

**Calgary**



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AC2017-0252  
Attachment

# City Auditor's Office 2016 Annual Report



**Calgary**

City Auditor's Office



## Message from The City Auditor

Since 2013, it has and continues to be my pleasure to serve City Council and Calgarians as City Auditor. I am privileged to have a highly experienced and effective professional staff, and together, as the City Auditor's Office we have provided added value to The City of Calgary through the delivery of independent and objective assurance, advisory and investigative work.

We have an important role in supporting the values of our City: "individual responsibility and collective accountability", and through this role we foster public trust. Our extensive mandate covers over 15,000 City employees, Civic Partners, and other City funded organizations that work to deliver effective services to the citizens of Calgary. For us, it is much more than meeting a goal to deliver audit reports to The City. Our goal, our added value, our success story, occurs when we reinforce accountability within The City as the independent eye that validates and verifies what The City is doing, identifies significant areas where improvement is required, communicates recommendations that efficiently support these improvements and monitors The City's commitment in implementing our recommendations. It is these success stories that I am pleased to share.

In 2016, we delivered 56 valued recommendations from our audits, and monitored the closure of 76 action plans to support positive change. In addition we worked across almost all departments through our advisory and investigative services to offer pro-active recommendations and insights. We accomplished these positive results with a complement of 15 staff and a budget spend of \$2.5M.

We hold ourselves accountable to delivering our work in accordance with our approved Audit Plan, our high internal performance measures that we establish, and in conformance to the International Professional Practices Framework set by the Institute of Internal Auditors. We are pleased to share these positive results against defined performance measures in this report.

As we move ahead into 2017, there is more work to be done. We will continue to effectively deliver on audit, advisory and investigative work in accordance with our approved 2017/2018 Audit Plan. We are committed to do as much as we can, as efficiently and effectively as we can, within the budget we are provided. We are your independent eye which oversees The City's effective delivery of Council Priorities.

The City Auditor's Office is your independent and objective body and is committed to delivering the highest standards and best practices of a high performing audit office in the public sector.

Katharine Palmer, CIA, CFE, CCSA, MBA  
City Auditor

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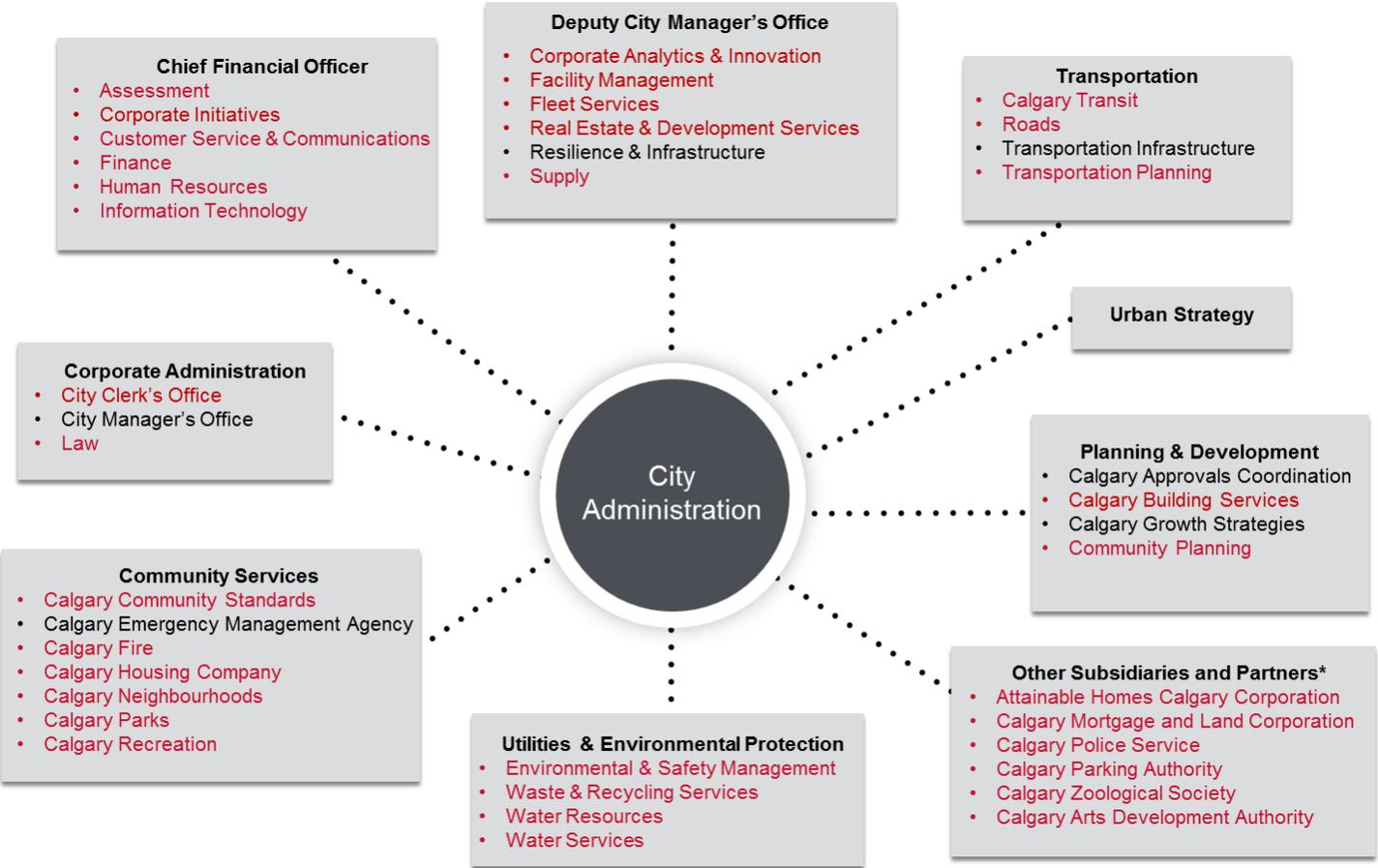
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# 1.0 Our Coverage

