
2024 Report – Volume 2 Summary of Main Points

INTEGRATED CHAPTERS

Chapter 1: eHealth Saskatchewan

This chapter reports the results of the 2023–24 annual audit of eHealth Saskatchewan. eHealth is the provincial health sector’s primary IT service provider, including disaster recovery service provider.

eHealth’s 2023–24 financial statements are reliable. During 2023–24, eHealth complied with the authorities governing its activities related to financial reporting and safeguarding public resources. Other than the following areas, eHealth had effective rules and procedures to safeguard public resources for the year ended March 31, 2024.

At March 2024, eHealth did not yet have an adequate IT service level agreement in place with the Saskatchewan Health Authority. eHealth and the Authority have not finalized key aspects (e.g., security and disaster recovery requirements) of the agreement. Adequate service level agreements clearly outline key IT service expectations. Without a clear understanding of expectations and whether they are fulfilled, the Authority’s systems may be vulnerable to security breaches or be unavailable.

Further, eHealth had disaster recovery playbooks for all 52 critical IT systems identified as critical to the health sector, but had yet to fully complete disaster recovery testing (e.g., full backup restores) for these systems.¹ Testing recovery plans confirms whether eHealth can restore critical IT systems in reasonable time when a disaster occurs.

Chapter 2: Executive Council

During 2023–24, the Office of the Executive Council had effective rules and procedures to safeguard public resources and it complied with authorities governing its activities other than in the following area.

Executive Council continued to set remuneration rates inconsistent with the Board of Internal Economy directives. *The Legislative Assembly Act, 2007*, gives the Board of Internal Economy clear authority to set remuneration rates of legislative secretaries through directives, and the Board has done so. Executive Council needs to work with the Board to remunerate legislative secretaries at rates consistent with the Board’s approved rates. Not operating within laws and directives increase the risk of decreasing public confidence in government.

Chapter 3: Government Relations—Northern Municipal Trust Account

The Ministry of Government Relations sufficiently supported management of the Northern Municipal Trust Account to obtain the necessary information to implement a new accounting standard related to asset retirement obligations for the year ended December 31, 2023. As a result, the Trust Account’s December 2023 financial statements complied with Canadian public sector accounting standards and appropriately recorded asset retirement obligations.

The Ministry also:

- Obtained updated information to better estimate the cost to decommission the Trust Account’s landfills.

¹ A disaster recovery playbook is a document typically part of an overall IT recovery plan documenting key aspects and recovery steps to take during a crisis.



- Updated relevant legislation to clarify legislated authority to make grants from the Northern Municipal Trust Account to northern municipalities for landfills not wholly owned by the Ministry.

However, the Ministry of Government Relations needs to undertake timely, detailed review of the Northern Municipal Trust Account's financial information. This would enable the Trust Account to table its annual report by the timeline set out in law.

Other than those areas mentioned, the Ministry had effective rules and procedures to safeguard the Trust Account's public resources and complied with authorities governing the Trust Account's activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing for the year ended December 31, 2023.

The Trust Account's 2023 financial statements are reliable.

Chapter 4: Healthcare Affiliates

For each of the 2023–24 annual audits of 35 healthcare affiliates, all had effective rules and procedures to safeguard public resources. The 2023–24 financial statements for each of the healthcare affiliates are reliable.

All Nations' Healing Hospital Inc. did not comply with legislative requirements and obtain approval from the Ministry of Health for two 2022–23 capital projects exceeding \$100,000 until 2023–24. As All Nations did not undertake any further capital projects valued at greater than \$100,000 during 2023–24, we were unable to confirm it would have obtained Minister of Health's approval as required by legislative requirements. Not seeking the Minister's approval for capital projects increases the risk money may be spent on items not considered a priority for the healthcare system.

Chapter 5: Highways

The Ministry of Highways had effective rules and procedures to safeguard public resources for the year ended March 31, 2024, except it did not:

- Adequately prepare and review revenue financial information (e.g., deposit and accounts receivable reconciliations).
- Conduct a detailed review of the Transportation Partnerships Fund's 2023–24 financial statements. The financial statements presented for audit contained significant errors. Management corrected these errors; the Fund's final financial statements are reliable.

Appropriate review of financial information helps ensure management has quality and accurate financial information to make decisions.

During 2023–24, the Ministry and the Transportation Partnerships Fund complied with the authorities governing their activities relating to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.

Chapter 6: Northlands College

In 2023–24, Northlands College needed to improve its rules and procedures to safeguard public resources. The College did not:

- Always complete monthly credit card or bank reconciliations
- Adequately segregate access to its electronic cheque-signing system
- Have all its journal entries properly supported, and independently reviewed and approved

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

For the year ended June 30, 2024, Northlands College complied with authorities governing its activities and its 2023–24 financial statements are reliable.

Chapter 7: Prairie Agricultural Machinery Institute

The Prairie Agricultural Machinery Institute (PAMI) prepared reliable financial statements for the year ended March 31, 2024, and complied with its legislative authorities.

Other than the following concern, PAMI had effective rules and procedures to safeguard public resources for the year ended March 31, 2024.

PAMI did not adequately review and approve financial information once prepared (e.g., journal entries, cash receipts), throughout the 2023–24 year. Appropriate review of financial information helps ensure PAMI management and the Board have quality and accurate financial information to make decisions.

Chapter 8: Saskatchewan Health Authority

This chapter reports the results of the 2023–24 annual audit of the Saskatchewan Health Authority.

The Authority's 2023–24 financial statements are reliable. In 2023–24, the Authority complied with the authorities governing its activities related to financial reporting and safeguarding public resources. The Authority had, other than the following areas, effective rules and procedures to safeguard public resources for the year ended March 31, 2024.

