City of London
Audit Committee Meeting
15 June 2022
Internal Audit Follow Up Activities Dashboard

Internal Audit Follow Up Activities as of June 10, 2022

A strong indicator of an effective internal control environment is the timeliness with which Management addresses reported control deficiencies. On a quarterly basis, MNP will conduct an audit follow-up process to ensure internal audit findings have been effectively remediated through the implementation of related Management action plans on a timely basis.

There are thirteen (13) recommendations from completed audits that were followed up on during this quarter. Refer to Appendix A.
- SaaS Application Review – One (1) Medium
- Fire Process Assessment– Three (3) Medium
- Fleet Allocation & Utilization Management Assessment – Two (2) Medium
- Advanced Traffic Management System (ATMS) Project Review – Three (3) Medium
- Dearness Home Process Assessment – Four (4) Medium

	Due	Due in Future Quarters	Closed	On Track for Completion	Re-Targeted	Total Remaining Open Items
Total	8	5	5	5	3	8

Legend
Due: *Management action plans due to be implemented on or before June 30, 2022.*
Due in Future Quarters: *Management action plans due in future quarters.*
Closed: *Remediation activities reviewed by IA and were adequate to close audit finding.*
On Track for Completion: *Remediation activities anticipated to be completed on time.*
Re-Targeted: *Management action plans that have been re-targeted.*
Total Remaining Open Items: *Management action plans due in future quarters, including re-targeted ones from this quarter, and those that are TBD.*

Below is a table representing the length of time the open Management action items have been outstanding and the original risk rating attached to the audit finding associated with the Management action item.

Risk Rating[1]	Ageing in Months					Total
	0-3	4-6	7-9	10-12	12+	
High						
Medium		6			2	**8**

[1] Low risk observations are intended as leading practice recommendations and are not subject to follow-up by Internal Audit.

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Appendix A: Open Management Action Plans

SaaS Application Review

#	Responsible Management	Audit Recommendation	Management Action Plan	Risk Rating	Due Date	Time Open	Quarterly Update	Times Re-Targeted
1	Mat Daley, Director, Information Technology Services, Enterprise supports	**SA 1.01 – IT Security Training** Expand the existing training to include threats of unsanctioned SaaS applications. The Acceptable Use policy should also be updated to include information on the importance of compliance with such policies and discourage employees from non-compliance. The attendance for training should be monitored, and any deviations from the policy should be recorded and followed up on to reinforce the understanding of and compliance with the policy.	**Management will take the following actions:** 1. Update existing training to include specific information regarding SaaS applications, associated threats, and potential impact to the delivery of Public Service. 2. Update the Use of Technology Administrative Procedures to include SaaS specific information that is directly connected to procedure compliance.	Medium	Closed	N/A	ITS have provided information through multiple different communications means across the organization to maximize the impact of this information, while also preparing ITS service desk resources to respond to questions from users. This was achieved by actioning the following: : Provided SaaS information to People Services to be included in Corporate Orientation and training. : Provided a presentation to the Technology Investment Strategy Committee for further distribution through City management teams. : Shared Corporate wide email specific to SaaS applications. : Supported ITS Service Desk by creating a FAQ document to ensure message consistency Furthermore, the Use of Technology Administrative Procedures was updated to include SaaS specific information.	N/A

