

Audit Project	Project Type	Last Time Audited	Service Area	Proposed Time-Frame	Budgeted Time (hrs.)	Scope, Rational, Risks
Environmental Strategies Review <i>Carry-forward from 2022</i>	Performance Audit	Never	EICS	Q1-Q2 2023	210	<p>Scope: The Audit will review environmental strategies approved by City Council that are aligned with the City's Strategic Plans. The associated workplans or implementation plans will be further reviewed to assess their relative performance/progress as well as the effectiveness of communications back to Council and residents.</p> <p>Rationale: The City has approved a number of high profile environmental strategies this term of Council including the declaration of a climate emergency in 2019, 'Corporate Energy and Emissions Management Plan' in 2019, 'Climate Action Plan' in 2020, and 'Climate Resilient Burlington' in 2022. Environmental stewardship is featured prominently in the City's Strategic Plan (Vision 2040) and Council's Vision to Focus Roadmap. This review will evaluate the effectiveness of the City's investment in its environmental strategies.</p> <p>Risks: Given that environmental stewardship was approved by the City's Council as a major strategic initiative, there is a reputational risk to Burlington's residents if these initiatives do not meet their stated objectives.</p>
ERP Project Audit - Phase 2 Pre-implementation Assessment	Project Audit	2022	Digital Services, HR & Finance	Q1-Q2 2023	245	<p>Scope: The objective of this Audit will be to ensure that the ERP Project has progressed to an acceptable point from a risk perspective; that key high-use business processes in HR, Finance & ITS can 'go-live' on the new ERP solution from their legacy platforms. The scope of this assessment will include: confirmation that the data migrated from the legacy platforms to the new ERP system is accurate and complete, validation that training and change management strategies have been adopted, and individual project risks have been documented and remedied to an acceptable level.</p> <p>Rationale: The ERP Project has an enterprise wide scope, that will transform the City's key financial and HR business processes. The transformative nature of an ERP Implementation has generally a high risk profile in any organization due to the degree of change in key high-use HR, Finance and ITS business processes. With a budget of \$13.98M, this project is among the highest resourced projects in the capital budget.</p> <p>Risks: Project management execution is typically the largest risk associated with ERP Project implementations. This may manifest itself with a loss of project control (i.e. ineffective or untimely decision making, lack of resources, re-work, changes, delays etc.) or a lack of staff adoption of the solution post-implementation (i.e. whereby the benefits of the ERP solution are not realized due to a lack of staff buy-in).</p>
Cash Handling/Revenues	Operational & Compliance Audit	2017	Finance & All Service Areas	Q3 2023	280	<p>Scope: Review the internal control framework around cash handling across the City's service areas that accept payment for goods/services at the Point-of-Sale for compliance to the City's policies and procedures. For clarity, this includes cash, cheques, credit card, debit cards, gift cards, play-passes etc. as aligned to definition of cash handling in the Cash Handling Policy. For clarity, PCI DSS compliance will not be reviewed as a part of this audit as it is currently under review as a corporate initiative.</p> <p>Rationale: Cash is the City's most liquid asset and is regularly received as payment from customers in multiple service areas including Transit, RCC, Transportation (Parking), Service Burlington, Building, Animal Services etc. As a liquid asset, cash is susceptible to fraud or misappropriation (common in most organizations). Lastly, the City has implemented two new Point-of-Sale systems across the City since the last audit in 2017.</p> <p>Risks: The risk of fraud or misappropriation may occur, thereby incurring financial losses or reputation damage to the City.</p>
Cyber-Security - CIS CSS "Detect" controls	Operational Audit	2022	Digital Services	Q4 2023	210	<p>Scope: The purpose of this audit is to review the 97 security controls related to the "Detect" domain within the Center for Internet Security Critical Security Controls framework (CIS CSS). Working in conjunction with Digital Services staff & the City Auditor, a third-party consultant with expertise in cyber-security will be procured to conduct the required technical testing and evaluation.</p> <p>Rationale: City of Burlington like many other organizations will continue to have exposure to cyber-attacks. As the City transitions to ever greater digitization of its services, the exposure to unwanted intrusions will likely increase.</p> <p>Risks: The risk of unauthorized external (or internal) access to the City's IT infrastructure may result in data loss, operational downtime, reputational damage, privacy breaches and/or financial losses.</p>
