

2022 Audit Plan

Office of the City Auditor



Overview of the City Auditor role

- Performs financial, operational, regulatory, compliance audits
- Core objective: incrementally improve City's processes
- Report to Audit Committee quarterly



Governance in the City of Burlington



2022 Annual Audit Plan – purpose

- To provide assurance to Audit Committee and Management that business processes and internal controls are operating effectively
- To focus audit resources and attention on high risk areas
- To identify incremental improvements
- To provide value through meaningful recommendations to staff



2022 Annual Audit Plan – inputs

- Inherent Risk Assessment
- Jurisdictional Scan
- Review past audits & major corporate/strategic initiatives
- Consultation with Audit Committee members & Burlington Leadership Team



2022 Annual Audit Plan – Inherent Risk Assessment

Risk Factors & Weightings:

- Complexity of Service Delivery (30%)
- Financial Materiality & Susceptibility to Error/Fraud (25%)
- Degree of Change (20%)
- HR/Staffing Factors (15%)
- Community Trust/Reputation (10%)

See Report #CA-02-22



2022 Annual Audit Plan – Inherent Risk Assessment

Audit Universe:

- 134 distinct 'audit units' identified
 - Aligned to service areas used in CMO Performance Measures
 - Examples: Parking By-law Enforcement; Crossing Guard Program
- Each 'audit unit' individually assessed by risk factors & risk attributes
- Risk score identified for each 'audit unit' based on:
 - Risk ranking x Weighting



2022 Annual Audit Plan – Jurisdictional Scan

- Internal Audit Plans from 19 other municipalities reviewed
- Common themes included:
 - Cyber-security – 11
 - Transit – 9
 - Public Housing – 8
 - Inventory controls – 6
 - Employee Health & Safety – 6
 - COVID-19 response – 6
 - Payroll – 4
 - Procurement – 4



2022 Annual Audit Plan – Consultation

- Received feedback from Audit Committee regarding:
 - Audit coverage
 - Other potential priorities or risk areas
- Received feedback from Burlington Leadership Team regarding:
 - Audit project scheduling/timing
 - Detailed scoping for each potential project
 - Other potential priorities, risk areas or audit requests
- Received feedback from External Auditor



2022 Annual Audit Plan – proposed shortlist of projects

1. ERP Project Audit - Phase 1 (Governance & project management controls)
2. Health & Safety: pandemic-related protocols for customers and staff
3. IT Cyber-security (intrusion detection & prevention controls)
4. Procurement Audit (transactions under \$50,000)
5. Environmental Strategies Review

See CA-03-22 Appendix-A for greater detail



2022 Annual Audit Plan – next steps

- Request Audit Committee approval on February 9, 2022
- Maciej: get to work!
- Quarterly progress updates to Audit Committee



Thank you