## 1.1 Annual Audit Plan Activity

During 2016, the City Auditor’s Office audit, advisory and investigative services provided significant interaction with over 80% of the Business Units within The City. Additionally, due to the nature of our audit work, there were many touch points with several of our City subsidiaries and partners. Our extensive coverage, as highlighted in red text, provided us with greater insight into challenges and opportunities faced by the corporation, and increased our agility to provide valued advice in response to key risks.

The City Auditor’s Office was able to achieve this coverage due to the effective collaborative relationship that exists with Administration and the office’s team of 15 professional staff.



\*This is not intended to be an exhaustive list of all subsidiaries and partners.



## 1.2 Audits Completed

During 2016, the City Auditor's Office finalized seven audits and initiated an additional eight audits. Full details of the status of all audits at year end can be found in Appendix A. Summaries of finalized audits are set out below.

### **Deputy City Manager's Office**

#### **Rocky Ridge Recreation Centre**

In 2012 City Council approved \$480M in capital funding to construct four new recreation centres. Rocky Ridge, which is one of the more complex new facilities, began construction in February 2015 and, at the time of the audit, was expected to be complete by September 2017. The Facility Management Business Unit managed the construction of the facility. The objective of this audit was to provide assurance on the effectiveness of project management processes to support the capital construction of the Rocky Ridge Recreation facility. The audit focused on project controls to effectively manage cost, schedule and construction quality. Although basic project management processes and tools had been established, they were not being utilized to appropriately manage significant risks. The City Auditor's Office made four recommendations to enhance the likelihood of successful project delivery. Administration are applying recommendations from this audit to all construction projects in the New Recreation Facilities Program.

### **Chief Financial Officer**

#### **Pensions**

This compliance audit, which The City of Calgary is required to complete once every three years, was performed on behalf of Human Resources. The objective of the audit was to perform all procedures outlined in the Alberta Pension Services Corporation (APS) compliance reporting requirements and report results by the legislated deadline. The audit was effectively completed and submitted to APS by the required deadline, and the CAO provided additional value by identifying four opportunities to enhance the efficiency of the pensions audit process in advance of the next triennial audit in 2019.

### Hedging Audit (Foreign Exchange and Fuel)

The objective of this audit was to evaluate the effectiveness of foreign exchange and fuel hedging processes and practices in achieving budget stability. Between January 1, 2015 and March 31, 2016, The City purchased goods and services in foreign currency totaling \$65M and commodities totally over \$157M. A sample of 2015 and 2016 transactions were tested to assess compliance with existing administration policies. City practices were also benchmarked against good hedging practices from three Canadian municipalities to identify opportunities to further mitigate budget uncertainty and price exposure risk. This was a timely audit given recent market volatility and anticipated increases in investment in capital projects and energy demands. Administration accepted all six recommendations to improve the effectiveness of current hedging processes and practices, which included a review of current risk mitigation strategies and strengthening oversight controls.

### Vendor Master File (Data Analytics)

The Vendor Master File (VMF) stores critical information on City vendors and is a fundamental component of the Accounts Payable and Procurement processes. In 2015 alone, \$2.8B in payments relied on the data stored in the VMF for processing. This audit utilized data analytics to identify anomalies and trends in VMF data which resulted in seven recommendations to improve the integrity of the VMF. This audit was successful in substantially reducing the size of the VMF and improving the integrity of its data.

### Community Services

#### Parks Urban Forestry

There are over 590,000 trees in Calgary, and the Urban Forestry division is responsible for their care and maintenance. In September 2014, The City was struck by a late summer snow storm that resulted in damage to public trees estimated by Parks to be equivalent to 240,740 trees. The following year, Council approved a onetime budget net increase of \$35.5M (2015-2018 budget cycle) for recovery and restoration efforts. This audit focused on Urban Forestry processes and associated controls around tree maintenance, tree incidence response, and urban forestry cost management. The City Auditor's Office made four recommendations to increase the rigor and oversight of data collection and analysis processes.

