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Main points

The Ministry of Justice and Attorney General (Justice) and its agencies complied with authorities governing their activities relating to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing. Its agencies' financial statements are reliable for the year ended March 31, 2011.

Justice and its agencies had adequate rules and procedures to safeguard public resources except for the following:

- ◆ Justice needs to follow its processes and perform a timely review and approval of bank reconciliations
- ◆ Justice also needs to implement our past recommendations relating to information technology security, including the completion of a disaster recovery test for its critical information systems

Saskatchewan Legal Aid Commission–IT Security Audit–a follow up

In this chapter, we report the results of our follow up on the Saskatchewan Legal Aid Commission's (Commission) processes for securing its information technology. We followed up on three recommendations. The Commission has implemented two recommendations. The Commission has not yet completed testing its disaster recovery plan. This could result in critical systems and data not being available when needed.

In this chapter, we also provide an update on the status of previous recommendations agreed to by the Standing Committee on Public Accounts.

Introduction

The Ministry of Justice and Attorney General (Justice) provides legal services and policy advice to Government in order to protect the legal rights of citizens and to promote social and economic order for Saskatchewan. Justice provides support for the courts system, prosecutorial services, civil law services, and marketplace regulation.¹

For the year ended March 31, 2011, Justice spent \$145.9 million on its programs and had revenues of \$48.4 million primarily from fines collections. Information about Justice’s revenues and expenditures appears in its 2010-11 annual report.²

The following is a list of Justice’s major programs and spending:

	<u>Original Estimates³</u>	<u>Actual</u>
	(in millions of dollars)	
Courts and civil justice	\$ 45.7	\$ 48.9
Legal and policy services	26.0	27.7
Boards and commissions	25.3	25.7
Central management and services	21.3	20.7
Community justice	19.5	18.9
Marketplace regulation	1.8	1.9
Capital asset amortization	0.7 ⁴	1.0
Courts capital	--	1.1
Total Expenses	<u>140.3</u>	<u>145.9</u>
Capital acquisitions	<u>4.5</u>	<u>6.4</u>
	<u>\$ 144.8</u>	<u>\$ 152.3</u>

Justice is responsible for the following trust and special purpose funds, boards, and commissions (agencies).

	<u>Year-end</u>
Criminal Property Forfeiture Fund	March 31
Law Reform Commission of Saskatchewan	March 31

¹ Ministry of Justice and Attorney General, *10-11 Annual Report*, p. 7.

² See <http://www.finance.gov.sk.ca/PlanningAndReporting/2010-11/201011JusticeAnnualReport.pdf>.

³ *Saskatchewan Provincial Budget 10-11 Estimates*.

⁴ Amortization is not included in appropriation.

	<u>Year-end</u>
Office of Residential Tenancies – Director’s Trust Account	March 31
Provincial Mediation Board Trust Accounts	March 31
Public Guardian and Trustee of Saskatchewan	March 31
Queen’s Printer Revolving Fund	March 31
Saskatchewan Financial Services Commission Fund	March 31
Saskatchewan Legal Aid Commission	March 31
Staff Pension Plan for Employees of the Saskatchewan Legal Aid Commission	December 31
Victims’ Fund	March 31

Audit conclusion and findings

In our opinion, for the year ended March 31, 2011:

- ◆ **Justice and its agencies had adequate rules and procedures to safeguard public resources except for the matters described in this chapter**

- ◆ **Justice and its agencies complied with authorities listed in Exhibit 1 governing their activities relating to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing**

- ◆ **the financial statements for the agencies listed above are reliable**

In this chapter, we report the results of our follow up work related to Saskatchewan Legal Aid Commission’s processes for securing its information technology (IT). We also provide an update on the status of previous recommendations agreed to by the Standing Committee on Public Accounts (PAC).

Timely completion of bank reconciliations

Justice needs to follow its rules and procedures to control its bank accounts.

Justice's rules and procedures require employees to agree (i.e., reconcile) its recorded bank balances to the banks' records each month. They also require management to review and approve the reconciliations. Regular reconciliations provide a check that all charges to the bank account are proper, all money has been deposited in the right account, and all transactions have been recorded properly. For this process to work effectively, employees must reconcile bank accounts timely and management must review and approve those reconciliations promptly.

