

Chapter 10

Northlands College

1.0 MAIN POINTS

Northlands College had effective rules and procedures to safeguard public resources other than it did not always remove, within a reasonable time, access of employees to its IT network when they left the employ of the College.

In 2019–20, Northlands College had reliable financial statements. It also complied with the authorities governing its activities related to financial reporting and safeguarding public resources.

2.0 INTRODUCTION

Northlands College, one of Saskatchewan's seven regional colleges, offers classes in communities across northern Saskatchewan, with campuses in Buffalo Narrows, Creighton, and La Ronge. The College offers Adult Basic Education, Skills Training, and University courses to around 1,100 students each year.¹

As shown in **Figure 1**, in 2019-20, the College had revenues of \$19.4 million and expenses of \$18.6 million.

Figure 1—Financial Overview

+	Budget 2019–20	Actuals 2019–20
	(in millions)	
Provincial grants	\$ 15.3	\$ 16.0
Other revenue	<u>3.3</u>	<u>3.4</u>
Total Revenues	\$ 18.6	\$ 19.4
General	7.0	6.9
Skills training	4.6	4.3
Basic education	2.9	2.4
University	4.2	3.4
Services	0.7	0.8
Scholarships	<u>0.1</u>	<u>0.1</u>
Student housing	<u>0.7</u>	<u>0.7</u>
Total Expense	\$ <u>20.2</u>	\$ <u>18.6</u>
Annual Surplus (Deficit)	\$ <u>(1.6)</u>	\$ <u>0.8</u>
Accumulated Surplus (at June 30, 2020)	\$ <u>11.7</u>	\$ <u>14.1</u>

Source: Northlands College audited financial statements for the year ended June 30, 2020.

¹ *Northlands College, Annual Report, 2018–19*, p. 34.



3.0 AUDIT CONCLUSIONS

Our Office worked with MNP LLP, the appointed auditor, to carry out the audit of Northlands College. We followed the framework in the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors*.²

In our opinion, for the year ended June 30, 2020:

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

The Regional Colleges Act
The Regional Colleges Regulations
The Regional Colleges Program Designation Regulations
The Regional Colleges Programs and Services Regulations

The Financial Administration Act, 1993
The Executive Government Administration Act
The Income Tax Act, 2000 (Saskatchewan)
The Financial Administration Manual
The Regional Colleges Accounting and Reporting Manual

- **Northlands College had reliable financial statements**

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework included in *COSO's Internal Control—Integrated Framework* to make our judgments about the effectiveness of Northland College's controls. The control framework defines control as comprising elements of an organization that, taken together, support people in the achievement of an organization's objectives.

Through our review of work carried out by the appointed auditor, we examined the effectiveness of Northlands College's processes for preparing and processing payroll, and paying for and receiving goods and services. We also examined the effectiveness of the controls used to safeguard financial-related IT systems and data.

4.0 KEY FINDING AND RECOMMENDATION

4.1 Timely Removal of User Access Needed

For two of five terminated employees tested, the College had not removed network access as of August 2020. In each case, the employees left the College before April 2020, and had accessed the network system after their last day of work. There is no indication they accessed any sensitive information or applications.

Not promptly removing unneeded user access increases the risk of unauthorized access to IT systems and data, including confidential information, and of inappropriate modifications to IT systems or data.

- 1. We recommend Northlands College follow its established procedures for removing unneeded user access to its computer systems and data.**

² See our website at auditor.sk.ca/