### Utilities and Environmental Protection

#### Environmental and Safety Management (ESM) – EnviroSystem Oversight

The objective of the audit was to evaluate the effectiveness of ESM's oversight over The City's environmental management systems, (EnviroSystem) to support compliance with legislation, risk management and environmental performance improvement. Key activities include managing The City's internal environmental audit program, tracking and reporting on The City's environmental risks and performance. Nine recommendations to enhance evaluation and reporting on the effectiveness of the EnviroSystem were raised including reconfirmation of ESM's mandate and improving the internal environmental audit program.

#### **Adding Value: Pensions**

"I must commend the auditors for the way they worked with our group. Easy to work with and good collaboration." – Leader, HR, Human Resources

#### **Adding Value: Vendor Master File (Data Analytics)**

"As someone coming into the VMF Audit late in the process I was very pleased and impressed by the willingness of CAO staff to work with me to understand what had occurred prior to my involvement in the audit. The support provided by CAO staff was very helpful to me in putting the audit and associated issues into a meaningful perspective." – Manager, Tax, Receivable & AP, Finance

#### **Adding Value: Environmental & Safety Management**

"Very professional and good communication with the weekly meetings." – Leader, Strategic Services, ESM

## **Other Subsidiaries and Partners**

### Attainable Homes Calgary Corporation

The mandate of Attainable Homes Calgary Corporation (AHCC) is to provide quality homes at affordable prices and ensure discounted land obtained from The City is appropriately leveraged. AHCC acquire inventory through land developments and unit acquisitions. The audit objective was to provide assurance on the effectiveness of acquisition and development cycle processes, which support AHCC's mandate. The audit evaluated controls that supported unit acquisitions and land development contracts which enabled AHCC to acquire 185 units. Although acquisition and development processes were effective in supporting the acquisition of units for the program, controls were insufficient to mitigate risk in partner selection for land developments and ensure the long term financial sustainability of AHCC. Twelve recommendations were made to improve AHCC's partner selection and enhance long term financial sustainability.

## **1.3 Advisory Services**

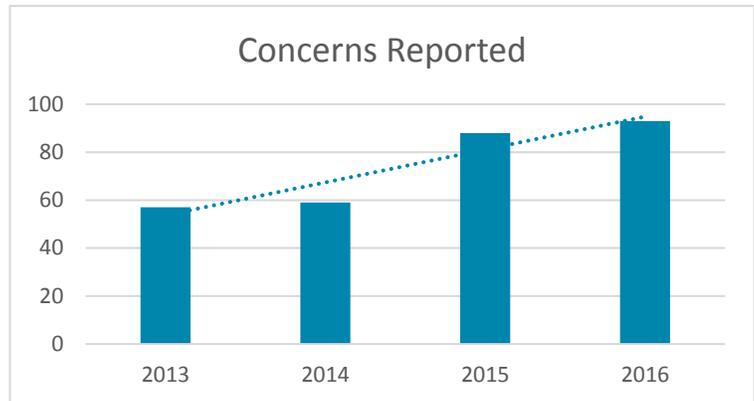
The City Auditor's Office provides advisory services on an ad hoc or project basis as requested by Administration. The intent of our advisory services is to provide an independent view and best practice insight on current, new or emerging risks and opportunities facing The City. During 2017, the City Auditor's Office has provided these services to a number of areas including:

- The City Manager by providing customized data analytics reports;
- The City's Infrastructure Calgary Steering Committee as an advisory member;
- The City's Corporate Project Management Framework Steering Committee as an advisory member;
- The Olympic Bid Committee specific to the Olympic Bid Funding agreement;
- A Business Unit enhancing their internal risk and controls framework; and
- The Integrity and Ethics Office supporting the transition of Whistle-blower Council policy involving members of Council.

As an independent group, without affiliation to a particular Business Unit or Directorate, The City Auditor's Office is uniquely positioned to provide value add advice. We do this by combining our knowledge of best practice on risks, controls and governance frameworks along with our deep understanding of City of Calgary strategies, culture and organization to provide practical and cost effective advisory services.

## 1.4 Investigative Services

During 2016, the Whistle-blower Program (WBP), which is operated independently through the City Auditor's Office, received an increased number of whistle-blower reports from employees and citizens pertaining to concerns regarding City employees and/or operations. The volume increase and wide range of Business Units to which concerns were associated is positively regarded as an indication of growing confidence in the Program which is continually strengthened through Management's commitment to the Program's findings and recommendations to improve processes.



Concerns reported to the WBP based on allegations of waste and/or wrongdoing resulted in the WBP opening 93 new WBP Files. Reports made included allegations pertaining to the Code of Conduct, HR policies, hiring and recruiting procedures, waste, and/or management/leadership concerns.

