

Chapter 1

Saskatchewan Distance Learning Corporation

1.0 MAIN POINTS

For the year ended August 31, 2025, the Saskatchewan Distance Learning Corporation prepared reliable financial statements. The Corporation had effective rules and procedures to safeguard public resources and complied with authorities governing its financial-related activities, except for:

- Documenting Board meeting minutes and decisions
- Providing sufficient financial forecasts to its Board

Establishing formal processes to document board decisions and provide adequate financial forecasts will help ensure the Corporation meets its legislative requirements as well as align with good governance practices.

2.0 INTRODUCTION

Established in 2022, the Saskatchewan Distance Learning Corporation is a Treasury Board Crown corporation mandated to provide kindergarten to Grade 12 online learning to students across the province.¹ The Corporation provides free online education for students up to age 22, while adult learners can enroll in courses by paying tuition per course.²

The Minister of Education forms the one-member board governing the Corporation.³

Headquartered in Kenaston with an administrative office in Regina, the Corporation has nine regional campuses in Estevan, Moose Jaw, Saskatoon, Swift Current, La Ronge, Neilberg, Nipawin, Prince Albert, and Yorkton.⁴

2.1 Financial Overview

As shown in **Figure 1**, in 2024–25, the Corporation had revenue of \$33.1 million and expenses of \$36.3 million. Approximately 84% of the Corporation's expenses relate to salaries and benefits.

¹ Operationally known as the Saskatchewan Distance Learning Centre (SDLC).

² *Saskatchewan Distance Learning Centre 2023–24 Annual Report*, p. 5.

³ Order in Council 499/2024.

⁴ www.saskdlc.ca/about-us (23 October 2025).



Figure 1—Financial Overview

	Budget 2024–25	Actual 2024–25
	(in thousands)	
Province of Saskatchewan grant – operating	\$ 17,007	\$ 17,189
Tuition	12,000	15,503
Other grants (e.g., North American Equipment Dealers Association)	100	395
Interest income	100	49
Total Revenue	<u>29,207</u>	<u>33,136</u>
Salaries and benefits	28,854	30,665
Operating	4,178	5,541
Amortization	99	99
Total Expenses	<u>33,131</u>	<u>36,305</u>
Annual Deficit	<u>\$ (3,924)</u>	<u>\$ (3,169)</u>

Source: Saskatchewan Distance Learning Corporation audited financial statements for 2024–25.

3.0 AUDIT CONCLUSIONS

In our opinion, for the year ended August 31, 2025, we found, in all material respects:

- **Saskatchewan Distance Learning Corporation had effective rules and procedures to safeguard public resources except for the matters described in this chapter**
- **Saskatchewan Distance Learning Corporation complied with the following authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing except for the matters described in this chapter:**

The Education Act, 1995
The Education Regulations, 2019
The School Division Administration Regulations
The Crown Corporations Act, 1993
The Crown Corporations Regulations, 1993
The Financial Administration Act, 1993
 Orders in Council issued pursuant to the above legislation

- **Saskatchewan Distance Learning Corporation had reliable financial statements**

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

The audit focused on examining the effectiveness of the Corporation's processes for properly preparing and processing payroll, receiving and paying for goods and services, and recording and receiving revenues. It also examined the effectiveness of the oversight provided by its governing body, which is the Corporation's one-member Board.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Documentation of Board Meetings and Decisions Still Needed

We recommended the Saskatchewan Distance Learning Corporation document and make public its Board meeting minutes including resulting decisions. (2025 Report – Volume 1, p. 15, Recommendation 1; Public Accounts Committee agreement January 21, 2026)

Status—Not Implemented

The Saskatchewan Distance Learning Corporation continues to not document its Board meeting minutes.

Board minutes provide a key record of a board's governance processes and decisions made. The Corporation's legislation also requires it to make its Board minutes public; however, it had not done so as of August 2025.⁵

The Minister of Education is appointed as the sole member of the Corporation's Board. Per management, meetings are occurring occasionally with its Board (i.e., Minister of Education), but these meetings are informal, and meeting minutes have not been taken since the Corporation formed in December 2022.

Additionally, during the audit, management could not provide any evidence of the Board functioning as a governing body, other than approval of quarterly forecasts, see **Section 4.2**. Examples of a board's actions aligning with good governance practices include, but are not limited to:

- Setting out the board's duties and responsibilities as well as the Corporation's strategy (e.g., financial and operational plans) to fulfill its mandate
- Approving management's responsibilities and authorities for activities (e.g., signing authority)
- Evaluating the financial and operational performance of the Corporation and the Chief Executive Officer

Documenting board meetings and decisions and making them public would support the Corporation in fulfilling its legislative requirements, as well as demonstrate that its Board is properly overseeing the affairs and business of the Corporation.

⁵ Section 48(1) of *The School Division Administration Regulations* requires the Saskatchewan Distance Learning Corporation's Board minutes to be made public. Section 23 of *The Crown Corporations Act, 1993*, requires the Board to manage the affairs and business of the Corporation.



4.2 Appropriate Financial Forecasts Required for the Board

We recommended the Saskatchewan Distance Learning Corporation's Board approve a detailed budget annually. (2025 Report – Volume 1, p. 16, Recommendation 2; Public Accounts Committee agreement January 21, 2026)

Status—Implemented

We recommended the Saskatchewan Distance Learning Corporation provide periodic financial forecasts that include written variance explanations to its Board. (2025 Report – Volume 1, p. 16, Recommendation 3; Public Accounts Committee agreement January 21, 2026)

Status—Partially Implemented

The Saskatchewan Distance Learning Corporation's one-member Board did not formally approve a budget for its 2024–25 fiscal year but did so for its 2025–26 fiscal year. The Board periodically reviewed the Corporation's quarterly forecasts during the year, but the forecasts lacked original budget details.

The Corporation did not have evidence of its Board approving its budget for the 2024–25 fiscal year. The Corporation was able to provide evidence the Board approved its budget for the 2025–26 fiscal year; however, the Board approved it one month after the start of the fiscal year. Obtaining annual budget approvals by those governing the Corporation (i.e., its Board) before the start of a fiscal year aligns with good governance practice as well as supports compliance with legislation.⁶

In 2024–25, the Corporation established a process to periodically provide its financial activities compared to its budget to its Board. While the Board reviewed and approved the Corporation's quarterly forecasts throughout the year and these reports included written variance explanations, budget details in the forecasts differed from the original budget reported in the Corporation's financial statements. We found management modified the original budget for mid-year circumstances (e.g., original salaries budget updated for new employees hired during the year).

Comparing forecasts to modified budget figures increase the risk the Corporation may not properly convey deviations from what it originally planned and, as a result, may not provide sufficient variance explanations. In addition, the Corporation's Board does not have accurate budget information to allow for informed decision-making and proper oversight increasing the risk the Corporation may spend more than was originally planned.

⁶ Sections 48(1) and 53.2(1) of *The School Division Administration Regulations* require the Saskatchewan Distance Learning Corporation to submit a Board-approved budget to the Ministry of Education for approval.