



# AUDIT RECOMMENDATION FOLLOW-UP & STATUS UPDATE

As of February 28, 2025

Independent Office of the City Auditor

April 2, 2025



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# EXECUTIVE SUMMARY

## Background

In accordance with the approved [Internal Audit Charter](#), the Independent Office of the City Auditor (Office) obtains regular updates from the Administration on the implementation status of prior audit recommendations and performs follow-up procedures to assess effectiveness of implementation.

## Objective and Scope

The objective of the follow-up procedures was to assess the effectiveness of the actions taken by the Administration to address previous audit recommendations.

The scope of the status update includes the following 16 audit reports (sorted by report date) as of February 28, 2025:

- Fleet Services – April 2023
- Infrastructure Investment Evaluation – June 2019
- Disability Assistance Program – August 2019
- Worker’s Compensation Board Benefits Administration – April 2019
- Access & Privacy of Information – March 2019
- Contract Management – November 2018
- Parks Service Levels & Asset Management – September 2018
- Additional Revenue Generation Options – August 2018
- Carbon Dioxide (CO2) Reduction Initiatives – June 2018
- Human Resources Health Check – February 2018
- Capital Planning & Budgeting, Life Cycle Costs & Operating Costs – May 2017
- Saskatoon Transit Resources & Scheduling – May 2017
- Saskatoon Land – May 2017
- Multi-year Business Planning & Budgeting – February 2017
- Snow & Ice Management Program – August 2016
- Road Maintenance Program – April 2016

[Appendix A](#) includes a list of prior audit reports that are excluded from this status update.

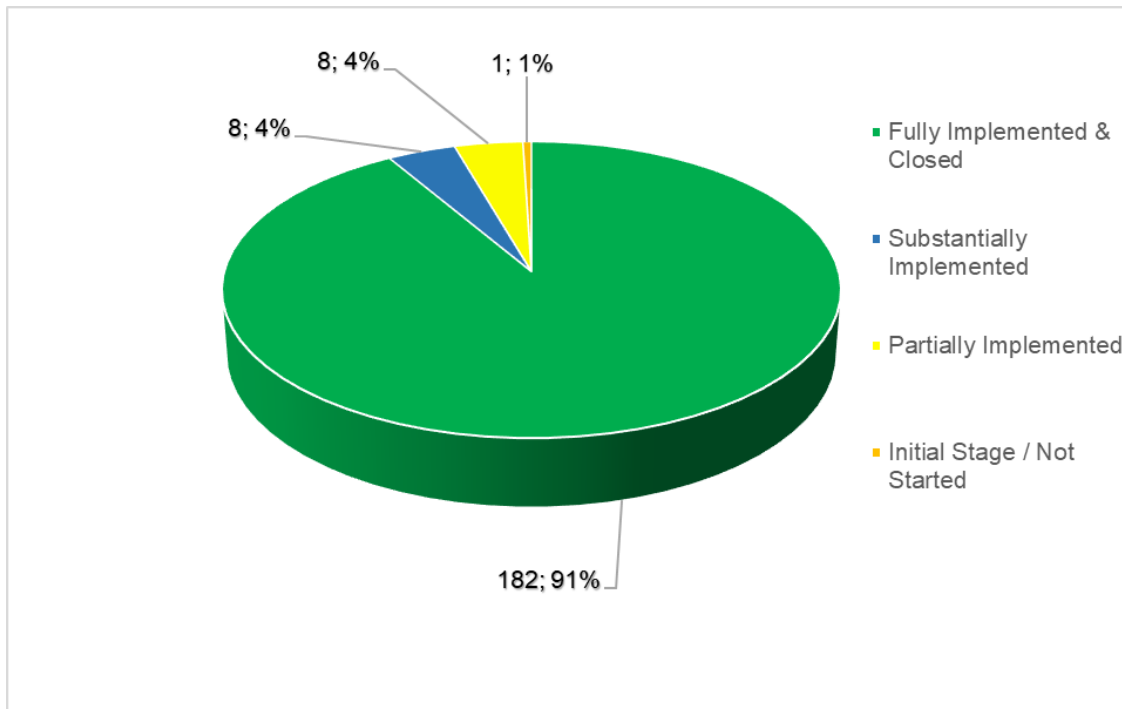
## Approach

Status updates were requested from the Administration related to the audit recommendations and their corresponding action plans. The Administration provided explanations and a self-assessment of the implementation status, as defined in [Appendix B](#). Documentation was requested and reviewed to support any recommendation assessed as Fully Implemented. Additional inquiry and/or discussion took place, as needed, to conclude whether the Fully Implemented items were appropriately addressed prior to being considered closed.

