



## **Minutes**

### **Audit Committee**

#### **The Corporation of the City of Brampton**

**Tuesday, December 7, 2021**

Members Present:      Regional Councillor M. Medeiros (Chair)  
                                 Regional Councillor R. Santos (Vice-Chair)  
                                 Regional Councillor M. Palleschi  
                                 Regional Councillor G. Dhillon  
                                 City Councillor J. Bowman  
                                 City Councillor H. Singh  
                                 Rishi Jain  
                                 Abid Zaman

Members Absent:      City Councillor D. Whillans (personal)  
                                 Iqbal Ali,

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**1. Call to Order**

Note: In consideration of the current COVID-19 public health orders prohibiting large public gatherings of people and requirements for physical distancing between persons, in-person attendance at this Audit Committee meeting was limited to Members of Council and essential City staff only. Physical distancing was maintained in Council Chambers at all times during the meeting.

The meeting was called to order at 1:06 p.m. and adjourned at 2:55 p.m.

As this meeting of the Audit Committee was conducted with electronic participation by the Members, the meeting started with the City Clerk calling the roll for attendance at the meeting, as follows:

Members present during roll call: Councillor Medeiros, Councillor Santos, Councillor Palleschi, Councillor Dhillon, Councillor Bowman, Councillor Singh, Abid Zaman; Rishi Jain

Members absent during roll call: Councillor Whillans, Iqbal Ali

Others present: Councillor Vicente

**2. Approval of Agenda**

Thank following motion was considered.

**AU029-2021**

That the agenda for the Audit Committee Meeting of December 7, 2021 be amended to add:

8.1 Discussion at the request of Abid Zaman, Citizen Member re: Hiring for Internal Auditor position.

Carried

Richard Gervais, Interim Acting Director, Internal Audit, introduced newly hired internal Audit staff.

**3. Declarations of Interest under the Municipal Conflict of Interest Act**

Nil

**4. Consent**

In keeping with Council Resolution C019-2021, the Meeting Chair reviewed the relevant agenda items during this section of the meeting and allowed Members to identify agenda items for debate and consideration, with the balance to be approved as part of the Consent Motion given the items are generally deemed to be routine and non-controversial.

The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time.

6.3, 6.4, 6.5, 6.6, 6.7

The following motion was considered.

**AU030-2021**

That the following items to the Audit Committee Meeting of September 28, 2021, be approved as part of Consent:

6.3, 6.4, 6.5, 6.6, 6.7

Yea (8): Councillor Medeiros, Councillor Santos, Councillor Palleschi, Councillor Dhillon, Councillor Bowman, Councillor Singh, Abid Zaman; Rishi Jain

Absent (2): Councillor Whillans, Iqbal Ali

Carried (8 to 0)

**5. Presentations\Delegations**

- 5.1 Presentation by Maja Kuzmanov, Manager, Accounting Services and Maria Khoushnood, Partner, KPMG, re: KPMG Audit Planning Report for the Year Ending December 31, 2021

Item 7.1 was brought forward at this time.

Maja Kuzmanov, Manager, Accounting Services introduced Maria Khoushnood, Partner, KPMG and advised the Committee she would be the new KPMG representative.

Ms. Khoushnood provided an overview of the Audit Planning Report prepared by KPMG for the year ended December 31, 2021 (appended to Report Item 7.1) .

Ms. Khoushnood and staff responded to questions from Committee with respect to the following:

- Clarified the switch in personnel complies with KPMG's "Rotation Compliance Policy" and occurs every 10 years.
- Questions regarding specified procedures and the possible impact on KPMG's independence.

The following motion was considered.

#### **AU031-2021**

1. That the presentation by Maja Kuzmanov, Manager, Accounting Services, and Maria Khoushnood, Partner, KPMG, re: **KPMG Audit Planning Report for the Year Ending December 31, 2021**, to the Audit Committee Meeting of December 7, 2021, be received,
2. That the report by Maja Kuzmanov, Accounting Manager, Finance, Corporate Services, re: **KPMG Audit Plan for the 2021 Fiscal Year**, to the Audit Committee meeting of December 7, 2021 be received; and,
3. That the Audit Planning Report for the Year Ending December 31st, 2021, prepared by KPMG LLP, Chartered Accountants (KPMG LLP) to the Audit Committee, be received.