Continued enhancements and efficiencies applied to the Program procedures in 2016 supported more timely assessment and response to reported concerns, resulting in:

- ✓ 118% increase in the number of investigations closed in the calendar year
- ✓ 61% decrease in outstanding WBP files from prior years
- ✓ 49% decrease in open files carried forward to 2017 compared to prior year

	2016	2015	Increase
New WBP Files	93	88	6%
WBP Files closed in reporting year	137	79	73%
New WBP Investigations	40	35	14%
Investigations closed during reporting year	72	33	118%
Investigations closed (from prior years)	51	23	122%



### Submitting a Whistle-blower Concern?

Where possible:

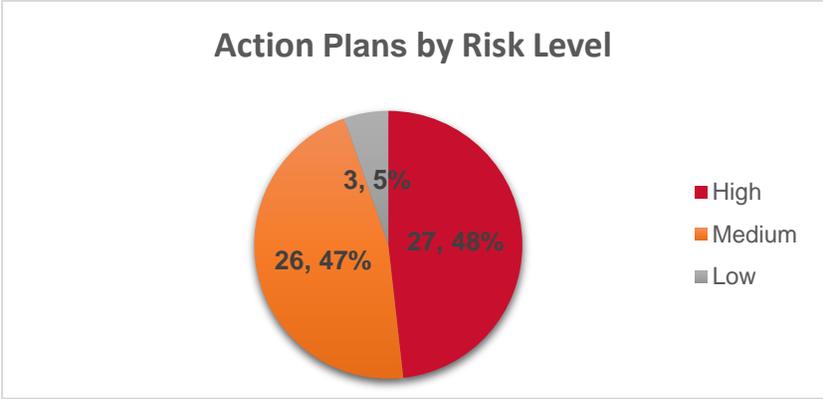
- Verify that your allegation is related to waste and/or wrongdoing as defined in the Whistle-blower Policy;
- Ensure that your allegation is clearly communicated;
- Verify that your concern is related to a City employee or operation;
- Provide specific and factual detail of the alleged event including dates, times, locations, people involved;
- Provide available supporting documentation and other evidence;
- Identify individual(s) and/or business unit implicated in your allegation;
- Avoid reporting concerns based on hearsay, speculation, opinions or conclusions; and
- Stay involved. All concerns reported online allow for ongoing anonymous and confidential communication with Program investigators to whom additional clarification and information can be provided.

[www.calgary.ca/whistle](http://www.calgary.ca/whistle)

# 2.0 Our Impact

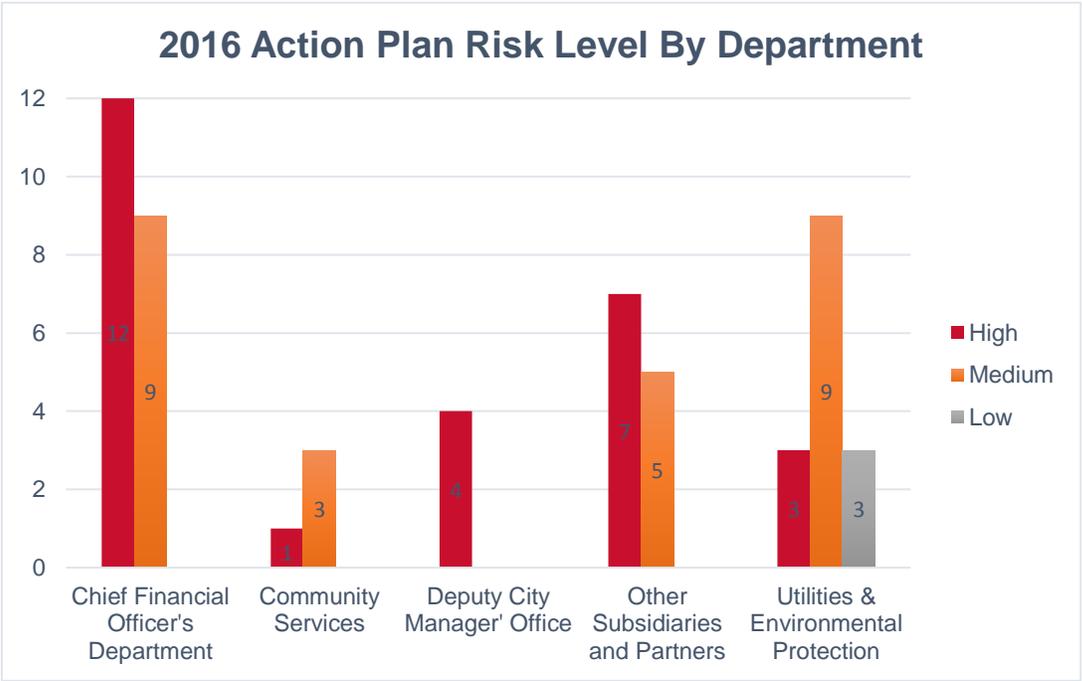
## 2.1 Audit Recommendations

The City Auditor’s Office takes a risk-based approach to the planning and execution of audits. Each audit focuses on key risks to the achievement of Administration’s objectives, which supports meeting Council priorities. During planning, we work with staff to gain a thorough understanding of the area, project or process being audited and key risks. With Administration’s input, risks are ranked high, medium or low based on the impact and likelihood should the risk event occur. The fieldwork plan is designed to test successful risk mitigation.



