Winnipeg

Report to Audit Committee
Status of Audit Recommendations
Quarterly Report Card
March 2011

Audit Department

Leaders in building public trust in civic government

TABLE OF CONTENTS

Quarterly Report Card - March 2011

What is the Quarterly Report Card? 2

How is the Quarterly Report Card produced? 2

Status of Audit Recommendations 3

1st Quarter 2011 Commitments 4

Audit Observations 5

Status of Audit Recommendations
Quarterly Report Card - March 2011

What is the Quarterly Report Card?

The Audit Department's work does not end when an audit report is presented to City Council. The most important component of an audit recommendation is its implementation. The Public Service provides a response to each audit recommendation in the Audit Report along with an action plan. The subsequent implementation of the audit recommendations in accordance with the action plans is the responsibility of the Public Service. The Audit Department has traditionally provided Audit Committee with an update on the status of the implementation of outstanding audit recommendations in its annual report. In 2006, the *Status of Audit Recommendations Quarterly Report Card* was introduced at the request of Audit Committee. The *Quarterly Report Card* is produced at the end of March, June, September and December and is presented at the next Audit Committee. The *Quarterly Report Card* presents management's representations as to the status of recommendations implemented, in progress or not to be implemented. For recommendations in progress, an implementation strategy and timeframe is provided. For recommendations not to be implemented, an explanation is provided.

How is the Quarterly Report Card produced?

The Audit Department provides a template of outstanding audit recommendations to the Department Director responsible for implementing the recommendation. The templates are forwarded to the Audit Department for review and compilation. The Audit Department summarizes the results and prepares a brief overview for Audit Committee. We do not audit the responses provided by the departments. The completed *Quarterly Report Card* is presented to Audit Committee by the City Auditor along with any observations he may have. The Department Directors attend the Audit Committee meeting to address concerns or questions regarding the responses raised by Audit Committee members.

Quarterly Report Cards are completed for five years following the issue date of an audit report. After five years, the Audit Department prepares a final report to Audit Committee that provides a summary of recommendations implemented, in progress and not to be implemented. Included is a complete history of status updates relating to those recommendations not implemented. After presentation of this final report, the status of audit recommendations will no longer be tracked by the Audit Department. If there are significant concerns that cannot be satisfactorily addressed by the Public Service, the Audit Committee may propose a new audit of the subject entity through the annual planning process.

Quarterly Report Card – March 2011
Status of Audit Recommendations

AUDIT REPORTS	RECOMMENDATIONS				TARGET DATE FOR COMPLETION		
	Total	Complete	Percent Complete	Not to be implemented	2nd Quarter 2011	3rd Quarter 2011	4th Quarter 2011 or later
Public Works Asset Management Performance Audit - Part 1, 2005 (Roadway Construction & Maintenance)	35	31	89%	1		3	
Photo Enforcement Program Review, 2006	15	14	93%		1		
Reserves Administration Audit, 2007	9	8	89%				1
Ambulance Revenue Audit, 2007	20	18	90%	1	1		
Capital Asset Review , 2007	3	1	33%			1	1
Capital Projects Management, 2009	6	2	33%	These four recommendations require EPC's approval.			
	23	10	43%			1	12
Winnipeg Fire Paramedic Service Overtime and Sick Leave Audit, 2009	10	7	70%				3
Building Permits and Inspections Service Audit, 2009	6	2	33%		1		3
Winnipeg Fleet Management Performance Audit 2010	10	4	40%		1	4	1
Business Resumption Planning Audit 2010	5	1	20%		1		3
TOTAL	142	98	69%	2	5	9	24

Quarterly Report Card – March 2011
1st Quarter 2011 Commitments

AUDIT REPORTS	1st Quarter Target for Implementation	Complete	NEW TARGET	
			Recommendation	Date
Photo Enforcement Program Review, 2006	1 *	0	#15	2nd Qtr/2011
Ambulance Revenue Audit, 2008	1 *	0	#18	2nd Qtr/2011
Capital Asset Review, 2007	1	0	#2	3rd Qtr/2011
Capital Projects Management, 2009	1	1		
Winnipeg Fire Paramedic Service Overtime and Sick Leave Audit, 2009	1	1		
Winnipeg Fleet Management Performance Audit, 2010	4	2	#1 #6	3rd Qtr/2011 3rd Qtr/2011
Business Resumption Planning Audit 2010	1	0	#2	2nd Qtr/2011
TOTAL	10	4	6	

* Monitored on a quarterly basis - Implementation date unknown

This table summarizes the status of the ten recommendations targeted for review in the 1st quarter of 2011. Four recommendations were implemented. The progress made on the one recommendation from the *Ambulance Revenue Audit* is monitored each quarter. It is not known when this issue will be resolved. Two recommendations from the *Winnipeg Fleet Management Performance Audit* planned for implementation in the 1st quarter of 2011 were implemented. One recommendation from the *Winnipeg Fire Paramedic Service Overtime and Sick Leave Audit* and one recommendation from the *Capital Projects Management Audit* were also implemented.

Quarterly Report Card – March 2011

Audit Observations

Four recommendations have been implemented since the December 2010 Report Card. Currently, 98 of the 142 recommendations (69%) contained in this report card have been implemented and there are 42 recommendations in progress.

The one recommendation that we are reporting on each quarter comes from the *Ambulance Revenue Audit.* Recommendation #18 deals with First Nations accounts receivable. The Winnipeg Fire Paramedic Service is working with the Province on resolving the status of$3.4 million in FNIHB accounts for the period 20107-2010.

The five recommendations that missed the target date came from the *Photo Enforcement Program Review*, the *Capital Asset Review,* the *Winnipeg Fleet Management Performance Audit* and the *Business Resumption Planning Audit:*

- *Photo Enforcement Program Review* Recommendation #15 - deals with the completion of a study on the effect of the program on driving behaviour. The expected completion date for the study was November 2010. WPS has not received the report from the Traffic Injury Research Foundation to date.
- *Capital Asset Review* Recommendation #2 – deals with the integration of capital asset data with the PeopleSoft System. The Project has taken longer than expected to complete. The upload of 2010 data is underway and the project should be complete in September.
- *Winnipeg Fleet Management Performance Audit* Recommendation #1 (a) deals with reviewing job descriptions. The review of the revised job description was delayed due to CUPE work stoppage and flood mitigation efforts and is expected to be completed in the 3rd quarter of 2011.
- *Winnipeg Fleet Management Performance Audit* Recommendation # 6 (a),(b),(c) – deals with conducting a worforce analysis, developing and staffing plan and a training plan. All elements are in progess with completion expected in the third quarter of 2011.
- *Business Resumption Planning Audit* Recommendation #2 from the deals with defining the roles and responsibilities of senior management with respect to the Business Resumption Planning Program. The implementation has been delayed one quarter as a result of CUPE work stoppage and flood mitigation efforts that have required the assistance of key resources that are also necessary for business resumption work.

The Public Service has reported that four of the 42 recommendations in progress should be implemented by June 30, 2011. We are continuing to monitor progress on the ambulance accounts receivable on a quarterly basis. The status of these five recommendations will be the focus of our next report card.