At March 2024, the Authority did not have an adequate IT service level agreement in place with its main IT service provider—eHealth Saskatchewan. The Authority and eHealth signed a new master services agreement in May 2022, but have yet to finalize remaining key aspects (e.g., security and disaster recovery requirements) of the agreement. Without an adequate agreement, the Authority risks being unable to effectively monitor the quality and timeliness of IT services delivered by eHealth, or know whether its critical IT systems and data are secure and can be restored in a reasonable timeframe in the event of a disaster.

To strengthen its financial controls, the Authority needs to do more work to segregate incompatible duties related to paying vendors and staff. Without acceptable segregation of duties, the Authority faces a higher risk of fraud and undetected errors in its financial information.

The Authority continued to work toward implementing its new business-wide IT system called Administrative Information Management System (AIMS). While the Authority initially planned to implement AIMS by March 31, 2021, at a cost of about \$86 million, by March 31, 2024, it spent almost \$190 million and forecasted to spend about \$250 million to complete the project over the next two fiscal years.

We found the Authority made improvements from its initial attempt to implement the system in November 2022, including plans to have nearly 500 end-users from across its various business units participate in user acceptance testing in spring 2024. Such testing should help the Authority identify any critical system defects it needs to address before attempting to implement the system.

Upon project completion, it will be important for the Authority to complete a formal lessons learned report for the AIMS project overall. Documenting and sharing such information with other government agencies leading significant IT projects can help to avoid system implementation failures on similar projects.



Chapter 9: Social Services

This chapter reports the results of our annual audit of the Ministry of Social Services for the year ended March 31, 2024. Our audit also included assessing the design and implementation of the Ministry's processes up to July 31, 2024, for procuring hotel rooms when income assistance or child and family programs' clients require hotel stays. Prior to March 2024, the Ministry's processes did not specifically consider best value when procuring appropriate hotel rooms for its clients.

The Ministry complied with authorities governing its activities and had effective rules and procedures to safeguard public resources other than it needs to:

- Centrally collect reliable data and conduct a robust evaluation to determine whether its two hotel pilot projects (i.e., obtaining three quotes, using contracted hotels with fixed rates) improve its ability to procure hotel rooms for clients efficiently and effectively.
- Demonstrate its consideration for best value in its procurement of hotel rooms for child and family program clients (e.g., Ministry staff document the nightly hotel rate chosen in its case management system).
- Publicly disclose payments made to vendors (e.g., hotels) on behalf of its clients to increase transparency and demonstrate accountability.
- Adequately record overpayments for the Saskatchewan Income Support (SIS) Program and recover them in a timely manner—the Ministry does not consistently set up automatic recovery for known overpayments. Not initiating automatic payment recovery delays timely overpayment recovery, with the Ministry having limited ability to collect on overpayments if clients leave the SIS Program.

During 2023–24, the Ministry of Social Services implemented a process to start verifying the accuracy of SIS Program clients' income information with the Federal Government. The Ministry confirmed the accuracy of income for a sample of clients and intends to further expand this work in 2024–25. Using third-party information to confirm client income decreases the risk of the Ministry paying incorrect SIS benefits.

Chapter 10: Western Development Museum

The Western Development Museum prepared reliable financial statements for the year ended March 31, 2024, and complied with its legislative authorities.

Other than the following concern, the Museum had effective rules and procedures to safeguard public resources for the year ended March 31, 2024.

The Museum did not adequately review and approve financial information (e.g., journal entries, bank reconciliations, admission records) once prepared. Appropriate review of financial information helps ensure Museum management and the Board have quality and accurate financial information to make decisions.

PERFORMANCE CHAPTERS

Chapter 11: Farm Land Security Board—Regulating Foreign Ownership of Saskatchewan Farmland

Saskatchewan farmland values have steadily increased in the past several years. For example, in 2023, farmland values rose by about 15% representing the highest increase in Canada. Non-Canadians purchasing Saskatchewan farmland can increase farmland prices and prevent Canadian residents from affording farmland.

The Saskatchewan Farm Security Act and related regulations restrict the amount of Saskatchewan farmland that non-Canadian entities—individuals and corporations—can own or lease. The Farm Land Security Board is responsible for administering the Act and regulating the control of Saskatchewan farmland, including approving (exempting) non-Canadian entities to control more farmland than the legislated limit (i.e., 10 acres). The Board utilizes six employees who are Ministry of Agriculture staff to support its activities.

Saskatchewan operates a land titles registration model where the Board reviews farmland purchases after the transaction and the land title change is finalized for compliance with the Act. About 40,000 farmland transactions occur each year in Saskatchewan. Since 2020, the Board issued five orders to sell farmland inappropriately purchased by foreign entities.

We audited the Board's processes to regulate foreign ownership of Saskatchewan farmland by non-Canadian entities. At August 31, 2024, we found the Board had effective processes, except it needs to:

- Request proof of residency from permanent residents and ownership declarations, called statutory declarations, from higher risk farmland purchasers (e.g., corporations not registered in Saskatchewan) to sufficiently identify non-Canadian entities purchasing Saskatchewan farmland. We found the Board did not request statutory declarations for 9 of 18 farmland purchases made by corporations not registered in Saskatchewan that we tested.
- Determine how quickly staff should assess farmland transactions. At August 2024, staff were reviewing transactions about five months later. Not reviewing farmland transactions timely delays identifying potential non-compliance and taking enforcement action. We found one farmland transaction from November 2023 where the Board did not request a statutory declaration until April 2024, which was still not received at September 2024.
- Communicate the requirement to sell farmland timely for identified non-compliance and set escalation procedures for continued non-compliance. We found the Board requested eight statutory declarations since 2020 where it did not receive responses; the Board remains unable to conclude whether these eight purchasers complied with the Act. The Board does not have escalation procedures for staff to take further action (e.g., fines, penalties).
- Work with the Ministry of Agriculture to determine how to effectively regulate farmland leases as no central tracking of lease transactions currently exists, which reduces the Board's ability to effectively enforce farmland lease restrictions.