Carried

## **6. Reports - Internal Audit**

### **6.1 Staff report re: Corporate Fraud Prevention Hotline Update– Q3 2021**

Committee discussion took place with respect to the following:

- Outlined that a total of 39 reports were received through Deloitte investigation.
- Advised 20 reports were passed onto the Integrity Commissioner, leaving 19 reports still under review with Internal Audit.
- Clarification that the total cost of the Deloitte investigation (including taxes) was \$539,000.

- In Q3 there were no new reports received from the City's Fraud Prevention Hotline. All reports received were through Deloitte investigation.

The following motion was considered.

#### **AU032-2021**

1. That the report by Richard Gervais, Acting Director, Internal Audit, re: **Corporate Fraud Prevention Hotline Update- Q3 2021**, to the Audit Committee Meeting of December 7, 2021, be received.

Carried

#### 6.2 Staff report re: Deferral of Realty Services Audit

Committee discussion took place with respect to the following:

- Question regarding when the last Realty Services audit was undertaken.
- Staff suggested a consultation process be undertaken with Realty Services staff to discuss the steps required to ensure compliance.
- Councillor Palleschi suggested the report be referred to the January 26, 2022 meeting Council.

The following motion was considered.

#### **AU033-2021**

1. That the report by Richard Gervais, Acting Director, Internal Audit re: **Deferral of Realty Services Audit**, to the Audit Committee Meeting of December 7, 2021, be referred to the January 26, 2022 meeting of Council.

Carried

#### 6.3 ^ Staff report re: Emergency Expenses Audit

#### **AU034-2021**

That the report by Richard Gervais, Acting Director, Internal Audit, re: **Emergency Expenses Audit**, to the Audit Committee Meeting of December 7, 2021, be received.

Carried

- 6.4 ^ Staff report re: Internal Audit Risk Assessment and Development of an Audit Universe

**AU035-2021**

1. That the report by Richard Gervais, Acting Director, Internal Audit, re: **Internal Audit Risk Assessment and Development of an Audit Universe**, to the Audit Committee Meeting of December 7, 2021, be received.

Carried

- 6.5 ^ Staff report re: The Fraud Hotline Expansion to Brampton Residents

**AU036-2021**

1. That the report by Richard Gervais, Acting Director, Internal Audit, re: **The Fraud Hotline Expansion to Brampton Residents**, to the Audit Committee Meeting of December 7, 2021, be received.

Carried

- 6.6 ^ Staff report re: Status of Management Action Plans (MAP) – September 30, 2021

**AU037-2021**

1. That the report by Richard Gervais, Acting Director, Internal Audit, re: **Status of Management Actions Plans (MAP) – September 30, 2021**, to the Audit Committee Meeting of December 7, 2021, be received.

Carried

- 6.7 ^ Staff report re: Vendor Performance Management Audit

**AU038-2021**

1. That the report by Richard Gervais, Acting Director, Internal Audit, re: **Vendor Performance Management Audit**, to the Audit Committee Meeting of December 7, 2021, be received.

Carried

**7. Reports - Finance**

**7.1** Staff report re: KPMG Audit Plan for the 2021 Fiscal Year

***Dealt with under Item 5.1 - Recommendation AU031-2021.***

**8. Other/New Business**

**8.1** Discussion at the request of Abid Zaman, Citizen Member re: Hiring for Internal Auditor position

Abid Zaman, Citizen Member, inquired about the status of the hiring for a permanent Director, Internal Auditor and when the job posting was released.

David Barrick, Chief Administrative Officer, advised that at the previous meeting correspondence was provided with respect to the matter in closed session. Mr. Barrick referred Member Zaman to the closed session information provided to committee. Mr. Barrick clarified that the job posting has been posted for a few weeks and interviews will be arranged in the coming weeks.

Evaninderjit Mangat, Senior Manager, Talent Acquisition and Total Compliance confirmed the job posting was advertised for three weeks with a closing date of December 5, 2021 and was posted on several social media platforms. Next steps will be screening applicants resumes, interview panel and scheduling interview dates.

**9. Question Period**

Nil

**10. Public Question Period**

The public was given the opportunity to submit questions via e-mail to the City Clerk's Office regarding any decisions made during the meeting. P. Fay, City Clerk, confirmed that no questions were submitted regarding decisions made at this meeting.

**11. Closed Session**

Nil

12. **Adjournment**

The following motion was considered.

**AU039-2021**

That the Audit Committee do now adjourn to meet again for a Regular Meeting on February 8, 2022 at 9:30 a.m. or at the call of the Chair.

Carried

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Regional Councillor M. Medeiros, Chair