



**2014/15
INTERIM FOLLOW-UP**

Audit Report

DECEMBER 2014

INTERNAL AUDIT UNIT
CAYMAN ISLANDS GOVERNMENT

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**INTERNAL AUDIT REPORT
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REPORT

This interim follow-up report shows the status of recommendations within TeamCentral, our Audit Recommendation Tracking System, as of December 29, 2014. It highlights the progress made by entities in regards to the implementation of outstanding recommendations as reported in our 2013/14 Follow-Up Review report which was issued on July 2, 2014. It also identifies new recommendations that were posted to TeamCentral since the 2013/14 Follow-Up Review report.

The main objective of the interim follow-up is to assess whether agencies are actioning audit recommendations in accordance with the agreed implementation plans. As this is an interim follow-up, verification tests to corroborate the status updates provided by management were not conducted. In addition, we did not perform any tests to determine why overdue recommendations remain outstanding. The year-end report will not only reflect the status of all recommendations, it will also ascertain the factors preventing full implementation, in particular for those that have significantly passed their original implementation dates.

Schedules 1 through 3 indicate that the general implementation rate remains at 22% when compared to last year; 45 of 186 (24%) recommendations that were outstanding based on our 2013/14 follow-up report (issued in July 2014) are now reported as implemented; and 16 of 85 (19%) of new recommendations posted to TeamCentral since the last follow-up are reported as implemented.

There was a decline in management response rate this year, when compared to previous years. Response rate is measured by the number of updates in TeamCentral and provides a general indication of how agencies are actioning the agreed recommendations to reduce risks and improve management systems. One of the factors we noted that may have contributed to this reduced response rate, is that updates are generally only done when Internal Audit requests them rather than on a continuous basis as necessary.

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SCHEDULE 1 – Implementation Status of Audit Recommendations (ISOAR)

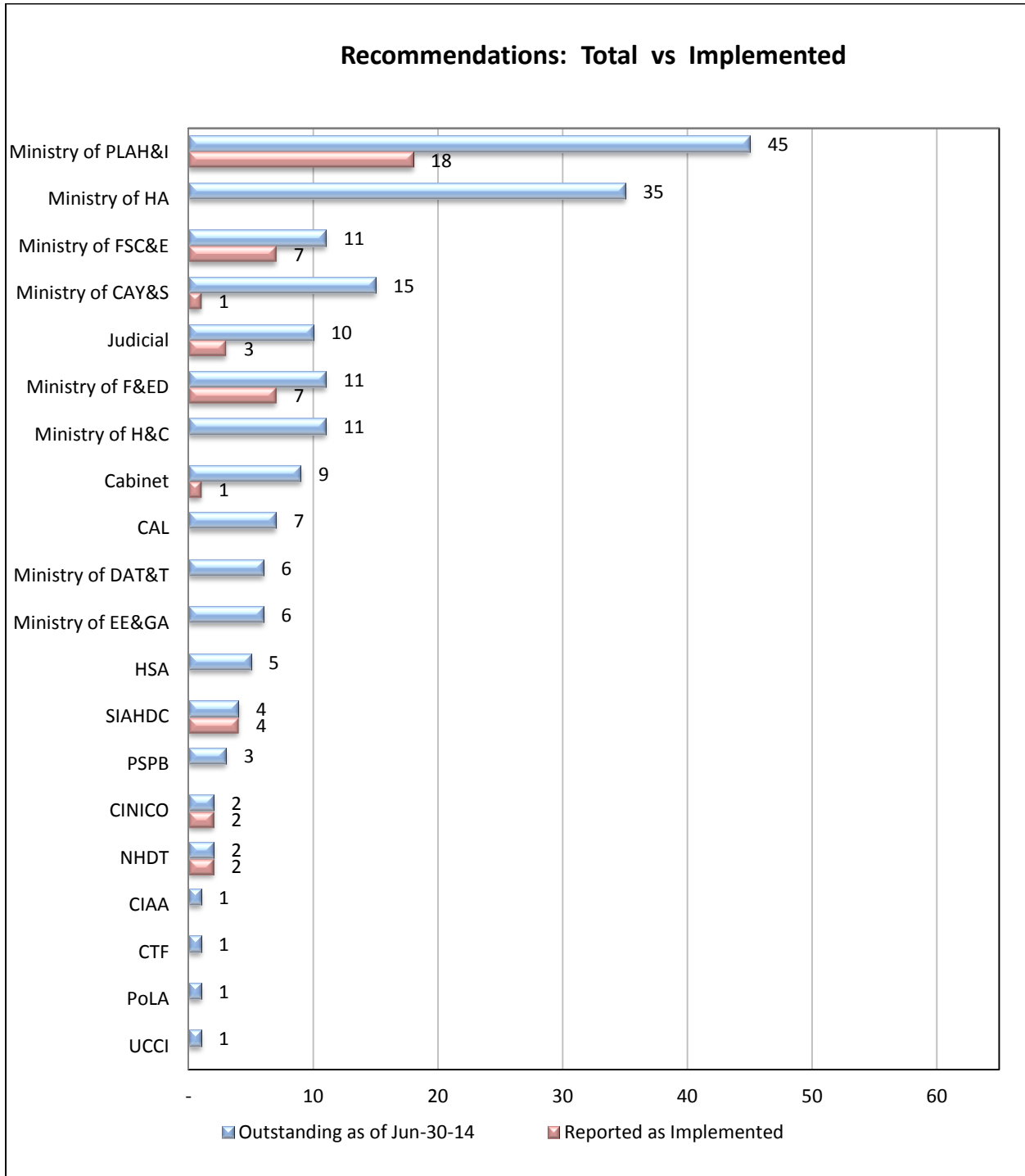
Ministry / Portfolio / SAGC	Agency	Total in TeamCentral as of Dec-29-14	Recommendations Outstanding as per the 2013/14 Follow-Up Review Report			New Recommendations		
			Total	Reported as Implemented	Not Implemented	Total	Reported as Implemented	Not Implemented
Cabinet Office (Cabinet)	Radio Cayman	9	9	1	8			
Judicial Administration (Judicial)	Judicial Admin	14	10	3	7	4	2	2
Ministry of Community Affairs, Youth & Sports (Ministry of CAY&S)	Ministry Admin	8	8		8			
	Children & Family Services	8	7	1	6	1	1	
Ministry of District Administration, Tourism & Transport (Ministry of DAT&T)	Tourism	6	6		6			
Ministry of Education, Employment & Gender Affairs (Ministry of EE&GA)	Ministry Admin	3	3		3			
	Education Services	3	3		3			
Ministry of Finance & Economic Development (Ministry of F&ED)	Customs	7	7	7				
	Treasury	4	4		4			
Ministry of Financial Services, Commerce & Environment (Ministry of FSC&E)	Ministry Admin	4	4	4				
	Commerce & Investment	10	4	3	1	6	1	5
	Environment	1	1		1			
Ministry of Health & Culture (Ministry of H&C)	General Registry	5	2		2	3		3
	Ministry Admin	6	6		6			
	Environmental Health	3	3		3			
Ministry of Home Affairs (Ministry of HA)	Mosquito Research & Control Unit	2	2		2			
	Ministry Admin	23	19		19	4		4
	Computer Services	2	2		2			
	Hazard Management	-	-		-			
	Immigration	11	11		11			
	Police	2	2		2			
Prisons	1	1		1				

