

Ministry of Finance

Annual Report for 2019-20



Table of Contents

Letters of Transmittal.....	3
Ministry Overview.....	4
Progress in 2019-20 Ministry Goal 1.....	6
Progress in 2019-20 Ministry Goal 2.....	11
Progress in 2019-20 Ministry Goal 3.....	15
Progress in 2019-20 Ministry Goal 4.....	18
Progress in 2019-20 Ministry Goal 5.....	19
Financial Summary.....	21

Letters of Transmittal



The Honourable
Donna Harpauer
Minister of Finance

Office of the Lieutenant Governor of Saskatchewan

I respectfully submit the Annual Report for the Ministry of Finance for the fiscal year ending March 31, 2020.

A handwritten signature in black ink that reads "Donna Harpauer".

Donna Harpauer
Minister of Finance



Rupen Pandya
Deputy Minister
of Finance

The Honourable Donna Harpauer
Minister of Finance

Dear Minister:

I have the honour of submitting the Annual Report of the Ministry of Finance for the fiscal year ending March 31, 2020.

A handwritten signature in blue ink that reads "RP".

Rupen Pandya
Deputy Minister of Finance

Ministry Overview

Mandate Statement

The Ministry of Finance is responsible for oversight of government revenue, expenses, assets and liabilities. Finance is the lead ministry for fiscal policy; budget development and integrity; managing provincial debt; designing and administering fair, efficient, and competitive tax regimes; pension and benefit administration; labour relations advice to government; ensuring accountability to both the public and the Legislative Assembly for the use of public funds; and ensuring effective financial management and accounting policies and procedures.

Mission Statement

The Ministry of Finance supports excellence in governance and public administration through economic, financial and fiscal expertise, leadership and services.

Ministry Role

The Ministry of Finance plays a unique role in the affairs of the Province of Saskatchewan. As a central agency, the Ministry is responsible for advising the government on financial implications associated with policy decisions that span across all ministries and agencies.

The Ministry, with direction from Treasury Board and Cabinet, assists in managing and controlling the finances of the Province to ensure appropriate use of public funds. The Ministry also analyzes and provides advice on tax policy matters, ensuring a fair and competitive tax regime that supports the government's spending and debt strategies.

The Ministry continues to maintain a close working relationship with the federal government, provincial governments across the country, and other government bodies within the province to effectively address financial issues of mutual concern.

The Ministry of Finance is responsible for receiving the majority of revenues for the Government of Saskatchewan, including revenue from:

- ⇒ Taxation (e.g., consumer, property, education);
- ⇒ Transfers from government entities (e.g., the Crown Investments Corporation of Saskatchewan); and
- ⇒ Transfers from the federal government (e.g., Canada Health Transfer, Canada Social Transfer).

The Ministry processes payments to fund public services such as health care, education, and road maintenance.

The Ministry provides services directly to the public by administering provincial tax programs, including the Provincial Sales Tax (PST), and undertaking communication initiatives to keep the public informed about finance-related issues. The Ministry also provides advice, governance, and administration services to pension

and benefit plan boards and participating employers. Payment and support services are provided to active and retired plan members.

The 2019-20 actual utilization was 320.2 FTEs, including students it was 331.7 FTEs. Staff are primarily located in Regina, with regional offices in Saskatoon and Yorkton.

A complete listing of all publications produced by the Ministry of Finance and the Public Employees Benefits Agency can be found at:

- <http://publications.saskatchewan.ca/#home;>
- <http://www.peba.gov.sk.ca/pensions/mepp/member/publications.html>; and,
- <http://www.peba.gov.sk.ca/pensions/pepp/member/publications.html>.

Progress in 2019-20

Ministry Goal 1

Government Goals



Ministry / Organization Goal

Leadership in financial management and accountability

Strategy

The Ministry will maintain financial policies and procedures to ensure efficient and effective financial management and accountability, build strong financial capacity within the Ministry and across government entities, and ensure financial IT systems support and meet clients' needs.

Key Actions

Assist ministries in ensuring the financial arrangements of federal-provincial agreements are appropriate and are accounted for within the government's fiscal plan.

- This work is intended to ensure that financial implications of federal-provincial agreements are properly accounted for and received appropriate approval.
- During 2019-20, approximately 30 federal-provincial fiscal agreements were reviewed and proceeded to Cabinet for approval.

Provide government-wide reporting through Public Accounts and annual reports including reporting on the Saskatchewan Plan for Growth Goals.

- The government's financial statements demonstrate accountability for the resources, obligations and financial affairs for which the government is responsible. Continued strong financial reporting through timely, reliable and relevant financial statements is essential to strong accountability.
- The Ministry is responsible for the preparation and release of the Public Accounts in accordance with The Financial Administration Act, 1993.
 - Volume 1 contains the audited Summary Financial Statements (SFS) for the Province and related financial statement discussion and analysis. The 2018-19 Public Accounts, Volume 1, was tabled in the Legislative Assembly on June 27, 2019.

- Volume 2 contains General Revenue Fund (GRF) financial schedules and details, and other supplementary information. The 2018-19 Public Accounts, Volume 2, was tabled on October 31, 2019.
 - The Public Accounts are available for public viewing in the Publications Centre: <https://publications.saskatchewan.ca/#/categories/893>.
- 100 per cent of 2018-19 Annual Reports were tabled in accordance with the legislation as of July, 2019. All annual reports are available for public viewing at: <https://publications.saskatchewan.ca/#/products/101781>.

Ensure government-wide financial management policies and procedures are sound and the accounting policies are in accordance with Public Sector Accounting Board (PSAB) pronouncements.

