Winnipeg
Audit Department
Service de vérification

Audit Plan
2018 Update

January 2018

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AUDIT PLAN OVERVIEW

Purpose of an Audit Plan

The purpose of a formal audit plan is to provide a disciplined approach to the identification of potential audit projects. Formal planning has several benefits:

- It focuses scarce resources on priority or high-risk areas.
- It provides the basis for the involvement of clients and stakeholders in the audit planning process.
- It ensures that all business units (and associated risks) are considered for audit attention during the planning process.
- It serves as a standard against which to measure the performance of the Audit Department.

Audit Planning Process

The Audit Planning process is comprehensive and comprises several activities:

- identification and classification of auditable entities;
- evaluation of audit entities against standard criteria and risk factors;
- consultation with City Councillors and Senior Administrators;
- updating of *Service Risk Profiles*;
- creation of a *Corporate Risk Profile*;
- consideration of resources available and required by project type;
- selection of Audit Projects;
- presentation of our proposed Audit Plan to Audit Committee; and
- communication of our final Audit Plan to City Council.

The plan is based upon the risks and priorities that exist at a certain point in time. Since we operate in a dynamic environment, organizational risks and priorities constantly change and emerge.

PROJECTS PROPOSED FOR 2018

Mandatory Projects		
Investigations	Fraud & Waste Hotline	Conduct investigations arising from reports submitted to the Fraud and Waste Hotline.
Assurance	Collective Agreements Due Diligence	Council policy requires that prior to ratification of an agreement, the City Auditor and the external auditor review the full and long-term costs of collective bargaining agreements reported by the Public Service.
	Councillors' Ward Allowance	The City Auditor is required to audit the expenditures incurred under the CRA Fund Policy annually to ensure compliance with the policy requirements and principles. The targeted completion date is revised to be communicated by the December 2018 Council meeting.
	Independent Fairness Commissioner	The IFC is required to conduct a compliance review of real estate transactions and management services which require presentation SPCPDHDD. The IFC will submit an independent report on each compliance review prior to political approval and concurrently with the related administrative report.
	Quarterly Report Cards	Follow-up on the implementation status of past audit recommendations.
New Projects		
Advisory	Winnipeg Fleet Management Agency	Audit staff will perform a project management role to assist WFMA to undertake an operational review performed by a contracted firm. Audit involvement in project cancelled.
Assurance	Mayor's Office Expenditure Policy	To audit the expenditures incurred under the Mayor's Office Expenditure Policy to ensure compliance with the policy requirements and principles of the fund. The targeted completion date is revised to be communicated by the December 2018 Council meeting.
	Capital Project Estimates	The capital budget estimate documentation supporting a sample of new capital projects is reviewed to confirm it supports the identified class estimate (AACE).
	Contract / Vendor Management	Review processes to ensure contracts contain adequate provisions for oversight, that contractors are held accountable for compliance with requirements and City contract administrators are fulfilling their required roles.
	Audit of the Effectiveness of Current Systems and Processes in Relation to the Sterling Lyon / William Clement Parkway Study [1]	Council directed the City Auditor to audit the effectiveness of the current systems and processes in place to support city staff and Council for identifying and communicating relevant and material information to decision makers through the City of Winnipeg report process; giving specific attention to the adherence of such current systems and processes by individuals in relation to the Sterling Lyon / William Clement Parkway study.
	Legal Services	Council directed the City Auditor to conduct a review of the City's Legal Services Department including an examination of the current systems and processes for pursuing legal action against contractors and develop recommendations to ensure that critical deadlines are not missed in the future.
	Southwest Transitway Capital Project	Limited scope engagement to provide assurance on a proactive basis of specific aspects of the capital project. Reports will be submitted quarterly.
	Water Main Renewals [2]	Assess the asset management, design services, construction services and project delivery of the program to replace and/or rehabilitate deteriorating water main infrastructure. Project postponed. Replaced by Effectiveness of Current Systems and Processes in Relation to the Sterling Lyon / William Clement Parkway Study.

Note 1: New Addition to Audit Plan.
Note 2 – Project Postponed, will be considered for inclusion in the 2019-2020 Audit Plan.