

THE CITY OF TORONTO

Clerk's Department

Minutes of the Audit Committee

Meeting No. 3

Wednesday, April 11, 2001

The Audit Committee met on Wednesday, April 11, 2001, in Committee Room 1, 2nd Floor, City Hall, commencing at 9:30 a.m.

On motion by Councillor Holyday, the Minutes of the Meetings held on December 7, 2000 and February 16, 2001, were confirmed.

3.1 Community and Neighbourhood Services – Community Services Grants Program Review

The Audit Committee had before it a report (February 27, 2001) from the City Auditor respecting Community and Neighbourhood Services – Community Services Grants Program Review and recommending that:

- “(1) the Commissioner, Community & Neighbourhood Services, review agencies funded under the Community Services Grants Program in order to ensure that the basis on which they are funded is in compliance with both the City of Toronto Grants Policy as well as the Community Services Grants Program – Program Guidelines. Organizations who do not qualify under the policy and the guidelines be given the opportunity to comply. Agencies who are unable or are not in a position to do so should be advised that future funding will be discontinued;
- (2) the Commissioner, Community & Neighbourhood Services, ensure that the recommendations in this report are addressed in other grants programs administered by the Department. In addition, this report be forwarded to the Chief Administrative Officer, the Commissioner of Economic Development, Culture & Tourism and the Commissioner of Urban Development, with the requirement that the recommendations be reviewed to determine their relevance in grants program areas for which they are responsible;
- (3) the Commissioner, Community & Neighbourhood Services, ensure that the upcoming review project initiated by the Department of Community & Neighbourhood Services entitled “Business Practices Review and Improvement of Municipal Grants Administration” give consideration to the recommendations contained in this report;

- (4) the Commissioner, Community & Neighbourhood Services, the Chief Financial Officer & Treasurer and the Commissioner, Economic Development, Culture & Tourism develop a policy relating to the level of reserve funds held by agencies applying for City grants. The policy to state that reserves available for operating purposes be taken into account in assessing an agency's need for City funds.

In developing this policy, consideration be given to:

- the acknowledgement that agencies require certain levels of reserves in order to operate effectively;
- the level of an agency's reserve be appropriate to the particular requirements of the agency and the intended use of the funds; and
- the level of reserves in relation to the operating budget of each agency;

Agencies that have reserves in excess of a "reasonable" amount be advised that future funding will be dependent on the use of such reserves for operating purposes.

- (5) the Commissioner, Community & Neighbourhood Services, determine the reasons for certain "restricted" funds held by various agencies and that this information be considered during the grants assessment process. In situations where "restricted" reserve funds have not been set aside for a specific purpose or where reserve funds are in excess of a "reasonable" level, such agencies be advised that future funding be reduced or discontinued;
- (6) the Commissioner, Community & Neighbourhood Services, review, as a minimum, 1999 and 2000 financial statements to determine whether or not any annual operating surpluses earned by certain agencies are a result of unexpended Community Services grants provided by the City. The Commissioner take the necessary steps to recover such funds or reduce future years grants.

In future, the review of all annual audited financial statements include an analysis of any in year operating surplus in order to determine its origin. Steps be taken to recover amounts which relate to unexpended City grants;

- (7) the Commissioner, Community & Neighbourhood Services, ensure that each individual agency to whom Community Services grants are given clearly demonstrate measurable, attainable goals and expected annual results. The review assessment and monitoring process take into account whether or not these goals are met;

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- (8) the Commissioner, Community & Neighbourhood Services, develop an internal quality review process, whereby a selection of Community Services grants files are reviewed on a random and regular basis. Agencies which are recommended for grants in excess of a predetermined amount should be the subject of an annual supervisory review. Evidence of such reviews should be documented in each file. In addition, consideration be given, where practical, to the rotation of agency review responsibilities of Agency Review Officers;
- (9) the Commissioner, Community & Neighbourhood Services, ensure that the criteria and basis for recommendations and decisions at all stages of the Community Services grants process, including the assessment and the approval of each grant, be effectively documented;
- (10) the Commissioner, Community & Neighbourhood Services, develop a comprehensive financial statement check list identifying specific areas on annual audited financial statements which require analysis and review. This check list would include for consideration the following:
- (a) the extent of accumulated operating reserves;
 - (b) the extent of annual surpluses;
 - (c) the extent of fund raising activities;
 - (d) reasonableness of operating expenses; and
 - (e) a review of extraordinary assets or liabilities.
- The development of this comprehensive financial statement check list be conducted in consultation with the City Auditor's Office and be considered during the upcoming business practice review of the grants program;
- (11) the Commissioner, Community & Neighbourhood Services, request agencies, in circumstances where it is not possible to reconcile Community Services grants contributions and their use to annual audited financial statements, to provide a separate schedule reconciling the grants. This schedule be reviewed by Agency staff in order to determine its reasonableness;
- (12) the Commissioner, Community & Neighbourhood Services, re-evaluate the Community Services grants application administration process with a view to reducing the extensive up front grants assessment process. Such a process to take into account a relative risk analysis in order to determine those agencies which require additional attention. Resources made available, as a result of this exercise, be redirected to the monitoring, review and evaluation of grant recipients;
- (13) the Commissioner, Community & Neighbourhood Services, develop specific guidelines in relation to the monitoring of Community Services grants recipients

