

# Audit Committee Report

2nd Meeting of the Audit Committee  
June 16, 2021

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

ALSO PRESENT: M. Schulthess and J. Taylor.

Remote Staff Attendance: L. Livingstone, D. Baldwin (KPMG), A. Barbon, B. Card, I. Collins, K. denBok (KPMG), K. Dickens, O. Katolyk, G. Kotsifas, S. Miller, S. Oldham, J. Pryce (Deloitte), C. Saunders, P. Yeoman.

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

**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 2020 Financial Audit

That the following actions be taken:

- a) the 2020 Financial Report of The Corporation of the City of London, BE RECEIVED, it being noted that the Audit Committee received a presentation from the Director, Financial Services with respect to this matter; and,
- b) the Audit Findings Report 2020 as prepared by KPMG for the year ending December 31, 2020, BE RECEIVED, it being noted that the Audit Committee received a presentation from KPMG with respect to this matter.

**Motion Passed**

- a. 2020 Financial Statements
- b. Audit Findings Report to the Audit Committee for the Year Ending December 31, 2020

4.2 Request for Proposal Internal Audit Services

That, on the recommendation of the Deputy City Manager, Finance Supports the following actions be taken with respect to internal audit services:

- a) the report dated June 16, 2021 titled "Request for Proposal Internal Audit Services" which outlines the scope of work including timelines and

general parameters included in the Request for Proposal (RFP) for internal audit services BE RECEIVED;

b) the striking of an Internal Audit Services Evaluation Committee BE APPROVED consisting of: Audit Committee Chair; Audit Committee Vice Chair; a representative from the City Manager's office and from the Finance Supports Service Area; Deputy City Manager, Finance Supports; with support by appropriate members of the Civic Administration including Purchasing & Supply; and,

c) the City Clerk BE DIRECTED to establish an additional meeting of the Audit Committee in October 2021 to complete the RFP evaluation process.

**Motion Passed**

4.3 Internal Audit Summary Update

That the communication dated June 16, 2021, from Deloitte, with respect to the internal audit summary update, BE RECEIVED.

**Motion Passed**

4.4 Internal Audit Dashboard as at June 4, 2021

That the communication from Deloitte, regarding the internal audit dashboard as of June 4, 2021, BE RECEIVED.

**Motion Passed**

4.5 Revised Internal Audit Plan - 2021

That the Revised Internal Audit Plan - FY 2021 from Deloitte dated June 16, 2021, BE APPROVED.

**Motion Passed**

4.6 Audit Committee Observation Summary as at June 4, 2021

That the revised attached Observation Summary from Deloitte, as of June 15, 2021, BE RECEIVED.

**Motion Passed**

**5. Deferred Matters/Additional Business**

None.

**6. Adjournment**

That the meeting be adjourned.

**Motion Passed**

The meeting adjourned at 12:45 PM.



**REVISED JUNE 15, 2021**

**City of London Audit Committee Observation Summary  
As at June 15, 2021**

LEGEND		
Observations closed		All observations have been addressed by management
Remediation in progress		Observations in progress are being addressed by management including observations where initial timeline was missed but a plan is in place for remediation that appears acceptable
Remediation in progress - exceptions noted		Management has missed implementation deadlines for observations and no adequate resource plan has been identified
Management accepts the risk		Management has accepted the remaining risk

Report Summary				Observation Status for Management Action Plans due May, 2021.						
Internal Audit Plan Year	Report	Report Issue Date	Total High & Medium Observations	Observations Closed Per Management	Closed Per Internal Audit	In Progress Observations (Not Due)	Past Due Observations	Observations Closed by IA Since January 2021 update	Estimated completion in prior update (Jan 21)	Current Estimated Completion
2017/2018	Parking Revenue Generation Assessment	Jun-18	6	3	3	0	3	0	Feb-21	Mar-22
2017/2018	Homeless Prevention Assessment	Oct-18	4	4	4	0	0	0	Apr-21	Complete
2017/2018	Construction Procurement Process Assessment	Aug-19	8	6	6	0	2	0	Jun-21	Jun-21
<b>Sub-total 2017/2018 reports</b>			<b>18</b>	<b>13</b>	<b>13</b>	<b>0</b>	<b>5</b>	<b>0</b>		
2019	Dearness Home Process Assessment	Feb-20	4	0	0	0	4	0	Jun-22	Jun-22
2019	Computerized Maintenance Management System Review	Jan-20	9	9	9	0	0	1	Mar-21	Complete
<b>Sub-total 2019 reports</b>			<b>13</b>	<b>9</b>	<b>9</b>	<b>0</b>	<b>4</b>	<b>1</b>		
2020	Class Replacement (Perfectmind) Reconciliation Process Review	Jan-21	1	0	0	1	0	0	Oct-21	Oct-21
2020	Assumptions and Securities Process Assessment	Jan-21	1	0	0	1	0	0	Oct-21	Sep-22
<b>Sub-total 2020 reports</b>			<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>		
<b>Total High and Medium observations</b>			<b>33</b>	<b>22</b>	<b>22</b>	<b>2</b>	<b>9</b>	<b>1</b>		

**Closed per Management:** Management has indicated that action plans due to be acted upon by June 2021 are complete.

**Closed per IA:** Internal Audit has validated Management's assertions of observation closure through review of evidence.

**In Progress Observations:** Management action plans due beyond June 2021 are underway or management has asserted observations are closed but Internal Audit has not yet validated.

**Past Due Observations:** Actions plans due by June 2021 have not been fully acted upon.

**Observations Closed by Internal Audit since last update:** Management has indicated in the current period that action plans are complete and Internal Audit has validated through review of evidence.

**Notes:**

None