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AUDIT SERVICES BRANCH REPORT

The Audit Committee recommends the adoption of the recommendation contained in the following report, October 29, 2008, from the Director, Audit Services:

1. RECOMMENDATION

It is recommended that:
1. Council receive this report for information.

2. PURPOSE

This report provides an update on the activities of the Audit Services Branch since the last Audit Committee meeting.

3. BACKGROUND

On October 11, 2000, the Audit Committee approved the development of the Audit Services function through the report of the Chief Administrative Officer.

4. ANALYSIS AND OPTIONS

4.1. Audit Plan Execution

The Audit Services Branch has been actively executing the approved Audit Plan and other consulting engagements. A summary of the activities since the previous Audit Committee meeting is outlined in *Attachment 1*.

4.2. Audit Reports Issued

The audit reports issued since the last Audit Committee meeting are:
- Outstanding Audit Recommendations Follow Up for September 2008 Audit Report (*Attachment 2*)
- Environmental Services - Solid Waste Management – Garfield Wright Drive Material Recovery Facility Audit (*Attachment 3- Private*)
- Environmental Services - Solid Waste Management – Georgina Transfer Station *(Attachment 4- Private)*

5. FINANCIAL IMPLICATIONS

Audit Services Branch will manage its workload within the Audit Budget for 2008.

6. LOCAL MUNICIPAL IMPACT

Audit Services Branch will continue to provide audit services to the six local municipalities who have signed the memorandum of understanding.

7. CONCLUSION

A follow up of outstanding audit recommendations for audit reports issued prior to September 30, 2008 indicates that management remains cognisant and active in implementing Audit Services recommendations. There were 108 audit recommendations originally issued through the ten audit reports currently on our list for follow up. At September 30, 2008, 98 recommendations, or 91% of the original 108 recommendations issued, have been implemented.

Audit Services continues to work with Region management at all levels to provide them with an independent, objective assurance and consulting activity designed to add value and improve the Region's operations. Audit Services does this by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes through guidance provided by the International Standards for the Professional Practise of Internal Auditing

(The attachments 1 and 2 referred to in this clause were included in the agenda for the November 13, 2008 Committee meeting.)