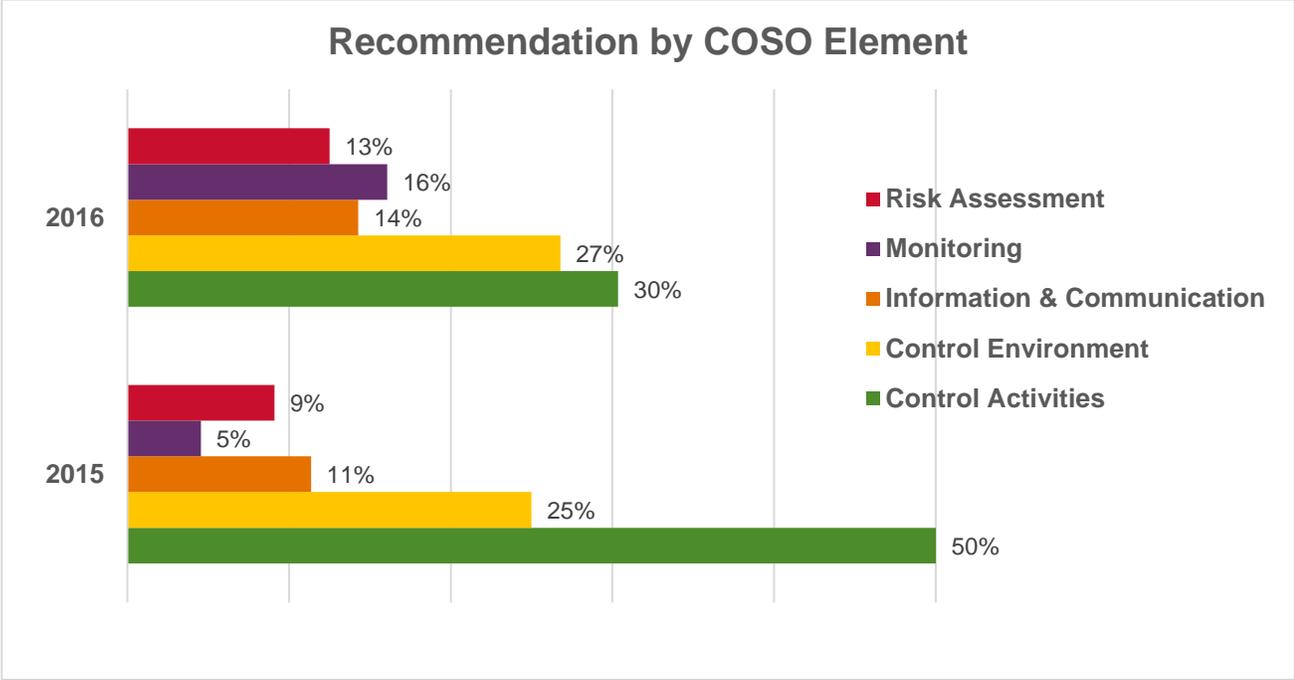
In 2016, the majority of recommendations raised (56 action plans in total) related to high and medium risks, which supports our approach and demonstrates that the audits have an impact.

Through our expanded use of software we began tracking the level of risk by recommendation raised. By providing levels of prioritization, Administration is able to identify recommendations that require prompt action.



Of particular note, three of the four recommendations directed to the Deputy City Manager’s Office (AC2016-0108) were implemented in 2016. In addition, three high risk and five medium risk recommendations directed to Attainable Homes were implemented (AC2016-0278).

The City Auditor's Office provides independent assurance regarding the effectiveness of governance, risk management, and internal control. The COSO<sup>1</sup> Internal Control Framework is a widely accepted framework that outlines the principles and components necessary for an organization to effectively manage its risks by implementing internal controls. The City Auditor's Office categorizes recommendations into the five fundamental COSO components to identify potential trends and provide Administration with additional insight into the effectiveness of internal controls.



<sup>1</sup> Committee of Sponsoring Organizations.

## 2.2 Investigation Recommendations

Growing confidence in the WBP can be attributed to Management’s commitment to corrective action in response to the investigation findings and recommendations. In compliance with policy, a component of each Whistle-blower investigation is, where possible and appropriate, to determine underlying causes of procedural failure or control weakness leading to a concern being reported. Recommendations are raised to the attention of Management with the view that, if implemented, these corrective actions would mitigate opportunity for similar activities to reoccur. Recommendations are made based on the concern or issue reported, and are not limited to substantiated allegations.