During the year, Justice did not prepare or approve all of its bank reconciliations on a timely basis. For example, Justice was nine months behind in preparing and approving its bank reconciliations for its maintenance enforcement account. Over \$2 million flows through this account each month. Timely preparation and approval of bank reconciliations would help detect any errors or misuse of money quickly.

- 1. We recommend that the Ministry of Justice and Attorney General follow its processes to prepare and approve bank reconciliations.**

Adequacy of IT processes

We recommended that the Ministry of Justice and Attorney General sign an adequate agreement on disaster recovery and security with the Information Technology Office (ITO). (2008 Report – Volume 3)

In December 2008, PAC agreed with our recommendation.

Justice is finalizing a revised memorandum of understanding (MOU) with ITO. It had not signed the MOU by the end of September 2011. Management told us the revised draft MOU will outline Justice's disaster recovery needs.

Justice's current agreement with ITO does not adequately address security or disaster recovery requirements. It does not set out what security information ITO will provide to Justice to help it determine whether its systems and data are at risk. As well, it does not identify disaster recovery times for Justice's significant applications. As a result, Justice does not know if ITO's disaster recovery processes meet Justice's needs.

Status – We continue to make this recommendation.

We recommended that the Ministry of Justice and Attorney General adequately monitor the security and availability of its information technology systems and data. (2008 Report – Volume 3)

In December 2008, PAC agreed with our recommendation.

To know that its computer systems and data are secure, Justice needs to monitor whether the security ITO provides is adequate.

During the year, Justice continued to receive from ITO monthly reports similar to those received in the past year. Those reports provided little information on the security or availability of IT systems and no information about the adequacy of ITO's controls. Accordingly, Justice did not know whether any weaknesses at ITO could impact Justice's systems and data.

Justice has processes for removing user access for individuals who no longer work for Justice. However, employees did not always follow the established processes for removing users' access on a timely basis. Lack of timely removal of user access for former employees increases the risk of inappropriate access and unauthorized changes to Justice's systems and data.

Status – We continue to make this recommendation.

Completing business continuity plan

We recommended that the Ministry of Justice and Attorney General complete and implement its business continuity plan (BCP).⁵ (2005 Report – Volume 3)

In February 2006, PAC agreed with our recommendation.

Justice has developed and approved plans for recovery of its critical services. Justice has identified recovery time objectives for each of its

⁵ Business Continuity Plan (BCP)-Plan by an organization to respond to unforeseen incidents, accidents, and disasters that could affect the normal operations of the organization's critical operations or functions including normal operations of computerized systems.

critical IT systems. As stated earlier, Justice does not know if ITO's disaster recovery processes meet its needs.

Justice completed some BCP testing during the year. However, key elements of the plan still need to be tested including testing recovery of critical IT systems.

Status – We continue to make this recommendation.

Saskatchewan Legal Aid Commission—IT security audit—a follow up

The Saskatchewan Legal Aid Commission (Commission) was established on September 1, 1983 pursuant to *The Legal Aid Act*. The Commission provides legal advice and representation to individuals (clients) who meet the criteria defined in *The Legal Aid Regulations, 1995*. The Commission receives over 22,000 applications requesting legal services each year.

The Commission's computer system stores privileged client information in each of its 14 area offices. The Commission must have adequate controls for its computer network and data to protect its systems and support their effective use. Unauthorized disclosure, loss, or inappropriate modification of information could harm legal aid clients.

Our 2008 Report – Volume 1 included the results of our 2008 audit of the Commission's processes to secure its information technology environment. We made six recommendations. On June 17, 2008, PAC agreed with these recommendations. Chapter 13 of our 2009 Report – Volume 3 reports that the Commission had adequately addressed three of these six recommendations.

As described in the section below, at August 31, 2011, the Commission has adequately addressed two of the remaining three recommendations and partially implemented the third.

The following section sets out the three recommendations outstanding at August 31, 2009 (in italics) and the Commission's actions up to August 31, 2011.

Protect systems and data from unauthorized access

We recommended that the Saskatchewan Legal Aid Commission follow its password standards and monitor user access for its systems. (2008 Report – Volume 1)

The Commission has adequate policies and procedures for granting and removing user access, and for setting password length, complexity, and change frequency. At August 31, 2011, the Commission consistently follows these policies for both standard and administrator accounts.