- Accounting policies continue to evolve and have implications for the government. The Ministry promotes accountability by providing input into the activities of Canadian and international accounting standard setting bodies and ensuring government-wide accounting policies are in accordance with PSAB standards. The Ministry responded to PSAB Consultation Papers on PSAB's Approach to International Public Sector Accounting Standards, and government Not-for-Profit; PSAB's Invitation to Comment on Employee Future Benefits-Discount Rate Guidance; and Exposure Drafts on 2019-20 Annual Improvements, Financial Instruments Narrow Scope Amendments, Financial Instruments Federal Government Narrow Scope Amendments, Purchased Intangibles, and Public Private Partnerships. The Ministry drafted an analysis with recommendations for the accounting options to be adopted for the new PSAB standard on Asset Retirement Obligations (AROs). The Ministry also assisted ministries and government entities with implementation of the ARO standard by developing an ARO checklist to be used by ministries and entities to assist with identifying and estimating AROs, and delivering presentations and arranging meetings to provide guidance on the new ARO standard.
- The Ministry reviews the financial statements of entities and funds that are required to be tabled before the Legislative Assembly to ensure that disclosure is adequate and accounting policies are appropriate. This excludes the financial statements of entities responsible to the Crown Investments Corporation of Saskatchewan. The financial statements of 130 government entities were approved.
- Through management of the government-wide purchase card program there is reduced administration and processing associated with the acquisition of high volume, low dollar-value goods and services balanced with sound controls. The Ministry worked to ensure that ministries used P-cards to make all eligible P-card purchases.
- The Provincial Auditor of Saskatchewan independently assesses government's performance and provides recommendations to improve accountability practices. The Ministry assessed remedial action taken by ministries and agencies on financial management and accounting issues raised by the Provincial Auditor and provided advice as required.

Provide efficient and effective accounts payable and travel expense claim processing services for executive government.

- The Ministry continues to further improve processing and client service, and ensure timeliness is maintained. In 2019-20, the Ministry streamlined processing through the implementation of technology to support the electronic submission of invoices by client ministries, and allow employees

to directly attach their receipts to their electronic travel expense claims. In addition to increasing efficiency, these changes support paper-less processing.

Oversee the internal controls of government financial operations and systems.

- The Ministry reviewed financial programs and systems by conducting internal control assessments as required. Ministry programs and payments were audited using a risk-based approach. The Ministry publicly reported losses of public money in ministries and Treasury Board Crowns.

Increase education across government entities to build awareness and understanding of the accountability cycle, policies, processes and financial management responsibilities.

- The Ministry delivered training on effective financial management and control practices to Executive Leaders, new managers and new employees:
 - hosted personalized financial management orientation sessions for new Corporate Service heads;
 - revised two online training modules, Making Payments in Government and Fraud Awareness;
 - made progress developing new online training modules on the Financial Administration Manual, Bank Accounts, Government Transfers, and Legislative and Regulatory Awareness;
 - presented information on new financial accounting pronouncements and internal audit practices at internal government committee meetings;
 - provided on-going procedure and system-related training including hosting the annual year-end processing information session for its client ministries;
 - posted five articles on the government's intranet to raise awareness of the Internal Audit function;
 - delivered orientation and education sessions to new and existing employees, new managers, and new executives across government to build awareness and understanding of the accountability cycle.

Ensure the government-wide financial systems are operational and support client needs.

- The Ministry ensures financial systems are operational and conducts bi-annual surveys with clients to ensure the systems are meeting their needs. Survey results help to prioritize system changes. The next survey is anticipated in Fall of 2020.
- Government is assessing options for the long-term strategy of its financial systems to ensure they are operational and meet client needs.

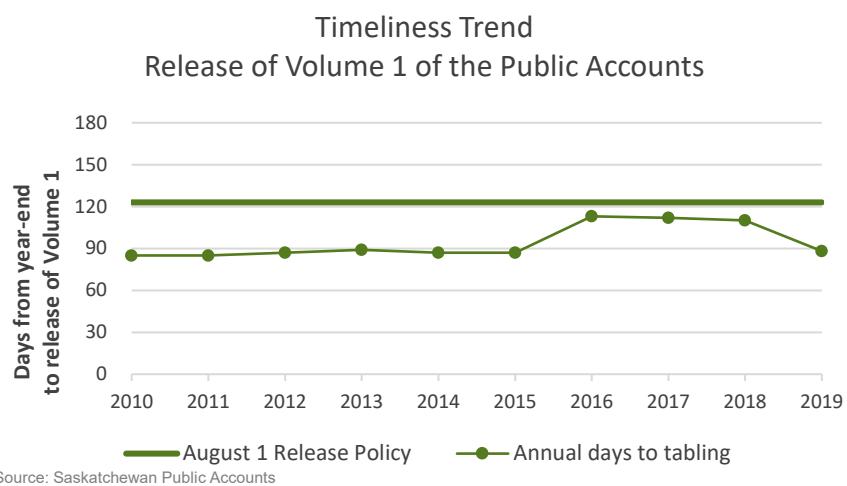
Engage and consult with ministries to identify opportunities to strengthen financial management.

- The Ministry led the Financial Management Council, the Financial Management and Accounting Committee, and the Internal Audit Committee. These internal government committees receive information sessions, and meet regularly to discuss and resolve issues of common concern, including financial management, financial accounting, and internal audit issues.

