

**Date:** 2025-01-31

**Subject:** **Status of Management Action Plans – Q4 2024**

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

**Report Number:** CAO's Office-2025-137

**Recommendations:**

That the report titled: **Status of Management Action Plans- Q4 2024**, to the Audit Committee Meeting of February 11, 2025, be received.

**Overview:**

- City departments are required to provide Internal Audit with an update on the status and progress of all outstanding audit recommendations.
- The objective of this report is for Internal Audit to update Audit Committee members on the status of audit recommendation implementation, as reported by management.
- In late 2024, as part of the automation of the Management Action Plan follow-up initiative, Internal Audit integrated recommendations into the Pentana Audit Software.
- As of January 31, 2025, Internal Audit is tracking management action plan activities across 23 audit reports with open action items, with a total of 326 recorded action plans. Of these, 198 have been reported by management as fully implemented, including 97 newly implemented since Q3 2024 update, while 128 remain not fully implemented.
- The 2025 audit plan includes a follow-up review to validate the implementation of selected management action plans from audits completed between 2022 and 2025.
- **Appendix 1** provides a summary of all action plan counts, while **Appendix 2** contains detailed information on the status of management action plans that are not fully implemented.

## Background:

Per the requirements of Institute of Internal Auditors (IIA) Standards, 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, meets with management to discuss the progress and related 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.

## Changes to Management Action Plan Reporting

Internal Audit has automated the management action plan follow-up process by integrating recommendations into the Pentana Audit Software. To further enhance efficiency in the follow-up process and reporting, divisional and departmental MAP **coordinators** have been identified, and training has commenced to enable them to update action plans directly within the system. This initiative streamlines the tracking of MAP progress, improves data accuracy, and facilitates more timely reporting.

In 2025, we will further refine the automated follow-up process, including the quarterly reporting framework to the Audit Committee.

## Recommendations and Management Action Plan statistics at a glance:

| Status of Recommendations      | QTY |
|--------------------------------|-----|
| Total Management Action Plans  | 326 |
| Fully Implemented              | 198 |
| Not Fully Implemented          | 128 |
| Newly Implemented <sup>1</sup> | 97  |

Please note that this report is based on management's assessment, as we have not independently verified the implementation status of these management action plans.

---

<sup>1</sup> Newly implemented is included in the Fully Implemented.

**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

Claire Mu, Director

Internal Audit

Internal Audit

**Attachments:**

Appendix 1: Management Action Plans - Summary Table Q4 2024

Appendix 2: Management Action Plans - Detailed Report Q4 2024