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in order to ensure that funds are being expended appropriately. These guidelines indicate a need to identify those programs where the highest risks exist and resources be directed to those agencies. Such guidelines to include specific reporting requirements, as well as a process to implement regular structured visits to those agencies who receive significant levels of grants;

- (14) the Commissioner, Community & Neighbourhood Services, develop a function specific conflict of interest policy relating to the grants program. Staff be required to acknowledge that they are aware of the contents of the policy and be required to sign off on this policy annually;
- (15) the Commissioner, Corporate Services, in consultation with the Commissioner, Community & Neighbourhood Services, and the Chief Financial Officer and Treasurer, give consideration to the development or acquisition of a management information system which will enable staff to accurately capture financial and operational data for all agencies. The access to such information be available across the Corporation. Such a system would enable management to identify those agencies who are requesting grants from different programs in the City, as well as minimize the possibility of the duplication of funding, applications and assessments.

The evaluation of any grants management information system be conducted in concert with other funding agencies such as the Toronto Arts Council, the United Way of Greater Toronto and the Ontario Trillium Foundation. Opportunities for the sharing of existing management information systems, as well as the possibility of cost sharing any new management information systems be explored;

- (16) the Commissioner, Community & Neighbourhood Services, continue discussions with all funding agencies, particularly the United Way of Greater Toronto and the Ontario Trillium Foundation, with the objective of co-ordinating the grants application assessment and monitoring process. The ability to do this will ultimately result in the reduction of administrative time and costs;
- (17) the Commissioner, Corporate Service, prepare an accounting of all grants in kind provided by the City. Such an accounting to facilitate a determination as to whether individual grants in kind meet City policy and guidelines and whether or not such funding should continue. In cases where grants in kind relate to accommodation being provided at no cost this matter be considered during the Corporate master accommodation plan currently in process; and
- (18) the Commissioner, Community & Neighbourhood Services, be requested to recommend amendments to the City of Toronto Grants Policy. The amendments to include specific policies relating to grants in kind. The amended policy be forwarded to City Council for approval.”

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The Committee also had before it the following report/communications:

- (April 2, 2001) from the Commissioner of Community and Neighbourhood Services, responding to the report of the City Auditor on the Community Services Grants Program;
- (April 10, 2001) from Susan Fletcher, Applegrove Community Complex; and
- (April 11, 2001) from Maureen Adams, United Way of Greater Toronto.

The Audit Committee recommended that:

On motion by Councillor Minnan-Wong:

- (1) the report (February 27, 2001) from the City Auditor be amended by adding a new recommendation as follows:

“a streamlining review be conducted on the application process”.

- (2) the report (February 27, 2001) from the City Auditor, as amended by Recommendation No. (1), be adopted;

On motion by Councillor Balkissoon, with Councillor Bussin in the Chair:

- (3) the Commissioner of Community and Neighbourhood Services, in consultation with the City Auditor, report to the Audit Committee to ensure that all staff are trained in the implementation of Recommendation No. (10) of the report (February 27, 2001) from the City Auditor; and

On further motion by Councillor Minnan-Wong:

- (4) the Chief Administrative Officer, the Chief Financial Officer and Treasurer, the Commissioner of Community and Neighbourhood Services, the Commissioner of Economic Development, Culture and Tourism, the Commissioner of Urban Development Services and the Commissioner of Corporate Services report to the Audit Committee, at its meeting to be held in June, 2001, on how the report (February 27, 2001) from the City Auditor is to be applied, what action is to be taken, and on a workplan for its implementation; and to submit a further report on implementation to the Audit Committee, at its meeting to be held in October, 2001.

On further motion by Councillor Balkissoon, with Councillor Bussin in the Chair, the Audit Committee also referred the reports (February 27, 2001) from the City Auditor and

(April 2, 2001) from the Commissioner of Community and Neighbourhood Services to the Community Services Committee for information.

(Letter sent to: Community Services Committee; c. City Auditor – April 12, 2001)

(Report 3, Clause 1)

3.2 Contract Management Procedures – Transportation Services Division, Works & Emergency Services Department

The Audit Committee had before it a report (March 19, 2001) from the City Auditor respecting Contract Management Procedures – Transportation Services Division, Works & Emergency Services Department, and recommending that:

- “(1) the Commissioner of Works & Emergency Services, take the necessary action to strengthen quality assurance over projects by:
 - (a) developing a harmonized quality assurance program, for implementation by the 2001 construction season, which includes inspection and quality testing guidelines and standards to effectively manage road maintenance contracts. The program should take into account the need for more frequent, independent verification of truckload weights and regular material quality testing;
 - (b) designing a form for documenting and reporting on the completion of required lab tests and related results on each project for review by district road operation managers and supervisors;
 - (c) providing staff training to ensure that all inspectors are aware of the Transportation Services Division’s inspection, testing and documentation requirements, as well as management expectations in this regard;
 - (d) regularly monitoring staff adherence to the harmonized quality assurance program;
 - (e) considering the rotation of inspectors, as appropriate;
- (2) the Commissioner of Works & Emergency Services, take the necessary action to improve expenditure control over contracts by:
 - (a) enhancing supervision of inspection staff through periodic review of daily inspection reports, sample verification of measurements reported and on-site observation;

- (b) seeking clearance from the Fair Wage & Labour Trades Office before releasing the statutory holdback amount; and
- (3) this report be forwarded to the Works Committee for information”.