Performance Measure Results

Timeliness of the Release of Public Accounts, Volumes 1 and 2

The Public Accounts are key financial accountability documents that are publicly released on an annual basis. Under *The Financial Administration Act, 1993*, the government has established a policy of tabling Volume 1 of the Public Accounts no later than August 1 and Volume 2 on or before October 31. Volume 1 of the 2018-19 Public Accounts was tabled on June 27, 2019. Public Accounts, Volume 2, was tabled October 31, 2019.



Percentage of Entities Meeting Tabling Deadlines

Pursuant to *The Executive Government Administration Act*, entities are required to table their financial statements within 120 days of their year-end. The Ministry, on behalf of Treasury Board, provides approval of the form and content of the financial statements in advance of the tabling. The Ministry helps ensure government entities table their financial statements on time through clear communication of tabling deadlines and by monitoring compliance with tabling deadlines. The Ministry works with entities that were unable to meet the tabling deadline to resolve any outstanding issues to ensure future compliance.

Fiscal Year	Percentage of Entities Meeting Tabling Deadline
2019-20	93%
2018-19	98%
2017-18	96%
2016-17	97%
2015-16	95%
2014-15	93%
2013-14	89%

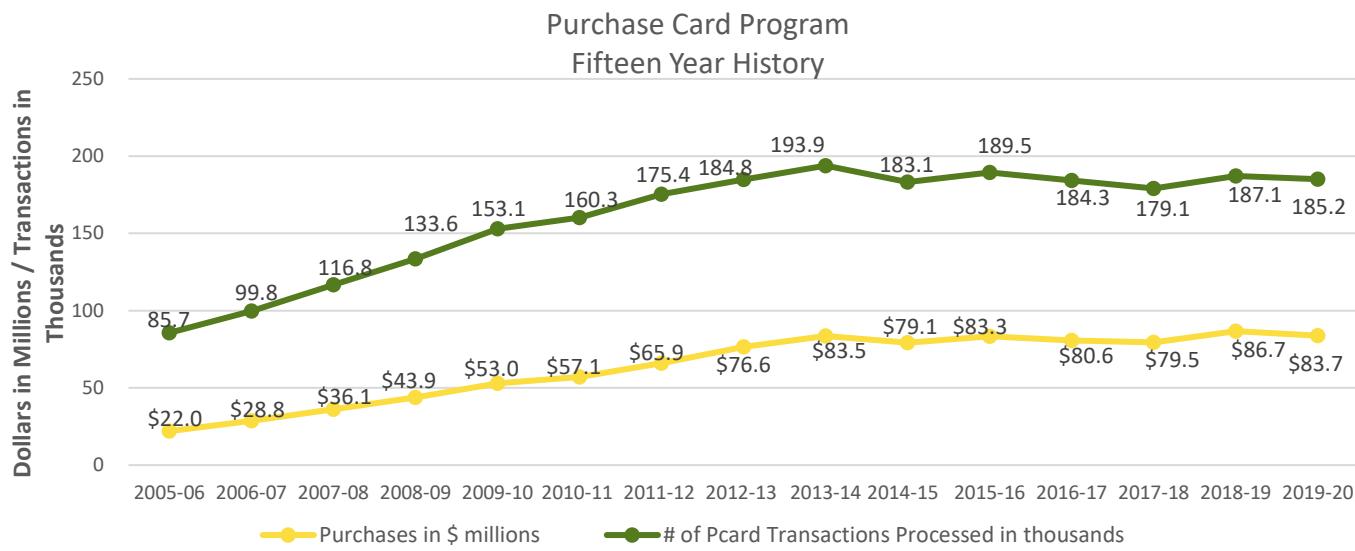
Source: Legislative Assembly of Saskatchewan website

Purchase Card Usage in the Government

Purchase cards are a cost-effective way of making payments. Through the use of purchase cards, the government is able to reduce administration and costs associated with the processing and payment of low dollar-value purchases of goods and services up to a \$10,000 per transaction limit.

The total number and dollar value of purchase card transactions measures the level of efficiency being achieved.

For 2019-20, the total number of purchases reached 185,155 transactions totaling \$83.7million. This represents 79 per cent of the total number of potential transactions. This is a significant improvement from the inception of the purchase card program. The Ministry strives to improve usage across government, which contributes to the best use of public funds.

