

To: Metrolinx Board of Directors
From: M.E. (Peggy) Gilmour
Director, Internal Audit
Date: December 07, 2017
Re: **Current activities of the Office of the Auditor General within Metrolinx**

Executive Summary

Recent Auditor General activities within Metrolinx have included reports on Public Transit Construction Contract Awarding and Oversight (2016) and Regional Transportation Planning (2012, 2014, 2017). Highlights of each activity are as follows:

i. **Auditor General's December 2016 report on Metrolinx (*Metrolinx - Public Transit Construction Contract Awarding and Oversight*)**

Metrolinx Internal Audit staff periodically track the action plans and agreed timelines from the Auditor General's December 2016 report on Metrolinx (*Metrolinx - Public Transit Construction Contract Awarding and Oversight*). Quarterly results are presented to the Audit, Finance, and Risk Management Committee of the Board.

Management continues to make significant enhancements and progress toward implementing the detailed action plans that support the recommendations resulting from the Auditor General's 2016 Report through enhanced vendor performance management activities, enhanced oversight activities, and development of procedures aimed at enhancing consistent in contract management practices.

ii. **Follow-up Audits based on the 2012 and 2014 Value-for-Money Audits of the Regional Transportation Plan**

In October 2017, the Auditor General completed two separate follow-up audits based on the 2012 and 2014 value-for-money audits of the Regional Transportation Plan. The first follows up on action plans still outstanding from the 2012 Auditor General Report. These recommendations have now moved to the Auditor General's new continuous follow-up process, and activity will continue on these action plans until complete. The second follow-up audit relates to the June 2016 report by the Standing Committee on Public Accounts, which had requested Metrolinx to appear before the Committee following the Auditor General's release of her 2014 follow-up report on Metrolinx. Both follow-up activities have the same subject matter, but the recommendations and action plans have a slightly different focus.

We anticipate the results of both audits to be published in the 2017 Auditor General's Annual Report Volume 2 (Follow-up Reports) in December 2017.

Sincerely,

M.E. (Peggy) Gilmour
Director, Internal Audit