

June 16, 2021

Members of The Corporation of the City of London Audit Committee

Subject: Internal Audit Summary Update

Internal Audit has included a summary memo 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. 2020 Internal audit plan completion and executing for 2021

- a. The final report for 2020 plan was the Police Services – Time Management and Scheduling Review. At our last meeting we reported that the report was complete but not yet shared with the Police Services Board. This report is now being shared at their June 2021 meeting and upon their approval it will be shared with this committee.
- b. We have provided an updated plan for the remainder of 2021 based on a scan of projects and risks identified in other municipalities and through discussions with the Senior Leadership Team (SLT). This plan is a continuation of the plan from 2020 with one change for your approval. The updated plan has removed one project “Environment and Asset Retirement Obligations Assessment” as the implementation date for these guidelines have been delayed making this project no longer relevant for 2021. We have added a project to review the city’s management of its vehicle fleet called “Fleet Inventory Audit”.

2. Internal Audit Dashboard Report

- a. Internal Audit continues to have ongoing meetings with the City Treasurer.
- b. Internal Audit has one (1) report in the final reporting process (SaaS Application Review) and are in the planning phase for the Traffic Management Process Review.

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

- a. Findings relating to the Computer Maintenance Management System Review are now fully remediated.
- b. Management continues to report on their status to implement the recommendations from the following internal audit projects:
 - i. Parking Revenue Generation Assessment
 - ii. Homeless Prevention Assessment
 - iii. Construction Procurement Process Assessment
 - iv. Dearness Home Assessment
 - v. Class Replacement (Perfectmind) Reconciliation Process Review
 - vi. Assumptions and Securities Process Review.

It is important to note that several timelines have extended since the last committee meeting. However, we are comfortable that management is committed to remediate open items and the challenges encountered in the remediation efforts are mainly due to challenges presented by the pandemic, but also the added complexity of remediation items relating to system changes required or changes in the organization structure of the city.