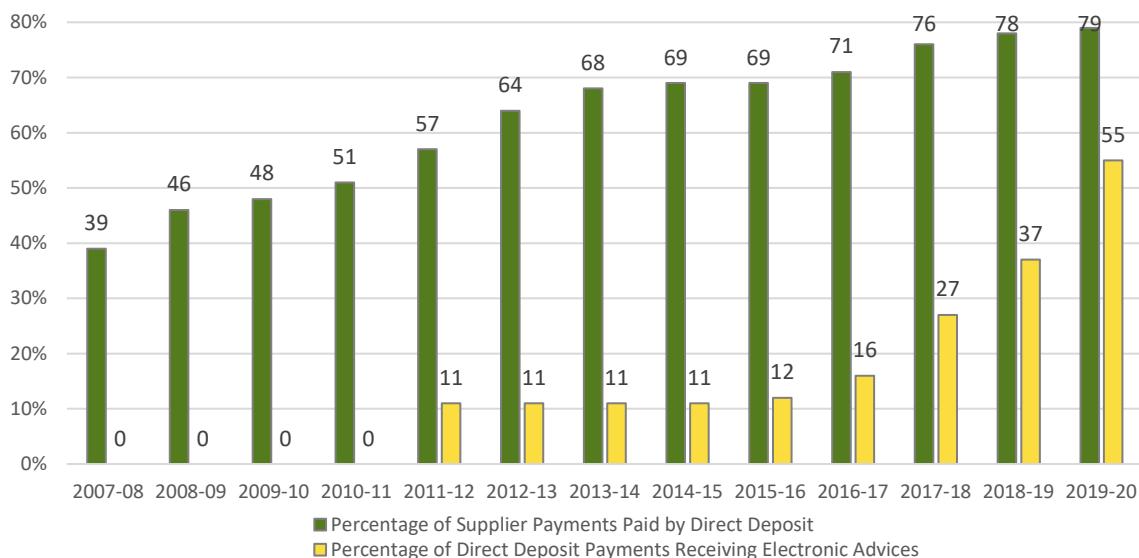


Source: Ministry of Finance Statistical Reports

Direct Deposit and Electronic Advice Usage for Supplier Payments

Continued improvements in the efficiency of the government's payment processes through the use of direct deposit and electronic advices contributes to the best use of public funds. This is an ongoing program that started in 2007-08. Direct deposits have increased from 38 per cent to 79 per cent. Commencing in 2011-12, electronic advices were offered as an option to paper. Currently, 55 per cent of the direct deposit payment advices are distributed electronically. The usage of electronic advices has doubled within the past two years.

The Ministry continues to pursue the elimination of cheques and paper advices.



Source: Ministry of Finance

Progress in 2019-20

Ministry Goal 2

Government Goals



Ministry Goal

Fair tax administration

Strategy

The Ministry of Finance is committed to optimizing the tax revenue base and creating a level playing field for businesses operating in Saskatchewan, increasing tax remittance compliance for businesses and individuals and ensuring efficient and cost-effective tax program administration where businesses voluntarily meet tax obligations and efforts to comply are minimized.

Key Actions

Finalize implementation of the modernized Revenue Administration System.

- The Revenue Administration System has been implemented and is operational.

Optimize online services offered through the taxpayer portal is being implemented as part of the new Revenue Administration System.

- In 2019-20, Finance on-boarded the majority of its tax services to its online Saskatchewan e-Tax Services portal, including:
 - Service requests for adding and closing an account, updating a business location, clearance for a sale of business, increasing filing frequencies and requesting a tax interpretation.
 - Applications for registration under most programs, refund requests, payment plan requests and a business consent form to authorize third parties.

Promote compliance with Saskatchewan's tax programs through taxpayer education and responsible, effective enforcement.

- The Ministry continues to provide quality service and accessible, reliable information as committed to in the Taxpayer Service Commitments and Standard Code.
- Ongoing industry consultations and presentations were provided to a number of organizations to educate and assist businesses with implementing the tax changes announced in recent budgets.

- Numerous tax bulletins and information notices were updated and published to help businesses better understand the tax changes. Updates were completed based on feedback from business or through consultations with industry associations.
- 120,634 tax inquiries and 1,241 proactive client contacts were performed to answer tax questions and provide clarification on how tax applies to specific business transactions.

Enhance compliance actions along Saskatchewan's borders.

- The Ministry worked with the Ministry of Highways and Infrastructure (MHI) and the Heavy Construction Association to develop PST licensing requirements for contractors. These were incorporated into the bidding process and became part of the contract requirements. They require non-registered contractors to be licensed and obtain a letter of good standing from Finance as part of the requirements. The letter of good standing is available to MHI contractors by visiting our portal.
- The Ministry developed and implemented a tax tips line where individuals can report suspected non-compliant businesses.
- The Ministry promoted the clearance process whereby a principal can ensure that a subcontractor has accounted for PST before releasing holdbacks.
- The Ministry conducted a targeted enforcement program in a border community as a pilot to raise awareness to the businesses operating in the home and commercial construction sector. The campaign included patrol of the community, site visits and contacts with contractors and subcontractors. Enforcement Officers explained the PST registration and reporting requirements and provided information regarding consequences of non-compliance. This initial pilot will assist in developing the future framework for similar, targeted programs across Saskatchewan to further enhance compliance and maintain a level playing field.

Provide proactive outreach and education focused on PST base expansion sectors.

- Proactive contact activities were focused primarily on construction (78 per cent) and restaurants (eight per cent)
- Approximately eight per cent of contacts were businesses in border communities (Lloydminster, Leader, Maple Creek, and others).
- 1,500 mail outs and information letters were sent to contractors.
- Presentations were made to various groups, including the Project Management Institute and various accounting firms.

Performance Measure Results

Benefit-Cost Ratio of Taxation Audit and Compliance Activities

The Ministry has increasingly placed more emphasis on promoting voluntary compliance of consumption tax statutes through education and outreach. The audit program remains an important tool to promote compliance with the province's tax laws and to ensure equity and fairness for all businesses operating in Saskatchewan.

The benefit-cost ratio (BCR) measures the value of audit and compliance activities in relation to the costs of performing these activities. In 2019-20, the Ministry surpassed the 600 per cent target; reaching a BCR of 692 per cent. This means for each dollar spent on audit and compliance, the Ministry generated \$6.92 of incremental revenue to be used for government priorities, including health care, education, social services and assistance, as well as needed infrastructure like highways, schools and health care facilities.

