

Classification **PUBLIC**

Meeting **February 18, 2010**

Agenda Item **Monitoring Report:
Audit Function**



Recommended Motion:

THAT the Board find that all provisions of the Audit Function have been complied with.

(Audit Function)

I hereby submit my monitoring report on your Audit Function according to the schedule set out. I certify that the information contained in this report is true.

Signed: _____
Chief of Police

Date: _____

BROADEST POLICY PROVISION:

The Chief of Police will not fail to ensure that all practices related to quality assurance and audit functions are in accordance with statutory requirements and generally accepted principles and standards for the professional practice of internal auditing.

Interpretation of the Chief of Police:

It is my interpretation that this limitation policy stipulates that the Durham Regional Police Service shall have at minimum quality assurance capacity internal to the Service, and audit capacity either internally or through contracted external expertise depending on the expertise required to meet statutory requirements, generally accepted principles and standards for the auditing profession. This audit capacity also includes the continuous review, and revision process in relation to Service Directives.

Introduction:

The Durham Regional Police Service (DRPS) has practices related to quality assurance and audit functions that are in accordance with statutory requirements and generally accepted principles and standards for the professional practice of internal auditing.

It is the interpretation of the Chief of Police that this limitation policy stipulates that the DRPS has a minimum quality assurance capacity either internally or through contracted external expertise depending on the expertise required to meet statutory requirements, generally accepted accounting principles (GAAP), and standards for the auditing profession.

This audit capacity also includes the continuous review, and revision process in relation to service directives.

Data Support:

There are seven (7) specific limitations that can be grouped into three themes; as follows:

1. Limitations 1 and 2 reference the establishment and maintenance of an internal quality assurance unit/capacity with the requisite knowledge, skills and abilities.

The DRPS has a Quality Assurance Unit (Q.A.) staffed by one staff sergeant and three civilian members.

All members have the requisite knowledge, skills and ability to perform the duties required for internal audit processes. Audits requiring GAAP standards are sourced out to recognized, qualified and competent agencies.

Q.A. has the capability, as well as sufficient resources, to conduct internal audits, as required.

2. Limitations 3, 4 and 5, require that the Service establish audit priorities, and work plans on an annual basis.

Q.A. schedules annual audits based on adequacy requirements and priorities identified by the Service. The two (2) mandatory audits (communications centre and property) are conducted on an annual basis as per the Ontario Police Services Act. Included in 2011 will be three (3) additional audits scheduled. Those three will focus on public intoxication, hiring/selection, and promotions.

Furthermore, the unit has initiated the use of a balanced scorecard program to assist in driving the continuous improvement of the Service. To date nine (9) scorecards have been developed and implemented with an additional fourteen (14) currently under construction. The current Scorecards are updated quarterly. The additional fourteen (14) will be completed over the next several months.

Audits are prioritized using risk management and liability principles as measuring bars. Audit “work plans” receive prior approval from an appropriate member of the Leadership Group prior to the commencement of any audit.

All audits are tracked and properly documented for future reference.

3. Limitations 6, and 7 require that the Board be informed regarding annual audit results and any imminent risks identified as soon as practicable throughout the year.

The Chief of Police is kept apprised of all annual audit results, including any identified imminent risks to the Service or its members. The Board is apprised of any issues or concerns the Chief believes falls within the limitations set out by the Board.

Statement of Compliance

Having been provided with both quantitative and qualitative data to support the broadest limitation interpretation I report compliance.

As a result of the above I report overall compliance with the Board Policy.