The Board also needs to provide adequate notice of hearings to exemption applicants, document declared conflicts of interest in its minutes, use sufficient performance indicators to monitor its regulatory activities, and enhance its public reporting.

Effective processes to regulate ownership of Saskatchewan farmland help to preserve ownership and farming operations (an important source of food production) by Canadians, and help to keep farmland prices affordable.

Chapter 12: Saskatchewan Housing Corporation—Planning for Social Housing Units in Regina

Having stable housing is important for individuals and families to succeed. Through its Social Housing Program, the Saskatchewan Housing Corporation strives to make safe, adequate housing available by providing social housing units and subsidizing rent based on financial need. The Corporation owned about 3,000 social housing units in Regina as of June 2024, and the Regina Housing Authority managed these units.

We assessed the Corporation's processes to plan for social housing units to meet the needs of people in Regina. At June 2024, we found the Corporation had effective processes, except it needs to:



- Assess social housing applicant data and implement plans to help reduce the vacancy rate in Regina.
At May 2024, the Corporation had 534 vacant social housing units (17.8%) in Regina with 364 units out-of-service (i.e., in need of repairs), compared to 404 households waiting for social housing units. The Corporation's mix of social housing units in Regina remained relatively unchanged since 2016, with about 51% of social housing units designated for seniors and about 49% designated for families/single persons—compared to current demand of about 25% and 75% respectively.
Implementing plans to get vacant units back into service, including revisiting the mix of social housing units it owns, can help the Corporation address long applicant waitlists and house more people in Regina.
- Complete its forecast of long-term social housing needs in Regina to sufficiently identify gaps. Without a long-term forecast of social housing needs in Regina, there is an increased risk of misalignment between social housing priorities and expected future demand.
- Periodically analyze data to identify and respond to possibly over-housed social housing tenants in Regina.² We identified 108 single individuals in Regina residing in two-bedroom social housing units when a one-bedroom unit may suffice and be available.
- Enhance its operational reviews of the Regina Housing Authority, including setting performance benchmarks (e.g., around tenant satisfaction), following up on compliance issues and recommendations, and formally monitoring social housing complaints.
- Expand analysis and reporting on improvements made to social housing building conditions in Regina.

Without effective processes to plan for social housing units, vulnerable people are at greater risk of not having access to appropriate, affordable housing when needed.

Chapter 13: Saskatchewan Public Safety Agency—911 Call Taking and Dispatching for Fire Emergencies

911 call answering, call taking, and dispatching are critical so that people receive timely emergency response, as lives and infrastructure are often at risk.

We assessed the Saskatchewan Public Safety Agency's 911 call-taking and dispatching processes for fire emergencies. We focused on the Provincial Emergency Communications Centre (PECC), which serves as the emergency dispatching centre for fire emergencies across the province except for Regina and Saskatoon.

In Saskatchewan, 911 was called almost 600,000 times in 2023–24. Located in Prince Albert, PECC received just over 300,000 of those 911 calls. The Agency uses a service provider (CanOps) to operate PECC. The Agency paid CanOps \$13.7 million in 2023–24.

At May 2024, we found the Saskatchewan Public Safety Agency had effective processes, except where it needs to:

- Set formal expectations for how quickly 911 fire calls are taken and dispatched to fire departments, and monitor the timeliness and quality of dispatch services.

Our testing of 30 calls found 77% took more than 90 seconds to be taken and dispatched.³ The ability to collect and share information with fire departments quickly and accurately affects response times. Monitoring the timeliness of 911 call-taking and dispatching services provided by CanOps can help identify and address shortcomings in fire emergency services.

² Over-housed tenants refer to situations where household needs change (e.g., fewer people living in a home), resulting in tenants possibly residing in units now too large for their household needs.

³ National Fire Prevention Association standard expects 911 call processing (i.e., call taking and dispatching) completed within 60 seconds 90% of the time.

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- Expand its IT security requirements and monitor the availability of its 911 systems and data, including periodically testing disaster recovery plans.

The Agency relies on the operability of 911 IT systems as an integral part of its public safety operations. If systems go down, an immediate impact on operations occurs. Call processing times—typically measured in seconds—can escalate to minutes, and can mean the difference between life and death.

Properly securing IT systems and testing disaster recovery plans can mitigate and reduce the response time required by IT staff when cybersecurity incidents or disasters occur (e.g., massive outages, ransomware attacks).

- Periodically confirm whether 911 staff have appropriate training certifications.

We found 32 instances where CanOps staff had expired certifications. The lack of formal certification poses risks to effectiveness in handling emergencies.

- Enhance financial oversight of the service provider's budget and spending.

The Agency increased its funding to CanOps from \$9.8 million in 2022–23 to \$13.1 million in 2023–24. We found it requires further analysis of increased administrative positions the Agency now pays for, and the administration fee of \$1.2 million paid to CanOps in 2023–24.

Finally, the Agency requires timely quarterly financial reports from CanOps to confirm it incurred appropriate expenses for delivering 911 services on the Agency's behalf. Paying only for services required and monitoring funds are spent appropriately is good financial management and contributes toward effective use of public resources.

