



NEWS RELEASE

**For Immediate Release  
December 12, 2006**

**Office of the Auditor General says that government's central accounting system processing controls are generally adequate, but controls supporting its business processes could be improved.**

VICTORIA - The Office of the Auditor General is recommending a number of improvements in government controls to reduce the possibility of incorrect or fraudulent payments being made.

The Office today released its second report on the audit of government's corporate accounting system (CAS). This report highlights the work done by the Office on evaluating controls over granting system access, maintaining supplier information, authorizing purchases of goods and services, and financial reporting.

Deputy Auditor General, Errol Price, indicated that it was important for the Office to assess system controls. "CAS, the central accounting system for government, is a very large and complex system" said Price. "Incorrect entries, as a result of human error or unauthorized access to the system, could potentially result in incorrect payments, as well as critical business functions (such as financial reporting) being compromised."

According to Price, "The potential for these problems is not unique to CAS. Every computing system faces similar risks. The only way to minimize these risks (and to maximize the likelihood of detecting problems if they do occur) is through a strong control environment."

The Deputy Auditor General reported that processing controls within the system were adequate for producing complete, accurate and timely financial information. "However, some controls in supporting business processes were found to be weak," Price commented, "increasing the risk of incorrect or fraudulent payments in some cases."

The report contains 11 key recommendations as to how government could further improve the control environment. These recommendations address deficiencies in policies and procedures, and access restrictions. Price stated that "he was pleased that many of these recommendations have already been acted on by government."

## **2006/07 Report #5 – Audit of Government’s Corporate Accounting System: Part 2**

This report is available:

On the Internet at the Office of the Auditor

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