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## Audit Committee

<b>Meeting No.</b>	9	<b>Contact</b>	Rosemary MacKenzie, Council Administrator
<b>Meeting Date</b>	Tuesday, November 4, 2008	<b>Phone</b>	416-392-8021
<b>Start Time</b>	9:30 AM	<b>E-mail</b>	rmacken@toronto.ca
<b>Location</b>	Committee Room 1, City Hall		

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<b>Start Time</b>	9:30 AM	<b>E-mail</b>	rmacken@toronto.ca
<b>Location</b>	Committee Room 1, City Hall	<b>Chair</b>	Councillor Doug Holyday

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AU9.2	Adopted			Ward: All
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### 2007 Investment and Leasing Policy Compliance

#### City Council Decision

City Council on December 1, 2 and 3, 2008, adopted the following motions:

1. City Council receive the 2007 Investment Compliance Audit Report and opinion from Ernst & Young for information.
2. The City's Investment Policy be revised to address the points raised in the Ernst & Young report and be presented to Council prior to the end of 2008.

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#### Committee Recommendations

The Audit Committee recommends that:

1. City Council receive the 2007 Investment Compliance Audit Report and opinion from Ernst & Young for information.
2. The City's Investment Policy be revised to address the points raised in the Ernst & Young report and be presented to Council prior to the end of 2008.

#### Committee Decision Advice and Other Information

The Audit Committee requested the Acting Deputy City Manager and Chief Financial Officer to report to the first meeting of the Audit Committee in 2009, outlining the changes which are being made to the Investment and Leasing Policy.

#### Origin

(October 24, 2008) Report from the Acting Deputy City Manager and Chief Financial Officer

## Summary

To respond to the audit opinion and recommendations contained in the report "Investment Policy Compliance 2007" issued by Ernst and Young and to comply with the City's Statement of Lease Financing Policies and confirm the agencies, boards and commissions' compliance with the City's investment and leasing policies in 2007.

## Background Information (Committee)

2007 Investment and Leasing Policy Compliance - report (October 24, 2008) from the Acting Deputy City Manager and Chief Financial Officer

(<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16308.pdf>)

Appendix A - Auditor's Report on Compliance with Investment Policy (Ernst & Young)

(<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16517.pdf>)

Appendix B - Letter from Ernst & Young (May 8, 2008)

(<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16518.pdf>)

AU9.3	Amended			Ward: All
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## Protecting Water Quality and Preventing Pollution – Assessing the Effectiveness of the City's Sewer Use By-Law, Toronto Water

### City Council Decision

City Council on December 1, 2 and 3, 2008, adopted the following motions:

1. The General Manager, Toronto Water, ensure that when new industries are identified, site visits be conducted as soon as possible, in order to determine whether or not provisions of the Sewer Use By-law apply. In addition, any change in circumstance, such as the closure of a business, should be updated on the database.
2. The General Manager, Toronto Water, review the business location database to ensure that all important information, such as potential to pollute, industry identification code and address, are recorded for each business location.
3. The General Manager, Toronto Water, require that supervisory staff document their review of inspection reports. Non-inspection activities, such as telephone calls and meetings, should not be reported as inspections.
4. The General Manager, Toronto Water, review inspection and sampling targets to ensure that they are reasonable, given risks to pollute and the staff resources available, and report to City Council by September 2009 on recommended targets and resources required to meet those targets.
5. The General Manager, Toronto Water, develop annual and quarterly inspection plans that meet the inspection and sampling frequency targets established by management. Further, actual inspection and sampling activities should be compared to targets by supervisory staff.

6. The General Manager, Toronto Water, develop and implement tailored inspection checklists for certain industries, to ensure that industry specific risks are addressed on a consistent basis.
7. The General Manager, Toronto Water, in consultation with the City Legal Division, reassess the City's authority to enforce the implementation of pollution prevention plans. Should it be determined that no such authority exists, the General Manager consider whether seeking such authority is necessary.
8. The General Manager, Toronto Water, ensure that officers determine whether a pollution prevention plan was completed and available on site during regular facility inspections.
9. The General Manager, Toronto Water, in consultation with the General Manager, Economic Development, Culture and Tourism, determine whether the on-line application currently being used by the Economic Development, Culture and Tourism Division to communicate various licensing requirements could be used to communicate to business owners the Sewer Use By-law requirements, including the submission of pollution prevention plans.
10. The General Manager, Toronto Water, develop criteria and procedures to guide the review and approval of pollution prevention plans, including verification of the accuracy of the plan by:
  - comparing the plan to recent sampling results;
  - comparing the current plan to the previous plan to determine whether targets for reducing pollutants were being met; and
  - requesting companies to provide supporting documentation with their pollution prevention plans.
11. The General Manager, Toronto Water, assign appropriate staff to the review and approval of pollution prevention plans to ensure, as a minimum, that plans are reviewed for high-risk industries and a sample of plans from low-risk industries.
12. The General Manager, Toronto Water, ensure that timely enforcement action is taken, where appropriate, for all identified violations of the Sewer Use By-law. Where enforcement action is not considered appropriate, reasons should be documented and reviewed by supervisory staff. Evidence of supervisory review should be documented.
13. The General Manager, Toronto Water, monitor companies in the compliance program to ensure that they are meeting the terms of their agreement with the City. If a company fails to comply with their agreement, the compliance agreement should be terminated and appropriate and timely enforcement actions taken. Where management decides to amend, or not enforce the terms of an agreement, the reasons should be documented and approved by appropriate senior staff.

