risks in relation to inappropriate physician billings.

Having a risk-based strategy supported by an adaptable IT system allows the Ministry to detect inappropriate physician billings before payment, reducing the amount of effort needed to assess and collect inappropriate payments back from overpaid physicians.

The new claims IT system can also enhance the Ministry's reporting and data analysis allowing the Ministry to undertake further investigations (audits) of physician claims after payments. However, at March 2024, the Ministry had not revised its audit/investigation capacity or design. It also had yet to fully implement the data analytics available in the new claims IT system. Doing so will allow the Ministry to appropriately direct its efforts to investigate inappropriate physician billing practices, and potentially identify and recover more inappropriate billings.

2.0 INTRODUCTION

The Ministry of Health directly compensates fee-for-service physicians at agreed-upon rates for specific services provided to residents with valid health coverage. The Ministry cannot practically confirm the validity of all billings before paying physicians. As such, the Ministry must have effective processes to detect inappropriate payments to physicians.

¹ Ministry of Health, Medical Services Branch, *Annual Statistical Report for 2022–23*, p. 7.

² The Ministry of Health refers inappropriate billings to the Joint Medical Professional Review Committee (JMPRC). In 2023–24 JMPRC ordered seven physicians to repay roughly \$1.3 million (2022–23: 12 physicians ordered to repay about \$2.6 million).



2.1 Focus of Follow-Up Audit

This chapter describes our third follow-up audit of management's actions on the outstanding recommendations we originally made in 2017.

In 2017, we assessed the Ministry of Health's processes to detect inappropriate fee-for-service payments to physicians. We concluded that the Ministry had, except for the recommendation areas, effective processes to detect inappropriate fee-for-service payments to physicians.³ We made four recommendations. By December 2021, the Ministry implemented two of the four recommendations.⁴

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Ministry management agreed with the criteria in the original audit.

To carry out our follow-up audit, we discussed actions taken with key Ministry personnel. We examined the Ministry's new physician claims IT system and reviewed relevant documentation on the actions taken to address our recommendations.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at March 31, 2024, and the Ministry of Health's actions up to that date.

3.1 Risk-Based Strategy Developed

We recommended the Ministry of Health use a comprehensive risk-based strategy to detect inappropriate physician billings for insured services before making payments. (2017 Report – Volume 1, p. 76, Recommendation 1; Public Accounts Committee agreement June 12, 2018)

Status—Implemented

In October 2022, the Ministry of Health developed a Comprehensive Risk-Based Strategy to identify, respond, and monitor risks of inappropriate physician billings. The Ministry's responses to identified risks will allow it to better detect inappropriate physician billings for insured services before making payments.

The Comprehensive Risk-Based Strategy plans to identify risks using two approaches:

- Top-Down Risk Identification – Ministry leadership will identify areas of risk that may result in inappropriate physician claims being paid by the Ministry. Responses will mainly focus on emerging technology and/or new processes.

³ 2017 Report – Volume 1, Chapter 6, pp. 65–80.

⁴ 2020 Report – Volume 1, Chapter 17, pp. 215–219 and 2022 Report – Volume 1, Chapter 13, pp. 165–168.

- **Bottom-Up Risk Identification** – Inputs from all levels of Ministry staff will identify operational risks. Staff involved with the day-to-day operations will assess the appropriateness of physician billing claims rejected by the claims IT system. As a result, they can identify trends and weaknesses in the claims and IT system that may result in payments for inappropriate physician billings.

Once the Ministry identifies a risk, its Strategy expects it to respond to the risk by either accepting the risk, transferring the risk (i.e., shift to a third-party), reducing the risk, or avoiding the risk. By February 2024, we found the Ministry identified 11 key risk areas related to inappropriate physician billings and outlined mitigation strategies to reduce these risks.

One of the major mitigation strategies was the Ministry implementing its new physician claims IT system in February 2024. The new system can create new rules to reject inappropriate physician billing claims. We found, at present, the new claims IT system consists of various edit checks including checking the validity of patients' health services' numbers on physician bills, validating physician billing numbers, and confirming billings submitted align with eligible services and rates agreed to in a payment schedule.

The Strategy also identified the need to enhance the Ministry's audit/investigation function and methods as another focus area of mitigation (see **Section 3.2** for further details on status of implementation).

Having a comprehensive risk-based strategy and framework to continually identify and respond to risks associated with inappropriate physician billings will improve the Ministry's ability to identify points of weakness within its physician billing claims process. This should also minimize the Ministry's cost of claims processing and reduce the amount of effort needed to assess and collect inappropriate payments back from overpaid physicians.

3.2 Increased Investigations Not Yet in Place

We recommended the Ministry of Health assess options to conduct more investigations into physician billing practices that it suspects of having inappropriately billed the Government. (2017 Report – Volume 1, p. 79, Recommendation 4; Public Accounts Committee agreement June 12, 2018)

Status—Partially Implemented

The Ministry of Health had not yet assessed and implemented new options to conduct more investigations (audits) into physician billing practices. However, it expects the new physician claims IT system to help improve investigations of inappropriate billing through enhanced reporting and data analysis.

We found the physician claims IT system implemented in 2024 improved data collection enabling better data analysis to further identify inappropriate billings.

The previous, simplistic IT system required a significant amount of manual intervention by Ministry staff. With the new, more advanced system having improved business rules and edit checks, Ministry management expect physician claims analysts to spend less time



adjudicating claims and more time performing investigations. At March 31, 2024, the Ministry employed eight claims analysts.

We found the Ministry had organizational plans in place to enhance its investigation and audit capacity of physician billing claims using its claims analysts and an audit function.

As of March 31, 2024, the Ministry had not yet revised its audit/investigation capacity or design. As a result, with the new claims IT system still in its infancy, the Ministry had not yet performed additional investigations because significant amounts of data were not yet available for analysis. Therefore, the Ministry's process to audit/investigate physician claims remained unchanged from our previous audit follow-up. The Ministry led four audits in 2023–24.

Enhancing the ways the Ministry conducts investigations (audits) into physician billing practices may identify and recover more inappropriate billings, as well as reinforce with physicians the importance of appropriate fee-for-service billing practices or identify areas where the Ministry needs to offer further education and support.

Chapter 13

Health—Monitoring Opioid Prescribing and Dispensing

1.0 MAIN POINTS

While opioid medications can bring significant improvement to patients' quality of life by relieving pain, opioids pose a risk for misuse or diversion, leading to addictions, overdoses, and deaths. Saskatchewan had 343 deaths related to opioid toxicity in 2023, an increase of about 91% in less than five years (2019: 180 deaths).

The Ministry of Health is responsible for monitoring the prescribing and dispensing of opioid medications. The Ministry monitors prescribed opioids by funding the Prescription Review Program operated by the College of Physicians and Surgeons of Saskatchewan.

By March 2024, the Ministry improved some of its processes to better monitor opioid prescribing and dispensing in Saskatchewan.

The Ministry assessed the benefits and challenges of recording hospital-dispensed opioids in the provincial drug IT system and determined the challenges outweigh the benefits. Therefore, it does not expect to record hospital-dispensed opioids in the provincial drug IT system. Opioids prescribed at patient discharge from a hospital would be recorded in the provincial drug IT system and monitored through the Program.

In addition, the Ministry provided the Program with provincial access to urine drug-screening results to help Program staff conduct effective analysis in identifying potential opioid misuse. Urine drug-screening results can help Program staff confirm whether patients used opioid medications as prescribed or identify potential opioid misuse.

In 2023, the Ministry engaged an external consultant to assess the Program's impact on reducing opioid misuse in the province. The assessment confirmed a need for the Program's continuation and provided recommendations to strengthen the Program and enhance its effectiveness. As a result, the Ministry continued to work with key Program partners (e.g., College of Physicians and Surgeons of Saskatchewan, Saskatchewan College of Pharmacy Professionals) to implement those recommendations by 2024–25. This will include establishing clear Program objectives, as well as developing service agreements and data sharing between the Program and its partners.

The Ministry also plans to work with the Saskatchewan College of Pharmacy Professionals to better monitor opioid dispensing practices in provincial pharmacies. Without specifically collecting and analyzing data about opioid dispensing practices in Saskatchewan's pharmacies, the Ministry does not know whether any specific pharmacies contribute to Saskatchewan's opioid crisis. Since 2020–21, the number of individuals receiving prescribed opioids from Saskatchewan pharmacies increased by 19%.



2.0 INTRODUCTION

2.1 Background

The Ministry of Health is responsible for monitoring the prescribing and dispensing of opioid medications within the province under *The Prescription Drugs Act*.

Opioid medications are some of the controlled substances under *The Controlled Drugs and Substances Act* (Canada) and *The Narcotic Control Regulations* (Canada). This Act and related Regulations provide a framework for the control of substances that can alter mental processes and may produce harm to an individual or society when diverted to an illicit market.

Practitioners and pharmacists must follow the prescribing and dispensing rules set out in the Regulations. Practitioners include all persons who, by law, are entitled to write opioid prescriptions (e.g., physicians, nurse practitioners, dentists, pharmacists).

While opioid medication can bring significant improvement to patients' quality of life by relieving pain, it increases the risk for overdose or misuse. In addition, prescribed opioids have the potential for diversion and non-medical use among persons to whom they were not prescribed.¹

As shown in **Figure 1**, since 2020–21, the number of individuals receiving prescribed opioids from Saskatchewan pharmacies increased by 19%. Management indicated this increase may be due to its monitoring of additional opioids and rising surgeries, as well as an increase in patients experiencing long surgical wait times needing pain management. Hydromorphone (46%), codeine (25.2%), and morphine (10.4%) made up most prescribed opioids during this period.

Figure 1—Number of Individuals on Prescribed Opioids Dispensed from a Saskatchewan Pharmacy^A

	2020–21	2021–22	2022–23	2023–24	% Change between 2020–21 and 2023–24
Saskatchewan residents with an opioid prescription	85,131	97,788	102,239	101,676	19.4%

Source: Based on information provided by the Ministry of Health.

^A **Figure 1** does not include prescribed opioids dispensed in Saskatchewan hospitals.

According to Saskatchewan's Coroners Service March 2024 Report, the province had 343 confirmed opioid toxicity deaths in 2023, an increase of about 91% since 2019 (180 deaths in 2019).² Fentanyl, acetyl fentanyl, and hydromorphone made up the top three opioids causing death.³

The Ministry monitors prescribing and dispensing practices for prescribed opioids by funding the Prescription Review Program operated by the College of Physicians and Surgeons of Saskatchewan; it has done so since 1988.

¹ CDC Clinical Practice Guideline for Prescribing Opioids for Pain—United States, 2022, www.cdc.gov/mmwr/volumes/71/rr/rr7103a1.htm (22 March 2024).

² Saskatchewan's Coroners Service is unable to determine whether opioid toxicity deaths were due to illicit use or prescription use. publications.saskatchewan.ca/#/products/90505 (22 March 2024).

³ Acetyl fentanyl is a synthetic opioid analgesic drug similar to fentanyl.

Actively monitoring prescribing and dispensing of opioids helps to ensure only appropriate patients receive opioids. In addition, monitoring can improve prescribing practices for opioids, lower or prevent risk of harms related to opioids, as well as help to identify patients potentially at risk of addiction. Ineffectively monitoring opioid prescribing and dispensing practices may result in increased abuse or diversion leading to overdoses and death, as well as additional costs to the healthcare system.

2.2 Focus of Follow-Up Audit

This chapter describes our second follow-up audit of management's actions on the four outstanding recommendations we first made in 2019.

In 2019, we assessed the Ministry of Health's processes to monitor the prescribing and dispensing of opioids to reduce misuse and addiction. Our *2019 Report – Volume 1*, Chapter 7 concluded the Ministry had effective processes to monitor the prescribing and dispensing of opioids to reduce misuse and addiction other than the matters reflected in our seven recommendations.⁴ By August 2021, the Ministry of Health implemented three of the seven recommendations.⁵

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry of Health's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Ministry management agreed with the criteria in the original audit.

To carry out our follow-up audit, we interviewed key Ministry staff responsible for monitoring opioid prescribing and dispensing practices. We examined and assessed relevant documentation including evaluation reports, agreements, and other documents relating to monitoring opioid prescribing and dispensing practices.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at March 31, 2024, and the Ministry of Health's actions up to that date.

3.1 Opioids Dispensed in Hospitals Will Not Be Tracked Provincially

We recommended the Ministry of Health assess the cost and benefit to patient safety of recording hospital-dispensed opioids in the provincial drug IT system. (2019 Report – Volume 1, p. 102, Recommendation 1; Public Accounts Committee agreement January 11, 2022)

Status—Implemented

⁴ 2019 Report – Volume 1, Chapter 7, pp. 95–119.

⁵ 2021 Report – Volume 2, Chapter 28, pp. 211–220.



The Ministry of Health assessed the benefits and challenges of recording hospital-dispensed opioids in the provincial drug IT system.⁶ It determined the challenges outweigh the benefits. Therefore, the Ministry will not record hospital-dispensed opioids in the provincial drug IT system.

eHealth Saskatchewan manages the data in the provincial drug IT system. The Ministry tasked eHealth to complete an assessment of recording hospital-dispensed opioids in the IT system.

In June 2023, eHealth documented benefits and challenges of recording hospital-dispensed opioids in the IT system through its consultations with various parties (e.g., eHealth Drug and Pharmacy team, Prescription Review Program, College of Physicians and Surgeons of Saskatchewan).

While the assessment noted benefits of adding all hospital-dispensed medications into the IT system, such as providing more relevant information to prescribers, helping prevent prescription forgeries (related to opioid misuse/abuse), or reducing prescription errors, it also highlighted several challenges, such as:

- Other IT systems (e.g., eHR viewer) would also require changes at high costs for consulting, educating, and making the necessary changes on all IT systems
- Medication errors may occur when relying on hospital data in the IT system as it may be difficult for users to differentiate inpatient versus outpatient medications resulting in additional modifications to the IT system

Management indicated the cost and resources needed to add hospital-dispensed opioids outweigh the potential benefit to patient safety. Therefore, the Ministry does not expect to record hospital-dispensed opioids in the provincial drug IT system. Opioids prescribed at patient discharge from a hospital would be recorded in the provincial drug IT system and monitored through the Program.

Assessing the benefits and challenges of recording hospital-dispensed opioids in the provincial drug IT system allowed the Ministry to make an informed decision.

3.2 Prescription Review Program Assessed with Enhancements Needed

We recommended the Ministry of Health determine whether the Prescription Review Program is helping reduce the misuse of prescribed opioids in Saskatchewan. (2019 Report – Volume 1, p. 111, Recommendation 5; Public Accounts Committee agreement January 11, 2022)

Status—Partially Implemented

The Ministry of Health is working to enhance the Prescription Review Program based on recommendations made from an external Program evaluation. The Program needs to develop clear objectives annually, determine opioid information to share with partners, and establish service agreements with each of its partners.

⁶ The provincial drug IT system is called the Pharmaceutical Information Program or PIP.

In 2023, the Ministry engaged an external consultant to evaluate the Program's effectiveness and impact on reducing the misuse of prescribed opioids in Saskatchewan. In June 2023, the consultant assessed the Program in four areas—design and delivery, effectiveness, efficiency, and sustainability—and reported that while the Program demonstrated positive results in changing prescribing practices for some opioids, the opioid crisis persists in Saskatchewan.

The report recommended the Ministry continue the Program but included recommendations to help strengthen the Program, such as:

- Clearly define its objectives, and report on such activities within the Program's annual report at least annually
- Enhance communication with its partners (e.g., schedule bi-annual discussions between Program management and partners to discuss the Program and trends)⁷
- Establish service agreements with each of its partners, including scheduled Program reporting

In fall 2023, the Ministry developed an engagement strategy to seek input from the Program's partners (e.g., College of Physicians and Surgeons of Saskatchewan, Saskatchewan College of Pharmacy Professionals). It met individually with each partner by February 2024. The feedback included each partners' agreement on Program continuation, as well as the need for enhancements such as establishing an advisory committee with regular meetings, consistent communication, and data sharing with the Program's partners.

The Ministry plans to meet with all partners in late May 2024 to establish an advisory committee and a working group to implement agreed-upon recommendations—this includes developing clear program objectives, determining opioid information to share with partners, and establishing service agreements with each of its partners. It expects to complete this work in 2024–25.

Having clear Program objectives with regular information sharing and reporting between key Program partners would strengthen the Program and give the Ministry a sense of the number and nature of potential opioid misuse cases in the province. In addition, it would help the Ministry determine whether it is doing enough to reduce prescribed opioid misuse.

3.3 Risk-Based Monitoring of Opioid Dispensing in Pharmacies Needed

We recommended the Ministry of Health establish a risk-based approach to identify concerns in opioid dispensing in Saskatchewan pharmacies.

(2019 Report – Volume 1, p. 102, Recommendation 3; Public Accounts Committee agreement January 11, 2022)

Status—Not Implemented

⁷ The Prescription Review Program's partners include the Ministry of Health, College of Physicians and Surgeons of Saskatchewan, the College of Dental Surgeons of Saskatchewan, the Saskatchewan College of Pharmacy Professionals, and the Saskatchewan Registered Nurses Association.



The Ministry of Health has not yet determined how to better identify concerns with opioid dispensing in Saskatchewan pharmacies.

The external assessment of the Prescription Review Program in June 2023 identified a need for better collaboration between the Program's partners, specifically having the Program share regular monitoring results with the Saskatchewan College of Pharmacy Professionals to monitor opioid dispensing in pharmacies.

We found the Ministry discussed the report findings and recommendations with the College, but still needs to formalize its partnership (i.e., develop a service agreement) to better identify inappropriate dispensing practices in the province. The Ministry expects to have a more detailed approach to better monitor pharmacy dispensing after all Program partners meet in May 2024.

At present, Program staff continue to refer any potential cases of inappropriate pharmacist dispensing practices to the Saskatchewan College of Pharmacy Professionals. In 2022–23, Program staff referred 15 pharmacists with potentially inappropriate dispensing practices to the College.⁸ At December 2022, Saskatchewan had just over 1,200 pharmacists and 140 pharmacy technicians in 418 community pharmacies.⁹

Because the Program does not specifically collect and analyze data about dispensing practices in Saskatchewan's pharmacies, the Ministry does not know whether any specific provincial pharmacies contribute to Saskatchewan's opioid crisis. Not having a risk-based approach to consider whether pharmacies consistently and properly dispense opioids could lead to the Ministry missing potential opioid misuse, and opportunities to reduce misuse.

3.4 Patient Information Access Granted to Identify Inappropriate Prescribing Practices

We recommended the Ministry of Health give those responsible for monitoring inappropriate opioid prescribing access to necessary patient information. (2019 Report – Volume 1, p. 112, Recommendation 6; Public Accounts Committee agreement January 11, 2022)

Status—Implemented

The Ministry of Health gives those responsible for monitoring inappropriate opioid prescribing access to necessary patient information.

In spring 2019, the Ministry requested eHealth Saskatchewan provide Prescription Review Program staff access to urine drug-screening results stored in eHR Viewer. In July 2023, eHealth signed a five-year data sharing agreement with the College of Physicians and Surgeons of Saskatchewan.

Under the agreement, we found Program staff have access to provincial laboratory data for reviewing urine drug-screens to evaluate inappropriate drug use.

Having urine drug-screening results to potentially identify drug diversion help Program staff confirm whether patients used medications as prescribed. It also helps to identify potential opioid misuse or inappropriate prescribing practices.

⁸ Prescription Review Program, 2022 Annual Report, p. 6.

⁹ Saskatchewan College of Pharmacy Professionals, Annual Report 2022, pp. 9–10.

Chapter 14

Horizon School Division No. 205—Maintaining Facilities

1.0 MAIN POINTS

By February 2024, Horizon School Division No. 205 improved its processes to maintain its 39 schools and seven other facilities located across east-central Saskatchewan. The Division implemented the remaining four recommendations we originally made in our 2020 audit.

The Division:

- Had current boiler inspections, and updated fire protection and suppression system inspection certificates in its IT system. It addressed deficiencies found during inspections timely.

Prioritizing the correction of important maintenance deficiencies helps the Division avoid non-compliance with applicable codes and provides safe environments for all students, staff, and the public.

- Developed a strategy to better use its IT system to plan, track, and monitor maintenance of its facilities and significant components. Additionally, the Division developed and documented its definition of what is considered a significant component.

Tracking key information for significant components in the maintenance IT system enhances the Division's ability to properly plan, track, and monitor the maintenance of its facilities and their key components.

- Documented the completion of maintenance activities performed, including accurately reflecting the work outstanding in the Division's IT system. Additionally, the Division monitored the completion timeliness of requested and expected maintenance via weekly reports on outstanding service requests.

Using the Division's maintenance IT system to track information on maintenance activities assists the Division in prioritizing the correction of maintenance deficiencies and monitoring the completion of maintenance.

Maintenance is one key aspect of asset management. Conducting effective maintenance and repairs on facilities reduces the potential health and safety problems for users (administrators, staff, and students), improves quality of space, improves facility value, reduces repair costs, and increases the chance facilities meet their expected service life (e.g., not having to replace a building earlier than intended).



2.0 INTRODUCTION

2.1 Background

Under *The Education Act, 1995*, and related regulations, the Ministry of Education is responsible for providing leadership and direction to prekindergarten through Grade 12 education sector. This includes providing school divisions with leadership in all areas, which includes maintenance of facilities. The Act requires the Ministry to review and approve the school divisions' estimated expenditures and significant capital projects.¹ Each year, the Ministry gives divisions funding to operate, including facility maintenance funding.

The Ministry expects divisions to maintain facilities in satisfactory operating condition.²

The Act gives each school divisions' Board of Education the authority to administer and manage the educational affairs of its division and to exercise general supervision and control over the schools in the school division.

Under the Act, a school division is responsible for:

- Providing and maintaining school accommodation, equipment, and facilities necessary for the educational programs and instructional services approved by the school division for each of its schools
- Setting out procedures with respect to the maintenance of school accommodations for maintaining satisfactory standards of comfort, safety and sanitation for students and other users

Horizon School Division No. 205 is located in east-central Saskatchewan. The Division owns 39 of the 43 schools it operates.³ Almost 90% of the Division's schools are more than 50 years old and, on average, in poor condition.

