

## OFFICE OF THE AUDITOR GENERAL

OFFICE OF THE AUDITOR GENERAL – REPORT ON AUDIT FOLLOW-UPS AND DETAILED AUDIT FOLLOW-UP REPORTS

ACS2019-OAG-BVG-0004

CITY WIDE

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### COMMITTEE RECOMMENDATION

**That the Audit Committee receive the Report on the Audit Follow-ups and detailed audit follow-up reports and recommend that Council consider and approve the report recommendations.**

Vice-Chair Meehan introduced the following motion

#### **AC MOTION No. 4/1**

Moved by Councillor C.A. Meehan

**WHEREAS the Supporting Documentation titled:**

**“Office of the Auditor General – Report on Audit Follow-ups and detailed audit follow-up reports was not circulated with the agenda package;**

**THEREFORE BE IT RESOLVED that the Audit Committee approve the addition of this document for consideration by the Committee at today’s meeting, pursuant to Section 89(3) of the Procedure By-law (being By-law no. 2019-8).**

CARRIED

Ken Hughes, Auditor General, Sonia Brennan, Deputy Auditor General and Ed Miner, Deputy Auditor General spoke to a PowerPoint presentation, a copy of which is held on file with the City Clerk. The following staff were in attendance to respond to questions:

- Marian Simulik, Acting City Manager
- Rick O`Connor, City Clerk and Solicitor
- Kevin Wylie, General Manager, Public Works and Environmental Services
- Quentin Levesque, Director, Roads & Parking Services
- Will McDonald, Chief Procurement Officer
- Sandro Carlucci, Chief Information Officer
- Christopher Fulton, Manager of Technology Security

Questions and responses were provided as follows:

- Accounts Payable
  - Issues with duplicate payments and how this will be resolved
  - Late fees: improvements have been made on training based on previous recommendations
  - New software will be fully implemented by 2020
  - Suggestion to compare with other cities on what software is being used, etc.
- Winter Maintenance
  - Climate change and the next steps that are being taken
  - The anticipated timelines of completion with regards to the three partially completed recommendation
  - The impacts/costs with respect to cars parked during snow removal

**DIRECTION TO STAFF:**

That Transportation Services ensure that delivery truck drivers are not aware of when the trucks will be weighed.

- IT Governance
  - Concern with the high turnover rate of Chief Information Officers (CIO)
  - If the proper structure is in place to ensure success for the person in the role of CIO
  - If the outstanding items are (or will be) included in the IT work plan
- IT Risk Management
  - If proper training is being offered
  - Reasons why this audit has been delayed
  - What measures are in place in terms of the validation process
  - The issues with respect to having centralized service as opposed to decentralized

In response to a question regarding further follow up specifically on the IT follow up audits, the Auditor General advised that an update can be included in the Remote Access Follow up report after Q4 2019.

The following Motion was put to Committee and LOST:

**AC MOTION No. 4/2**

Moved by Councillor C.A. Meehan

**WHEREAS the Audit Committee has heard from City Staff and the Office of the Auditor General (OAG) regarding recommendations presented in the Follow-up Audit Reports; and**

**WHEREAS certain recommendations are considered partially complete by the OAG; and**

**WHEREAS sufficient time has elapsed to provide the Audit Committee with the reasonable expectation that all recommendations should have been considered complete by the OAG;**

**THEREFORE BE IT RESOLVED that the Audit Committee directs City Staff to provide an update on all Audit Report Recommendations heard here today which are considered partially complete by the OAG at the next Audit Committee meeting.**

LOST on a division of two YEAS and four NAYS, as follows:

YEAS (2): Councillors C.A. Meehan, T. Kavanagh

NAYS (4): Councillors G. Darouze, E. El-Chantiry, A. Hubley, J. Cloutier

**DIRECTION TO STAFF:**

Direct the City Manager's Office to provide the Audit Committee, by the end of the day or this week, with digital copies of the audit recommendations tracking report that is currently maintained by the City Manager's Office.

*Please refer to the In Camera item for the conclusion of this item.*

**IN CAMERA ITEM\***

OFFICE OF THE AUDITOR GENERAL – REPORT ON AUDIT FOLLOW-UPS AND DETAILED AUDIT FOLLOW-UP REPORTS - FOLLOW-UP TO THE 2015 AUDIT OF IT SECURITY INCIDENT HANDLING AND RESPONSE

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The following motion was introduced:

**AC MOTION 4/3**

Moved by Councillor C.A. Meehan

**That, in accordance with Procedure By-law 2019-8, the Audit Committee resolve In Camera pursuant to Subsection 13(1)(a), the security of the property of the City, based upon the rationale set out in the Legal Implications section of the report titled “Office of the Auditor General – Report on Audit Follow-ups and detailed audit follow-up reports” in order to receive from the Auditor General the Follow-Up to the 2015 Audit of Information Technology Security Incident Handling and Response.**

CARRIED

Upon Resuming in open session, Chair Cloutier advised that the Audit Committee met *In Camera* to consider the Follow-up to the 2015 Audit of IT Security Incident Handling and Response Report.

The Chair noted that during the *In Camera* session, the Auditor General and staff provided a Presentation and answered questions from the Committee. No votes were taken except for the Procedural motion to rise from the *In Camera* session.

It is recommended that this confidential audit report will not be reported out based on the legal opinion set out in the Legal Implications section of the report titled "Follow-up to the 2015 Audit of IT Security Incident Handling and Response Report".

The report set out in Item 3 and listed as an *In-Camera* item of the Audit Committee Agenda was CARRIED as presented.