## Summary of Follow-up Status

The 16 audit reports in scope included a total of 199 recommendations, of which 182 (91%) were confirmed to be Fully Implemented (Closed) with the remaining 17 (9%) being in progress (Open). The following chart provides a further breakdown of the 199 recommendations by Implementation Status, as defined in [Appendix B](#).

*Total Audit Recommendations by Implementation Status*



Based on the follow-up procedures performed, the following 11 audit reports with 136 recommendations were assessed as Fully Implemented and are considered closed. No further follow-up is planned for these items and no details are included in this report:

- Disability Assistance Program – August 2019
- Worker’s Compensation Board Benefits Administration – April 2019
- Contract Management – November 2018
- Additional Revenue Generation Options – August 2018
- Human Resources Health Check – February 2018
- Capital Planning & Budgeting, Life Cycle Costs & Operating Costs – May 2017
- Saskatoon Transit Resources & Scheduling – May 2017
- Saskatoon Land – May 2017
- Multi Year Business Planning & Budgeting – February 2017
- Snow & Ice Management Program – August 2016
- Road Maintenance Program – April 2016

The following table summarizes the recommendation implementation status for the remaining 5 audit reports in scope, including a breakdown of the 17 open recommendations by Risk Rating as defined in [Appendix C](#). The detailed report includes more information on the open items. No details are included for the items determined to be closed.

*Implementation Status Summary for Audit Reports with Open Recommendations*

Audit Report	Report Date	Recommendations Status					Open Items	
		Total	Closed	Open	H	M		
<b>Initial Follow-up</b>								
Fleet Services	Apr-23	20	13	65%	7	35%	5	2
<b>Subsequent Follow-up – Previously Reported in Phase 1 Status Update as of Sep-21</b>								
Infrastructure Investment Evaluation	Jun-19	11	10	91%	1	9%	-	1
Access & Privacy of Information	Mar-19	15	10	67%	5	33%	-	5
Parks Service Levels & Asset Management	Sep-18	11	9	82%	2	18%	2	-
CO2 Reduction Initiatives	Jun-18	6	4	67%	2	33%	1	1
<b>Totals</b>		<b>63</b>	<b>46</b>	<b>73%</b>	<b>17</b>	<b>27%</b>	<b>8</b>	<b>9</b>

## Next Steps

The Office will continue to follow-up on the open items with Administration until their action plans are Fully Implemented and/or the risks have been appropriately mitigated.

# DETAILED REPORT

Risk <sup>1</sup>	Recommendation Summary	Status <sup>2</sup> Prior / Feb/25	Target Date <sup>3</sup>	Comments
<b>Fleet Services – April 2023</b>				
H	Finalize Service Level Agreements (SLAs) to include services and obligations of Fleet Services (FS) and the user groups.	n/a	SI O: Apr-23 R: Jun-25	SLAs completed for 13 of 20 (65%) user groups. Further discussions between FS and the remaining 7 user groups are required.
M	Conduct regular follow-up on out of province operators' licenses.	n/a	PI O: Apr-23 R: Apr-25	SOP created and expected to be approved in March 2025.
M	Implement a feedback loop to confirm that operators with invalid licenses have been removed from operating City vehicles.	n/a	PI O: Apr-23 R: Jun-25	SOP is in development.
<b>Fleet Services (Saskatoon Fire Department) – April 2023</b>				
H	Implement the Fusion Enterprise Asset Management (EAM) module to digitize workflows for asset management and maintenance scheduling.	n/a	PI O: Apr-23 R: Feb-26	Asset Manager position was deferred until the 2025 Budget.  The Assistant Chief of Logistics, which supervises the Asset Manager role, had been vacant and was filled in February 2025.
H	Once EAM is implemented, gather and analyze data over a sufficient period to assess resources required to maintain Fire fleet.	n/a	PI O: Apr-23 R: Feb-26	Asset Manager job description is being developed, and implementation of these items will start when the position is filled.
H	Develop a formal Asset Management Plan.	n/a	PI O: Apr-23 R: Feb-26	
H	Ensure key assumptions (ex. inflation, exchange rate) are considered when developing long term capital asset requirements.	n/a	PI O: Apr-23 R: Feb-26	

