

## **Audit Committee**

### **Date**

September 19, 2016

### **Time**

9:00 a.m.

### **Location**

Council Chamber, 2<sup>nd</sup> Floor, Civic Centre, 300 City Centre Drive, Mississauga, ON L5B3C1

### **Members Present**

Mayor Bonnie Crombie

Councillor Jim Tovey           Ward 1

Councillor Karen Ras         Ward 2

Councillor Ron Starr         Ward 6 (Chair)

Councillor Matt Mahoney     Ward 8

### **Members Absent**

### **Staff Present**

Janice Baker, City Manager and Chief Administrative Officer

Gary Kent, Commissioner of Corporate Services and Chief Financial Officer

Shari Litchterman, Acting Commissioner of Community Services

Jeff Jackson, Director of Finance and Treasurer

Mark Beauparlant, Manager of Corporate Financial Services

Sally Eng, Director, Internal Audit

Carmela Radice, Legislative Coordinator, Office of the City Clerk

### **Find it online**

<http://www.mississauga.ca/portal/cityhall/auditcommittee>

1. **CALL TO ORDER** – 9:04 a.m.

2. **APPROVAL OF AGENDA**

That the agenda be approved as presented.

Motion: Moved by: (M. Mahoney)

3. **DECLARATION OF CONFLICT OF INTEREST** - Nil

4. **MINUTES OF PREVIOUS MEETING**

4.1. That the Audit Committee minutes of May 9, 2016 be approved as presented.

Approved (K. Ras)

5. **DEPUTATIONS** - Nil

6. **PUBLIC QUESTION PERIOD - 15 MINUTE LIMIT** - Nil

Audit Committee may grant permission to a person who is present at Audit Committee and wishes to ask a question to the Committee on a matter on the Agenda. Persons addressing Audit Committee will ask their question: the time limit per person is a maximum of 5 minutes, as public question period time limit is 15 minutes.

7. **MATTERS TO BE CONSIDERED**

7.1. Report dated September 1, 2016, from the Director of Internal Audit re: **2016 Internal Audit Work Plan Status Report.**

Sally Eng, Director of Internal Audit spoke about the Internal Audit Work Plan Status Report for 2016. She further indicated that the Bring Your Own Device (BYOD) audit planned for 2016 will be postponed to 2017.

**Recommendation**

1. That the report dated September 1, 2016, from the Director, Internal Audit, with respect to the status of the 2016 Internal Audit Work Plan be received for information.

2. That the Bring Your Own Device (BYOD) Audit originally planned for 2016 be postponed to 2017.

Received (J. Tovey)

- 7.2. Report dated September 12, 2016, from the Director of Internal Audit re: **Final Audit Reports: 1. Corporate Services Department, Legislative Services Division, Provincial Court Administration - Provincial Offences Act (POA) Revenue and Cash Handling Audit; 2. Community Services Department, Recreation Division - Mississauga Spectator Arena Complex Management Agreement Audit.**

Thomas Kelly, Senior Internal Auditor provided a summary of Corporate Services Department, Legislative Services Division, Provincial Court Administration - Provincial Offences Act (POA) Revenue and Cash Handling Audit. He further indicated the audit resulted in 14 recommendations; six recommendations deal with the safeguarding of assets and information; four enhance Operational Control and Financial Reporting and four address concerns with Compliance with the clarification of corporate requirements. Management agreed with all of the recommendations of which four have been implemented, six will be done by September 2016 and two by the end of the year, the remaining two recommendations with respect to completing a policy for writing off POA accounts and developing formal procedures are expected to be completed by March and June 2017. Members of the Committee inquired about the process of revenues and the ICON computer system. Jeff Jackson, Director of Finance and Connie Mesih, Director of Revenue and Material Management spoke to the revenue processes regarding the Provincial Offences fines and indicated that legislation has been amended and overdue fines can be collected by other means. Crystal Greer, Director of Legislative Services and City Clerk indicated that Valerie Carty, Manager of Court Administration is on a steering committee to upgrade and/or change the ICON system and there have been two attempts to upgrade and/or change the system has failed. Janice Baker, City Manager and Chief Administrative Officer indicated that the fines that are collected from the courthouse are one-time revenue. She further indicated that the incentive in working with other municipalities in collecting fines or overdue fines is an important aspect as once collected the City retains the money.

Al Steinbach, Senior Internal Auditor provided a summary of Community Services Department, Recreation Division - Mississauga Spectator Arena Complex Management Agreement Audit. He further indicated that the audit resulted in nine recommendations; seven recommendations will be done by September 30, 2016; one will be done by December 31, 2016 and the remaining recommendation relating to the documentation of the Food and Beverage business process will be completed by August 31, 2017; six recommendations address issues with respect to compliance with and clarification of Corporate requirements; two deal with operational control and financial reporting and

one is related to safeguarding of assets and information. Members of the Committee inquired about access to bank accounts, agreements and insurance. Mr. Steinbach indicated that there was access to the bank accounts and there should be a greater control for who can access the bank accounts. He further indicated that the agreements are sent through the events programmer coordinator and double checked. Janice Baker, City Manager and Chief Administrative Officer indicated that all insurance claims are sent through risk management and legal will investigate the issue. Shari Lichterman, Director of Recreation indicated that SMG carried its own liability insurance and name themselves and the City.

#### Recommendation

That the report dated September 12, 2016 from the Director of Internal Audit with respect to final audit reports:

1. Corporate Services Department, Legislative Services Division, Provincial Court Administration - Provincial Offences Act (POA) Revenue and Cash Handling Audit, and,
2. Community Services Department, Recreation Division - Mississauga Spectator Arena Complex Management Agreement Audit, be received for information.

#### Received (M. Mahoney)

8. **ENQUIRIES** - Nil
9. **CLOSED SESSION** - Nil
10. **ADJOURNMENT** - 9:41 a.m. (Mayor Crombie)