
**AUDIT COMMITTEE
AGENDA
MEETING No. 4**

Date of Meeting:	June 19, 2001	Enquiry:	Frances Pritchard
Time:	9:30 a.m.		Administrator
Location:	Committee Room 1		392-7033
	City Hall		fpritcha@city.toronto.on.ca
	100 Queen Street West		

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

CONFIRMATION OF MINUTES HELD ON APRIL 11, 2001 (*Forwarded to members by electronic mail*)

PRESENTATION: 10:00 A.M.

- 1. ERNST AND YOUNG EXTERNAL AUDITORS - VERBAL UPDATE ON 2000 FINANCIAL AUDIT"**

COMMUNICATIONS/REPORTS:

- 2. REPORT ON THE STATUS OF FRAUD AND RELATED MATTERS – AS OF JUNE 1, 2001**

City Auditor
(June 1, 2001)

Recommending that this report be received for information.

3. PERIODIC REPORTING OF FINANCIAL INFORMATION

City Auditor
(June 5, 2001)

Recommending that the Chief Financial Officer and Treasurer include appropriately detailed information on the City's assets and liabilities, including Reserve and Reserve Fund balances, in the interim variance reporting currently made to City Council.

4. REVIEW OF DEPARTMENTAL PURCHASE ORDERS

City Auditor
(May 8, 2001)

Recommending that:

- (1) the Chief Financial Officer and Treasurer be requested to amend the existing Purchasing and administrative procedures such that a purchase limit of \$3,000 is established, whereby a minimum of three quotes must be obtained and that such quotes be properly documented on the Quotation Summary section of the Departmental Purchase Order;
- (2) the Chief Administrative Officer, in consultation with the Director, Purchasing and Materials Management, reiterate to department heads the circumstances in which normal purchasing procedures may be bypassed and emphasize the need for improved procurement planning;
- (3) the Departments be required to forward a copy of all emergency and sole source Departmental Purchase Orders greater than \$3,000 to the Purchasing and Materials Management Division for monitoring to ensure compliance with the Purchasing by-law and to identify potential opportunities for more efficient and cost effective ways, such as through the use of blanket or open purchase orders, for procuring such goods and services;
- (4) the Chief Administrative Officer advise all department heads that quotes must be obtained for all consulting assignments procured with a Departmental Purchase Order, to ensure that the price is competitive, even where price is not the main determining factor in the selection process;
- (5) the Chief Administrative Officer advise department heads of the need to determine whether the City has an existing price agreement for a particular goods/service prior to procuring such items through a Departmental Purchase Order with another supplier;

- (6) the Chief Financial Officer and Treasurer, in consultation with departments, continue to analyze purchasing patterns across the City with a view to identifying opportunities where contracts or price agreements could be negotiated for commonly used goods/services; and
- (7) the Chief Administrative Officer advise department heads of the need for their respective departments to comply with the Corporate Purchasing Policies and by-law and remind them of their responsibility in this regard including adherence to the requirement that a Departmental Purchase Order or Purchase Order be issued for all purchases exceeding \$200 and, that the practice of splitting purchases be discontinued.

5. DISPOSITION OF ADDITIONAL AUDIT PROJECTS AND IMPACT ON 2001 WORK PLAN

City Auditor
(June 8, 2001)

Recommending that:

- (1) as a result of the significant number of audit requests received from Council and its Committees to date and potentially for the remainder of 2001, the City Auditor be authorized to amend his 2001 Work Plan as required and, if necessary, defer certain projects to 2002; and
- (2) the disposition of the additional audit projects, as outlined in the body of this report, be approved.

6. TERMS OF REFERENCE

City Auditor
(June 3, 2001)

Recommending that this report be received for information

7. PARTICIPATION IN THE PEER REVIEW OF THE KANSAS CITY AUDITOR'S OFFICE

City Auditor
(May 31, 2001)

Recommending that this report be received for information

8. IMPLEMENTATION OF CITY AUDITOR RECOMMENDATIONS REGARDING CITY GRANT PROGRAMS

Chief Administrative Officer
(June 6, 2001)

Recommending that this report be received for information.

9. STATUS REPORT ON CASH CONTROLS – PARKS AND RECREATION DIVISION (All Wards)

City Clerk,
(May 7, 2001)

Forwarding Clause 18 of Economic Development and Parks Committee Report No. 3 titled, "Status Report on Cash Controls – Parks and Recreation Division (All Wards)", which was adopted by City Council, without amendment, at its regular meeting held on April 23, 24, 25, 26 and 27, 2001 and its special meeting held on April 30, May 1 and 2, 2001

10. 2000 FINANCIAL STATEMENTS - BOARD OF GOVERNORS OF EXHIBITION PLACE

General Manager & CEO, Exhibition Place
(May 25, 2001)

Recommending that:

- (1) City Council receive for information the Audited Financial Statements pertaining to the operations of Exhibition Place for the year ended December 31, 2000; and
- (2) The appropriate Exhibition Place and City Officials be authorized and directed to take the necessary action to give effect thereto.

11. INTERIM UPDATE: RESPONSE TO THE “REVIEW OF THE INVESTIGATION OF SEXUAL ASSAULT – TORONTO POLICE SERVICE”

Chairman, Toronto Police Services Board
(May 7, 2001)

Recommending that the Audit Committee receive this report.