



**SUBJECT:** Summary of in-progress management action plans

**TO:** Audit Committee

**FROM:** City Auditor's Office

Report Number: CA-02-20

Wards Affected: Not applicable

File Numbers: 430-01

Date to Committee: February 12, 2020

Date to Council: February 24, 2020

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**Recommendation:**

Receive and file City Auditor's office report CA-02-20 providing a summary of the management action plans in progress to address high-, medium-, and low-risk issues as detailed in Appendix A.

**PURPOSE:**

**Vision to Focus Alignment:**

- Deliver customer centric services with a focus on efficiency and technology transformation
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**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-, medium-, and low-risk issues.

Summary of In-Progress Management Action Plans as of December 31, 2019		2017 - 2019				
		Number	High	Medium <sup>1</sup>	Low <sup>2</sup>	Not Rated
		Documented	4	20	28	1
		Disagreed	0	0	1	
		Closed	1	16	22	1
Related to		In Progress	3	4	5	0
Parking By-Law Enforcement			0	1	0	0
Fire Emergency Communications			2	0	2	0
CRM Implementation & On-going Operations			1	3	3	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-14-19 (November 6, 2019) as of August 31, 2019.

## Recently Reported Audits Included in Report

- CRM Implementation & On-Going Operations

## Target Date Revisions

No new target revisions to report.

## **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 December 31, 2019, this action plan is 360 days past the original expected resolution date. Please refer to Auditor's Comment below.

***Management's Comment (as of November 6, 2019):*** 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 (as of January 24, 2020):***

Management and staff have made considerable progress in their actions to meet their commitments:

- performance metrics and dashboard viewing are in place and being used by staff and management to monitor the quality and effectiveness of their

enforcement work and the parking function in general. This item is considered complete.

- Review and revision of job functions/descriptions is complete, and work is on-going to further describe required tasks and level of accountability. This item is considered complete for the audit.
- Modification of operational policies, procedures, tasks is well underway. Over half of the processes have been reviewed and identified issues have action plans in place to address including timelines for necessary reports to Committee/Council in Q1. This item will remain open until committee/council reports are confirmed.
- Development/Implementation of quality control procedures and metrics is in progress. High level metrics are being developed with expected completion by end of Q1. This item will remain open until high level metrics are confirmed.

### **Resolution Rate Since Audit Report Issuance**

<b>Audit</b>	<b>Date Issued</b>	<b>Resolution Rate</b>	
		<b>Current</b>	<b>Previous (as of Aug 31/19)</b>
Parking By-Law Enforcement	April 19, 2018	83%	67%
Fire Emergency Communications	March 1, 2019	20%	0%
CRM Implementation & On-going Operations	October 11, 2019	0%	N/A

### **100% Complete (since last report)**

Health, Safety & Wellness

Construction Inspection

GL Account Reconciliation Follow-up

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### **Financial Matters:**

Not applicable.

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### **Climate Implications**

Not applicable.

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### **Enterprise Risk:**

Not Applicable.

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### **Engagement Matters:**

Not applicable.

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### **Conclusion:**

Significant progress has occurred within Parking By-Law Enforcement to meet the commitments made by management in August 2019. With the transition of the current City Auditor to a new position, the monitoring of in-progress management action plans is suspended for the time being.

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Respectfully submitted,

Sheila M. Jones, CIA, CFE, CRMA

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### **Appendices:**

A. CA-02-20 Appendix A - Status of In-Progress Management Action Plans

### **Report Approval:**

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Council. Final approval is by the City Manager.