Status – The Commission has implemented this recommendation.

We recommended that the Saskatchewan Legal Aid Commission adequately configure, update, and monitor its computers and network equipment. (2008 Report – Volume 1)

As noted in our 2009 Report – Volume 3, Chapter 13, the Commission had improved security of its laptop computers and implemented a process for updating its systems against known security risks on a timely basis. Since 2009, the Commission entered into an agreement with a service provider for system hosting, ongoing system security, and monitoring. The Commission maintains appropriate contact with the service provider regarding ongoing changes and system configuration.

Status – The Commission has implemented this recommendation.

Keep systems and data available for operation

We recommended that the Saskatchewan Legal Aid Commission develop and test a disaster recovery plan for its information systems and data. (2008 Report – Volume 1)

The Commission has developed a current disaster recovery plan (plan) for its information systems and data, and has distributed and communicated this plan to staff. The Commission has processes to complete an annual review and update of the plan.

However, the Commission has not completed a test of the plan for its critical information systems. Without a complete test, the Commission

does not know if it could restore all its critical systems and data in the event of a disaster. This could result in systems, data, and services being unavailable when needed. The Commission told us it intends to complete a test of the disaster recovery plan for its critical information systems.

Status – We continue to make this recommendation.

Exhibit 1—Listing of legislation

The Department of Justice Act
The Enforcement of Maintenance Orders Act, 1997
The Federal-Provincial Agreements Act
The Provincial Court Act, 1998
The Queen's Bench Act, 1998
The Summary Offences Procedures Act, 1990
The Business Corporations Act
The Business Names Registration Act
The Administration of Estates Act
The Victims of Crime Act, 1995
The Seizure of Criminal Property Act, 2009
The Law Reform Commission Act
The Residential Tenancies Act, 2006
The Provincial Mediation Board Act
The Tax Enforcement Act
The Public Guardian and Trustee Act
The Pension Benefits Act, 1992
The Adult Guardianship and Co-decision Making Act
The Children's Law Act, 1997
The Dependant's Relief Act, 1996
The Missing Persons and Presumption of Death Act
The Trustee Act, 2009
The Queen's Printer Act
The Saskatchewan Financial Services Commission Act
The Saskatchewan Insurance Act
The Securities Act, 1998
The Trust and Loan Corporations Act, 1997
The Legal Aid Act
The Government Organization Act
The Public Service Act, 1998
The Purchasing Act, 2004
The Financial Administration Act, 1993
Regulations and Orders in Council issued pursuant to the above legislation

Status of previous recommendations of the Standing Committee on Public Accounts

The following exhibit provides an update on recommendations agreed to by PAC that are not yet implemented and are not discussed earlier in this chapter.⁶ Our intent is to follow up outstanding recommendations in upcoming reports.

PAC REPORT YEAR ⁷	OUTSTANDING RECOMMENDATION	STATUS
Ministry of Justice and Attorney General – Financial Security (2007 Report – Volume 3)		
2009	15-7 that the members of the Saskatchewan Financial Services Commission set performance targets to help measure progress towards objectives.	Partially implemented (as at June 30, 2010).
2009	15-5 that the members of the Saskatchewan Financial Services Commission monitor all investigations of complaints from the investing public including those referred to self-regulatory organizations.	Partially implemented (as at June 30, 2010).
Ministry of Justice and Attorney General – Security Awareness (2010 Report – Volume 1)		
2011	8-1 that the Ministry of Justice and Attorney General assess its security awareness needs and ensure its security awareness program addresses those needs.	Not implemented (as at February 28, 2010). Follow up planned in 2012.
2011	8-2 that the Ministry of Justice and Attorney General update its formal plan for its security awareness program and carry out the plan.	Not implemented (as at February 28, 2010). Follow up planned in 2012.
2011	8-3 that the Ministry of Justice and Attorney General monitor the effectiveness of its security awareness program.	Not implemented (as at February 28, 2010). Follow up planned in 2012.

⁶ For definitions of the Key Terms used in the exhibit, see Chapter 27 – Standing Committee on Public Accounts.

⁷ “PAC Report Year” refers to the year that PAC first made the recommendations in its report to the Legislative Assembly.