

Chapter 2 School Divisions

1.0 MAIN POINTS

This chapter summarizes the results of the 2024–25 annual audits of Saskatchewan’s 27 school divisions. The 2024–25 financial statements of each school division are reliable, and each complied with authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.

School divisions had effective rules and procedures to safeguard public resources during 2024–25 other than the following:

- The Île-à-la Crosse and the Northern Lights School Divisions need to review bank reconciliations timely, and independently review and approve journal entries timely.
- The Northwest School Division needs to complete and independently approve key financial reconciliations (e.g., bank and accounts receivable reconciliations) timely.
- 18 school divisions across the province continued to use a key IT financial system with no process to sufficiently monitor the IT service provider. This exposes them to increased cybersecurity risks. The Ministry of Education needs to work with the impacted school divisions to improve the school divisions’ monitoring of the IT system and its service provider.

In 2024–25, four school divisions (i.e., Holy Family Roman Catholic Separate, Conseil des Écoles Fransaskoises, Holy Trinity Roman Catholic Separate, Northern Lights) strengthened their financial-related controls by addressing previously made audit recommendations (see **Figure 2**).

2.0 INTRODUCTION

Over 200,000 students attend more than approximately 750 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 2023–24 and 2024–25.

¹ publications.saskatchewan.ca/#/products/83292 (19 February 2026); provincially funded schools do not include schools under the responsibility of First Nations or private schools.

**Figure 1—School Divisions' Combined Financial Results**

	2024–25	2023–24
	(in billions)	
Grants from the Ministry of Education	\$ 2.2	\$ 2.2
Other Revenue (e.g., property taxes, school generated funds)	0.6	0.5
Total Revenue	2.8	2.7
Total Expenses	2.7	2.5
Annual Surplus	\$ 0.1	\$ 0.2
Net Financial Assets ^A	\$ 0.2	\$ 0.2
Non-financial Assets ^B	\$ 2.5	\$ 2.4

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*.² 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, 2025, we found, in all material respects:

- **Each school division had effective rules and procedures to safeguard public resources except for the matters described in this chapter**
- **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 Education Funding 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 Benefits Standards Regulations, 1985

(Canada) (sections 9[1], 11[1])

- **The financial statements of each school division are reliable**

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 properly 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.

² *Report of the Task Force on Roles, Responsibilities and Duties of Auditors* available at auditor.sk.ca.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Île-à-la Crosse School Division No. 112

Independent and Timely Review and Approval of Bank Reconciliations Needed

We recommended Île-à-la Crosse School Division No. 112 prepare and review monthly bank reconciliations in a timely manner. (2025 Report – Volume 1, p. 21, Recommendation 4; Public Accounts Committee agreement October 17, 2025)

Status—Not Implemented

During 2024–25, Île-à-la Crosse School Division did not independently review and approve bank reconciliations timely (i.e., within one month of month-end). Audit work found Île-à-la Crosse implemented a new accounting program during the year which will allow bank reconciliations to be completed independently and timely in 2025–26.

Regular bank reconciliations, and the review and approval of such reconciliations, confirms all charges to bank accounts and all money has been received and deposited into the correct accounts. It also checks the accuracy and reliability of the accounting records.

Timely Review and Approval of Journal Entries with Support Needed

We recommended Île-à-la Crosse School Division No. 112 independently review and approve journal entries and maintain support. (2025 Report – Volume 1, p. 22, Recommendation 5; Public Accounts Committee agreement October 17, 2025)

Status—Partially Implemented

During 2024–25, Île-à-la Crosse School Division independently reviewed and approved journal entries, but these were not completed timely. Audit work tested 24 journal entries and found Île-à-la Crosse approved them after year-end and did not have supporting documentation for appropriate verification of journal entries. Île-à-la Crosse implemented a new accounting program during the year, and journal entries are expected to be completed in a timely manner in 2025–26.

Without timely review and approval, there is a risk of unauthorized entries made to accounting records resulting in inaccurate monthly financial reports.

4.2 Northern Lights School Division No. 113

Timely Review and Approval of Bank Reconciliations Needed

We recommended Northern Lights School Division No. 113 prepare and review monthly bank reconciliations in a timely manner. (2025 Report – Volume 1, p. 23, Recommendation 8; Public Accounts Committee agreement October 17, 2025)

Status—Partially Implemented



During 2024–25, Northern Lights School Division adequately prepared its bank reconciliations. However, audit work found seven instances where review and approval of bank reconciliations was not timely (i.e., exceeded three months from when the bank reconciliation was prepared).

Regular review and approval of these reconciliations confirm all charges to bank accounts, and all money has been received and deposited into the right accounts. It also checks the accuracy and reliability of the accounting records.

Independent Review and Approval of Journal Entries Needed

We recommended Northern Lights School Division No. 113 independently review and approve journal entries. (2025 Report – Volume 1, p. 23, Recommendation 9; Public Accounts Committee agreement October 17, 2025)

Status—Partially Implemented

During 2024–25, Northern Lights School Division did not independently review and approve journal entries. Audit work tested five journal entries. In four instances, it did not document the date of review and approval and in one instance, it did not have documentation of review or approval.

Good practice requires evidence of review and approval be maintained to reduce the risk of unauthorized entries made to accounting records.

