Winnipeg

Report to Audit Committee
Status of Audit Recommendations
Quarterly Report Card - Summary
2017 – Quarter 3

To be leaders in building public trust in our civic government

Audit Department

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Prepared: October 2017

Status of Audit Recommendations
Quarterly Report Card – 2017 Quarter 3

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 for completion. The subsequent implementation of the audit recommendations in accordance with the action plans is the responsibility of the Public Service.

The Quarterly Report Card summarizes the status of:

- the specific recommendations targeted for completion in the current quarter as indicated by the Public Service;
- the specific recommendations from each Audit report currently in progress and the target date for completion; and
- the number of Audit recommendations implemented to date.

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 recommendations. The templates are forwarded to the Audit Department for review and compilation. Documentation supporting the implementation of recommendations is reviewed 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. Overall, the *Quarterly Report Card* presents management's representations as to the status of recommendations implemented, in progress or not to be implemented. The *Quarterly Report Card* is produced at the end of March, June, September and December and is presented by the City Auditor at the next Audit Committee meeting along with any observations he may have.

How long does the Audit Department follow up for?

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.

Recommendations Targeted for Completion in 2017 Qtr 3

Audit Report	Recommendation # Targeted for Completion in Current Quarter	Revised Implementation Date
Non-Monetary Real Estate Grants Audit	2	4th Qtr 2017
Traffic Signals Branch Performance Audit	6	1st Qtr 2018
Emergency Mechanical Services Branch Audit	9	4th Qtr 2017
	10	4th Qtr 2017
	11	Implemented
	12	Implemented
Southwest Rapid Transitway (Stage 2) and Pembina Hwy Underpass Project Audit – Report 1	1	Implemented

Seven recommendations were targeted for implementation and three were implemented in the 3rd Quarter of 2017. Three additional recommendations were implemented ahead of schedule.

Recommendations Completed in 2017 Qtr 3

Safety Review of Aquatics Services, 2013

Rec #8 We recommend that the Municipal Accommodations Division of the Planning, Property and Development Department install a 150 mm diameter black disc on the pool bottom. The black disc on the bottom of the pool should be located on a white background. If the pool bottom is painted a colour other than white, the area surrounding the black disc should be white. This is an important tool for staff to use to determine water clarity on an ongoing basis in order to determine if a swimming pool should remain operational.

Southwest Rapid Transitway (Stage 2) and Pembina Hwy Underpass Project Audit – Report 1

Rec #1 We recommend that the Infrastructure Planning Division of the Corporate Finance Department include the minimum requirements for capital project status reporting as recommended by the Government Finance Officers Association.

Emergency Mechanical Services Branch Audit

Rec #5 We recommend that the Director of EMSB, in consultation with the WFPS Manager of Finance, develop a process to determine when it is appropriate to outsource work.

Rec #11 We recommend that the Director of EMSB develop a practice to maintain current regulatory documentation and make readily available for staff.

Rec #12 We recommend that the Director of EMSB, in coordination with the Manager of Finance and the Deputy Chief of Support Services, develop a life-cycle costing analysis to facilitate informed decisions on when vehicles should be replaced.

Rec #13 We recommend that the EMSB account for parts inventory in accordance with generally accepted accounting principles.

Recommendations Not To Be Implemented in 2017 Qtr 3

None.

Recommendations in Progress as at 2017 Qtr 3

Audit Report	Recommendation #s Implemented	Recommendation #s Not to be Implemented	Recommendations In Progress			
			Recommendation #s In Progress	Targeted for Completion in:		
				4th Qtr 2017	1st Qtr 2018	2nd Qtr 2018 or later
Traffic Signals Branch Performance Audit, 2011	1, 2, 4, 5, 7, 8, 11, 12, 13, 14, 15, 16, 17, 18, 19	3	6, 9, 10		6	9, 10
Operational Review of the Winnipeg Parking Authority, 2011	2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27	9, 13	1	1		
Review of the Winnipeg Public Library Services, 2012	2, 3, 4, 5, 6, 7, 9	8	1			1
Review of the Hired Equipment Process, 2012	1, 3, 7, 8	-	2, 4, 5, 6, 9	9		2, 4, 5, 6
Safety Review of Aquatics Services, 2013	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15	12	-			
Non-Monetary Real Estate Grants Audit, 2013	1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12	-	2	2		
311 Contact Centre Audit, 2014	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12	-	13	13		
Waverley West Arterial Road Project Audit, 2014	1, 2, 3, 4, 6	-	5			5
Community By-law Enforcement Services Audit, 2015	1, 2, 3, 4	6	5	5		
Emergency Mechanical Services Branch Audit, 2015	4, 5, 6, 7, 8, 11, 12, 13, 14, 15	-	1, 2, 3, 9, 10	1, 2, 3, 9, 10		
Southwest Rapid Transitway (Stage 2) and Pembina Hwy Underpass Project Audit – Report 1	1	-	-			
TOTAL			**19**	**10**	**1**	**8**

The Public Service has reported that ten of the 19 recommendations in progress should be implemented by December 31, 2017. The status of the recommendations in progress will be the focus of our next report card.

Audit Recommendations Implemented to Date

Report	Total Report Recommendations	Recommendations Implemented		
		Total Implemented	Total Recommendations Not to be Implemented	Percent Complete
Traffic Signals Branch Performance Audit, 2011	19	15	1	84%
Operational Review of the Winnipeg Parking Authority, 2011	27	24	2	96%
Review of the Winnipeg Public Library Services, 2012	9	7	1	89%
Review of the Hired Equipment Process, 2012	9	4		44%
Safety Review of Aquatics Services, 2013 *	15	14	1	100%
Non-Monetary Real Estate Grants Audit, 2013	12	11		92%
311 Contact Centre Audit, 2014	13	12		92%
Waverley West Arterial Road Project Audit, 2014	6	5		83%
Community By-law Enforcement Services Audit, 2015	6	4	1	83%
Emergency Mechanical Services Branch Audit, 2015	15	10		67%
Southwest Rapid Transitway (Stage 2) and Pembina Hwy Underpass Project Audit – Report 1 *	1	1		100%
TOTAL	**132**	**107**	**6**	**86%**

As at September 30, 2017, 107 of the 132 recommendations (86%) contained in this Report Card have been completed.

***** All of the recommendations from the Safety Review of Aquatics Services, and Southwest Rapid Transitway (Stage 2) and Pembina Hwy Underpass Project Audit – Report 1 have now been addressed.