On motion by Councillor Balkissoon, with Councillor Bussin in the Chair, the Audit Committee recommended that:

- (1) the foregoing report (March 19, 2001) from the City Auditor be adopted; and
- (2) the Commissioner of Works and Emergency Services report to the Audit Committee, at its meeting to be held in June, 2001, on the implementation of the recommendations contained in the report.

(Report 3, Clause 2)

3.3 Corporate Absenteeism/Attendance Management Review

The Audit Committee had before it a report (January 22, 2001) from the City Auditor respecting Corporate Absenteeism/Attendance Management Review, and recommending that:

- “(1) the Commissioner of Corporate Services give immediate attention to the development of an employee absenteeism/attendance policy. Such a policy be submitted to the Administration Committee by June 30, 2001, and include best practices of the former City municipalities, other municipalities throughout North America, and other public and private sector organizations;
- (2) the Commissioner of Corporate Services report to the Administration Committee by June 30, 2001, on a framework for reporting absenteeism across the Corporation, which should include the development of appropriate definitions and reporting guidelines to enable a meaningful comparison of absenteeism among the various departments, agencies, boards and commissions;
- (3) the Attendance Management Committee be required to review the specific reporting requirements relating to employee absenteeism. Such reporting requirements be conveyed to the City Finance Department; and
- (4) the Attendance Management Committee, during its deliberations, consider the results of the departmental surveys relating to absenteeism conducted by the City Auditor’s office.”

The Audit Committee also had before it a communication (April 11, 2001) from Brian Cochrane, President, Toronto Civic Employees’ Union, Local 416.

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The Audit Committee recommended that:

On motion by Councillor Balkissoon, with Councillor Bussin in the Chair, that:

- (1) Recommendation No. (1) of the report (January 22, 2001) from the City Auditor be amended to read:

“(1) the Commissioner of Corporate Services, in consultation with the City Auditor, give immediate attention to the development of an employee absenteeism/attendance policy, such policy be submitted to the Administration Committee by June 30, 2001, and include best practices of the former City municipalities, other municipalities throughout North America, and other public and private sector organizations;”

- (2) Recommendation No. (2) of the report (January 22, 2001) from the City Auditor be amended to read:

“(2) the Commissioner of Corporate Services, in consultation with the City Auditor, report to the Administration Committee by June 30, 2001, on a framework for reporting absenteeism across the Corporation, which should include the development of appropriate definitions and reporting guidelines to enable a meaningful comparison of absenteeism among the various departments, agencies, boards and commissions;” and

- (3) the report (January 22, 2001) from the City Auditor, as amended by Recommendation Nos. (1) and (2), be adopted.

On motion by Councillor Bussin, the Audit Committee also requested the City Auditor to submit a copy of his survey respecting this matter to Toronto Civic Employees Union, Local 416, as requested by the President, Toronto Civic Employees Union, Local 416, in his communication dated April 11, 2001.

(Letter sent to: City Auditor; c. President, Toronto Civic Employees Union, Local 416 - April 17, 2001)

(Report 3, Clause 3)

3.4 Policy: Fraud and Other Similar Irregularities

The Audit Committee had before it a report (January 31, 2001) from the City Auditor respecting Policy: Fraud and Other Similar Irregularities, and recommending that:

- “(1) the policy, Fraud and Other Similar Irregularities, be approved;
- (2) the policy, Fraud and Other Similar Irregularities, be forwarded to all agencies, boards and commissions and special purpose bodies, and that such bodies be required to implement policies consistent with those contained in the City’s policy, Fraud and Other Similar Irregularities; and
- (3) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.”

On motion by Councillor Minnan-Wong, the Audit Committee adjourned its public session, in accordance with the Municipal Act, to meet in Camera to discuss matters arising from the report (January 31, 2001) from the City Auditor, having regard that such discussions dealt with the security of the property of the municipality or local board.

On motion by Councillor Balkissoon, with Councillor Bussin in the Chair, the Audit Committee recommended that:

- (1) the report (January 31, 2001) from the City Auditor be adopted;
- (2) the Chief Administrative Officer be directed to ensure that all management employees are made aware of the policy set out in the report (January 31, 2001) from the City Auditor by September, 2001 and that management staff be required to review internal controls in all areas where City staff handle City revenues; and
- (3) the Chief Administrative Officer submit to the Audit Committee and City Council in October, 2001, a status report of the review requested in Recommendation No. (2) above.