14. The General Manager, Toronto Water, assess the feasibility of using infraction notices to enforce the Sewer Use By-law.
15. The General Manager, Toronto Water review all participants in the reduced water rate program to ensure that they met, as at January 1, 2008, and continue to meet, conditions required to receive the reduced water rate. In circumstances where there is non-compliance, immediate action be taken including the retroactive billing of previously reduced rates.
16. The General Manager, Toronto Water, ensure that when sampling confirms that excess pollutants are being discharged into the sewer system the subject company be immediately advised that they may enter into a surcharge agreement. Immediate follow up be conducted in circumstances where companies do not respond within established time limits.
17. The General Manager, Toronto Water, evaluate all surcharge agreements, particularly those that have been in existence for a significant period of time. This evaluation determines the appropriateness of the estimated values of wastewater discharges to the system. Further, all estimates be reviewed on a periodic basis, in order to ensure that they are still appropriate.
18. The General Manager, Toronto Water, develop a fee policy for all surcharge agreements that reflects the cost of sampling and testing and all companies subject to surcharge agreements be billed on a cost recovery basis.
19. The General Manager, Toronto Water, take steps to ensure that all financial terms of surcharge agreements are complied with. Interest on overdue payments owed to the City should be charged according to the terms of the surcharge agreement. Agreements should set interest rates in accordance with the rate prescribed by the Municipal Code.
20. The General Manager, Toronto Water, ensure companies subject to sanitary discharge agreements provide, on a timely basis, the information required to calculate any amount payable, and the City promptly bill and collect any amount due.
21. The General Manager, Toronto Water, in consultation with the Executive Director, Municipal Licensing and Standards, and the City Solicitor, review areas where reciprocal inspections between the two divisions would be possible and, if appropriate, establish a written protocol governing such inspections.
22. The General Manager, Toronto Water, prior to the development or acquisition of any new work management system, re-evaluate in detail all reporting requirements relating to inspection, sampling and enforcement activities. Such an evaluation be conducted in concert with all users. Further, development of any new system be required to incorporate detailed performance measurement reporting as well as the reporting requirements outlined in this report.
23. The General Manager, Toronto Water be requested to report to the Public Works and

Infrastructure Committee:

- a. for the February 2009 meeting, on the actions taken with respect to the review outlined in Part 15, above; and
- b. no later than April 2009, on the actions taken with respect to the review outlined in Part 13, above.

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### **Committee Recommendations**

The Audit Committee recommends that:

1. The General Manager, Toronto Water, ensure that when new industries are identified, site visits be conducted as soon as possible in order to determine whether or not provisions of the Sewer Use By-law apply. In addition, any change in circumstance such as the closure of a business should be updated on the database.
2. The General Manager, Toronto Water, review the business location database to ensure that all important information such as potential to pollute, industry identification code and address are recorded for each business location.
3. The General Manager, Toronto Water, require that supervisory staff document their review of inspection reports. Non inspection activities such as telephone calls and meetings should not be reported as inspections.
4. The General Manager, Toronto Water review inspection and sampling targets to ensure that they are reasonable given risks to pollute and the staff resources available and report to City Council by September 2009 on recommended targets and resources required to meet those targets.
5. The General Manager, Toronto Water develop annual and quarterly inspection plans that meet the inspection and sampling frequency targets established by management. Further, actual inspection and sampling activities should be compared to targets by supervisory staff.
6. The General Manager, Toronto Water develop and implement tailored inspection checklists for certain industries to ensure that industry specific risks are addressed on a consistent basis.
7. The General Manager, Toronto Water, in consultation with the City Legal Division, reassess the City's authority to enforce the implementation of pollution prevention plans. Should it be determined that no such authority exists, the General Manager consider whether seeking such authority is necessary.
8. The General Manager, Toronto Water, ensure that officers determine whether a pollution prevention plan was completed and available on site during regular facility inspections.

9. The General Manager, Toronto Water, in consultation with the General Manager, Economic Development, Culture and Tourism, determine whether the on-line application currently being used by the Economic Development, Culture and Tourism Division to communicate various licensing requirements could be used to communicate to business owners the Sewer Use By-law requirements, including the submission of pollution prevention plans.
10. The General Manager, Toronto Water, develop criteria and procedures to guide the review and approval of pollution prevention plans including verification of the accuracy of the plan by:
  - comparing the plan to recent sampling results;
  - comparing the current plan to the previous plan to determine whether targets for reducing pollutants were being met; and
  - requesting companies to provide supporting documentation with their pollution prevention plans.
11. The General Manager, Toronto Water, assign appropriate staff to the review and approval of pollution prevention plans to ensure as a minimum that plans are reviewed for high-risk industries and a sample of plans from low-risk industries.
12. The General Manager, Toronto Water, ensure that timely enforcement action is taken where appropriate, for all identified violations of the Sewer Use By-law. Where enforcement action is not considered appropriate, reasons should be documented and reviewed by supervisory staff. Evidence of supervisory review should be documented.
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up be conducted in circumstances where companies do not respond within established time limits.

