

DATE: Wednesday, January 28, 2015

TO: Metropolitan Council Audit Committee

FROM: Arleen Schilling, Director, Program Evaluation and Audit

SUBJECT: Departmental Performance in 2014

Requirements of the Standards

The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing* Standard 1300 require that the Chief Audit Executive (Director) develop and maintain a quality assurance and improvement program that covers all aspects of the internal audit activity and continuously monitors its effectiveness. This Memo summarizes the internal assessment.

There are several measures we use to evaluate our effectiveness. They are as follows.

Audit Plan Completion

Each year, the audit committee approves an audit plan for the year. For 2014, the approved plan contained 18 projects. Four were postponed and one was changed to a consultation. The following is a summary of the projects worked on in 2014:

2013 Audits Completed in 2014	5
2014 Audits Completed in 2014	10
2014 Audits in Progress	3
Follow up Reports	2
Federal Reviews	8
Investigations	12
Consultations	12
Annual Projects not Audits Completed in 2014	<u>5</u>
Total Projects Worked on in 2014	57

Status of Recommendations

Program Evaluation and Audit maintains a database containing all recommendations made by external auditors, as well as any made in our reports rated as significant or greater. Auditors annually follow up with clients to determine the status of corrective actions resulting from these recommendations. Recommendations remaining unresolved are reported to the regional administrator and the audit committee.

The database currently contains all recommendations made since 2005. As of year-end 2014, there are no recommendations that have neither been resolved or are in progress

toward resolution. I believe this reflects the strong collaborative relationship between Program Evaluation and Audit and our clients throughout the Council.

Each year, Regional Administration conducts a customer satisfaction survey for central services that is directed to managers and supervisors throughout the Council. Program Evaluation and Audit is one participant in the survey. Similar to previous years, we were positively rated this year. 96% of respondents reported overall satisfaction with our services. 94% said that program evaluation and audit staff help my department performed its business functions and their valuable for my department. In five of the nine areas surveyed our department scored higher than last year by 5% or more.

For 2015 a new client satisfaction survey is being developed. This will be used in conjunction with the Regional Administration customer satisfaction survey to identify what is being done well and areas that can be improved.

Summary

Program Evaluation and Audit continues to provide independent, objective evaluation and audit services that add value to Council operations. 2014 presented many challenges with the transition in leadership. The Department operated with one vacancy throughout the entire year. Despite the transition within the Department the 2014 performance information demonstrates the continued success of the Department's activities.