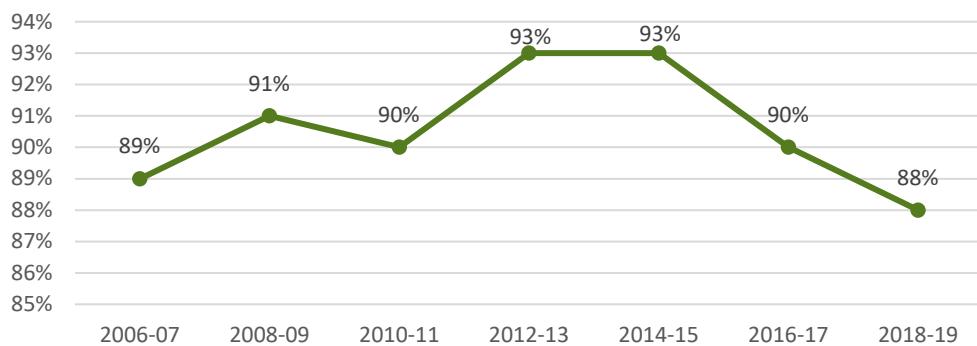
Fiscal Year	Return on Investment	
	Target	Adjusted Actual
2019-20	600%	692%
2018-19	600%	604%
2017-18	425%	708%
2016-17	395%	749%
2015-16	380%	699%
2014-15	380%	470%

Source: Ministry of Finance, Revenue Division, Statistical Reports

Client Satisfaction of Businesses Which Collect Taxes on behalf of Government

The Ministry is committed to conducting biennial satisfaction surveys of businesses collecting taxes on behalf of the government. This measures the degree of client satisfaction with Finance's quality of services and timeliness of responses, refunds and adjustments. This allows businesses to evaluate Finance's performance and helps Finance to determine potential improvements for the timeliness of responses, refunds and adjustments.

Overall Client Satisfaction



Source: Ministry of Finance

In 2018, surveys were sent to 1,766 businesses based on a random sample of those that collect PST, Fuel Tax, Tobacco Tax, Corporation Capital Tax, Liquor Consumption Tax, Education Property Tax, the Farm Fuel Program, and the International Fuel Tax Agreement. The biennial client satisfaction survey will be conducted again in the fall of 2020-21 as a means of measuring client satisfaction.

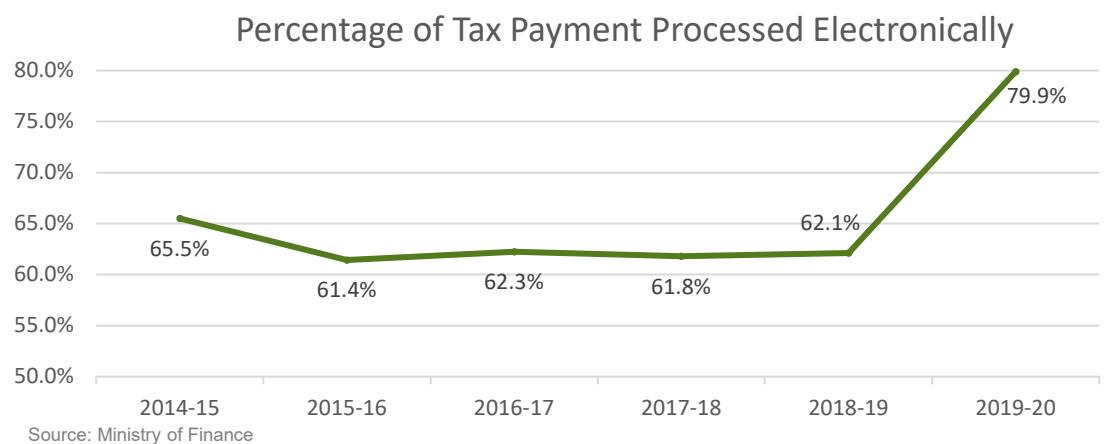
Percentage of Tax Payments Processed Electronically

The Ministry strives to provide excellent client services by ensuring that businesses have access to all electronic options for making tax payments. The percentage of tax payments processed electronically measures how well the Ministry is meeting its objective of streamlining regulatory compliance. Businesses that use electronic methods to make payments are able to save time and money on regulatory compliance and channel their resources to other activities. In addition, the Ministry realizes a reduction in the cost of processing payments when the tax return and payment are received electronically. The measure is determined from internal statistical reports.

The Ministry continuously works with financial institutions to ensure that businesses are able to make tax payments through any of the financial institutions' electronic payment services that provide sufficient payee information. The percentage of tax payments processed electronically has grown over time, and efforts to promote the use of electronic services will continue.

The percentage of tax payments processed electronically for 2019-20 significantly increased by 17.8 per cent. The increase is due to a large uptake of registrations on the new online portal with enhanced filing and payment features, the mandating of electronic filing for certain tax types and efficiencies gained by the automation of certain payment processes.

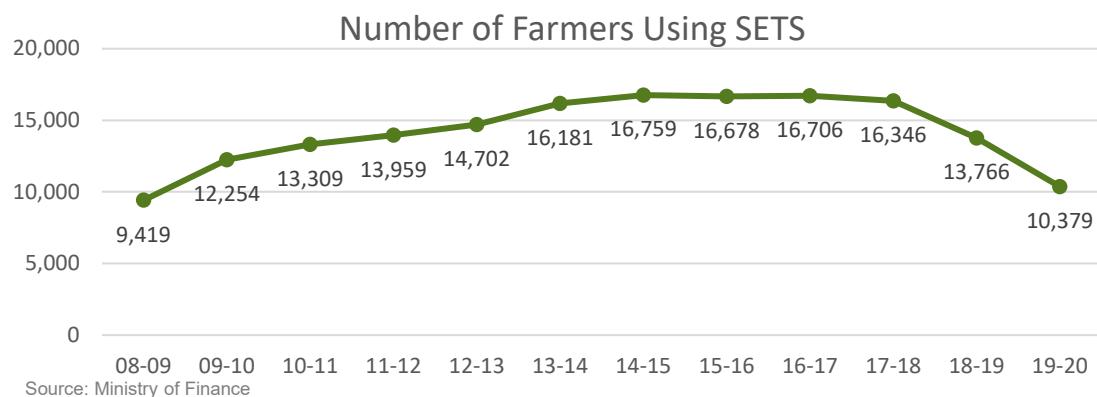
The total number of payments processed decreased slightly by 4.3 per cent from 336,883 payments in 2018-19 to 322,476 payments in 2019-20. The decrease in the number of payments processed is primarily due to a slow down in the economy and fewer clients required to file monthly.