In 2022–23, the Division spent \$4.5 million (2021–22: \$6.2 million) specifically on maintenance of its facilities (e.g., contracted maintenance, renovations, supplies).⁴

2.2 Focus of Follow-Up Audit

This chapter describes our second follow-up audit of management's actions on the recommendations we first made in 2020.

In 2020, we assessed Horizon School Division No. 205's processes to maintain its facilities. Our *2020 Report – Volume 1*, Chapter 8, concluded that for the 12-month period ended September 30, 2019, the Division had effective processes to maintain its facilities, except

¹ *The Education Act* requires the Ministry to approve capital projects of divisions costing more than \$1 million (i.e., major). Capital projects include renovations to buildings. Also, the Ministry may supply divisions with capital grants to help fund renovations. It may also provide divisions with grants to assist with preventative maintenance and repairs costing less than \$1 million (i.e., minor), and it may appoint a person to provide advice with respect to approval of plans for the maintenance of school buildings.

² *Ministry of Education Preventative Maintenance and Renewal Funding Program Policy Guidelines*, Revised September 1, 2017, publications.saskatchewan.ca/#/products/76294 (14 March 2024).

³ The Division supplies staff and support to five schools in its area it does not own—three Hutterite schools, a village-owned school, and a school on George Gordon First Nation.

⁴ Adapted from Horizon School Division No. 205 financial information.

for the areas in our five recommendations.⁵ By January 2022, the Division had implemented one of the five recommendations.⁶

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Division's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Division management agreed with the criteria in the original audit.

To perform this follow-up audit, we reviewed facility maintenance policies and procedures, interviewed facility maintenance management staff, and reviewed documentation in the maintenance IT system for significant components (e.g., fire alarm inspection certificates). We also analyzed and tested information documented in the maintenance IT system (e.g., time to complete service requests and preventative maintenance tasks).

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at February 29, 2024, and Horizon School Division No. 205's actions up to that date.

3.1 Fire Protection Deficiencies Identified and Addressed Timely

We recommended Horizon School Division No. 205 prioritize all identified maintenance deficiencies associated with fire protection and suppression systems and boilers to enable determination of the nature and timing of necessary maintenance. (2020 Report – Volume 1, p. 92, Recommendation 1; Public Accounts Committee agreement January 12, 2022)

Status—Implemented

Horizon School Division No. 205 had current boiler inspections, updated fire protection and suppression system inspection certificates in its IT system, and addressed deficiencies found during inspections timely.

All six boilers we tested had current inspection certificates.

The Division uses its maintenance IT system to track inspection results of its fire protection and suppression systems. The Division indicated it does not have the in-house capacity (i.e., personnel) to conduct fire protection and suppression system inspections.⁷ Therefore, the Division contracts with a third-party inspector to inspect these systems annually. After an inspection is done, the Division receives an inspection certificate, which staff then upload to its IT system.

We found the Division had updated inspection certificates for all seven of the fire protection and suppression systems we tested in its IT system.

⁵ 2020 Report – Volume 1, Chapter 8, pp. 83–102.

⁶ 2022 Report – Volume 1, Chapter 14, pp. 169–176.

⁷ The Division considers fire alarms and sprinklers to be part of its fire protection and suppression system.



During annual inspections, the contracted inspector identifies and documents deficiencies (e.g., fire extinguishers due for replacement, emergency lights failed 30-minute test) with the Division's fire and suppression systems on the inspection certificates. For example, emergency lights need to be kept in working order to guide people to safety quickly and effectively in a fire. The Division uses the third-party inspectors to resolve any identified deficiencies.⁸

For the seven fire protection and suppression systems we tested, we found four instances where the inspector identified deficiencies and addressed the deficiencies timely.

For the six boilers we tested, inspectors did not find any deficiencies.

Prioritizing as well as addressing identified maintenance deficiencies associated with fire protection and suppression systems helps provide safe environments for all students and staff.

3.2 Tracking All Significant Components Complete

We recommended Horizon School Division No. 205 develop a strategy to better use its maintenance IT system to plan, track, and monitor maintenance of its facilities and significant components. (2020 Report – Volume 1, p. 92, Recommendation 2; Public Accounts Committee agreement January 12, 2022)

Status—Implemented

Horizon School Division No. 205 developed a strategy to better use its IT system to plan, track, and monitor completed and uncompleted maintenance of its facilities and significant components. Additionally, the Division developed and documented its definition of what it considers a significant component. Using clear definitions assists staff in understanding which assets the Division considers significant components and require tracking.

In its policy, the Division appropriately defined significant components as:

- Fire alarms and fire suppression systems
- Playgrounds
- Heating, ventilation, and air conditioning (HVAC) systems
- Roofs
- Technical Safety Authority of Saskatchewan Code Compliant items (e.g., boilers and pressure vessels, elevators)⁹

The Division uses unique asset barcodes to identify and track each significant component. Facilities management staff (e.g., electrician, plumber) attaches asset barcodes on all major building components such as heating systems, fire alarm panels, and HVAC units.

⁸ The Division employs an electrician who resolves any deficiencies identified during boiler inspections.

⁹ Adapted from Horizon School Division No. 205 records.

The Division indicated it completed attaching asset barcodes on all its significant components by October 2023.

The Division continues to update information on significant components in its maintenance IT system as it replaces and installs them. Division staff recorded asset condition and useful life in its IT system for all significant components.

The maintenance IT system uses condition and expected replacement year information for significant components to calculate the facility condition index and amount of deferred maintenance.¹⁰ We found all 30 significant components we tested had information appropriately recorded in the maintenance IT system related to the asset's condition and its life expectancy.

Tracking key information for all significant components in the maintenance IT system enhances the Division's ability to plan and monitor the maintenance of its facilities and significant components. It also enables the Division to use the system to monitor changes in the facility condition index and in deferred maintenance to help determine whether it is doing the right maintenance at the right time.

3.3 Maintenance IT System Contains Up-to-Date Information

We recommended staff of Horizon School Division No. 205 maintain up-to-date and accurate information in its maintenance IT system about completion of assigned maintenance activities. (2020 Report – Volume 1, p. 97, Recommendation 3; Public Accounts Committee agreement January 12, 2022)

Status—Implemented

Horizon School Division No. 205 staff use the Division's maintenance IT system to document the completion of maintenance activities performed, including accurately reflecting the work outstanding to resolve a maintenance activity.

The Division expects staff to complete assigned maintenance (service request/preventative maintenance) within stated timeframes (see **Figure 1**) and document the completion of maintenance in the appropriate module of the maintenance IT system.¹¹

Figure 1—Priority Ratings of Service Requests and Timeframes for Resolution

Priority Rating	Time to Address	Definition
Urgent	2 working days	<ul style="list-style-type: none"> Life safety and building security Natural gas leaks No power for more than two hours No running water/boil water advisory Furnaces/boilers malfunctioning (no heat throughout school) Risk of school closure

¹⁰ Facility condition index is a performance indicator used to evaluate the current condition of a building. It is measured on a scale of 0% to 100%, with a higher percentage showing a building is in poorer condition.

¹¹ Preventative maintenance tasks are routine repairs and inspections intended to assist in systematic correction of emerging failures before they occur or before they develop into major defects. Service requests are requests for minor maintenance (reactive maintenance) initiated through the service request module in the maintenance IT system.



Priority Rating	Time to Address	Definition
High	5 working days	<ul style="list-style-type: none">• Broken windows (all panes of glass broken)• Code issues (fire alarm panels)• Emergency exits not functioning• Water leaks that cannot be stopped (5 gallons in 24 hours)• Furnaces/boilers not functioning (no heat in one area of school)• Risk of school closure
Medium	15 working days	<ul style="list-style-type: none">• Broken glass (one pane only)• More than 3 lights out in one room• Exterior door issues; doors do lock• Small water leak (less than 5 gallons in 24 hours)• Interior door issues for computer/science labs• Toilets in one area/washroom out of order
Low	As schedule permits	<ul style="list-style-type: none">• Light out (one only)• Interior door issues• One toilet out of order• Minor projects such as whiteboards, bulletin board, door closures

Source: Adapted from Horizon School Division No. 205 records.

We analyzed the 297 service requests closed between February 1, 2023, and February 20, 2024. We found the Division:

- Resolved all four urgent service requests within two working days.
- Addressed 52 of 53 high-priority service requests within five working days.

Management indicated the one unresolved request should have been downgraded to low-priority after staff addressed the initial maintenance issue.

- Resolved all 240 medium-priority service requests within 15 working days.

For 30 preventative maintenance tasks we tested, we found all tasks completed within the expected timeframes and were appropriately documented in the maintenance system.

Effectively maintaining and monitoring the completion status of maintenance activities helps ensure Division staff complete maintenance as expected, which further reduces deficiencies of the Division's facilities or significant components.

3.4 Timeliness of Maintenance Actively Monitored

We recommended Horizon School Division No. 205 actively monitor the timeliness of completion of requested and expected maintenance.

(2020 Report – Volume 1, p. 98, Recommendation 4; Public Accounts Committee agreement January 12, 2022)

Status—Implemented

Horizon School Division No. 205 monitors completion timeliness of requested and expected maintenance tracked in the Division's maintenance IT system.

The Division's facility maintenance staff and management receive updated reports of outstanding service requests along with associated priority ratings (see **Figure 1**). These reports are prepared for each facility maintenance staff weekly.

Additionally, another report provides detailed information on each service request, its priority rating, the facility the request relates to, a brief description of the service request, and who the request is assigned to. It is prepared and reviewed weekly by each staff member and the Manager of Facility Services. This provides management sufficient information to determine whether staff are completing service requests and preventative maintenance tasks assigned to them in a timely way.

Effectively monitoring the timeliness of completion of maintenance activities helps ensure that maintenance is completed as expected.

Chapter 15

Justice and Attorney General—Supporting Provincial Court of Saskatchewan to Manage Court Workloads

1.0 MAIN POINTS

The Ministry of Justice and Attorney General through its Court Operations and Services Branch is responsible for supporting the Provincial Court of Saskatchewan in managing court workloads.

By March 2024, the Ministry implemented one of two outstanding recommendations we first made in 2014. The Ministry has not fully implemented the other recommendation.

The Ministry implemented a new forecasting process in May 2023, which will help it determine resources needed to support Provincial Court workloads.

In 2020, the Ministry implemented a data analysis tool (dashboard) to aid in its collection, examination, and monitoring of information related to key measures for supporting the Provincial Court. However, the Ministry is not utilizing its dashboard to publicly report on its key performance measures (e.g., time to case resolution).

Public reporting can help legislators and the public understand operating pressures affecting Provincial Court workloads and the Ministry's actions to address them.

2.0 INTRODUCTION

2.1 Background

The Ministry of Justice and Attorney General, through its Court Operations and Services Branch, supports the Provincial Court of Saskatchewan (Provincial Court) in managing court workloads.

The Supreme Court of Canada identified key aspects of independence necessary to maintain a separation between the judiciary and other branches of government (e.g., executive); one of these aspects is the role of the Chief Judge.

A Chief Judge is responsible for the schedule of the Provincial Court and acts as the administrative liaison with the Ministry of Justice and Attorney General while preserving judicial independence. The Chief Judge assigns provincial judges to hear cases and sets court dates for Provincial Court facilities.

At March 2024, Saskatchewan had 47 Provincial Court judges; 12 permanent courthouses and 60 circuit points throughout the province.^{1,2}

¹ Provincial Court judges travel to more than 60 other communities for court matters known as circuit points. sasklawcourts.ca/provincial-court/about-the-court/ (13 March 2024).

² sasklawcourts.ca/provincial-court/judges/ (13 March 2024).



Lack of effective support to manage Provincial Court's workloads could affect timely scheduling of Court hearings. This could result in delayed delivery of justice. Such delays could also result in additional costs to hold the accused in detention centres and loss of public faith in our justice system.

2.2 Focus of Follow-Up Audit

This chapter describes our third follow-up audit of management's actions on the two remaining recommendations we first made in 2014.

In 2014, we assessed the Ministry of Justice and Attorney General's processes to support the Provincial Court of Saskatchewan in managing court workloads. We concluded that for the 12-month period ended December 31, 2013, the Ministry had effective processes to support the Provincial Court in managing court workloads except in the areas of our six recommendations.³ By June 2020, the Ministry implemented four of the six recommendations.⁴

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Ministry management agreed with the criteria in the original audit.

To carry out our follow-up audit, we interviewed key staff at the Ministry and reviewed relevant documents (e.g., forecasting training manual, dashboard).

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at March 31, 2024, and the Ministry of Justice and Attorney General's actions up to that date.

3.1 Public Reporting on Key Measures Needed

We recommended the Ministry of Justice and Attorney General improve its collection, analysis, monitoring and public reporting of information related to supporting the management of Provincial Court of Saskatchewan workloads. (2014 Report – Volume 1, p. 75, Recommendation 5; Public Accounts Committee agreement February 13, 2015)

Status—Partially Implemented

In 2020, the Ministry of Justice and Attorney General started using a data analysis tool (dashboard) to aid its collection, analysis, and monitoring of information related to key performance measures for supporting the Provincial Court of Saskatchewan's workloads. However, the Ministry is not using the dashboard to publicly report on its key performance measures (e.g., time to case resolution).

³ 2014 Report – Volume 1, Chapter 10, pp. 67–77.

⁴ 2017 Report – Volume 2, Chapter 40, pp. 277–282 and 2020 Report – Volume 2, Chapter 33, pp. 249–255.

The dashboard appropriately captures key performance measures related to supporting the Provincial Court in managing court workloads. We observed staff can view data on time to case resolution, percentage of court appearances by video-conferencing, as well as average number of court adjournments.

In addition, we observed weekly automated emails from the dashboard sent to the Chief Judge, court managers, and Ministry senior management (e.g., Assistant Deputy Minister, Deputy Minister). These weekly emails appropriately provide for effective monitoring of key measures.

Our 2020 audit reported that the Ministry identified key performance measures related to supporting Provincial Court in managing workloads in its *Court Services Strategic Plan 2020–2024*. See **Figure 1** for these key performance measures.

Figure 1—Five Performance Measures Related to Supporting the Provincial Court in Managing Court Workloads

By March 31, 2024, the Ministry plans to:

- Work with the Chief Judge to:
 - Reduce time to case resolution in adult criminal court
 - Improve access to justice by increasing the percentage of appearances heard by video-conferencing
 - Improve access to justice by reducing the average number of court adjournments
- Increase effective people management and employee responsiveness by increasing its employee engagement
- Increase effective people management and responsiveness by maintaining an employee retention rate

Source: Ministry of Justice and Attorney General, *Court Services Strategic Plan 2020–2024*, pp. 68–70.

The Ministry's *2022–23 Annual Report* appropriately reports on percentage of appearances by video-conferencing. However, the Ministry is not publicly reporting on the other four performance measures including time to case resolution and average number of court adjournments. We found average time to case resolution from January 2021 to March 2024 has not improved and stayed at about 247 days (less than 18 months).⁵

The Ministry indicated it is in the process of re-evaluating its measures and targets to reduce Provincial Court wait times.

Publicly reporting on progress in achieving key performance measures can help legislators and the public understand operating pressures affecting Provincial Court workloads and the Ministry's actions to address them.

3.2 New Forecasting Process Implemented

We recommended the Ministry of Justice and Attorney General develop and implement a complete forecasting process that identifies administrative and financial resources (e.g., staff, facilities, and equipment) needed to support the management of court workloads. (2014 Report – Volume 1, p. 74, Recommendation 2; Public Accounts Committee agreement February 13, 2015)

Status—Implemented

⁵ The Supreme Court of Canada set a new framework (i.e., Jordan decision) as of July 2016 in which the ceiling for cases to be tried in the provincial court is 18 months. If this ceiling is exceeded, the timeframe for trial is unreasonable.



The Ministry of Justice and Attorney General implemented a new forecasting process for court services in May 2023.

The Ministry provided training to staff (e.g., Sherriff's office, court management) beginning in June 2023 for its new forecasting process, which focuses on salaries and operational costs (e.g., cost related to the number of court houses, court rooms, circuit points).

In our initial audit, we reported that the Ministry's actual cost of providing resources to courts exceeded its budget for several years (2009–13).⁶

In 2022–23, we found the Ministry did not exceed its budget for Court Services Branch (spending \$38 million compared to its budget of \$39 million).⁷ We also found the number of full-time positions at Court Services Branch increased from 359 to 375 in 2022–23.

Implementing a new forecasting process to support the management of court workloads should help the Ministry better determine resources needed and reduce delays at the Provincial Court.

⁶ *2014 Report – Volume 1, Chapter 10, p. 73.*

⁷ Ministry management indicated it exceeded its previous two years' budgets because of the COVID-19 pandemic.



Chapter 16

Saskatchewan Gaming Corporation—Preventing Cyberattacks

1.0 MAIN POINTS

Cybercrime in Canada, including cyberattacks via the internet, causes more than \$3 billion in economic losses each year.¹

Effective cybersecurity programs are critical as cybercrime increasingly targets and can exploit government IT systems and networks resulting in data breaches, significant recovery costs, reputational damage, and disruption to the delivery of services.

By February 2024, Saskatchewan Gaming Corporation implemented six of seven recommendations we made in 2021 to improve its processes for preventing cyberattacks from affecting IT systems and data it uses to support and deliver casino games.

We found SaskGaming better restricted access to its network, servers, and workstations by improving security set-up (configuration) of those devices. It also included all privileged-user groups in its periodic user access reviews, enforced password expiry on all accounts, and increased its use of multifactor authentication to access IT systems. SaskGaming also updated its IT security assessments to reflect current practice and closer align with IT industry standards.

SaskGaming contracted a service provider to help it better gather and analyze security information from its systems. However, SaskGaming needs to maintain clear plans for reducing all significant cybersecurity risks to acceptable levels based on robust risk assessments.

Having an effective cybersecurity program can help reduce the risk of a successful cyberattack and the total time and associated costs SaskGaming requires to recover from it. Cyberattacks could cause significant disruption to gaming operations, as well as lead to substantial financial costs, asset or revenue loss, and reputational damage.

2.0 INTRODUCTION

Saskatchewan Gaming Corporation, a subsidiary of Lotteries and Gaming Saskatchewan, operates two casinos (one in Regina and another in Moose Jaw) under *The Saskatchewan Gaming Corporation Act*. It offers a variety of casino games (e.g., slot machines and table games), food and beverage services, and entertainment.

SaskGaming's profits support people, programs, and services throughout Saskatchewan (e.g., First Nations and Métis organizations, general government programs).

SaskGaming depends on many IT systems to operate. SaskGaming is responsible for managing and securing all its technology assets, including preventing cyberattacks.

¹ Public Safety Canada, *National Cyber Security Action Plan: 2019–2024*, p. 1.



2.1 Focus of Follow-Up Audit

This chapter describes our first follow-up audit of management's actions on the recommendations we originally made in 2021.

In 2021, we assessed Saskatchewan Gaming Corporation's processes to prevent cyberattacks. We concluded SaskGaming had effective processes, except in the areas reflected in our seven recommendations, to prevent cyberattacks from affecting IT systems and data it uses to support and deliver casino games.²

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate SaskGaming's progress toward meeting our recommendations, we used the relevant criteria from the original audit. SaskGaming management agreed with the criteria in the original audit.

To carry out our follow-up audit, we used an external consultant to assess network and system controls related to cybersecurity. We interviewed key staff responsible for IT security and examined policies and procedures, risk assessments, action plans, and reports related to cybersecurity.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation, including the date on which the Standing Committee on Crown and Central Agencies agreed to the recommendation, the status of the recommendation at February 28, 2024, and Saskatchewan Gaming Corporation's actions up to that date.

3.1 Formal Planning for Addressing Cybersecurity Risks Needed

We recommended Saskatchewan Gaming Corporation maintain well-defined action plans clearly addressing all significant risks of cyberattacks that may affect IT systems and data used to support and deliver casino games. (2021 Report – Volume 2, p. 134, Recommendation 1; Crown and Central Agencies Committee agreement November 10, 2022)

Status—Partially Implemented

Saskatchewan Gaming Corporation did not have a current comprehensive plan setting out actions to address all significant cybersecurity risks.

In 2022, SaskGaming created a Cyber Security Action Plan to address recommendations we made in 2021, as well as recommendations related to an external cybersecurity maturity assessment completed in 2022. However, it had not updated the Plan since that time.

² 2021 Report – Volume 2, Chapter 17, pp. 127–142.

In 2023, SaskGaming listed and reviewed its top cybersecurity risks monthly, including observing whether the level of risk changed. However, SaskGaming did not document details of its risk assessment, such as likelihood and impact of each risk or the remaining risk level after considering relevant controls in place. It also did not set out formal action plans to reduce risks to acceptable levels, where required.

Without a well-defined annual action plan, based on detailed risk assessments, that clearly addresses all significant risks of cyberattacks, SaskGaming is at increased risk of unauthorized access or breach of its IT systems and data.

3.2 Stronger Network and IT Device Controls Used to Restrict Access

We recommended Saskatchewan Gaming Corporation adequately configure its network, servers, and workstations to better protect them from security threats and vulnerabilities. (2021 Report – Volume 2, p. 136, Recommendation 2; Crown and Central Agencies Committee agreement November 10, 2022)

Status—Implemented

Saskatchewan Gaming Corporation improved the configuration of its network, servers, and workstations to better protect them from security threats and vulnerabilities.

SaskGaming uses firewalls to prevent unauthorized individuals from entering its network and to restrict access within its network. We found key servers (e.g., to support gaming operations) had appropriately configured firewalls in place to prevent unauthorized access. SaskGaming also appropriately restricted access to its wireless networks. It used service providers to monitor for unauthorized user access and movement within its network or unauthorized file transfers to external sources.

SaskGaming encrypts workstations and data to reduce risk of unauthorized access to systems and data. We found it also restricted user access on workstations for staff to access only those systems and data required to do their jobs. In addition, SaskGaming adequately set up its employees' remote access to its network.

Adequate configuration of networks, servers, and workstations decreases the risk of unauthorized access to systems and data.

