

AUDIT AND OPERATIONAL REVIEW COMMITTEE MEETING – JUNE 2, 2010

SUMMARY STATUS REPORT ON AUDIT RECOMMENDATIONS

Recommendation

The City Auditor recommends:

That this report be received for information purposes.

Contribution to Sustainability

Not applicable.

Economic Impact

There is no economic impact.

Communications Plan

The report will be available on the web.

Purpose

To provide the Audit and Operational Review Committee with information on the number of audit recommendations which (1) have been implemented, (2) are in progress and (3) are deferred by City departments which have been audited since the inception of the City Auditor position in March 2005.

Background - Analysis and Options

Between March 2005 to present, a number of audits were done of City departments based on the risk-based audit work plan. The City Auditor made a number of recommendations in his audit reports to improve controls, mitigate risk, improve corporate governance, efficiency and effectiveness of the operations audited.

Numerous follow-ups were sent out diligently over the years to obtain responses from departments as to the status of the recommendations whether they (1) have been implemented, (2) are in progress or (3) have not yet been started and the reasons for the delay. Actual follow-up audits were not done due to a shortage of audit staff.

The attachment summarizes (1) the departments audited, (2) the quantity of audit recommendations, (3) the quantity of recommendations (or equivalent corrective actions) implemented, in progress or deferred.

Other audits were done where recommendations were not provided due to the nature of the type of audit e.g., investigative or fact finding types. These audits are not included in this Summary Status Report.

A total of 472 audit recommendations were included in the Internal Audit Reports of the City operations audited. Of these, 450 (95.3%) recommendations were implemented by the departments, 14 (3.0%) recommendations were in progress and 8 (1.7%) recommendations were deferred, primarily due to reliance on the ITM department.

Relationship to Vaughan Vision 2020

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

A high percentage (98.3%) of Internal Audit recommendations have been implemented or are in progress by the operations audited, as per the responses received from City departments. The result of the implementation will improve efficiency, effectiveness, controls, risk management and corporate governance of these City departments.

Attachments

Summary Status Report On Audit Recommendations

Report prepared by:

Michael Tupchong

Respectfully submitted,

Michael Tupchong CA, CIA, CPA, CFE
City Auditor

INTERNAL AUDIT DEPARTMENT

SUMMARY STATUS OF INTERNAL AUDIT RECOMMENDATIONS FROM FOLLOW-UPS.

| Internal Audit Report Date | Internal Audit Report Title | Number of Audit Recommendations in Report | Reporting Date of Auditee | Recommendations Implemented | Recommendations in Progress | Recommendations Not Yet Started-Deferred | Total | Reason for Deferral (Audit Recommendation) |
|----------------------------|--|---|---------------------------|-----------------------------|-----------------------------|--|-------|---|
| 16-Jan-07 | Building Standards | 18 | 14-Apr-10 | 18 | 0 | 0 | 18 | |
| 9-Apr-08 | Development & Transportation Engineering | 18 | 18-Feb-09 | 18 | 0 | 0 | 18 | |
| 27-Feb-06 | Development Planning, Policy Planning, Urban Design Department | 25 | 04/31/2006 | 25 | 0 | 0 | 25 | |
| 1-May-07 | Fire Department | 44 | 8-Apr-10 | 41 | 2 | 1 | 44 | 2011 Budget considerations in progress (Portable computers for Fire Inspectors-reduce duplication of work) |
| 9-Apr-08 | Langstaff Road Reconstruction and Bridge Replacement | 6 | 6-Feb-09 | 6 | 0 | 0 | 6 | |
| 10-Jun-07 | Audit of Mileage Claims of G.Carroll and D.Boskovski | 2 | 30-Nov-07 | 2 | 0 | 0 | 2 | |
| 9-Apr-08 | Purchase and Sale of Lands | 8 | 3-Feb-09 | 8 | 0 | 0 | 8 | |
| 19-May-06 | Recreation & Culture Department | 69 | 26-Apr-10 | 68 | 0 | 1 | 69 | Deferred to 2011 per ITM (Interface Class with Peoplesft-quick trf of revenue, bank, AR to GL. Obtain fin. Info quicker than monthly to analyse) |
| 27-Aug-08 | Vaughan Public Libraries | 51 | 23-Mar-10 | 47 | 4 | 0 | 51 | |
| 27-Aug-08 | Vaughan Public Libraries (Confidential) | 12 | 16-Jul-09 | 12 | 0 | 0 | 12 | |
| 8-Oct-08 | Pierre Berton Library Furniture & Equipment | 4 | 19-Mar-10 | 4 | 0 | 0 | 4 | |
| 11-Nov-09 | Building & Facilities Department | 32 | 11-Nov-09 | 32 | 0 | 0 | 32 | |
| 16-Jun-07 | Clerks Department | 42 | 23-Jul-09 | 37 | 3 | 2 | 42 | For follow up in the Fall 2010 (reconcile tags issued, sold and returned for each vet. site; Comm.of Adjust.terminal computer) |
| 12-Nov-09 | Corporate Communications | 15 | 23-Apr-09 | 13 | 2 | 0 | 15 | |
| 9-Apr-08 | Enforcement Services Department | 39 | 11-Feb-09 | 36 | 2 | 1 | 39 | Technology is not in place at this time within the City. Equipment acquired for the Admin Penalties may allow for this to be implemented in the future. Anticipated Starting Date: Fall 2010 (Purchase of parkg permit on-line) |
| 10-Nov-09 | Engineering Services Department | 25 | 11-Nov-09 | 24 | 1 | 0 | 25 | For follow up in Oct 2010 (Penalty Clause for utility cos with no consent/permit-contravene by-law 294-94) |
| 23-Jun-05 | Winter Control - Public Works | 10 | 6-Feb-08 | 10 | 0 | 0 | 10 | |
| 1-May-07 | Waste Management | 10 | 21-Apr-10 | 7 | 0 | 3 | 10 | Deferred indefinitely - PW have held discussions with IT and Finance about implementing a CLASS or similar system. This project is the responsibility of the Finance Department, but due to other issues that department is dealing with, this project has not yet started. It should be noted that this project does not only involve Public Works. As this is a Finance Department project, Public Works has no control over the implementation date or timing of the project. (Counter sales-replace cash register, cash box, swipe machine; inventory control;w/o system) |
| 13-May-06 | Water, Wastewater and Drainage | 23 | 31-Aug-07 | 23 | 0 | 0 | 23 | |
| 16-Jan-07 | Road Maintenance - Public Works | 19 | 31-Jul-07 | 19 | 0 | 0 | 19 | |
| | | | | | | | 0 | |
| TOTAL: | | 472 | 450 | | 14 | 8 | 472 | |
| Percentage | | | 95.34% | | 2.97% | 1.69% | | |