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Ministry / Portfolio / SAGC	Agency	Total in TeamCentral as of Dec-29-14	Recommendations Outstanding as per the 2013/14 Follow-Up Review Report			New Recommendations		
			Total	Reported as Implemented	Not Implemented	Total	Reported as Implemented	Not Implemented
Ministry of Planning, Lands, Agriculture, Housing & Infrastructure (Ministry of PLAH&I)	Ministry Admin	7	7	7				
	Agriculture	28	16	4	12		12	
	Lands and Survey	-	-					
	Petroleum Inspectorate	6	6		6			
	Planning	1	1	1				
	Public Works	7			7		7	
	Postal Services	12	10	5	5	2	2	
	Vehicle & Drivers' Licensing	1	1	1				
	Vehicle & Equipment Services	4	4		4			
Portfolio of Legal Affairs (PoLA)	1	1		1				
Portfolio of the Civil Service (PoCS)	1				1	1		
Cayman Airways Ltd. (CAL)	35	7		7	28	9	19	
Cayman Islands Airports Authority (CIAA)	1	1		1				
Cayman Islands National Insurance Company Ltd. (CINICO)	2	2	2					
Cayman Turtle Farm Ltd. (CTF)	1	1		1				
Health Services Authority (HSA)	14	5		5	9		9	
National Housing Development Trust (NHDT)	2	2	2					
National Museum (Museum)	8				8	3	5	
Public Service Pensions Board (PSPB)	3	3		3				
Sister Islands Affordable Housing Development Corporation (SIAHDC)	4	4	4					
University College of the Cayman Islands (UCCI)	1	1		1				
TOTAL		271	186	45	141	85	16	69

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SCHEDULE 2 – Status of Recommendations That Were Outstanding on June 30, 2014



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SCHEDULE 3 – Recommendations Outstanding as of December 29, 2014