Audit Project	Project Type	Last Time Audited	Service Area	Proposed Time-Frame	Budgeted Time (hrs.)	Scope, Rational, Risks
Cyber-Security - CIS CSS "Protect" & Respond controls	Operational Audit	2022	Digital Services	2024	140	<p>Scope: The purpose of this audit is to review the 37 security controls related to the "Protect" and 17 controls within the "Respond" domains within the Center for Internet Security Critical Security Controls (CIS CSS) framework. Working in conjunction with Digital Services staff & the City Auditor, a third-party consultant with expertise in cyber-security will be procured to conduct the required technical testing and evaluation.</p> <p>Rationale: City of Burlington like many other organizations will continue to have exposure to cyber-attacks. As the City transitions to ever greater digitization of its services, the exposure to unwanted intrusions will likely increase.</p> <p>Risks: The risk of unauthorized external (or internal) access to the City's IT infrastructure may result in data loss, operational downtime, reputational damage, privacy breaches and/or financial losses.</p>
Payroll Audit - Phase 1: Time-keeping	Operational Audit	2016 Corporate Payroll Audit	Finance & All Service Areas	Post ERP implementation (2024)	315	<p>Scope: The first phase of the payroll audit will focus the time keeping process (i.e. scheduling, time reporting, time exceptions, management approvals etc.). The objective of this review is to ensure that payable time is captured accurately, completely and is approved by the appropriate supervisor/manager. Time exceptions including statutory holidays, overtime, vacation, premiums etc. will be captured in this portion of the audit. The internal controls related to payroll for new hires will also be evaluated here.</p> <p>Rationale: The total proposed budget for Human Resources related costs in 2023 exceeded \$156M; making this by far the largest expense category in the corporation (approximately 50% of total expenditures). Time-keeping is a complex business process that includes: four union groups and one non-union group with each having distinctive compensation provisions, a large workforce (1315 FTE in 2023) divided into 37 unique service areas, a wide distribution of FT & PT staff with various pay grades, premiums etc. Time-keeping is a decentralized process occurring in multiple service areas and using various procedures, thereby increasing the risk profile.</p> <p>Risks: Inaccurate, incomplete or unapproved time-keeping may increase the risk of inaccurate processing of payroll thereby leading to errors, employee grievances, or non-compliance with legislation or associated regulations.</p>
Payroll Audit - Phase 2: Payroll processing	Operational Audit	2016 Corporate Payroll Audit	Finance & All Service Areas	2025	280	<p>Scope: The second phase of the payroll audit includes the actual processing of the weekly or bi-weekly payroll. The principle objective of this review is to ensure that the amounts remitted to each employee are accurate, complete and remitted on a timely basis. This phase will also include a review of corporate and employee deductions, payroll accounting and government remittances, T4's and Records of Employment. Compliance to corporate policies, procedures and relevant regulations will be assessed in this audit project.</p> <p>Rationale: The total proposed budget for Human Resources related costs in 2023 exceeded \$156M; making this by far the largest expense category in the corporation (approximately 50% of total expenditures). Time-keeping is a complex business process that includes: four union groups and one non-union group with each having distinctive compensation provisions, a large workforce (1315 FTE in 2023) divided into 37 unique service areas, a wide distribution of FT & PT staff with various pay grades, premiums etc.</p> <p>Risks: Inaccurate payroll processing may result in under (or over) payments to employees thereby affecting employee engagement or morale. Inaccurate statutory remittances may result in financial or legal/regulatory implications.</p>

CA-03-23 Appendix A: Detailed 2023 Audit Plan

