

Audit Committee

Date

2019/09/23

Time

9:03 AM

Location

Civic Centre, Council Chamber,
300 City Centre Drive, Mississauga, Ontario, L5B 3C1

Members Present

Mayor Bonnie Crombie – Arrived 9:27 AM
Councillor Stephen Dasko
Councillor Karen Ras
Councillor Ron Starr (Chair)
Councillor Dipika Damerla

Members Absent – Nil.

Staff Present

Janice Baker, City Manager and Chief Administrative Officer
Gary Kent, Commissioner, Corporate Services and Chief Financial Officer
Jeff Jackson, Director of Finance and Treasurer
Wesley Anderson, Manager of Financial and Treasury Services
Kevin M. Travers, Partner, KPMG, External Auditor
Krystal Christopher, Legislative Coordinator, Legislative Services
Allyson D'Ovidio, Legislative Coordinator, Legislative Services

Find it online

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

1. **CALL TO ORDER** – 9:03 AM

2. **APPROVAL OF AGENDA**

Approved (Councillor Ras)

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

4. **MINUTES OF PREVIOUS MEETING**

4.1. Audit Committee Draft Minutes - May 6, 2019

Approved (Councillor Ras)

5. **DEPUTATIONS** - Nil

6. **PUBLIC QUESTION PERIOD - 15 Minute Limit (5 Minutes per Speaker)** - Nil

Pursuant to Section 42 of the Council Procedure By-law 0139-2013, as amended:

The Audit Committee may grant permission to a member of the public to ask a question of Audit Committee, with the following provisions:

1. The question must pertain to a specific item on the current agenda and the speaker will state which item the question is related to.
2. A person asking a question shall limit any background explanation to two (2) statements, followed by the question.
3. The total speaking time shall be five (5) minutes maximum, per speaker.

7. **MATTERS CONSIDERED**

7.1. **Final Audit Report: Corporate Services Department, Revenue and Materiel Management Division, Revenue and Taxation Section - Cashiers Operations Audit**

Janice Baker, City Manager & Chief Administrative Officer introduced Vandana Waghela, Internal Auditor who provided background on the audit and how it was conducted.

Ms. Waghela presented a summary of the recommendations from the report noting a total of 24 recommendations resulted from this audit. Eleven (11) recommendations are related to the safeguarding of assets and information, eight (8) are to strengthen operational control and financial reporting, four (4) address compliance with and clarification of corporate requirements and one (1) improves the efficiency and

effectiveness of business operations. Details of the audit recommendations and management comments can be found in Appendix A of the audit.

Management has agreed to all the recommendations and two (2) were completed during the audit. Three (3) will be completed by September 2019, fourteen (14) by December 2019, and the remaining five (5) by July 2020.

In response to Councillor Ras, Ms. Waghela provided clarification with respect to the “surprise cash counts” and noted this is a process conducted at random when the supervisor or team leader counts the cash in order to ensure accuracy.

In response to Councillor Starr, Ms. Baker noted that the lapse in time between audits is due to the minimal level of risk in the Cashiers office as a result of strong controls; familiarity with compliance and a fairly basic system. Ms Baker noted further that the audit work plan is based on the level of risk across the entire corporation.

Gary Kent, Commissioner of Corporate Services and Chief Financial Officer spoke regarding the LEAN program; process mapping and the use of new software as additional measures used to ensure compliance. In response to Councillor Starr, Mr. Kent discussed the fast changing technology and the upcoming presentation on the SAP Road Map update noting that the City works to ensure controls and compliance are current however, investments in new technology is not always more efficient.

RECOMMENDATION

AC-0010-2019

That the report dated September 12, 2019 from the Information Technology Auditor with respect to final audit report, Corporate Services Department, Revenue and Materiel Management Division, Revenue and Taxation Section – Cashiers Operations Audit, be received for information.

Recorded Vote	YES	NO	ABSENT	ABSTAIN
Mayor B. Crombie			X	
Councillor S. Dasko	X			
Councillor K. Ras	X			
Councillor R. Starr	X			
Councillor D. Damerla	X			

Received (Councillor Damerla) (4, 0, 1 – Absent)

7.2. Status of Outstanding Audit Recommendations as of June 30, 2019

In response to Councillor Ras, Janice Baker, City Manager & Chief Administrative Officer spoke to the outstanding audit with respect to the Mississauga Transit Union noting implementation is expected to be complete by December 2019. Ms. Baker noted a possible connectivity issue between the old transit payroll system and SAP had caused the delay in the transfer of data.

