



CITY OF HAMILTON
CITY MANAGER'S OFFICE
Audit Services Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	August 16, 2017
SUBJECT/REPORT NO:	Follow Up to Audit Report 2015-04 Public Works - Water Supply Compliance Review (AUD17017) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Charles Brown CPA, CA, CPA (Illinois) 905-546-2424 x4469
SUBMITTED BY:	Charles Brown CPA, CA, CPA (Illinois) Director, Audit Services City Manager's Office
SIGNATURE:	

RECOMMENDATION

That Report AUD17017, respecting the follow up of Audit Report 2015-04, Public Works - Water Supply Compliance Review, be received.

EXECUTIVE SUMMARY

Audit Report 2015-04 was originally issued in June 2015 and management action plans with implementation timelines were included in the Report. In July 2017, Audit Services conducted a follow up exercise to determine if appropriate and timely actions had been taken. The two recommendations made in the original Report have been completed. Details of implementation specific to each recommendation are included in Appendix "A" to Report AUD17017.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

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

HISTORICAL BACKGROUND

Audit Report 2015-04, Public Works - Water Supply Compliance Review, was originally issued in June 2015. The Report provided two recommendations to strengthen internal controls.

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 be department management have been implemented. This follow up audit was delayed as a result of staffing vacancies.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

None.

RELEVANT CONSULTATION

The results of the follow up were provided to management responsible for the Compliance and Regulations Section of the Hamilton Water Division of Public Works.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The report attached as Appendix “A” to Report AUD17017 contains Audit Services’ Recommendations and the Management Action Plans as originally reported in Report 2015-04 along with an added column indicating Audit Services’ findings as a result of the follow up work that was performed.

There were two recommendations. Both recommendations were “Completed. Appendix “A” to Report AUD17017 contains the details of implementation by recommendation.

Audit Services conducted this follow up audit 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

Not applicable.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report AUD17017

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.