



SUBJECT: Summary of in-progress management action plans

TO: Audit Committee

FROM: City Auditor's Office

Report Number: CA-14-19

Wards Affected: Not Applicable

File Numbers: 430-01

Date to Committee: November 6, 2019

Date to Council: November 18, 2019

Recommendation:

Receive and file City Auditor's Office report CA-14-19 providing a summary of the management action plans in progress to address high- and medium- risk issues as detailed in Appendix A.

Purpose:

Communicate status of in progress management action plans.

An Engaging City

- Good Governance

Executive Summary:

The following table provides a summary of the number in-progress management action plans listed by audit and categorized by risk severity. Refer to Appendix A for details of the status of the in-progress management action plans for high- and medium- risk issues.

Summary of In-Progress Management Action Plans as of August 31, 2019		2017 - 2019				
	Number	High	Medium ¹	Low ²	Not Rated	Total
	Documented	3	17	25	1	46
	Disagreed	0	0	1		1
	Closed	1	13	20	1	35
Related to	In Progress	2	4	4	0	10
Parking By-Law Enforcement		0	2	0	0	
Construction Field Inspection		0	0	1	0	
Health Safety & Wellness		0	1	0	0	
Fire Emergency Communications		2	1	2	0	
GL Account Reconciliation Follow-up		0	0	1	0	
Notes:						
1. Medium also includes "Significant Improvement Required" rating						
2. Low also includes "Some improvement required" rating						

Background and Discussion:

Standard 2500 of the Professional Practice of Internal Auditing sets out expectation of professional auditors to ensure that proposed management action plans have been effectively implemented. This applies in all cases except where "senior management has accepted the risk of not taking action".

Follow up completed with the Director and Managers responsible for management action plans in progress:

- Bi-monthly for those audit issues rated as high,
- Every 4 months for those audit issues rated medium, and
- Semi-annually for those audit issues rated low.

Report the status of in-progress management action plans to the Audit Committee quarterly; last reported in CA-06-19 (June 5, 2019) as of April 30, 2019.

Recently Reported Audits Included in Report

- No new reports included

Target Date Revisions

- Parking By-Law Enforcement
Audit Finding #2A: Parking by-law enforcement outcomes and strategy - Significant improvement required (Medium)
Original Expected Resolution Date: December 31, 2018
Revised Expected Resolution Date: December 31, 2019

The expected resolution date has been revised 2 times.

Rationale: Service was involved in CRM implementation and there has been a transition to a new Manager of Transportation Planning & Parking. Refer to discussion in next section for further explanation.

Items in Progress for More Than 180 Days Past Original Due Date

This section provides further information as to the reasons for delays in implementing the management action plan for high- and medium-risk items in progress for more than 180 days past the original expected resolution date.

- **Parking By-Law Enforcement**

Audit Finding #2A: Parking by-law enforcement outcomes and strategy - Significant improvement required (Medium): The City agrees with this recommendation. The City will conduct a session(s) to identify and document the service strategy to clarify the goals and expectations of parking enforcement and its alignment to Transportation Services. This information will assist in updating the service business plan.

Original Expected Resolution Date: December 31, 2018

Revised Expected Resolution Date: December 31, 2019

As of August 31, 2019, this action plan is 240 days past the original expected resolution date.

Management's Comment: Management have developed clear direction in terms of the parking enforcement strategy which is that enforcement should be a cost recovery based operation focused on public education and compliance. This will support the revenue generating strategy applied to the paid parking operation portion of the section. In order to ensure that the operation is functioning based on this strategy additional work is required to realign section procedures, daily work tasks and job descriptions. The current workplan to achieve this is as follows:

- Review and revise job functions/descriptions – Completion end of October 2019
- Modification of operational policies, procedures, tasks – Completion end of November 2019
- Development/Implementation quality control procedures and metrics – Completion end of December 2019

Auditor's Comment: With staff turnover in two key positions (supervisor and manager), and the focus of activities on the CRM implementation, this management action plan has not been a priority. Recent discussions with the supervisor and manager indicate a renewed focus on the overall strategy and operations of parking in general and by-law enforcement as a key component of parking policy. Per management's comments above, there is a renewed commitment and expectation of traction towards establishing strategy.

Resolution Rate Since Audit Report Issuance

Audit	Date Issued	Resolution Rate	
		Current	Previous (as of June 30/19)
Parking By-Law Enforcement	April 19, 2018	67%	67%
Construction Field Inspection	Sept. 27, 2018	83%	80% **
Health, Safety & Wellness	Dec. 3, 2018	80%	83% **
Fire Emergency Communications	March 1, 2019	0%	0%
GL Account Reconciliation Follow-up	June 29, 2019	0%	0%

** these percentages were inadvertently reversed in the previous report.

100% Complete (since last report)

There are no items to report.

Financial Matters:

Not applicable.

Connections:

Of the audits listed above, there are no primary linkages to the Strategic Plan or 2018-2022 Burlington's Plan from Vision to Focus. The implementation of the Enterprise Resource Planning (ERP) project (identified in 5.3 of Focus Area 5: Delivering Customer Centric Services with a Focus on Efficiency and Technology Transformation) may have an impact on the GL account reconciliation process.

Public Engagement Matters:

Not applicable.

Conclusion:

Significant progress has been made in Construction Field Inspection and Health, Safety & Wellness in implementation of management action plans. Parking By-Law Enforcement has renewed its focus on establishing the vision and making the adjustments in operation to deliver on its vision. Follow-up for high-risk issues will occur with responsible parties as of October 31, 2019 and follow-up for all outstanding issues with responsible parties as of December 31, 2019.

Respectfully submitted,

Sheila M. Jones, CIA, CFE, CGAP, CRMA, CCSA

City Auditor

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Appendices:

A. CA-14-19 Appendix A - Status of In-Progress Management Action Plans

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.