3.3 User Access Review and Password Requirements Strengthened

We recommended Saskatchewan Gaming Corporation include all privileged-user groups in its quarterly user access reviews. (2021 Report – Volume 2, p. 137, Recommendation 3; Crown and Central Agencies Committee agreement November 10, 2022)

Status—Implemented



We recommended Saskatchewan Gaming Corporation update all user account passwords as often as required by its password policy. (2021 Report

– Volume 2, p. 137, Recommendation 4; Crown and Central Agencies Committee agreement November 10, 2022)

Status—Implemented

We recommended Saskatchewan Gaming Corporation implement further use of multifactor authentication to reduce, to an acceptable level, the risk of unauthorized access to IT systems and data. (2021 Report – Volume 2, p. 137,

Recommendation 5; Crown and Central Agencies Committee agreement November 10, 2022)

Status—Implemented

Saskatchewan Gaming Corporation included all privileged-user groups in its reviews, increased its use of multifactor authentication, and enforced password expiry requirements on all user accounts.

During 2023, SaskGaming began reviewing all users who can access sensitive systems and data to confirm whether access is still appropriate. For the two quarters we tested, SaskGaming included the expected user groups. Regular reviews of user accounts help ensure only users who require access to sensitive systems and data have access.

We also verified SaskGaming required all user account passwords be changed consistent with its policy. Complying with password policies help mitigate the risk of unauthorized access to sensitive systems and data.

In addition, SaskGaming implemented multifactor authentication for employee devices with network access (e.g., laptops), which electronically authenticates a user's identity using more than just a password and username (e.g., fingerprint, texted codes).

Appropriate IT access controls help to reduce the risk of inappropriate use, modification, or loss of key systems or sensitive data.

3.4 Improved Cybersecurity Analysis

We recommended Saskatchewan Gaming Corporation update its IT security assessment plan to reflect changes in its practice and align with IT industry standards. (2021 Report – Volume 2, p. 140, Recommendation 6; Crown and Central

Agencies Committee agreement November 10, 2022)

Status—Implemented

We recommended Saskatchewan Gaming Corporation analyze information from security assessments and attempted cyberattacks to better identify and address cybersecurity risks. (2021 Report – Volume 2, p. 140, Recommendation 7;

Crown and Central Agencies Committee agreement November 10, 2022)

Status—Implemented

Saskatchewan Gaming Corporation sufficiently gathered and analyzed security information, as well as updated its IT vulnerability management policy to better align with IT industry standards.

SaskGaming updated its vulnerability management policy in 2023. It requires routine (e.g., monthly) scans of its network and IT systems to identify potential vulnerabilities. It also requires a service provider to test its security (i.e., penetration testing) at least every two years. While good practice suggests completing penetration tests at least annually, agencies must determine appropriate intervals based on assessments of their specific business risks, various security assessment processes in place, and ability to address issues identified by the testing.

We encourage SaskGaming to reassess the frequency of its penetration testing as its cybersecurity practices evolve.

In 2023, SaskGaming contracted a service provider to help analyze security information (e.g., firewall and IT-system logs) and to support incident response. We found SaskGaming acted timely on alerts from the service provider. The service provider also provided monthly reports about potential cybersecurity risks.

Robust security assessments and analysis help to identify cybersecurity risks timely and inform appropriate actions to reduce these risks.

Chapter 17

Saskatchewan Health Authority—Delivering Accessible and Responsive Ground Ambulance Services in Southwest Saskatchewan

1.0 MAIN POINTS

By November 2023, the Saskatchewan Health Authority made some progress toward implementing the last remaining recommendation from our 2016 audit about accessible and responsive ground ambulance services in southwest Saskatchewan (i.e., Swift Current and surrounding area).

In 2023, southwest Saskatchewan had about 46,000 residents and the Authority received about 4,500 ambulance calls.¹ For residents living in an urban centre (e.g., Swift Current), the expected ambulance response time is within 9–30 minutes (depending on the severity of the patient's condition) and the rural response time is within 30 minutes.

In November 2023, the Authority implemented a new IT dispatch system that includes data it can use to report on ambulance service quality. Also, the Authority now has performance-based contracts, which include response time expectations, in place for all five contracted ambulance service providers in southwest Saskatchewan.

The Authority expects the new IT system and updated contracts to support better information about service quality for monitoring and reporting (e.g., whether ambulances in southwest Saskatchewan responded to patient calls within 30 minutes).

The Authority plans to have an annual Emergency Medical Services report available to the public and senior management for the 2024–25 fiscal year that will include performance information such as ambulance call volumes and response times. This will help Authority management decide where to adjust services to support quality patient care. Such reporting can also enable the Authority and the public to monitor whether ambulance service providers meet the expectations set out in their performance-based contracts.

2.0 INTRODUCTION

2.1 Background

Ambulance services are a critical component of the provincial healthcare system, providing patients with emergency lifesaving treatment and transport to necessary levels of care. Ambulance services stabilize and improve patients' conditions at emergency scenes, as well as during transfers to and between healthcare facilities.

Having ambulance services provide rapid response times help save patients' lives and mitigate harm. A combination of quick transport times with the provision of the appropriate level of care contributes to the best outcomes for patients.

¹ Information provided by the Saskatchewan Health Authority.



Under *The Provincial Health Authority Act*, the Saskatchewan Health Authority is responsible for the planning, organization, delivery and evaluation of the health services that it provides. This includes delivering accessible and responsive ground ambulance services to people of Saskatchewan as outlined in *The Ambulance Act*.

The Ministry of Health remains responsible for the strategic direction of the healthcare system and for *The Ambulance Act*.

Accessible and responsive ambulance services can be challenging because of the geographic spread and remoteness of some communities in rural Saskatchewan, including around Swift Current and its surrounding area. In 2023, this area had a population of about 46,000 people, spread over a land mass of approximately 44,000 square kilometers with one urban centre, Swift Current, with a population of almost 19,000 people.²

To provide the Ministry-established target of a 30-minute ambulance response time for rural areas, the Authority located ground ambulance operators in various places including in and around Swift Current. As of December 2023, this area had 12 ambulance services using a mix of Authority-owned ambulances and contracted ambulance service providers (seven owned and five contracted). This number has remained unchanged since our original audit in 2016.

2.2 Focus of Follow-Up Audit

This chapter describes our third follow-up audit of management's actions on the recommendations we made in 2016.

Our *2016 Report – Volume 2*, Chapter 25, concluded that, for the period from September 1, 2015, to August 31, 2016, the former Cypress Regional Health Authority had effective processes to deliver accessible and responsive ground ambulance services, except for the areas reflected in our seven recommendations.^{3,4} By December 2021, the Ministry of Health and the Saskatchewan Health Authority implemented six of the seven recommendations.⁵ This included response time monitoring by management of all ambulance operators in southwest Saskatchewan, but response time information did not get reported to senior management, the Board and the public.

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Authority's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Authority management agreed with the criteria in the original audit.

To carry out our follow-up audit, we interviewed key Authority staff and examined documentation about its new IT dispatch system implementation project and ambulance service contracts.

² Covered Population/Saskatchewan Health Coverage Reports/By Regions and Communities. opendata.ehealthsask.ca/MicroStrategyPublic/asp/Main.aspx (25 October 2023).

³ In 2017, the Cypress Health Region became part of the Saskatchewan Health Authority. The former region covered the southwest part of the province including Swift Current and surrounding area.

⁴ *2016 Report – Volume 2*, Chapter 25, pp. 123–142.

⁵ *2019 Report – Volume 2*, Chapter 39, pp. 293–301 and *2022 Report – Volume 1*, Chapter 18, pp. 195–200.

3.0 STATUS OF RECOMMENDATION

This section sets out the recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at November 30, 2023, and the Authority's actions up to that date.

3.1 New IT Dispatch System Implemented, But Reporting Not Yet Developed for Monitoring Ground Ambulance Service Times

We recommended the Saskatchewan Health Authority report to senior management, the Board, and the public actual results against key measures to assess the success of its ground ambulance services at least annually. (2016 Report – Volume 2, p. 141, Recommendation 7; Public Accounts Committee agreement February 26, 2019)

Status—Partially Implemented

The Saskatchewan Health Authority implemented a new dispatch IT system in November 2023, but had yet to finalize the nature and timing of reporting for monitoring the success of its ground ambulance services. Neither the Board, senior management, nor the public received reports on key measures (e.g., response time, ambulance crew hospital time) related to the delivery of ground ambulance services at November 2023.⁶

The Authority expects to have reporting in place in 2024–25. Such reporting can inform strategic decisions needed to provide quality delivery of ambulance services for southwest Saskatchewan.

We reviewed documentation about the Authority's new IT system and found it includes a data analytics module the Authority can use to develop measures to report on ambulance service quality. For example, the Authority could use the system to report on actual ambulance response times against expectations.

The Authority updated its performance-based contracts, which include response time expectations, with all five contracted ambulance service providers in southwest Saskatchewan. For example, for residents living in an urban centre (e.g., Swift Current) expected ambulance response time is within 9–30 minutes, depending on the severity of the patient's condition, and rural response time is within 30 minutes.

The Authority expects the new IT system and updated contracts to support the provision of better information about service quality (e.g., whether the ambulance service providers meet the expected response times).

Authority management noted that it plans to create an annual provincial Emergency Medical Services report in 2024–25 that will include performance information such as call volumes and ambulance response levels. This aligns with information available in other jurisdictions. For example, Ontario provides the public with regional response times and call volumes annually to demonstrate whether ambulance service providers are meeting

⁶ Ambulance Crew Hospital Time is the time from when an ambulance crew arrives at a hospital emergency department until that crew is available to respond to another call.



their response time targets. At November 2023, the Authority did not have a summary report that showed how many times ambulances did not respond to patients within the expected response time (e.g., within 30 minutes) in southwest Saskatchewan, or what the longest response time was.

Periodic measuring and reporting on key performance results would enable better strategic oversight of the quality of the Authority's ground ambulance service delivery. Authority management can then adjust services where necessary to provide the best outcome for patients. Such reporting can also enable the Authority and the public to monitor whether ambulance service providers meet the expectations set out in their performance-based contracts.



Chapter 18

Saskatchewan Health Authority—Preventing and Controlling Hospital-Acquired Infections in the Regina General and Pasqua Hospitals

1.0 MAIN POINTS

The Saskatchewan Health Authority is responsible for keeping patients safe, including in hospitals. Infections acquired in hospitals can extend a patient's hospital stay and may lead to increased complications and treatment costs.

At February 2024, the Authority continued to work on addressing recommendations we first made in 2018 about preventing and controlling hospital-acquired infections at the Regina General and Pasqua Hospitals. The Authority implemented two recommendations and continues to work on the two other remaining recommendations.

The Authority trained over 120 hand-hygiene auditors to conduct direct observation hand-hygiene compliance audits in the Regina hospitals and implemented an IT system for tracking hand-hygiene audit results. Using trained observers to conduct hand-hygiene compliance audits decreases the risk of observation bias and having inaccurate compliance rates.

The Authority also uses oversight committees to review and discuss hospital-acquired infection trends. Monitoring infection trends helps identify when improvements are needed to infection prevention and control practices.

The Authority makes annual training on infection prevention and control practices mandatory for all hospital staff. However, unit managers are not monitoring or ensuring staff take the required training. Not monitoring whether staff take the annual refresher training increases the risk staff are not up-to-date on key infection prevention and control processes. For example, we found two units with low staff training completion rates in 2023 (38% and 64%).

The Authority intends to have unit managers monitor hand-hygiene compliance rates and develop action plans when compliance rates fall below 80%. However, managers have yet to begin developing such action plans at February 2024. Doing so will help unit managers actively reinforce the importance of good hand-hygiene practices, and take sufficient steps to improve hand-hygiene practices of staff in their unit.

2.0 INTRODUCTION

2.1 Background

The Provincial Health Authority Act makes the Saskatchewan Health Authority responsible for planning, organizing, delivering, and evaluating provincial health services. *The Provincial Health Authority Administration Regulations* specify that health services include disease and injury prevention services.



Regina General Hospital and Pasqua Hospital are two of the major hospitals providing healthcare services to people of southern Saskatchewan. For the year ending March 31, 2023, about 36,800 people were admitted to these two hospitals.¹

A hospital-acquired infection is an infection that a patient acquires while in a hospital that was not present or incubating on admission.² Examples of common hospital-acquired infections include infections caused by organisms such as *Clostridium difficile* (CDI), Methicillin-resistant *staphylococcus aureus* (MRSA), and Vancomycin-resistant enterococcus (VRE).^{3,4,5}

Such infections can extend a patient's hospital stay and may lead to additional complications and treatment costs. Having an effective infection prevention and control program can help to reduce the burden associated with hospital-acquired infections, lessen the length of hospital stay, and lower costs related to the treatment of infections.

2.2 Focus of Follow-Up Audit

This chapter describes our second follow-up audit of management's actions on the four recommendations we first made in 2018.

Our *2018 Report – Volume 2*, Chapter 24, concluded that, for the period 12-month period ended August 31, 2018, the Saskatchewan Health Authority had effective processes to prevent and control hospital-acquired infections in the Regina General Hospital and Pasqua Hospital except for the areas reflected in our four recommendations.⁶ By February 2022, we found the Authority had not fully implemented the recommendations.⁷

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Authority's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Authority management agreed with the criteria in the original audit.

To complete this follow-up audit, we interviewed key Authority staff responsible for infection prevention and control at Regina's two hospitals. We examined and assessed relevant documentation including hand-hygiene audit compliance reports, infection rate reports, Infection Prevention and Control Oversight Committee meeting minutes, as well as the Authority's online training modules.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at February 16, 2024, and the Authority's actions up to that date.

¹ Information provided by the Saskatchewan Health Authority.

² World Health Organization, *Health care without avoidable infections, The critical role of infection prevention and control* (2016), p. 4.

³ *Clostridium difficile* is a bacterial spore that causes irritation in the bowel leading to severe cramps and diarrhea.

⁴ Methicillin-resistant *staphylococcus aureus* is a bacterium resistant to common antibiotics and affects the heart, lungs, bones, joints, and/or bloodstream.

⁵ Vancomycin-resistant enterococcus is a bacterium resistant to common antibiotics and causes severe urinary tract infections.

⁶ *2018 Report – Volume 2, Chapter 24*, pp. 151–167.

⁷ *2022 Report – Volume 1, Chapter 21*, pp. 211–217.

3.1 Completion of Mandatory Training Not Monitored

We recommended the Saskatchewan Health Authority give hospital staff, responsible for patient care, formal training updates on infection prevention and control practices at least annually. (2018 Report – Volume 2, p. 158, Recommendation 1; Public Accounts Committee agreement March 1, 2022)

Status—Partially Implemented

The Saskatchewan Health Authority makes annual training on infection prevention and control practices mandatory for all hospital staff. However, unit managers are not monitoring or ensuring staff take the required training.

In June 2022, the Authority began requiring all staff to complete annual infection prevention and control training. It makes the training available through an online training platform, which includes a learning module on infection prevention and control. The module includes an overview of:

- Routine practices (e.g., point-of-care risk assessments, cleaning techniques)
- Chain of infection (explaining how infection spreads)
- Hand hygiene (outlines when to perform hand hygiene, such as after risk of exposure to bodily fluid)
- Personal protective equipment (information on how to put on and take off)

We also found the module includes training videos (e.g., how to conduct proper hand hygiene) and links to standard procedures for proper donning and removal of personal protective equipment.

Authority management indicated it is unit managers' responsibility to track whether their staff complete the annual training as required.

We tested four hospital units and found unit managers are not monitoring attendance. For 2023, two units were unable to provide evidence of staff training. The other two units' staff had low training completion rates (38% and 64%).⁸

Monitoring whether staff take annual refresher training decreases the risk staff are not up-to-date on key infection prevention and control processes. Annual refresher training provides an opportunity to reinforce the importance of key practices to prevent and control hospital-acquired infections, helping to reduce infection transmission and protect the health of patients and staff.

⁸ At time of testing, 2024 training was not yet required to be completed.



3.2 Trained Observers Conducting Hand-Hygiene Compliance Audits

We recommended the Saskatchewan Health Authority use external observers to conduct regular direct observation hand-hygiene compliance audits in its hospitals. (2018 Report – Volume 2, p. 161, Recommendation 2; Public Accounts

Committee agreement March 1, 2022)

Status—Implemented

The Saskatchewan Health Authority uses trained hand-hygiene auditors to conduct monthly direct observation hand-hygiene compliance audits in its Regina hospitals.

Upon signing a service agreement in November 2022 for an IT system for hand-hygiene audits, the Authority began a phased-in approach for units and facilities to use the new system. For example, in December 2022, the Authority requested all Managers and Directors of Care in all acute and long-term care units to identify a minimum of two individuals to become hand-hygiene auditors for their respective unit.

At November 2023, the Authority had over 120 individuals trained as hand-hygiene auditors at its Regina General Hospital and Pasqua Hospital. At February 2024, we found the Authority continues to send reminders to all Managers and Directors of the requirement to identify and train hand-hygiene auditors.

To become hand-hygiene auditors, individuals complete the online hand-hygiene auditor training modules. As shown in **Figure 1**, this training consists of nine modules.

Figure 1—Hand-Hygiene Auditor Training Modules

- Hand-hygiene review basics (e.g., importance of hand-hygiene audits, who performs audits)
- The Four Moments for Hand Hygiene (i.e., before contact with patient, before clean/aseptic procedure, after contact with patient, after body fluid exposure)
- Further considerations for hand-hygiene reviews (e.g., patient and healthcare environments to consider while performing hand-hygiene reviews)
- How to perform hand-hygiene reviews (e.g., how to record observations using the direct observation method)
- Performing an audit using the hand-hygiene IT system
- Logging into the hand-hygiene IT system
- Performing an audit using paper-based forms
- Connecting the pieces (provides various scenarios to identify and record the Four Moments of Hand Hygiene)
- Generating reports in the hand-hygiene IT system

Source: Adapted from information provided by the Saskatchewan Health Authority.

While the Authority does not use external observers to conduct hand-hygiene compliance audits, we found using trained observers is consistent with good practice.⁹

For the four hospital units tested, we found trained hand-hygiene auditors conducted monthly hand-hygiene audits as required.

Using trained observers to conduct hand-hygiene compliance audits decreases the risk of observation bias and having inaccurate compliance rates.

⁹ IPAC Canada, *IPAC Canada Practice Recommendations for Hand Hygiene in Health Care Settings*, (2022), p. 5.

3.3 Corrective Action Plans for Lower Hand-Hygiene Compliance Rates Expected but Not Yet Used

We recommended the Saskatchewan Health Authority actively monitor actions taken by Regina hospitals' patient-care units with lower than acceptable hand-hygiene compliance rates. (2018 Report – Volume 2, p. 163, Recommendation 3; Public Accounts Committee agreement March 1, 2022)

Status—Partially Implemented

The Saskatchewan Health Authority has established required action plan templates for units with lower than acceptable hand-hygiene compliance rates. However, it does not yet require unit managers to complete these action plans when hand-hygiene compliance rates fall below specific thresholds.

In February 2024, the Infection Prevention and Control Oversight Committee approved a hand-hygiene corrective action plan, which includes thresholds for monitoring hand-hygiene compliance, as well as standardized action items.¹⁰ It considers a compliance rate below 80% as a lower than acceptable hand-hygiene compliance rate.

For example, if a unit's compliance rate is between 70–79%, the Authority requires unit managers to complete one action item (e.g., have staff review the hand-hygiene policy). When the compliance rate is 69% or less for one quarter, unit managers must complete two action items (e.g., unit manager to conduct hand-hygiene observations for four weeks, staff to review hand-hygiene scenarios, staff to identify factors contributing to non-compliance). When the compliance rate is 69% or less for two consecutive quarters, unit managers must complete three action items.

The Committee also expects to update its hand-hygiene policy in 2024–25 to require the use of the corrective action plan.

During our testing of four hospital units for October 2023, we found the following:

- One unit was not able to provide the compliance rate
- Two units had hand-hygiene compliance rates of 93% or more
- The compliance rate at one unit was only 68% and had no documented action plan

Unit managers indicated they informally monitor hand-hygiene compliance rates. Each manager noted staff (e.g., clinical nurse educators) post results of their units' hand-hygiene compliance audits on their visibility walls and discuss results in staff huddles (i.e., meetings).

¹⁰ The purpose of the Infection Prevention and Control (IPAC) Oversight Committee is to review and support evidence-based recommendations that can be consistently applied to IPAC activities in the Authority. The Committee has a minimum of 10 members, including at least one senior leadership team member from various portfolios (e.g., Public Health or Medical Health Officer, Clinical Standards, Quality and Safety, Provincial Acute Care, Provincial Primary Health Care). The Committee meets every two months.



Having corrective action plans will help unit managers actively reinforce the importance of good hand-hygiene practices, and take sufficient steps to improve hand-hygiene activities of staff in their unit. In turn, this will help to reduce patient and staff risk of hospital-acquired infections.

3.4 Hospital-Acquired Infection Trends Monitored

We recommended the Saskatchewan Health Authority regularly give senior management a written analysis of emerging risks and causes based on trends of hospital-acquired infections. (2018 Report – Volume 2, p. 166, Recommendation 4; Public Accounts Committee agreement March 1, 2022)

Status—Intent of Recommendation Met

The Saskatchewan Health Authority regularly reports to senior management, through the Infection Prevention and Control Oversight Committee, trends of hospital-acquired infections. The Committee discusses trends at each of its meetings.

The Authority's Infection Prevention and Control Oversight Committee's purpose is to review and support evidence-based recommendations that can be consistently applied to infection prevention and control activities. It includes senior leadership team members from various portfolios (e.g., Provincial Acute Care, Provincial Primary Health Care, Quality and Safety). The Committee meets every two months.

We reviewed the 2022–23 and 2023–24 quarterly reports for hospital-acquired infections (i.e., MRSA, VRE, CDI) and found the reports do not include trend analysis or potential root causes for the changes. However, we found the Committee has a standing agenda item to review the reports at each of the meetings. We discussed the Committee's process with the Committee's Chair who noted they discuss the reports in detail, along with any significant changes in trends, at each meeting.

As shown in **Figure 2**, the number of infections for each type of hospital-acquired infection decreased since 2017–18.

