



INTERNAL CONTROL & ORGANIZATIONAL PERFORMANCE AUDIT PLAN PROGRESS UPDATE

Current as of March 6, 2019

Assurance Projects

2017 Interim Audit Work Plan (AC-C 14-2017)

	Percentage Complete	Audit Phase	Project Status	Due Date
Purchasing Card	100%	-	Complete	31-Oct-17
Fleet Parts Inventory & Fuel	100%	-	Complete	9-Nov-17
Cash Handling	100%	-	Complete	15-Jan-18
Mobile Telecommunications	100%	-	Complete	15-Jan-18
Cleaning Contract	100%	-	Complete	15-Jan-18

2018 Audit Plan (AC-C 6-2017)

Grants & Incentives: Phase 1	100%	-	Complete	7-May-18
Grants & Incentives: Phase 2	100%	-	Complete	18-Jun-18
Contract Compliance - Waste & Recycling	100%	-	Complete	30-Mar-18
Procurement: Bidding / Tendering process	100%	-	Complete**	31-Dec-18
Payroll Phase 1: Time-keeping	100%	-	Complete	10-Sep-18
Payroll Phase 2: Payroll processing	100%	-	Complete	24-Oct-18
Controlled Medication Inventory	100%	-	Complete	31-Dec-18
Accounts Payable	100%	-	Complete	28-Feb-19
IT General Controls	100%	-	Complete	30-Apr-18
Chippawa CSO Internal Review	100%	-	Complete	10-Sep-18
Children's Services Risk Assessment	100%	-	Complete	28-Feb-19

2019 Audit Plan (AC-C 5-2019)

Homelessness Service Providers Contract Compliance	15%	Planning	In Progress	24-Jun-19
Waste Management Contract Compliance	10%	Planning	In Progress	24-Jun-19
Employee Benefits Claims	0%	-	Not started	9-Sep-19
HR On-boarding & Off-boarding Audit	0%	-	Not started	2-Dec-19
Procurement: Sole / Single sourced	0%	-	Not started	9-Sep-19
MTO Driver Certification Program Audit	0%	-	Not started	2-Dec-19
Long Term Care Homes Risk Assessment	0%	-	Not started	2-Dec-19
Water Treatment Operations Risk Assessment	0%	-	Not started	2-Dec-19

Advisory & Other Projects

Project Name	Status
- Follow-up Status of Management Action Plans	Ongoing (Quarterly)
- Internal Audit methodology & training	In progress
- Recruiting new Process & Compliance Auditor	In progress

Changes to 2019 Annual Audit Plan

- None

Annual Audit Plan Status

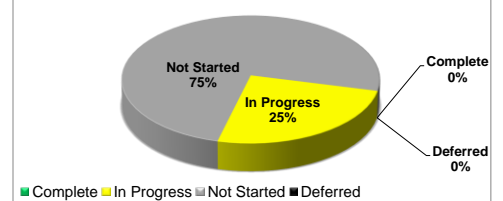
Commentary:

- The objective of the 2019 Internal Audit Plan is to provide independent, objective assurance and advisory services designed to add value through meaningful recommendations and to improve Niagara Region's operations and system of internal controls

- Internal Control & Organization Performance (ICOP) has completed all projects identified in the 2017 Interim Audit Workplan (AC-C 14-2017); these were previously presented to the Audit Committee. ICOP completed eleven audit projects from the 2018 Audit Plan (AC-C 6-2017); these were also reported to Audit Committee across 2018 & 2019 (**Exception is 2018 Procurement Audit which is awaiting Commissioner & Acting CAO commentary).

- The 2019 Audit Plan (AC-C 5-2019); was approved by Audit Committee on February 4, 2019 and ratified by Council on February 28, 2019. The Homelessness and Waste Management Contract Compliance Audits are in progress (both in the planning stages).