17. The General Manager, Toronto Water, evaluate all surcharge agreements particularly those that have been in existence for a significant period of time. This evaluation determines the appropriateness of the estimated values of wastewater discharges to the system. Further, all estimates be reviewed on a periodic basis in order to ensure that they are still appropriate.
18. The General Manager, Toronto Water, develop a fee policy for all surcharge agreements that reflects the cost of sampling and testing and that all companies subject to surcharge agreements be billed on a cost recovery basis.
19. The General Manager, Toronto Water, take steps to ensure that all financial terms of surcharge agreements are complied with. Interest on overdue payments owed to the City should be charged according to the terms of the surcharge agreement. Agreements should set interest rates in accordance with the rate prescribed by the Municipal Code.
20. The General Manager, Toronto Water ensure companies subject to sanitary discharge agreements provide, on a timely basis, the information required to calculate any amount payable, and that the City promptly bill and collect any amount due.
21. The General Manager, Toronto Water Division, in consultation with the Executive Director, Municipal Licensing and Standards Division, and the City Solicitor, review areas where reciprocal inspections between the two divisions would be possible and if appropriate, establish a written protocol governing such inspections.
22. The General Manager, Toronto Water, prior to the development or acquisition of any new work management system, re-evaluate in detail all reporting requirements relating to inspection, sampling and enforcement activities. Such an evaluation be conducted in concert with all users. Further, development of any new system be required to incorporate detailed performance measurement reporting as well as the reporting requirements outlined in this report.

### **Origin**

(October 10, 2008) Report from the Auditor General

### **Summary**

The objective of this audit was to determine if Toronto Water's inspection and enforcement activities, including mandatory pollution prevention planning, are effective in ensuring businesses meet the requirements of the City's Sewer Use By-law (Municipal Code Chapter 681 – Sewers).

Our review identified improvements to inspection and enforcement activities and pollution prevention planning. Due to limited staff resources, Toronto Water appropriately follows a risk management approach where the focus is on those businesses with a high risk to pollute. As part of our review, we also identified that some businesses that received the reduced water rate



available for high volume water users that were not in compliance with the Sewer Use By-law are therefore, not eligible for the reduction.

The implementation of the recommendations will assist in improving the effectiveness of the Division.

### **Background Information (Committee)**

Assessing the Effectiveness of the City's Sewer Use By-law - staff report (October 10, 2008) from the Auditor General

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16427.pdf>

Appendix 1 - Protecting Water Quality and Preventing Pollution - Assessing the Effectiveness of the City's Sewer Use By-law, Toronto Water - June 25, 2008 report Auditor General's Office

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16437.pdf>

Appendix 2 - Management Response to the Auditor General's Review

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16438.pdf>

### **Speakers (Committee)**

Councillor Janet Davis, Ward 31 Beaches-East York

AU9.4	Amended			Ward: All
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## **Audit of City Performance in Achieving Access, Equity and Human Rights Goals**

### **City Council Decision**

City Council on December 1, 2 and 3, 2008, adopted the following motions:

1. The City Manager review the organizational placement of the Human Rights Office, with a view to identifying opportunities for enhancing its level of independence and authority recognizing:
  - a. the importance attached to the Human Rights Office;
  - b. the need for the independence of the Office; and
  - c. recent changes to the Ontario Human Rights Code.

Further, the City Manager report to City Council, by June 2010, on the impact of the changes to the Ontario Human Rights Code. Such information to include the number of complaints filed at the Human Rights Tribunal of Ontario involving the City, complaint resolutions and the associated costs.

2. City Council request all agencies, boards, commissions and corporations to report to Council, by June 2009, on whether they have developed a human rights policy and related complaint procedures, whether the policy and procedures are in keeping with provisions in the City's policy and procedures, and implementation of these policies and procedures.

3. City Council request the major agencies, boards, commissions and corporations to provide an annual human rights report to Council detailing the numbers and types of human rights complaints received by the Human Rights Tribunal of Ontario involving the respective agency, board, commission and corporation, and the complaint resolutions and associated costs.
4. The City Manager, in consultation with the City Solicitor, review the existing complaint protocol of the Integrity Commissioner, in order to ensure that Councillor-related human rights and harassment complaints are dealt with in a manner consistent with other complaints and are in the best interest of the public.
5. The Executive Director of the Human Resources Division, in view of current changes to the Ontario Human Rights Code, review the current level of resources in the City's Human Rights Office to ensure that it is adequately resourced to carry out its responsibilities.
6. The Executive Director of the Human Resources Division consider adapting the Fraud and Waste Hotline complaint management system for use by the Human Rights Office, to improve efficiency in complaint in-take and management functions.
7. The City Manager increase the profile of the Human Rights Office, in order to ensure the general public and City employees are aware of its role and mandate. The increased profile be accomplished by providing additional information on the Human Rights Office via the City's Web site. Consideration also be given to revising the Web page to accommodate a process whereby human rights complaints can be submitted online.
8. The City Manager, in consultation with the City's agencies, boards, commissions and corporations, consider creating a consolidated Human Rights Office Web page for receiving human rights or harassment-related complaints or enquiries concerning services and practices of the City's divisions, agencies, boards, commissions and corporations.
9. The City Manager report back to the Executive Committee, as requested by City Council in 2006, on methods by which members of the community can be more actively engaged and how Council can better interact with community groups that reflect the changing demographics across Toronto.
10. The City Manager complete the development of a City-wide civic engagement strategy, as recommended by the Governing Toronto Advisory Panel in 2005. The civic engagement strategy should address issues including:
  - a. defining the term "civic engagement" in the context of City operation and service;
  - b. developing an inventory of civic engagement activities; and
  - c. developing performance indicators.
11. The City Manager, in developing a corporate civic engagement strategy, explore the