During 2016, the more prevalent root causes were associated with reinforcement of policies and procedures related to conflict of interest, respectful workplace, and hiring and recruiting. In total 28 recommendations were raised to Management across various Business Units in response to allegations received and investigated. Recommendations made are provided below:

Issue	Corrective Action Recommendations	Frequency	# of Business Units
Conflict of Interest	<ul style="list-style-type: none"> <li>That a review be conducted of the Professional Services Terms &amp; Conditions to determine whether any opportunity exists to clarify and strengthen the language related to Conflicts of Interest. (City-wide recommendation)</li> </ul>	1	2+
	<ul style="list-style-type: none"> <li>That monitoring of a vendor’s activities occur in order to manage known potential conflicts of interest in relation to services provided to the City.</li> </ul>	1	
	<ul style="list-style-type: none"> <li>For Management to provide an employee with additional education and awareness on the Conflict of Interest policy.</li> </ul>	1	
	<ul style="list-style-type: none"> <li>That an employee divest from a personal interest in a private corporate entity intending to provide services to the City.</li> </ul>	1	
Hiring & Recruiting	<ul style="list-style-type: none"> <li>Utilization of consistent hiring teams for each job competition in order to allow for greater clarity in recruiting activities and each team members’ respective responsibilities.</li> </ul>	1	4
	<ul style="list-style-type: none"> <li>For Management to review the appointment of an employee to a new position in order to ensure alignment with a Collective Agreement.</li> </ul>	1	
	<ul style="list-style-type: none"> <li>For Management to coach a hiring manager with a focus on the need for adherence to the Collective Agreement during recruiting activities.</li> </ul>	1	
	<ul style="list-style-type: none"> <li>Development of an expanded pool of interview questions from which hiring managers can draw so that repeat applicants are not provided an advantage.</li> </ul>	1	
	<ul style="list-style-type: none"> <li>That a Business Unit develop of a comprehensive interview guide.</li> </ul>	1	
	<ul style="list-style-type: none"> <li>Broadened training in Targeted Selection be provided to hiring managers and interview panelists in support of the development of comprehensive interview guide specific to a Business Unit.</li> </ul>	1	

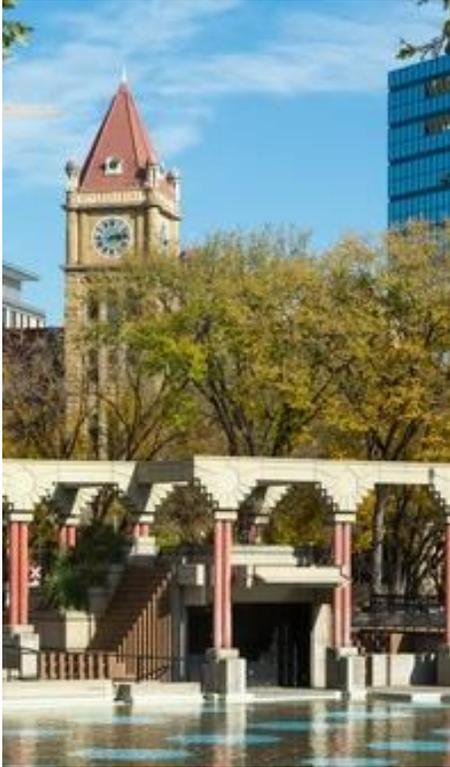
Issue	Corrective Action Recommendations	Frequency	# of Business Units
Respectful Workplace	<ul style="list-style-type: none"> <li>That Management develop and establish new behaviour-specific protocols, and/or references to other protocol standards, in the City's bylaw-related policies, procedures and supporting training materials.</li> </ul>	1	6
	<ul style="list-style-type: none"> <li>That an employee be counseled with a view of understanding the expectations outlined in the City's Respectful Workplace Policy.</li> </ul>	6	
	<ul style="list-style-type: none"> <li>That Management coach an employee regarding the importance of clearly communicated messages and the application of a more timely and consistent approach in communicating with citizens.</li> </ul>	1	
	<ul style="list-style-type: none"> <li>That Management counsel an employee with a view to reinforce effective approaches/tools in interacting with the public.</li> </ul>	1	
Other	<ul style="list-style-type: none"> <li>To provide Travel and Expense policy training to employees to provide greater awareness and understanding of acceptable practices while travelling for City business, as well as the perception of various types of expenses.</li> </ul>	1	4+
	<ul style="list-style-type: none"> <li>To update the Employee Travel, Vehicle, Parking, Insurance, Petty Cash and Other Expenses policy FA-011 (D) in order to clarify the expectation of an employee to consider the most economical form of travel regardless of travel mode. (City-wide recommendation)</li> </ul>	1	
	<ul style="list-style-type: none"> <li>To improve procedures and provide training as necessary to reinforce the responsibility of employees to safeguard civic property and prohibit the use of City assets by unauthorized persons.</li> </ul>	1	
	<ul style="list-style-type: none"> <li>To improve communication procedures and support to employees through job assignments and placements that are consistent with medical restrictions.</li> </ul>	1	
	<ul style="list-style-type: none"> <li>To strengthen safety messaging to front line workers to ensure employee awareness of safety activities and incident reporting procedures.</li> </ul>	1	
	<ul style="list-style-type: none"> <li>For Management to correct a duplicate payment made in error to a vendor.</li> </ul>	1	
	<ul style="list-style-type: none"> <li>To develop a training plan to provide staff with Customer Commitment training to support the performance of certain specific duties.</li> </ul>	1	
	<ul style="list-style-type: none"> <li>To install additional closed circuit cameras at outdoor City facilities.</li> <li>To provide employee training regarding Substance Use Policy and related reporting channels.</li> </ul>	1	

3.0  
Our  
Commitment  
to Value Add

3.1 Key Performance Indicators

As part of our commitment to continuous improvement, we track our added value based on the following key performance indicators of efficiency, effectiveness, quality delivery, and staff proficiency. We are pleased to report that overall we exceeded all targets set for 2016.

