Winnipeg

Report to Audit Committee
Status of Audit Recommendations
Quarterly Report Card - Summary
2015 – Quarter 2

Leaders in building public trust in civic government

Audit Department

TABLE OF CONTENTS

Quarterly Report Card – 2015 Quarter 2

What is the Quarterly Report Card?.....5

How is the Quarterly Report Card produced? 5

Status of Audit Recommendations 6

2nd Quarter 2015 Commitments.....7

Recommendations Implemented 2015 Qtr 2 7

Audit Observations.....8

Status of Audit Recommendations
Quarterly Report Card – 2015 Quarter 2

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. Documentation supporting the implementation of recommendations is reviewed by the Audit Department to confirm implementation has occurred. 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 review the supporting documentation to confirm that recommendations have been implemented. The completed *Quarterly Report Card* is presented to Audit Committee by the City Auditor along with any observations he may have.

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.

Status of Audit Recommendations
2015 Quarter 2

AUDIT REPORTS	RECOMMENDATIONS				TARGET DATE FOR COMPLETION			
	Total	Complete	Percent Complete	Not to be implemented	3rd Qtr 2015	4th Qtr 2015	1st Qtr 2016 or later	Target Date Unknown
Capital Projects Management, 2009	6	4	67%	2				
	23	21	96%		1		1	
Building Permits and Inspections Service Audit, 2009	6	4	67%			2		
Local Improvements Audit, 2010	9	8	89%			1		
Traffic Signals Branch Performance Audit, 2011	19	14	74%	1		2	2	
Operational Review of the Winnipeg Parking Authority, 2011	27	23	85%	2		2		
Animal Services By-law Enforcement Audit, 2011	13	10	77%	1		2		
Review of the Winnipeg Public Library Services, 2012	9	7	78%	1		1		
Review of the Hired Equipment Process, 2012	9	1	11%			8		
Safety Review of Aquatics Services, 2013	15	13	87%	1			1	
Non-Monetary Real Estate Grants Audit, 2013	12	10	92%		2			
Workplace Safety Audit, 2013	7	6	86%				1	
311 Contact Centre Audit, 2014	13	9	69%		1	3		
Waverley West Arterial Road Project Audit, 2014 *	6	4	67%		1		1	
TOTAL	174	134	77%	8	5	21	6	0

* First QRC Update

2nd Quarter 2015 Commitments

AUDIT REPORTS	2nd Qtr Target for Implementation	Complete	NEW TARGET	
			Recommendation	Date
Review of Winnipeg Public Library Services	1	1	-	-
TOTAL Number of Recommendations	1	1		

This table summarizes the status of the one recommendation targeted for review in the 2nd Quarter of 2015. The recommendation has been implemented.

Recommendations Implemented 2015 Qtr 2

Local Improvements Audit, 2010	
# 3	We recommend that Assessment & Taxation Department develop an amendment to the Local Improvement Regulation By-Law to include notification of the next Community Committee meeting in all the letters of notice to property owners as defined in section 409(3) of the Charter.

Review of the Winnipeg Public Library Services, 2012	
# 2	The Library Services Division develop a business plan that identifies a set of goals and related strategies to be accomplished within a defined timeframe and supported by performance measures to enable evaluation of achievement. The goals should be prioritized and the needs in each community along with the overall purpose of the library should be considered when developing the business plan.

Waverley West Arterial Road Project Audit, 2014	
# 1	We recommend that the Infrastructure Planning Division of the Corporate Finance Department review and update Appendix 2 to the Capital Budget to reflect the City's actual experience for capital projects.
# 2	We recommend that the Financial Planning and Review Division of the Corporate Finance Department ensure that the specific estimate class for each project is clearly disclosed in the Capital Budget.
# 3	We recommend that the Engineering Division of the Public Works Department develop and document a methodology for budgeting engineering overhead for major capital projects.
# 6	We recommend that the Public Works Department integrate the processes embedded in the City's Investment Planning Manual and Project Management Manual into its capital project management processes once the manuals have been formally adopted by the Public Service.

Audit Observations

6 recommendations have been implemented in the 2nd Quarter of 2015

- 1 recommendation from Local Improvements Audit
- 1 recommendation from Review of the Winnipeg Public Library Services
- 4 recommendations from Waverley West Arterial Road Project Audit

As at June 30, 2015, 134 of the 174 (77%) contained in this Report Card have been implemented and there are 32 recommendations in progress.

The Public Service has reported that 5 of the 32 recommendations in progress should be implemented by September 30, 2015. The status of these 5 recommendations will be the focus of our next report card.