



SUBJECT: Report providing status of 2018 audit work plan, budget and performance metrics

TO: Audit Committee

FROM: City Auditor's Office

Report Number: CA-02-19

Wards Affected: Not applicable

File Numbers: 430-01

Date to Committee: April 3, 2019

Date to Council: April 23, 2019

Recommendation:

Receive and file City Auditor's Office report CA-02-19 providing the status of the 2018 audit work plan (Appendix A), budget, and performance metrics (Appendix B) as of March 1, 2019.

Purpose:

Monitoring the achievement of the approved audit plan through the provision of status reports on progress against plan, budget and other operational matters identified by the City Auditor.

An Engaging City

- Good Governance

Background and Discussion:

- Performance Metrics revised in CA-04-18
- 2018 Audit Work Plan approved CA-02-18 (February 15, 2018)

Strategy/process

2018 audit work is substantially complete – 4 assurance audits and the External Quality Assurance Review for Internal Audit. Refer Appendix A for details.

2018 Number of Audits in Each Audit Phase				
Planning	Fieldwork	Reporting	Not Started	Complete
0	0	1	0	3

The independent validation of the City Auditor’s self-assessment of internal audit practices against the professional standards (as part of the External Quality Assurance Review for Internal Audit) is complete as reported in CA-18-18 (November 7, 2018).

Performance Metrics

Performance measures indicate work is on target. Refer to Appendix B for details.

Percentage of audit hours utilized: This measure indicates a current use of 101% of available audit hours; meaning the City Auditor has spent more time conducting audits than originally planned. This measure does not imply the use of overtime.

As a reminder, the calculation of available hours considers the total number of working hours less allocation of hours dedicated to administration, training, vacation, and other pertinent management functions. The residual hours are considered available audit hours and are allocated to three areas: audits (85%), consulting service (e.g. providing advice on risks and controls in services and projects) (10%), and ad hoc service (e.g. special investigations, etc.) (5%).

Financial Matters:

Office of the City Auditor Audit Budget – as of December 31, 2018

City Auditor’s budget is within normal spending limits.

Cost elements	Includes expenses such as...	Internal Audit		
		ANNUAL PLAN	ACTUALS (YTD)	Variance (\$)
Professional Development	conference (registration/accommodation) & professional memberships	\$ 5,700.00	\$ 4,250.00	\$ 1,450.00
Operating/Minor Capital Equipment	subscription, software, printing costs	\$ 700.00	\$ 99.00	\$ 601.00
Purchased Services	mileage, travel & audit fees	\$ 39,550.00	\$ 21,244.00	\$ 18,306.00
TOTAL Non HR EXPENDITURES		\$ 40,250.00	\$ 25,593.00	\$ 14,657.00

Connections:

Not applicable.

Public Engagement Matters:

Not applicable.

Conclusion:

The annual work plan is substantially complete with the Fire Emergency Communications draft audit being reviewed by management. Other performance measures indicate positive utilization of resources.

Respectfully submitted,

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City Auditor

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Appendices:

- A. 2018 Internal Audit Work Plan – Status Report
- B. Office of the City Auditor 2018 Key Performance Measures

Report Approval:

All reports are reviewed and/or approved by Department Director, Director of Finance and Director of Legal. Final approval is by the City Manager.