Figure 2—Number of Infections by Organism Acquired at Regina General and Pasqua Hospitals

Organism	2017–18	2021–22	2022–23	April 1, 2023 to January 31, 2024
Regina General Hospital				
Vancomycin-resistant enterococcus (VRE)	94	10	19	14
Methicillin-resistant staphylococcus aureus (MRSA)	52	12	10	12
Clostridium difficile (CDI)	41	19	54	30
Pasqua Hospital				
Vancomycin-resistant enterococcus (VRE)	112	51	52	35
Methicillin-resistant staphylococcus aureus (MRSA)	26	7	7	12
Clostridium difficile (CDI)	19	21	39	23
Total	344	120	181	126

Source: Adapted from information provided by the Saskatchewan Health Authority. Years outlined align with timing of our initial and follow-up audits.

We found the Authority is also implementing 11 infection prevention and control committees for various areas of the province. In January 2024, the Regina committee met for the first time. We noted the Committee also has a standing agenda item to review hospital-acquired infection reports at its meetings.

Having oversight committees that are responsible for reviewing and discussing hospital-acquired infection trends can help the Authority appropriately identify contributing factors to concerning rates and opportunities to improve infection prevention and control practices that help protect staff and patients from infections acquired in its facilities.

Chapter 19

Saskatchewan Liquor and Gaming Authority— Regulating Recreational Cannabis

1.0 MAIN POINTS

By December 2023, Saskatchewan Liquor and Gaming Authority implemented seven of the eight recommendations we originally made in 2020 related to regulating recreational cannabis.

Effective regulatory processes help to prevent the sale of legal recreational cannabis to youth, keep profits from cannabis sales in the regulated market (i.e., away from criminals), and protect public safety by allowing adults to access legal cannabis.

The Authority still needs to improve its policies and guidance to communicate identified non-compliance to permittees in a timely way. We found instances where the Authority did not formally notify non-compliant permittees of infractions found during inspections for more than 175 days after the investigation report date. Without formally communicating issues of non-compliance timely, permittees may continue to commit infractions.

The Authority strengthened its process to monitor sanctions and warnings. We found the Authority uses both its regulatory IT system and other tracking spreadsheets to monitor the status of sanctions.

The Authority finalized and approved its Risk-Based Inspections Policy and Cannabis Sanctioning Guideline for staff to consistently perform expected procedures. We found staff follow this guidance when completing regulatory activities (e.g., inspections).

The Authority also provided sufficient reporting to senior management that included information about non-compliance with cannabis retail and wholesale permit conditions, trend analysis of cannabis markets, and licensed producer registrations.

2.0 INTRODUCTION

2.1 Background

The Saskatchewan Liquor and Gaming Authority, and its Cannabis Licensing and Inspections Branch in particular, is responsible for regulating the distribution and sale of recreational cannabis (e.g., cannabis plants, concentrates, edibles) in Saskatchewan. *The Cannabis Control (Saskatchewan) Act* gives the Authority the responsibility for regulating recreational (i.e., non-medicinal) cannabis retail and wholesale businesses, and licensed producers.^{1,2}

¹ Order in Council 347/2018 dated July 12, 2018, designates the Saskatchewan Liquor and Gaming Authority as the Cannabis Authority contemplated under *The Cannabis Control (Saskatchewan) Act*.

² **Retail permittee** is a business that engages in the retail sale of cannabis for public consumption and use. **Wholesale permittee** is a business that purchases wholesale cannabis products from licensed producers and distributes the products to retail permittees. **Licensed producer** is a business, licensed by the Federal Government, which grows, packages, and sells finished cannabis products.



Increased health risks, especially to minors (e.g., long-term brain impacts), associated with the use of cannabis make the regulation of its sale and distribution important. The Authority has regulated the cannabis industry since cannabis became legal in Canada in October 2018.

During the early stage of regulating recreational cannabis, the Authority focused its efforts on educating retail and wholesale permittees about operating requirements. It has since moved to enforcing identified non-compliance with requirements.

Saskatchewan uses a fully private distribution and sales model for cannabis. The Authority issues permits to privately owned and operated recreational cannabis retail and wholesale businesses. It also registers licensed producers allowing the sale of the producers' cannabis in Saskatchewan to retail and wholesale permittees (i.e., verifies the licensed producer has a federal permit and meets requirements to sell products in Saskatchewan).

At December 2023, the Authority regulated 182 cannabis retailers, 192 licensed producers, and five wholesale businesses.

2.2 Focus of Follow-Up Audit

This chapter describes our first follow-up audit of management's actions on the recommendations we made in 2021.

In 2021, we assessed the Saskatchewan Liquor and Gaming Authority's processes to regulate the distribution and sale of recreational cannabis in Saskatchewan. Our *2021 Report – Volume 1*, Chapter 10, concluded that, for the 12-month period ended December 31, 2020, the Authority had, except for the eight areas where we made recommendations, effective processes to regulate the distribution and sale of recreational cannabis in Saskatchewan.³

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Authority's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Authority management agreed with the criteria in the original audit.

To carry out our follow-up audit, we interviewed Authority staff responsible for regulating the distribution and sale of recreational cannabis in Saskatchewan, examined key documents (e.g., policies and procedures, inspection plans, sanctions guideline), and other records. We also tested a sample of permit applications, inspections, and non-compliance communications.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at December 31, 2023, and the Saskatchewan Liquor and Gaming Authority's actions up to that date.

³ *2021 Report – Volume 1*, Chapter 10, pp. 131–150.

3.1 Tracking of Key Regulatory Activities Improved

We recommended the Saskatchewan Liquor and Gaming Authority develop guidance for centrally keeping results from its key regulatory activities of recreational cannabis (e.g., assessment of cannabis permit applications).

(2021 Report – Volume 1, p. 138, Recommendation 1; Public Accounts Committee agreement February 6, 2023)

Status—Implemented

The Saskatchewan Liquor and Gaming Authority prepared and followed appropriate guidance to record results from its key regulatory activities (e.g., assessing permit applications, conducting inspections).

The Authority created procedure guides that provide reasonable guidance to regulatory staff. For licensing, it prepared procedure guides for retail store and wholesale permittees and another guide for registering licensed producers.

The guides provide procedures to staff for tracking information provided by the permittee in both the Authority's network system (central location while it reviews an application) and in its IT regulatory system (all information stored once application decision is made). This supports standard tracking of the necessary information staff must obtain and do while assessing the permit application (e.g., completing due diligence procedures such as criminal record checks). We found the documented procedures reasonable.

In 11 permit applications tested, we found the Authority followed its procedures as expected and entered 10 of the 11 application files into its IT regulatory system after approving the application. At the time of testing (December 2023), the Authority was still processing the one remaining permit application.

For inspections, the Authority drafted a Cannabis Inspector Standard Operating Procedures Manual. The Manual includes the Authority's expected processes for recording inspections of retail stores and wholesale permittees. Although the Manual was still in draft at March 2024, we found the documented expectations reasonable.

We also tested a sample of 19 inspection reports and found staff properly recorded the reports in the Authority's IT regulatory system consistent with expected procedures.

Recording all key information in one central location enables the Authority to effectively supervise that staff complete sufficient due diligence procedures while reviewing permit applications and monitor the frequency of inspections. This reduces the risk of approving permittees with questionable backgrounds or character. Also, it reduces the risk of losing information or duplicating requests for information.



3.2 Risk-Informed Inspection Plan Established and Monitored

We recommended the Saskatchewan Liquor and Gaming Authority implement a risk-informed plan for inspecting retail and wholesale permittees who sell or distribute recreational cannabis. (2021 Report – Volume 1, p. 140, Recommendation 2; Public Accounts Committee agreement February 6, 2023)

Status—Implemented

We recommended the Saskatchewan Liquor and Gaming Authority actively monitor the frequency of inspections of retail and wholesale permittees who sell or distribute recreational cannabis, and obtain reasons for delayed inspections. (2021 Report – Volume 1, p. 142, Recommendation 3; Public Accounts Committee agreement February 6, 2023)

Status—Implemented

Effective March 2022, the Saskatchewan Liquor and Gaming Authority implemented a risk-based inspection policy outlining processes for staff to determine the risk level of retail and wholesale permittees, as well as the required inspection frequency based on assessed risk. The Authority also improved its tracking of inspections to enable it to monitor the frequency of inspections consistent with expectations.

The Authority's Risk-Based Inspections Policy reasonably sets out the determining factors in establishing the risk level, the formula for determining risk level, and the inspection frequency associated with the assessed risk level.

The risk-level calculation is based on three factors:

- History of non-compliance
- Risks identified during application assessment (e.g., risks identified during due diligence procedures)
- Permit type (e.g., high-risk cannabis retailers integrated into other retail stores that allow minors)

The Authority will recalculate risk scores when one of these factors change (e.g., permittee sanctioned for non-compliance). The Policy assigns an inspection frequency for each risk level, see **Figure 1**.

Figure 1—Risk-Based Inspections Policy Risk Level and Inspection Frequency

Risk Level	Inspection Frequency
Low	12 weeks
Medium	8 weeks
High	4 weeks

Source: Saskatchewan Liquor and Gaming Authority's Risk-Based Inspections Policy.

We tested 19 permittees and found the Authority correctly determined the risk level based on the determining factors and associated inspection frequency in all 19 cases. We also found the Authority updated risk scores for the 19 permittees (e.g., if permittees received a sanction).

The Authority also improved its monitoring of inspection frequency for retail and wholesale permittees in a tracking spreadsheet. We found it maintained a spreadsheet identifying each permittee, expected inspection frequency, and date of inspections. While IT system changes could provide a more efficient process to track inspections, using a manual tracking process still allows the Authority to formally monitor completed inspections.

We assessed the completeness of the Authority's spreadsheet to track inspections by comparing it to information from its regulatory IT system and found staff regularly updated the list and kept it current. We found the spreadsheet complete and it contained sufficient information to verify staff monitor the frequency of inspections.

We also analyzed inspections completed during the audit period. Of 912 inspections, Authority inspectors conducted 715 (78.4%) of these within the expected number of days based on the Risk-Based Inspections Policy. Delays for inspections ranged between 1–79 days with the average delay at approximately 14.3 days. Where inspections were delayed, Authority inspectors conducted subsequent inspections by the next deadline, indicating they were monitoring the frequency of inspections.

Having a risk-based inspection plan helps the Authority allocate its resources to the highest priority areas. Actively monitoring permittees better enables the Authority to detect significant non-compliance issues.

3.3 Guidance for Addressing Non-Compliance and Enforcement Actions Established

We recommended the Saskatchewan Liquor and Gaming Authority approve policies governing the escalation of regulatory enforcement actions to take to address identified non-compliance with cannabis permit operating requirements. (2021 Report – Volume 1, p. 144, Recommendation 4; Public Accounts Committee agreement February 6, 2023)

Status—Implemented

We recommended the Saskatchewan Liquor and Gaming Authority advise permittees when the Authority expects to start taking regulatory enforcement actions (e.g., fines) to address identified non-compliance with cannabis permit operating requirements. (2021 Report – Volume 1, p. 144, Recommendation 5; Public Accounts Committee agreement February 6, 2023)

Status—Implemented

The Saskatchewan Liquor and Gaming Authority finalized and approved its Cannabis Sanctioning Guideline and advised permittees of it taking regulatory enforcement actions when permittees are non-compliant with permit-operating requirements.



The Guideline provides clear guidance to staff for implementing sanctions with non-compliant retailers and wholesalers, depending on the level of non-compliance. Inspectors continue to focus on educating non-compliant permittees; however, in cases of continued non-compliance, or a higher level of infraction severity, staff will sanction (e.g., fine and/or suspend or cancel permit) the permittee. The Guideline shows infraction categories, examples of infractions, and the actions the Authority will take to address non-compliance. For example, if the Authority finds a permittee possessing or selling cannabis not produced by a federally licensed producer, it will immediately suspend the permit.

Authority inspectors are familiar with the Cannabis Sanctioning Guideline and make their recommendations to management accordingly. The Manager of Inspections and Integrity reviews and approves the inspection reports and provides sanction recommendations to management for approval.

We sampled five infractions where the Authority issued a warning letter or sanction and found that in all five cases, the Authority followed its Guideline as required. For example, for one infraction we reviewed, the Authority sanctioned a cannabis retail permittee for having an employee who did not complete the Authority required 'Cannasell' course (i.e., responsible service training requirement for cannabis retail staff). The Authority appropriately sent a warning letter to the permittee as this was their first offence for a Category II infraction.

On April 30, 2021, the Authority emailed written notice to cannabis permittees informing them it will issue sanctions for non-compliance (e.g., fine and/or suspend or cancel permit). On this effective date, the Authority progressed from only educating permittees to imposing warnings and sanctions and sent an email to permittees.

Having an approved and enforced sanction guideline enables the Authority to take consistent actions to address identified non-compliance. This promotes fair treatment of all permittees.

3.4 Timely Issuance of Sanctions for Identified Non-Compliance Required

We recommended the Saskatchewan Liquor and Gaming Authority promptly communicate to cannabis retail and wholesale permittees sanctions about addressing identified non-compliance. (2021 Report – Volume 1, p. 145, Recommendation 6; Public Accounts Committee agreement February 6, 2023)

Status—Not Implemented

The Saskatchewan Liquor and Gaming Authority does not have a set policy for timely issuance of sanctions and warning letters for identified non-compliance. It did not communicate its enforcement actions to address non-compliance to permittees in a timely way.

The Authority has not established a set timeline for informing non-compliant permittees of issued sanctions as part of either its Cannabis Sanctioning Guideline or Cannabis Service Standards.

Authority management indicated an informal expectation of six months (183 days) from identifying an infraction to formally notifying the permittee of the Authority's intended enforcement actions (e.g., issuing fines, canceling permits, requiring specific training). However, this does not align with its expectations for other Authority-regulated industries such as communicating sanctions within 60 days (from end of investigation) when regulating commercial liquor permittees.⁴ Also, not issuing formal sanctions for six months makes it more likely permittees do not work to comply with expected operating requirements and increases risks to public health and safety. The Authority indicated it does informally discuss the results of its inspections with permittees prior to issuing sanctions (e.g., at end of inspection).

Although the Authority, through its Cannabis Sanctioning Guideline, sets out infraction categories and escalation actions from education to enforcement (**Section 3.3**), we found the Authority neither communicates non-compliance issues timely to permittees nor consistently follows its own informal expectation of six months.

For severe infractions (e.g., failure to request identification from a purchaser who appears under 25 years of age, selling cannabis products to a minor), the Authority will directly sanction the permittee, while the Authority may provide education (e.g., discussion, warning letter) for less severe infractions (e.g., retail not open the minimum required hours).

For three of five non-compliance cases we tested, staff issued letters (e.g., warning letter, financial penalty letter) over 183 days after it started its investigation (i.e., more time than management's informal expectation).

We found for four of five warning/sanction letters we tested, the Authority took longer than 60 days to provide its sanction letter after it completed its investigation; provided between 99–235 days after the investigation report date.

We also found the Authority was not following what we consider an appropriate target. We analyzed all sanctions in its tracking spreadsheet. At December 2023, 14 sanctions were issued and 14 were in progress. For the 14 issued sanctions, staff issued the sanction on average 187 days after the completed investigation (ranged from 51–306 days). For the 14 investigations completed with planned sanctions, staff had not yet issued letters at December 2023 with an average of 114 days (ranged from 60–196 days since the completed investigation).

By not issuing sanctions timely, the Authority increases the risk of cannabis permittees continuing to not comply with operating requirements. This may increase risk to public safety (e.g., retail permittees selling cannabis to minors).

We tested five permittees who were sanctioned for non-compliance and found the Authority appropriately approved the sanction for all five permittees consistent with its expectations (e.g., warning letters approved by Cannabis Licensing and Inspections Branch Director, sanctions approved by Vice President).

⁴ In addition, we note in our 2022 audit, the Authority formally planned to notify locally manufactured craft alcohol permittees of sanctions within 30 days (from end of investigation). *2022 Report – Volume 1, Chapter 6*, pp. 87–103, section 4.8.



3.5 Effective Monitoring of Non-Compliance and Enforcement Actions

We recommended the Saskatchewan Liquor and Gaming Authority enable effective monitoring of the status of enforcement actions to address cannabis retail and wholesale permittee identified non-compliance from operating requirements. (2021 Report – Volume 1, p. 145, Recommendation 7; Public Accounts Committee agreement February 6, 2023)

Status—Implemented

The Saskatchewan Liquor and Gaming Authority effectively monitors the status of enforcement actions to address cannabis permittee non-compliance.

The Authority's regulatory IT system does not have the capability to report on the history of identified non-compliance and enforcement actions to address non-compliance. The regulatory IT system can report on individual instances of non-compliance identified.

Instead, the Licensing and Inspections Branch Director maintains and updates a list of sanctioned permittees and the rationale for those sanctions on a spreadsheet. The Director updates the spreadsheet when they receive notifications from the Manager of Inspections and Integrity of any warnings or sanctions issued. Both the Director and Manager have spreadsheet access to see sanction history, add any necessary sanctions, or increased fines for repeat violations.

We compared non-compliance information from the Authority's regulatory IT system to the sanctions spreadsheet and both sources had consistent information. Therefore, the Authority effectively monitors non-compliance issues through its current systems.

The Authority further monitors the status of enforcement actions through repeated inspections set in its Risk-Based Inspections Policy. The Authority does not increase the inspection frequency on sanctioned permittees to determine whether they have become compliant unless, as indicated in **Section 3.2**, repeated non-compliance affects the permittee's risk level (i.e., increases risk level) thereby increasing the frequency of scheduled inspections.

Tracking history of permittee non-compliance enables management to monitor that it consistently and appropriately follows its Cannabis Sanctioning Guideline.

3.6 Reporting Non-Compliance to Senior Management

We recommended the Saskatchewan Liquor and Gaming Authority periodically give senior management written reports on the nature and extent of non-compliance with cannabis retail and wholesale permit conditions, and related enforcement strategies and actions. (2021 Report – Volume 1, p. 147, Recommendation 8; Public Accounts Committee agreement February 6, 2023)

Status—Implemented

The Saskatchewan Liquor and Gaming Authority's Cannabis Licensing and Inspections Branch provides senior management with written reports on the nature and extent of non-compliance with cannabis retail and wholesale permit conditions (e.g., inspections completed, actions taken).

The Authority provides annual status reports that include data and trend analysis of cannabis retail and wholesale markets; licensed producer registrations; compliance; and cannabis inventory reporting to senior management. For example, reports included year-over-year trends in permitted cannabis retail locations, registered suppliers, applications received, and inspections completed during the year.

The Cannabis Licensing and Inspections Branch also contributes to quarterly reporting by providing quarterly updates to the Authority's regulatory division reporting. These updates are not as comprehensive as the annual reports because they only provide information around permits and the Minors as Test Shoppers (MATS) program non-compliance (e.g., a new enforcement strategy since the original audit). However, these reports provide sufficient, additional information to senior management about the nature and extent of non-compliance with cannabis retail and wholesale permit conditions, and related enforcement strategies and actions.

By reporting this information to senior management, the Authority decreases the risk senior management does not have information necessary to determine whether its regulatory model and approach is working as intended, and to identify whether adjustments are necessary.

Chapter 20

Saskatoon School Division No. 13—Supporting Students with Intensive Needs

1.0 MAIN POINTS

By March 2024, Saskatoon School Division No. 13 improved its processes to support kindergarten to Grade 8 students with intensive needs. Of the five outstanding recommendations we first made in 2018, the Division implemented three and made progress on the other two recommendations.

Since our original audit in 2018, the Division supports an increasing number of kindergarten to Grade 8 students with intensive needs—34% increase from December 2017 to December 2023.

The Division implemented an internal review process in March 2023 to check whether school staff documented parental agreement on individual learning plans for students with intensive needs, or their attempts to obtain agreement on the plans. The Division found a high rate of compliance through the review process.

The Division regularly monitored student progress in achieving individual learning plan goals by reviewing whether staff completed progress reports for each student with intensive needs, the number of individual learning goals, and progress rating on each goal. The Division also analyzed the average number of goals set for students, as well as the overall average progress rating. The Division found students progressing less than expected on average.

The Division needs to:

- Set expected timeframes for completing professional assessments of kindergarten to Grade 8 students with intensive needs. The average number of days to complete these assessments has been increasing (e.g., for speech-language pathology assessments, the average increased from 51 days in 2020–21 to 86 days in 2022–23).

Setting reasonable timelines to complete professional assessments can help avoid delays in implementing learning supports for students with intensive needs.

- Provide senior management and its Board of Education with robust reporting on learning supports for intensive needs students in kindergarten to Grade 8. For example, the Division could provide the Board with its analysis of progress ratings of learning plan goals for students with intensive needs.

Providing more detailed information would assist the Division in assessing whether it delivers educational services consistent with those students' educational needs and abilities, and sufficiently accommodates all students with intensive needs.



2.0 INTRODUCTION

2.1 Background

Saskatoon School Division No. 13 is an urban school division in the city of Saskatoon. It employed approximately 2,628 full-time equivalent staff, including approximately 1,416 FTE classroom teachers and 834 FTE educational staff in other positions (e.g., psychologists, educational assistants) in the 2022–23 school year.¹ The Division has about 26,500 students of which approximately two-thirds (17,000) are elementary students in kindergarten to Grade 8.²

The Education Act, 1995, requires school boards to reasonably accommodate students with intensive needs in a regular program of instruction with their peers. Students with intensive needs are those assessed as having a capacity to learn compromised by a cognitive, social-emotional, behavioural, or physical condition. If school boards cannot accommodate these students in regular programming, the Act expects them to provide special programming to meet those students' learning needs.

At December 2023, the Division identified 1,400 kindergarten to Grade 8 students with intensive needs—a 34% increase since December 2017.³ Approximately 25% of the Division's intensive needs students are in specialized programs.⁴

The Education Regulations, 2019, place further expectations on school divisions in identifying students with intensive needs and providing them with learning supports. For example, upon request, a school division's Director of Education must direct staff to conduct an assessment to determine whether a student has intensive needs.⁵ Further, school boards are responsible for making programs and supports available to students with intensive needs, at no cost to parents, using qualified individuals to provide programs/supports.⁶

2.2 Focus of Follow-Up Audit

This chapter describes our second follow-up audit of management's actions on the recommendations we made in 2018.

In 2018, we concluded that Saskatoon School Division No. 13 had effective processes to support kindergarten to Grade 8 students with intensive needs, except in the areas of our 11 recommendations.⁷ By April 2022, the Division implemented six recommendations and made some progress on the other five recommendations.⁸

¹ *The Board of Education of the Saskatoon Public School Division No. 13 of Saskatchewan 2022–23 Annual Report*, p. 35.