Fire Process Assessment

#	Responsible Management	Audit Recommendation	Management Action Plan	Risk Rating	Due Date	Time Open	Quarterly Update	Times Re-Targeted
1	Richard Hayes, Deputy Fire Chief-Operations	**FD 1.0 Key Performance Indicators ("KPI")** We recommend implementing a process to establish benchmarks and monitor the KPIs above in conjunction with the implementation of the ICO Solutions fire department management system (ICO system) to drive leading practices and better controls through fleet operation efficiency and fleet readiness. We also recommend that the KPIs be used to assist in preparing budgets and forecasting performance.	The ICO implementation team has the KPIs that should be utilized. These data capturing requirements will be built into the ICO processes. This will provide the ability to run reports as needed. This enhancement is contingent on the completion of the ICO system and the ability of personnel to log data appropriately. Please note, if this recommendation requires updates or enhancements to the current ICO system, from either an ITS perspective and/or service area perspective, Civic Administration will take this project through the next multi-year ITS and budget approval processes.	Medium	**December 2022** (If additional resources are required, the timeline would be adjusted to align with the next multi-year budget approval process: 2024-2027).	5 Months	Management is on track to implement their action plan for December 2022. ICO Technologies was recently purchased by another vendor (Harris Computer Corporation). Management has recently had discussions with the new vendor which is a Canadian Organization. Management and IT will be meeting with the new project lead to discuss resources to move this project forward. It is anticipated implementation timelines will not be impacted.	N/A
2	Richard Hayes, Deputy Fire Chief-Operations	**FD 2.0– Condition based vehicle assessments** We recommend implementing policies and procedures to require and drive the completion of condition assessments in conjunction with maintenance data, that will support the Corporate Asset Management Plan and Fire Department Financial Capital Planning.	This initiative is twofold. Firstly, there is the need to align policies and procedures to the actions that will be undertaken within the current ICO Records Management system. Secondly, the ICO implementation team has the KPIs that should be utilized. These data capturing requirements will be built into the current ICO processes. This will provide the ability to run reports as needed. This enhancement is contingent on the completion of the current ICO system and the ability of personnel to log data appropriately. Please note, if this recommendation requires updates or enhancements to the current ICO system, from either an ITS perspective and/or service area perspective, Civic Administration will take this project through the next multi-year ITS and budget approval processes.	Medium	**December 2022** (If additional resources are required, the timeline would be adjusted to align with the next multi-year budget approval process: 2024-2027).	5 Months	Management is on track to implement their action plan for December 2022.	N/A

#	Responsible Management	Audit Recommendation	Management Action Plan	Risk Rating	Due Date	Time Open	Quarterly Update	Times Re-Targeted
3	Richard Hayes, Deputy Fire Chief-Operations	**FD 3.0– Preventative maintenance, productivity, and inventory requirements** **Maintenance** The ICO system modules for mechanic productivity improvement, telematics data (once available), and KPIs should be used to drive maintenance effectiveness and productivity and help address the balance of reactive and preventive maintenance. **Parts Inventory** We recommend implementing a policy and supporting process to track parts inventory and required parts on hand (minimum stock holdings for example).	This initiative is twofold. Firstly, there is the need to align policies and procedures to the actions that will be undertaken within the ICO Records Management system. Secondly, the ICO implementation team has the KPIs that should be utilized. These data capturing requirements will be built into the ICO processes. This will provide the ability to run reports as needed. This enhancement is contingent on the completion of the ICO system and the ability of personnel to log data appropriately. The implementation of this recommendation is also contingent on the additional resources requested through the 2022 annual budget approval process.	Medium	**December 2022** (If additional resources are required, the timeline would be adjusted to align with the next multi-year budget approval process: 2024-2027).	5 Months	Management is on track to implement their action plan for December 2022.	N/A

Fleet Allocation & Utilization Management Assessment

#	Responsible Management	Audit Recommendation	Management Action Plan	Risk Rating	Due Date	Time Open	Quarterly Update	Times Re-Targeted
1	Director of Fleet and Facilities and Senior Manager of Fleet in conjunction with Fleet Planning Manager and respective Service Area Managers.	**FP 1.0 – Confirm delegated authority** Implement clear delegated authorities and escalation protocols for fleet replacement decisions and governance. This would help to ensure accountability for the number of assets held and better balance the considerations to be taken when decisions are to be made.	Develop an administrative policy for delegated authority and escalation protocols that defines a procedure and approval process for Service Area vehicles and replacement decisions, rental/owned balance, and additional vehicles and equipment added to the fleet. **Considerations** Procedure must adequately preserve the service area's subject matter expertise as it relates to their vehicle and equipment requirements.	Medium	Consultations with Service areas to be completed **September 30, 2022.** Administrative Policy draft prepared **December 2022.** Approval targeted for **March 31, 2023.**	5 Months	Management is on track to implement their action plan within the anticipated due date. A new senior manager for Fleet is now in place and working on driving forward management action items.	N/A
2	Senior Manager of Fleet in conjunction with Fleet Maintenance Manager, System Technologist, ITS and Driver Safety and Compliance.	**FP 2.0 – Improve productivity/reduce costs** **Automation of Work Orders/General Productivity** Implement telematics capabilities on fleet assets prioritized as having a likely payback and reviewing the data to better inform preventative maintenance scheduling (provided that the City is willing to adopt this leading practice). Further, we recommend updating the work order system to be fully automated provided that the budget and implementation resources can be made available. This will allow for mechanic and employee time to be reliably tracked and analyzed efficiently, which can be used to drive productivity. Tighter control over the labour should also be considered by evaluating worker performance vs. agreed on time standards. **Operator Damage** Implement telematics and policies and procedures to proactively evaluate driver behaviors and address potential risks. This would allow for a trend/root cause analysis to be performed, which would help management to improve safety and reduce costs.	Develop a submission to the Technology Investment Strategy Committee through the designated process. A work order automation business case request will be submitted for consideration as part of the next intake of the Technology Investment Strategy as ITS support will be required. Should this project be prioritized to proceed with technology support, it will be submitted as a business case for consideration as part of the next Multi-Year Budget process. Continue to work closely with Driver Safety and Compliance. Establish a task team of key service area reps to meet regularly to discuss driver safety, trends, training, programming, and compliance issues. Develop a full telematic strategy that includes the required human resource support required to analyze data. Make recommendation on telematics strategy to Director of Fleet and Facilities and subsequently bring forward to CWC committee. Explore a PM maintenance program that utilizes telematics data to support the	Medium	Driver Safety Task Team to be developed and in place by **April 2022 (Completed).** Work order automation and telematics – Feasibility and Recommendations to Director of Fleet and Facilities December 2022, Action Plan to follow **December 2022.** Telematic Strategy – Meet with stakeholders and Driver Safety and Compliance and continue expansion of the telematics program in the interim. Full telematics	5 Months	Management is on track to implement their action plan within the anticipated due date. A Driver Safety & Compliance Committee was established earlier this year and meets on a monthly basis. This Committee has a Terms of Reference in place which outlines the Committee's purpose, scope, and responsibilities.	N/A