feasibility and cost-benefit of adding an annual public survey to the City's civic engagement methods. The public survey should collect information relating to improving City services and decision-making. Survey results should be available to the public via the City Web site.

12. The City Manager, in developing a corporate civic engagement strategy, identify and advise Council on the need for establishing formal civic engagement mechanisms connecting the City's diverse population groups with City government. Steps to be undertaken should include but not be limited to:
  - a. review and address past operational issues encountered by the Community Advisory Committees, the Working Groups and the Roundtable on Access, Equity and Human Rights;
  - b. assess current needs for providing opportunities for specific population groups to advise City Council of issues specific to the groups; and
  - c. periodically evaluate formal civic engagement structures to identify and address issues affecting their effectiveness.
13. The City Manager undertake a review of public suggestions and expert advice from previous public consultations and commissioned research on civic engagement, and incorporate review results into the development of a corporate civic engagement strategy. Future public consultations should focus on obtaining public input related to City services, efforts and decision-making rather than how best to obtain public input.
14. The City Manager consider establishing a formal process to seek employee input, on a proactive and regular basis, on equity and diversity issues related to the community and the workplace.
15. The Executive Director of the Human Resources Division provide a detailed report to Council, by March 2009, on results of the 2007 workforce survey for non-union employees, including information on representation of designated groups and comparative results with census data.
16. The Executive Director of the Human Resources Division review how other large organizations conduct workforce surveys and, where appropriate, adopt methods used by the other organizations to improve the response rate of the City workforce survey of unionized employees.
17. The Executive Director of the Human Resources Division take steps to increase the workforce survey response rate among new City employees. Such steps should include, but not be limited to:
  - a. improving the survey distribution method; and
  - b. improving the communication of the purpose and benefits of the survey to new City employees.

18. The Executive Director of the Human Resources Division consider posting workforce survey results on the City Web site to demonstrate the City's commitment to creating an inclusive workforce.
19. The Executive Director of the Human Resources Division take steps to develop a proactive employment equity plan. Such a plan should include but not be limited to:
  - a. establishing corporate objectives for equitable representation of diverse groups;
  - b. providing measures to remove barriers in achieving employment equity; and
  - c. including mechanisms for measuring and monitoring progress.
20. The City Manager determine the feasibility and merit of establishing a corporate fund for employment accommodation. Where appropriate, divisional budgets be adjusted to reflect this change. Such a review take into account the practices of other organizations.
21. The Executive Director of the Human Resources Division develop strategies, objectives and action plans to increase employees' awareness of human rights and diversity issues in the workplace. Further, the Executive Director ensure diversity and human rights training is considered a corporate priority in developing training strategies, goals and objectives under the City's Learning Strategy 2008-2011.
22. The City Manager report to Council on the development of a Toronto Urban Aboriginal Strategy and an Aboriginal Office, by June 2009.
23. The City Manager report to Council on the pilot test results of the application of the Equity Lens and the Equity Impact Statement as directed by Council in 2006. The report should also provide clear recommendations on the next implementation steps of this initiative.
24. The City Manager direct all City divisions to develop their respective Access, Equity and Human Rights Action Plan in accordance with Council direction.
25. The City Manager consider the following for further improving divisional action planning in relation to access, equity and human rights:
  - a. shortening the planning cycle from three to two years; and
  - b. requesting divisions to link implementation status to planned activities on an annual basis.
26. The City Manager provide divisions with adequate staff training and corporate support to help improve the effectiveness of action plans, including the development of task-specific activities and measurable performance indicators relevant to corporate direction and divisional objectives.
27. The City Manager establish a formal process whereby access, equity and human rights

initiatives and accomplishments by the City's major agencies, boards, commissions and corporations is systematically tracked and reported to City Council on a periodic basis.

28. City Council request the City major agencies, boards, commissions and corporations to complete an access, equity and human rights action plan consistent with divisional action plans by 2010. The City Manager should facilitate the planning process and report to City Council on implementation status.
29. The Executive Director of the Human Resources Division, in consultation with the City Manager, consider including specific access, equity and human rights performance indicators in the annual performance evaluation of management staff.
30. The City Manager be requested to report to the Executive Committee, every six months, on progress implementing the Auditor General's recommendations.

