Winnipeg

Report to Audit Committee
Status of Audit Recommendations
Quarterly Report Card - Summary
2015 – Quarter 4

To be leaders in building public trust in our civic government

Audit Department

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Status of Audit Recommendations
Quarterly Report Card – 2015 Quarter 4

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 typically completed for five years following the issue date of an audit report, which may be extended as circumstances warrant. After the reporting period, 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 4

AUDIT REPORTS	RECOMMENDATIONS				TARGET DATE FOR COMPLETION			
	Total	Complete	Not to be Implemented	Percent Complete	1st Qtr 2016	2nd Qtr 2016	3rd Qtr 2016 or later	Target Date Unknown
Capital Projects Management, 2009	6	4	2					
	23	22		96%			1	
Building Permits and Inspections Service Audit, 2009	6	4		67%			2	
Traffic Signals Branch Performance Audit, 2011	19	14	1	79%		2	2	
Operational Review of the Winnipeg Parking Authority, 2011	27	23	2	93%		2		
Animal Services By-law Enforcement Audit, 2011	13	10	1	85%			2	
Review of the Winnipeg Public Library Services, 2012	9	7	1	89%			1	
Review of the Hired Equipment Process, 2012	9	4		44%		1	4	
Safety Review of Aquatics Services, 2013	15	13	1	93%			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	11		85%	1	1		
Waverley West Arterial Road Project Audit, 2014	6	5		83%			1	
Community By-law Enforcement Services Audit, 2015	6	2		33%			4	
TOTAL	171	135	8	79%	2	8	18	0

4th Quarter 2015 Commitments

AUDIT REPORTS	4th Qtr Target for Implementation	Complete	NEW TARGET	
			Recommendation	Date
Capital Projects Management, 2009	1	1	-	-
Operational Review of the Winnipeg Parking Authority, 2011	2	-	#1, #8	2016 Qtr 2
Animal Services By-law Enforcement Audit, 2011	2	-	#1, #3	2016 Qtr 3 or later
Review of the Winnipeg Public Library Services, 2012	1	-	#1	2016 Qtr 3 or later
Review of the Hired Equipment Process, 2012	8	3	#6 #2, #4, #5, #9	2016 Qtr 2 2016 Qtr 3 or later
311 Contact Centre Audit, 2014	4	2	#3 #13	2016 Qtr 1 2016 Qtr 2
TOTAL Number of Recommendations	18	6		

This table summarizes the status of the eighteen recommendations targeted for review in the 4th Quarter of 2015.

Recommendations Implemented 2015 Qtr 4

Capital Projects Management, 2009

#25 We recommend that the CFO in consultation with the Directors of Water & Waste, Public Works, PP&D and the City Solicitor should examine the City's current agency practices insofar as the selection of a Contract Administrator. There are alternatives to the City's current practice which may reduce the City's risk of claims and disputes while improving the overall management and control of project planning and execution.

311 Contact Centre Audit, 2014

#2 We recommend 311 Contact Centre management develop a report for consideration of Council to revisit the performance target of 80% of calls answered within 30 seconds with a mind to revising it to a more realistic target consistent with what the City can afford. The revised target should consider exploring areas where service efficiencies can be gained through the expanded use of IVR and modifications to the hours of operations.

#9 We recommend that management include the Information Technology related costs when reporting on the total costs of providing the 311 service.

Review of the Hired Equipment Process, 2012

#3 We recommend that management communicate to staff the importance of accurately reporting actual hours worked by contractors to ensure transparency over the use of public funds and that only trained and qualified individuals have the responsibility of signing off on work tickets and that a listing of these individuals is maintained and monitored.

#7 We recommend that management improve documentation of the reviews and to create a procedure to ensure that all reviews take place prior to a transaction being processed for payment.

#8 We recommend that management review the necessity for including the overtime premium and age adjustment conditions in the Bid Opportunity with respect to obtaining the best value for the City.

Audit Observations

Six recommendations have been implemented in the 4th Quarter of 2015.

As at December 31, 2015, 135 of the 171 (79%) contained in this Report Card have been completed and there are 28 recommendations in progress.

The Public Service has reported that 2 of the 28 recommendations in progress should be implemented by March 31, 2016. The status of the recommendations in progress will be the focus of our next report card.