Minutes – Executive Policy Committee – March 13, 2013

AUDIT COMMITTEE

Minute No. 221 Quarterly Report Card – September 30, 2012

EXECUTIVE POLICY COMMITTEE DECISION:

The Executive Policy Committee, in its capacity as the Audit Committee, concurred in the recommendation of the Winnipeg Public Service and received as information the Quarterly Report Card dated September 30, 2012.

Minutes – Executive Policy Committee – March 13, 2013

DECISION MAKING HISTORY:

Moved by Acting Deputy Mayor Browaty,

That the recommendation of the Winnipeg Public Service be concurred in.

Carried

Audit Department Report
Quarterly Report Card September 30, 2012

Audit Committee requested the Audit Department to perform a quarterly follow-up of outstanding audit recommendations

Report Summary

The attached report provides summary information on the status of the implementation of 177 recommendations from fourteen audit reports as at September 30, 2012.

During the 3rd Quarter of 2012 eight recommendations were targeted for implementation and one was implemented. Another five were implemented ahead of schedule and eleven were implemented from three audit reports that were added to this report card. As at September 30, 2012, 106 (60%) of the177 recommendations included in this report card have been implemented.

The Public Service has indicated that nine recommendations of the sixty-six recommendations in progress should be implemented by December 31, 2012. The status of these nine recommendations will be the focus of the next Quarterly Report Card.

Policy

The report is being submitted in accordance with the City Organization By-law 7100/97 section 19(d)(iv) that the Audit Committee will "Receive and review audit reports, and table such reports with its recommendations at a regular meeting of Executive Policy Committee."

Recommendation:

That the Executive Policy Committee, in its capacity as the Audit Committee, receive as information the Quarterly Report Card dated September 30, 2012.

Winnipeg

Report to Audit Committee
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Leaders in building public trust in civic government

Audit Department

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Status of Audit Recommendations
Quarterly Report Card – September 2012

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 – September 2012
Status of Audit Recommendations

AUDIT REPORTS	RECOMMENDATIONS				TARGET DATE FOR COMPLETION			
	Total	Complete	Percent Complete	Not to be implemented	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013 or later	Target Date Unknown
Reserves Administration Audit, 2007	9	8	89%				1	
Capital Projects Management, 2009	6	2	33%	.		1		3
	23	14	61%				9	
Winnipeg Fire Paramedic Service Overtime and Sick Leave Audit, 2009	10	9	90%				1	
Building Permits and Inspections Service Audit, 2009	6	2	33%		1		3	
Winnipeg Fleet Management Performance Audit 2010	10	9	90%		1			
Local Improvements Audit, 2010	9	4	44%		1		4	
Traffic Signals Branch Performance Audit, 2011	19	12	63%		1	1	5	
Operational Review of the Winnipeg Parking Authority, 2011	27	12	44%	1	5	4	5	
Operational Review of Winnipeg Golf Services, 2011	11	1	9%	2				8
Animal Services By-law Enforcement Audit, 2011	13	9	69%				4	
Risk Management Audit, 2011	16	13	81%	1			2	
Corporate Leadership Training & Development Audit, 2012	6	3	50%				3	
Review of the Assiniboine Active Transportation Bikeway, 2012	3	3	100%					
Review of the Winnipeg Public Library Services, 2012	9	5		1			3	
TOTAL	177	106	60%	5	9	6	40	11

Quarterly Report Card – September 2012
3rd Quarter 2012 Commitments

AUDIT REPORTS	3rd Quarter Target for Implementation	Complete	NEW TARGET	
			Recommendation	Date
Capital Projects Management, 2009	1	-	#18	2nd Qtr 2013
Building Permits & Inspections Service Audit, 2009	1	-	#6	4th Qtr 2012
Winnipeg Fleet Management Performance Audit, 2010	1	-	#6	4th Qtr 2012
Operational Review of Winnipeg Parking Authority, 2011	4	-	#4 #9 #12 #16	1st Qtr 2013 1st Qtr 2013 4th Qtr 2013 4th Qtr 2013
Risk Management Audit, 2011	1	1		
TOTAL	8	1	7	

This table summarizes the status of the eight recommendations targeted for review in the 3rd Quarter of 2012, including new target dates for implementation.

Quarterly Report Card – September 2012

Audit Observations

Seventeen recommendations have been implemented since the June 2012 Report Card. We have added three reports to this Report Card: *Corporate Leadership Training & Development Audit*, *Review of the Assiniboine Active Transportation Bikeway* and the *Review of the Winnipeg Public Library Services*. Eleven of the seventeen recommendations implemented this quarter come from these three reports. This is the final Report Card for the Review of the *Assiniboine Active Transportation Bikeway* as all the recommendations have been implemented. Currently, 106 of the 177 (60%) contained in this Report Card have been implemented and there are 66 recommendations in progress.

The seven recommendations that missed the target date came from the *Capital Projects Management*, *Building Permits and Inspections Service Audit, Winnipeg Fleet Management Performance Audit*, and the *Operational Review of Winnipeg Parking Authority*:

- *Capital Projects Management – Recommendation #18* – deals with the creation of an oversight role at the corporate level that ensures that capital projects are adequately monitored and reported on. Expected to be in place in the 2nd Quarter of 2013.

- *Building Permits and Inspections Service Audit – Recommendation #6* – deals with the establishment of service performance goals and service standards that are published. Target turnaround times for complete and compliant submissions are to be published in the 4th Quarter of 2012.

- *Winnipeg Fleet Management Performance Audit* – Recommendation *#6* – deals with examining the organizational structure to determine if it is appropriate. The Agency has reviewed the organizational structure and is awaiting approval from Corporate Support Services. It is anticipated to be complete in the 4th Quarter of 2012.

- *Operational Review of Winnipeg Parking Authority* – Recommendation #4 – deals with the revision of the Parking Authority guiding principles to better align them with community goals. The Winnipeg Parking Authority is holding stakeholder meetings in the first Quarter of 2013 and will have recommendations for amendment at the end of 1st Quarter of 2013.

- *Operational Review of Winnipeg Parking Authority* – Recommendation #9 – deals with the establishment of a mystery shopper program. The mystery shopper program will be established in the 1st Quarter of 2013.

- *Operational Review of Winnipeg Parking Authority* – Recommendation #12 – deals with amending parking meter collection procedures to reduce the risk of theft. Amendments to be discussed with Transit Treasury and implemented in the 4th Quarter of 2012.

- *Operational Review of Winnipeg Parking Authority* – Recommendation #16 – deals with establishing key metrics for measuring the effectiveness of the parking enforcement program and enforcement officers. The implementation of a scorecard measurement program is in progress and should be completed in the 4th Quarter of 2012

The Public Service has reported that nine of the 66 recommendations in progress should be implemented by December 31, 2012. The status of these nine recommendations will be the focus of our next report card.