

City of Mississauga
Corporate Report



<p>Date: January 31, 2024</p> <p>To: Chair and Members of Audit Committee</p>	<p>Originator's files:</p>
<p>From: Shari Lichterman, CPA, CMA City Manager & Chief Administrative Officer</p>	<p>Meeting date: March 18, 2024</p>

Subject

Status of Outstanding Audit Recommendations as of December 31, 2023

Recommendation

That the Corporate Report dated January 31, 2024 entitled "Status of Outstanding Audit Recommendations as of December 31, 2023" from the City Manager & Chief Administrative Officer 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 December 31, 2023, and includes relevant insights.
- Of the 30 recommendations scheduled for implementation by December 31, 2023, 11 were completed and 19 remain outstanding.
- The last outstanding recommendations for two audits were completed during this period.
- Since the previous report, the total number of recommendations that have been extended for more than a year from their original target dates remains at ten.

Background

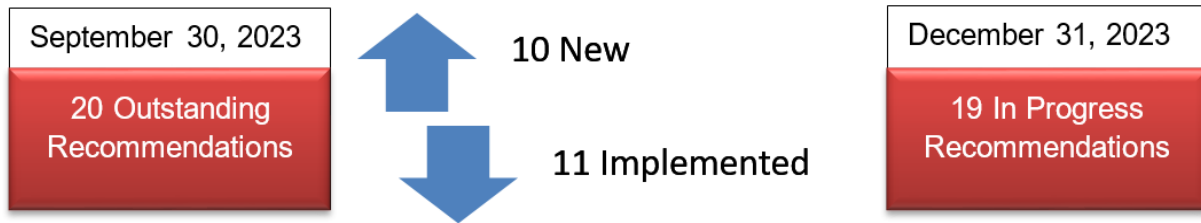
The terms of reference for the Audit Committee (By-law 0069-2015) requires the submission of an annual report from the City Manager and Chief Administrative Officer indicating the progress made in resolving the issues previously raised by Internal Audit and by the City's External Auditor. At the December 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 fourth quarter of 2023 is presented below. All implemented actions have been validated by Internal Audit.



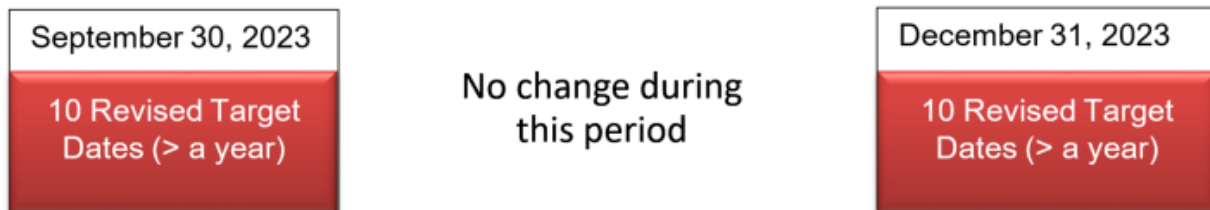
- Outstanding** – actions which were originally scheduled for implementation on or prior to September 30, 2023
- New** – actions whose due dates fall between effective dates of the previous report and this report
- Implemented** – actions considered completed by the action owners and validated by Internal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

During this reporting cycle, two audits, Investments 2020 and Utility Management Database Administration, completed the last of their outstanding audit recommendations. Moreover, the Capital Works Project Management and Property Tax Billing audits each completed one recommendation in advance of the expected target dates.

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. As shown below, the number of these recommendations remained at 10 during the last quarter of 2023. Further details are provided in Appendix 2.



Revised Target Dates (> a year) – Not completed, more than a year from original target date.

Financial Impact

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

Conclusion

In summary, 30 recommendations were scheduled for implementation prior to December 31, 2023 (effective date of this report) and 11 were completed. Work continues on the implementation of the remaining 19 recommendations, and they will be closely monitored to ensure timely implementation. The last outstanding recommendations of two 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 December 31, 2023

Appendix 2: Status of Audit Recommendations Outstanding and Extended for More Than a Year as of December 31, 2023



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City Manager & Chief Administrative Officer

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