#	Responsible Management	Audit Recommendation	Management Action Plan	Risk Rating	Due Date	Time Open	Quarterly Update	Times Re-Targeted
		Asset Pool Program Investigate a pilot program for a City vehicle pool program, based out of a central location. Additionally, we recommend documenting clear policies and procedures on intended usage. Calgary's Flex Fleet program is the current leading practice in Canada.	planned maintenance and service schedules. Develop and implement a gradual vehicle pool program in certain vehicle classes utilizing learned experiences from other municipalities. **Considerations** Work order automation will require ITS project support (QR codes, barcoding, part inventory system, Kronos, Cognos and JDE integration) and must be considered as part of the Corporate Technology Investment Strategy.		strategy and policy developed for **December 2023**.			

Advanced Traffic Management System (ATMS) Project Review

#	Responsible Management	Audit Recommendation	Management Action Plan	Risk Rating	Due Date	Time Open	Quarterly Update	Times Re-Targeted
1	Shane Maguire, Divisional Manager, Traffic Engineering with support from Information Technology Services	**TM 1.02 - Lack of program oversight including limited interdependency management, and informal status reporting.** Document a TIMMS program schedule that includes high level milestones, activities, and their interdependencies for all projects within the program. Implement a dashboard to display high level metrics, for each project, to provide an up-to-date summary of program status. Suggested items include: • Budget status, comparing actual spend with estimated budget. • Key risks with assigned owners, mitigation plan and progress status. • Key milestones or deliverables before the next reporting cycle, with estimated completion time.	The TIMMS program schedule was presented to the Steering Committee at the onset of the program and updates on specific projects have been provided on a monthly basis. Management will establish a living program schedule similar to what has been done with individual projects and develop high-level metrics for updates at Steering Committee meetings.	Medium	Complete	N/A	Management is now utilizing a program oversight tool which helps to visualize project statuses against one another and provide TIMMS program status updates to the Steering Committee on a monthly basis which provides updates on individual projects within the program. While management has completed the management action items, internal audit has identified some additional considerations which are derived from leading practice considerations, and these have been shared directly with management for consideration.	N/A
2	Shane Maguire, Divisional Manager, Traffic Engineering	**TM 1.03 - A project risk log is in place although risk monitoring activities are not documented, including risk owners.** Reassess and update the risk register on a periodic basis. Document risk owners with risk monitoring actions and updates.	Management will undertake a full review of the Risk Log with the ATMS vendor with a focus on risk ownership and monitoring. Moving forward this will be reviewed at minimum on a quarterly basis.	Medium	Complete	N/A	The ATMS project log is monitored jointly on a weekly basis with the vendor, Parsons. Actions associated with issues and risks are allocated to the City or Parsons with notes provided on the status of each open issue and risk. The risk log is being reviewed in more detail on a quarterly basis and will be reviewed sooner should there be a substantial change.	N/A

