

Attention: Shirley Bond, Chair and Mitzi Dean, Deputy Chair of the Select Standing Committee on Public Accounts

Supplier File Maintenance Audit Released [01/19]

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PAC Meeting [09/04/2019] Prepared by: Steven Rossander, Corporate Accounting Services, Office of the Comptroller General Reviewed by: Carl Fischer, Comptroller General
Plan¹

1st APPA [26/02/2020] Prepared by: Gordon Wong, Office of the Comptroller General Reviewed by: Carl Fischer, Comptroller General
Update

Rec. # Accepted? Yes / No ²	OAG Recommendations	Actions Planned & Target Date(s) ³	Assessment of Progress to date ⁴ and Actions Taken ⁵ (APPA update)
1. Yes	Update the Core Policy and Procedures Manual to include a clear definition of a supplier, roles and responsibilities for maintenance of the data, and minimum information standards to confirm the unique identity of each supplier.	We will align policy direction in this area to provide clear and unambiguous direction to ministry officials responsible for adding and validating supplier information. Actions planned: <ul style="list-style-type: none"> • Provide a clear definition of a ‘Supplier’ and provide additional clarity to ministries on their responsibilities regarding the maintenance and accuracy of supplier data. • Ensure that supplier information standards are clearly defined within the policy framework. Target Date: Completed	Progress Assessment: Fully implemented Actions Taken & Discussion: Revised CPPM to add new CPPM section on Supplier File Maintenance that will: <ul style="list-style-type: none"> • Provide a clear definition of a supplier. • Clarify roles and responsibilities for data maintenance. • Set minimum information standards to confirm the unique identity of each supplier.

¹ The audited organization will be required to present their initial action plan at this meeting (i.e. First three columns completed for each OAG recommendation included in the audit report)

³ Target date is the date that audited organization expects to have “fully or substantially implemented” the recommendation. If several actions are planned to implement one recommendation, indicate target dates for each if they are different.

⁴The Select Standing Committee on Public Accounts (PAC) will request that the audited organization provide a yearly update (i.e completed “Assessment of Progress and Actions Taken” column) until all recommendations are fully implemented or otherwise addressed to the satisfaction of the PAC. This is for the APPA update.

⁵ This action plan and the subsequent updates have not been audited by the OAG. However, at a future date that Office may undertake work to determine whether the entity has implemented the recommendations. The results of that work will be reported in a separate report prepared by the OAG.

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2. Yes	Conduct periodic audits of user access to the master supplier file to ensure security of supplier records.	<p>We will institute a review process to monitor user access to the master supplier file. Actions planned:</p> <ul style="list-style-type: none"> Implement an exception report that will identify changes made to supplier data by unauthorized users. <p>Target Date: Completed</p> <ul style="list-style-type: none"> Enhance testing of the supplier maintenance form by adding a test case that checks to see if unauthorized users can access the form. <p>Target Date: Completed</p>	<p>Progress Assessment: Fully implemented</p> <p>Actions Taken & Discussion:</p> <ul style="list-style-type: none"> Created automated audit exception report on supplier information changes to ensure only authorized users have change access. Created automated audit exception report for bank account information changes. Except reports will be independently reviewed by Corporate Compliance and Controls Monitoring Branch on a regular basis. Updated test cases to ensure adequate testing of all security controls on supplier forms.

⁵ This action plan and the subsequent updates have not been audited by the OAG. However, at a future date that Office may undertake work to determine whether the entity has implemented the recommendations. The results of that work will be reported in a separate report prepared by the OAG.

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<p>3. Yes</p>	<p>Update procedures so that a unique personal or business identifier is part of all supplier records and ensure all changes to the master supplier file are confirmed as accurate before they are finalized.</p>	<p>We will reinforce the requirement to have one unique identifier included in supplier requests, if a unique identifier is unavailable, an exception report will be raised to support record integrity. Actions planned:</p> <ul style="list-style-type: none"> • Communicate supplier information standards to users and organizations responsible for supplier requests. <p>Target Date: Completed</p> <ul style="list-style-type: none"> • Future development will be aligned with identify management strategies adopted by the Province. <p>Target Date: Completed</p>	<p>Progress Assessment: Alternative Action</p> <p>Actions Taken & Discussion:</p> <ul style="list-style-type: none"> • Updated procedures for Supplier Maintenance Contacts (SMC) to validate business supplier information by using Corporate Registry a business identifier. • An IT solution to flag supplier records that do not have a unique identifier. • The Office of the Comptroller General sought advice from the Corporate Information and Records Management Office (CIRMO) on the authority of the Ministry of Finance to collect and use existing unique identifiers. Available options include Social Insurance Number (SIN), Driver’s Licence (DL), Personal Health Number (PHN) and BC Services Card (BCSC). The advice provided: <ul style="list-style-type: none"> ➤ Restrictions exist on the authority to collect personal information, and provide specific opinions on the collection of SIN, DL, PHN and BCSC for use as unique identifiers. The advice was supported by by Legal Services Branch (LSB) and the Office of the Information and Privacy Commissioner (OIPC). The restrictions were based on: <ul style="list-style-type: none"> ▪ SIN as a sensitive piece of personal information as it can be used to perpetuate identity theft or fraud, and as such, should not be used when less sensitive personal information can fulfill the same purpose. ▪ There was not the legal authority to collect SINS in this instance. ▪ The collection of DL and PHN information for use as unique identifiers would likely have the same legal issue as with the collection of SINS.
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			<ul style="list-style-type: none"> OCG is engaged in discussions with provincial Identity Information Management Program (IDIM) to use the BC Service Card to uniquely identify individuals in the most compliant and privacy enhanced way.
4. Yes	Establish a regular file maintenance schedule.	<p>We will enhance our regular system maintenance schedule with supplier specific reporting to better support ongoing integrity of the master supplier file. Actions planned:</p> <ul style="list-style-type: none"> We will include supplier specific reporting in our regular systems maintenance processes. <p>Target Date: Completed</p> <ul style="list-style-type: none"> We will define supplier inactivity and implement a supplier inactivation schedule. <p>Target Date: Completed</p>	<p>Progress Assessment: Fully implemented</p> <p>Actions Taken & Discussion:</p> <ul style="list-style-type: none"> All maintenance activities performed on the supplier file are documented and include a schedule. Defined supplier inactivity: <ul style="list-style-type: none"> ➤ Identified active files based on its “active state”. ➤ Inactivation based on a 7 year inactivity period. ➤ Identified file types that are excluded from inactivation due to business requirements. Implement a supplier inactivation schedule that will enable: <ul style="list-style-type: none"> ➤ Automated system end dating of inactive suppliers. ➤ Automated system end dating of employee type suppliers.

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5. Yes	Comply with records management policies for Office of the Comptroller General supplier records.	<p>We will engage government Records Management Office to reassess the retention requirement for supplier records and make recommendations for changes where necessary to support government business requirements. Actions planned:</p> <ul style="list-style-type: none"> • Update records retention schedule to be consistent with business requirements. <p>Target Date: Completed</p>	<p>Progress Assessment: Fully implemented</p> <p>Actions Taken & Discussion:</p> <ul style="list-style-type: none"> • Identified business requirements for supplier file records: <ul style="list-style-type: none"> ➤ Maintenance of active supplier file records. ➤ Conditions for obsolescence and final disposition. • Recommendations for updates to the records retention schedule have been approved by the government Corporate Information & Records Management Office (CIRMO) and will be updated in accordance to their change schedule.

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