

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 26, 2017

Item 2, Report No. 8, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on September 26, 2017.

2 INTERNAL AUDIT REPORT – STATUS OF MANAGEMENT ACTION PLANS

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Director of Internal Audit, dated September 20, 2017:

Recommendation

The Director of Internal Audit recommends:

1. That the Internal Audit Report on the Status of Management Action Plans be received.

Contribution to Sustainability

Internal Audit activities and reports contribute to the sustainability of the City by providing advice and assurance that controls supporting the delivery of services and programs are effective. Long term sustainability needs the support of good and 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, Administration and Audit Committee the Internal Audit Report on the Status of Management Action Plans.

Background - Analysis and Options

Follow up of Internal Audit recommendations through Management Action Plans (MAPs) is performed to ensure that management actions have been effectively implemented and appropriate controls and processes have been put in place to mitigate risks identified during the audit.

For every recommendation, management provides Internal Audit with the name of the individual who is accountable and responsible for implementing the MAPs and an estimated completion date. Internal Audit assesses the estimated completion date for reasonableness and timeliness of the action, based on the assessed risk.

The individual who is accountable for implementing the MAPs provides Internal Audit with a written update on their progress shortly before the implementation deadline approaches. The update includes whether each MAP has been completed, is still in progress, or is not yet started. If a MAP has been completed, Internal Audit will verify that the action plan addresses the risk outlined in the report.

Management provides a detailed explanation if an action plan is still in progress or not yet started and provides a new estimated completion date. Internal Audit assesses the new estimated completion date for reasonableness and timeliness, based on the assessed risk.

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Council requested that Internal Audit provide an annual report on the status of completed and outstanding management action plans to address audit report recommendations.

The scope of this report includes ten audit reports containing 52 recommendations presented to the Finance, Administration and Audit Committee (FA&A) from October 2012 through December 2016. As of August 15, 2017, management has fully implemented 31 of those MAPs, or 60%. A total of 21 MAPs, or 40% are in progress.

Relationship to Term of Council Service Excellence Strategy Map (2014-2018)

This report supports the Term of Council Priority: Continue to Advance a Culture of Excellence in Governance, and the Service Excellence Initiative: Demonstrating Value for Money.

Regional Implications

Not applicable.

Conclusion

The Internal Audit report on the Status of Management Action Plans is attached as Attachment 1. The report provides updated information on the implementation status of recommendations made in audit reports which were publicly reported through Finance, Administration and Audit Committee. A table summarizing the number of audits completed and recommendations issued by report is included as Attachment 2.

Internal Audit will continue to monitor the status of MAPs and report the results to the Finance, Administration and Audit Committee on an annual basis. The next update will be included in the Internal Audit Annual report, which is scheduled to be presented in Q2, 2018.

Attachments

1. Internal Audit Report – Status of Management Action Plans
2. Internal Audit Summary of Audits and Status of Recommendations

Report prepared by:

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Director, Internal Audit

(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.)