

# INFORMATION NOTE

**Title:** 2020 Audit Plan Update

**Date Prepared:** December 1, 2020

**Report To:** Audit Committee

**Councillor and Role:** Choose an item.

**Ward:** N/A

**Issue:** To provide the committee with an update on the 2020 audit plan.

## Discussion – Background and Current Status:

The 2020 audit plan was approved by the audit committee on March 4, 2020 and by Council on March 30, 2020 (CD# R2020-03-30/8). The following table will provide the committee with an update on the status of the plan.

2020 Audit Plan	Update to 2020 Audit Plan
1. Review of Maintenance of Water Distribution	This review was completed and presented to the committee on August 6, 2020
2. Review of the Vendor Master File and Electronic Funds Transfer	The final report is nearing completion with presentation to the committee planned for early in 2021.
3. Review of the Equipment Fuel Process	The commencement of this review was delayed due to the pandemic and the addition of the review of the SJRFD Training Division. Planning stage complete and nearing completion of fieldwork.
4. Review of Preventative Maintenance in the Fleet Services Division	This review was scheduled to commence in the spring but was delayed due to the pandemic. The review commenced in late summer and was part way through the planning phase when management requested postponement due to time constraints (onset of maintenance for winter season). It is recommended that this review be included in the 2021 audit plan.

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2020 Audit Plan	Update to 2020 Audit Plan
5. Review of the Low Value Purchase Order (LVPO) process	Due to the delay in the commencement of the review of the equipment fuel process, and the fact that both reviews involved the same management personnel, the review of the LVPO process has been postponed. It is recommended that this review be included in the 2021 or 2022 audit plan.
6. Update Internal Audit Risk Assessment	Work on updating the Internal Audit risk assessment is underway. The plan is to formalize the process and bring it in-line with best practices. It will be a multi-year process to formalize the audit universe and develop the risk assessment and will require the co-operation of senior and operational management. Once developed, best practices require the risk assessment to be updated annually.
7. Update Internal Audit Procedures Manual	Updating the procedures manual was added to the plan as a “time permitting” project. Due to the delays starting other projects because of the pandemic we were able to research and begin the process of updating the manual to bring it in-line with best practices. This is also a multi-year effort and plans are to continue with this in 2021.
8. Investigations	As a result of an anonymous tip, a review into certain processes at the SJRFD Training Division was performed. Although the allegations made in the tip were not substantiated, numerous internal control deficiencies were noted that resulted in an audit being performed in the area.
9. Other Projects (Upon Request)	The review of the SJRFD Training Division was an unplanned audit performed as a result of the investigation mentioned above and at management’s request. The report will be presented at today’s meeting.

**Key Considerations/Implications:**

1. Budget/Financial Implications: N/A
2. Partners or Other Stakeholders: N/A
3. Alignment with Strategic Directions/Adopted Plans: N/A
4. Legal or Policy Implications: N/A
5. Privacy Implications: N/A
6. Engagement and Communications Considerations: N/A
7. Human Resource Implications: N/A
8. Procurement Implications: N/A
9. Information Technology Implications: N/A
10. Other Implications: N/A

**Conclusion/Next Steps:**

This memo is provided to the committee for information purposes only.

**Report Approval Details**

Document Title:	Audit Plan Update.docx
Attachments:	
Final Approval Date:	Dec 11, 2020

This report and all of its attachments were approved and signed as outlined below:

**Kevin Breen - Dec 11, 2020 - 3:08 PM**