



NEWS RELEASE

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Auditor General says B.C.'s health authorities recognize the importance of a strong internal audit process

VICTORIA — Auditor General Wayne Strelieff today released his report on the status of internal audit in health authorities in British Columbia. The Provincial Health Authority and the five regional health authorities together spend about \$7.7 billion yearly and employ about 96,000 people. They are responsible for delivering a comprehensive range of health services to taxpayers.

“We concluded,” said Strelieff, “that the boards and management of health authorities have recognized the importance of internal audit and have either set up internal audit groups in their authorities or are in the process of doing so. For the health authorities that have working internal audit units, the boards have set up good processes to oversee internal audit’s activities.”

The Institute of Internal Auditors defines internal auditing as an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. Internal auditing reviews the reliability and integrity of information, compliance with policies and regulations, the safeguarding of assets, the economical and efficient use of resources, and the operational goals and objectives of the organization.

Strelieff’s office carried out a review to evaluate the extent to which health authority boards and management are using internal audit in carrying out their responsibilities. The report also provides best practices for an internal audit function.

“Internal audit is one of the key vehicles that the boards can use,” said Strelieff, “to help the board members carry out their responsibilities, to help an organization improve its operations and accomplish its objectives by evaluating and improving the effectiveness of risk management, control and governance processes.”

According to Strelieff, a few of the internal audit groups are new and are not yet fully functional, so are not yet as effective as they can be in performing their responsibilities. However if they proceed on their current path and become fully functional, they will soon be able to serve the board and the authorities effectively.

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2004/05 Report #4 – Internal Audit in Health Authorities: A Status Report

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