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### **Committee Recommendations**

The Audit Committee recommends that:

1. The City Manager review the organizational placement of the Human Rights Office with a view to identifying opportunities for enhancing its level of independence and authority recognizing:
  - a. The importance attached to the Human Rights Office;
  - b. The need for the independence of the Office; and
  - c. Recent changes to the Ontario Human Rights Code.

Further, the City Manager report to City Council by June 2010 on the impact of the changes to the Ontario Human Rights Code. Such information to include the number of complaints filed at the Human Rights Tribunal of Ontario involving the City, complaint resolutions and the associated costs.

2. City Council request all Agencies, Boards, Commissions and Corporations to report to Council by June 2009 whether they have developed a human rights policy and related complaint procedures, whether the policy and procedures are in keeping with provisions in the City's policy and procedures, and implementation of these policies and procedures.
3. City Council request the major Agencies, Boards, Commissions and Corporations to provide an annual human rights report to Council detailing the numbers and types of human rights complaints received by the Human Rights Tribunal of Ontario involving the respective Agency, Board, Commission and Corporation, and the complaint resolutions and associated costs.
4. The City Manager, in consultation with the City Solicitor, review the existing complaint protocol of the Integrity Commissioner in order to ensure that Councillor related human rights and harassment complaints are dealt with in a manner consistent with other

complaints and is in the best interest of the public.

5. The Executive Director of the Human Resources Division, in view of current changes to the Ontario Human Rights Code, review the current level of resources in the City's Human Rights Office to ensure that it is adequately resourced to carry out its responsibilities.
6. The Executive Director of the Human Resources Division consider adapting the Fraud and Waste Hotline complaint management system for use by the Human Rights Office to improve efficiency in complaint in-take and management functions.
7. The City Manager increase the profile of the Human Rights Office in order to ensure the general public and City employees are aware of its role and mandate. The increased profile be accomplished by providing additional information on the Human Rights Office via the City's Web site. Consideration also be given to revising the Web page to accommodate a process whereby human rights complaints can be submitted online.
8. The City Manager, in consultation with the City's Agencies, Boards, Commissions and Corporations, consider creating a consolidated Human Rights Office Web page for receiving human rights or harassment related complaints or enquiries concerning services and practices of the City's Divisions, Agencies, Boards, Commissions and Corporations.
9. The City Manager report back to the Executive Committee as requested by City Council in 2006 on methods by which members of the community can be more actively engaged, and how Council can better interact with community groups that reflect the changing demographics across Toronto.
10. The City Manager complete the development of a City-wide civic engagement strategy as recommended by the Governing Toronto Advisory Panel in 2005. The civic engagement strategy should address issues including:
  - a. Defining the term "civic engagement" in the context of City operation and service;
  - b. Developing an inventory of civic engagement activities; and
  - c. Developing performance indicators.
11. The City Manager, in developing a corporate civic engagement strategy, explore the feasibility and cost-benefit of adding an annual public survey to the City's civic engagement methods. The public survey should collect information relating to improving City services and decision-making. Survey results should be available to the public via the City Web site.
12. The City Manager, in developing a corporate civic engagement strategy, identify and advise Council on the need for establishing formal civic engagement mechanisms connecting the City's diverse population groups with City government. Steps to be undertaken should include but not be limited to:

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Considered by City Council on December 1, 2 and 3, 2008

- a. Review and address past operational issues encountered by the Community Advisory Committees, the Working Groups, and the Roundtable on Access, Equity and Human Rights;
  - b. Assess current needs for providing opportunities for specific population groups to advise City Council of issues specific to the groups; and
  - c. Periodically evaluate formal civic engagement structures to identify and address issues affecting their effectiveness.
13. The City Manager undertake a review of public suggestions and expert advice from previous public consultations and commissioned research on civic engagement, and incorporate review results into the development of a corporate civic engagement strategy. Future public consultations should focus on obtaining public input related to City services, efforts and decision-making rather than how best to obtain public input.
14. The City Manager consider establishing a formal process to seek employee input on a proactive and regular basis on equity and diversity issues related to the community and the workplace.
15. The Executive Director of the Human Resources Division provide a detailed report to Council by March 2009 on results of the 2007 workforce survey for non-union employees, including information on representation of designated groups and comparative results with census data.
16. The Executive Director of the Human Resources Division review how other large organizations conduct workforce surveys and, where appropriate, adopt methods used by the other organizations to improve the response rate of the City workforce survey of unionized employees.
17. The Executive Director of the Human Resources Division take steps to increase the workforce survey response rate among new City employees. Such steps should include, but not be limited to:
  - a. Improving the survey distribution method; and
  - b. Improving the communication of the purpose and benefits of the survey to new City employees.
18. The Executive Director of the Human Resources Division consider posting workforce survey results on the City Web site to demonstrate the City's commitment to creating an inclusive workforce.
19. The Executive Director of the Human Resources Division take steps to develop a proactive employment equity plan. Such a plan should include but not be limited to:
  - a. Establishing corporate objectives for equitable representation of diverse groups;