4.3 Timely Financial Reconciliations Needed at Northwest School Division No. 203

We recommended Northwest School Division No. 203 complete key financial reconciliations monthly and independently review and approve them in a timely manner. (2024 Report – Volume 1, p. 19, Recommendation 3; Public Accounts Committee agreement October 17, 2025)

Status—Partially Implemented

During 2024–25, Northwest School Division did not complete or review key reconciliations timely (i.e., within one month of month-end). Audit work tested five bank reconciliations and found they were independently approved, but four reconciliations were not dated.

Additionally, Northwest only completed reconciliation of subledgers (e.g., accounts receivable) to the general ledger twice during the year instead of monthly, which is good practice. Audit work found these reconciliations were not dated; therefore, timeliness could not be assessed.

Regular reconciliations verify financial information is reliable and reduce the risk of fraud and errors in the financial statements.

4.4 Sufficient Monitoring of IT Service Provider for Certain School Divisions' 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 2024–25, school divisions did not adequately monitor a key financial IT system and the related service provider—18 school divisions across Saskatchewan use this key financial IT system.

The Ministry of Education and impacted school divisions are working to establish a process to monitor the key financial IT system and the IT service provider including working on wording to include in the contracts with the IT service provider. For example, school divisions could obtain relevant information from the IT service provider on security measures in place (e.g., privileged user access, reports on incidents and security breaches) and on system end-of-support dates.³ School divisions remain responsible for managing risks associated with their IT systems and data even when using a service provider.

Improved monitoring of this key financial IT system and the service provider would help school divisions identify risks (e.g., security vulnerabilities) and make decisions about mitigating identified risks that could adversely affect programs, data, or system access.

5.0 IMPLEMENTED RECOMMENDATIONS BY SCHOOL DIVISIONS

Figure 2 sets out, by school divisions, each past recommendation and key actions taken during 2024–25 to implement it.

Figure 2—Implemented Recommendations by School Division

Past Recommendations (Initial PAS Report, Date of PAC Agreement) ^A	Key Actions Taken During 2024–25 to Implement Recommendations
Holy Family Roman Catholic Separate School Division No. 140	
We recommended Holy Family Roman Catholic Separate School Division No. 140 segregate duties of employees responsible for key financial functions. (2024 Report – Volume 1, p. 18, Recommendation 2; Public Accounts Committee agreement October 17, 2025)	Subsequent to the 2024–25 year-end, Holy Family changed system access in its financial IT system limiting access to only those employees who perform key financial functions. Also, those with approval authority can no longer edit financial transactions.

³ End-of-support is when a technology company stops actively developing or providing technical support for software products.



Past Recommendations (Initial PAS Report, Date of PAC Agreement) ^A	Key Actions Taken During 2024–25 to Implement Recommendations
Conseil des Écoles Fransaskoises No. 310	
<p>We recommended Conseil des Écoles Fransaskoises No. 310 independently review and approve journal entries. <i>(2025 Report – Volume 1, p. 20, Recommendation 1; Public Accounts Committee agreement October 17, 2025)</i></p>	<p>During 2024–25, the Conseil independently reviewed and approved journal entries and maintained supporting documentation.</p>
<p>We recommended Conseil des Écoles Fransaskoises No. 310 require two independent signers in the banking system to review and approve electronic fund transfers. <i>(2025 Report – Volume 1, p. 21, Recommendation 2; Public Accounts Committee agreement October 17, 2025)</i></p>	<p>During 2024–25, the Conseil had two independent signers in the banking system who reviewed and approved electronic fund transfers.</p>
Holy Trinity Roman Catholic Separate School Division No. 22	
<p>We recommended Holy Trinity Roman Catholic Separate School Division No. 22 prepare and review monthly bank reconciliations in a timely manner. <i>(2025 Report – Volume 1, p. 21, Recommendation 3; Public Accounts Committee agreement October 17, 2025)</i></p>	<p>During 2024–25, Holy Trinity completed bank reconciliations and independent reviews timely.</p>
Northern Lights School Division No. 113	
<p>We recommended the Ministry of Education provide Northern Lights School Division No. 113’s annual report to the Legislative Assembly in accordance with timeframes set in <i>The Executive Government Administration Act</i>. <i>(2025 Report – Volume 1, p. 22, Recommendation 6; Public Accounts Committee agreement October 17, 2025)</i></p>	<p>The Ministry provided Northern Lights’ <i>2024–25 Annual Report</i> to the Legislative Assembly timely.</p>
<p>We recommended Northern Lights School Division No. 113 obtain prior approval from the Minister of Education for certain purchases in accordance with <i>The Education Act, 1995</i>. <i>(2025 Report – Volume 1, p. 23, Recommendation 7; Public Accounts Committee agreement October 17, 2025)</i></p>	<p>During 2024–25, Northern Lights did not have any purchases (e.g., real property) requiring prior approval from the Minister of Education. We have deemed it to be in compliance with <i>The Education Act, 1995</i>.</p>
<p>We recommended Northern Lights School Division No. 113 segregate incompatible duties for payment approvals and cheque signing. <i>(2024 Report – Volume 1, p. 20, Recommendation 5; Public Accounts Committee agreement October 17, 2025)</i></p>	<p>During 2024–25, Northern Lights management changed its financial IT system to no longer allow the Chief Financial Officer and Finance Manager to process invoices, as they are involved with payment approval and cheque signing.</p>

^A PAS: Provincial Auditor Saskatchewan

PAC: Standing Committee on Public Accounts