#	Responsible Management	Audit Recommendation	Management Action Plan	Risk Rating	Due Date	Time Open	Quarterly Update	Times Re-Targeted
3	Shane Maguire, Divisional Manager, Traffic Engineering	**TM 1.04 - No process for benefits realization management including baselining and quantification of benefits.** Develop, implement, and execute on a benefit management plan that details the identification, definition, baseline and tracking of the following type of project benefits: • Direct financial benefits (tangible). e.g., reduced operating costs. • Direct non-financial benefits (tangible). e.g., reduced peak travel times. • Indirect benefits (intangible), e.g., increased driver satisfaction	Quantification of benefits realization are an ongoing challenge of the ATMS project both due to ever-changing, dynamic nature of transportation systems and, most recently, the impacts of COVID which show increased positive benefits due to decreased travel demands. However, opportunities will be sought to demonstrate the ATMS benefits through specific improvement initiatives including the Adaptive Corridor Pilot, corridor timing improvements, and transit priority through typical metrics such as travel time and reliability indexes and transit schedule adherence. The ATMS is a nexus point of many tools that will be realized under the overall TIMMS program.	Medium	Retargeted for completion: June 2023 (at which time internal audit will assess progress and update this timeline accordingly)	5 Months	The implementation of the new traffic management system is nearing operations. The next step is to utilize the system to quantify before/after conditions. Metrics to support benefits for signal optimization and adaptive pilot performance have been developed. The three main categories for quantification that will need to be timed, based on anticipated completion, are: : **Traffic Signal Optimization** – 12 months. : **Adaptive Traffic Signal Pilot Performance** – 18 months. : **Transit Signal Priority Performance** – 18 months. The rationale for the above timelines is primarily dependent on the implementation of supporting field equipment to enable the measurement of metrics for benefits realization using the ATMS.	1

Dearness Home Process Assessment

#	Responsible Management	Audit Recommendation	Management Action Plan	Risk Rating	Due Date	Time Open	Quarterly Update	Times Re-Targeted
1	Leslie Hancock, Administrator - Long Term Care – Dearness Home	**DHPA 1.01 – Organizational design and culture** From the perspective of continuous improvement and the opportunity to increase the quality-of-service delivery to residents, management should implement the following: • Perform a job activity analysis or time study to obtain key data points on the duties of each Clerk and reorganize responsibilities to maximize efficiency. This will create a sense of pride and connectedness to tasks; • Ensure operational plans proactively address issues with engagement and employee experience, as well as, agility, digitalization, ways of working and organizational design that supports long term success; • Ensure that core values and strategic objectives are well communicated to develop a commitment and understanding of role specific values; and, • Maintain a strong point of contact with City of London Human Resource Partners to ensure that the uniqueness of Dearness Home's operations is appropriately considered.	Management agrees with the observation and recommendation. Management will meet with HR to discuss the report and to seek the necessary support to realize the action plan. The outcome for Q1 2020 is for HR to understand the action plan and be engaged in supporting and enabling improvements. In Q1 2020, management will also meet with clerical staff and their union to discuss this report and future actions. Management will communicate core values and strategic objectives to Clerical staff and work to achieve improved engagement, equitable work distribution, more efficient processes, and enhanced employee experience. To seek practical, actionable improvements, management will engage external consultants with long-term care experience to conduct an activity study, identify possible process enhancements, suggest metrics to track progress, and to recommend optimization strategies and implementation plans. Following the steps above, analysis will be conducted by senior Home and City leadership, HR, and Finance to ensure that organizational systems enable clerical staff to fully support business objectives and the values and beliefs of the Dearness Home.	Medium	Retargeted for completion: December 31, 2022	12+ Months	Management has implemented a significant proportion of the management action plan. The Senior Manager, Business Supports & Operations position has been created to focus on process and quality improvements, while also working to ensure that Dearness Home continues to deliver high-quality care and services for all residents. The role commenced in November 2021. In December 2021, the clerical team began reporting to Senior Manager, Business Supports & Operations and began to work on administrative process improvements. A Coverage Plan was implemented in January 2021 to ensure coverage flexibility between clerical positions and business continuity in the event of a retirement or secondment. In June 2022, the leadership team will be discussing the implementation of clerical team huddles and meetings with Finance to strengthen communication and align business objectives. A new Manager, Accounting & Reporting has been hired to work on several longer-term solutions regarding future clerical team reporting structure, administrative tasks and responsibilities. The remaining item for management to complete is the performance of a time study which will help assess required future changes due to operational needs of the home and	1

