

MONEY & MISSION

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EDITORIAL: THE DIGNITY OF WORK

"The current economic era has given us fresh impulses and new ways to stigmatize work such as farming and caring for children – jobs that are supposedly not 'knowledge' jobs and therefore do not pay very well. But in Genesis we see God as a gardener, and in the New Testament we see him as a carpenter. No task is too small a vessel to hold the immense dignity of work given by God. Simple physical labour is God's work no less than the formulation of theological truth."

This paragraph, from *Every Good Endeavor* by Timothy Keller (published by Dutton in 2012, page 49) stresses that God brings dignity to our daily work, even if it involves tasks that carry little prestige.

The Scottish theologian, William Barclay, said something similar 40 years earlier in his book, *Through the Year with William Barclay: Devotional Readings for every day* (Hodder and Stoughton, 1971, page 35):

"What the world needs, and what God needs, is not so much people who can do extraordinary things, as people who can do ordinary things extraordinarily well."

No matter how modest our daily work may seem to be, we can be sure that it is important in the eyes of our Heavenly Father.

HIGHLIGHTS OF AUDIT COMMITTEE REPORT TO GOVERNING COUNCIL

By Patricia O'Malley, Audit Committee Chair*

In January, the Governing Council received the Audit Committee's report on its activities for the first two years of its operations.

The Committee's report covered the following main areas of its mandate:

Financial reporting – The preparation of the consolidated financial statements of the Army is a significant undertaking. The quality of the information in the financial statements is very high and the Committee was able to suggest improvements only around the edges of both content and process.

External audit – KPMG has acted as the external auditors of the Army for almost two decades. They are extremely knowledgeable about the operations of the Army across the country and they have been helpful in developing the Committee's understanding of the challenges the Army faces. Given the length of KPMG's tenure, and considering new best practices on auditor appointments promulgated by CPA Canada and the Institute of Corporate Directors, the Committee is formalizing the auditor evaluation process. This process will form the basis of a recommendation to the Governing Council regarding appointment of the external auditors.

Internal Control – The Committee strongly supported the initiative to thoroughly review the extent of compliance with key cash management and charitable receipting controls.

Internal audit – The Committee noted its concerns about the level of resources provided to the internal audit function. Internal audit has for some time been operating with less than its full complement, which means that sufficient capacity and skills are not available to accomplish its current mandate. The Committee noted its view that an assistant director and an IT auditor were required urgently.

The Committee was very pleased that the Governing Council subsequently directed Internal Audit to develop a plan to increase its staffing to be able to better address compliance issues in ministry units, as well as to create capacity for more strategic issues in the future. We are looking forward to working with Internal Audit to create that capacity and to implement new internal audit programs.

**Patricia O'Malley is former Chair of the Canadian Accounting Standards Board, a former member of the International Accounting Standards Board and a current member of the Accounting Standards Oversight Council of Canada.*

INFORMATION SECURITY

By Amer Khan, Chief Information Security Officer

What is meant by "information security"?

Cyber-attacks are constantly evolving. Hackers and organized criminal syndicates are now targeting organizations that are known to have either weaknesses in their environments or large amounts of valuable data such as personal, financial or credit card information. The goal of information security is to guard against internet or internal attacks by protecting the confidentiality, integrity and availability of the organization's information. This is commonly referred to as the "CIA triad."

Risks to the Army of inadequate security

The Salvation Army provides many valuable services to our clients, and during the course of our operations collects thousands of records containing sensitive data. All of us have access to data that requires diligence in accessing, transmitting and storing it. A breach of our client or donor data that is reported in the media can have very harmful effects on our reputation and brand. Not only can this disadvantage us competitively, but we could be open to litigation that can cost thousands of dollars.

Areas of greatest risk

The Army in general, and our IT department in particular, have spent vast amounts of money on technology to secure our data. Organizations are constantly under attack by malware, ransomware, and e-mail phishing. Our sector is known for being attacked by e-mail phishing (i.e. sending malware via e-mail) in order to steal user ID's and passwords to gain entry to our systems and steal sensitive data. In some cases, such attacks are aimed at stealing money by exploiting business processes.

Our responsibility

The best defense against attacks is awareness. No matter how many firewalls, intrusion detection systems or encryptions the Army implements, people will be more vulnerable than a computer. We must familiarize ourselves with some of the basic vulnerabilities mentioned above. Also, do not hesitate to reach out to IT management or the Chief Information Security Officer with any questions.

