Winnipeg

Report to Audit Committee
Status of Audit Recommendations
Quarterly Report Card - Summary
2014 – Quarter 1

Leaders in building public trust in civic government

Audit Department

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Status of Audit Recommendations
Quarterly Report Card – 2014 Quarter 1

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 – 2014 Quarter 1
Status of Audit Recommendations

AUDIT REPORTS	RECOMMENDATIONS				TARGET DATE FOR COMPLETION			
	Total	Complete	Percent Complete	Not to be implemented	2nd Qtr 2014	3rd Qtr 2014	4th Qtr 2014 or later	Target Date Unknown
Capital Projects Management, 2009	6	4	67%	2				
	23	17	74%			6		
Building Permits and Inspections Service Audit, 2009	6	4	67%				2	
Local Improvements Audit, 2010	9	6	67%				3	
Traffic Signals Branch Performance Audit, 2011	19	14	74%			1	4	
Operational Review of the Winnipeg Parking Authority, 2011	27	23	85%	2	1		1	
Operational Review of Winnipeg Golf Services, 2011	11	4	36%	7				
Animal Services By-law Enforcement Audit, 2011	13	10	77%	1			2	
Corporate Leadership Training & Development Audit, 2012	6	6	100%					
Review of the Winnipeg Public Library Services, 2012	9	6	67%	1			1	1
Contract with Winnipeg Airports Authority, 2012	13	3	23%		9	1		
Review of the Hired Equipment Process, 2012	9	1	11%				8	
Safety Review of Aquatics Services, 2013	15	12	80%	1			2	
WPS Civilianization, 2012	7	3	43%				4	
Non-Monetary Real Estate Grants Audit, 2013	12	3	25%		3	2	4	
TOTAL	185	116	63%	14	13	10	31	1

Quarterly Report Card – 2014 Quarter 1
1st Quarter 2014 Commitments

AUDIT REPORTS	1st Qtr Target for Implementation	Complete	NEW TARGET	
			Recommendation	Date
Operational Review of the Winnipeg Parking Authority, 2011	1	0	#8	4th Qtr 2014
Contract with Winnipeg Airports Authority, 2012	9	0	#2, 3, 4, 8, 9 #10, 11, 12, 13	2nd Qtr 2014
TOTAL	10	0		

This table summarizes the status of the 10 recommendations targeted for review in the 1st Quarter of 2014, including new target dates for implementation.

Quarterly Report Card – 2014 Quarter 1

Audit Observations

Nine recommendations have been implemented in the 1st Quarter of 2014. Two recommendations were implemented from the *Capital Projects Management Audit*, one from the *Operational Review of Winnipeg Golf Services*, one from the *Safety Review of Aquatics Services* and three from *Non-Monetary Real Estate Grants Audit.* Two recommendations were implemented from the *Corporate Leadership Training & Development Audit* which now reports all recommendations have been implemented for this Audit. As at December 31, 2014, 116 of the 185 (63%) contained in this Report Card have been implemented and there are 55 recommendations in progress.

Ten recommendations missed the 1st Quarter 2014 target date for implementation:

- Nine recommendations came from the *Winnipeg Police Service Contract with Winnipeg Airports Authority*. The implementation of nine of these recommendations is dependent on successful negotiations of a new contract. Contract negotiations have been completed subsequent to the 1st quarter of 2014.
- One recommendation came from the Operational Review of the Winnipeg Parking Authority and deals with obtain full condition appraisals for all city owned surface parking lots. Discussion is underway between Corporate Finance, PP&D and the Parking Authority as to the process to carry out this recommendation.

The Public Service has reported that 13 of the 55 recommendations in progress should be implemented by June 30, 2014. The status of these 13 recommendations will be the focus of our next report card.