Number of Farmers Who Applied for Fuel Tax Permit Renewals Online

Saskatchewan E-Tax Services (SETS) offers farmers a secure, fast and convenient alternative to filing their Fuel Tax exemption permit renewal in paper format. The number of farmers who filed permit renewals online tracks Finance's progress towards easing tax compliance and reducing the regulatory burden.

In 2019-20, the number of farmers using SETS decreased by 3,387 mainly due to the changes in online filing and the transition to the new portal. The Ministry continued exploring alternate methods for electronic filing in 2019-20 to improve this metric. The Ministry also continues to promote SETS as it is more convenient than paper filing for program applicants, and it reduces the cost of program administration.



Progress in 2019-20

Ministry Goal 3

Government Goals



Ministry Goal

Sound fiscal and strategic plans that support government's priorities

Strategy

The Ministry of Finance is aligned to deliver an improved comprehensive summary financial plan and support fully informed financial decision making with collaboration and robust analysis. The Ministry provides excellence in planning and improvement to support Executive Government and Treasury Board Crowns in achieving government direction and delivers strategic bargaining and compensation advice.

Key Actions

Increase efficiency, awareness, understanding, and accountability for the budget and in-year forecasting.

- The Financial Statements for government have been prepared on a summary basis since 1992. Preparation of the Summary Financial Statements (SFS) includes the consolidation of the financial results of about 170 government organizations.
- This work is ongoing with the emphasis in 2019-20 on creating efficiencies in the centralized budgeting reporting processes.
- The Ministry provided guidance, feedback, and customized support to ministries, agencies, and Treasury Board Crowns throughout government on their planning, budgeting, performance measurement, and reporting efforts.

Borrow strategically to sustain robust government finances.

- During 2019-20, all debt and cash management targets and needs were achieved in line with expectations.

Review provincial tax policies to ensure alignment with the government's priorities and that specific policies and actions are affordable within a balanced budget.

- This work is ongoing with analysis and advice brought forward to Treasury Board and Cabinet during each budget cycle.

- Tax policy considerations were reviewed as part of the 2020-21 budget development cycle, and some resulting initiatives have been announced and implemented as noted below.
- Regulations to implement the new PST Rebate for New Home Construction came into force on April 1, 2020.
- Regulatory amendments to extend the PST tax return filing frequencies and due dates came into force on April 1, 2020.

Continue to work with economic ministries to review the efficacy of economic incentives.

- Finance worked closely with the Ministry of Energy and Resources to successfully expand the PST exemption for oil and gas drilling services to include mineral exploration and mine site drilling in a fair and consistent way. These regulatory amendments came into force on April 1, 2020.

Consider revenue initiatives to respond to the increase of e-commerce, in the purchase of both goods and services.

- Finance continues to work on initiatives to respond to the increase in e-commerce, including outreach to the various multi-jurisdictional e-commerce goods and services providers to ensure that they are registered to collect and remit PST to the Province where required by legislation.

Define and implement a Centre of Excellence delivery model for Executive Government and Treasury Board Crowns for planning and improvement.

- The Ministry continuously improved the Planning and Accountability Management System to reflect leading practice.
- The Ministry provided guidelines, templates and consultation for continuous improvement, strategic planning, operational plans, measurement, and annual reports.
- In 2019-20, a new, simplified annual report template was launched that is designed to focus on progress towards achieving outcomes. It supports government's commitment to continuous improvement and efficiency, while maintaining leading practices in transparency and accountability. The transition will continue over the next two years.

Work with ministries and agencies to continue to develop capacity for planning, improvement and reporting for each organization that assists in the achievement of government's priorities.

- The Ministry provided customized consultation, analysis, workshops, and support to ministries, agencies and Treasury Board Crowns to develop capacity for planning, improvement and reporting and equip organizations to achieve government priorities.

Provide guidance and advice to government in the development of strategy for public sector collective bargaining, and assist ministries and public sector employers with the implementation of strategies to achieve collective agreements.

- At the end of 2019-20, 24 of the 37 broader public sector agreements were settled. All other employers are being advised and assisted in achieving agreements that will help the government return to fiscal balance.
- Ministry staff work with employers to assist in the development of mandate submissions as well as with employers' negotiators to ensure adherence to approved mandates.

