

The Regional Municipality of York

Audit Committee

June 9, 2021

Report of the Director, Audit Services

Audit Services Branch Report

1. Recommendations

1. Council receive this report for information.

2. Summary

This report provides an update on the activities of the Audit Services Branch since the last Audit Committee meeting held on January 21, 2021.

3. Background

The Audit Services Branch provides independent, objective assurance and consulting services designed to add value and improve York Region's operations. Audit Committee meets twice yearly and receives the Audit Services Branch activities in the fulfilment of their oversight responsibilities on the Region's systems of internal control and the audit process.

4. Analysis

Audit Plan Execution

The Audit Services Branch 2021 Risk-Based Work Plan (Work Plan) was approved by the Audit Committee on January 21, 2021. The Audit Services Branch has moved from a four-year to a one-year work plan. This change allows for flexibility in planning to address new and emerging risks, in-year requests and is aligned with the *International Standards for the Professional Practice of Internal Auditing*. The Work Plan has two additional audit projects added which include York Region Rapid Transit Corporation and Long-Term Disability Management and Oversight Audit. The audit of Payroll has been deferred for 2021 and will be considered as part of the 2022 audit planning process. Two audit projects that commenced in 2020 have been completed and are included as Attachment 2 and 3.

Audit Services continues to conduct audits where feasible, provide consulting and investigation services upon request, follow up on outstanding management action plans and

maintain the quality assurance and improvement program that covers all aspects of the internal audit activity.

As in the previous reporting period, management was provided the opportunity to defer providing an update on the status of management action plans at this time given the organization's continued response to the emergency caused by the COVID-19 pandemic.

A status of the 2021 Audit Services Risk-Based Work Plan is outlined in Attachment 1.

Audit Reports Issued

The following Audit Reports have been issued since January 21, 2021:

- York Region Transit – Mobility Plus Contract Administration Audit (Attachment 2)
- Finance – Employee Expense Reporting & Reimbursement Audit (Attachment 3)
- March 2021 Status of Management Action Plans (Attachment 4)

Audit Services Branch supports Vision 2051 and the 2019 to 2023 Strategic Plan

The Audit Services Branch, through its service offerings including assurance, consulting and investigation services, assists the Region in achieving its goals and community results areas in Vision 2051 under Open and Responsive Governance and in the 2019 to 2023 Strategic Plan under Good Government. The internal audit activity is designed to add value and improve an organization's operations through a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, controls and processes.

5. Financial

Audit Services continues to manage its workload within the allocated budget.

6. Local Impact

The Audit Services Branch provides auditing services to seven of the local municipalities through a Memorandum of Understanding on a cost recovery basis.

7. Conclusion

Audit Services will continue to conduct audits where feasible, provide consulting and investigation services upon request, follow up on management action plans and maintain the quality assurance and improvement program. An update of Audit Services activities will be brought forward to the next Audit Committee meeting scheduled for January 2022.

For more information on this report, please contact Michelle Morris, Director, Audit Services 1-877-464-9675 ext.71205. Accessible formats or communication supports are available upon request.

Recommended by: **Michelle Morris**
Director, Audit Services

May 10, 2021
Attachments (4)
eDocs# 12992248