DID YOU KNOW? YEAR-OVER-YEAR COMPARISONS

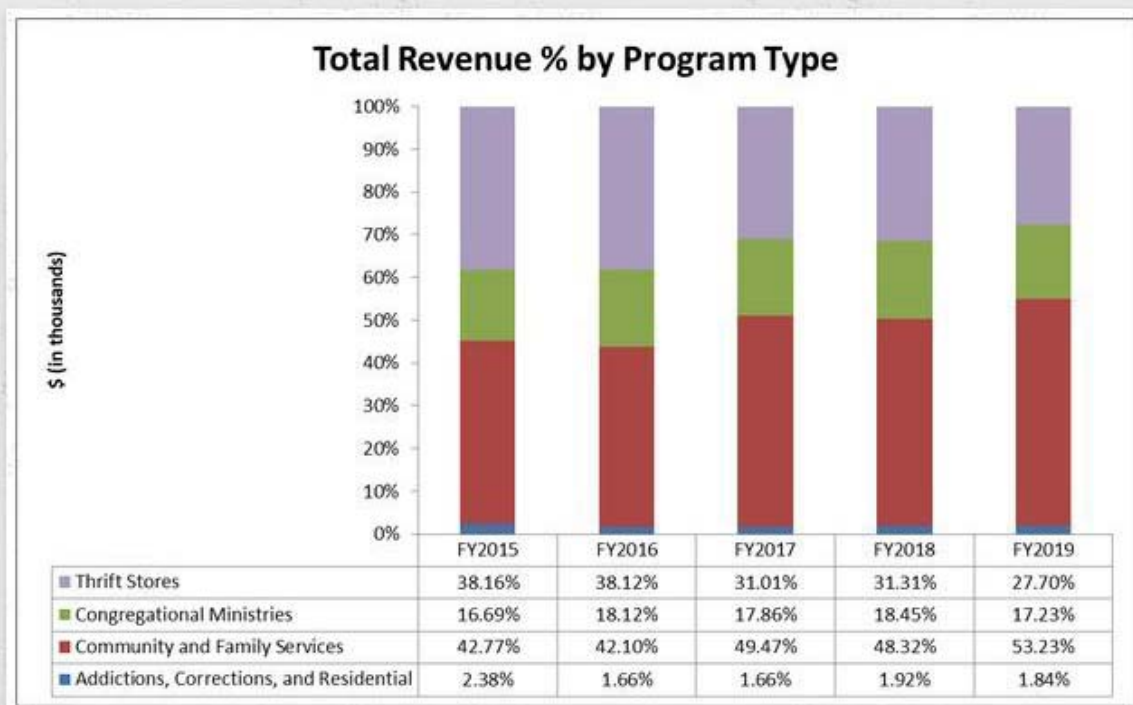
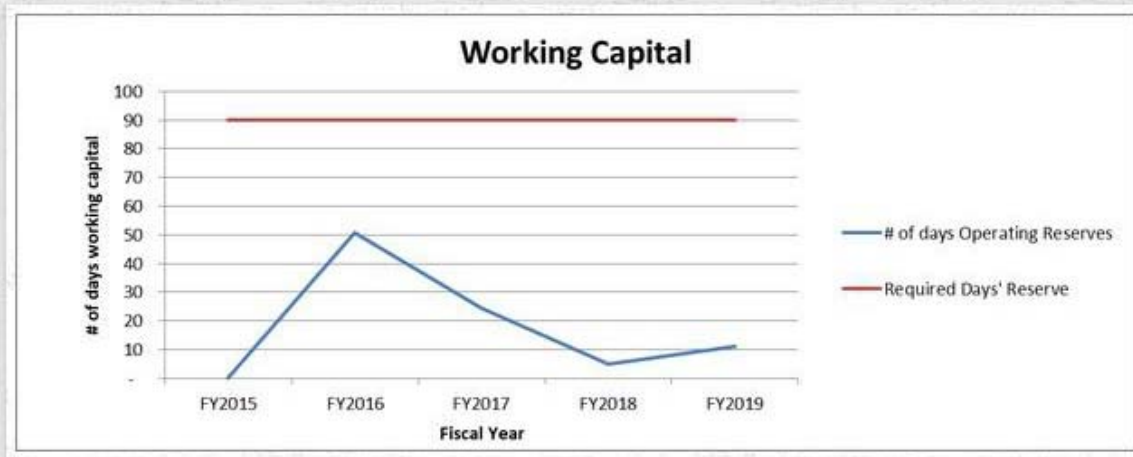
By Justin Yantha, Director of Financial Reporting

This is the third in a series of articles about reports that can be produced by Agresso. It focusses on the Ministry Unit Analysis report, which is available under the Information Pages section of Agresso, under Ministry Units Reports.

This comprehensive report summarizes your unit's operating results over five years up to the specified year-to-date, presenting the data in a series of charts for analysis of year-over-year

specified year-to-date, presenting the data in a series of charts for analysis of year-over-year figures. The report provides valuable trend analysis over a number of key financial indicators such as the 90-day working capital (operating fund balance) and budget-to-actual results at a consolidated level, as well as broken out by department types. It also highlights the major sources of revenue and expense from both overall and department levels through an array of charts and graphs that users should find both informative and visually appealing.

Below are just two examples of the charts contained in the report. The first is a line chart comparing year-over-year operating reserves to the 90-day working capital requirement, while the bar graph below it represents an analysis of revenue, showing the different revenue streams for a ministry unit by percentages.



VERSE FROM THE FINANCIAL STEWARDSHIP BIBLE

Psalm 119: 72 "I would rather obey you than have a thousand pieces of silver and gold."

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