(Report 3, Clause 4)

3.5 Management Controls: A Basic Departmental Responsibility

The Audit Committee had before it a report (March 30, 2001) from the City Auditor respecting Management Controls: A Basic Departmental Responsibility, and recommending that:

- “(1) the Chief Administrative Officer, be requested to report to the next meeting of Audit Committee on the processes in place to ensure appropriate ongoing

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evaluation of internal administrative controls throughout the City and the implementation of revised controls where necessary;

- (2) the General Managers of each of the Agencies, Boards and Commissions, be required to report to their respective Boards by June 30, 2001, on the processes in place to ensure appropriate ongoing evaluation of internal administrative controls and the implementation of revised controls where necessary;
- (3) the Chief Administrative Officer, in consultation with the City Auditor's Office, be requested to identify those Agencies or Boards requiring additional management control support and appropriate staff be assigned to provide this support; and
- (4) staff assigned to various Agencies in a management control support role, be instructed to utilize the Financial/Internal Control Checklist prepared by the City Auditor's Office and provided as Appendix 1 as a part of their ongoing review process."

On motion by Councillor Balkissoon, with Councillor Bussin in the Chair, the Audit Committee recommended that:

- (1) Recommendation No. (1) of the report (March 30, 2001) from the City Auditor be amended to read:
 - "(1) the Chief Administrative Officer be requested to report to the next meeting of Audit Committee on programs which would require all management review their respective administrative controls by September, 2001 and the implementation of revised controls where necessary, to reduce the potential for revenue/asset losses;"
- (2) a new Recommendation No. (5) be added to read:
 - "(5) the Chief Administrative Officer submit a status report regarding the review of internal administrative controls to the Audit Committee, for its meeting to be held in October, 2001, such report to be forwarded thereon to City Council."; and
- (3) the foregoing report (March 30, 2001) from the City Auditor, as amended by Recommendation Nos. (1) and (2), be adopted.

On further motion by Councillor Balkissoon, with Councillor Bussin in the Chair, the Audit Committee also referred a request from Councillor Pitfield respecting a process establishing Council's expectations of City staff in relation to their fiduciary responsibilities and obligations, to the City Auditor for comment.

(Letter sent to City Auditor – April 17, 2001)

(Report 3, Clause 5)

3.6 Permits and Lottery Licences Review

The Audit Committee had before it a report (March 29, 2001) from the City Auditor respecting Permits and Lottery Licences Review and recommending that:

- “(1) the City Clerk seek immediate Council approval of the draft by-law respecting the licencing of lotteries to ensure the provision of fair and consistent services and to foster standardization of administrative procedures across the City;
- (2) the City Clerk reiterate to staff of the Legislative Services Unit, the requirement to obtain completed eligibility review questionnaires and implement appropriate supervisory reviews to ensure the determination of eligibility requirements of all applicants prior to the issuance of licences;
- (3) the City Clerk:
 - (a) consider adopting the practice of segregating the collection of receipts from the processing of licence applications at district offices to strengthen controls and standardize procedures in the handling of customer applications for permits and licences;
 - (b) implement a policy requiring the deposit of all revenues within three business days of receipt;
 - (c) require the preparation of a daily listing of all incoming cheques and the subsequent independent reconciliation of this listing of cheques with application forms received to ensure the completeness of revenues;
 - (d) coordinate with the Chief Financial Officer and Treasurer, the timely return of Non Sufficient Funds cheques to facilitate appropriate follow-up and replacement of dishonoured cheques thereby avoiding potential revenue losses to the City;
- (4) the City Clerk:
 - (a) expedite planned enhancements to the financial and compliance components of the Toronto Gaming Information System, including providing access to management information and reports at district offices to improve the efficiency in the processing of licence applications;

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- (b) coordinate with the Chief Financial Officer and Treasurer, more up-to-date financial reporting of revenues and expenditure information to facilitate appropriate financial monitoring and control of monthly licencing activities;
- (5) the City Clerk expedite implementation of a compliance review program, including an appropriate level of supervisory review to ensure:
 - (a) staff regularly obtain and review licensee financial reports that must be filed within fifteen days of each lottery event with all other required supporting documents including the licensees annual financial statement with respect to the receipt and disposition of lottery proceeds;
 - (b) staff conduct periodic compliance visits with licensees selected according to risk based criteria that are indicators of potential non-compliance to ensure the efficient deployment of limited resources;
 - (c) appropriate training of staff to ensure the compliance process assesses all requirements of provincial regulations and applicable by-laws;
- (6) the City Clerk consider staggering the timing for the issuance of bingo licences to eliminate the congestion that occurs with the existing six month renewal period on January 1 and July 1;
- (7) the City Clerk consider preparation and/or updating of a policies and procedures manual to fully document and clearly delineate staff responsibilities with respect to licencing activities; and
- (8) this report be forwarded to the Administration Committee for consideration.”

The Audit Committee also had before it a report (April 2, 2001) from the City Clerk responding to the City Auditor’s recommendations on Permits and Lottery Licences and recommending that this report be received for information.

On motion by Councillor Altobello, the Audit Committee recommended to the Administration Committee the adoption of the report (March 30, 2001) from the City Auditor.