² *Ibid.*, p. 34.

³ Information provided by Saskatoon School Division No. 13.

⁴ Saskatoon School Division offers specialized programs targeted to students with specific needs (e.g., behavioural challenges, intellectual disabilities), including the Autism Support Program and Functional Life Skills; the Division also has a specialized school for students with severe or multiple disabilities (John Dolan School).

⁵ *The Education Regulations, 2019*, s. 48(5).

⁶ *Ibid.*, s. 50(1).

⁷ *2018 Report – Volume 1, Chapter 11*, pp. 157–178.

⁸ *2022 Report – Volume 1, Chapter 23*, pp. 225–232.

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Division's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Division management agreed with the criteria in the original audit.

To perform our follow-up audit, we discussed actions taken with Division management. We assessed the Division's processes by examining policies and other guidance relating to providing supports for kindergarten to Grade 8 students with intensive needs.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at March 31, 2024, and Saskatoon School Division No. 13's actions up to that date.

3.1 Expected Timelines for Completing Assessments Needed

We recommended Saskatoon School Division No. 13 provide guidance on expected timelines for completion of assessments of kindergarten to Grade 8 students with intensive needs. (2018 Report – Volume 1, p. 172, Recommendation 6; Public Accounts Committee agreement September 25, 2019)

Status—Partially Implemented

Saskatoon School Division No. 13 continued to analyze average time to complete assessments, but it had not set expected timelines for completing professional assessments of kindergarten to Grade 8 students with intensive needs.

The Division centrally tracks the time from when Division professionals (e.g., speech language pathologist, educational psychologist) receive assessment referrals from schools to when they complete each assessment. During the 2022–23 school year, Division professionals completed 1,151 assessments. As shown in **Figure 1**, not only is the time taken to complete professional assessments increasing, but also the number of students with intensive needs in the Division is increasing.

Figure 1—Average Time (Days) Taken to Complete Assessments

	Speech-Language Pathology Assessments (Days)	Psychology Assessments (Days)	Students with Intensive Needs ^A
2022–23	86	49	1,839
2021–22	62	47	1,676
2020–21	51	41	1,542

Source: Adapted from information provided by Saskatoon School Division No. 13.

^A Total includes kindergarten to Grade 12 students with intensive needs.

The Division indicated it plans to use its tracking of assessments to set out guidance on expected timeframes for completing professional assessments of kindergarten to Grade 8 students with intensive needs for the 2024–25 school year.



Setting reasonable timeframes to complete professional assessments can help avoid delays in implementing learning supports for students with intensive needs.

3.2 Monitoring Parental Agreement on Learning Plans

We recommended Saskatoon School Division No. 13 retain evidence of agreement on learning plans for kindergarten to Grade 8 students with intensive needs. (2018 Report – Volume 1, p. 173, Recommendation 7; Public Accounts Committee agreement September 25, 2019)

Status—Intent of Recommendation Met

Saskatoon School Division No. 13 reviews whether school staff retained evidence of parental/guardian agreement on learning plans for its kindergarten to Grade 8 students with intensive needs.

Annually, the Division expects school staff to meet with parents to discuss their student's learning plan, and sign-off their agreement with the plan. The Division also expects school staff to document in the learning plans all attempts (e.g., phone calls, emails) to meet with students' parents. School staff maintain copies of completed student learning plans in the student-supports IT system (called CLEVR).

The Division implemented an internal review process in March 2023 to check whether school staff documented parental agreement on learning plans for students with intensive needs, or attempts to obtain agreement on the plans when parental meetings did not occur. The Division found an overall 93% compliance rate (i.e., either obtained parental agreement or documented attempts) after reviewing all student learning plans in CLEVR for both elementary and high school students with intensive needs. The Division communicated these internal review results to its schools and followed up on instances of non-compliance. The Division intends to conduct this review annually.

Documenting agreement on learning plans for students with intensive needs shows that school staff and parents agree on the Division's approach to address learning needs.

3.3 Students' Learning Progress Centrally Monitored

We recommended Saskatoon School Division No. 13 regularly monitor students' progress in achieving goals set out in learning plans for kindergarten to Grade 8 students with intensive needs. (2018 Report – Volume 1, p. 174, Recommendation 9; Public Accounts Committee agreement September 25, 2019)

Status—Implemented

We recommended Saskatoon School Division No. 13 centrally monitor whether schools sufficiently support kindergarten to Grade 8 students with identified intensive needs to enable students to progress toward their individual learning goals. (2018 Report – Volume 1, p. 175, Recommendation 10; Public Accounts Committee agreement September 25, 2019)

Status—Implemented

Saskatoon School Division No. 13 regularly monitors progress of kindergarten to Grade 8 students with intensive needs in achieving individual learning plan goals.

The Division expects school staff to complete reports on each student's progress in meeting the goals set out in each student's learning plan at least twice a year. School staff maintain copies of progress reports in the student-supports IT system.

The Division generates a report for each student with intensive needs from its student-supports IT system that includes whether staff completed the progress report, the number of individual learning goals, and a progress rating for each goal. For the first term of the 2023–24 school year, the Division found staff completed progress reports for 87% of students with intensive needs with learning plans. The Division shared these review results with its schools.

The Division also analyzed the average number of learning plan goals for students with intensive needs, as well as the overall average progress rating. See **Figure 2** for the Division's progress report rating scale.

Figure 2—Division Progress Reporting Descriptors for Learning Plan Goals

Descriptor	Progress Report Rating
Experiencing Difficulty	1
Making Progress Less Than Expected	2
Making Progress as Expected	3
Outcome Achieved	4

Source: Adapted from Saskatoon School Division No. 13 information.

The Division expects at least three individual learning plan goals for each student with intensive needs and found students had 3.8 goals on average for the first term of the 2023–24 school year. The Division found students progressing less than expected on average (2.7 average progress rating). It shared these results with its schools.

The Division indicated it plans to integrate this analysis into its existing processes to determine the number of students with intensive needs and to forecast staffing required to support them. The Division also provided school staff with additional guidance on improving goal writing to ensure learning plan goals are specific, measurable, attainable, realistic, and timely.

Regularly assessing kindergarten to Grade 8 students' progress in meeting learning plan goals decreases the risk the Division does not make timely adjustments to teaching or the learning goals, which may impact student success. Monitoring whether students progress in their individual learning plan goals helps the Division determine whether it provides sufficient support to students with intensive needs.



3.4 More Reporting Needed on Sufficiency of Learning Supports

We recommended Saskatoon School Division No. 13 provide senior management and its Board of Education with enough information to determine the sufficiency of learning supports for kindergarten to Grade 8 students with intensive needs. (2018 Report – Volume 1, p. 177, Recommendation 11; Public Accounts Committee agreement September 25, 2019)

Status—Partially Implemented

Saskatoon School Division No. 13 provides senior management and its Board of Education with some information on learning supports for intensive needs students in kindergarten to Grade 8 but needs more robust reporting.

During the 2022–23 school year, the Division provided its Board with an overview of its specialized programs and processes to support students with intensive needs (e.g., program capacity, current enrolment, referrals, waitlists), as well as trends in the number and categories (e.g., blind or visual impairment, intellectual disability) of students with intensive needs.⁹ For example, the Division reported its total intensive needs students increased from 1,676 in 2021–22 to 1,839 in 2022–23.

As noted in **Section 3.3**, the Division analyzed the average number of learning plan goals for students with intensive needs as well as the overall average progress rating of each goal. The Division has not yet shared these results with senior management and its Board, which would help them determine whether sufficient learning supports are provided to students with intensive needs.

Providing senior management and the Board with robust reporting to determine the sufficiency of learning supports would assist the Division in assessing whether it provides students with educational services consistent with those students' educational needs and abilities, and sufficiently accommodates all students with intensive needs.

⁹ The Ministry of Education identified 11 categories of intensive needs. pubsaskdev.blob.core.windows.net/pubsask-prod/82982/82982-intensive-supports-categories.pdf (12 October 2023).

Chapter 21

Social Services—Monitoring Foster Families

1.0 MAIN POINTS

The Ministry of Social Services used 445 foster families to provide care for 912 children requiring protection and out-of-home care as of November 2023.

By January 2024, the Ministry implemented one recommendation and continued to work on the other three outstanding recommendations we first made in 2020 about monitoring whether foster families provide a safe and secure environment for children in care.

The Ministry still needs to complete all required background checks on all adults in a foster home prior to approving new foster families. While we found the Ministry consistently checks its records to identify whether foster care providers had previous involvement with the Ministry (e.g., history of child abuse or neglect), we found it did not have criminal record and/or vulnerable sector checks for two new foster families tested. Not completing the necessary background checks for all adults in a foster home prior to approving new foster homes may result in a potential threat to a child's safety when placed in the home.

The Ministry also does not consistently follow its requirement to obtain ongoing criminal record and vulnerable sector checks every three years for all adults residing in approved foster homes. Our testing found the Ministry did not have criminal record and/or vulnerable sector checks within the last three years for 23 foster families. These checks reduce the risk the Ministry has incomplete information about criminal charges against members of foster families, which helps to create safe and secure environments for children in foster homes.

The Ministry began delivering training to Ministry resource workers in 2022 related to completing annual reviews of foster families. Ongoing training can aid staff in conducting quality annual reviews, including supporting staff compliance with policies and providing opportunities to share good practices and efficiencies. However, the Ministry still needs to improve its completion of review reports of foster families annually, as required by Ministry standards. Our testing found the Ministry did not complete an annual review report for 16 foster families during 2023; annual reviews are used to identify support needed to provide quality care to children placed within homes.

In addition, supervisory review and formal approval (i.e., signatures) of the annual review reports continues to be considerably late (up to 44 weeks after report completion). Delays in completing annual review reports may reduce the Ministry's ability to offer foster families timely and necessary training and support.



2.0 INTRODUCTION

2.1 Background

The Ministry of Social Services is responsible for providing care for children requiring protection and out-of-home care. *The Child and Family Services Act* requires the Minister of Social Services to investigate reports of physical, sexual or emotional abuse, or neglect of children, if reasonable grounds exist to believe a child needs protection. Children come into care under the authority of the Act either through voluntary agreement between the Ministry and the biological parents, or by a court order.¹ The Ministry may place children in out-of-home care with extended family networks or within the child's cultural community, residential group homes, or foster homes.

At November 30, 2023, 912 children were living in 445 foster homes. Each foster home had, on average, two children. Of 445 foster homes, 97 homes did not have children in care at that time. There is an increasing number of children living in fewer foster homes—at September 2021, 858 children were living in 488 foster homes.²

In 2022–23, the Ministry provided \$33.8 million in support to foster families (e.g., monthly payment for basic expenses, special needs care).³

The responsibility of the foster family is to provide foster children safe, healthy, and nurturing relationships, and a family environment with the goal to provide opportunities for the healing, growth, development, and support of the children so that they may be reunited with their biological family.⁴

The Ministry must ensure children placed in foster homes are well cared for and safe, and foster families receive ongoing support and provide quality care. Effectively monitoring children's safety and providing needed support to foster families is crucial in contributing to foster children's health and wellbeing.

2.2 Focus of Follow-Up Audit

This chapter describes our second follow-up audit of management's actions on four outstanding recommendations we first made in 2020.

In 2020, we assessed the Ministry of Social Services' processes to monitor whether foster families provide a safe and secure environment for children in care. Our *2020 Report – Volume 1*, Chapter 12, concluded the Ministry had effective processes, except in the areas reflected in our six recommendations.⁵ By November 2021, the Ministry implemented two of six recommendations.⁶

¹ Saskatchewan Foster Families Association, *A Guide for Caregivers: Third Edition Handbook*, 2021, p. 7.

² Information provided by the Ministry of Social Services.

³ Ibid.

⁴ Saskatchewan Foster Families Association, *A Guide for Caregivers: Third Edition Handbook*, 2021, p. 6.

⁵ *2020 Report – Volume 1, Chapter 12*, pp. 155–173.

⁶ *2022 Report – Volume 1, Chapter 26*, pp. 249–255.

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Ministry management agreed with the criteria in the original audit.

To carry out our follow-up audit, we interviewed key Ministry staff, examined policies and procedures, and assessed other records relating to monitoring foster families. We also tested a sample of foster families' files.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at January 31, 2024, and the Ministry of Social Services' actions up to that date.

3.1 Not All Required Background Checks Completed Prior to Approving New Foster Families

We recommended the Ministry of Social Services complete all required background checks prior to approving foster families. (2020 Report – Volume 1, p. 160, Recommendation 1; Public Accounts Committee agreement March 2, 2022)

Status—Partially Implemented

The Ministry of Social Services does not complete all the required background checks prior to approving new foster families.

Before approving applicants to become foster care providers, we found the Ministry continues to require staff to complete two background checks. Staff are responsible for:

- Requesting a criminal record check and vulnerable sector check for each applicant and any other adult 18 years of age or older, including adult children, living in the home⁷
- Conducting a record check in the Ministry's case-management IT system to identify any previous involvement with the Ministry (e.g., history of child abuse or neglect)

If any criminal charges or history concerns arise, the Ministry may deny the foster application.

The Ministry approved 36 new foster families during 2023–24.

We tested files for four new foster families and found the Ministry did not consistently follow its requirements to conduct background checks before approving foster families. While we found staff checked Ministry records in its case-management IT system for all foster

⁷ A vulnerable sector check is when police check to see whether a person has a record suspension (pardon) for sexual offences. www.rcmp-grc.gc.ca/en/types-criminal-background-checks (4 April 2024).



families tested, we found the Ministry did not have complete criminal record and/or vulnerable sector checks for two of the families approved as foster families.

Not completing the required background record checks for all applicants and adult residents in a potential foster home prior to approval, may result in a potential threat to a child's safety when placed in the home.

3.2 Periodic Criminal Record Checks Inconsistently Completed

We recommended the Ministry of Social Services require periodic criminal record checks on all adults residing in approved foster homes. (2020 Report – Volume 1, p. 164, Recommendation 4; Public Accounts Committee agreement March 2, 2022)

Status—Partially Implemented

The Ministry of Social Services updated its policies and procedures to formally require periodic criminal record checks, including vulnerable sector checks, on all adults residing in approved foster homes. However, staff are not consistently following this new requirement.

We found the Ministry updated its policies and procedures in June 2022 to formally require criminal record checks, including vulnerable sector checks, on all adults residing in approved foster homes every three years.⁸

We tested 30 foster family files and found the Ministry did not have complete criminal record and/or vulnerable sector checks within the last three years for 23 foster families tested.

Requiring regular criminal record checks decreases the risk of children in foster homes residing in unsafe environments. It also increases public confidence in the Ministry providing safe and secure environments for children in its care.

3.3 Annual Review Reports Not Completed or Reviewed Timely

We recommended the Ministry of Social Services consistently follow its standard to complete annual review reports of individual foster families.

(2020 Report – Volume 1, p. 165, Recommendation 5; Public Accounts Committee agreement March 2, 2022)

Status—Partially Implemented

The Ministry of Social Services did not consistently follow its standard to complete timely annual review reports of foster families. In addition, supervisory review and formal approval (i.e., signatures) of the reports continues to be considerably late (up to 44 weeks after report completion).

The Ministry requires resource workers to complete an annual review of each foster family to evaluate whether the family still meets the Ministry's requirements for fostering children.⁹

⁸ Ministry of Social Services, *Children's Services Manual*, p. 303.

⁹ Annual reviews are completed within a calendar year.

As part of the review, resource workers assess the foster family's strengths, skills, and/or supports needed according to five competencies: protecting and nurturing children, meeting children's developmental needs, supporting family relationships, connecting children to nurturing relationships intended to last a lifetime, and working as a member of a professional team.¹⁰

The Ministry requires resource workers to complete a report once they finish their annual review assessment, collect all documentation (e.g., home safety check, criminal record self-declarations), and meet with each foster family about the review's results. Management continues to expect resource workers and supervisors to sign the annual review reports within two weeks after completion.

We tested 30 foster family files and found:

- 16 foster families did not receive an annual review report during 2023, despite these foster families having children in their care. The last review report for two of these foster families was within the 2020 calendar year.
- During 2023, 14 annual review reports were not completed in a timely manner.

We found resource workers did not always complete (i.e., sign) the annual review reports within two weeks of completion—resource workers signed six reports between 4–23 weeks following the review period—before submitting them for supervisory review and approval. In addition, supervisors did not always sign the annual review reports within two weeks after receiving the reports—supervisors signed 11 reports between 2–44 weeks after report completion.

Lack of timely supervisory review and approval (i.e., supervisory signature) of annual foster family reviews reduces the Ministry's ability to take timely and appropriate action (e.g., to provide training or remove children from a home) in cases when a foster family needs additional support or is no longer suitable for fostering children.

Delays in completing annual review reports, which formally assess foster families' strengths and weaknesses, may result in foster families not receiving timely and necessary training and support to provide quality care to children placed within their homes.

3.4 Training for Annual Review Reports Occurring

We recommended the Ministry of Social Services train staff responsible for monitoring foster families specifically on conducting annual reviews.

(2020 Report – Volume 1, p. 166, Recommendation 6; Public Accounts Committee agreement March 2, 2022)

Status—Implemented

The Ministry of Social Services provided staff (e.g., resource workers) with appropriate training related to completing annual reviews.

¹⁰ These are the five core competencies in the Parent Resources for Information, Development and Education (PRIDE) model of practice for the development and support of foster and adoptive families.



Since our 2022 follow-up audit, the Ministry began delivering training to its staff with a focus on applying integrated practice strategies (IPS) when completing annual reviews.¹¹ We found the training provides resource workers with sample questions they can use when conducting annual reviews. The questions cover areas such as a foster family's use of alcohol or drugs, family relationships, physical and mental health, household routines, financial condition, and cultural understanding. The training also includes information about documentation required for resource workers to complete an annual review (e.g., agreements with foster families).

We found the Ministry offered its IPS training to out-of-home care staff (e.g., resource workers, supervisors) in January 2022, October 2022, and April 2023. As of February 2024, we found 58% of the Ministry's out-of-home care staff attended the training. The Ministry indicated those staff yet to attend the training are primarily newer staff and expected them to attend the next training session in April 2024.

Ongoing training promotes conducting quality annual reviews and preparing reports within required timeframes (see **Section 3.3**). It can also help to build capacity for staff to serve as mentors and support for foster families. Finally, training supports compliance with policies and standards, and provides opportunities to share good practices and efficiencies.

¹¹ Integrated practice strategies are a child welfare casework approach designed to help all key stakeholders involved with a child (e.g., foster parents, parents, extended family, child welfare workers, supervisors, and managers) to keep a clear focus on assessing and enhancing child safety at all points in the case process.

Chapter 22

Social Services—Supervising Community-Based Organizations Delivering Programs to Intellectually Disabled People

1.0 MAIN POINTS

The Ministry of Social Services provides programs and services for people with intellectual disabilities by working with and helping them to access a variety of community-based services. The Ministry uses 97 community-based organizations (CBOs) to deliver residential and day programs to people with intellectual disabilities.¹ *The Residential Services Act* and *The Rehabilitation Act* give the Ministry the authority to enter into agreements with those CBOs.

By November 2023, the Ministry implemented the remaining three recommendations we first made in 2012 about providing services to people with intellectual disabilities.

The Ministry established a framework to help assess CBOs and their ability to deliver services to clients with intellectual disabilities. As part of the framework, Ministry staff interview CBO clients to help assess their quality of life—overall, almost three-quarters of clients interviewed in November 2023 were mostly satisfied with services provided by their CBOs. In addition, the Ministry consistently completed and tracked its review of CBOs' policies and procedures every two years. At December 2023, it reported completing nearly 97% of its reviews within the expected timeframe.

Finally, the Ministry started assessing CBOs' capacity to manage risks during 2023–24. At November 2023, the Ministry completed assessments for almost a quarter of the approximately 190 CBOs it partners with, including assessments for 26 agencies providing services to intellectually disabled people.² It expected to complete the remaining assessments by March 2024.

Active monitoring of CBO performance helps the Ministry assess whether it receives services in accordance with its agreements with CBOs.

2.0 INTRODUCTION

At March 31, 2023, the Ministry of Social Services held agreements with 97 community-based organizations for providing services to intellectually disabled people. In 2022–23, the Ministry paid these CBOs about \$250 million.³

¹ The 97 CBOs provided services to about 3,300 clients with intellectual disabilities.

² The Ministry of Social Services partners with CBOs across Saskatchewan to provide a range of services, including support services for individuals and families, group homes for people with intellectual disabilities, and 24/7 crisis intervention services.

³ Information provided by the Ministry of Social Services.



2.1 Focus of Follow-Up Audit

This chapter describes our fifth follow-up audit of management's actions on three outstanding recommendations we first made in 2012.

Our *2012 Report – Volume 1*, Chapter 22, concluded that the Ministry had effective processes to plan for, contract with, and monitor CBOs providing services to people with intellectual disabilities other than the areas identified in our eight recommendations.⁴ By August 2021, the Ministry implemented five of eight recommendations.⁵

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Ministry management agreed with the criteria in the original audit.

To carry out our follow-up audit, we discussed actions taken with management, reviewed relevant documentation (e.g., policies and frameworks guiding the Ministry's monitoring of CBOs), and sampled CBO reviews and risk assessments.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at November 30, 2023, and the Ministry of Social Services' actions up to that date.

3.1 Using Client Outcomes to Monitor CBO Services

We recommended the Ministry of Social Services work with community-based organizations to establish program objectives, and outcome performance measures and targets to be used to monitor and evaluate the services community-based organizations deliver to intellectually disabled people and their families. (2012 Report – Volume 1, p. 192, Recommendation 1; Public Accounts Committee agreement June 17, 2014)

Status—Implemented

The Ministry of Social Services' implementation of its Outcomes-Based Service Delivery (OBSD) Framework provides it with a basis to monitor and evaluate services community-based organizations provide to intellectually disabled people.

Since our 2021 follow-up audit, the Ministry developed its Framework to help assess CBOs and their ability to deliver services to clients with intellectual disabilities. The OBSD Framework (**Figure 1**) aims to provide a clear set of outcomes to improve the quality of life and support systems for these clients, along with defining how to measure these outcomes.

⁴ 2012 Report – Volume 1, Chapter 22, pp. 187–200.

