2
AUDIT SERVICES BRANCH REPORT

The Audit Committee recommends the adoption of the recommendation contained in the following report, May 30, 2007, from the Director, Audit Services:

1. RECOMMENDATION

It is recommended that this report be received for information by the Audit Committee and Regional Council.

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 internal audit function through the report of the Chief Administrative Officer.

In 2002, the Finance and Administration Committee approved an additional resource for the Audit Services Branch, which would be funded through a reduction in the consulting budget.

4. ANALYSIS AND OPTIONS

4.1. Audit Plan Execution

The Audit Services Branch has been actively executing the approved Audit Plan (*Attachment 5)* 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:

Transportation & Works – VIVA Transit Fare Media Cash & Inventory Controls Audit Report *(Attachment 2).*

- Finance – ITS Branch – Wireless Security Audit (*Private Attachment 3*)
- Outstanding Audit Recommendations Follow Up Audit Report (*Attachment 4*)

4.3. Local Tier Municipal Interest in Audit Services

The work on the Local Municipal Audits is being executed by the Region's Audit Services Branch based on the Memorandum of Understanding. Currently, Audit Services is updating the MOU to include two other local Municipalities. It is expected a report will be brought forward to the November Audit Committee meeting updating the MOU.

5. FINANCIAL IMPLICATIONS

Audit Services Branch will manage its workload within the Audit Budget for 2007.

6. LOCAL MUNICIPAL IMPACT

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

7. CONCLUSION

Audit Services Branch is continuing to make its presence known throughout the organization through involvement in various projects, steering committees and execution of the approved Audit Plan.

(The attachments referred to in this clause are attached to this report.)