

**AUDIT COMMITTEE
A G E N D A
MEETING NO. 5**

Date of Meeting:	Monday, October 25, 1999	Enquiry:	Frances M. Pritchard
Time:	2:00 p.m.		Administrator
Location:	Committee Room 2		392-7033
	2nd Floor - City Hall		FAX 392-1879
	100 Queen Street West		E-mail address
			fpritcha@city.toronto.on.ca.

DECLARATIONS OF INTEREST PURSUANT TO THE MUNICIPAL CONFLICT OF INTEREST ACT.

COMMUNICATIONS/REPORTS.

1. 1998 MANAGEMENT LETTER SUMMARY - COMMUNITY CENTRES AND ARENAS

(DEFERRED FROM AUDIT COMMITTEE MEETING OF SEPTEMBER 27, 1999)

City Auditor
(August 30, 1999)

Recommending that:

- (1) As part of its mandate the recently structured ABC Reduction Task Force should, on a priority basis, review the governance of all community centres and arenas in the City. The objective of such a review process should include the integration and streamlining of all duplicated activities.
- (2) The Chief Financial Officer and Treasurer immediately initiate a plan to provide the appropriate support for the accounting needs of all community centres and arenas. The preparation of specific timetables, year end working paper and reconciliation requirements should be incorporated into this support.
- (3) City Finance staff should prepare standardized written policies and procedures for all community centres and arenas. Where possible and appropriate, these policies and procedures should be consistent with those of the City.
- (4) Community centres and arenas should be instructed by City Finance staff that under no circumstances will they be permitted to make expenditures which are not included in their annual approved budget submissions.

- (5) The Chief Financial Officer and Treasurer give consideration to the standardization of all accounting systems at each of the community centres and arenas. In the longer term, all accounting should be done centrally using the City's new SAP accounting system.
- (6) The Chief Financial Officer and Treasurer, in consultation with City Legal Services, review the present arrangements relating to the organization of each separate non-profit charitable corporation within each community centre. Arrangement should be made to immediately separate the accounting function of the non-profit organizations from those of the centre. Monthly financial reporting, as well as year end financial reporting, should be conducted separately.
- (7) The Chief Financial Officer and Treasurer be required to review all annual financial statements of arenas in order to determine the extent of funds owed to the City. The Chief Financial Officer and Treasurer be required to collect all surplus funds owed to the City on an annual basis.
- (8) The Y2K City Project Team, as a priority, should review its work plan in order to ensure that adequate attention is being given to each community centre and arena. The Y2K Team should review the work completed to date at each of these entities in order to ensure that adequate attention has been given to the issue.
- (9) In order to avoid penalties and interest charges, management should ensure that all payments to employees, including car and laundry allowances, are included as part of salaries and wages, subject to statutory deductions. All increases to salaries and benefits should be approved by the respective Boards and Committees and documented in writing.
- (10) For those arenas and community centres where no fixed asset listing is prepared, priority should be given to creating a fixed asset register. The register should include details of the source of the items (i.e., supplier, invoice number), the cost and the date of acquisition. A physical inventory of all furniture and equipment should be conducted annually and agreed to the fixed asset listing.
- (11) All arenas and community centres be requested to submit management letters to their respective Boards along with appropriate responses.
 - (a) (September 24, 1999) from Anne Dubas, President, CUPE Local 79

2. REVIEW OF INVESTIGATION OF SEXUAL ASSAULTS - TORONTO POLICE SERVICE (*Report Not Yet Available*)

(Presentation from City Auditor)

3. 1998 FINANCIAL STATEMENTS OF COMMUNITY CENTRES AND ARENAS

City Auditor

(October 14, 1999)

Recommending that the above financial statements be received for information and forwarded to Council.

4. IN CAMERA MATTER

Matter the subject of which deals with litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board