⁵ 2014 Report – Volume 2, Chapter 55, pp. 399–404; 2017 Report – Volume 1, Chapter 33, pp. 281–284; 2019 Report – Volume 2, Chapter 46, pp. 329–331; and 2021 Report – Volume 2, Chapter 37, pp. 265–268.

It includes six distinct person-centred domains, along with three supporting outcome domains.

Figure 1—OBSD Framework



Source: Adapted from the Ministry of Social Services' *Outcomes-Based Service Delivery Framework*.

Each of the Framework's domains include defined outcomes along with specific indicators to assist the Ministry with assessing outcome achievement. **Figure 2** provides an example of the outcomes and indicators for the emotional wellbeing domain.

Figure 2—OBSD Framework's Emotional Wellbeing Domain

Emotional Wellbeing	
Outcomes	<ul style="list-style-type: none"> People with intellectual disabilities experience emotional wellbeing throughout their lives People with intellectual disabilities feel safe in their homes and communities
Person-Centred Indicators	<ul style="list-style-type: none"> I feel good about myself I feel a sense of pride when I express personal gifts and talents I am supported by someone who shares similar interests and values I feel I am doing well emotionally I am able to live a spiritual life in the ways that I want to I trust the people I live with/who support me I feel safe I feel relaxed in interactions with others
Observation Indicators	<ul style="list-style-type: none"> Ease with presence and/or support from staff and others Demonstration of positive emotional responses (e.g., efforts to manage stressful situations) Demonstration of satisfaction with their lives
Service-Level Indicators	<ul style="list-style-type: none"> Engagement with mental health services, when needed Supports to address identified safety concerns, if needed, put in place with involvement of the client Achievement of goals related to emotional wellbeing Where requested, receives guidance and supports for sexual orientation and gender identity

Source: *Outcomes-Based Service Delivery Framework*, p. 12.



The Ministry developed a Community of Practice with certain CBOs participating in the piloting of the Framework. The Community of Practice meets monthly to encourage discussions between Ministry staff and CBOs and to gather feedback on any areas of concern brought forward by CBOs. We reviewed evidence of meeting summaries from the Community of Practice that the Ministry shared with its own staff to create awareness of successes and challenges encountered while piloting of the Framework.

At November 2023, the Ministry's implementation of the Framework is ongoing. It is focusing its efforts on assessing the Framework's person-centred indicators by interviewing CBO clients—doing so helps the Ministry gather information about clients' quality of life. Ministry staff use a survey tool to enter client responses obtained during in-person interviews. We reviewed the survey tool and found it appropriately reflected the OBSD Framework by including 40 questions spanning the six distinct person-centred domains.

The Ministry completed its first set of interviews with 56 clients in November 2023 and planned to assess another 200 clients by January 2024. We reviewed the survey results for all 56 clients initially interviewed and found some clients did not respond to certain questions. However, the Ministry appropriately identified this issue and planned to make adjustments to prevent client misinterpretation of specific survey questions. We found the Ministry accurately reported the results of these client surveys to Ministry staff and the Community of Practice in November 2023. For example, the survey results found almost three-quarters of clients mostly satisfied with services provided by their CBOs.

Going forward, the Ministry indicated it plans to continue evaluating results from client surveys to determine the best strategies to monitor services delivered to people with intellectual disabilities. It expects to complete its OBSD Framework pilot by spring 2025 at which time it will decide how to incorporate the remaining CBOs within the Framework.

The OBSD Framework provides the Ministry with a sound basis for monitoring and evaluating the outcomes of services CBOs provide to intellectually disabled people and their families.

3.2 Monitoring Procedures Consistently Completed and Tracked

We recommended the Ministry of Social Services follow their established monitoring procedures as outlined in their agreements with community-based organizations that provide services to individuals with intellectual disabilities. (2012 Report – Volume 1, p. 196, Recommendation 6; Public Accounts Committee agreement June 17, 2014)

Status—Implemented

The Ministry of Social Services consistently completes and tracks its reviews of community-based organizations' basic policies and procedures within expected timeframes. The Ministry expects CBOs' basic policies and procedures to address the protection of clients' rights, completion of person-centred plans, and the provision of comprehensive behavioural supports (e.g., how to help clients learn and do things that will keep them and others safe).

The Ministry expects staff to conduct basic standards reviews at CBOs every two years (i.e., monitoring procedures). These basic standards reviews require staff to review CBOs' policies and procedures, verify compliance with those policies and procedures by interviewing CBO staff, and develop action plans for improving areas of non-compliance. These reviews include assessing whether the CBOs' policies align with the Ministry's *Comprehensive Personal Planning and Support Policy* (e.g., documenting person-centred plans for all intellectually disabled clients).⁶

Since our 2021 follow-up audit, we found the Ministry began tracking staff completion of basic standards reviews in a spreadsheet. At December 2023, the spreadsheet showed Ministry staff completed reviews within the last two years for almost 97% of the CBOs providing services to people with intellectual disabilities.

We tested a sample of nine CBOs and found the Ministry completed basic standards reviews for all but one CBO within the last two years as expected. We found the Ministry's tracking spreadsheet accurately showed this one review as incomplete.

Tracking and monitoring the Ministry's reviews of CBOs' policies and procedures increases the likelihood CBOs follow appropriate policies to support individuals with intellectual disabilities as they work to build better lives for themselves.

3.3 Assessments of CBO Capacity to Manage Risks Progressing

We recommended the Ministry of Social Services develop and implement complete policies and procedures for addressing risks identified in community-based organizations that provide services to individuals with intellectual disabilities. (2012 Report – Volume 1, p. 194, Recommendation 3; Public Accounts Committee agreement June 17, 2014)

Status—Intent of Recommendation Met

The Ministry of Social Services has begun assessing community-based organizations' capacity to manage risks and plans to assist them toward increasing their capacity to mitigate identified risks.

In March 2023, the Ministry began implementing its Capacity Assessment and Planning (CAP) Framework to help assess capacity of its service providers, including CBOs. The Ministry designed its CAP Framework to increase collaboration and information sharing across its program divisions, helping to create a more consistent approach when working with CBOs.

The Ministry developed a tool under the CAP Framework to help staff assess risk in five key areas—financial, staffing, governance, operations, and other. Ministry managers approve the completed CAP assessments.

At November 2023, the Ministry piloted its tool by completing CAP assessments for 44 agencies, including 26 agencies providing services to intellectually disabled people. The

⁶ The *Comprehensive Personal Planning and Support Policy* establishes province-wide policies that Ministry and CBO staff are expected to follow in the provision of effective and ethical supports to individuals with intellectual disabilities.



Ministry works with approximately 190 agencies across all of its service areas and expected to complete the remaining assessments by March 2024.

The Ministry summarized the results of its initial CAP assessments in a dashboard highlighting areas of concern and each agency's capacity assessment results. Our review of the dashboard found the primary issues identified in the initial CAP assessments revolved around risks of CBOs being victimized by fraud (e.g., only one person involved in financial transactions, no criminal record check policy) and having ineffective governance processes (e.g., governing body does not review CBO policies or engage in strategic planning). The Ministry also explained that its initial CAP assessments highlighted areas (e.g., CBO staffing) where it needs to work with CBOs to gather consistent information for monitoring CBO capacity.

The Ministry indicated that once it completes CAP assessments for all service providers, it will further refine its tool and determine an appropriate frequency (e.g., every three years) for revisiting its assessments. Once Ministry senior management review the CAP assessment results for all CBOs and approves the assessment tool, the Ministry expects to determine how to assist service providers with increasing capacity to mitigate identified risks, along with anticipated timelines. For example, the Ministry indicated it may consider offering a fraud awareness training session so CBOs can learn how to mitigate fraud (e.g., two signatures on cheques, having senior staff not sign off on their own expense claims), or hold a workshop to help strengthen CBOs' understanding of good governance processes.

We tested a sample of three CAP assessments for CBOs providing services to individuals with intellectual disabilities and found staff appropriately used the Ministry's tool when completing the assessments, and managers approved the assessments. In addition, we found the Ministry's dashboard accurately reflected the results of the assessments. None of these assessments identified significant risks requiring immediate mitigation.

Identifying key risks impacting CBOs' ability to deliver uninterrupted service to clients will help the Ministry and CBOs determine ways to mitigate these key risks.

Chapter 23

St. Paul's Roman Catholic Separate School Division No. 20—Adapting Technology for Learning in Elementary Schools

1.0 MAIN POINTS

St. Paul's Roman Catholic Separate School Division No. 20 implemented the one outstanding recommendation we originally made in our 2019 audit related to adapting technology for learning in elementary schools.

By February 2024, the Division implemented an IT system to track the location of educational technology devices such as iPads, Chromebooks, and laptops. The Division completed a count of devices in 2023 to confirm their location. The Division appropriately plans to conduct these counts annually.

Regularly checking the accuracy of technology device listings minimizes the risk of missing devices, and verifies their actual location. Verifying device locations helps to ensure teachers and students have technology available for use in the classroom.

2.0 INTRODUCTION

2.1 Background

The Education Act, 1995, assigns Boards of Education (school boards) responsibility for administration and management of schools, with oversight from the Ministry of Education.¹ The Act makes school boards responsible for exercising general supervision and control over the schools in the school division.

St. Paul's Roman Catholic Separate School Division No. 20 (with 43 elementary schools located in Saskatoon, Martensville, Warman, Humboldt, and Biggar) recognizes that technology is a significant aspect of modern education. Its educational technology mission is to be a faith-based community adapting technology to enrich learning and promote excellence in education.²

Each year, the Division spends about \$1.1 million on computer hardware and audio-visual equipment used in schools.³ As shown, in **Figure 1**, at February 2024, it supplied schools with a variety of devices for student use.

¹ *The Education Act, 1995*, s. 85(1).

² Greater Saskatoon Catholic Schools Administrative Policy: *Technology Acceptable Use*.

³ Information from St. Paul's Roman Catholic Separate School Division No. 20 annual reports (2021–22 and 2022–2023) and Division records. This cost does not include costs of internet, agreements with service providers (e.g., Microsoft), software, and human resources or parts needed to fix devices.

**Figure 1—Number of Technology Devices by Type at February 2024 in Division**

Device Type	Device Quantity
Desktop Computers	3,391
Chromebooks	4,761
Tablets	4
Laptops	4,647
Classroom iPads	5,045
Smartboards	739
3D Printers	25

Source: Based on data from St. Paul's Roman Catholic Separate School Division No. 20's Snipe IT system.

2.2 Focus of Follow-Up Audit

This chapter describes our second follow-up audit of management's actions on the recommendations we first made in 2019.

In 2019, we assessed St. Paul's Roman Catholic Separate School Division No. 20's processes to adapt technology for learning in elementary schools. Our *2019 Report – Volume 2*, Chapter 25, concluded that for the 16-month period ended June 30, 2019, St. Paul's Roman Catholic Separate School Division No. 20 had, except for the areas of our recommendations, effective processes to adapt technology for learning in elementary schools. We made six recommendations.

By June 2022, the Division had implemented five of the six recommendations.⁴

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Division's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Division management agreed with the criteria in the original audit.

To perform our follow-up audit, we discussed actions taken with Division staff and reviewed key documents such as device inventory reports. We confirmed the location of technology devices at a sample of elementary schools and compared to the Division's central tracking IT system.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at February 29, 2024, and St. Paul's Roman Catholic Separate School Division No. 20's actions up to that date.

⁴ *2019 Report – Volume 2*, Chapter 25, pp. 223–236 and *2022 Report – Volume 1*, Chapter 27, pp. 257–264.

3.1 Existence and Location of Devices Periodically Confirmed

We recommended St. Paul's Roman Catholic Separate School Division No. 20 periodically verify the existence and location of educational technology devices available in its elementary schools. (2019 Report – Volume 2, p. 233, Recommendation 4; Public Accounts Committee agreement January 12, 2022)

Status—Implemented

By February 2024, St. Paul's Roman Catholic Separate School Division No. 20 implemented an IT system that tracks the existence and location of its educational technology devices such as iPads, Chromebooks, and laptops.

The Division implemented a comprehensive tracking IT system in 2023 called Snipe. The Division uses several online tools to support the Snipe IT system in synchronizing device locations in real time.⁵ This helps the Division verify the devices exist and identify their location.

We tested the locations of 40 devices across three elementary schools to verify the Division accurately tracked their location in Snipe. We found the Division accurately recorded the location of these items.

The Division also completed an inventory count of its educational technology devices in 2023 to confirm devices still exist and their location. It appropriately plans to conduct these inventory counts annually.

Regularly checking the accuracy of device listings assists in detecting missing devices and verifying device locations. This helps to ensure that teachers and students have the technological resources available to use in classrooms.

⁵ These automated tools periodically check each device's location and uses this information to update Snipe.

Chapter 24

Water Security Agency—Regulating Drainage

1.0 MAIN POINTS

By April 2024, the Water Security Agency implemented four recommendations and partially implemented five recommendations we first made in our 2018 audit of its processes to regulate drainage of water on agricultural lands.

Leaving unapproved drainage works in high-risk areas increases the risk of flooding neighbouring farmland and the receiving water body, as well as increases the risk of water quality issues in the receiving water body, and the loss of wetlands.

Since December 2020, the Agency appropriately reported to senior management on actions taken to address non-compliance of unapproved drainage works. It approved policies related to its regulation of drainage of water on agricultural land. It also published expected timeframes to resolve requests for assistance (i.e., complaints) from the public on unapproved drainage works.

The Agency still needs to:

- Finalize its policy on water quality and wetland retention requirements, so Agency staff can use this guidance and consider potential impacts when reviewing and approving applications for drainage works.

Not having approved and implemented policies on water quality and wetland retention increases the risk that Agency staff may not adequately consider these aspects, and approve drainage works that may negatively impact water quality and reduce wetlands.

- Use its wetland inventory and its *Drainage Compliance Planning and Assurance Policy* to identify and take action to bring unapproved high-risk drainage works into compliance.

In 2015, when the Agency began working to get landowners to comply with its drainage requirements, it estimated 1.6 million to 2.4 million acres of agricultural land had unapproved drainage works.¹ At April 2024, the Agency was still working to estimate the amount of unapproved drainage works in the province using its wetland inventory.

- Report to the public on its regulation of the drainage of water on agricultural lands.

For example, the Agency should publicly report on the number of requests for assistance it received, and information on enforcement actions taken on unapproved drainage. Not taking timely, effective enforcement action against unapproved drainage works increases the risk of further damage to neighbouring farmland and to environments downstream.

¹ 2018 Report – Volume 1, Chapter 12, p. 181.



2.0 INTRODUCTION

Under *The Water Security Agency Act*, the Water Security Agency is responsible for managing, administering, developing, controlling, and protecting water, watersheds and related land resources in the province.²

Saskatchewan has the greatest area of watersheds with no natural outlets in Canada. This means agricultural drainage often moves water into local lakes, sloughs, or wetlands instead of a river system.³

Drainage is any action taken, or intended, for the removal or lessening of the amount of water from land (e.g., digging a trench).⁴ Unapproved drainage works, and particularly works that do not include appropriate mitigation measures to address flooding, water quality, and wildlife habitat concerns, can affect and reduce wetlands. Wetlands improve water quality by removing sediments, excess nutrients (e.g., phosphates and nitrogen in water runoff from farmland), and pathogens before the water reaches main water bodies (e.g., lakes).⁵

In 2015, the Agency began implementing a new Agricultural Water Management Strategy.⁶

2.1 Focus of Follow-Up Audit

This chapter describes our second follow-up audit of management's actions on the nine outstanding recommendations we first made in 2018.⁷

In 2018, we assessed the Water Security Agency's processes to regulate drainage. We concluded for the 12-month period ended December 15, 2017, the Agency had, other than the matters reflected in our 11 recommendations, effective processes to regulate drainage of water on agricultural lands in the geographic areas assigned to the Agency's Yorkton and Weyburn regional offices. By December 2020, the Agency implemented two recommendations.⁸

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Agency's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Agency management agreed with the criteria in the original audit.

To carry out our follow-up audit, we interviewed Agency staff responsible for regulating drainage, examined relevant documents including the Agency's policies, and tested samples of drainage application approvals and request for assistance files (i.e., public complaints). We used an external consultant with expertise in the area to help us identify good practice and to assess the Agency's policies.

² *The Water Security Agency Act*, s.5 (a).

³ Water Security Agency, *25 Year Saskatchewan Security Plan*, p. 29.

⁴ *The Water Security Agency Act*, s.2 (f).

⁵ Excess nutrients, such as phosphates and nitrogen from fertilizers, increase algal blooms causing undesired consequences in lakes and rivers.

⁶ The Water Security Agency's Agricultural Water Management Strategy encourages effective drainage while protecting the environment, and bringing unapproved drainage works into compliance with the law.

⁷ *2018 Report – Volume 1, Chapter 12*, pp. 179–196.

⁸ *2021 Report – Volume 1, Chapter 31*, pp. 285–294.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at April 15, 2024, and the Water Security Agency's actions up to that date.

3.1 Drainage Policies Finalized

We recommended the Water Security Agency approve finalized policies related to its regulation of drainage of water on agricultural land. (2018 Report – Volume 1, p. 186, Recommendation 1; Public Accounts Committee agreement September 15, 2019)

Status—Implemented

The Water Security Agency finalized and approved its last remaining policy related to regulating drainage of water on agricultural land.

By December 2020, the Agency approved seven of eight policies previously in draft in 2017 (during the original audit). Since December 2020, the Agency approved the remaining policy. In December 2023, the Agency approved its *Agricultural Drainage Compliance Procedures* (i.e., Request for Assistance Manual). This Manual provides staff with a detailed description of the process to follow when addressing request for assistance files (i.e., public complaints).

The Agency's new policy related to water quality and wetland retention was not one of the original eight policies and is discussed separately in **Section 3.2**.

Providing consistent and clear direction allows Agency staff to take similar actions to enforce compliance when regulating drainage of water on agricultural land.

3.2 Watershed Risk Assessment and Documentation Not Finalized

We recommended the Water Security Agency develop policies on water quality and wetland requirements to use when assessing risks of drainage works. (2018 Report – Volume 1, p. 190, Recommendation 4; Public Accounts Committee agreement September 15, 2019)

Status—Partially Implemented

We recommended the Water Security Agency consistently follow established processes to document risk assessments when reviewing applications for drainage works. (2018 Report – Volume 1, p. 192, Recommendation 6; Public Accounts Committee agreement September 15, 2019)

Status—Partially Implemented



We recommended the Water Security Agency require documentation of all aspects of watershed risk before approving applications for drainage works. (2018 Report – Volume 1, p. 189, Recommendation 2; Public Accounts Committee agreement September 15, 2019)

Status—Partially Implemented

At April 2024, the Water Security Agency was drafting, but had not finalized, a policy on water quality and wetland retention requirements. Without an approved policy that includes all aspects of watershed risks, staff cannot effectively use it when reviewing or approving applications for drainage works.⁹

Water quality is important to consider, as staff should not approve drainage works where water draining from agricultural land significantly reduces water quality of the lake or river into which water drains (e.g., increasing excess nutrients).

Wetland retention is important because wetlands help to improve water quality (e.g., remove sediments from water). In some cases, wetlands help to replenish aquifers.¹⁰ Preserving wetlands is critical since the majority of rural Saskatchewan obtains water from aquifers. Wetlands also provide habitat for waterfowl, insects, and aquatic animals (e.g., frogs).

The Agency was drafting an *Agricultural Water Stewardship Policy* to help staff assess water quality and wetland retention requirements in future drainage works applications. At March 2024, the Agency started piloting certain aspects of the Policy with individual landowners as part of its Policy development. The Agency told us it expects to complete these pilots in August 2024, and then finalize the Policy after analyzing the pilots' results.

In February 2021, the Agency updated its Risk Framework Worksheet (worksheet) for staff to use when documenting their assessment of watershed vulnerability when reviewing applications to approve drainage works.¹¹ The updated worksheet does not require documenting information about assessing water quality or wetland retention requirements.

Our testing of nine drainage-approval files found staff used this worksheet to assess risks of watershed vulnerability, but did not include information assessing water quality or wetland retention. We found staff documented its assessment of the following risks:

- Flooding (e.g., movement of water across landscape, where draining water will flow)
- Habitat loss
- Land erosion

The Agency must consider all aspects of risk from both a local and an entire watershed perspective, and document those considerations, before approving proposed drainage works.

⁹ A watershed is a geographic area defined by elevated topographic divides that has a common outlet for its surface runoff.

¹⁰ Aquifers are underground formations that can provide usable water.

¹¹ Watershed vulnerability refers to the risk of flooding because of drainage flowing to its endpoint, increased water quality issues because of drained agricultural lands, significant loss of wetlands, etc.

In addition, not having approved and implemented policies on water quality and wetland retention increases the risk that Agency staff may not adequately consider these aspects and approve drainage works that may negatively impact water quality and reduce wetlands.

3.3 Published Timeframes and Escalation Process Followed

We recommended the Water Security Agency publish expected timeframes to resolve requests for assistance on unapproved drainage works.

(2018 Report – Volume 1, p. 191, Recommendation 5; Public Accounts Committee agreement September 15, 2019)

Status—Implemented

We recommended Water Security Agency staff follow established processes to escalate identified actions on unapproved drainage works within a reasonable timeframe. (2018 Report – Volume 1, p. 194, Recommendation 8; Public Accounts Committee agreement September 15, 2019)

Status—Implemented

The Water Security Agency published expected timeframes to resolve requests for assistance on unapproved drainage works.¹² Staff followed its processes for when escalation of enforcement activities should occur on unapproved drainage works.

The Agency's website includes its expected timeframes for responding to public complaints about unapproved drainage works.¹³ For example, on simple requests, it expects to provide a decision to the landowner and the complainant within six months (12 months for complex requests). We found these timeframes to be reasonable.

We found for three requests tested, the Agency responded and provided decisions within the published timeframes. The Agency also communicated the appropriate information and actions to landowners to have unapproved drainage works come into compliance. For example, the Agency asked a landowner to build up the ground to prevent water from flowing downstream.

As described in **Section 3.1**, the Agency approved its *Agricultural Drainage Compliance Procedures* in December 2023. This included minor changes to the Agency's processes, including a complainant paying a fee when submitting their complaint, which the Agency refunds if the issue under investigation relates to impacts caused by drainage works. The Agency expects the fee to reduce the number of irrelevant complaints with no basis.

