

Audit Committee Report

2nd Meeting of the Audit Committee
June 24, 2020

PRESENT: Deputy Mayor J. Helmer (Chair), M. van Holst, J. Morgan, S. Turner, L. Higgs

ALSO PRESENT: M. Schulthess and S. Spring.

Remote Staff Attendance: L. Livingstone, A. Barbon, B. Card, I. Collins, K. den Bok (KPMG), J. Freeman, S. Oldham, J. Pryce (Deloitte), M. Redden (KPMG), A. Ruffudeen (Deloitte), C. Saunders, K. Scherr, S. Swance, and B. Westlake-Power.

The meeting is called to order at 12:00 PM; it being noted that the following were in remote attendance: Councillors M. van Holst, M. Cassidy, J. Morgan, S. Turner, and S. Hillier.

1. Disclosures of Pecuniary Interest

That it BE NOTED that no pecuniary interests were disclosed.

2. Consent

None.

3. Scheduled Items

None.

4. Items for Direction

4.1 Internal and External Audit Services - Contract Extensions

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer the following actions be taken with respect to Audit Services:

- a) pursuant to section 13.3 of the Council Procedural By-law the decision of Municipal Council from the meeting held on March 24, 2020 with respect to clause 4.9 of the 1st Report of the Audit Committee, having to do with undertaking a Request for Proposal (RFP) process for the internal audit services, BE RECONSIDERED;
- b) consistent with RFP16-36 and the terms set out in the contract with Deloitte LLP for internal audit services, the internal audit services by Deloitte LPP BE RENEWED for one (1) additional one (1) year term;
- c) approval noted in b) above, hereby BE GIVEN to extend the current contract for a one (1) year period;
- d) the Civic Administration BE DIRECTED to enter into negotiations with KPMG LLP, 1400-140 Fullarton Street, London, Ontario N6A 5P2 for external audit services to extend the existing contract for two (2) more years;
- e) the Civic Administration BE AUTHORIZED to undertake all administrative acts that are necessary in connection with contracts to implement c) and d), above; and
- f) the approval hereby given BE CONDITIONAL upon The Corporation of the City of London entering into negotiations for satisfactory prices, terms and conditions with Deloitte LLP and KPMG LLP, to the satisfaction

of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer.

Motion Passed

4.2 Internal Audit Summary Update - Dashboard - Observation Summary

That the following actions be taken with regards to the Internal Audit submission from Deloitte dated June 15, 2020:

- a) the Internal Audit Summary Update, Internal Audit Dashboard Report, the General Internal Audit Consideration in Response to COVID-19 and the Audit Observation Status Summary of High and Medium Priority Observations, BE RECEIVED; and
- b) the Civic Administration BE DIRECTED to work with Deloitte and report back at a future meeting of the Audit Committee regarding a revised Audit Plan.

Motion Passed

5. Deferred Matters/Additional Business

None.

6. Adjournment

That the meeting BE ADJOURNED.

Motion Passed

The meeting adjourned at 12:46 PM.