Measure Area	Performance Indicator	Target	2016	2015	Comments
Efficiency	On Track to Annual Plan	85%	98%	88%	Two planned audits commenced later in 2016 than expected, and were still completing fieldwork at year end. However, two additional audits from the approved 2017 plan were brought forward to 2016 and had reached fieldwork by year end.
Efficiency	Project Budget Variance	+/-10%	-1%	N/A	New indicator in 2016, measuring % variance of actual audit hours versus planned.
Effectiveness	Recommendation Agreement	95%	98%	95%	In line with prior years.
Effectiveness	Timely Implementation of Recommendations	N/A	71%	N/A	New indicator in 2016, measuring the % of recommendation action plans that were implemented on or before the expected date.
Quality	Client Satisfaction	75%	94%	88%	Ten client surveys were received during 2016 covering seven audits for a 100% response rate.
Staff	Training Plan Achieved	80%	93%	95%	Training plans included courses, seminars, webinars, and exam preparation/sitting.
Staff	Average Years of Service	3.50	4.13	3.30	One auditor joined the team in Q2 in a secondment auditor position.



### 3.2 Professional Work Standards

Professional work standards across all audit, advisory and whistle-blower investigations are key to adding value in day to day City Auditor's Office work.

The City Auditor's Office conducts its audit activities in adherence with the Institute of Internal Auditors' (IIA) International Standards for the Professional Practice of Internal Auditing (*Standards*). The *Standards* require that an internal quality program is established and maintained to monitor adherence to *Standards*, and that an external quality assessment be conducted at least every five years. During 2016, internal quality activity included the completion of:

- Quarterly audit file peer reviews (by an auditor not involved in the audit);
- Quarterly KPI monitoring;
- Post-audit lessons learned exercises and client surveys; and
- Periodic review and update of key audit templates, which in 2016 included audit planning documents and client survey tools.

The internal quality activity did not identify any instances of non-conformance to *Standards*, and any identified possible process improvements have been incorporated into on-going updates of procedures and practices. The next external assessment will take place in late Q1, 2017, to provide independent assurance to Council and Administration on the professional practice and quality of the City Auditor's Office.

Whistle-blower investigations are carried out in with alignment with best practices and the codes of conduct of the Association of Certified Fraud Examiners and Association of Certified Forensic Investigators. Quality reviews are conducted on all completed investigations.

During Q1 2016, the City Auditor's Office also reviewed and proposed minor changes to the City Auditor Bylaw (30M2004) and City Auditor's Office Charter, which were approved by Audit Committee in April 2016. These documents form the foundation of the governance and practice of the City Auditor's Office, in particular confirming the structural independence of the Office.

Internal City Auditor's Office initiatives are focused on maximizing efficiency through increased utilization of tools, and review and revision of practices and processes. One particular area of focus in 2016 was the development of a data analytics program. Data analytics is an analytical process by which insights are extracted from operational, financial, and other forms of electronic data. These insights can be historical, real time, or predictive and can also be risk-focused (e.g. controls effectiveness, policy/regulatory noncompliance) or performance focused (e.g. decreased costs, improved profitability). The objectives of data analytics are to identify areas of key risk; verify process effectiveness; increase audit coverage; identify exceptions; improve business efficiencies and assist with business decisions. During 2016, the City Auditor's Office expanded its use of ACL (Audit Command Language) to extract and analyze City financial data via scripts in ACL. Our long term goal is to develop a full library of automated analytics scripts, which can be run at regularly scheduled intervals. This will support efficiency opportunities in our audits and providing excellent insight on emerging risks.

The foundation of the City Auditor's Office is the professional skills and knowledge of the staff. To run effective audits, advisory projects and investigations, a range of complementary designations enhances the team's effectiveness. All staff conducting audits, advisory and whistle-blower investigations have at least one (or are studying towards gaining) of the Certified Internal Auditor, Certified Information Systems Auditor, Certified Fraud Examiner or Certified Forensic Investigator designations. To further enhance certifications and to keep current on best practices, all staff participate in on-going professional training. The City Auditor's Office supports 40 hours of training per year, however many staff engage in additional continuous learning on their own personal time.

Throughout 2016, certain staff members from the City Auditor’s Office have also contributed to their external peer community in the following ways:

- Member of the Canadian national board of the Institute of Internal Auditors;
- Sub-committee Chair of the Association of Local Government Auditors;
- Member of the Association of Local Government Auditors’ judging panel for the annual Knighton (report writing) Awards; and
- Presentation speaker at the Association of Local Government Auditors’ national conference.

### 3.3 Budget

The City Auditor’s Office strives to provide the highest level of independent and objective assurance, advisory and investigative services within Council–approved budget. Our approved 2016 annual budget includes costs associated with completing audit, advisory and investigative services.