- b. Providing measures to remove barriers in achieving employment equity; and
  - c. Including mechanisms for measuring and monitoring progress.
20. The City Manager determine the feasibility and merit of establishing a corporate fund for employment accommodation. Where appropriate, divisional budgets be adjusted to reflect this change. Such a review take into account the practices of other organizations.
  21. The Executive Director of the Human Resources Division develop strategies, objectives and action plans to increase employees' awareness of human rights and diversity issues in the workplace. Further, the Executive Director ensure diversity and human rights training is considered a corporate priority in developing training strategies, goals and objectives under the City's Learning Strategy 2008-2011.
  22. The City Manager report to Council on the development of a Toronto Urban Aboriginal Strategy and an Aboriginal Office by June 2009.
  23. The City Manager report to Council on the pilot test results of the application of the Equity Lens and the Equity Impact Statement as directed by Council in 2006. The report should also provide clear recommendations on the next implementation steps of this initiative.
  24. The City Manager direct all City divisions to develop their respective Access, Equity and Human Rights Action Plan in accordance with Council direction.
  25. The City Manager consider the following for further improving divisional action planning in relation to access, equity and human rights:
    - a. Shortening the planning cycle from three to two years; and
    - b. Requesting divisions to link implementation status to planned activities on an annual basis.
  26. The City Manager provide divisions with adequate staff training and corporate support to help improve the effectiveness of action plans including the development of task-specific activities and measurable performance indicators relevant to corporate direction and divisional objectives.
  27. The City Manager establish a formal process whereby access, equity and human rights initiatives and accomplishments by the City's major Agencies, Boards, Commissions and Corporations is systematically tracked and reported to City Council on a periodic basis.
  28. City Council request the City major Agencies, Boards, Commissions and Corporations to complete an access, equity and human rights action plan consistent with divisional action plans by 2010. The City Manager should facilitate the planning process and report to City Council on implementation status.
  29. The Executive Director of the Human Resources Division, in consultation with the City



Manager, consider including specific access, equity and human rights performance indicators in the annual performance evaluation of management staff.

## Origin

(October 14, 2008) Report from the Auditor General

## Summary

This is the second audit conducted by the Toronto Auditor General relating to access, equity and human rights. The overall objective of the audit was to determine the extent to which the City has achieved its access, equity and human rights goals. The audit covered the period from January 2004 to September 2008.

Since our last audit in 2003, the City has made progress in a number of areas and has undertaken numerous new initiatives. In particular, Council direction for City Divisions to develop access, equity and human rights plans has been implemented. This is a significant step in integrating access and equity into City service and operation.

However, a number of other areas can be further improved. To achieve its access, equity and human rights goals, the City needs to enhance its human rights complaint management process, develop a corporate civic engagement strategy, implement a workforce survey, and increase its level of diversity and human rights training.

The City should also look outward to other organizations many of which have invested considerable resources and efforts in making diversity and equity part of their organizational culture. Our audit consisted of a benchmarking component to identify access and equity related practices in six organizations which were recipients of 2008 Canada's Best Diversity Employer Award. A number of the audit recommendations were made on the basis of practices of these organizations.

Implementation of the recommendations made in this report will assist the City in achieving Corporate access, equity and human rights goals.

## Background Information (Committee)

Audit of City Performance in Achieving Access, Equity and Human Rights Goals - report (October 14, 2008) from the Auditor General

(<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16435.pdf>)

Appendix 1 - Audit of City Performance in Achieving Access, Equity and Human Rights Goals - Auditor General's Office, October 14, 2008

(<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16436.pdf>)

Appendix 2 - Management's Response to the Auditor General's Audit

(<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16459.pdf>)

Presentation material submitted by the Auditor General

(<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-17219.pdf>)

AU9.5	Adopted			Ward: All
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## **Managing Employee Attendance – Opportunities for Improvement**

### **City Council Decision**

City Council on December 1, 2 and 3, 2008, adopted the following motions:

1. The City Manager take immediate action to reinforce management and supervisory staff awareness of the availability of attendance management reports. Attendance Management reports should be used by all supervisory staff in the management of employee attendance.
2. The City Manager direct all staff to ensure that the Attendance Management Program policy is complied with.
3. The City Manager, in consultation with the Executive Director, Human Resources, develop a standardized reporting format to document results of meetings held with employees, in accordance with the Attendance Management Program policy.
4. The City Manager, in consultation with the Director, Pension, Payroll and Employee Benefits, re-emphasize the requirements for medical certificates, including the sufficiency of information to be provided on the certificate, by all City staff, in support of absences due to illness.
5. The City Manager, in consultation with the Executive Director, Human Resources, expedite the availability of training designed to provide guidance to management and supervisory staff responsible for dealing with attendance issues.

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### **Committee Recommendations**

The Audit Committee recommends that:

1. The City Manager take immediate action to reinforce management and supervisory staff awareness of the availability of attendance management reports. Attendance Management reports should be used by all supervisory staff in the management of employee attendance.
2. The City Manager direct all staff to ensure that the Attendance Management Program policy is complied with.
3. The City Manager, in consultation with the Executive Director, Human Resources, develop a standardized reporting format to document results of meetings held with employees, in accordance with the Attendance Management Program policy.
4. The City Manager, in consultation with the Director, Pension, Payroll and Employee Benefits re-emphasize the requirements for medical certificates including the sufficiency of information to be provided on the certificate, by all City staff, in support of absences due to illness.