(Letter sent to: Administration Committee, c. City Auditor – April 17, 2001)

3.7 Commercial Garbage Collection Review

The Audit Committee had before it a report (March 29, 2001) from the City Auditor respecting Commercial Garbage Collection Review, and recommending that:

- (1) the Commissioner of Works and Emergency Services, in harmonizing commercial garbage collection service across the City, consider:
 - (a) limiting commercial garbage collection service to a standard twice-weekly collection for all eligible businesses, and that businesses requiring more frequent garbage collection service beyond the standard service provided by the City, augment that service by contracting with a private garbage collection service; and
 - (b) the revenue and cost implications associated with limiting commercial garbage collection to a twice-weekly service for all eligible businesses across the City, and report to the Works Committee, accordingly;
- (2) the Solid Waste Management Division re-evaluate the current rate structure for commercial garbage collection as a result of the number of businesses that have had their collection service reduced to twice per week and assess the impact on the recovery of costs (including related administrative costs);
- (3) to streamline administrative procedures and to facilitate the billings and collection process:
 - (a) the Solid Waste Management Division, in consultation with Revenue Services Division of the Finance Department, investigate the feasibility of billing for commercial garbage collection services, in advance, on an annual or semi-annual basis; and
 - (b) City Legal Services, in consultation with Solid Waste Management Division, develop the necessary by-laws or determine the required changes to existing by-laws to enable the City to charge property owners for commercial garbage collection service;
- (4) the Solid Waste Management Division, in consultation with City Legal Services, incorporate into the harmonized commercial garbage collection by-law, the right for the City to charge back to the property owner's tax bill, costs relating to the inspection, clean up and court costs associated with any garbage related infraction; and
- (5) the By-law Enforcement Unit of Solid Waste Management Division implement a plan to re-deploy by-law enforcement officers to the night shift, to perform

targeted inspections of businesses who have had their commercial garbage collection service reduced to twice weekly, but continue to put out garbage.

The Audit Committee also had before it a communication (April 11, 2001) from Brian Cochrane, Toronto Civic Employees' Union, Local 416.

The Audit Committee:

On motion by Councillor Bussin:

- (1) referred the following report to the Works Committee with the request that it report back to the Audit Committee for its meeting to be held in June, 2001; and

On motion by Councillor Balkissoon, with Councillor Bussin in the Chair:

- (2) recommended to the Works Committee the adoption of the following motion from Councillor Balkissoon:

“That the Chief Financial Officer and Treasurer engage a collection agency to recover outstanding garbage collection fees.”

(Letter sent to: Works Committee; c. City Auditor, Brian Cochrane, President Toronto Civic Employees' Union, Local 416 – April 17, 2001)

3.8 Business Improvement Areas – 1999 Management Letter

The Audit Committee had before it a report (January 24, 2001) from the City Auditor respecting Business Improvement Areas – 1999 Management Letter, and recommending that:

- (1) the Commissioner, Economic Development, Culture and Tourism, in consultation with the Chief Financial Officer and Treasurer, review the status of all pre-1999 expenditures for capital infrastructure projects and loans outstanding to Business Improvement Areas with a view to ensuring that processes are in place for the accurate and timely billing of such projects;
- (2) the Chief Financial Officer and Treasurer, in consultation with the Commissioner, Economic Development, Culture and Tourism, follow-up on any outstanding receivables from the Business Improvement Areas in order to expedite the timely collection of amounts owing;
- (3) the Chief Financial Officer and Treasurer, coordinate the registration of all Business Improvement Areas not currently registered with the Canada Customs

and Revenue Agency for the Goods and Services Tax and retroactively apply for Goods and Services Tax rebates not previously claimed in the last four years;

- (4) the Commissioner, Economic Development, Culture and Tourism, expedite the implementation of the revised Business Improvement Area operating guidelines and forward such guidelines to each Business Improvement Area;
- (5) the Commissioner, Economic Development, Culture and Tourism, the Chief Financial Officer and Treasurer and City Auditor, review the existing by-laws and operating guidelines for Business Improvement Areas. Such review to determine the appropriateness of providing future accounting and auditing resources to all Business Improvement Areas; and
- (6) the Chief Financial Officer and Treasurer be required to report back to the next meeting of the Audit Committee regarding the implementation of the recommendations contained in this report, as well as a timetable regarding implementation.

On motion by Councillor Altobello, the Audit Committee recommended the adoption of the foregoing report (January 24, 2001) from the City Auditor.

(Report 3, Clause 6)

3.9 Scheduling Process Review – Toronto Emergency Medical Services

The Audit Committee had before it a report (January 31, 2001) from the City Auditor respecting Scheduling Process Review – Toronto Emergency Medical Services, and recommending that:

- (1) the General Manager, Toronto Emergency Medical Services, clearly define and communicate to all staff the roles and responsibilities of schedulers, scheduling supervisors, quadrant managers and Communications Centre staff in relation to all functions that affect scheduling;
- (2) the General Manager, Toronto Emergency Medical Services, reduce the number of staff in the Scheduling Unit based on a review of workflow and coverage requirements. The most effective hours of operations should be determined and service requirements outside these hours of operations be handled by the Communications Centre and operational management;
- (3) the General Manager, Toronto Emergency Medical Services, maintain the current centralized model for the Scheduling Unit.