Chapter 14: SaskPower—Transitioning to Low and Non-Emitting Energy Sources

Saskatchewan ranked fourth highest for greenhouse gas emissions in Canada in 2022 (first in per capita emissions), which includes emissions emitted from electricity generation. SaskPower generates most of the power in the province—in 2023–24, about 35% of SaskPower's total generating capacity came from renewable (non-emitting) sources with the remainder fueled mainly from coal and natural gas.

Reducing greenhouse gas emissions is important to help mitigate the effects of climate change. In 2024, SaskPower had two primary targets relating to renewable energy sources and reducing greenhouse gas emissions:

- Increase its electricity generating capacity from non-emitting sources (like hydro, wind, solar and nuclear) to a minimum of 40–50% of its total electrical generation capacity by 2030
- Reduce its greenhouse gas emissions by 50% from 2005 levels by 2030

We audited SaskPower's planning processes, for the period ended August 31, 2024, to transition to low and non-emitting energy sources to meet its greenhouse gas emissions reduction and renewable energy generation targets. We found overall SaskPower generally had effective processes.

SaskPower projects energy demand will more than double from current levels by 2050. It evaluated cost, reliability, environmental impact, and development timelines for four supply pathways (containing various mixes of low and non-emitting energy alternatives to meet forecasted demand) through its long-term supply planning. SaskPower is currently using its net-zero 2050 pathway to make electricity generation investment decisions expecting about 57% of available generating capacity by 2050 will come from renewable non-emitting sources, with nuclear (12%) and natural gas with carbon capture (12%) also utilized.

Under its net-zero 2050 pathway, SaskPower would not be compliant with the draft federal Clean Electricity Regulations by 2035. SaskPower may need to adjust its pathway once the Clean Electricity Regulations are finalized.



We found SaskPower needs to:

- Analyze further expansion of distributed energy resources (e.g., solar panels) to help meet emerging needs. Other provinces like Alberta and Ontario are planning for increased capacity from such energy sources.
- Clarify action plans to address when annual low and non-emitting energy targets are not met. In 2023–24, SaskPower planned to reduce greenhouse gas emissions by 8% compared to 2005 levels. Instead, greenhouse gas emissions decreased by 4% in 2023–24. Outlining clear action plans to address missed incremental targets demonstrates SaskPower's intent to act so long-term targets (50% reduction by 2030) are not missed, and cost impacts are minimized.

FOLLOW-UP CHAPTERS

Chapter 15: Corrections, Policing and Public Safety—Inmate Segregation

The Ministry of Corrections, Policing and Public Safety provides inmate care, control, and supervision for inmates at all four provincial correctional centres, which includes placing inmates on administrative segregation. Administrative segregation is used in correctional centres to keep an inmate away from the general population for safety or security reasons.

By August 2024, the Ministry implemented five of the seven recommendations we first made in 2022.

The Ministry implemented regular refresher training (i.e., every three years) for correctional centre staff about administrative segregation. We found the training included all requirements of the Ministry's Administrative Segregation Policy and key legislative requirements. Since the new training's implementation, we found appropriate correctional centre staff began properly authorizing administrative segregation placement decisions and quality assurance results improved.

Correctional centre staff improved in documenting daily reviews when placing inmates on administrative segregation. However, we found staff did not complete all daily reviews where required for three of five inmates tested. Not completing the daily activity reviews could result in Correctional Facility Managers missing key pieces of information when deciding to continue an inmate on administrative segregation.

The Ministry improved its quality assurance reviews to include all key information. We found the Ministry communicated deficiencies identified during quality assurance reviews to correctional centre staff. Informing correctional centre staff of deficiencies identified during quality assurance reviews allows staff to correct deficiencies going forward, reducing the risk of continued non-compliance with policies.

Finally, the Ministry began the process of revising its legislation to allow independent adjudicators to review inmate appeals.

Effective processes to administratively segregate inmates contribute to the safety and wellbeing of inmates, staff, and the public.

Chapter 16: Corrections, Policing and Public Safety—Rehabilitating Adult Inmates

Research indicates inmates participating in rehabilitation programs have lower re-offending rates than inmates who do not receive treatment or participate in programs.⁴ Rehabilitated inmates have more opportunities to return to work and contribute to their community upon release.

⁴ www.publicsafety.gc.ca/cnt/rsrscs/pblctns/prnpls-rhbltn/index-en.aspx (25 April 2024).

Under *The Correctional Services Act, 2012*, the Ministry of Corrections, Policing and Public Safety is responsible for providing correctional services and programs, including adult inmate rehabilitation programming.

By March 2024, the Ministry completed the majority of risk assessments of sentenced inmates and their case plans within required timeframes. It also developed a process to monitor the status of inmates' risk assessments and case plans weekly to support follow-up with frontline case managers where completion was not done timely.

Timely determination of inmates' needs and case plans helps the Ministry to identify inmates with the highest risk in re-offending and get them into rehabilitation programming promptly to address their needs before their release back into the community.

The Ministry also developed a strategy to evaluate the outcomes of its rehabilitation programs based on inmate recidivism rates. The Ministry evaluated five programs in 2022. We found the Ministry appropriately utilized program results to improve its delivery of rehabilitative programming. For example, while the Ministry aims to provide programming to all inmates, we found the Ministry prioritized inmates with the highest risk of re-offending to attend rehabilitation programs with high success rates.

Conducting program evaluations and analysis of recidivism can help the Ministry determine successful rehabilitation programs and make adjustments, if necessary.

Chapter 17: eHealth Saskatchewan—Securing Portable Computing Devices

eHealth Saskatchewan is responsible for managing critical IT services used to administer and deliver healthcare services in Saskatchewan, which includes configuration and security of portable computing devices accessing the eHealth IT network. Portable computing devices (e.g., laptops, smartphones) create security risks because they may become infected with viruses or malware and are easy to lose.⁵ As of August 2024, almost 32,000 portable computing devices can access the eHealth IT network.

