

## For Information Only

### Auditor General Workplan Status - Oct 2012

Presented To:	Audit Committee
Presented:	Tuesday, Oct 23, 2012
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Type:	Presentations

### Recommendation

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### Summary

The purpose of this report is to update the Audit Committee on the status of the Auditor General's 2012 Audit Work Plan. It includes a list of the Auditor General's reports planned, delivered, and in progress.

The 2012 Audit Work Plan provided an overview of how the Auditor General intended to apply the resources allocated to the Auditor General's Office during 2012. The timing of those audits had been set while considering the Audit Committee's feedback on priorities received during the November 2, 2011 meeting.

### Financial Impact

The recommendation in this report has no financial impact.

### Background

As always, projects are identified where audit or review procedures are expected to present the greatest organizational value for the time and resources committed.

The Audit Work Plan is and was 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."

### Audit Workplan Status - Oct 2012

1. COMPLETED - Auditor General Office Peer Review Audit Results

Answers the question: Who audits the auditors?

Signed By

**Auditor General**

Brian Bigger

Auditor General

*Digitally Signed Oct 17, 12*

- An external peer review conducted by independent audit professionals in accordance with Generally Accepted Government Auditing Standards

2. COMPLETED - Watermain Emergency Repairs

To identify opportunities in support of the achievement of value for money for water distribution system repair and maintenance operations

- Evaluate oversight and management of emergency water distribution system repair activities by city crews and contractors

3. COMPLETED - Impact of Changes To Road Design (Asphalt Grindings and Road Crossfall)

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)

- Evaluation of engineering, managerial and financial controls over asphalt grindings assets

- Review of the management of road and asphalt tendering specifications (identifying highest and best uses of asphalt, recycling of the city's asphalt grindings)

- Evaluation of the impact of changes to road cross fall in the costs of repair road construction, remediation and replacement

4. POSTPONE - CANCEL? - Corporate Grants, Donations and Contributions

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

- Determine the number of different points of access organizations and individuals have to obtain CGS support through grants, donations and other contributions

- 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

- Evaluate expenditure and compliance controls as compared to city policies, bylaws and resolutions

5. ADDED - IN PROGRESS - Advise On HCI Policy Proposal and Revisions

Council gave direction for the Auditor General to advise on an original HCI policy proposal, and revision(s) to HCI policy proposal. Audit resources were used in lieu of Corporate Grants, Donations and Contributions

6. IN PROGRESS - User Fees – Shift In Funding Sources (NOV)

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

- 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

- Review of the full operating and capital cost and sustainability of selected programs.

7. IN PROGRESS - Environmental Services Waste Management (JAN)

A review of waste management contract(s) to identify opportunities in support of the achievement of value for money in waste management operations

- Mid point evaluation of a ten(10) year waste collection contract awarded in January 2006
- Evaluate opportunities for improvement in the handling of citizen inquiries and concerns

8. CANCELLED - Falconbridge Infrastructure Stimulus Roads Project, Value For Money and Control

To learn from a completed project and identify opportunities in support of the achievement of value for money for roads construction projects

- Evaluation of engineering, managerial and financial risks, opportunities and controls experienced in this project
- Evaluate opportunities for improvement in capital project inspection and management for future projects
- Evaluation of the final outcome (did we get what we paid for?)

We have monitored a very detailed project review of this project by the recently appointed Director of Roads. Due to the combined efforts and improvements initiated by Roads and Finance management, we believe that the time and resource committment would exceed the additional value to the organization.

9. ADDED - IN PROGRESS - Advertising Revenue Agreement (Transit and Arena advertising) (JAN)

A limited scope review of an advertising revenue agreement that had been awarded through tender process, but revisions to a signed agreement had not been completed at the time of the Transit audit.

- Evaluate current contract and receivable management practices
- Evaluate efficiency, economy & effectiveness

Contact

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