

October 20, 2020

Members of The Corporation of the City of London Audit Committee

Subject: Internal Audit Summary Update

Internal Audit has included a summary memo with our material to highlight major accomplishments since our last update to the Audit Committee and to draw your attention to the matters of greatest importance. We will cover these documents in more detail at the meeting and respond to all questions you may have.

1. Revised Internal Audit Plan Dashboard

- a. Scoping, and fieldwork are underway for the three (3) approved Internal Audit Projects. Fieldwork and draft reporting is planned to be completed by the end of December. Summary of projects underway:
 - i. Police Services Time Management and Scheduling Review
 - ii. Assumptions and Security Review
 - iii. PerfectMind Reconciliation Process Review

2. Audit Observation Status Summary of High and Medium Priority Observations

- a. Management continues to report they are on track to implementing the recommendations for the following internal audit projects:
 - i. Parking Revenue Generation Assessment
 - ii. Homeless Prevention Assessment
 - iii. Construction Procurement Process Assessment
 - iv. Computerized Maintenance Management System Review

We are comfortable that management is making progress to remediate open items based on the timelines and work plans in place which they have committed and asserted to completing given the current circumstances.

- b. Management Accepts the Risk for the remaining 4 Dearness Observations. Given the current situation for Long Term Care Homes and priority of COVID - 19 activities, significant actions have been undertaken and are underway to close the observations and respond to government requirements. Management accepts the remaining risk which is minimal and commits to reassessing the relevant recommendations once operations return to normalcy.