

# MINUTES



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## AUDIT COMMITTEE

THE CORPORATION OF THE CITY OF MISSISSAUGA

**MONDAY, SEPTEMBER 8, 2014 – 9:08 AM**

**COUNCIL CHAMBER, 2<sup>ND</sup> FLOOR, CIVIC CENTRE,  
300 CITY CENTRE DRIVE, MISSISSAUGA, ONTARIO L5B 3C1**  
<http://www.mississauga.ca>

### Members Present

Mayor Hazel McCallion (arrived at 9:25 a.m.)  
Councillor Pat Mullin, Ward 2 (Chair)  
Councillor Bonnie Crombie, Ward 5  
Councillor Ron Starr, Ward 6

### Members ABSENT

Councillor Jim Tovey, Ward 1

### Staff Present

Janice Baker, City Manager and Chief Administrative Officer  
Jeff Jackson, Acting Commissioner, Corporate Services and Chief Financial Officer  
Mark Beauparlant, Manager of Corporate Financial Services  
Sally Eng, Director, Internal Audit  
Kevin M. Travers, Partner, KPMG, external auditors  
Carmela Radice, Legislative Coordinator, Office of the City Clerk

CALL TO ORDER- 9:08 a.m.

DECLARATIONS OF (DIRECT OR INDIRECT) PECUNIARY INTEREST - Nil

MINUTES OF PREVIOUS MEETING

(a) That the Audit Committee minutes of May 5, 2014 be approved as presented.

Approved (B. Crombie)

APPROVAL OF THE AGENDA

That the agenda be approved as presented.

Motion: Moved by: R. Starr

Carried

DEPUTATIONS - Nil

MATTERS TO BE CONSIDERED

1. Report dated August 1, 2014 from the Commissioner of Community Services re: **2014 Mid-Year Financial Report of Community Services Facilities.**

Paul Mitcham, Commissioner of Community Services provided a summary of the 2014 mid-year financial report of Community Services Facilities which included Mississauga Celebration Square, Hershey Centre, Food Services and Concessions, Marinas and the golf courses. Councillor Crombie inquired about the Hershey Centre and more events at Mississauga Celebration Square and inquired about the limited variety at food services and concessions at the community facilities. Mr. Mitcham indicated that events are being booked at Mississauga Celebration Square and the menus are being reviewed.

Recommendation

That the Corporate Report dated August 1, 2014 from the Commissioner of Community Services entitled "2014 Mid-Year Financial Report of Community Services Facilities " be received for information.

Received (B. Crombie)

2. Report dated August 1, 2014 from the Commissioner of Corporate Services and Chief Financial Officer re: **2014 Audit Planning Report.**

There was no discussion regarding the 2014 Audit Planning Report.

Recommendation

1. That the report dated August 1, 2014 from the Commissioner of Corporate Services and Chief Financial Officer with respect to the 2014 Audit Planning Report, be received for information.
2. That the Audit Committee approves the Audit Planning Report (Appendix 1) for the City's 2014 statutory audit.

Approved (B. Crombie)

Mayor McCallion arrived at 9:25 a.m.

3. Report dated August 25, 2014 from the the Director of Internal Audit re: **Final Audit Reports: 1. Community Services Department, Culture Division – Museums Audit, 2. Transportation & Works Department, Transit Division – Mississauga Transit Union Payroll Audit and 3. Transportation & Works Department, Enforcement Division, Compliance, Licensing and Charity Gaming Section – Notices of Contravention Process Audit.**

Amy Truong, Internal Auditor provided a summary of the Community Services Department, Culture Division Museums Audit. She further indicated that there were a total of seventeen (17) recommendations resulted from the audit with the goals of providing better lines of communication, continuity in its collections processes and adequate controls in the receipt, recording and monitoring of its revenues and funds. Nine (9) of the recommendations emphasized that training and clarification of Policies and Procedures are required to align with business needs. Five (5) of the recommendations encouraged documenting procedures and controls in order to provide an audit trail and guidance to staff. Two (2) of the recommendations aimed to creating efficiencies through the use of the inventory management system and its functionalities. One (1) of the recommendations looked at the adequate safeguard of artifacts. Culture Division Management agreed with all the recommendations and has completed six (6) action items, nine (9) will be completed by September and December 2014, and the remaining two (2) are expected to be completed by March and December 2015. Councillors Mullin, Crombie and Starr inquired about the donation, tax receipt and storage process. Paul Mitcham, Commissioner of Community Services indicated that museums have a policy on donations and receipts

process.