#### Operating Budget (\$’000’s)

The City Auditor’s Office maintains funding within its budget to enable the office to hire subject matter experts to evaluate specialized risk areas or provide specific knowledge. During 2016 the City Auditor’s Office utilized contract audit resources to assist with the Hedging and Transit audits and worked with external experts in data analytics and communications.

	Annual Budget	Actual	Variance*
Salary	\$2,323	2,183	140
Contracts	375	199	176
Training	75	54	21
Other	116	99	17
Total	2,889	2,535	354
* Variance due to delay in filling Whistle-blower positions and hiring fewer contractors to support the program.			

## 4.0 Appendices

### Appendix A – Audit Activity Status as of December 31, 2016

#	2016/2017 Approved Audit Plan		Status
<b>2015 Carry Forward</b>			
1	Rocky Ridge Recreation Centre	A project management audit of the capital construction project to build the Rocky Ridge recreation centre.	Complete – Reported February 2016
2	Attainable Homes Calgary Corporation	An audit assessing the effectiveness of the process to acquire and develop units that supports the mandate of Attainable Homes.	Complete – Reported April 2016
<b>2016</b>			
3	Pensions	A compliance audit to meet legislation requirements, which requires independent assurance every 3 years.	Complete – Reported June 2016
4	Finance	A compliance desk top audit utilizing data analytics.	Complete – Reported October 2016
5	Environmental & Safety Management	An operational audit assessing the effectiveness and efficiency of environmental and safety management processes.	Complete – Reported September 2016
6	Parks – Urban Forestry	An operational audit assessing the effectiveness of the City's investment and management of trees.	Complete – Reported July 2016
7	Hedging	An operational audit assessing the effectiveness of hedging processes.	Complete – Reported July 2016
8	Human Resources – Succession Planning	An operational audit assessing the effectiveness of succession planning strategies conducted across the organization.	Fieldwork
9	Landfill	An operational audit assessing the effectiveness of processes established to meet business objectives.	Reporting
10	POSSE System	An IT audit focusing on the data integrity and sustainability of the business application.	Reporting
11	911 Call Centre	An operational audit evaluating the efficiency of tools and resources employed in the emergency call handling process.	Initiated
12	New Central Library	An operational audit to provide assurance the project is on track and will meet business objectives of time, cost and quality.	Reporting
<b>2017</b>			
13	Community Associations	An operational audit on the service delivery provided by Community Associations.	Fieldwork
14	Transit Fare Revenue	An operational audit assessing the effectiveness of controls over the safe keeping of fare revenue.	Fieldwork
15	IT Security	A follow-up audit focused on management actions in response to previous CAO audit recommendations raised over the last 5 years.	Initiated

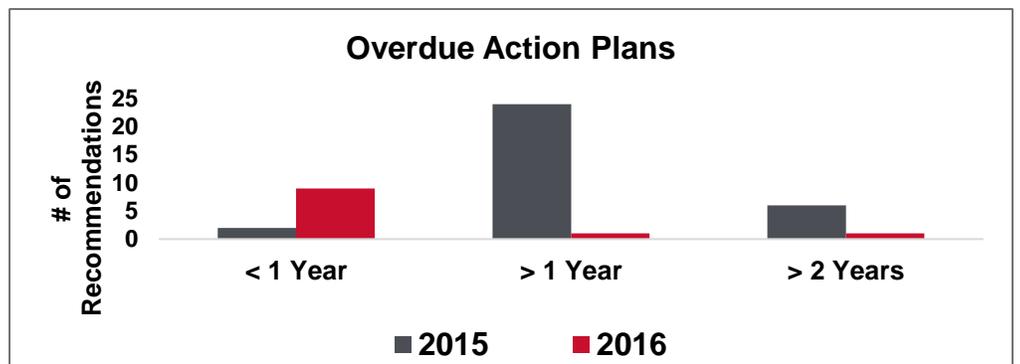
## Appendix B – Audit Recommendation Follow-up

There were 72 outstanding recommendation action plans at 2016 year end. Of these, 61 were not yet due and classified as pending audit review, 11 were in-progress and are being tracked to a revised implementation date.

2016 Recommendation Action Plan Turnover						
Status	Opening-January 1, 2016	Revised Date Required	Reported in 2016	Closed-Risk Mitigated	Closed-Risk Accepted	Ending December 31, 2016
Pending	64	-12	56	-47	0	61
In-Progress	32	12		-29	-4	11
<b>Total</b>	<b>96</b>	<b>0</b>	<b>56</b>	<b>-76</b>	<b>-4</b>	<b>72</b>

Follow-up results continued to be positive this year. Of the 56 recommendation action plans reported in 2016 (88 in 2015), 16 (29%) were closed (26% in 2015) and 11 (20%) were closed in advance of the implementation date in the audit report (26% in 2015). Additional results are included in the charts below:

*The overall number and age of overdue action plans has decreased significantly from last year. Two action plans were one or more years past their original commitment date.*



*In 2016, we received 14 requests to revise action plan implementation dates, of which there were two third time revisions and two second time revisions. Of the 11 in-progress action plans at year end, the majority are first time revisions with only one third time revision and one second time revision.*

