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IPC Practices

PUTTING ONTARIO'S INFORMATION AND PRIVACY LEGISLATION TO WORK
INFORMATION AND PRIVACY COMMISSIONER/ONTARIO
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Audits and the Collection of Personal Information

The amount of personal information collected or disclosed for auditing purposes should be limited to what is strictly necessary.

def. **au'dit** n. & v.t. "A methodical examination and review of a situation or condition ... concluding with a detailed report of findings."
Webster's Third New International Dictionary

In the government context, an audit is an independent review of an organization's operations to ensure public funds are being spent properly. For example, an institution may need to verify that a particular type of service is being provided by one of the agencies or organizations it is funding.

The Information and Privacy Commissioner/Ontario (IPC) has conducted a number of investigations where a member of the public has questioned the legitimacy of collecting personal information during the course of an audit.

Institutions conducting audits should be aware that the amount of personal information collected or disclosed for auditing purposes should be limited to what is strictly necessary. Where collection is necessary, institutions should also consider the possibility of collecting the information without the use of personal identifiers.

Preparing for an Audit

As viewing personal information may at times be unavoidable, institutions should prepare for an audit by becoming familiar with how personal information is stored by their organization and, where possible, designing processes and systems that minimize the amount of personal information that may be revealed during the audit.

Collection

In some situations during the course of an audit, personal information may be collected. In those circumstances it is important to determine, in advance of the audit, if the auditor has the authority to collect the personal information.

Disclosure

To determine whether personal information may be disclosed to the individual(s) conducting an audit, it is essential to refer to the disclosure sections of the *Freedom of Information and Protection of Privacy Act* or the *Municipal Freedom of Information and Protection of Privacy Act* (the *Acts*). Section 32 of the municipal *Act* and section 42 of the provincial *Act* set out the rules for the disclosure of personal information to anyone other than the individual to whom the information relates.



Private Audit Firms

An auditor is not necessarily an employee of the institution (i.e., the individual may be employed by a private audit firm hired by the institution). If the institution does not employ the individual(s) performing the audit, it is essential that both the auditor(s) and the audit firm sign an agreement stating that they will abide by the privacy provisions of the *Acts*, their regulations, and by the *Archives Act*. At a minimum, the agreement should ensure that only personal information necessary to conduct the audit will be collected, and that such information will be kept secure and not be disclosed to unauthorized persons.

Federal Audits

Institutions are often required to disclose personal information to the Government of Canada in order to facilitate the auditing of shared cost programs. In those circumstances, they should refer to section 42(n) of the provincial *Act* or section 32(l) of the municipal *Act*.

To obtain more information about audits and the collection of personal information, contact your institution's FOIP Co-ordinator or a Policy Adviser at the Corporate Freedom of Information and Privacy Office, Management Board Secretariat.

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