Stephanie Meeuwse, Supervisor, Collections and Exhibits indicated that if a donated item is not suitable for Mississauga, the item would be recommended to another museum and storage is processed manually.

Thomas Kelly, Senior Internal Auditor provided a summary of the Transportation and Works Department Transit Division Mississauga Transit Union Payroll Audit. He further indicated that the audit resulted in eighteen (18) recommendations where seven (7) amendments address concerns related to compliance with and clarification of Corporate Requirements. Six (6) amendments enhance operational control. Three (3) recommendations aim to improve efficiency/effectiveness. Two (2) recommendations deal with safeguarding of information. Management agreed with the recommendations and one (1) has been done. Of the remaining seventeen (17) recommendations eight (8) will be implemented by the end of 2014, eight (8) will be completed by July 2015 and one (1) by December 2015.

Craig Emick, Information Technology Auditor provided a summary of the Transportation and Works Department Enforcement Division Compliance, Licensing and Charity Gaming Section, Notices of Contravention Process Audit. He further indicated that eleven (11) recommendations resulted from the audit. Four (4) recommendations relate to strengthening of operational controls. Four (4) recommendations related to compliance with and clarification of corporate requirements. Two (2) recommendations address safeguarding of information and one (1) recommendation relates to enhancing efficiency and effectiveness. Of the eleven (11) recommendations eight (8) are expected to be completed before the end of 2014. Management agreed with the need to efficiently and effectively track and report on the Notices of Contravention (NOC). The process of issuing NOCs will change and a new system of tracking will be required with the introduction of field automation and the Administrative Penalty System in 2015/2016. Mayor McCallion, Councillors Crombie and Starr inquired about the complaint and tracking process. Mr. Emick indicated that staff will be using a more efficient tracking and reporting system. Martin Powell, Commissioner of Transportation and Works indicated that a system has not been set up in regards to tracking complaints. Councillor Mullin indicated that once a complaint is made staff are dealing with it within a few days.

Recommendation

That the report dated August 25, 2014 from the Director of Internal Audit with respect to final audit reports:

1. Community Services Department, Culture Division – Museums Audit,
2. Transportation & Works Department, Transit Division – Mississauga Transit Union Payroll Audit and,
3. Transportation & Works Department, Enforcement Division, Compliance, Licensing and Charity Gaming Section – Notices of Contravention Process Audit

be received for information.

Received (B. Crombie)

4. Report dated August 25, 2014 from the Director of Internal Audit re: **2014 Internal Audit Work Plan Status Report.**

Sally Eng, Director of Internal Audit provided a summary of the 2014 Internal Audit Work Plan Status Report.

Recommendation

That the report dated August 28, 2014 from the Director, Internal Audit, with respect to the status of the 2014 Internal Audit Work Plan be received for information.

Received (R. Starr)

5. A memorandum dated September 2, 2014, from the Legislative Coordinator of Audit Committee re: **Proposed Cancellation of the November 17, 2014 Audit Committee Meeting.**

Janice Baker, City Manager indicated that the cancellation of the November 17, 2014 is being requested as it is a municipal election year.

Recommendation

That Audit Committee Members support the cancellation of the November 17, 2014 Audit Committee notwithstanding By-law 0321-2010 which stipulates that the Audit Committee shall meet at least four time per year.

Approved (B. Crombie)

INQUIRIES –Nil

CLOSED SESSION -Nil

ADJOURNMENT– 10:32 a.m. (B. Crombie)