2019 Audit Plan Status



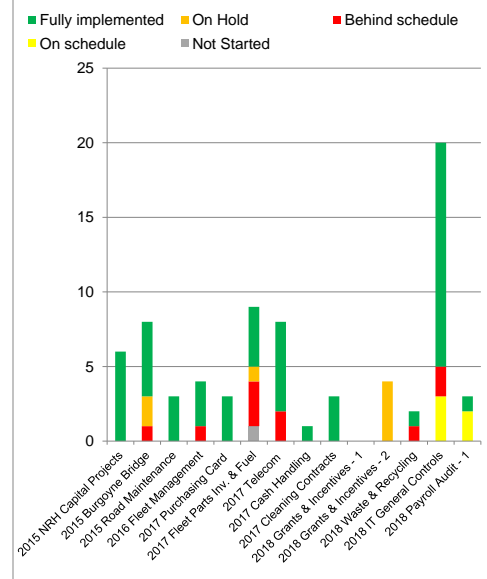
Management Action Plan (MAP) Status

	Total	Not Started	On schedule	Behind schedule	On Hold	Fully implemented
2015 NRH Capital Projects	6	-	-	-	-	6
2015 Burgoyne Bridge	8	-	-	1	2	5
2015 Road Maintenance	3	-	-	-	-	3
2016 Fleet Management	4	-	-	1	-	3
2017 Purchasing Card	3	-	-	-	-	3
2017 Fleet Parts Inv. & Fuel	9	1	-	3	1	4
2017 Telecom	8	-	-	2	-	6
2017 Cash Handling	1	-	-	-	-	1
2017 Cleaning Contracts	3	-	-	-	-	3
2018 Grants & Incentives - 1	0	-	-	-	-	-
2018 Grants & Incentives - 2	4	-	-	-	4	-
2018 Waste & Recycling	2	-	-	1	-	1
2018 IT General Controls	20	-	3	2	-	15
2018 Payroll Audit - 1	3	-	2	-	-	1
TOTAL # of Issues	74	1	5	10	7	51

	Total	Not Started	On schedule	Behind schedule	On Hold	Fully implemented
Corporate Administration	5	-	-	-	1	4
Corporate Services	29	-	5	4	-	20
Community Services	0	-	-	-	-	-
ERMS	12	-	-	1	1	10
Planning & Development	4	-	-	-	4	-
Public Health	3	-	-	2	-	1
Public Works	15	1	-	3	1	10
Other: NRH	6	-	-	-	-	6
TOTAL # of Issues	74	1	5	10	7	51

Outstanding MAP's:

There are 23 outstanding MAP's across all business units (23 when previously reported to the Audit Committee in AC-C 34-2018). Greater detail is identified in AC-C 3-2019 (current as of February 4, 2019).



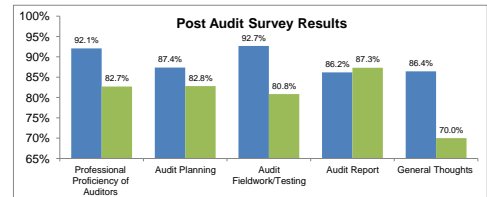
Post Audit Survey Results

Survey Areas of Interest

	2017	2018	2019	Details
Professional Proficiency of Auditors	92.1%	82.7%	NA	Objectivity, professionalism, and knowledge of program areas.
Audit Planning	87.4%	82.8%	NA	Communication effectiveness of scope, objectives, timing and approach.
Audit Fieldwork/Testing	92.7%	80.8%	NA	Effective use of client's time.
Audit Report	86.2%	87.3%	NA	Clear, concise report with timely and meaningful recommendations.
General Thoughts	86.4%	70.0%	NA	Overall benefit of audit and conduct of ICOP team.
AVERAGE SCORE	89.5%	81.4%	NA	

ICOP Action Plans

ICOP has developed an Audit Manual to standardize our internal practices. This Audit Manual is used for the training and on-boarding of new Audit Staff. The Audit Manual will be reviewed and updated annually. No surveys yet in 2019.



Admin / Human Resources

Personnel:	Title:	Credentials:	Start Date:
Maciej Jurczyk	Director	CPA, CMA, CIA, CRMA	26-Jun-17
Frank Marcella	Internal Auditor	MPA, BEd, CGAP	25-Aug-14
Joan Ugwu	Process & Compliance Auditor	CFE	18-Feb-19
Vacant	Process & Compliance Auditor		-
Henrik Xiang Gao	Internal Audit Analyst	MBA	10-Sep-18
Bartłomiej Gora	Internal Audit Co-op Student		4-Sep-18