

Business Systems and Control Group

October 25, 2005

Release and Reporting of Audit Findings Guidelines

Preamble:

HRM, under the authority of the Chief Administrative Officer, has established the business systems and control function to provide an effective and value added service by assisting management of HRM in the effective discharge of their duties and responsibilities. The function provides two roles; Business Advisory and Policy Compliance.

Business Advisory consists of:

1. Managerial, financial, operational and investigative studies for HRM business units and related bodies to provide recommendations for enhancement of business outcomes and processes.
2. Consulting services to assist in the design of management accountability systems and re-engineering operations, efficiency and effectiveness and the evaluation of control factors.

Policy compliance consists of the:

1. Review of existing HRM policies and recommending improvements and/or requirements for additional policies.
2. Review of corporate policies relating to compliance with laws and regulations, ethics and conflicts of interest.
3. Carry out special internal audit assignments ranging from consulting work to investigating suspected fraud or wrongdoing.

Independence of operation is a critical component of this activity. It reflects the ability of Business Systems and Control (BSC) staff to determine where and how facts are gathered and to make unabridged and appropriate recommendations. Independence is reflected in the freedom of the group to determine audit or assurance scope and to perform the appropriate scope of work without interference or coercion.

Objectivity is also an essential element of independence and must exist in order to carry out a review of any activity. Therefore, staff assigned to BSC participate in an advisory capacity in the planning, development, implementation or modification of business systems.

Purpose of Guidelines:

Transparency in reporting results of business consulting and policy reviews is a natural result of independence and objectivity and serves to continually enhance these components. Therefore, public access to the findings of policy reviews and audits must

occur on a regular basis and be in an accessible format to be effective.

Public access to the findings will be conducted in accordance with the Municipal Government Act, Part XX, Freedom of Information and protection of Privacy (FOIPOP). The intent of the FOIPOP legislation is to balance two principles: freedom of information (FOI): whenever possible, information held by the Municipality, with limited exceptions, should be made available to the public; and protection of privacy (POP): the Municipality should not improperly collect, use or disclose personal information. Ensuring the Municipality's compliance with the FOIPOP requirements will occur before any findings are released.

Guidelines:

The following guidelines will be implemented in support of the promotion of independence and objectivity in the work completed by Business Systems and Control.

1. Subsequent to the final drafting of a business consulting study/review or a policy compliance report, the document will be presented to the Audit Committee of Council.
2. Upon recommendation from the CAO, the Audit Committee will approve the public release of the document once it has been reviewed for FOIPOP and legal requirements.
3. The document will be reviewed and amended to meet FOIPOP requirements by the HRM FOIPOP Administrator.
4. The document will be reviewed by Legal Services who will provide a date or timeline release recommendation.
5. The document (as amended) will be converted to ADOBE format (Fixed) and posted for public consumption based on the approved time line recommended by Legal Services.
6. Notice of the release date will be sent by email to the Corporate Communications Office and members of Council.