

Date: 2022-09-14

Subject: **Status of Management Action Plans- Q2 2022**

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Report Number: CAO's Office-2022-905

Recommendations:

That the report titled: **Status of Management Actions Plans– Q2 2022**, to the Audit Committee Meeting of September 27, 2022, 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 the implementation of audit recommendations, as reported by management;
- The information provided reflects the status management action plans on or before June 30, 2022;
- Management completed seven management action plans in the second quarter of 2022, and twenty-two are outstanding;
- **Appendix 1** contains a summary report of the status of action plans. The Management Action Plan status details are set out in **Appendix 2**; and
- Further details concerning the individual recommendations are available upon request.

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 June 30, 2022.

Current Situation:

By June 30, 2022, there were forty-six open recommendations. Seven recommendations were closed. Twenty-two recommendations are outstanding; seventeen are not yet due.

Management deferred some plans to allow for a broader corporate discussion. Other plans were deferred due to delays in policy approvals and recruitment. The remaining seventeen recommendations identified as "not yet due" have anticipated completion dates between Q3 2022 and Q4 2023.

The management action plans from three audits were closed in the previous quarter and have been retired from the active management action plan list: Building Design & Construction, HR Benefits Phase 2, and Snow Removal. This quarter, the management action plans from the Realty Services Gap Analysis were added to the active management action plan list.

Please refer to **Appendix 1** for the details of the recommendations as of Q2 2022. For additional information on the outstanding recommendations (outstanding and not yet due), please refer to **Appendix 2**.

Corporate Implications:

Financial Implications:

N/A

Other Implications:

N/A

Term of Council Priorities

This report achieves the Term of Council Priority of 'Brampton is a well-run city' through establishing an internal audit follow-up procedure for implementing audit recommendations, which promotes Corporate accountability, values, and governance best practices.

Conclusion

Internal Audit is committed to continued collaboration with management in regularly reviewing, improving, and updating policies and procedures and 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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Attachments:

Appendix 1: Management Action Plans as at June 30, 2022

Appendix 2: Management Action Plan Status Details as at June 30, 2022