

3. OFFICE OF THE AUDITOR GENERAL (OAG) – REPORT ON THE INVESTIGATION INTO THE TRANSFER OF FUNDS TO A FRAUDULENT SUPPLIER

ACS2019-OAG-BVG-0003

CITY WIDE

REPORT RECOMMENDATION

That the Audit Committee receive the report on the Investigation into the Transfer of Funds to a Fraudulent Supplier and recommend that Council consider and approve the report recommendations.

AC MOTION No. 3/3

Moved by Councillor C.A. Meehan

WHEREAS the Report titled:

“Office of the Auditor General (OAG) – Report on the Investigation into the Transfer of Funds to a Fraudulent Supplier”; was not circulated with the agenda package;

THEREFORE BE IT RESOLVED that the Audit Committee approve the addition of this report 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 and Ed Miner, Deputy Auditor General spoke to a PowerPoint presentation in regards to the investigation into the transfer of funds to a fraudulent supplier. Steve Kanellakos, City Manager and Marian Simulik, General Manager of Corporate Services and City Treasurer also provided

comments on this item. Copies of these documents are held on file with the City Clerk.

Councillor D. Deans was in attendance for this portion of the agenda. Rick O'Connor, City Clerk and Solicitor, Isabelle Jasmin, Deputy City Treasurer and Christopher Fulton, Manager, Technology Security were also in attendance to respond to questions.

The Auditor General and staff responded to questions with respect to procedures for wire transfers, the timing of notifying City Council of this issue, notifying other municipalities of this breach and the Ottawa Police Services accountability.

After discussion, the Committee RECEIVED and CARRIED the item with the following Direction to staff:

DIRECTION TO STAFF

The City Clerk and Solicitor to report back to Committee and Council on the recovery of any funds.