

## **Proposed Accepted Audit Recommendation Implementation Update Process**

- **Q3 of 2021:** The Audit Committee Chair, working with the City Manager (or designate) and Auditor General, determines up to eight audits that will each be subject to a status update from staff in Q3 or Q4 2021 as any or all of the accepted recommendation(s) in the audits are considered to be a high priority, based on the following criteria:
  1. Significant health and safety risk;
  2. Significant amount of potential savings;
  3. Significant reputation risk;
  4. Previously updated audits for which staff provided an expected implementation date for high priority recommendation(s) and that implementation date has passed; and/or
  5. Recommendation(s) from audit reports that remain outstanding for five years or more since the related report was issued.

The Audit Committee Chair advises the Audit Committee of the selected audits by way of an IPD memo that provides details of the audits and the accepted recommendations, as well as the quarter in which the status update is to be provided for each audit. The memo also identifies which of the audit recommendation(s) are deemed to be a high priority and provides the reasons for that classification.

Staff work with the Auditor General to bring forward to the Audit Committee in Q3 2021 their first quarterly status information report (relating to a portion of the audits identified in the IPD memo in Q3 2021).

The information report would be expected to provide the following information regarding each accepted audit recommendation in each audit:

- Percentage of completion;
- Expected implementation date;
- Reason for change to implementation date (if applicable); and

- For any high-priority recommendation(s), narrative of the action taken or to be taken to implement.

Relevant staff are expected to attend the Audit Committee meeting when the status report is considered for information.

- **Q4 of 2021:** Staff work with the Auditor General to bring forward to the Audit Committee in Q4 2021 their second quarterly status information report (relating to the remaining portion of the audits identified in the IPD memo in Q3 2021), which provides the above-noted information regarding each accepted audit recommendation. Relevant staff are expected to attend the Audit Committee meeting when the status report is considered for information.
- **Q1 of 2022:** The Audit Committee Chair, working with the City Manager (or designate) and Auditor General, determines up to eight audits that will each be subject to a status update from staff in Q1 2022 or Q2 2022 as any or all of the accepted recommendation(s) in the audits are considered to be a high priority, based on the above-noted criteria.

The Audit Committee Chair advises the Audit Committee of the selected audits by way of an IPD memo that provides details of the audits and the accepted recommendations, as well as the quarter in which the status update is to be provided for each audit. The memo also identifies which of the audit recommendation(s) are deemed to be a high priority and provides the reasons for that classification.

Staff work with the Auditor General to bring forward to the Audit Committee in Q1 2022 their third quarterly status information report (relating to a portion of the audits identified in the IPD memo in Q1 2022), which provides the above-noted information regarding each accepted audit recommendation. Relevant staff are expected to attend the Audit Committee meeting when the status report is considered for information.

- **Q2 of 2022:** Staff work with the Auditor General to bring forward to the Audit Committee in Q2 2022 their fourth quarterly status information report (relating to the remaining portion of the audits identified in the IPD memo in Q1 2022), which provides the above-noted information regarding each accepted audit recommendation. Relevant staff are expected to attend the Audit Committee meeting when the status report is considered for information.

This cycle would then continue in future quarters in accordance with the process established above.