

## Request for Decision

### 2012 Audit Workplan

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|---------------|-----------------------|
| Presented To: | Audit Committee       |
| Presented:    | Tuesday, Jan 17, 2012 |
| Report Date   | Monday, Jan 09, 2012  |
| Type:         | Presentations         |

### Recommendation

The Auditor General Recommends that:

1. The Audit Committee receive the Auditor General's Audit Work Plan for 2012.

Signed By

**Auditor General**

Brian Bigger

Auditor General

*Digitally Signed Jan 9, 12*

Auditor General's Office

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Audit Committee Report

**2012**

**Audit Work Plan**

Brian Bigger, C.G.A

Auditor General, City of Greater Sudbury

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# 2012 Audit Work Plan

|       |                               |
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| DATE: | January 17, 2012              |
| TO:   | Audit Committee               |
| FROM: | Brian Bigger, Auditor General |

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## Recommendation

That the Audit Committee receive the Auditor General's Audit Work Plan for 2012.

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## Summary

The purpose of this report is to provide the Audit Committee with details of the Auditor General's 2012 Audit Work Plan.

The 2012 Audit Work Plan is attached as Appendix 1 and includes a list of planned audits. The work plan reflects audits identified by the Auditor General. The 2012 Audit Work Plan provides an overview of how the Auditor General intends to apply the resources allocated to the Auditor General's Office during 2012. The timing of those audits has been set while considering the Audit Committee's feedback on priorities received during the November 2, 2011 meeting.

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## Financial Impact

The recommendation in this report has no financial impact.

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## Background

City bylaw 239-2009 formalized the appointment of an Auditor General for the City of Greater Sudbury in September of 2009.

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The Auditor General “reports to council and is responsible for assisting the council in holding itself and its administrators accountable for the quality of stewardship over public funds and for achievement of value for money in municipal operations.”

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## Comments

The Auditor General’s 2012 Audit Work Plan contains details of audit projects planned during the year. As always, projects have been identified where audit or review procedures are expected to present the greatest organizational value for the time committed.

The Audit Work Plan is intended to be flexible and may be amended by the Auditor General as required. The bylaw establishing the Auditor General’s Office provides that once established, “no deletions or amendments to the annual audit plan shall be made except by the Auditor General, however, Council may add to the annual audit plan by a two-third’s majority vote.”

The 2012 Audit Work Plan provides a balance of audit work that will result in improving overall City operations by strengthening management controls, improving accountability and enhancing the efficiency and effectiveness of municipal services.

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## Contact

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## Signature



Brian Bigger, Auditor General

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## Attachments

Appendix 1: "2012 Audit Work Plan"

| APPENDIX 1   |   | 2012 AUDIT WORK PLAN               |
|--|---|------------------------------------|
| Audit  | Projects identified where audit or review procedures are expected to present the greatest organizational value for the time committed   | Proposed Sequence of Audit Reports |
| Auditor General Office Peer Review Audit Results                         | <p>Answers the question: Who audits the auditors?</p> <ul style="list-style-type: none"> <li>A formal peer review conducted by independent audit professionals in accordance with generally accepted Government Auditing Standards</li> </ul>   | MARCH 2012                         |
| Watermain Emergency Repairs  | <p>To identify opportunities in support of the achievement of value for money for water distribution system repair and maintenance operations</p> <ul style="list-style-type: none"> <li>Evaluate oversight and management of emergency water distribution system repair activities by city crews and contractors</li> </ul>  | MARCH 2012                         |
| Impact of Changes To Road Design (Asphalt Grindings and Road Cross-fall) | <p>To identify opportunities in support of the achievement of value for money related to the impact(s) of significant changes to road design, and to ensure that asphalt assets are safeguarded (properly accounted for)</p> <ul style="list-style-type: none"> <li>Evaluation of engineering, managerial and financial controls over asphalt grindings assets</li> <li>Review of the management of road and asphalt tendering specifications (identifying highest and best uses of asphalt, recycling of the city's asphalt grindings)</li> <li>Evaluation of the impact of changes to road cross fall in the costs of repair road construction, remediation and replacement</li> </ul>  | MAY 2012                           |
| User Fees – Shift In Funding Sources                                     | <p>To improve communication and understanding of value for money achieved through user fees, identifying budget pressures as a result of shifts in the balance between user paid (rate) funding and general (tax) funding for various programs</p> <ul style="list-style-type: none"> <li>User fees are generally increasing by 3 percent per year, while full program costs (direct operating, capital and overhead costs) may be increasing at a greater percent</li> <li>Review of the full operating and capital cost and sustainability of selected programs.</li> </ul>   | JULY 2012                          |
| Corporate Grants, Donations and Contributions                            | <p>To improve communication and understanding of value for money achieved through corporate grants, donations and contributions, identifying budget pressures due to financial and “in-kind” expenditures in support of Council objectives</p> <ul style="list-style-type: none"> <li>Determine the number of different points of access organizations and individuals have to obtain CGS support through grants, donations and other contributions</li> <li>Determine the types (financial and in-kind) and the value of support provided to organizations and individuals to assist them in achieving stated goals and objectives</li> <li>Evaluate expenditure and compliance controls as compared to city policies, bylaws and resolutions</li> </ul> | SEPTEMBER 2012                     |

|  |   |                          |
|--|---|--------------------------|
| <p>Falconbridge Infrastructure Stimulus Roads Project, Value For Money and Control</p> | <p>To learn from a completed project and identify opportunities in support of the achievement of value for money for roads construction projects</p> <ul style="list-style-type: none"> <li>• Evaluation of engineering, managerial and financial risks, opportunities and controls experienced in this project</li> <li>• Evaluate opportunities for improvement in capital project inspection and management for future projects</li> <li>• Evaluation of the final outcome (did we get what we paid for?)</li> </ul> | <p>NOVEMBER<br/>2012</p> |
| <p>Environmental Services Waste Management</p>   | <p>A review of waste management contract(s) to identify opportunities in support of the achievement of value for money in waste management operations</p> <ul style="list-style-type: none"> <li>• Mid point evaluation of a ten(10) year waste collection contract awarded in January 2006</li> <li>• Evaluate opportunities for improvement in the handling of citizen inquiries and concerns</li> </ul>  | <p>DECEMBER<br/>2012</p> |