

**Management's Response to the Auditor General's Review of Management and Oversight  
of the Integrated Business Management System (IBMS)**

<u>Rec No</u>	<u>Recommendation</u>	<u>Agree (X)</u>	<u>Disagree (X)</u>	<u>Management Comments:</u> <i>(Comments are required only for recommendations where there is disagreement.)</i>	<u>Action Plan/ Time Frame</u>
1.	The City Manager in consultation with the Chief Information Officer give consideration to the establishment of an IBMS governance model which provides for senior management approval and prioritization of all IBMS related projects. The governance model follow the process recently established in relation to the development of SAP projects.	X		<p>An IBMS User Group currently meets every second month to discuss current updates to the system and to present new requests for consideration and future development.</p> <p>The prioritization of IBMS capital projects is done in the context of the limited budget allocation made to this system.</p> <p>Management agrees that a new IBMS governance model should be established. The new structure will ensure alignment with corporate priorities through regular reporting to the Business Advisory Panel.</p>	The Deputy City Manager of Cluster B, working with the Chief Information Officer, will establish an IBMS Steering Committee, with senior management representation from user divisions, by the end of Q2 2009.
2.	The City Manager in consultation with the Chief Information Officer require that divisions identify business risks relating to the IBMS Information Technology System. The Chief Information Officer review all such risks and ensure strategies and processes are in place to address all such risks.	X		Although no specific security risks or breaches were identified in the audit, management agrees that it is important that divisions identify and assess potential risks and develop plans to address these risks.	The Deputy City Manager of Cluster B, together with the Chief Information Officer, will work with the divisions using IBMS to document associated business risks by the end of Q4 2009. This will be followed by the development of an action plan to address the risks.

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3.	The City Manager in consultation with the Chief Information Officer and divisions develop IBMS performance measures. Such measures be used to monitor ongoing performance. Where performance does not meet such measures corrective action be taken.	X		Management agrees that performance measures should be developed for IBMS in two key areas: <ul style="list-style-type: none"> <li>• System performance</li> <li>• Service delivery to business users</li> </ul>	The Chief Information Officer will work with divisions using IBMS to develop relevant system performance and service delivery performance measures by the end of Q4 2009. This will be done in connection with the development of Service Level Agreements with each client division in Recommendation 5 below.
4.	The City Manager and Chief Information Officer as part of the IBMS governance process give priority to the development of IBMS business continuity plans. Such plans should include disaster and recovery planning.	X		<p>The I &amp; T Division already has a master plan in place that was approved by the Audit Committee for an overall Disaster Recovery Plan for the City's IT assets. This plan has already been aligned with the Cluster B Disaster Recovery Plan developed in 2008. The I&amp;T Division's Disaster Recovery Plan, which includes IBMS, is scheduled to be operational in 2010. In the period until implementation, the IBMS database is backed-up nightly on tape drives which are transported daily to an off-site location.</p> <p>Business Continuity Plans developed by IBMS-user divisions will be aligned with the Corporate Disaster Recovery Plan.</p>	The Deputy City Manager of Cluster B, together with the Chief Information Officer, will work with divisions using IBMS to develop Business Continuity Plans that align with the Corporate Disaster Recovery Plan. As noted in the response to Recommendation 2 above, business risks will be identified by Q4 2009. The development of Business Continuity Plans will be completed by Q2 2010.

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				At the present time, until formal Business Continuity Plans are developed, if an unexpected system failure occurred, divisions using IBMS would revert to a paper-based system for capturing information until IBMS comes back online for staff use. IBMS would then be updated for any manual transactions that occurred.	
<b>5.</b>	The City Manager in consultation with the Chief Information Officer develop and formalize service level agreements for information technology services provided to City Divisions by the Information and Technology Division.	X		Management agrees that formal service level agreements between the I& T Division and client divisions are desirable. The implementation of the new IT governance structure across the City includes the establishment of Service Level Agreements (SLAs).	The Chief Information Officer will develop SLAs with user divisions as part of the IT Transformation Implementation.
<b>6.</b>	The City Manager in consultation with the Chief Information Officer review current levels of training available to IBMS users, and solicit input from divisional users in relation to training effectiveness. Deficiencies in regard to training identified by users be appropriately addressed.	X		The IBMS training team has received generally positive feedback from client divisions on its training initiatives. However, management recognizes that a limited budget for IBMS training has resulted in some issues as raised by client divisions.	The Chief Information Officer will initiate a process to obtain feedback and input from IBMS user divisions on current training initiatives by the end of Q3 2009. The Chief Information Officer will develop a plan to address any deficiencies.
<b>7.</b>	The City Manager in consultation with			IBMS reports for user divisions are	The Chief Information Officer will

