

## **CITY OF VAUGHAN**

### **EXTRACT FROM COUNCIL MEETING MINUTES OF FEBRUARY 19, 2013**

Item 1, Report No. 3, of the Finance and Administration Committee, which was adopted without amendment by the Council of the City of Vaughan on February 19, 2013.

#### **1 INTERNAL AUDIT REPORT – ACCOUNTS PAYABLE**

The Finance and Administration Committee recommends approval of the recommendation contained in the following report of the Director of Internal Audit, dated February 11, 2013:

##### **Recommendation**

The Director of Internal Audit recommends that the Internal Audit Report on Accounts Payable be received and approved.

##### **Contribution to Sustainability**

Internal Audit activities and subsequent reports contribute to the sustainability of the City by providing advice and assurance that controls supporting the effective delivery of services and programs are effective. Longer term sustainability needs the support of good, efficient risk mitigation strategies. Internal Audit can provide support for that sustainability by providing independent advice and assurance.

##### **Economic Impact**

There are no direct economic impacts associated with this report.

##### **Communications Plan**

Not applicable.

##### **Purpose**

To present to the Finance and Administration Committee the Internal Audit Report on Accounts Payable and to provide an evaluation of operational controls, as well as opportunities for improvement to help mitigate potential risks.

##### **Background - Analysis and Options**

This audit was done to evaluate the effectiveness of controls, processes and procedures in place to mitigate risks that could affect Accounts Payable in meeting departmental and the City's business objectives.

The audit was part of the 2012 to 2014 Risk Based Internal Audit Plan previously approved by the Finance and Administration Committee.

##### **Relationship to Vaughan Vision 2020/Strategic Plan**

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

##### **Regional Implications**

Not applicable.

##### **Conclusion**

The report concluded that some improvement in controls was needed to effectively manage the potential risk of unauthorized or improper payments. Although testing did not find any evidence

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of inappropriate, duplicate or unauthorized expenses, the improvements suggested would be proactive in reducing risk. These opportunities for improvement were discussed with departmental management and they have agreed to make changes.

**Attachment**

Internal Audit Report – Accounts Payable

**Report prepared by:**

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Operational and Compliance Auditor

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)