In response to Councillor Dasko, Ms. Baker noted the Street Lighting program audit is a legal issue and noted this item can be deferred to the next Audit Committee meeting as an agenda item when Legal staff and Geoff Wright, Commissioner of Transportation and Works are available to answer questions.

RECOMMENDATION

AC-0011-2019

That the report dated September 3, 2019 from the City Manager & Chief Administrative Officer regarding the status of outstanding audit recommendations as of June 30, 2019 be received for information.

Recorded Vote	YES	NO	ABSENT	ABSTAIN
Mayor B. Crombie			X	
Councillor S. Dasko	X			
Councillor K.Ras	X			
Councillor R.Starr	X			
Councillor D. Damerla	X			

Received (Councillor Dasko) (4, 0, 1 - Absent)

8. ENQUIRIES - Nil

9. EDUCATION SESSION

Mayor Crombie arrived at 9:27 AM

9.1. SAP Roadmap Update – Education Session (Helen Chin-Donofrio)

Gary Kent, Commissioner of Corporate Services and Chief Financial Officer provided background context for the presentation and introduced Shawn Slack, Director of Information Technology.

Mr. Slack introduced himself and Helen Chin-Donofrio, Senior Manager, Enterprise

Business Solutions. Ms. Chin-Donofrio presented the “SAP Roadmap Update” and identified its many uses including: Accounts Receivable; Accounts Payable; General Ledger; Purchasing; Human Capital Management for Personnel Benefits and Administration; Payroll Administration; Employee and Manager Self-Serve; Environmental Health and Safety as well as Business Intelligence Reporting.

Ms. Chin-Donofrio identified how SAP solutions support the People Strategy; increased efficiency; reduce manual processes; increase staff accountability; provides greater controls and compliance of Corporate Policies and strengthens the mobile workforce.

Ms. Chin-Donofrio identified initiatives underway: SuccessFactors Learning Management solution (November 2019); SuccessFactors Compensation solution (December 2019) Concur Invoice Processing – Phase 2 (October 2019); Parking Enforcement and Animal Services Performance Measures Dashboards (end of 2019) and more to come.

Ms. Chin-Donofrio provided a summary of key initiatives that will be the focus of future modernizations of Human Resource and Finance Services through the 2019-2024 SAP Roadmap. Further, Ms. Chin-Donofrio noted these service improvements will focus on enabling decision support; the mobile workforce; advance compliance and auditing controls supported by documentation and training.

In response to Councillor Ras, Mr. Slack spoke regarding the value in using a cloud based solution noting the positive business relationship with SAP and the benefits cloud based solutions offer with respect to efficiency and best business practise.

In response to Councillor Starr, Mr. Kent provided an explanation regarding the number of employees recorded, noting the statistics includes full-time, hourly and seasonal staff in order to effectively measure the number of staff on payroll which differs from the number of full-time staff accounted for in budget considerations.

Councillor Starr proposed that staff may wish to return to Audit Committee in one to two years for another update.

RECOMMENDATION

AC-0012-2019

That the Education Session from Helen Chin-Donofrio, Senior Manager, Enterprise Business Solutions, regarding the SAP Roadmap Update, be received for information.

Received (Councillor Ras) (5, 0, 0)

10. **CLOSED SESSION**

10.1. Final Audit Report: Corporate Services Department, Information Technology Division, Infrastructure Services Section - IT Hardware Audit

Tara Zammit, Senior Internal Auditor and Craig Emick, Information Technology Auditor provided background information and presented the findings of the report dated September 13, 2019.

Members of the Committee engaged in a discussion with respect to the recommendations.

RECOMMENDATION

AC-0013-2019

That the report dated September 13, 2019 from the Information Technology Auditor with respect to final audit report, Corporate Services Department, Information Technology Division, Infrastructure Services Section – IT Hardware Audit, be received for information.

Recorded Vote	YES	NO	ABSENT	ABSTAIN
Mayor B. Crombie	X			
Councillor S. Dasko	X			
Councillor K. Ras	X			
Councillor R. Starr	X			
Councillor D. Damerla	X			

Received (Councillor Ras) (5, 0, 0)

11. **ADJOURNMENT** – 10:16 AM (Councillor Damerla)