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However, schedulers should be assigned responsibility for scheduling staff by quadrants. In this regard, it is important that the following action be taken and procedures put in place:

- the scheduler(s) assigned responsibility for scheduling a particular quadrant become familiar with the quadrant they are serving, its administrative personnel and the particular needs of the management of the quadrant;
 - the scheduler(s) and their supervisors communicate with quadrant administration and management personnel as often as required to understand changes that occur within the quadrant and determine how best to meet and serve needs of the quadrant, as well as of the Division;
 - the scheduler(s) assigned responsibility for scheduling a particular quadrant be responsible for the six-week forecasting of staff relating to that quadrant;
 - the schedulers should keep staff movement within quadrants to a minimum to provide stability for staff and to enable better supervision;
 - paramedics in each quadrant be notified of the names and telephone numbers of the schedulers assigned to determine their schedule and direct questions or problems to these persons;
- (4) the General Manager, Toronto Emergency Medical Services, ensure that written guidelines are developed for use by the Scheduling Unit to ensure that scheduling is done in a planned, efficient and effective manner. These guidelines should:
- provide clear direction to schedulers on the Division's expectations for how scheduling is to be conducted;
 - establish the protocol to be followed when there is a need to assign staff between quadrants, when staff are called in for overtime, etc.;
 - ensure that quadrant managers are notified and aware of any staff movement which impacts on "car counts";
 - form the basis against which the performance of schedulers is evaluated; and
 - necessary training be provided to scheduling staff to ensure the current system is used to its full potential;

- (5) the General Manager, Toronto Emergency Medical Services, ensure that the scheduling of staff training is conducted such that there is a balance between the operational needs of the quadrants and the Division's overall training requirements;
- (6) the General Manager, Toronto Emergency Medical Services, determine the number and type of telephone inquiries to the Scheduling Unit and to determine who is best able to handle each type of inquiry in order to minimize the number of telephone inquiries that are received by the Scheduling Unit;
- (7) the General Manager, Toronto Emergency Medical Services, evaluate the costs and benefits of options available to facilitate the process of calling staff for overtime. In this regard, consideration should be given to using current telecommunications technology to eliminate manually telephoning staff, providing all staff with pagers and using broadcast dialling to access multiple persons with notification of overtime availability;
- (8) the General Manager, Toronto Emergency Medical Services, ensure that the Attendance Screen Scheduling Report reference the name of the scheduler responsible for each staff assignment in order that schedulers can be held responsible for scheduling actions taken;
- (9) the General Manager, Toronto Emergency Medical Services, explore the feasibility and cost of using an automated clock book on/off process for staff at the stations which would communicate with the Communications Centre and also interface with the Time Management System;
- (10) the General Manager, Toronto Emergency Medical Services, explore the capabilities of the Time Management System and alternate software to facilitate forecasting and scheduling of paramedics and dispatchers;
- (11) the General Manager, Toronto Emergency Medical Services, ensure that the scheduling staff are properly trained in the use of the Time Management System, or alternative software, in order that schedulers carry out their responsibilities effectively and to ensure the necessary management information needs of the Division are met;
- (12) the General Manager, Toronto Emergency Medical Services, assign one staff person to co-ordinate changes and enhancements to the Time Management System that are requested by schedulers, payroll and other Divisional personnel; and
- (13) this report be forwarded to the Works and Emergency Services Committee for consideration.

The Audit Committee also had before it a report (February 6, 2001) from the Commissioner of Works and Emergency Services, responding to the recommendations and findings arising out of the audit of the Scheduling Unit of Toronto Emergency Medical Services.

On motion by Councillor Minnan-Wong, the Audit Committee recommended to the Works Committee the adoption of the report (January 12, 2001) from the City Auditor.

(Letter sent to: Works Committee; c. City Auditor – April 17, 2001)

3.10 Toronto Harbour Commissioners - Financial Review - Further Information

The Audit Committee had before it a report (January 31, 2001) from the City Auditor respecting Water Quality Audit and recommending that this report be received for information.

On motion by Councillor Altobello, the Audit Committee received the foregoing report for information:

(Letter sent to: City Auditor – April 17, 2001)

3.11 Works Best Practices Program – Value for Money Assessment

The Audit Committee had before it a report (January 18, 2001) from the City Auditor respecting Works Best Practices Program – Value for Money Assessment and recommending that this report be received for information.