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							changes in staffing. The time study work was paused until operational conditions stabilized from the impacts of the pandemic.	
2	Leslie Hancock, Administrator - Long Term Care – Dearness Home	**DHPA 1.02 – Cross training** Management should identify key prioritized tasks and roles performed, as well as appropriate back-up and second line back-up with the skills and capabilities to perform these activities and ensure that formalized cross training occurs. This could include offering mandatory learnings on duties, the provision of relevant standard operating procedures needed to complete the role and annual check-ins to ensure that knowledge required to effectively complete the role is sufficient. Furthermore, Management could consider including a requirement for formal cross training in current job descriptions, to ensure that staff with relevant skill sets and training are covering specific activities during staff absence or leave.	Management agrees with the observation and recommendation. Management will work with stakeholders to identify cross training opportunities for Clerical roles to ensure business continuity, maintenance of high-quality services and job satisfaction. The goal of these activities is to achieve a future state where the Clerical roles are flexible, mutually supportive, and aligned with the Home's strategic plan and vision.	Medium	Complete	Closed	Cross training in various roles has been provided to clerical staff. Full-time reception staff have been trained in scheduling and admission work, while other clerical staff have also completed training in admissions and unit clerk duties. Refresher training has been provided to all roles on the reception position as part of the new coverage plan. Furthermore, procedural manuals have been created for relevant daily, weekly and monthly routines for most clerical roles except for the Community and Program Services Assistant role due to restrictions as a result of the pandemic.	N/A
3	Leslie Hancock, Administrator - Long Term Care – Dearness Home	**DHPA 2.0 – Policies and Procedures** Management should expand upon the existing SOP library and undertake formally documenting all relevant processes in SOPs, including staff scheduling processes, daily census reporting processes, and patient admissions processes. Furthermore, a cycle should be established to regularly review and revise SOP documentation. When preparing to document an SOP and creating a review cycle, Management should consider the	Management agrees with the observation and recommendation. Management will create a complete set of current state SOPs for clerical roles by working with stakeholders to capture existing processes. As the improvements are implemented and efficiencies are realized, work will continue to define and capture those revised processes. To house this material, Dearness Home will expand upon and improve the functioning library of SOPs already established, which is centrally stored and accessed according to role. The enhanced SOP library will be an invaluable reference tool that will ensure consistent practice	Medium	Complete	Closed	Management has documented a number of standard operating procedures (SOPs) for clerical roles. These include SOPs for relevant daily, weekly and monthly routines for most roles and SOPs for scheduling to ensure the home is staffed appropriately. In addition, the Vacant Positions process has been mapped. Additional business activities will be documented as roles and administrative work continue to expand and evolve.	N/A

#	Responsible Management	Audit Recommendation	Management Action Plan	Risk Rating	Due Date	Time Open	Quarterly Update	Times Re-Targeted
		following: • Generating an inventory of all relevant SOP documents; • Storing all relevant documentation centrally for ease of access using a Corporate approved database (e.g., SharePoint, etc.); • Utilizing version control including documenting the date of last revision with Management approval to clearly articulate completion of any review and revision; and, • Adopting a schedule with assigned responsibility to regularly review and revise standard operating procedures and guidelines at minimum annually.	and also enable fast and reliable instruction (during cross training and in the orientation of new staff).					
4	Leslie Hancock, Administrator - Long Term Care – Dearness Home	**DHPA 3.01 – Digitization of manual processes and documents** Management should identify key administrative and clerical tasks that are manual and/or paper-based and digitize these using technology that is currently available in the Dearness Home. Management should consider the following: • Compiling admissions packages electronically via PDF; • Tracking admissions metrics via excel and saving the results locally in an access-controlled folder on a shared network; • Converting nursing call-in logs to electronic documents and saving them locally in an access-controlled folder on a shared network;	Management agrees with the observation and will work to realize the opportunities identified in the recommendation. Building on recent success in using continuous improvement methodology to deploy text-based scheduling, Dearness Home will continue to increase the use of technology. Opportunities to use technology to enhance efficiency and optimize service will be identified through stakeholder input, data collection, and recommendations from the consultants. Management will ensure these process improvements are aligned with the goals of Dearness Home and the City.	Medium	Retargeted for completion: October 2022	12+ Months	Management has completed parts of the management action plan. A texting process to file overtime shifts has been implemented and a related procedural manual has also been created. In addition, a Vacant Positions Dashboard has been created to allow Managers to verify the number and area of vacant positions. Several initiatives are underway which include • Postings online; • Schedules available for viewing online; • Care conference communication; and, • Digitizing call-in and staff replacement documentation. These are expected to be implemented by October 2022.	1

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		• Daily scanning of guest sign-in logs and storing these locally in an access-controlled folder on a shared network; and, • Utilization of extended features in PointClickCare such as, admissions process automation, performance insight tracking and analytics.						