Performance Measure Results

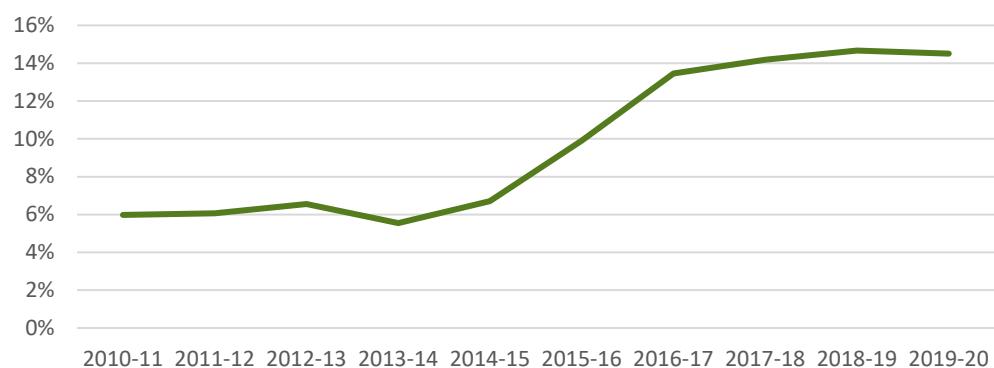
Percentage of Entities Meeting Tabling Deadlines

100 per cent of 2018-19 Annual Reports were tabled in accordance with the legislation as of July, 2019. All annual reports are available for public viewing at: <https://publications.saskatchewan.ca/#/products/101781>.

Net Debt as a Percentage of GDP

Net debt aggregates the Province's liabilities and subtracts the assets that it has at its disposal to repay those obligations. The table below shows the Province's net debt as a percentage of GDP for the past 10 years.

Net Debt as a Percentage of GDP



Source: Ministry of Finance

Medium-Term Fiscal Plan

The 2019-20 Budget presented the medium-term financial outlook for the fiscal years 2019-20 through to 2022-23. The medium-term outlook represented government's general fiscal plan consistent with the economic outlook and fiscal measures at the time of the 2019-20 Budget. Modestly rising surpluses were projected with total revenue growing by 2.1 per cent on average each year, and total expense growing by 2.0 per cent. The onset of the global COVID-19 pandemic declared by the World Health Organization on March 11, 2020, coupled with low oil prices, and the subsequent impact on domestic and global economies means the medium-term outlook presented in the 2019-20 Budget is no longer the expected fiscal path. The uncertainty and volatility presented by the pandemic resulted in an absence of reliable data to present a credible outlook for the medium term, in our province and in all jurisdictions.

Progress in 2019-20

Ministry Goal 4

Government Goals



Ministry Goal

Foster the financial wellness of pension and benefit plan members through working for plan governing bodies

Strategy

Meet pension and benefit plan member needs and ensure cost effective administration of plans

Key Actions

Provide advice, governance and administrative services to pension and benefit plan boards and participating employers as well as payment and support services to active and retired plan members.

- Through the Public Employees Benefits Agency (PEBA), the Ministry continues to provide advice, governance and administrative services to pension and benefit plan boards and participating employers along with payment and support services to active and retired plan members.

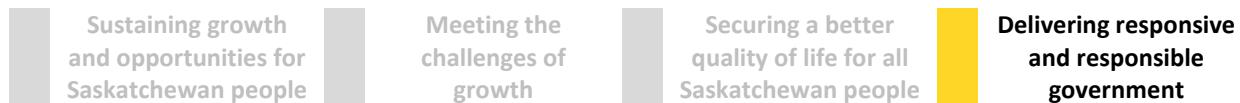
Performance Measure Results

See PEBA Annual Report at: <http://www.peba.gov.sk.ca/about/annual-reports.html>.

Progress in 2019-20

Ministry Goal 5

Government Goals



Ministry Goal

Engaged employees and satisfied clients

Strategy

Enhance our culture and employee engagement to increase the efficiency and effectiveness of our programs and services.

Key Actions

Strengthen our partnerships, engagement and communication across the summary entity.

- Ministries, agencies, and Treasury Board Crowns continue to share planning, improvement and reporting leading practices online and in-person to learn from each other.

Provide communication strategies that deliver timely, relevant, and effective information to external audiences.

- The Ministry plays a key coordination role across government entities in the public communication of financial information including but not limited to the Provincial Budget, quarterly financial reports and the Public Accounts.

Ongoing implementation of the Culture Sustainment Plan.

- Based on the 2016-17 Employee Engagement and Culture Survey, the Ministry's Culture Sustainment Plan was implemented, with key actions including the launch of a ministry-wide recognition program including Deputy Minister awards, more robust internal communications with a focus on the Finance employee intranet, all-staff sessions which included focus on innovation and mental health, as well as the development of a more thorough ministry orientation, including a half-day session for new employees.
- The 2018 Employee Engagement and Culture Survey was completed in December of 2018 and the Ministry's Culture Sustainment Plan continued to undertake existing initiatives and programs, as well as refresh based on the results of the survey.

- In 2019-20 the Ministry's Culture Sustainment Plan was refreshed and a work plan was developed focused on the areas of communications, learning and development, recognition and innovation. Actions in each of these areas are multi-year in nature and are ongoing.

Refresh and execute the Ministry's IT Strategic Plan, including actions that prioritize IT security, ensure our modern, integrated and client-focused systems support core business.

- The Ministry's IT Strategic Plan is currently being updated. The plan will be updated by July 2020.
 - modernizing our IT infrastructure to ensure that the systems are integrated and client focused. Processes and workflows have been regularly reviewed and improved to ensure they meet client needs efficiently;
 - annual reviews of IT applications by the IT Management Committee (ITMC) of the Ministry in order to make necessary decisions to mitigate risk along with Central Services;
 - IT security by creating security awareness among staff, scanning applications and working closely with Central Services. IT security awareness sessions are mandatory for all Ministry's staff; and,
 - implementation of the user de-registration policy in order to timely remove the access of the users who move to a different area within the Ministry or leave the Ministry. A regular review is done to make sure all access is removed in time.