<sup>1</sup> Risk Ratings defined in [Appendix C](#)

<sup>2</sup> Implementation Status defined in [Appendix B](#)

<sup>3</sup> O = Original / R = Revised

Risk 1	Recommendation Summary	Status <sup>2</sup> Prior / Feb/25	Target Date <sup>3</sup>	Comments	
<b>Infrastructure Investment Evaluation – June 2019</b>					
M	Integrate risk within the Strategic Plan update process and revisit it as part of the next four-year update.	IS	PI	O: Jun-21 R: Dec-25	The new Strategic Plan will incorporate some risk analysis into the planning process for the new strategy.
<b>Access &amp; Privacy of Information – March 2019</b>					
M	Develop Privacy by Design policy and procedures to ensure privacy implications are considered at project design stage and throughout the entire project lifecycle.	PI	SI	O: Jun-20 R: Mar-25	Updated policy tools are drafted and will go forward for ALT endorsement and City Manager approval in Q1 2025.
M	Formally define and implement a third-party onboarding program that incorporates privacy and security of personal information.	NS	SI	O: Jun-20 R: Mar-26	Access & Privacy cannot create the third-party program as it relates to vendor management. Initial discussion has started between Supply Chain Governance, IT, and Access & Privacy Program. As an interim measure, the City Clerk's Office currently provides privacy-specific advice and processes for RFPs, contract management, and vendor management via MyCity. All the information that will be provided via the formal vendor onboarding/offboarding program is currently published and available to staff.
M	Enhance the third-party privacy management program to incorporate privacy and security of personal information.	NS	SI	O: Jun-20 R: Mar-26	
M	Formally define and implement a third-party off-boarding program to address privacy and security of personal information.	NS	SI	O: Jun-20 R: Mar-26	
M	Implement a City-wide policy on third parties to address the City's position on third-party privacy program management.	NS	SI	O: Jun-20 R: Mar-26	
M	Implement a City-wide policy on third parties to address the City's position on third-party privacy program management.	NS	SI	O: Jun-20 R: Mar-26	
<b>Parks Service Levels &amp; Asset Management – September 2018</b>					
H	Develop a process to escalate and obtain approval of development of new parks.	IS	SI	O: Sep-20 R: Jun-25	Parks Development Standards will be finalized in 2025 and formalize both park standards and design appeals processes.
H	Develop KPIs and assess performance vs. existing service level targets and customer performance measures.	IS	SI	O: Dec-20 R: Dec-25	Service levels for Parks Maintenance & Design document was implemented in 2017. Ongoing work toward building data to support additional KPIs.

Risk 1	Recommendation Summary	Status <sup>2</sup> Prior / Feb/25		Target Date <sup>3</sup>	Comments
<b>Carbon Dioxide Reduction Initiatives – June 2018</b>					
H	Develop City-specific emission reduction goals based on a more sophisticated understanding of the inventory and aligned with an environmental management system (EMS).	IS	PI	O: Jun-19 R: Dec-25	Climate Budget-related guidance materials are being updated as part of the 2026-27 Multi-Year Business Plan and Budget process and will be communicated to staff in April 2025. The updated 2025 Climate Action Plan is expected in Q4 2025 and will include actions and applicable KPIs that align with the City's long-term Greenhouse Gas (GHG) target of net-zero by 2050.
M	Develop an EMS that includes high level goals, objectives, and targets, including those related to deep decarbonization.	NS	IS	O: Dec-18 R: Dec-25	Research and interviews with other municipalities have been conducted to understand EMS application in a municipal context. Pilot programs have been completed, and an implementation plan is being prepared.