5. The City Manager, in consultation with the Executive Director, Human Resources, expedite the availability of training designed to provide guidance to management and supervisory staff responsible for dealing with attendance issues.

### **Committee Decision Advice and Other Information**

The Audit Committee requested:

1. the Employee and Labour Relations Committee to consider creating a sub-committee to address employee absentee rates, with the management of those divisions with the highest rates being requested to advise why their rates are high and how they plan to address the problem; and
2. the Auditor General to include in his follow-up report on this matter, the overtime costs that result from employee absenteeism.

### **Origin**

(October 15, 2008) Report from the Auditor General

### **Summary**

Complaints to the Fraud and Waste Hotline Program have highlighted issues with attendance management and specifically the potential for employees to misuse sick leave banks, particularly prior to retirement. In view of this, we included a limited review of these issues in our 2008 Work Plan.

The overall objective of this review was to assess whether management was monitoring employee attendance, specifically the potential misuse of sick leave, a form of culpable absenteeism.

As part of our review, we also considered the City's Attendance Management Program policy which deals with non-culpable or innocent absenteeism for all employees. Our review included an examination of employee attendance records and related practices and procedures in place across City divisions. We focused on those employees who had significant sick leave above the divisional average.

Effective management of non-culpable or innocent employee absences is important to identifying potential incidents that may not be legitimate and are actually culpable or blameworthy.

During the course of the review, we identified opportunities for improvement relating to the management of employee attendance. In this context, our report contains five recommendations.

### **Background Information (Committee)**

Managing Employee Attendance, Opportunities for Improvement - report (October 15, 2008) from the Auditor General

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16445.pdf>

Appendix 1 - Managing Employee Attendance, Opportunities for Improvement - October 15, 2008 - Auditor General's Office  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16462.pdf>

## **5a Management's Response to the Auditor General's Review - Managing Employee Attendance, Opportunities for Improvement**

### **Origin**

(October 27, 2008) Report from the Director, Occupational Health and Safety, and the Director, Pension, Payroll and Employee Benefits

### **Background Information (Committee)**

Appendix 2 - Management's Response to the Auditor General's Review of Managing Employee Attendance - Opportunities for Improvement  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16699.pdf>

AU9.7	Adopted			Ward: All
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## **2009 Audit Work Plan**

### **City Council Decision**

City Council on December 1, 2 and 3, 2008, adopted the following motion:

1. City Council receive the Auditor General's 2009 Audit Work Plan, for information.

### **Committee Recommendations**

The Audit Committee recommends that:

1. City Council receive the Auditor General's 2009 Audit Work Plan, for information.

### **Committee Decision Advice and Other Information**

The Audit Committee requested the Auditor General to consider adding a review of Revenue Services, Finance Division, to his 2009 Audit Work Plan.

### **Origin**

(October 17, 2008) Report from the Auditor General

### **Summary**

The purpose of this report is to provide City Council with details of the Auditor General's 2009 Audit Work Plan. The 2009 Audit Work Plan is attached as Appendix 1 and Appendix 2 to this report.

The 2009 Audit Work Plan is a combination of audits in progress, new audits, annual recurring projects and various investigations carried out as a result of fraud hotline complaints. Our 2009 Audit Work Plan also includes a formal follow-up process to ensure recommendations contained in previously issued audit reports have been implemented.

**Background Information (Committee)**

2009 Audit Work Plan, report (October 17, 2008) from the Auditor General, including Appendices 1, 2 and 3  
(<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16434.pdf>)

AU9.10	Adopted			Ward: All
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**Arenas - 2007 Audited Financial Statements and Management Letters**

**City Council Decision**

City Council on December 1, 2 and 3, 2008, adopted the following motion:

1. City Council receive, for information, the 2007 audited financial statements and management letters of Arenas attached as Appendices.

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**Committee Recommendations**

The Audit Committee recommends that:

1. City Council receive for information, the 2007 audited financial statements and management letters of Arenas attached as Appendices.

**Origin**

(October 16, 2008) Report from the Auditor General

**Summary**

The purpose of this report is to provide the Audit Committee and City Council with the 2007 audited financial statements and management letters of two Arenas, North Toronto Memorial Arena and Ted Reeve Community Arena.

The 2007 audited financial statements for five Arenas and management letters for four Arenas were previously submitted to Audit Committee after approval by their respective Boards of Management. The outstanding financial statements and management letter for Leaside Memorial Community Gardens Arena will be tabled at the next meeting of Audit Committee.

**Background Information (Committee)**

Arenas - 2007 Audited Financial Statements and Management Letters - report (October 16, 2008) from the Auditor General

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16504.pdf>

Appendix 1 - Committee of Management of the North Toronto Memorial Arena - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16428.pdf>

Appendix 2 - Committee of Management for the Ted Reeve Community Arena - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16429.pdf>

Appendix 3 - Committee of Management for the North Toronto Memorial Arena - Management Letter

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16431.pdf>

Attachment to Appendix 3 - Committee of Management for the North Toronto Memorial Arena - Response to Management Letter

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16430.pdf>

Appendix 4 - Committee of Management for the Ted Reeve Community Arena - Management Letter

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16433.pdf>

AU9.17	Adopted			Ward: All
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## **Business Improvement Areas (BIAs) - 2007 Audited Financial Statements - Report No. 2**

### **City Council Decision**

City Council on December 1, 2 and 3, 2008, adopted the following motion:

1. City Council approve the 2007 audited financial statements and management letters of the thirty-two Business Improvement Areas attached as Appendices A-1 to JJ-1.

