

August 30, 2023

To: Audit Committee:
Paul Mochrie – City Manager
Karen Levitt – Deputy City Manager
Patrice Impey – General Manager, Finance, Risk & Supply Chain Management
Francie Connell – Director, Legal Services and City Solicitor

CC: External Auditor
Auditor General

From: Carmen Fuellbrandt – Chief of Internal Audit

Subject: **July 2023 Follow Up of Audit Recommendations**

As part of the annual Internal Audit plan, a follow-up of open audit recommendations is conducted semi-annually for all audit reports issued. The objective is to determine the extent to which audit recommendations have been implemented and whether any significant internal control weaknesses remain outstanding.

A. Work Performed

This report covers all audit recommendations with action items that were due by July 31, 2023. We corresponded with key individuals responsible for implementing recommendations and reviewed supporting evidence for items reported as complete. Status updates were requested for a total of 102 open recommendations across the City.

B. Results

Of the 102 open audit recommendations, 38 recommendations were verified as complete. Of those that remain open and due, none require the immediate attention of the Audit Committee as all are ranked medium or low risk.

Audits with action items fully addressed by management as of this follow-up:

We also noted that all related recommendations are now complete for the following seven audits:

- Cemetery Operations Audit;
- Major Fund Audit - Sewer Utility;
- Density Bonus Zoning Payments Audit;
- Evelyne Saller Centre Audit;
- Animal Services Operational Review;
- Grants Program Audit; and
- VPL Materials Acquisitions Audit.

Long-standing Audit Recommendations (2018 or earlier)

There were eight recommendations that have remained open since 2018 or earlier. These related to audits covering PNE Internal Controls, Development Cost Levies (DCL) Waiver and Non-Profit Leases. The current status of these long-standing items is as follows:

Current Status	# of Recommendations
Complete	3
Open (Expected to Complete Within 1 Year)	2
Open (Part of Longer-Term Initiatives)	3
Total	8

Details of all open audit recommendations are appended below.

Please feel free to contact me if there are any questions.



Carmen Fuellbrandt, CPA, CMA, CIA
Chief of Internal Audit