

City of Mississauga
Corporate Report



<p>Date: November 15, 2023</p> <p>To: Chair and Members of Audit Committee</p>	<p>Originator's files:</p>
<p>From: Shari Lichterman, CPA, CMA City Manager & CAO</p>	<p>Meeting date: December 4, 2023</p>

Subject

Status of Outstanding Audit Recommendations as of September 30, 2023

Recommendation

That the Corporate Report dated November 15, 2023 from the City Manager & Chief Administrative Officer regarding the Status of Outstanding Audit Recommendations as of September 30, 2023 be received for information.

Executive Summary

- This quarterly report provides the Audit Committee with an overview of the progress of management action plans created to address issues raised in previous Internal Audit reports, and the reasons when significant delays occur.
- This report shows the progress achieved as of September 30, 2023, and includes relevant insights.
- Of the 36 recommendations scheduled for implementation by September 30, 2023, 16 were completed and 20 remain outstanding.
- The last outstanding recommendations for four of the audits were completed during this period.
- Since the previous report, nine long-delayed recommendations were added, and nine were implemented and closed. The total number of long-delayed recommendations remains at ten.

Background

The terms of reference for the Audit Committee (By-law 0069-2015) requires the submission of an annual report from the City Manager and Chief Administrative Officer indicating the progress made in resolving the issues previously raised by Internal Audit and by the City's External Auditor. At the December 2022 Audit Committee meeting, members requested that progress updates be submitted quarterly. These status reports will be provided for the periods ending March 31, June 30, September 30 and December 31 each year.

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This report provides an overview of the progress made in addressing Internal Audit recommendations and the reasons when significant delays occur.

Comments

The current status of the recommendations is provided by action owners. Internal Audit provides support and advice as required and validates that “completed” solutions mitigate the risks identified. The progress of audit recommendations in the third quarter of 2023 is presented below. All implemented actions have been validated by Internal Audit.



Outstanding – actions which were originally scheduled for implementation on or prior to June 30, 2023
New – actions whose due dates fall between effective dates of the previous report and this report
Implemented – actions considered completed by the action owners and validated by Internal Audit

During this reporting cycle, four audits, including Community Group Registry Program, Infrastructure Services IT Hardware, Sign Shop, and Procurement Cards, completed the last of their outstanding recommendations. Moreover, the Sign Shop and Fleet Management audits completed one recommendation each in advance of the expected target date.

Further details on the breakdown of Outstanding Recommendations changes that occurred during this reporting period are provided in Appendix 1.

Revised Target Dates (greater than a year)

For recommendations that have been extended for more than a year from their original target dates, management has provided their status updates and rationale for these delays, and where applicable, Internal Audit requested effective compensating controls. The progress of long-delayed solutions in the third quarter of 2023 is presented below. Further details are provided in Appendix 2.



Revised Target Dates (> a year) – Not completed, more than a year from original target date.
Added – Action plans that were extended for more than a year during this reporting period.
Implemented – Action plans with a revised target date greater than a year that were implemented during this reporting period.

Financial Impact

There are no financial impacts resulting from the Recommendation in this report.

Conclusion

In summary, 36 recommendations were scheduled for implementation prior to September 30, 2023 (effective date of this report) and 16 were completed. Work continues on the implementation of the remaining 20 recommendations, and they will be closely monitored to ensure timely implementation. The last outstanding recommendations of four audits were completed during this reporting period. The number of recommendations with target dates that have been moved out a year or more remains at ten, and these are being prioritized by management.

Attachments

Appendix 1: Status of Audit Recommendations Outstanding as at September 30, 2023

Appendix 2: Status of Audit Recommendations Outstanding and Extended for More Than a Year as of September 30, 2023



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City Manager & Chief Administrative Officer

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