To increase public confidence, it is important for the Agency to keep the party who requests assistance informed. In addition, further damage may occur to surrounding owners' land and the receiving water body if resolution does not occur in a reasonable time.

Taking timely enforcement action on unapproved drainage works helps to increase landowners' compliance to reduce adverse effects of unregulated drainage.

¹² Requests for assistance are files where someone notifies the Water Security Agency about water draining onto their property from neighbouring land (i.e., complaints).

¹³ www.wsask.ca/wp-content/uploads/2024/01/RFA-Process-Guide-2024.pdf (30 January 2024).



3.4 Action Needed to Bring Unapproved Drainage Works Into Compliance

We recommended the Water Security Agency develop a prioritization plan to identify and bring unapproved high-risk drainage works into compliance.

(2018 Report – Volume 1, p. 195, Recommendation 9; Public Accounts Committee agreement September 15, 2019)

Status—Partially Implemented

The Water Security Agency approved an update to its *Drainage Compliance Planning and Assurance Policy* (Assurance Policy) in December 2023 setting out how to respond when it identifies unapproved drainage works based on risk. However, the Agency was not yet using its wetland inventory and its Assurance Policy together to identify and take action to bring unapproved high-risk drainage works into compliance.

Unapproved drainage works occur when landowners change waterflow without obtaining Agency approval. This can increase the risk of flooding neighbouring farmland and the receiving water body, as well as increases the risk of water quality issues in the receiving water body, and loss of wetlands.

The Assurance Policy includes a section on prioritizing drainage works based on associated risk (e.g., immediate threat to public infrastructure, residences, or severe environmental impacts). This considers the degree of landowner cooperation (e.g., willingness to apply for drainage application). The Assurance Policy includes the level of staff who determine the Agency's response based on the prioritization ranking.

As of April 2024, the Agency had not yet used its wetland inventory to identify unapproved drainage works and not used its Assurance Policy to assess risks of these drainage works in informing its actions, such as contacting landowners to request they submit a drainage application for Agency approval.

The Agency developed its wetland inventory using imaging data.¹⁴ Using this information, it identified wetlands, including existing and drained wetlands, and approved and unapproved drainage works. At April 2024, the Agency was still working to estimate the amount of unapproved drainage works in the province using its wetland inventory.

The Agency continues to rely on other sources for staff to identify unapproved drainage works such as from public complaints, voluntary submission of drainage applications from landowners, and Agency staff finding unapproved drainage while working on-site.

We tested four items the Agency became aware of from these other sources and found the Agency followed its Assurance Policy to bring these unapproved high-risk drainage works into compliance (e.g., used risk assessment to determine Agency response). However, for two of these items, the Agency did not document how it became aware of the unapproved drainage works. Documenting this would help the Agency consider effective sources to identify unapproved drainage works in the future.

¹⁴ At April 2024, the Water Security Agency assessed 47 million acres of Saskatchewan's agricultural lands, mostly in southeast Saskatchewan. Within this area, it identified 4.6 million wetland acres. www.wsask.ca/wetlands-agricultural-water-management-in-saskatchewan (10 April 2024).

The Agency provided \$5 million to the Saskatchewan Conservation and Development Association for 2019 to 2024 for the Association to help other water conservation groups prepare drainage applications for previously unapproved drainage works.¹⁵ In 2023, the Association helped bring two drainage works into compliance and helped six water conservation groups start applying for other drainage works not yet approved.

Leaving unapproved drainage works in high-risk areas increases the risk of affecting farmland and wetlands, and water quality.

3.5 Public Reports Improving

We recommended the Water Security Agency report to the public on its regulation of the drainage of water on agricultural lands. (2018 Report – Volume 1, p. 196, Recommendation 11; Public Accounts Committee agreement September 15, 2019)

Status—Partially Implemented

The Water Security Agency reports some information to the public; however, reporting does not include sufficient information about key activities to regulate the drainage of water on agricultural lands.

In October 2023, the Agency drafted 14 indicators to help it assess its *Agricultural Water Stewardship Policy*. This includes how often the Agency plans to report on these indicators. For example, the Agency plans to report annually on the number of quarter sections with unapproved drainage works.

We found at April 2024, the Agency had not yet finalized this Policy and indicators, nor publicly reported on its 14 indicators, the number of requests for assistance it received, or information on enforcement actions taken on unapproved drainage works.

Improved reporting to the public would help landowners and the public understand the Agency's performance when regulating drainage.

3.6 Reports Provided to Senior Management

We recommended the Water Security Agency periodically report to senior management on actions taken to address non-compliance of unapproved drainage works. (2018 Report – Volume 1, p. 195, Recommendation 10; Public Accounts Committee agreement September 15, 2019)

Status—Implemented

The Water Security Agency appropriately reported to senior management on actions taken to address non-compliance of unapproved drainage works.

In 2023, the Agency began reporting to senior management twice a year on actions taken to address non-compliance.

¹⁵ www.saskatchewan.ca/government/news-and-media/2019/march/13/scda-to-support-producers (11 April 2024).



We tested two reports to senior management and found the Agency provided information on steps taken to address non-compliance (e.g., landowners with unapproved drainage works identified through complaints). The reports also included the number of approved and unapproved drainage works identified, timeframes to address requests for assistance, number of active requests for assistance, and the number of orders issued to address non-compliance.

For example, the Agency issued about 100 orders related to unapproved agricultural drainage works since 2015 (e.g., landowner applied and the Agency either approved drainage or ordered the landowner to demolish drainage works). Of these orders, the Agency brought about 90% of drainage works into compliance. All orders were a result of the request for assistance process. The Agency issued two orders in 2022–23 and brought one of these unapproved drainage works into compliance.

Appropriate reporting helps senior management assess the effectiveness of enforcement actions taken and determine whether staff focus their actions in priority areas.



Appendix 1

Agencies Subject to Examination under *The Provincial Auditor Act* and Status of Audits

The Office of the Provincial Auditor's goal is to give the Legislative Assembly timely Reports on the results of our examinations. We do not delay our Reports to accommodate incomplete audits, but rather include the results in a future Report. We aim to report the results of our annual integrated audits of agencies with December fiscal year-ends in the spring (i.e., Report – Volume 1) and agencies with March fiscal year-ends in the fall (i.e., Report – Volume 2). We report the results of our follow-up and performance audits in the Report following their completion.

The table below lists the agencies subject to examination under *The Provincial Auditor Act* at December 31, 2023, along with their fiscal year-end. Agencies subject to our examination include ministries, Crown agencies, Crown-controlled corporations, special purpose and trust funds, other agencies that administer public money, and offices of the Legislative Assembly.

For each of these agencies, the table sets out the status of our annual integrated audits at May 1, 2024. It also indicates whether we are reporting, or have reported, matters for the Assembly's attention within the last 12 months, and if so, it identifies the relevant Report.

Agency	Fiscal Year-End ^A	Status on May 1, 2024 ^B	Matters Reported / Related Report(s) ^C
Government of Saskatchewan—Summary Financial Statements	March 31	Complete	No
Ministries and Secretariats:			
Ministry of Advanced Education	March 31	Complete	Yes/2023 V2
Ministry of Agriculture	March 31	Complete	Yes/2023 V2
Ministry of Corrections, Policing and Public Safety	March 31	Complete	Yes/2024 V1
Ministry of Education	March 31	Complete	Yes/2023 V2 & 2024 V1
Ministry of Energy and Resources	March 31	Complete	Yes/2024 V1
Ministry of Environment	March 31	Complete	Yes/2023 V2 & 2024 V1
Ministry of Finance	March 31	Complete	No
Ministry of Government Relations	March 31	Complete	Yes/2023 V2 & 2024 V1
Ministry of Health	March 31	Complete	Yes/2023 V2 & 2024 V1
Ministry of Highways	March 31	Complete	Yes/2023 V2
Ministry of Immigration and Career Training	March 31	Complete	No
Ministry of Justice and Attorney General	March 31	Complete	Yes/2023 V2 & 2024 V1
Ministry of Labour Relations and Workplace Safety	March 31	Complete	No
Ministry of Parks, Culture and Sport	March 31	Complete	No
Ministry of SaskBuilds and Procurement	March 31	Complete	Yes/2024 V1
Ministry of Social Services	March 31	Complete	Yes/2023 V2& 2024 V1
Ministry of Trade and Export Development	March 31	Complete	No



Agency	Fiscal Year-End ^A	Status on May 1, 2024 ^B	Matters Reported / Related Report(s) ^C
Executive Council	March 31	Complete	Yes/2023 V2
Firearms Secretariat	March 31	Complete	No
Public Service Commission	March 31	Complete	No
Crown Agencies:			
Agricultural Credit Corporation of Saskatchewan	March 31	Complete	No
All Nations' Healing Hospital Inc.	March 31	Complete	Yes/2023 V2
Bethany Pioneer Village Inc.	March 31	Complete	No
Border-Line Housing Company (1975) Inc.	March 31	Complete	No
Carlton Trail College	June 30	Complete	No
Century Plaza Condominium Corporation	March 31	Complete	No
Chinook School Division No. 211	August 31	Complete	No
Christ the Teacher Roman Catholic Separate School Division No. 212	August 31	Complete	No
Circle Drive Special Care Home Inc.	March 31	Complete	No
Community Initiatives Fund	March 31	Complete	No
Conseil des Écoles Fransaskoises No. 310	August 31	Complete	No
Creative Saskatchewan	March 31	Complete	No
Creighton School Division No. 111	August 31	Complete	No
Cumberland College	June 30	Complete	No
Cupar and District Nursing Home Inc.	March 31	Complete	No
Duck Lake and District Nursing Home Inc.	March 31	Complete	No
eHealth Saskatchewan	March 31	Complete	Yes/2023 V2
Financial and Consumer Affairs Authority of Saskatchewan	March 31	Complete	No
Foyer St. Joseph Nursing Home Inc.	March 31	Complete	No
Global Transportation Hub Authority, The	March 31	Complete	No
Good Spirit School Division No. 204	August 31	Complete	No
Government House Foundation, The	March 31	Complete	No
Great Plains College	June 30	Complete	No
Health Quality Council	March 31	Complete	No
Health Shared Services Saskatchewan (3sHealth)	March 31	Complete	Yes/2024 V1
Holy Family Roman Catholic Separate School Division No. 140	August 31	Complete	Yes/2024 V1
Holy Trinity Roman Catholic Separate School Division No. 22	August 31	Complete	No
Horizon School Division No. 205	August 31	Complete	Yes/2024 V1
Île-à-la Crosse School Division No. 112	August 31	Complete	No
Innovation Saskatchewan	March 31	Complete	No
Jubilee Residences Inc.	March 31	Complete	No
Lakeview Pioneer Lodge Inc.	March 31	Complete	No
Law Reform Commission of Saskatchewan	March 31	Complete	No
Light of Christ Roman Catholic Separate School Division No. 16	August 31	Complete	No
Living Sky School Division No. 202	August 31	Complete	Yes/2024 V1
Lloydminster Public School Division No. 99	August 31	Complete	No
Lloydminster Roman Catholic Separate School Division No. 89	August 31	Complete	No

Agency	Fiscal Year-End ^A	Status on May 1, 2024 ^B	Matters Reported / Related Report(s) ^C
Lumsden & District Heritage Home Inc.	March 31	Complete	No
Lutheran Sunset Home of Saskatoon	March 31	Complete	No
Mennonite Nursing Homes Incorporated	March 31	Complete	No
Métis Development Fund	December 31	Complete	No
Mont St. Joseph Home Inc.	March 31	Complete	No
Municipal Financing Corporation of Saskatchewan	December 31	Complete	No
Municipal Potash Tax Sharing Administration Board	December 31	Complete	No
North East School Division No. 200	August 31	Complete	No
North West College	June 30	Complete	No
Northern Lights School Division No. 113	August 31	Complete	Yes/2024 V1
Northlands College	June 30	Complete	Yes/2023 V2
Northwest School Division No. 203	August 31	Complete	Yes/2024 V1
Oliver Lodge	March 31	Complete	No
Operator Certification Board	March 31	Complete	No
Parkland College	June 30	Complete	No
Prairie Agricultural Machinery Institute	March 31	Complete	Yes/2023 V2
Prairie South School Division No. 210	August 31	Complete	No
Prairie Spirit School Division No. 206	August 31	Complete	No
Prairie Valley School Division No. 208	August 31	Complete	No
Prince Albert Roman Catholic Separate School Division No. 6	August 31	Complete	Yes/2024 V1
Providence Place for Holistic Health Inc.	March 31	Complete	No
Provincial Archives of Saskatchewan	March 31	Complete	No
Provincial Capital Commission	March 31	Complete	No
Radville Marian Health Centre Inc.	March 31	Complete	No
Raymore Community Health and Social Centre	March 31	Complete	No
Regina Lutheran Housing Corporation	March 31	Complete	No
Regina Roman Catholic Separate School Division No. 81	August 31	Complete	No
Regina School Division No. 4	August 31	Complete	Yes/2024 V1
Santa Maria Senior Citizens Home Inc.	March 31	Complete	No
Saskatchewan Apprenticeship and Trade Certification Commission	June 30	Complete	Yes/2023 V2
Saskatchewan Arts Board, The	March 31	Complete	No
Saskatchewan Association of Health Organizations Inc.	March 31	Complete	No
Saskatchewan Cancer Agency	March 31	Complete	Yes/2023 V2
Saskatchewan Centre of the Arts	March 31	Complete	No
Saskatchewan Crop Insurance Corporation	March 31	Complete	No
Saskatchewan Distance Learning Corporation	August 31	Complete	No
Saskatchewan Health Authority	March 31	Complete	Yes/2023 V2 & 2024 V1
Saskatchewan Health Research Foundation	March 31	Complete	No
Saskatchewan Healthcare Recruitment Agency	March 31	Note 3	
Saskatchewan Heritage Foundation	March 31	Complete	No



Agency	Fiscal Year-End ^A	Status on May 1, 2024 ^B	Matters Reported / Related Report(s) ^C
Saskatchewan Housing Corporation	December 31	Complete	No
Saskatchewan Impaired Driver Treatment Centre Board of Governors	March 31	Complete	No
Saskatchewan Indian Gaming Authority Inc.	March 31	Complete	No
Saskatchewan Indigenous Investment Finance Corporation	March 31	Note 4	
Saskatchewan Legal Aid Commission	March 31	Complete	No
Saskatchewan Liquor and Gaming Authority	March 31	Complete	Yes/2023 V2 & 2024 V1
Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation	March 31	Complete	No
Saskatchewan Polytechnic	June 30	Complete	No
Saskatchewan Public Safety Agency	March 31	Complete	Yes/2023 V2
Saskatchewan Research Council	March 31	Complete	No
Saskatchewan Rivers School Division No. 119	August 31	Complete	Yes/2024 V1
Saskatoon Convalescent Home	March 31	Complete	No
Saskatoon School Division No. 13	August 31	Complete	Yes/2024 V1
SaskBuilds Corporation	March 31	Complete	No
Sherbrooke Community Society Inc.	March 31	Complete	No
SLGA Holding Inc.	March 31	Complete	No
SLGA Retail Inc.	March 31	Complete	No
Société Joseph Breton Inc.	March 31	Complete	No
South East Cornerstone School Division No. 209	August 31	Complete	No
Southeast College	June 30	Complete	No
Spruce Manor Special Care Home Inc.	March 31	Complete	No
SRC Nuclear Inc.	March 31	Note 1	
St. Ann's Senior Citizens Village Corporation	March 31	Complete	No
St. Anthony's Hospital	March 31	Complete	No
St. Joseph's Home for the Aged	March 31	Complete	No
St. Joseph's Hospital (Grey Nuns) Gravelbourg	March 31	Complete	No
St. Joseph's Hospital of Estevan	March 31	Complete	No
St. Joseph's Integrated Health Centre Macklin Inc.	March 31	Complete	No
St. Paul Lutheran Home of Melville	March 31	Complete	No
St. Paul's Roman Catholic Separate School Division No. 20	August 31	Complete	Yes/2024 V1
St. Paul's (Grey Nuns) of Saskatoon	March 31	Note 1	
St. Peter's Hospital	March 31	Complete	No
Strasbourg and District Health Centre	March 31	Complete	No
Suncrest College	June 30	Note 6	
Sun West School Division No. 207	August 31	Complete	Yes/2024 V1
Sunnyside Adventist Care Centre	March 31	Complete	No
The Qu'Appelle Diocesan Housing Company	March 31	Complete	No
The Salvation Army—William Booth Special Care Home	March 31	Complete	No
Tourism Saskatchewan	March 31	Complete	No
Warman Mennonite Special Care Home Inc.	March 31	Complete	No

Agency	Fiscal Year-End ^A	Status on May 1, 2024 ^B	Matters Reported / Related Report(s) ^C
Water Security Agency	March 31	Complete	Yes/2024 V1
Western Development Museum	March 31	Complete	Yes/2023 V2
Workers' Compensation Board	December 31	Complete	No
CIC Crown Corporations and related agencies:			
101069101 Saskatchewan Ltd.	March 31	Note 1	
Battleford International, Inc.	March 31	Note 1	
Bayhurst Energy Services Corporation	March 31	Note 1	
Bayhurst Gas Limited	March 31	Note 1	
BG Storage Inc.	March 31	Note 1	
CIC Asset Management Inc.	March 31	Complete	No
Coachman Insurance Company	December 31	Complete	No
Crown Investments Corporation of Saskatchewan	March 31	Complete	No
DirectWest Corporation	March 31	Note 9	
Lotteries and Gaming Saskatchewan Corporation	March 31	Note 8	
Manalta Investment Company Ltd.	March 31	Note 1	
Many Islands Pipe Lines (Canada) Limited	March 31	Note 1	
Nokomis Holding Inc.	March 31	Note 1	
Northpoint Energy Solutions Inc.	March 31	Complete	No
Saskatchewan Auto Fund	March 31	Complete	No
Saskatchewan First Call Corporation	March 31	Note 7	
Saskatchewan Gaming Corporation	March 31	Complete	Yes/2024 V1
Saskatchewan Government Insurance	March 31	Complete	No
Saskatchewan Opportunities Corporation	March 31	Note 10	
Saskatchewan Power Corporation	March 31	Complete	No
Saskatchewan Telecommunications	March 31	Complete	No
Saskatchewan Telecommunications Holding Corporation	March 31	Complete	No
Saskatchewan Telecommunications International, Inc.	March 31	Complete	No
Saskatchewan Water Corporation	March 31	Complete	No
SaskEnergy Incorporated	March 31	Complete	No
SaskTel International Consulting, Inc.	March 31	Note 1	
SaskTel Investments Inc.	March 31	Note 1	
SecurTek Monitoring Solutions Inc.	March 31	Note 12	No
SGC Holdings, Inc.	March 31	Complete	No
SIG CANADA Insurance Services Ltd.	December 31	Complete	No
Shellbrook Holding Inc.	March 31	Note 1	
Stentor Resource Centre Inc.	March 31	Note 1	
TransGas Limited	March 31	Note 1	
Special purpose and trust funds including pension and benefit plans:			
Capital Pension Plan	March 31 Note 14	Complete	No
Commercial Revolving Fund	March 31	Complete	No
Correctional Facilities Industries Revolving Fund	March 31	Complete	No



Agency	Fiscal Year-End ^A	Status on May 1, 2024 ^B	Matters Reported / Related Report(s) ^C
Criminal Property Forfeiture Fund	March 31	Complete	No
Crop Reinsurance Fund of Saskatchewan	March 31	Complete	No
Doukhobors of Canada C.C.U.B. Trust Fund	May 31	Complete	No
Extended Health Care Plan	December 31	Complete	No
Extended Health Care Plan for Certain Other Employees	December 31	Complete	No
Extended Health Care Plan for Certain Other Retired Employees	December 31	Complete	No
Extended Health Care Plan for Retired Employees	December 31	Complete	No
Fish and Wildlife Development Fund	March 31	Complete	No
General Revenue Fund	March 31	Note 2	
Health Shared Services Saskatchewan Core Dental Plan	December 31	Delayed	
Health Shared Services Saskatchewan Disability Income Plan – CUPE	December 31	Delayed	
Health Shared Services Saskatchewan Disability Income Plan – General	December 31	Delayed	
Health Shared Services Saskatchewan Disability Income Plan – SEIU	December 31	Delayed	
Health Shared Services Saskatchewan Disability Income Plan – SUN	December 31	Delayed	
Health Shared Services Saskatchewan Group Life Insurance Plan	December 31	Delayed	
Health Shared Services Saskatchewan In-Scope Extended Health/Enhanced Dental Plan	December 31	Delayed	
Health Shared Services Saskatchewan Out-of-Scope Extended Health/Enhanced Dental Plan	December 31	Delayed	
Health Shared Services Saskatchewan Out-of-Scope Flexible Health/Spending Plan	December 31	Delayed	
Impacted Sites Fund	March 31	Complete	No
Institutional Control Monitoring and Maintenance Fund	March 31	Complete	No
Institutional Control Unforeseen Events Fund	March 31	Complete	No
Judges of the Provincial Court Superannuation Plan	March 31	Complete	No
King's Printer Revolving Fund	March 31	Complete	No
Liquor Board Superannuation Plan	December 31	Complete	No
Municipal Employees' Pension Commission	December 31	Complete	No
Northern Municipal Trust Account	December 31	Delayed	Yes/2023 V2
Oil and Gas Orphan Fund	March 31	Complete	No
Pension Plan for the Non-Teaching Employees of the Saskatoon School Division No. 13	December 31	Delayed	
Power Corporation Superannuation Plan	December 31	Complete	No
Provincial Mediation Board Trust Accounts	March 31	Complete	No
Public Employees Benefits Agency Revolving Fund	March 31	Complete	No
Public Employees Deferred Salary Leave Fund	December 31	Complete	No
Public Employees Dental Fund	December 31	Complete	No
Public Employees Disability Income Fund	December 31	Complete	No
Public Employees Group Life Insurance Fund	December 31	Complete	No
Public Employees Pension Plan	March 31	Complete	No

