

**Date:** 2024-09-16

**Subject:** **Status of Management Action Plans – Q3 2024**

**Contact:** Claire Fang Mu, Director, Internal Audit

**Report Number:** CAO's Office-2023-941

**Recommendations:**

1. That the report titled: **Status of Management Action Plans- Q3 2024**, to the Audit Committee Meeting of October 7, 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 August 31, 2024.
- There were 54 open recommendations, including 7 that were not yet due. Out of the 47 that were due according to the original management action plans, 9 actions were completed, and 38 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.

**CURRENT SITUATION:**

As of August 31, 2024, there were 54 open recommendations, including 7 that were not yet due. Out of the 47 that were due according to the original management action plans, 9 actions were completed, and 38 were outstanding.

Recommendations and Management Action Plan statistics at a glance:

Status of Recommendations	QTY
Total open recommendations	54
Due	47
Completed	9
Outstanding	38
Not yet due	7

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.

**Authored by:**

**Reviewed and approved by:**

Richard Gervais, Sr Advisor  
Internal Audit

Claire Fang Mu, Director  
Internal Audit

**Attachments:**

**Appendix 1:** Management Action Plans Summary Table – Q3, 2024

**Appendix 2:** Management Action Plans Details - Q3, 2024

**Appendix 3:** Management Action Plan for the User Fee Audit - Q3, 2024