By August 2024, eHealth made some progress toward securing portable computing devices, but it still needs to:

- Implement adequate configuration settings on all eHealth-managed laptop devices with access to the eHealth network
- Complete implementation of a central mobile device management system, which can help to reduce the risk of inconsistent configuration settings on mobile devices that expose the devices and the eHealth IT network to viruses and malware
- Sufficiently control and monitor access to the eHealth IT network to detect and prevent malicious activity to help mitigate the impact of security breaches

eHealth also needs to work with its health sector partners to improve its tracking of lost or stolen devices so eHealth can ensure it appropriately removes all portable devices from the network. Not properly wiping or removing portable devices from the eHealth IT network if lost or stolen increases the risk of unauthorized access to confidential health information on the device and the network.

⁵ Malware is software specifically designed to disrupt, damage, or gain unauthorized access to computing devices.



Chapter 18: Finance—Monitoring the Fuel Tax Exemption Program

Tax expenditures (exemptions) reduce the amount of taxes that select individuals and/or corporations pay, resulting in lower revenues for the Government. Because of these lower revenues, legislators need to clearly understand what tax expenditure programs (such as the fuel tax exemption program) are expected to achieve and whether these programs achieve desired results.

By August 2024, the Ministry of Finance implemented the three remaining recommendations we first made in our 2016 audit of its processes to monitor the fuel tax exemption program.

We found the Ministry documented its detailed review of one tax expenditure program as part of the Provincial Budget, given changes to the program. This provided adequate support for the Ministry's program recommendation to Treasury Board and allowed for informed decisions. We also found the Government reported on the achievements related to this tax expenditure program in a public annual report, promoting government accountability for results achieved by this program.

The Ministry measures the success of its fuel tax exemption program, which applies to marked diesel fuel purchased by permit holders, by publicly reporting how much farmers save annually through the program. The annual Provincial Budget shows the actual or estimated amount of forgone revenue because of the fuel tax exemption program—saving farmers \$114 million in 2023–24 and staying relatively consistent over the past four years.

Chapter 19: Health—Preventing Diabetes-Related Health Complications

At March 2023, there were about 101,000 Saskatchewan residents with diabetes.⁶

By September 2024, the Ministry of Health implemented the three remaining recommendations we first made in 2012 about preventing diabetes-related health complications.

The Ministry collected and analyzed care information related to diabetes and diabetes-related complications. For example, it continues to increase physician use of its Chronic Disease Management—Quality Improvement Program IT system. This system collects data from participating physicians about key healthcare services and programs provided to people with diabetes. Using this data, the Ministry began producing monthly chronic disease reports, as well as clinic reports for Saskatchewan Health Authority-operated clinics. These reports help inform priorities for service improvement.

The Ministry also collects and tracks data on diabetes-related complications and uses this information to assist with program planning (e.g., changes in demand and delivery for dialysis and chronic disease programs).

Preventative measures and better disease management can reduce the prevalence of diabetes-related complications and the impact of the disease on quality of life, and lead to lower healthcare costs.

Chapter 20: Health—Using Critical Incident Reporting to Improve Patient Safety

In healthcare, a critical incident is a serious adverse health event that did or could have resulted in serious harm or death of a patient. Critical incident reporting is a recognized tool in improving patient safety in the healthcare sector.

In 2023–24, healthcare organizations (e.g., Saskatchewan Health Authority, Saskatchewan Cancer Agency) reported 215 critical incidents (2022–23: 145 critical incidents) to the Ministry of Health.⁷

⁶ March 2023 was the latest available information from the Ministry of Health as of September 2024.

⁷ Ministry of Health, *2023–24 Annual Report*, p. 31.

Since our original audit in 2021, the Ministry made some improvements to its critical incident reporting processes, but further work remains.

The Ministry still needs to:

- Sufficiently assess planned corrective actions and contributing factors in critical incident reports to help ensure the actions effectively address causes of critical incidents. We found 17 of the 20 reports we tested had weak planned corrective actions. We also found 10 reports did not describe why the incident happened limiting the healthcare organizations' ability to identify contributing factors and develop appropriate actions to address them.
- Monitor and enforce compliance with critical incident reporting deadlines set in *The Critical Incident Regulations, 2023*. The Ministry continues to frequently receive critical incident reports from healthcare organizations later than the timeframes required by law. In 2023–24, we found the Ministry received 62% (2019–20: 44%) of initial notifications later than the three-day requirement. We also found the Ministry received 90% (2019–20: 73%) of the critical incident reports later than the 60-day requirement.
- Regularly confirm the critical incident listings with planned corrective actions received from the Saskatchewan Health Authority are complete and accurate to enable effective monitoring of the implementation status of corrective actions; we found six incidents were not included in the Authority's listing. The Ministry also reported 340 outstanding corrective actions as of June 30, 2023, with 94% noted as not yet implemented by the Authority.
- Effectively determine when to issue a patient safety alert and monitor the alert's effectiveness. The Ministry has not issued any patient safety alerts since September 2019. Management indicated the Ministry plans to use its new guidance for two potential patient safety alerts—it plans to issue the alerts by December 2024.
- Further analyze critical incidents and use the Ministry's framework to implement system-wide improvements.

By June 2024, the Ministry expanded the list of adverse health events it requires healthcare organizations to report as critical incidents to fully align with good practice, confirmed critical incident reporting forms are complete, and compared specific critical incidents to other health data sources (e.g., Canadian Institute for Health Information).