The Audit Committee also had before it a communication (April 11, 2001) from Brian Cochrane, Toronto Civic Employees' Union, Local 416

On motion by Councillor Bussin, the Audit Committee:

- (1) referred the following report to the Works Committee;
- (2) directed that Toronto Civic Employees' Union Local 416 and the members of the Audit Committee be provided a copy of the report from the consulting firm Hatch Beddows, as requested in the communication (April 11, 2001) from the President, Toronto Civic Employees' Union Local 416; and
- (3) directed that Toronto Civic Employees' Union Local 416 be consulted prior the implementation of the recommendations of the report from the consulting firm

Hatch Beddows, as requested in the communication (April 11, 2001) from the President, Toronto Civic Employees' Union Local 416:

(Letter sent to Works Committee; c. City Auditor ; President, Toronto Civic Employees' Union Local 416 – April 17, 2001)

3.12 Contract Extensions Review - Information Technology

The Audit Committee had before it a joint report (March 28, 2001) from the City Auditor and Commissioner of Corporate Services respecting Contract Extensions Review - Information Technology and recommending that the Audit Committee forward the report to the Administration Committee for information.

On motion by Councillor Altobello, the Audit Committee forwarded the foregoing joint report to the Administration Committee for information.

(Letter sent to: Administration Committee; c. City Auditor; Commissioner of Corporate Services – April 17, 2001)

3.13 Information Security Framework

The Audit Committee had before it a report (January 26, 2001) from the City Auditor respecting Information Security Framework, and recommending that:

- (1) the Commissioner of Corporate Services, prepare a report outlining options available to the City to implement an Information Security Program designed to ensure:
 - (a) information security accountability and responsibility is clearly defined and acknowledged;
 - (b) all parties with a need to know, including but not limited to, information owners and information security practitioners, have access to documented principles, standards, conventions or mechanisms for the security of information and information systems, and are informed of applicable threats to the security of information;
 - (c) principles, standards, conventions and mechanisms for the security of information and information systems addresses the considerations and viewpoints of all interested parties;

- (d) information security controls are proportionate to the risks of modification, denial of use, or disclosure of the information;
 - (e) principles, standards, conventions and mechanisms for the security of information are co-ordinated and integrated with each other and with the City's policies and procedures to create and maintain security throughout an information system;
 - (f) all accountable parties act in a timely, co-ordinated manner to prevent or respond to breaches of and threats to the security of information and information systems; and
 - (g) the risks to information and information systems are assessed periodically;
- (2) the Commissioner of Corporate Services, take a leadership role in ensuring a risk assessment exercise is conducted as a prerequisite to the formulation of effective information security policies and procedures. The results of the risk assessment performed for the Year 2000 project and existing policies from former municipalities be reviewed in connection with completing this task; and
- (3) the Commissioner of Corporate Services, implement a user security awareness program which promotes security awareness through regular communications, and as part of the orientation program for new employees. The awareness program be reviewed on an annual basis, at a minimum, to ensure it is up to date and relevant.

On motion by Councillor Altobello, the Audit Committee recommended the adoption of the foregoing report (January 26, 2001) from the City Auditor.

(Report 3, Clause 7)

3.14 Windows NT Security Review

The Audit Committee had before it a report (February 27, 2001) from the City Auditor respecting Windows NT Security Review and recommending that this report be received for information.

On motion by Councillor Altobello, the Audit Committee received the foregoing report for information.

(Letter sent to: City Auditor – April 17, 2001)

3.15 Audit Recommendations Follow-Up

The Audit Committee had before it a report (March 30, 2001) from the City Auditor respecting Audit Recommendations Follow-Up, and recommending that the Chief Administrative Officer, the Chief Financial Officer and Treasurer, and the appropriate Commissioners, report to the next meeting of the Audit Committee on the status of those audit recommendations included in Appendix 1 and provide the specific action taken or to be taken along with a time frame for implementation.

On motion by Councillor Balkissoon, with Councillor Bussin in the Chair, the Audit Committee recommended that:

- (1) the Chief Administrative Officer, in consultation with the City Auditor, review and report to City Council, by June 30, 2001, through the Audit and Policy and Finance Committees, on procedures governing the City Auditor's recommendations approved by City Council, and make recommendations for improvement of the process in order that:
 - (a) recommendations are acted upon in a timely manner;
 - (b) the appropriate Standing Committee responsible for monitoring and implementation of the City Auditor's recommendations is clarified;
 - (c) a mechanism and time frame is instituted, whereby the Audit Committee is apprised that implementation is ongoing or completed; and
- (2) in the interim, the Audit Committee has responsibility for the monitoring of the implementation of recommendations of the City Auditor approved by City Council.

(Report 3, Clause 8)

3.16 Audit Services – Additional Audit Project Review

The Audit Committee had before it a report (March 27, 2001) from the City Auditor respecting Audit Services – Additional Audit Project Review and recommending that this report be received for information.

On motion by Councillor Balkissoon, with Councillor Bussin in the Chair, the Audit Committee requested the City Auditor to report to the Audit Committee on:

- (1) City Council's policy with respect to additional requests made to the City Auditor; and

- (2) whether the additional requests set out in the report (March 27, 2001) by the City Auditor can be accommodated as part of his 2001 Workplan:

(Letter sent to City Auditor – April 17, 2001)

3.17 Resource Requirement to Identify Non-Mandatory Programs Offered by Toronto Public Health

The Audit Committee had before it a report (March 27, 2001) from the City Auditor respecting Resource Requirement to Identify Non-Mandatory Programs Offered by Toronto Public Health and recommending that this report be received for information.

