

Date: 2020-11-17

Subject: Deferral of Realty Services Audit

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Report Number: CAO's Office-2020-348

Recommendations:

1. That the report titled: **Deferral of Realty Services Audit** to the Audit Committee Meeting of November 24, 2020, be received.

Overview:

- A Realty Services Audit was one of the audits of the 2020 Internal Audit plan;
- Preliminary audit work commenced in September and Realty Services management expressed concerns to the Internal Audit; and
- A decision was made to defer the Realty Services audit to 2021 in order to ensure the audit provides value to management.

Background:

As a part of the approved 2020 Internal Audit work plan, Internal Audit (IA) was scheduled to perform a Realty Services audit in Q4 2020. The objective of the engagement was to examine and evaluate the adequacy, efficiency, and effectiveness of internal controls and processes related to Realty Services for the period January 1, 2018 to June 30, 2020.

Current Situation:

An introductory meeting was conducted with the Realty Services team on September 17, 2020. In a subsequent call on September 29, 2020, IA learned the concerns and/or challenges faced by Realty Management to maintain the ongoing critical projects, regular Council meetings/updates, and other important priorities. IA was advised that currently management is in the process of bringing the processes up to date.

We understood that the current audit timeline may put extra strain on management, and the audit results may not add value for management. As such, a decision was made to defer the audit to 2021.

Please refer to appendix 1 for the memo issued to the Acting Commissioner of Community Services, advising him of the audit's deferral.

Corporate Implications:

Financial Implications:

None

Other Implications:

None

Term of Council Priorities:

This report achieves the Term of Council Priority of 'Brampton is a well-run city' through the establishment of an internal audit function, which promotes corporate accountability, values, and governance best practices.

Conclusion:

Internal Audit is committed to being a collaborative partner and ensuring audits conducted provide value to management. Due to concerns expressed by Realty Services, the Realty Services audit has been deferred to 2021.

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Attachments:

Appendix 1: Deferral of Realty Services Audit-Memo