Through effective use of critical incident reporting, the degree of injury and the types of critical incidents that occur in Saskatchewan healthcare facilities should reduce over time.

Chapter 21: Immigration and Career Training—Coordinating English-language Programs

By June 2024, the Ministry of Immigration and Career Training fully implemented our two outstanding recommendations on coordinating English-language programs made in our 2015 audit.

Five of Saskatchewan's regional colleges across the province deliver English-language programming on behalf of the Ministry, including: Carlton Trail, Southeast, Great Plains, North West and Suncrest (merger of Cumberland and Parkland in 2023).

The Ministry developed a policy manual for delivering English-language programs. This policy manual outlines information regional colleges should consider when performing local analysis to forecast the demand for English-language programs. The colleges submit their forecast assessments of demand for regional English-language programs to the Ministry in their annual business plans. We found all regional colleges submitted business plans as expected, and the Ministry used that information to allocate funding accordingly.



Since 2023, the Ministry formally assesses whether regional colleges meet the Ministry's program delivery expectations by reviewing each college's business plan (expectations) and semi-annual reporting of results. We found the colleges reported on their achievements to the Ministry. For three regional colleges we tested, two colleges met their English-language program delivery expectations in 2022–23 and the Ministry granted a delay in reporting to the other.

Clearly assessing student needs and whether provincial programs meet those needs informs the Ministry where English-language programs are needed and whether programs are effectively delivered to assist newcomers in improving their English-language skills.

Chapter 22: Northern Lights School Division No. 113—Purchasing Goods and Services

Northern Lights School Division No. 113 purchases various goods and services to deliver educational services to students in northern Saskatchewan. In 2022–23, the Division bought more than \$23 million of goods and services.⁸

By July 2024, of the 14 recommendations we first made in 2019, the Division implemented four recommendations, partially implemented seven recommendations, and made limited progress on three recommendations.

In September 2022, the Division approved and implemented a revised purchasing policy that sets out requirements for different purchasing methods, use of contracts, and segregation of incompatible duties. However, we found the Division did not always follow the updated requirements. Staff did not:

- Ensure tenders comply with external trade agreements
- Document rationale and approval for single or sole source purchases
- Initiate purchases in accordance with policy
- Consistently document evaluation of suppliers
- Provide suppliers with the minimum amount of time to respond to tenders
- Restrict who can add new suppliers to the financial system
- Validate suppliers and keep the supplier listing up to date

The Division also needs to implement updated credit card guidelines to align with good purchasing practices, actively monitor cardholders' adherence with its purchase card guidelines, and agree purchases on monthly fleet card invoices to supporting receipts prior to making payment.

Strong processes to purchase goods and services support transparency, fairness, and achievement of best value in purchasing activities.

Chapter 23: Northlands College—Purchasing Goods and Services

Northlands College has more work to do to improve its processes for purchasing goods and services. Of the nine outstanding recommendations from our 2019 audit, the College implemented one and partially implemented eight recommendations.

The College updated its purchasing policy outlining requirements for using single source purchasing, declaring conflicts of interest when involved with purchasing transactions, establishing tendering timeframes, segregating incompatible purchasing duties, and using purchase orders and contracts.

However, College staff did not always follow the purchasing policy, which increases the risk the College is not facilitating fair and equitable treatment of suppliers and not detecting fraudulent or erroneous purchases.

⁸ Northern Lights School Division No. 113, *Annual Report 2022–23*, p. 74.

Further, because the College is not utilizing robust purchase templates, it can be exposed to increased legal or financial risks.

While the College set transaction limits for individual purchases on its credit cards, we found it did not restrict cardholders' ability to make purchases over established transaction limits in its credit card system. Additionally, we found instances of staff splitting credit card purchases to make purchases over established transaction limits.

Finally, the College does not document its due diligence procedures to validate new suppliers before entering them into its financial system, or document approved changes to existing suppliers (such as a change in banking information). This increases the risk of making payments to fictitious suppliers.

We also made a new recommendation related to the College's non-compliance with established policies for travel expense claims and corporate credit cards. For example, we found two instances where a corporate credit card was used for personal reasons (the individual later reimbursed the College). We also found senior management incurred travel expenses without adequate support or prior approval, including an international trip costing the College roughly \$19,000. Lack of appropriate support and approval increases the risk of inappropriate or fraudulent purchases by staff.

Chapter 24: Saskatchewan Arts Board—Awarding Grants Impartially and Transparently

The Saskatchewan Arts Board provides funding and support to the arts sector by awarding grants to professional artists, art organizations, and art communities. Examples of its major grant programs include Artists in Communities, Indigenous Peoples Art and Artists, and the Professional Arts Organization Program.

By April 2024, the Arts Board implemented the one outstanding recommendation we first made in 2018 related to awarding grants.

The Arts Board implemented a documented scoring process for its 10 grant programs and provided its grant application reviewers with consistent evaluation criteria and scoring guidance. Applicants also have access to evaluation criteria on the Arts Board website.

Well-documented, consistent evaluation criteria and well-designed scoring tools are crucial for assessing grant applications impartially and ensuring a fair evaluation process.

Chapter 25: Saskatchewan Cancer Agency—Cancer Drug Supply Management

The Saskatchewan Cancer Agency is responsible to deliver effective and sustainable research, education, prevention, early detection, treatment, and supportive care programs for the control of cancer in Saskatchewan.⁹ The Agency purchased over \$175 million of cancer drugs in 2023–24.

By June 2024, the Agency implemented all five recommendations we made in our 2022 audit of its processes to manage its supply of cancer drugs.