On motion by Councillor Altobello, the Audit Committee received the foregoing report for information.

(Letter sent to City Auditor, c. Medical Officer of Health – April 17, 2001)

3.18 Response to the “Review of the Investigation of Sexual Assaults - Toronto Police Service”

The Audit Committee had before it a report (March 14, 2001) from the City Clerk advising that City Council at its meeting held on March 6, 7 and 8, 2001 referred the report (January 9, 2001) from the Chairman, Toronto Police Services Board respecting Response to the “Review of the Investigation of Sexual Assaults - Toronto Police Service”, back to the Audit Committee for further consideration.

On motion by Councillor Bussin, the Audit Committee received the foregoing communication and forwarded same to the Committee on the Status of Women for its consideration.

(Letter sent to: Committee on Status of Women; c. City Auditor; Chair, Toronto Police Services Board – April 17, 2001)

3.19 Hostel Vacancy and Bed Rates

The Audit Committee had before it a report (March 12, 2001) from the City Auditor respecting Hostel Vacancy and Bed Rates, and recommending that:

- (1) the Commissioner, Community and Neighbourhood Services, review the reservation policy of all shelters with a view to maintaining a balance between maximizing bed space usage and providing assurance that a bed space will be available to a client who is registered in a shelter;

- (2) the Commissioner, Community and Neighbourhood Services, provide all shelters with a clear definition of an occupied bed for the purposes of reporting the daily occupancy data and establishing the number of bed spaces eligible for the per diem fee to be paid by the City;
- (3) the Commissioner, Community and Neighbourhood Services, enhance the agency review officers' site visits to the shelters to include random verification checks of the per diem billings and occupancy data submitted by the shelters;
- (4) the Commissioner, Community and Neighbourhood Services, ensure that the bed space capacity used in calculating occupancy rates is calculated properly when new bed spaces are added into the emergency shelter system;
- (5) the Commissioner, Community and Neighbourhood Services, in consultation with City Legal, review the need to update the service agreements with service providers that were previously made with the former Municipality of Metropolitan Toronto; and
- (6) the Commissioner, Community and Neighbourhood Services, ensure that timely and accurate hostel bed vacancy information is available and accessible to agencies or individuals in need of this information. Opportunities may exist to coordinate the process with Street Helpline, a program of Community Information Toronto.

On motion by Councillor Altobello, the Audit Committee recommended the adoption of the foregoing report (March 12, 2001) from the City Auditor.

(Report 3, Clause 9)

3.20 Fair Wage Policy and Procedures Review

The Audit Committee had before it a confidential report (January 31, 2001) from the City Auditor respecting Fair Wage Policy and Procedures Review.

The Audit Committee:

On motion by Councillor Altobello:

- (1) adjourned its public session, in accordance with the Municipal Act, to meet in Camera to discuss the confidential report (February 2, 2000) from the City Auditor, having regard that the report deals with litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board; and

On motion by Councillor Balkissoon, with Councillor Bussin in the Chair:

- (2) recommended the adoption of the confidential recommendations of the Audit Committee set out in the communication (April 12, 2001) from the City Clerk, Audit Committee and further that, in accordance with the Municipal Act, discussions pertaining to this Clause be held in camera, having regard the subject deals with litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board.

(Letter sent to City Council In Camera – April 12, 2001)

(Report 3, Clause 10)

3.21 Tipping Fees Review – Solid Waste Management Services Division, Works and Emergency Services Department

The Audit Committee had before it a confidential report (February 2, 2001) from the City Auditor respecting Tipping Fees Review – Solid Waste Management Services Division, Works and Emergency Services Department.

The Audit Committee:

On motion by Councillor Altobello:

- (1) adjourned its public session, in accordance with the Municipal Act, to meet in Camera to discuss the confidential report (February 2, 2000) from the City Auditor, having regard that the report deals with the security of the property of the municipality or local board; and

On motion by Councillor Holyday:

- (2) forwarded confidential recommendations under separate cover to the Works Committee for consideration, having regard that the recommendations deal with the security of the property of the municipality or local board.

(Letter sent to Works Committee In Camera; c. City Auditor – April 17, 2001)

3.22 Tax Arrears – Report Request

On motion by Councillor Altobello, the Audit Committee allowed the introduction of a communication (April 4, 2001) from Councillor Moscoe respecting Tax Arrears – Report Request.

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On further motion by Councillor Altobello, the Audit Committee referred the foregoing communication to the City Auditor for comment.

(Letter sent to: City Auditor – April 17, 2001)

Attendance:

April 11, 2001	9:30 – 11:45 a.m.	12:25 p.m. – 12:30 p.m.	11:50 a.m. – 12:25 p.m.
Balkissoon (Chair)	x	x	X
Holyday (Vice-Chair)	x	x	X
Altobello	x	x	X
Bussin	x	x	X
Milczyn	x	x	X
Minnan-Wong	x	x	X

* Members were present for some or all of the time indicated.

Chair