Managing Fraud Risks in Government *(Aspects of Financial Management)*

As at: August 2012
Released: 25 August 2010
1st Follow-up: October 2011   2nd Follow-up: March 2012
Discussed by the Public Accounts Committee: 17 November 2010

Self-assessment conducted by Ministry of Finance

Comments:

The Office of the Comptroller General (OCG) has recently released updated policies and procedures which clarify roles and responsibilities for fraud risk management. Progress continues on improving coordination among ministry investigation units and central agencies for the investigation and reporting of losses and fraud incidents.

The Investigation Unit, OCG is providing fraud prevention and awareness training across government.

The OCG has made substantial progress in implementing the recommendations, and have assessed our overall status as substantially complete. We remain fully commited to implementation of the Office of the Auditor General's report recommendations.

Outstanding Recommendations:

RECOMMENDATION AND SUMMARY OF PROGRESS	SELF-ASSESSED STATUS
Recommendation 1: Government adopt the five fraud risk management principles we have drawn up and use them as the basis for developing and implementing a comprehensive fraud risk management strategy.	**Fully or substantially implemented**

Actions taken, results and/or actions planned

New policy was released in April 2012 which clarifies responsibilities for fraud detection, prevention and reporting, as well as consequences of fraudulent behaviour.

A fraud risk management working group established in fiscal 2011/12, comprised of various investigation units in ministries and central agencies, is continuing its work on improving loss and fraud reporting efforts in government.

The OCG is building stronger relationships with ministries and central agencies by improving collaboration and co-ordination in the assessment and investigation of fraud incidents.

The OCG is actively promoting fraud prevention and awareness through the government's financial and operational communities by providing training and communication of policy requirements.

The OCG and Risk Management Branch are working together to make further improvements to the General Incident and Loss Reporting (GILR) practices by strengthening the follow-up process, as well as the timely detection of potential fraud risks through analysis of GILR information.

Page 1 of 1

Auditor General of British Columbia | 2012 Report 6
Follow-up Report: Updates on the implementation of recommendations from recent reports