Performance Measure Results

Employee Engagement Index

The Ministry's participation rate increased to 82 per cent for the 2018 Employee Engagement and Culture Survey, up four percentage points from 78 per cent in 2016. The Ministry had one of the highest participation rates in the public service – the participation rate across all the ministries and agencies was 54 per cent.

The Ministry's Employee Engagement Index score was 70 per cent in the 2018 survey, four percentage points higher than it was in 2016. Finance's score is among the five highest within ministries and agencies, and it compares favorably to the Government-wide Employee Engagement Index score of 62 per cent.

The Ministry's Employee Values Index score was 76 per cent in the 2018 survey, up two percentage points from the 2016 survey. The Employee Values Index score across the public service was 70 per cent in 2018.

The Ministry's Senior Leadership Values Average in 2018 was 67 per cent, two percentage points lower than it was in the 2016 survey. The Senior Leadership Values Average across the public service was 56 per cent in 2018.

Financial Summary

Ministry of Finance Appropriation and Expense

Program	(in thousands of dollars)				
	2018-19 Actual	2019-20 Budget	2019-20 Actual	2019-20 Variance	
Central Management and Services	\$ 7,608	\$ 7,208	\$ 7,238	\$ 30	
Treasury Management	1,598	1,580	1,446	(134)	
Provincial Comptroller	9,306	12,521	8,943	(3,578)	1
Budget Analysis	5,546	6,564	5,685	(879)	2
Revenue					
Revenue Division	20,203	17,603	17,873	270	3
Allowance for Doubtful Accounts	900	900	900	-	
CRA Income Tax Administration	1,435	1,435	1,435	-	
Personnel Policy Secretariat	463	506	503	(3)	
Research and Development Tax Credit	5,000	5,000	5,000	-	
Miscellaneous Payments					
Bonding of Public Officials	19	21	20	(1)	
Unforeseen and Unprovided For	25	1	337	336	4
Implementation of Guarantees (Statutory)	-	1	-	(1)	
Pension and Benefits *					
Public Service Superannuation Plan (Statutory)	124,292	123,732	122,098	(1,634)	5
Members of the Legislative Assembly – Pensions and Benefits (s((Statutory)	2,050	2,873	2,570	(303)	6
Judges' Superannuation Plan (Statutory)	7,301	7,466	7,807	341	7
Public Employees' Pension Plan	66,452	71,182	68,200	(2,982)	8
Canada Pension Plan – Employer's Contribution	30,228	32,114	32,103	(11)	
Employment Insurance – Employer's Contribution	12,724	15,409	12,701	(2,708)	9
Workers Compensation – Employer's Assessment	9,570	10,890	9,357	(1,533)	10
Employees' Benefits – Employer's Contribution	37,185	39,256	36,594	(2,662)	11
Services to Public Service Superannuation Plan (PSSP) Members	832	675	685	10	
Appropriation	\$ 342,737	\$ 356,937	\$ 341,495	(\$15,442)	
Less: Capital Asset Acquisitions	(4,281)	(2,250)	-	2,250	12
Add: Capital Asset Amortization	2,065	2,633	2,428	(205)	
Expense	\$ 340,521	\$ 357,320	\$ 343,921	(\$11,872)	

* The Ministry follows Treasury Board's non-Generally Accepted Accounting Principles (GAPP) accounting policy for recording pensions and benefits expenses. These expenses are recorded on a cash basis as opposed to an accrual basis.

Additional financial information can be found in the Government of Saskatchewan Public Accounts located at
<https://publications.saskatchewan.ca/#/categories/893>

Overview of Ministry Expense

In 2019-20, the Ministry had expenses of \$343.9 million, \$13.4 million under the Budget Estimate of \$357.3 million. Excluding pensions and benefits, the Ministry spending was \$49.4 million, \$3.9 million under the Budget Estimate of \$53.3 million, primarily as a result of under expenditures in salaries due to vacancies and other operating expenses.

Spending for pensions and benefits was \$292.1 million, \$11.5 million under the Budget Estimate of \$303.6 million. This decrease was due to lower-than-anticipated costs for all pension plans with exception of the Judges' Superannuation Plan and Employee Benefits, which were more than anticipated.

Explanation of Major Variances:

1. Under budget due to vacancy management and delayed staffing, reduced IT spending and operating costs. In addition, capital funding related to the MIDAS upgrade and Public Sector Budgeting replacement was not spent.
2. Under budget due to vacancy management and reduced operating spending.
3. Under budget due to savings relating to the administration of PST refunds on insurance, vacancy management, operations and savings pertaining to the Revenue System Replacement project.
4. Under budget due to lower superannuation allowances paid to retirees than what was anticipated in the actuarial valuation.
5. Under budget due to an interest adjustment.
6. Under budget due to lower-than-expected supplementary retirement payouts (SRP).
7. Over budget due to more retirements than expected.
8. Under budget due to lower-than-expected salaries, as a result of a lower FTE count across government than originally anticipated, as well as lower-than-expected WCB rates.
9. Under budget due to lower-than-expected salaries, as a result of a lower FTE count across government than originally anticipated, as well as lower-than-expected EI rates.
10. Under budget due to lower-than-expected salaries, as a result of a lower FTE count across government than originally anticipated, as well as lower-than-expected WCB rates.
11. Under budget due to lower-than-expected salaries, as a result of a lower FTE count across government than originally anticipated.
12. Capital funds related to the MIDAS upgrade and the Public Sector Budgeting replacement were not spent, as the projects were put on hold, pending the outcome of the planning phase of the Business Transformation Initiative (BTI).