



CITY OF HAMILTON
CITY MANAGER'S OFFICE
Audit Services Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	October 5, 2017
SUBJECT/REPORT NO:	Follow Up to Audit Report 2015-06 Public Health Services – Encryption Audit (AUD17027) (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:	

Discussion of Private and Confidential Appendix “A” to Report AUD17027 in Closed Session is subject to the following requirements of the City of Hamilton’s Procedural By-law and the Ontario Municipal Act, 2001:

- **The security of the property of the municipality or local board.**
- **The subject matter pertains to litigation or potential litigation, including matters before administrative tribunals, affecting the City.**

RECOMMENDATIONS

- (a) That Report AUD17027, respecting the follow up of Audit Report 2015-06, Public Health Services – Encryption Audit, be received; and
- (b) That the Appendix “A” to Report AUD17027, respecting Audit Report 2015-06, Public Health Services – Encryption Audit, remain confidential and restricted from public disclosure.

EXECUTIVE SUMMARY

Audit Report 2015-06 was originally issued in October 2015 and management action plans with implementation timelines were included in the Report. In August 2017, Audit Services conducted a follow up exercise to determine if appropriate and timely actions had been taken. Of the four recommendations made in the original Report, three recommendations are in progress and one recommendation is completed. Details of implementation specific to each recommendation are included in Private and Confidential Appendix “A” to Report AUD17027.

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.

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: None.

Staffing: None.

Legal: Completing the recommendations listed in Private and Confidential Appendix “A” of Report AUD17027 may reduce the risk of an incident that could result in litigation against the City.

HISTORICAL BACKGROUND

Audit Report 2015-06, Public Health Services – Encryption Audit, was originally issued in October 2015. The Report provided four recommendations to strengthen processes, enhance internal controls and improve the safeguarding of sensitive Public Health Services data.

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 oversight of sensitive public health data in the Planning and Business Improvement Division of the Public Health Services Department.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The report attached as Private and Confidential Appendix “A” to Report AUD17027 contains the original report, Audit Report 2015-06, along with comments indicating Audit Services’ findings as a result of the follow up work that was performed.

There were four recommendations. Three recommendations were “In Progress” and one was “Completed”. Private and Confidential Appendix “A” to Report AUD17027 contains the details of implementation by recommendation.

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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

Private and Confidential Appendix “A” to Report AUD17027