Staff Attraction & Retention Audit	Operational Audit	Never	HR & All Service Areas	2024	245	<p>Scope: To evaluate whether the recruitment and retention processes are effective and operating as intended. In addition, to assess the City's ability to attract and retain talent, including an assessment of the staff total rewards framework, performance management structures and succession planning. The objective of this audit is to determine if the City is applying appropriate practices related to employee attraction and retention and, if not, to identify recommendations to address priority challenges.</p> <p>Rationale: Staff retention and attraction of high-caliber recruits was consistently cited by a majority of senior leaders during the 2022 Council Information Sessions as a major risk area in their respective departments. The City of Burlington 'competes' to attract high quality candidates for numerous hard-to-fill professional and technical roles against other organizations. In addition, the pandemic has caused a broader societal shift that encourages employees to seek new opportunities and transformed working hours, conditions and benefits; thereby making it more difficult for the City to retain key staff.</p> <p>Risks: As a service-based organization with 37 distinct lines of service, having technically proficient staff is critical to meeting the needs of the City's various customers. Vacancies and/or staff with skills/capabilities mis-aligned with the expectations of their customers increases the risk of inadequate service delivery, delays or dissatisfied customers.</p>
Fleet Services: AVL post-implementation	Performance Audit	Never	Roads, Parks, Forestry & Corporate-wide	2024	280	<p>Scope: Assess the success of the implementation of the City's Automated Vehicle Location (AVL) Project. Review the performance of the AVL Program to determine whether City service areas are utilizing the new tools and capabilities within the system as described in the original business case.</p> <p>Rationale: Council approved a capital budget of \$1.795M for this multi-year project in 2020. The system has been widely implemented (thus far) to 250 City vehicles across 19 service areas. As a high-profile corporate project, multiple staff are impacted with varying roles and responsibilities which increases the complexity of the program.</p> <p>Risks: The City may not be receiving value-for-money for its investment into this AVL system if it has not been successfully implemented and if staff are not utilizing the capabilities and tools built into the system.</p>
Community Funding and Grant Programs	Operational & Compliance Audit	Never	RCC & Corporate-wide	2024	175	<p>Scope: Ensure that the portfolio of Council approved grant programs are aligned with Council's strategies. Review the policies and procedures around eligibility of recipients, processing grant applications, evaluation criteria, and conflict of interest against guidelines from leading industry research and internal control leading practices. Review a sample of grants from 2023 and 2024 to ensure compliance within existing policies and procedures. Scope will include (but not be limited to): 'Love my Neighbourhood', 'Neighbourhood Community Matching Fund', 'Community Support Fund', 'Plumbing Permit Free Grant Program', 'Fee waiver program', 'Burlington Arts and Culture Fund.</p> <p>Rationale: The City manages multiple Council approved programs to deliver funding to a wide variety of eligible recipients and organizations.</p> <p>Risks: The City may incur a reputation risk if funding provided to recipients are misappropriated or otherwise not utilized within the guidelines of the respective grant program. Further, the portfolio of grant programs may not be meeting the needs of City stakeholders if they are under-subscribed, not aligned to the City's strategic plans or have inconsistent eligibility and evaluation requirements. The City may incur financial losses if grant funding is inappropriately utilized by recipients.</p>
Service Burlington	Operational	Never	Service Burlington	2025	245	<p>Scope: Assess the business process for capturing, managing and actioning customer interactions for efficiency and effectiveness in Service Burlington. Review the performance of customer service transactions against pre-defined service standards, KPI's and related policies/procedures. Obtain the strategic plan for Service Burlington and assess the performance of the department against its strategic objectives. Recognizing that customer service occurs across the organization, evaluate the roles and responsibilities of Service Burlington in the context of the overall corporation.</p> <p>Rationale: Council approved \$3.11M through the 2015-2021 capital budgets for the implementation of the CRM system. This major corporate-wide project moved to the operationalization phase in 2022 however will continue to on-board additional City services in to the future; therefore there is a continuing pace of change and transformation within the City's customer services programs. As a principle point of first contact for many residents, the Service Burlington team plays a critical role in maintaining the goodwill and reputation of the City.</p> <p>Risks: Expectations of customers may not be met if the City has under-developed customer service processes and systems, thereby impairing the City's reputation. The City may not realize the benefits of its investments into its new business processes and technology systems if those processes are under-resourced, disconnected, ineffective or inefficient.</p>
