



CITY OF HAMILTON

City Manager's Office
Audit Services Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	August 10, 2016
SUBJECT/REPORT NO:	Follow Up of Audit Report 2012-07 Community Partnership Program Grants (now City Enrichment Fund) (AUD16013) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Brigitte Minard CPA, CA, CIA, CGAP 905-546-2424 x2088
SUBMITTED BY:	Charles Brown CPA, CA, CPA (Illinois) Director, Audit Services
SIGNATURE:	

RECOMMENDATION

That Report AUD16013, respecting the follow up of Audit Report 2012-07, Community Partnership Program Grants (now City Enrichment Fund), be received.

EXECUTIVE SUMMARY

Audit Report 2012-07 was originally issued in May 2013 and management action plans with implementation timelines were included in the Report. In fall 2015, Audit Services conducted a follow up exercise to determine if appropriate and timely actions had been taken. Some additional work was completed in April 2016. Of the ten recommendations made in the original Report, five recommendations are completed and five are in progress. All items were found to be completed or have made significant progress towards completion.

Alternatives for Consideration –Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS (for recommendation(s) only)

Financial: None.
 Staffing: None.
 Legal: None.

HISTORICAL BACKGROUND (Chronology of events)

Audit Report 2012-07, Community Partnership Program Grants (now known as the City Enrichment Fund) was originally issued in May 2013. The report provided ten recommendations for improving controls and strengthening managerial oversight and accountability of City-issued grants.

It is normal practice for Audit Services to conduct follow up reviews within 12-18 months following the issuance of the original report in order to determine whether action plans committed to by department management have been implemented. This particular follow up review took place later than the typical 12-18 month window due to ongoing work to replace the previous Community Partnership Program with the new City Enrichment Fund.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

None.

RELEVANT CONSULTATION

The results of the follow up were provided to management responsible for the administration of the City's City Enrichment Fund, the Finance, Administration and Revenue Generation Division of the Corporate Services Department. Other City departments that are involved with the administration of the City Enrichment Fund were also consulted (Community & Emergency Services, Planning & Economic Development).

ANALYSIS AND RATIONALE FOR RECOMMENDATION (Include Performance Measurement/Benchmarking Data if applicable)

The report attached as Appendix "A" to Report AUD16013 contains the first three columns as originally reported in Report 2012-07 along with an added fourth column indicating Audit Services' comments from the follow up work conducted.

There were ten recommendations. Five recommendations were "Completed" and five were "In Progress" (using an eligibility criteria checklist, structured evaluation tools and process, incorporating scoring into the funding strategy, documenting funding rationale and utilizing financial information during the evaluation process). Appendix "A" to Report AUD16013 should be examined for details of implementation by recommendation.

Audit Services conducted this follow up assignment in conformity with the *International Standards for the Professional Practice of Internal Auditing*. Audit Services believes that the work performed provides a reasonable basis for the follow up comments and conclusions.

ALTERNATIVES FOR CONSIDERATION

(Include Financial, Staffing, Legal and Policy Implications and Pros and Cons for each alternative)

Not applicable

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN

Strategic Priority #1

A Prosperous & Healthy Community

WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.

Strategic Objective

- 1.5 Support the development and implementation of neighbourhood and City wide strategies that will improve the health and well-being of residents.
- 1.6 Enhance Overall Sustainability (financial, economic, social and environmental).

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

- 2.2 Improve the City's approach to engaging and informing citizens and stakeholders.

Strategic Priority #3

Leadership & Governance

WE work together to ensure we are a government that is respectful towards each other and that the community has confidence and trust in.

Strategic Objective

- 3.2 Build organizational capacity to ensure the City has a skilled workforce that is capable and enabled to deliver its business objectives.
- 3.4 Enhance opportunities for administrative and operational efficiencies.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report AUD16013