

The Regional Municipality of York

Audit Committee
January 20, 2022

Report of the Director, Audit Services

Audit Services Branch Report

1. Recommendations

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 June 9, 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. A status update of the Work Plan was provided to Audit Committee at the June 9, 2021 meeting and the current status is included in Attachment 1. Audit projects completed – York Region Rapid Transit Corporation and Long-Term Disability Management and Oversight Audit – are included as Attachment 2 and 3 respectively. Audit projects not started in 2021 were re-assessed and either rolled into the 2022 Risk-Based Work Plan or deferred and will be reconsidered as part of the 2023 audit planning.

As required by the *International Standards for the Professional Practice of Internal Auditing*, an annual risk assessment is conducted with management to inform the Work Plan. The proposed Audit Services Branch 2022 Risk-Based Work Plan is presented for approval under a separate report. Additionally, the Audit Committee Charter is reviewed as part of the quality assurance work conducted by the internal audit activity every term of Council and

recommends any changes if required. The proposed revisions to the Audit Committee Charter are presented for approval under a separate report.

Audit Services continues to conduct audits where feasible (recognizing that the organization is still responding to the COVID-19 pandemic), 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.

Audit Reports Issued

The following audit reports have been issued since June 9, 2021:

- York Region Rapid Transit Corporation Audit (Attachment 2)
- Corporate Services – Long-Term Disability Management and Oversight Audit (Attachment 3)
- September 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 the 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 and consulting 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 June 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.

ORIGINAL SIGNED

Recommended by:

Michelle Morris
Director, Audit Services

January 11, 2022
Attachments (4)
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