Agency	Fiscal Year-End ^A	Status on May 1, 2024 ^B	Matters Reported / Related Report(s) ^C
Public Guardian and Trustee of Saskatchewan	March 31	Complete	No
Public Service Superannuation Plan	March 31	Complete	No
Residential Tenancies, Office of—Director's Trust Account	March 31	Complete	No
Sask 911 Account	March 31	Complete Note 13	No
Saskatchewan Agricultural Stabilization Fund	March 31	Complete	No
Saskatchewan Government Insurance Service Recognition Plan	December 31	Complete	No
Saskatchewan Government Insurance Superannuation Plan	December 31	Complete	No
Saskatchewan Pension Annuity Fund	March 31	Complete	No
Saskatchewan Pension Plan	December 31	Complete	No
Saskatchewan Power Corporation Designated Employee Benefit Plan	December 31	Complete	No
Saskatchewan Power Corporation Severance Pay Credits Plan	December 31	Complete	No
Saskatchewan Power Corporation Supplementary Superannuation Plan	December 31	Complete	No
Saskatchewan Professional Teachers Regulatory Board	August 31	Complete	No
Saskatchewan Research Council Employees' Pension Plan	December 31	Complete	No
Saskatchewan Snowmobile Fund	March 31	Complete	No
Saskatchewan Student Aid Fund	March 31	Complete	No
Saskatchewan Technology Fund	March 31	Complete	No
Saskatchewan Telecommunications Pension Plan	March 31	Complete	No
Saskatchewan Water Corporation Retirement Allowance Plan	December 31	Complete	No
SaskEnergy Retiring Allowance Plan	December 31	Complete	No
School Division Tax Loss Compensation Fund	March 31	Complete	No
Social Services Central Trust Account	March 31	Complete	No
Social Services Valley View Centre Grants and Donations Trust Account and Institutional Collective Benefit Fund	March 31	Complete	No
Social Services Valley View Centre Residents' Trust Account	March 31	Complete	No
Staff Pension Plan for Employees of the Saskatchewan Legal Aid Commission	Note 5	Complete	No
Teachers' Dental Plan	December 31	Complete	No
Teachers' Disability Plan	June 30	Complete	No
Teachers' Group Life Plan	August 31	Complete	No
Teachers' Superannuation Plan	June 30	Complete	No
Training Completions Fund	March 31	Complete	No
Transportation Partnerships Fund	March 31	Complete	No
Victims' Fund	March 31	Complete	No
Water Security Agency Retirement Allowance Plan	March 31	Complete	No
Offices of the Legislative Assembly:			
Advocate for Children and Youth, Office of the	March 31	Complete	No
Board of Internal Economy/Legislative Assembly Service/Office of the Speaker	March 31	Complete	No
Chief Electoral Officer, Office of the	March 31	Complete	No
Conflict of Interest Commissioner, Office of the	March 31	Complete	No



Agency	Fiscal Year-End ^A	Status on May 1, 2024 ^B	Matters Reported / Related Report(s) ^C
Information and Privacy Commissioner, Office of the	March 31	Complete	No
Ombudsman and Public Interest Disclosure Commissioner, Office of the	March 31	Complete	No
Other Agencies:			
Pension Plan for the Academic and Administrative Employees of the University of Regina	December 31	Delayed	
Pension Plan for the Eligible Employees at the University of Saskatchewan	December 31	Delayed	
Public Pension and Benefits Administration Corporation	March 31	Note 11	No
Technical Safety Authority of Saskatchewan	June 30	Complete	Yes/2023 V2
University of Regina	April 30	Complete	No
University of Regina Non-Academic Pension Plan	December 31	Delayed	
University of Saskatchewan	April 30	Complete	No
University of Saskatchewan 1999 Academic Pension Plan	December 31	Delayed	
University of Saskatchewan 2000 Academic Money Purchase Pension Plan	December 31	Delayed	
University of Saskatchewan Academic Employees' Pension Plan	December 31	Delayed	
University of Saskatchewan and Federated Colleges Non-Academic Pension Plan	December 31	Delayed	

Note 1: These entities are wholly- or partially-owned subsidiary corporations that are included in the consolidated financial statements of a parent Crown agency.

Note 2: The Ministry of Finance does not prepare financial statements for this Fund.

Note 3: New Crown Agency established August 2022. Entity was not yet operational in 2022–23. March 31, 2024, will be the first period end audited.

Note 4: New Crown Agency established May 2022. Entity was not yet operational in 2022–23. March 31, 2024, will be the first period end audited.

Note 5: The Staff Pension Plan for Employees of the Saskatchewan Legal Aid Commission wound up effective April 27, 2023.

Note 6: New Crown Agency established July 2023. June 30, 2024, will be the first period end audited.

Note 7: This entity was sold effective June 1, 2023.

Note 8: New Crown Agency established June 2023. March 31, 2024, will be the first period end audited.

Note 9: DirectWest transferred its operations and net assets to Saskatchewan Telecommunications on April 1, 2022.

Note 10: This agency amalgamated with Innovation Saskatchewan during 2022–23.

Note 11: This Corporation was established October 2, 2023. March 31, 2024 will be the first period end audited.

Note 12: SecurTek Monitoring Solutions Inc. transferred its operations and net assets to Saskatchewan Telecommunications on April 1, 2023.

Note 13: Sask 911 Account transferred its operations and net assets to Saskatchewan Public Safety Agency on July 1, 2023.

Note 14: This agency will be wound up and the last year end audited by our Office will be December 15, 2023.

^A	Fiscal Year-end	Year of last completed integrated audit
	March 31	2023
	April 30	2023
	May 31	2023
	June 30	2023
	August 31	2023
	September 30	2023
	December 31	2023
^B	"Complete" – the audit was complete.	
	"Delayed" – the audit was delayed.	
^C	"No" – no significant issues reported.	
	"Yes/2023 V2" – significant issues are reported in our 2023 Report – Volume 2.	
	"Yes/2024 V1" – significant issues are reported in our 2024 Report – Volume 1.	

Appendix 2

Report on the Financial Statements of Agencies Audited by Appointed Auditors

1.0 PURPOSE

This Appendix summarizes the Office of the Provincial Auditor's views on the financial statements of agencies audited by appointed auditors. It lists audits in which the Office participated for fiscal periods ending between July 1, 2023, and December 31, 2023.

2.0 BACKGROUND

Under *The Provincial Auditor Act*, the Provincial Auditor retains overall responsibility for audits of all Crown agencies and Crown corporations regardless of who does the audit. The Legislative Assembly allows the Government to appoint auditors to audit certain Crown agencies and Crown corporations annually. **Figure 1** sets out the objectives of the annual audits—we refer to them as annual integrated audits.

The Office, the Crown agencies, Crown corporations, and the appointed auditors use the recommendations of the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors* to serve the Assembly's needs efficiently and effectively.^{1,2} The Office includes the results of annual integrated audits done by appointed auditors in our Reports to the Assembly. As the Task Force Report expects, the Office provides the Assembly with its views and participation in the audits of agencies' financial statements with an appointed auditor.

Figure 1—Objective of Annual Integrated Audits

The objectives of each annual integrated audit are to form the following opinions and to report the results to the Legislative Assembly:

- An opinion on the financial-related rules and procedures used by the agency to safeguard public resources.
- An opinion on the agency's compliance with the authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.
- An opinion on the reliability of the agency's financial statements. The appointed auditors' reports on the reliability of each Crown agency and each Crown corporation's financial statements accompany the respective financial statements.

The Government's Summary Financial Statements include the financial results of all agencies controlled by the Government. *Public Accounts 2023–24 – Volume 1* will include the Office's independent auditor's report on the Government's Summary Financial Statements for the year ended March 31, 2024.

¹ For a copy of this report, see www.auditor.sk.ca. The Task Force recommended that the Office give the Assembly a report listing the agencies whose annual integrated audits it participated in.

² In June 1994, the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors* recommended how the audit system for Crown Investments Corporation of Saskatchewan and its subsidiary Crown corporations could function more efficiently and effectively. In April 1995, Treasury Board decided that all Crown corporations and agencies should comply with these recommendations.



3.0 THE OFFICE'S VIEWS ON FINANCIAL STATEMENTS AUDITED BY APPOINTED AUDITORS

The table below provides the Office's views and participation on each financial statement audit completed by an appointed auditor for fiscal years ending between July 1, 2023, and December 31, 2023. As noted below, sometimes the Office varies the extent of its participation.

The table groups agencies and corporations by school divisions; other Crown agencies, special purpose and trust funds; and CIC, its subsidiary Crown corporations, and other related entities. It lists each Crown agency or corporation with financial statements that are audited by an appointed auditor, the appointed auditor's name, the agency's year-end date, whether the Office participated in the audit, and whether the agency's financial statements are reliable.

Listing of the Office's Involvement in Financial Statement Audits of Agencies with an Appointed Auditor

Agency Name	Appointed Auditor	Year-End Date	PAS* Participated in Audit	Financial Statements are Reliable
School Divisions				
Chinook School Division No. 211	Stark & Marsh Chartered Professional Accountants LLP	August 31	Yes	Yes
Christ the Teacher Roman Catholic Separate School Division No. 212	Prairie Strong Chartered Professional Accountants	August 31	See ^A	Yes
Conseil des Écoles Fransaskoises No. 310	MNP LLP	August 31	See ^A	Yes
Creighton School Division No. 111	Baker Tilly HMA LLP Chartered Professional Accountants	August 31	See ^A	Yes
Good Spirit School Division No. 204	Prairie Strong Chartered Professional Accountants	August 31	Yes	Yes
Holy Family Roman Catholic Separate School Division No. 140	Grant Thornton LLP	August 31	See ^A	Yes
Holy Trinity Roman Catholic Separate School Division No. 22	Virtus Group LLP	August 31	See ^A	Yes
Horizon School Division No. 205	MNP LLP	August 31	See ^A	Yes
Île-à-la Crosse School Division No. 112	Vantage Chartered Professional Accountants	August 31	See ^A	Yes
Light of Christ Roman Catholic Separate School Division No. 16	Vantage Chartered Professional Accountants	August 31	See ^A	Yes
Living Sky School Division No. 202	Holm Raiche Oberg P.C. Ltd. Chartered Professional Accounts	August 31	See ^A	Yes
Lloydminster Roman Catholic Separate School Division No. 89	MNP LLP	August 31	See ^A	Yes
Lloydminster Public School Division No. 99	Vantage Chartered Professional Accountants	August 31	See ^A	Yes

Agency Name	Appointed Auditor	Year-End Date	PAS* Participated in Audit	Financial Statements are Reliable
North East School Division No. 200	MNP LLP	August 31	Yes	Yes
Northern Lights School Division No. 113	MNP LLP	August 31	Yes	Yes
Northwest School Division No. 203	Grant Thornton LLP	August 31	See ^A	Yes
Prairie South School Division No. 210	MNP LLP	August 31	See ^A	Yes
Prairie Spirit School Division No. 206	MNP LLP	August 31	Yes	Yes
Prairie Valley School Division No. 208	MNP LLP	August 31	See ^A	Yes
Prince Albert Roman Catholic Separate School Division No. 6	MNP LLP	August 31	See ^A	No ^B
Regina Roman Catholic Separate School Division No. 81	Dudley & Company LLP	August 31	See ^A	Yes
Regina School Division No. 4	MNP LLP	August 31	Yes	Yes
Saskatchewan Rivers School Division No. 119	MNP LLP	August 31	See ^A	Yes
Saskatoon School Division No. 13	Deloitte LLP	August 31	Yes	Yes
South East Cornerstone School Division No. 209	Virtus Group LLP	August 31	Yes	Yes
St. Paul's Roman Catholic Separate School Division No. 20	MNP LLP	August 31	Yes	Yes
Sun West School Division No. 207	Close Hauta Bertoia Blanchette Chartered Professional Accountants	August 31	See ^A	Yes
Other Crown Agencies, Special Purpose and Trust Funds				
Métis Development Fund	KPMG LLP	December 31	Yes	Yes
Municipal Employees' Pension Commission	KPMG LLP	December 31	Yes	Yes
Municipal Financing Corporation of Saskatchewan	Dudley & Company LLP	December 31	Yes	Yes
Public Pension and Benefits Administration Corporation	KPMG LLP	March 31	Note 1	Note 1
Pension Plan for the Non-Teaching Employees of the Saskatoon School Division No. 13	Deloitte LLP	December 31	Yes	Delayed
Saskatchewan Housing Corporation	KPMG LLP	December 31	Yes	Yes
Saskatchewan Pension Plan	KPMG LLP	December 31	Yes	Yes
Saskatchewan Professional Teachers Regulatory Board	Virtus Group LLP	August 31	Yes	Yes
Saskatchewan Research Council Employees' Pension Plan	Deloitte LLP	December 31	See ^A	Yes
Workers' Compensation Board	BDO Canada LLP	December 31	Yes	Yes



Agency Name	Appointed Auditor	Year-End Date	PAS* Participated in Audit	Financial Statements are Reliable
CIC, its Subsidiary Crown Corporations & Other Related Entities				
SGL Canada Insurance Services Ltd.	KPMG LLP	December 31	Yes	Yes
Coachman Insurance Company	KPMG LLP	December 31	Yes	Yes
Saskatchewan Government Insurance Superannuation Plan	KPMG LLP	December 31	Yes	Yes
Power Corporation Superannuation Plan	Deloitte LLP	December 31	Yes	Yes

Note 1: This Corporation was established October 2, 2023. March 31, 2024 will be the first period end audited.

* PAS—Provincial Auditor of Saskatchewan

^A The Office reviewed the opinions of the appointed auditor on the reliability of financial statements, effectiveness of processes to safeguard public resources, and compliance with authorities. We also reviewed the appointed auditor's audit findings (including summary of errors) reported to the Boards of the agencies. Where necessary, we followed up with the appointed auditor to clarify issues reported.

^B For information regarding the reliability of Prince Albert Roman Catholic Separate School Division No. 6's financial statements, see Chapter 1.

Appendix 3

Samples of Opinions Formed in Annual Audits of Ministries, Crown Agencies, and Crown-Controlled Corporations

The scope of the Office of the Provincial Auditor's audit work includes the Government as a whole, sectors or programs of the Government, and individual government agencies (see **Appendix 1**). *The Provincial Auditor Act* requires the Office to use generally accepted assurance standards published by CPA Canada to carry out its audits (e.g., integrated, performance, follow-up).

Individual government agencies are subject to annual integrated audits. In general, annual integrated audits examine the effectiveness of financial-related controls, compliance with financial-related authorities, and the reliability of financial statements (for agencies that prepare them).

The following are samples of audit opinions formed as part of the annual integrated audits.

1.0 EFFECTIVENESS OF INTERNAL CONTROLS (FINANCIAL-RELATED)

We have undertaken a reasonable assurance engagement of [Agency]'s operating effectiveness of internal controls as of [Year End] to express an opinion as to the effectiveness of its internal controls related to the following objectives:

- To safeguard public resources. That is, to ensure its assets are not lost or used inappropriately; to ensure it does not inappropriately incur obligations; to establish a financial plan for the purposes of achieving its financial goals; and to monitor and react to its progress toward the objectives established in its financial plan.
- To prepare reliable financial statements.
- To conduct its activities following laws, regulations, and policies related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.

CPA Canada defines control as comprising those elements of an organization that, taken together, support people in the achievement of the organization's objectives. Control is effective to the extent that it provides reasonable assurance that the organization will achieve its objectives.

[Agency]'s management is responsible for effective internal controls related to the objectives described above. Our responsibility is to express an opinion on the effectiveness of internal controls based on our audit.

We used the control framework included in COSO's *Internal Control–Integrated Framework* to make our judgments about the effectiveness of [Agency]'s internal controls. We did not audit certain aspects of internal controls concerning the effectiveness, economy, and efficiency of certain management decision-making processes.

We conducted our reasonable assurance engagement in accordance with Canadian Standard on Assurance Engagements (CSAE) 3001, *Direct Engagements*. This standard requires that we plan and perform this engagement to obtain reasonable assurance as to the effectiveness of [Agency]'s internal controls related to the objectives stated above. The nature, timing and extent of procedures performed depends on our professional judgment, including an assessment of the risks of material misstatement, whether due to fraud or error, and involves obtaining evidence about the effectiveness of internal controls. An audit includes obtaining an understanding of the significant risks related to these objectives, the key control elements and control activities to manage these risks, and examining, on a test basis, evidence relating to control.



Reasonable assurance is a high level of assurance, but is not a guarantee that an engagement conducted in accordance with this standard will always detect a material misstatement when it exists.

Our audit on the effectiveness of [Agency]'s internal controls related to the above objectives does not constitute an audit of internal control over financial reporting performed in conjunction with an audit of financial statements in *CPA Canada Handbook—Assurance Section 5925 An Audit of Internal Control over Financial Reporting that is Integrated with an Audit of Financial Statements*.

Control can provide only reasonable and not absolute assurance of achieving objectives reliably for the following reasons. There are inherent limitations in control including judgment in decision-making, human error, collusion to circumvent control activities, and management overriding control. Cost/benefit decisions are made when designing control in organizations. Because control can be expected to provide only reasonable assurance and not absolute assurance, the objectives referred to above may not be achieved reliably. Also, projections of any evaluation of control to future periods are subject to the risk that control may become ineffective because of changes in internal and external conditions, or that the degree of compliance with control activities may deteriorate.

We believe the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, subject to the limitations noted above, [Agency]'s internal controls were operating effectively, in all material respects, to meet the objectives stated above as of [Year End] based on COSO's *Internal Control—Integrated Framework*.

[If control is not effective in all material respects, describe the risk or significant deficiency, and indicate which objective is affected. The report should state whether the deficiency resulted from the absence of control procedures or the degree of compliance with them.]

This report is provided solely for the purpose of assisting the Provincial Auditor in discharging their responsibilities and for preparing their annual report to the Legislative Assembly of Saskatchewan and is not to be referred to or distributed to any person who is not a member of management or the Board of [Agency], its supervising agencies or the Office of the Provincial Auditor and should not be used for any other purpose. Any use that a third party makes of information contained in this report, or any reliance or decisions based on such information, is the responsibility of such third parties.

We accept no responsibility for loss or damages, if any, suffered by any third party as a result of decisions made or actions taken based on information contained in this report.

We have complied with the ethical requirements of the Chartered Professional Accountants of Saskatchewan—*Rules of Professional Conduct* founded on fundamental principles of integrity, objectivity, professional competency and due care, confidentiality, and professional behaviour.

We apply the *Canadian Standard on Quality Management 1* issued by CPA Canada and, accordingly, maintain a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

2.0 COMPLIANCE WITH LEGISLATIVE AUTHORITIES

We have undertaken a reasonable assurance engagement of [Agency]'s compliance with the provisions of the following legislative and related authorities pertaining to its financial reporting, safeguarding of assets, spending, revenue raising, borrowing, and investment activities during the year ended [Year End]:

(List all legislative and related authorities covered by this report. This list must include all governing authorities).

Compliance with the provisions of the stated legislative and related authorities is the responsibility of management of [Agency]. Management is also responsible for such internal control as management determines necessary to enable the [Agency]'s compliance with the specified requirements.

Our responsibility is to express a reasonable assurance opinion on [Agency]'s compliance based on the evidence we have obtained.

We conducted our reasonable assurance engagement in accordance with Canadian Standard on Assurance Engagements (CSAE) 3531 *Direct Engagements to Report on Compliance*. This standard requires that we plan and perform this engagement to obtain reasonable assurance whether [Agency] complied with the criteria established by the legislation and related authorities referred to above, in all significant respects. A reasonable assurance compliance reporting engagement involves performing procedures to obtain evidence about the entity's compliance with the specified requirements. The nature, timing and extent of procedures selected depends on our professional judgment, including an assessment of the risks of significant non-compliance, whether due to fraud or error.

Reasonable assurance is a high level of assurance, but is not a guarantee that an engagement conducted in accordance with this standard will always detect a material misstatement when it exists.

We believe the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, for the year ended [Year End], [Agency] has complied, in all significant respects, with the provisions of the aforementioned legislative and related authorities.

We do not provide a legal opinion on the [Agency]'s compliance with the aforementioned legislative and related authorities.

(The report should provide adequate explanation with respect to any reservation contained in the opinion together with, if relevant and practicable, the monetary effect.)

This report is provided solely for the purpose of assisting the Provincial Auditor in discharging their responsibilities and for preparing their annual report to the Legislative Assembly of Saskatchewan and is not to be referred to or distributed to any person who is not a member of management or the Board of [Agency], its supervising agencies or the Office of the Provincial Auditor and should not be used for any other purpose. Any use that a third party makes of information contained in this report, or any reliance or decisions based on such information, is the responsibility of such third parties.

We accept no responsibility for loss or damages, if any, suffered by any third party as a result of decisions made or actions taken based on information contained in this report.

We have complied with the ethical requirements of the Chartered Professional Accountants of Saskatchewan—*Rules of Professional Conduct*, founded on fundamental principles of integrity, objectivity, professional competency and due care, confidentiality, and professional behaviour.

We apply the *Canadian Standard on Quality Management 1* issued by CPA Canada and, accordingly, maintain a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

3.0 RELIABILITY OF FINANCIAL STATEMENTS

This opinion is formed for government agencies preparing financial statements. Ministries do not prepare financial statements.

Opinion

We have audited the financial statements of [Agency], which comprise [the statement of financial position] as at [Year End[s]], and the [statement of operations and accumulated surplus], [statement of remeasurement gains and losses], [statement of changes in net financial assets] and [statement of cash flows] for the year[s] then ended, and notes to the financial statements, including [a summary of significant accounting policies or material accounting policy information].

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of [Agency] as at [Year End[s]], and [insert appropriate wording to describe financial results] for the year[s] then ended in accordance with [insert name of the acceptable financial reporting framework].



Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of [Agency] in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

[Insert the following paragraphs if you expect to receive all or some of the other information (i.e., annual report that includes financial statements) prior to the date of the auditor's report and the auditor does not expect to identify a material misstatement of the other information. If you do not expect to receive other information prior to the date of the auditor's report, then there are no reporting requirements. The Other Information section can be removed from the auditor's report.]

Other Information

Management is responsible for the other information. The other information comprises the information included in [X report], but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or any knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with [insert the name of the acceptable financial reporting framework] for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing [Agency's] ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the [Agency] or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the [Agency's] financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the [Agency's] internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the [Agency's] ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the [Agency] to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