Investments	Operational & Compliance Audit	2017	Finance	2025	228	<p>Scope: Review the internal controls within the City's investment process and ensure there is alignment with provincial legislation and associated regulations. Review a sample of transactions and test for compliance against the City's Investments Policy.</p> <p>Rationale: The City has a vast investment portfolio totaling \$394M (as of Sept 2022) generating investment income of \$9.2M in 2022.</p> <p>Risks: The City is responsible for complying with provincial legislation and regulations surrounding its investment portfolio; non-compliance may lead to legal/regulatory risks. Further, the City is susceptible to evolving external market conditions (i.e. interest rates, inflation, etc.) which may result in fluctuations in the financial performance of its investment portfolio. Finally, City stakeholders including tax-payers and developers whose funds are invested until they are used on City projects may lose trust if an investment error or other risk event occurs thereby impairing the City's reputation.</p>
Property Tax Billing & Collection	Operational	Never	Finance	2025	280	<p>Scope: To assess the accuracy and completeness of the property tax billing and collection process within the City's new tax software system. Re-performance of a sample of property units will be executed as well as an assessment of the efficiency and effectiveness of the billing and collection processes.</p> <p>Rationale: Council approved \$1.5M in the 2020 capital budget to procure and implement a new property tax software. Revenues collected through this business process and system make up the vast majority of the City's own source revenues (\$217.3M budgeted for 2023).</p> <p>Risks: Financial risks may include inaccurate or incomplete collection of property taxes approved by Council. Further, this business process is highly regulated and prescribed by provincial legislation and associated regulations; therefore exceptions in the process may result in regulatory non-compliance. Finally, there may also be reputational risk as this business process impacts individual residents and property-owners whereby potential errors may impair the City's reputation.</p>
Commercial Vehicle Operator's Registration (CVOR)	Compliance	2010	Roads, Parks, Forestry	2025	105	<p>Scope: Review the City's performance for compliance to the Ministry of Transportation's (MTO) CVOR Certification Program. The audit will evaluate the accuracy and completeness of City's records related to: fleet size, kilometers travelled, safety rating, violations, driver convictions, reportable collisions, CVOR safety inspections, and MTO interventions.</p> <p>Rationale: This audit was requested by Management to evaluate compliance to the province's CVOR Certification Program and raise awareness of potential issues prior to a potential full external audit by the Ministry of Transportation (MTO).</p> <p>Risks: As an organization that utilizes multiple commercial heavy vehicles to provide City services, the City is required to have a CVOR certificate governed by the Ministry of Transportation. Violations of the terms and conditions of this program may result in a full external audit by the MTO resulting in a 'conditional' safety rating which may significantly impact the City's vehicle insurance rates.</p>
Enterprise Risk Management	Operational Audit	2019	Corporate Strategy	2025	140	<p>Scope: Assess the effectiveness of the City's Enterprise Risk Management (ERM) Program.</p> <p>Rationale: The IIA's International Standards for the Professional Practice of Internal Auditing Standard 2120 requires the internal audit activity to evaluate the effectiveness and contribute to the improvement of risk management processes.</p> <p>Risks: The risk of not exercising a robust Risk Management function may include a weakening or deterioration of the City's overall internal control framework.</p>
External Quality Assessment	Compliance	2018	City Auditor	2025	70	<p>Scope: Perform a self assessment against the Institute of Internal Auditor's Professional Standards. Contract an independent third-party auditing firm to review and validate the self-assessment.</p> <p>Rationale: The IIA's International Standards for the Professional Practice of Internal Auditing Standard 1312 requires external assessments be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organization. The standard allows for self-assessment with independent validation.</p> <p>Risks: Not performing this assessment will impact the credibility and reputation of the Office of City Auditor.</p>