### **Committee Recommendations**

The Audit Committee recommends that:

1. City Council approve the 2007 audited financial statements and management letters of the thirty-two Business Improvement Areas attached as Appendices A-1 to JJ-1.

### **Origin**

(October 21, 2008) Report from the Acting Treasurer and the Director, Business Services, Economic Development, Culture and Tourism

### **Summary**

The purpose of this report is to present the 2007 audited financial statements and management letters of thirty-two Business Improvement Areas (BIAs) to City Council for approval.

### **Background Information (Committee)**

Business Improvement Areas (BIAs) - 2007 Audited Financial Statements - Report No. 2 - staff

report (October 21, 2008)

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16505.pdf>

Appendix A-1 - Albion-Islington Business Improvement Area - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16371.pdf>

Appendix A-2 - Albion-Islington Business Improvement Area Management Letter

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16372.pdf>

Appendix B-1 - Bloor Annex Business Improvement Area - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16373.pdf>

Appendix C-1 - Bloor by the Park Business Improvement Area - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16374.pdf>

Appendix D-1 - Bloordale Village Business Improvement Area - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16375.pdf>

Appendix E-1 - Bloor Street Business Improvement Area - 2007n Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16376.pdf>

Appendix F-1 - Chinatown Business Improvement Area - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16377.pdf>

Appendix F-2 - Chinatown Management Letter

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16378.pdf>

Appendix G-1 - College Promenade Business Improvement Area - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16379.pdf>

Appendix H-1 - Dovercourt Village Business Improvement Area - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16380.pdf>

Appendix I-1 - Downtown Yonge Business Improvement Area - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16381.pdf>

Appendix J-1 - Dundas West Business Improvement Area - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16382.pdf>

Appendix K-1 - Emery Village Business Improvement Area - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16383.pdf>

Appendix K-2 - Emery Village Business Improvement Area Management Letter

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16384.pdf>

Appendix L-1 - Fairbank Village Business Improvement Area - 2007 Audited Financial Statement

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16385.pdf>

Appendix M-1 - Forest Hill Village Business Improvement Area - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16386.pdf>

Appendix N-1 - Gerrard India Bazaar Business Improvement Area - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16387.pdf>

Appendix N-2 - Gerrard India Bazaar Business Improvement Area - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16388.pdf>

Appendix O-1 - Greektown on the Danforth Business Improvement Area - 2007 Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16389.pdf>  
Appendix O-2 - Greektown on the Danforth Business Improvement Area Management Letter  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16390.pdf>  
Appendix P-1 - Hillcrest Village Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16391.pdf>  
Appendix Q-1 - Junction Gardens Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16392.pdf>  
Appendix Q-2 - Junction Gardens Business Improvement Area Management Letter  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16393.pdf>  
Appendix R-1 - Kennedy Road Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16394.pdf>  
Appendix S-1 - Long Branch Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16395.pdf>  
Appendix T-1 - Mimico Village Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16396.pdf>  
Appendix T-1 - Mimico Village Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16397.pdf>  
Appendix U-1 - Mirvish Village Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16398.pdf>  
Appendix V-1 - Pape Village Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16399.pdf>  
Appendix W-1 - St. Clair Avenue West Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16400.pdf>  
Appendix X-1 - St. Lawrence Neighbourhood Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16401.pdf>  
Appendix Y-1 - The Eglinton Way Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16402.pdf>  
Appendix Y-2 - The Eglinton Way Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16403.pdf>  
Appendix Z-1 - Upper Village Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16404.pdf>  
Appendix AA-1 - Village of Islington Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16405.pdf>  
Appendix BB-1 - West Queen West Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16406.pdf>  
Appendix CC-1 - Weston Village Business Improvement Area - 2007 Audited Financial Statements  
<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16407.pdf>



Appendix CC-2 - Weston Village Business Improvement Area Management Letter  
(<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16408.pdf>)

Appendix DD-1 - Wexford Heights Business Improvement Area - 2007 Audited Financial Statements

(<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16409.pdf>)

Appendix DD-2 - Wexford Heights Business Improvement Area Management Letter

(<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16410.pdf>)

Appendix EE-1 - Wychwood Heights Business Improvement Area - 2007 Audited Financial Statements

(<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16411.pdf>)

Appendix FF-1 - York-Eglinton Business Improvement Area - 2007 Audited Financial Statements

(<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16412.pdf>)

Appendix FF-2 - York-Eglinton Business Improvement Area Management Letter

(<http://www.toronto.ca/legdocs/mmis/2008/au/bgrd/backgroundfile-16413.pdf>)

Appendix GG-1 - Various Business Improvement Areas Management Letters

*Submitted Tuesday, November 4, 2008*

*Councillor Doug Holyday, Chair, Audit Committee*