The Agency documented its process for updating the approved list of cancer drugs (i.e., formulary) to treat cancer patients and established a timeframe (i.e., five business days) for making decisions on physicians' requests for exception cancer drugs (e.g., certain cancer drugs not listed on the approved formulary). At September 2024, the Agency had over 200 approved cancer drugs on its list.

The Agency also documented and considered relevant factors when deciding to purchase cancer drugs directly (through tendering or sole/single sourcing) rather than using group purchasing methods.¹⁰ It directly

⁹ *The Cancer Agency Act*, s. 9.

¹⁰ Group purchasing methods can help organizations realize the benefits from nationally negotiated prices for cancer drugs.



purchased over \$15 million of cancer drugs in 2023–24 using tenders or single/sole sourcing methods. We found it maintained appropriate documentation to support its purchases of cancer drugs, including when and who completed potential supplier evaluations when tendering for cancer drugs (which helps mitigate conflict of interest).

Effective processes to manage cancer drugs contribute to the safety and wellbeing of cancer patients in Saskatchewan. Good purchasing processes facilitate the fair and equitable treatment of suppliers and the Agency receiving best value when purchasing cancer drugs.

Chapter 26: Saskatchewan Health Authority—Analyzing Surgical Biopsies in Regina and Saskatoon Labs

The Saskatchewan Health Authority is responsible for providing lab services that include analyzing surgical biopsies at its Regina and Saskatoon labs. In 2023, those labs analyzed over 417,000 tissue samples or about 100,000 cases.

By May 2024, the Authority implemented one of the three remaining audit recommendations we first made in 2018 related to analyzing surgical biopsies.

The Authority began consistently monitoring the completion of preventive maintenance on lab equipment in Saskatoon used to support analysis of surgical biopsies. In April 2024, the Authority updated its maintenance log policy in Saskatoon, including requiring staff to explain maintenance delays. Our testing of maintenance logs found lab staff completed maintenance as required and reviewed maintenance logs in accordance with policy (within five business days of submission at the beginning of each month).

The Authority approved a new surgical biopsy requisition form and guidance for healthcare providers (e.g., family physicians) in September 2022 but had yet to implement it by May 2024. We found the Authority approved additional revisions to the requisition form in June 2024 and was developing a plan to start training healthcare providers on using the new requisition form. In 2023, Regina labs received incomplete requisitions 23% of the time, supporting the need for training.

Also, the Authority had yet to fully implement a consistent approach for prioritizing and issuing timely diagnosis reports for surgical biopsies. In March 2024, the average turnaround time for diagnosis reports was over 11 days at the Saskatoon labs, and over 28 days at the Regina labs. Further, the surgical biopsy backlog in Regina was 5,600 cases at March 2024. We found the Authority drafted priority targets and expected turnaround times for diagnosis reports (e.g., 24–72 hours for urgent cases), but had not approved these targets by May 2024.

Having effective processes for performing analysis of surgical biopsies helps the Authority to provide timely results to healthcare providers so they can provide timely treatment options to patients.

Chapter 27: Saskatchewan Health Authority—Efficient Use of MRIs in Regina

Effective MRI services involve patients receiving quality scans within an appropriate timeframe, and physicians appropriately using MRIs as diagnostic tools after obtaining reliable interpretations of the scans within a reasonable timeframe.

By September 2024, the Saskatchewan Health Authority implemented the three remaining recommendations we originally made in 2017 about the efficient use of MRIs in Regina.

The Authority implemented a peer review IT system to formally and systematically assess the quality of MRI services that its radiologists provide. It will also require contracted private MRI operators to participate in the peer reviews. The Authority expects to have all radiologists, including private operators, using the peer review

IT system by the end of 2024. It will report results from peer reviews to senior management to support monitoring of the quality of MRI services.

Having quality MRI services help to facilitate appropriate diagnosis, treatment plans, and help to improve patient outcomes.

Chapter 28: Saskatchewan Legal Aid Commission—Providing Legal Aid Services

By August 2024, Saskatchewan Legal Aid Commission implemented the two outstanding recommendations we first made in 2016.

The Commission is using its electronic case management system to accurately record the status of legal aid cases including file closures. Accurately capturing the status of cases can help the Commission monitor and manage lawyer caseloads.

In addition, the Commission conducts annual staff performance evaluations of its lawyers as required by its Performance Management Policy. Where the Commission did not complete evaluations within the specified timeframe, it provided reasonable explanations (e.g., staff on leave). Completing performance evaluations as expected allows the Commission to take timely corrective action, and promotes a supportive culture of professional engagement.

Effective processes to deliver legal aid services help ensure clients receive timely assistance to address their legal issues and protect their rights.

Chapter 29: Saskatchewan Liquor and Gaming Authority—Regulating Commercial Permittees' On-Table Sale of Liquor

By June 2024, the Saskatchewan Liquor and Gaming Authority improved its processes to regulate commercial permittees' on-table sale of liquor. It implemented the two outstanding recommendations we first made in 2017.

The Authority consistently monitors inspectors complete inspections as planned of permitted establishments (e.g., restaurants, pubs) or obtain rationale for any delayed inspections.

Consistently inspecting permittees' establishments in the province as planned helps minimize public health and safety risks associated with the service and consumption of liquor.

The Authority also implemented trend reporting to identify and assess key trends of non-compliance annually, which helps to better understand gaps in the liquor regulatory process and propose corrective actions, where necessary. For example, two key non-compliance issues—minor-aged employees left alone with access to alcohol or serving alcohol, and special occasion events associated with serving minors—showed significant reduction in non-compliance in 2023–24.

Conducting trend analysis of key non-compliance issues from inspections completed annually assists the Authority in allocating regulatory resources to address non-compliance.

