



Office of the City Manager
Internal Audit Division

February 17, 2022

To: Audit Committee:
 Paul Mochrie – City Manager
 Karen Levitt – Deputy City Manager
 Patrice Impey – General Manager, Finance, Risk & Supply Chain Management
 Francie Connell – Director, Legal Services and City Solicitor

CC: KPMG External Auditor

From: Carmen Fuellbrandt - Manager, Internal Audit

Subject: **January 2022 6-Month Follow Up of Audit Recommendations**

As part of the annual Internal Audit plan, a follow-up of open audit recommendations is conducted semi-annually for all audit reports issued. This report covers all recommendations that were due by January 2022. The objective was to determine the extent to which audit recommendations have been implemented and whether any significant internal control weaknesses remain outstanding.

We corresponded with key individuals responsible for implementing recommendations and reviewed supporting evidence for items reported as complete. 125 recommendations were followed-up on across the City, and 40 of them have been completed. As of February 17, 2022, there were 85 recommendations that remain open (Appendix A):

Open recommendations at beginning of period	71
<u>Add:</u> Recommendations due	54
Total open recommendations followed up on	125
<u>Less:</u> Recommendations closed	(40)
Open recommendations at the end of review period (July 2020)	<u><u>85</u></u>

Of the 85 recommendations that are open and due, none require the immediate attention of the Audit Committee as all are ranked medium or low risk. In general, the outstanding action items relate to developing or enhancing policies and procedures, establishing monitoring and oversight processes, and conducting strategic reviews or longer-term planning processes.

Seven of the 85 open recommendations have been outstanding since 2018 or earlier. However, management has indicated that work is underway and the majority of these items are targeted for completion by the end of 2022.

Details of all open audit recommendations are appended below. Please contact me if there are any questions.

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Manager, Internal Audit