

July 25, 2019

July 2019 6-Month Follow Up of Audit Recommendations

Background

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 are due on or before July 2019.

The objective is to determine the extent to which audit recommendations have been implemented and whether any significant internal control weaknesses remain outstanding.

Scope

We corresponded with key individuals responsible for implementing recommendations and reviewed supporting evidence. A total of 127 recommendations were followed up on across the City and 37 of the recommendations are now completed.

Conclusion

As of July 25, 2019, there were 90 open recommendations.

A summary is shown below:

Open recommendations at beginning of period	72
<u>Add:</u> Recommendations now due	55
Total open recommendations followed up on	<u>127</u>
<u>Less:</u> Recommendations completed	<u>(37)</u>
Open recommendations at the end of review period (July 2019)	<u>90</u>

Of the 90 open recommendations, eight were initially targeted for completion by 2015/2016. Progress has been made around mitigating associated risks and management has indicated that these recommendations will be addressed in 2019, with the remaining to be completed by 2020.

The eight open audit recommendations that were initially targeted for completion by 2015/2016 are outlined below.

1. Develop a service-level agreement to ensure maintenance service expectations are documented for the Non-Market Housing Operations buildings.
2. Develop a process to regularly review and monitor service levels established in the Facilities Design & Management/Non-market Housing Operations service-level agreement.

3. Ensure that the citywide project control framework focuses on risk assessment, risk management, scope management and project communication management.
4. The CIO should establish a cloud framework and strategy.
5. The CIO should develop a package for communication to City employees to educate them on cloud solutions and include step-by-step instructions and responsibilities.
6. The Fire Chief should assess the type of asset management and tracking methodology best suited to control and manage inventory at VFRS.
7. The Fire Chief should ensure the needs of the training centre and vehicle service and maintenance yards are addressed adequately in the soon to be released fire hall Renewal Strategy study.
8. Ensure that an incident response plan for social media is formalized and implemented.