

## Chapter 2

### Saskatchewan Housing Corporation

#### 1.0 MAIN POINTS

Saskatchewan Housing Corporation's (SHC) financial statements for the year ended December 31, 2013 are reliable and it complied with authorities governing its activities related to financial reporting, safeguarding resources, revenue raising, spending, and investing. In 2013, SHC had effective rules and procedures to safeguard public resources except that it did not ensure that its information technology (IT) service provider had tested its disaster recovery procedures. Testing disaster recovery procedures is necessary to ensure that delivery of critical services can continue in the event of a disaster.

#### 2.0 INTRODUCTION

The Ministry of Social Services (Ministry) is responsible for SHC. The Ministry's mandate is to support citizens at risk as they work to build better lives for themselves through economic independence, strong families, and strong community organizations.<sup>1</sup> SHC provides housing and housing services for people who cannot otherwise afford adequate, safe, and secure shelter.

In 2013, SHC had total revenues of \$224.5 million and total expenses of \$193.1 million. At December 31, 2013, SHC had total assets of \$323.6 million. SHC's annual reports can be found at [www.socialservices.gov.sk.ca/housing](http://www.socialservices.gov.sk.ca/housing).

#### 3.0 AUDIT CONCLUSIONS

Our Office worked with KPMG LLP, the appointed auditor, to form our opinions. We followed the framework in the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors*.<sup>2</sup>

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

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

*The Saskatchewan Housing Corporation Act*  
*The Financial Administration Act, 1993*  
 Orders in Council issued pursuant to the above legislation

- › **SHC had reliable financial statements**

<sup>1</sup> Ministry of Social Services, 2012-13 Annual Report, p. 4.

<sup>2</sup> See our website at [www.auditor.sk.ca](http://www.auditor.sk.ca).



## 4.0 KEY FINDING AND RECOMMENDATION

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

### 4.1 Agreement for Disaster Recovery Needs Improvement

We recommended that the Saskatchewan Housing Corporation sign an agreement with the Information Technology Office that includes testing of disaster recovery procedures. (2011 Report – Volume 1; Public Accounts Committee agreement August 28, 2012)

**Status** – Not Implemented

At December 31, 2013, SHC's agreement with its information technology service provider (Information Technology Office of the Ministry of Central Services) did not adequately address testing of disaster recovery procedures. As a result, SHC does not know whether systems and data can be restored on a timely basis in the event of a disaster.

Effective January 2014, the agreement was revised to require that disaster recovery procedures be tested annually.