Chapter 30: SaskPower—Maintaining Above-Ground Assets Used to Distribute Electricity

Reliable electricity is critical to economic growth and security, as well as for Saskatchewan residents to maintain their expected quality of life. Saskatchewan Power Corporation is responsible for maintaining its infrastructure to provide customers with safe, reliable power sources and to reduce unplanned power outages.



By July 2024, we found SaskPower implemented the final two recommendations we first made in 2018 about its processes to maintain above-ground distribution assets (e.g., voltage regulators).

SaskPower formally assessed and reported to senior management about the consequences of not completing planned maintenance for above-ground assets (e.g., risk of power outage or safety issues). Senior management signed off on maintenance deferrals with potentially significant impact—there were two such deferrals in 2023–24.

Formally assessing and reporting the consequences of not completing planned maintenance helps to ensure the right maintenance is done at the right time.

Chapter 31: Social Services—Monitoring Quality of Care in Homes Supporting Adults with Intellectual Disabilities

The Ministry of Social Services funds and licenses group homes and approved private service homes to provide accommodation, meals, and care to about 1,700 adults with intellectual disabilities (i.e., clients). At April 2024, the Ministry licensed about 280 group homes and 180 approved private service homes in Saskatchewan.¹¹

By April 2024, the Ministry made some progress in monitoring the quality of care provided to clients living in group and approved private service homes, but more work remains.

The Ministry developed a centralized tracking system for monitoring group homes' licensing information (e.g., licence expiry dates) and planned to update its system to also include licensing details for approved private service homes. We found the Ministry appropriately monitored home operators' resolution of deficiencies set out in conditional licences—at March 31, 2024, 18% of group homes and 20% of approved private service homes had conditional licences, compared to 45% and 70% in 2021 respectively.¹² The Ministry maintained regular contact with home operators who had conditional licences.

We found the Ministry implemented a revised home inspection checklist for group homes in April 2024 to include assessment of additional key risk areas (e.g., safety plans for clients at risk of wandering). However, it had yet to make similar updates to its inspection checklist for approved private service homes. Additionally, we found the Ministry continues to not inspect each group home annually, inconsistent with good practice, to assess whether each home meets minimum program standards for quality care.

Further, we continued to find inconsistencies in the Ministry's review of clients' person-centred plans (e.g., plans non-existent or outdated) and the Ministry lacked regular contact with clients. We also found the Ministry has yet to verify completion of periodic criminal record checks (including vulnerable sector checks) for staff working at group and approved private service homes.

While the Ministry developed a dashboard to better track serious incidents and now requires Ministry staff to document the physical address of where incidents occur, we found it needs to conduct further analysis to identify homes with more persistent concerns. In addition, the Ministry did not consistently follow up with home operators on implementing recommendations from serious incident reports.

Effective monitoring of care provided at Ministry-funded, licensed homes helps adults with intellectual disabilities to live meaningful and fulfilling lives, free from safety and health threats.

¹¹ At March 2021, the Ministry of Social Services licensed 253 group homes and 206 approved private service homes providing spaces for about 1,600 clients.

¹² During the COVID-19 pandemic, the Ministry of Social Services issued more conditional licences as many homes could not undergo third-party inspections (e.g., fire inspections) or in-person inspections by Ministry staff as the Government imposed visiting restrictions.

STANDING COMMITTEES

Chapter 32: Standing Committee on Crown and Central Agencies

Through its work and recommendations, the Standing Committee on Crown and Central Agencies helps the Legislative Assembly hold the Government of Saskatchewan accountable for its management of the Crown Investments Corporation of Saskatchewan (CIC) and its subsidiary corporations.¹³ The Committee does this, in part, by reviewing chapters in our Reports, as well as reviewing annual reports and related financial statements of agencies within its assigned scope.

At September 2024, the Committee had yet to review five chapters in our Reports related to CIC and its subsidiaries.

CIC and its subsidiary corporations' implementation of the Committee's recommendations related to our audit work remains strong. As of September 2024, the Government fully implemented 93% of the Committee's recommendations made during the previous five years.

At September 2024, the Committee had not reviewed the 2022–23 and 2023–24 annual reports of CIC and its subsidiaries. The 2022–23 annual reports were available July 2023.

Timely review of our Reports' chapters and annual reports demonstrates the Committee undertakes appropriate scrutiny and holds agencies accountable.

Chapter 33: Standing Committee on Public Accounts

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

The Committee's discussions and recommendations to the Legislative Assembly promote a more open and accountable government, as well as better management of government operations. By reviewing chapters in our Reports, questioning government officials, requesting information, and making recommendations in its reports to the Assembly, the Committee acts as an agent of change for the management practices of government.

The implementation of the Committee's recommendations by the Government and its agencies declined slightly on an overall basis. As of September 2024, the Government fully implemented 54% (September 2023: 56%) of Committee recommendations made during the previous five years, and it partially implemented 59% (September 2023: 61%) of the remaining recommendations.

Between October 1, 2023, and September 30, 2024, the Committee met eight times and is relatively up to date in its review of our chapters in our Reports. At September 30, 2024, the Committee had not yet reviewed 88 chapters (September 2023: 82). The Committee reviewed the *Public Accounts 2022–23 Volume 1* in February 2024.

Timely review of our Reports' chapters and the Public Accounts demonstrates the Committee undertakes appropriate scrutiny and holds agencies accountable.

¹³ CIC's subsidiary corporations include Lotteries and Gaming Saskatchewan Corporation, Saskatchewan Government Insurance, Saskatchewan Power Corporation, Saskatchewan Telecommunications Holding Corporation, Saskatchewan Water Corporation, and SaskEnergy Incorporated.