Information Services Corporation of Saskatchewan

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Main points

Information Services Corporation of Saskatchewan (ISC) needs to test its business continuity and disaster recovery plans in order to verify that it can promptly continue to deliver its services if key facilities and or computer systems are lost.

ISC strengthened its performance measurement and reporting processes but more work needs to be done. It needs to use its internal auditor to test its performance measuring systems and to verify key results.

Introduction

Saskatchewan's Information Services Corporation (ISC) is responsible for administering Saskatchewan's land titles, surveys, geographical information, and personal property registry.

In this chapter, we report on the results of our audit of ISC for the year ended December 31, 2004. We also report on ISC's progress in strengthening its performance measurement and reporting processes.

At December 31, 2004, ISC held assets of $50.2 million, had revenues for the year of $44.1 million, and expenses of $35.8 million. ISC's 2004 Annual Report includes its financial statements and is on its web site at http://www.isc-online.ca.

Background

In our 2003 audit of ISC, we audited ISC's Schedule of Performance Information (Balance Scorecard) for the year ended December 31, 2003. We audited the Schedule to follow up on our previous work for the Standing Committee of Crown Corporations and to follow up on the recommendations from our 2001 audit of the LAND Project.

The preparation and verification of performance information is a relatively new experience for government agencies. We noted that ISC was taking a lead in providing audited information for 2003 on its performance to legislators and the public. Our recommendations focused on strengthening ISC's performance measurement and reporting processes.

Relevant, accurate, and understandable performance information is essential. It results in informed decisions and effective governance and accountability. Boards, legislators, and the public require this kind of information.

Our audit conclusions and findings

Our Office worked with Deloitte & Touche LLP, ISC's appointed auditor, using the framework recommended by the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors* (see

http://www.auditor.sk.ca/rrd.html). Deloitte & Touche LLP and our Office formed the following opinions.

In our opinion, for the year ended December 31, 2004:

♦   **ISC's financial statements are reliable**

♦   **ISC had adequate rules and procedures to safeguard public resources except that ISC needs to test its business continuity and disaster recovery plans**

♦   **ISC complied with the authorities governing its activities relating to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing**

The detailed audit findings are presented below.

Business continuity and disaster recovery plans need testing

ISC needs to test its business continuity[1] and disaster recovery[2] plans in order to verify that it can promptly continue to deliver its services if key facilities and or computer systems are lost.

ISC delivers its services using several centralized facilities and complex computer systems. To help ensure that it can continue to deliver these services in the event of a disaster, ISC has prepared detailed business continuity and disaster recovery plans. ISC's Board has set 72 hours as the benchmark for the recovery of its critical services.

As at December 31, 2004, ISC has not tested its business continuity and disaster recovery plans. As a result, it does not know if these plans are complete, if staff have adequate training to carryout these plans, and if it can recover its critical services within 72 hours of a disaster.

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[1] **Business Continuity Plan** – Plans by an agency to respond to unforeseen incidents, accidents, or disasters that could affect normal operations of an agency's critical operations or functions.
[2] **Disaster Recovery Plan** (DRP) - Plans by an agency to respond to unforeseen incidents, accidents, or disasters that could affect normal operations of a computerized system (also known as **Contingency Plan**). A DRP or contingency plan is only one component of a Business Continuity Plan.

1.   **We recommend that Information Services Corporation test its business continuity and disaster recovery plans.**

ISC advised us that it tested its disaster recovery plan in March 2005 and it intends to begin testing its business continuity plan in 2005. We will assess the adequacy of this work and report the results in our 2006 Report – Volume 1.

Follow-up of 2004 recommendations

In our 2004 Report – Volume 1, we reported that ISC should improve its performance measurement and reporting systems. This finding resulted from our audit of ISC's Schedule of Performance Information (Balance Scorecard) for the year ended December 31, 2003.

We made three recommendations.

1.   We recommended that ISC:
   ♦   clearly define, document, and communicate its performance measures to staff involved in collecting, processing, and reporting the performance information
   ♦   set quantified performance targets and establish systems to collect, process, and report the performance information early in the reporting process.

2.   We recommended that ISC introduce new performance measures and targets to replace outdated ones.

3.   We recommended that ISC use its internal auditor to review the performance measuring systems and verify the results.

We followed up on these recommendations as part of our 2004 audit of ISC. We found that ISC had implemented recommendations one and two and that it had partially implemented recommendation three.

We continue to recommend that ISC use its internal auditor to review its performance measuring systems and to verify the results.

ISC advised us that its 2005 internal audit plan would include testing of its performance measuring systems and the verification of key results.

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