

## Chapter 23

# Saskatoon Regional Health Authority

### 1.0 MAIN POINTS

This chapter reports that Saskatoon Regional Health Authority's (Saskatoon RHA) financial statements are reliable. It complied with its governing authorities and had effective controls to safeguard public resources except for the following matters.

Saskatoon RHA needs to establish key security policies to reduce the risk of unauthorized access to its systems and data. Also, it does not yet have a complete and tested disaster recovery plan.

### 2.0 INTRODUCTION

On August 1, 2002, *The Regional Health Services Act* created Saskatoon RHA. Saskatoon RHA is responsible for the planning, organization, delivery, and evaluation of health services in its health region and any other area directed by the Minister.

For the year ended March 31, 2013, Saskatoon RHA had revenues totalling \$1.09 billion,<sup>1</sup> expenses totalling \$1.13 billion,<sup>2</sup> and a deficit of \$35 million. At March 31, 2013, Saskatoon RHA held assets of \$588 million.

### 3.0 AUDIT CONCLUSIONS AND FINDINGS

We worked with Saskatoon RHA's appointed auditor, KPMG LLP, Chartered Accountants using the framework recommended in the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors*.<sup>3</sup> We formed the following opinions.

**In our opinion, for the year ended March 31, 2013:**

- › **Saskatoon RHA had effective rules and procedures to safeguard public resources except for the matters described in this chapter**
- › **Saskatoon RHA complied with the following authorities governing its activities relating to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing:**

*The Critical Incident Regulations*  
*The Health Information Protection Act*  
*The Health Labour Relations Reorganization (Commissioner) Regulations*  
*The Housing and Special-care Homes Regulations*  
*The Regional Health Services Act*  
*The Regional Health Services Administration Regulations*  
*The Special-care Homes Rates Regulations, 2011*  
*The Trustee Act, 2009*  
*The Tabling of Documents Act, 1991*  
 The Saskatoon Regional Health Authority Board Bylaws  
 Orders in Council issued pursuant to the above legislation

<sup>1</sup> Comprised of operating revenue of \$1.060 billion and restricted fund revenues of \$32 million.

<sup>2</sup> Comprised of operating expenses of \$1.084 billion and restricted fund expenses of \$43 million.

<sup>3</sup> See our website at [www.auditor.sk.ca](http://www.auditor.sk.ca).



## › Saskatoon RHA's financial statements are reliable

We used the control framework developed by the Canadian Institute of Chartered Accountants (CICA) to make our judgments about the effectiveness of Saskatoon RHA's controls. The CICA defines control as comprising elements of an organization that, taken together, support people in the achievement of an organization's objectives.

In our 2012-13 audit, we examined the effectiveness of Saskatoon RHA's financial-related controls used to administer the revenues, expenses and assets identified in **Section 2.0**. Also, we examined the effectiveness of the controls it used to keep reliable financial records and prepare reliable financial reports.

This chapter also provides an update on recommendations agreed to by the Standing Committee on Public Accounts that have not yet been implemented.

## 4.0 KEY FINDINGS AND RECOMMENDATIONS

In this section, we outline key observations from our assessments and the resulting recommendations.

### 4.1 Policies and Procedures for Security of Information Technology Systems and Data Needed

We recommended that Saskatoon Regional Health Authority establish information technology policies and procedures based on a threat and risk analysis. (2004 Report – Volume 3; Public Accounts Committee agreement October 25, 2005)

**Status** – Partially Implemented

As previously reported, Saskatoon RHA has approved and communicated to staff an overarching security policy, and has begun work on the supporting policies. However, it has not yet finalized and implemented those policies.

We recommended that all regional health authorities establish adequate disaster recovery plans and test those plans to ensure their effectiveness. (2009 Report – Volume 3; Public Accounts Committee agreement June 18, 2010)

**Status** – Partially Implemented

In 2012-13, Saskatoon RHA prepared a draft disaster recovery plan (DRP) but it does not yet have a complete DRP that identifies how to restore its information technology (IT) systems and data in the event of a catastrophic IT event. Once Saskatoon RHA has developed a complete plan, it needs to test the plan to assess its effectiveness. Without

a complete and tested disaster recovery plan, Saskatoon RHA remains at risk that it may not be able to restore service to its system users in case of a major interruption.

Also as previously reported, eHealth<sup>4</sup> provides Saskatoon RHA with some IT services. To have a robust disaster recovery plan, Saskatoon RHA must ensure that its service provider, eHealth, also has a robust recovery plan. Accordingly, the adequacy of Saskatoon RHA's recovery plan very much depends on the adequacy of the disaster recovery plan of eHealth.

## 4.2 Transparent Process to Select Stakeholder Representation on Advisory Committee Needed

We recommended that Saskatoon Regional Health Authority establish a transparent process to select stakeholder representation on advisory committees and make that process public. (2012 Report – Volume 2; Public Accounts Committee has not yet considered this recommendation)

**Status** – Implemented

Saskatoon RHA has developed a policy setting out a process to select stakeholder's representation on any of its future advisory committees.

## 5.0 EXHIBIT

### 5.1 Status of Previous Recommendations of the Standing Committee on Public Accounts

The following exhibit provides an update on recommendations agreed to by the Standing Committee on Public Accounts (PAC) that are not yet implemented and are not discussed in the chapter.

PAC Report Year	Outstanding Recommendation	Status
<b>Capital Equipment Plans</b> (2001 Fall Report – Volume 2)		
2002	6D-1 that all Regional Health Authorities should prepare capital plans that contain the key elements for capital equipment plans in the public sector.	<b>Partially Implemented</b> (as of July 31, 2012)  We plan to do a follow-up in 2014.
<b>Protecting IT Infrastructure</b> (2010 Report – Volume 2)		
2011	11D-1 that the Saskatoon Regional Health Authority implement adequate information technology policies.	<b>Partially Implemented</b> (as of March 31, 2013)  We plan to do a follow-up in 2014.

<sup>4</sup>eHealth is a Treasury Board Crown corporation previously known as the Saskatchewan Health Information Network.



PAC Report Year	Outstanding Recommendation	Status
2011	11D-2 that the Saskatoon Regional Health Authority adequately restrict access to information technology equipment, systems, and data.	<b>Partially Implemented</b> (as of August 31, 2012)  We plan to do a follow-up in 2014.
2011	11D-3 that the Saskatoon Regional Health Authority configure and update its computers and network equipment to protect them from security threats.	<b>Partially Implemented</b> (as of August 31, 2012)  We plan to do a follow-up in 2014.
2011	11D-4 that the Saskatoon Regional Health Authority prepare and test an information technology disaster recovery plan.	<b>Partially Implemented</b> (as of March 31, 2013)  We plan to do a follow-up in 2014.
2011	11D-5 that the Saskatoon Regional Health Authority monitor the security of its information technology infrastructure.	<b>Partially Implemented</b> (as of August 31, 2012)  We plan to do a follow-up in 2014.