



# **News Release**

## **Provincial Auditor**

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### **Auditor calls on agencies to be vigilant about public money**

For release after the Report has been tabled

REGINA, May 14, 2007—"Public resources require careful management," says Provincial Auditor Fred Wendel. "When you are looking after public money, you will be held to a high standard." The Auditor made his comments in connection with the release of his 2007 Report—Volume 1. The report covers about 140 government agencies.

The Department of Corrections and Public Safety needs to follow government policies for handling cash and managing bank accounts. Failure to follow these policies allowed losses of money that the Department was holding for inmates and young offenders. The Department must follow its processes for confirming that its accounting records match bank records. The Department must also segregate duties among its employees. Segregating duties means separating responsibility for tasks to avoid putting employees in a position to commit error or fraud and conceal it.

The Saskatchewan Association of Health Care Organizations (SAHO) needs to improve how it safeguards assets, including assets of the benefit plans it administers for health workers. SAHO needs to improve how it monitors contributions to the plans, and it needs timely financial reports to help it make appropriate decisions. SAHO also needs to segregate duties among its employees. "Without adequate segregation of duties, losses can occur," said Wendel.

The report describes other audits in areas related to key risks that government agencies face. For example, to deliver services and achieve their objectives, agencies must effectively manage their assets. This includes not only their physical assets, but also intangible assets including intellectual property. SaskTel owns certain intellectual property rights, such as patents, trademarks, and copyright. It also licenses intellectual property rights from others, for example when it licenses software from another company. SaskTel uses intellectual property in many ways in its businesses. It needs an intellectual property plan. The plan will help it identify opportunities and manage risks, such as complying with restrictions in software licenses and agreements.

Government agencies must effectively manage the projects they undertake. The report describes the results of two audits of project management. SGI is replacing a major computer system that it uses to deliver services including vehicle insurance and registrations. SGI requires processes to monitor the benefits it expects from the new computer system. It also needs to document its strategies for managing project risk, security, and communications.

SIGA (the Saskatchewan Indian Gaming Authority Inc.) is building a new casino. The Auditor assessed SIGA's project management processes for the casino. SIGA needs to have adequate project plans and financing before starting major construction projects. It should provide its Board of Directors with complete and accurate progress reports on such projects. SIGA also requires dispute resolution processes with key project partners.

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The *2007 Report—Volume 1* is available on the Internet at [www.auditor.sk.ca](http://www.auditor.sk.ca).

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