

Date: 2024-01-25

Subject: **Status of Management Action Plans – Q4 2023**

Contact: Claire Mu, Director, Internal Audit

Report Number: CAO's Office-2024-098

Recommendations:

That the report titled: **Status of Management Action Plans- Q4 2023**, to the Audit Committee Meeting of February 6, 2024, be received.

Overview:

- City departments are required to provide Internal Audit with an update on the current status and progress of all outstanding audit recommendations.
- The objective of this report is for Internal Audit to inform Audit Committee members on the progress of implementing audit recommendations, as reported by management.
- The information provided reflects the status of management action plans on or before December 31, 2023.
- As of December 31, 2023, there were 64 open recommendations, including 8 that were not yet due. Out of the 56 that were due according to the original management action plans, 8 actions were completed, and 48 were outstanding.
- **Appendix 1** contains summary counts of all action plans. The Management Action Plan status details are in **Appendix 2** and **Appendix 3**.

Background:

Per the requirements of Standard 2500.A1 of the International Standards for the Professional Practice of Internal Auditing, Internal Audit has established a follow-

up process to monitor and ensure that management has successfully implemented its management action plans.

Departments are required to provide a quarterly update to Internal Audit on the progress of implementing agreed-upon recommendations. Internal Audit reviews the comments submitted by the department and, where necessary, will meet with management to discuss the respective progress and comments.

Upon complete implementation of the recommendations by management, Internal Audit will assess whether a follow-up audit is necessary to validate the operating effectiveness of the implemented processes and procedures. Where necessary, such follow-up audits are included in Internal Audit’s annual work plan and approved by the Audit Committee.

This report summarizes the status of all recommendations implemented by management on or before December 31, 2023.

Current Situation:

As of December 31, 2023, there were 64 open recommendations, including 8 that were not yet due. Out of the 56 that were due according to the original management action plans, 8 actions were completed, and 48 were outstanding.

Recommendations and Management Action Plan statistics at a glance:

Status of Recommendations	Q4
Total open recommendations	64
Due	56
Completed	8
Outstanding	48
Not yet due	8

Please refer to **Appendix 1**, which summarizes all management action plans. The details are contained in **Appendix 2** and **Appendix 3**. **Appendix 3** covers Management Action Plans for the User Fee Audit.

Please note that management's assessment was used to prepare the report as we have not verified the implementation status of these management action plans.

Corporate Implications:

Financial Implications:

N/A

Other Implications:
N/A

Strategic Focus Area:

Government & Leadership: Focusing on service excellence with equity, innovation, efficiency, effectiveness, accountability, and transparency.

Conclusion

Internal Audit is committed to continued collaboration with management in regularly reviewing, improving, and updating policies and procedures, enhancing efficiency and process effectiveness.

Internal Audit encourages management and staff to continue striving to meet the target completion dates of the Management Action Plans.

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Reviewed and approved by:

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Attachments:

Appendix 1: Management Action Plans Summary Table – December 31, 2023

Appendix 2: Management Action Plans Details - December 31, 2023

Appendix 3: Management Action Plan for the User Fee Audit - December 31, 2023