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	the Chief Information Officer develop and implement a change management protocol for IBMS. Such a protocol take into account the SAP change management protocol.	X		produced and changed at the request of user divisions, but formal approval of the completed changes to reports is not always provided.  Management agrees that a more formal change management protocol for IBMS should be developed.	develop a new draft change management protocol for IBMS by the end of Q4 2009. The draft change management protocol will be implemented during Q1 2010, with review and evaluation occurring before the end of 2010.
8.	The City Manager in consultation with the Chief Information Officer develop security plans, standards and related staff responsibilities for managing and overseeing IBMS security.	X		Although the audit didn't identify any security breach of IBMS, management agrees that more formalized security plans, standards and staff responsibilities should be developed.	The Chief Information Officer will review existing security plans, standards and responsibilities for IBMS by the end of Q3 2009. Plans to address any gaps will be developed by the end of Q4 2009. A new formal IBMS security plan will be prepared by the end of Q1 2010.

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<b>9.</b>	The City Manager in consultation with the Chief Information Officer be required to conduct periodic reviews of current IBMS user security to ensure access is compatible with user roles. Such review should also include an analysis of the last date of use. Dormant users should be eliminated from system access.	X		Management agrees with this recommendation. The IBMS Security Team has already implemented the practice of regularly reviewing IBMS users for periods of inactivity of greater than 6 months. Non-active user accounts are de-activated. In addition, the IBMS Security Team is already providing the business divisions with user access reports for their review and response. However, this activity was not previously done on a regular schedule.	The Deputy City Manager of Cluster B working with the Chief Information Officer will ensure that the regular review of IBMS user access rights and user activity is occurring and that inactive users are removed from the system and incorrect access rights are corrected.
<b>10.</b>	The Chief Information Officer develop formal written procedures for granting, changing or removing IBMS user access.	X		Management agrees with this recommendation.	The Chief Information Officer will prepare draft written procedures for granting, changing or removing IBMS user access by the end of Q3 2009. The draft procedures will be reviewed and approved by the IBMS Steering Committee by the end of Q4 2009.
<b>11.</b>	The City Manager and Chief Information Officer develop as a priority an electronic interface between IBMS and the City's SAP Financial System. Such an interface would reduce the requirement for manual analysis and processing.	X		Management agrees with the need to develop an electronic interface between SAP and IBMS. There is the opportunity to eliminate hundreds of journal entries each year if IBMS and SAP were linked electronically. Discussions between divisional management and corporate I & T staff on this matter have occurred over	The Chief Information Officer and the Deputy City Manager for Cluster B will define the scope of work required to build an IBMS/SAP interface and present this material at the IBMS and SAP Steering Committees for prioritization by the end of Q4, 2009.

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				<p>the past 5 years, but the project has not proceeded to date due to other corporate priorities.</p> <p>Management agrees that the scope of work to develop the interface should be defined and prioritized in relation to the other business and IT priorities in the City.</p>	
12.	The City Manager in consultation with the Chief Information Officer and City Clerk review the record retention policy for all IBMS related records. Such a review include the establishment of policies and procedures for archiving IBMS records.	X		Management agrees with this recommendation.	<p>The Deputy City Manager Cluster B will work with the Records and Information Management section of the City Clerk's Division to review the records retention policies for information that is contained in IBMS by the end of Q4 2009.</p> <p>In consultation with the Chief Information Officer, a new records retention policy for IBMS will be developed by the end of Q2 2010.</p>

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<b>13.</b>	The Chief Information Officer obtain a copy of the System source code for the current release of the System software and ensure future releases are accompanied with System software under the terms of the agreement.	X			The Chief Information Officer will obtain a copy of the current system source code by the end of Q3 2009 and will ensure that future releases are accompanied by system software under the terms of the agreement.
<b>14.</b>	The Chief Information Officer conduct a review of related System users in the City and its Agencies, Boards and Commissions and update the existing software maintenance contract as required.	X		IBMS is built on software called "Amanda" that is also used by other City divisions. This recommendation relates to divisions using other "Amanda" based systems.	The Chief Information Officer will review situations where divisions use "Amanda" based systems and will update software maintenance agreements where necessary and feasible.
<b>15.</b>	The City Manager ensure staff from business units perform the procedure for revising service fees maintained in IBMS and that the process be appropriately documented.	X		Management agrees that the process for revising service fees in IBMS should be consistent, formalized and documented.	The Chief Information Officer will work with divisional management teams to implement a new process to revise fees in IBMS. The new process will be established by the end of Q4 2009.