# APPENDICES

## Appendix A – Audits Reports Excluded from this Status Update

Previous Audit Recommendation Status Updates were reported as follows:

- [Phase 1, as of September 30, 2021](#), reported to the Standing Policy Committee on Finance on November 8, 2021.
- [Phase 2, as of September 30, 2022](#), reported to the Standing Policy Committee on Finance on January 11, 2023.

The following table summarizes the previous audit reports that are excluded from this update (sorted by report date):

Audit Report	Report Date	Explanation
Financial Review	Jan-25	Follow-up expected to occur in 2026, based on timelines in Administration's response.
Project Management Processes	May-24	Follow-up expected to occur later in 2025, based on timelines in Administration's response.
Staffing Review	Nov-23	Follow-up expected to occur later in 2025.
Continuous Assurance	Oct-23	Follow-up is in progress. Status update is expected to occur later in 2025.
Investigation of Service Disruptions in Saskatoon Transit	Nov-22	<a href="#">Status, as of June 30, 2024</a> , reported to the Standing Policy Committee on Transportation on August 6, 2024.
Fraud Risk Assessment	Mar-20	Status, as of July 15, 2024, reported In Camera to the Standing Policy Committee on Finance on September 4, 2024.
Business Continuity	Jun-18	The implementation of the recommendations and corresponding action plans are all dependent on the hiring of a dedicated resource. The FTE was approved in the 2024-25 Multi-Year Business Plan and Budget, but the Administration has had challenges in filling the position. The Corporate Service Continuity Lead position was posted in February 2025 (for a third time) after being reevaluated and adjusted. Follow-up will occur in late 2025 or early 2026 after the position has been filled.

## Appendix B – Implementation Status Guide

The Independent Office of the City Auditor (Office) obtains regular updates from the Administration on the implementation status of prior audit recommendations. The Administration provides a self-assessment of the remediation status based on the guidance in the table below. Prior to considering them Closed, the Office reviews supporting evidence for Fully Implemented recommendations to verify that appropriate action was taken.

Audit Report	Definition	Audit Verification
<b>Fully Implemented (Closed)</b>	Administration has addressed the risk and recommendation by completing the agreed upon action plan or, upon further evaluation, taken alternative action to appropriately address the risk.	Administration provides evidence to support the action taken. To be considered Closed, the Office must review evidence and agree that the action taken mitigates the risk.
<b>Substantially Implemented (SI)</b>	Administration is nearing completion of the agreed upon action plan.	Inquiry only. No verification performed on Open items until assessed by Administration as Fully Implemented.
<b>Partially Implemented (PI)</b>	Administration has initiated the action plan and implementation is in progress.	
<b>Initial Stage (IS) or Not Started (NS)</b>	Administration has not initiated the action plan or are in the initial stages of implementation.	

## Appendix C – Risk Rating Guide

The Independent Office of the City Auditor has introduced a risk rating to prioritize the audit recommendations in the report. The benefits of the rating are to:

- Help Administration and the City Council to assess results quickly.
- Help Administration to prioritize implementation of the recommendations.
- Provides the basis for prioritizing audit follow-up.
- Makes cross-organizational comparison easier.

Criteria	Risk Rating
Corporate level loss, material reporting misstatement, critical reputation, or financial impact; critical impact on operational performance, the occurrence of fraudulent activities, critical unethical conduct, or a critical breach in laws and regulations/policies and procedures. Remediation of the finding should be immediately prioritized.	<b>Critical</b>
Significant impact on the achievement of objectives. Significant risk of service disruption, a threat to timely and effective service delivery affecting clients or a high possibility of occurrence of fraud. High-risk impact on reputation, financial, or operations. A significant breach in laws and regulations and policies and procedures.	<b>High</b>
Moderate impact on the achievement of objectives. Moderate risk of service disruptions, a threat to timely and effective service delivery affecting clients or occurrence of fraud. Moderate risk impact on reputation, financial, or operations. A moderate breach in laws and regulations/policies and procedures. Requiring process change/improvement to reduce the likelihood or impact of the risk in the future.	<b>Medium</b>
Minor impact to the achievement of objectives. Low/minimal risk of service disruption, threat to timely and effective service delivery affecting clients. Low risk impact on reputation, financial, or operations or occurrence of fraud. Minor breach in laws and regulations / policies and procedures with limited consequences. Value added process improvement or enhancement.	<b>Low</b>