

**Management’s Response to the Auditor General’s Review of
Controls Over Parking Tags Need Strengthening**

<u>Rec No</u>	<u>Recommendation</u>	Agree (X)	Disagree (X)	<u>Management Comments:</u> <i>(Comments are required only for recommendations where there is disagreement.)</i>	<u>Action Plan/ Time Frame</u>
1.	The Treasurer, in consultation with the City Solicitor, request amendments to provincial legislation pertaining to the issue of parking tickets related to drive-away vehicles. The requested amendments allow parking tags to be mailed directly to registered vehicle owners.	X			<p>In May 1999 and again in June 2002, City Council adopted recommendations requesting that the Province amend the <i>Provincial Offences Act</i> to provide for an alternative means of serving parking tickets to drove away vehicles, including by first class mail. In support of Council's resolutions, staff have pursued legislative change; however to-date no legislative changes have been enacted.</p> <p>The Treasurer, in consultation with the City Solicitor and Intergovernmental Affairs, will again request the Province to amend the <i>Provincial Offences Act</i> to allow parking tags to be mailed to registered vehicle owners.</p> <p>Timeframe/Completion: June 2010</p>

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2.	<p>The Treasurer review the practices currently adopted by 407 International Inc. in connection with the collection of out-of-province receivables. Such a review also include the practices of other jurisdictions. Further, the Treasurer review the potential use of collection agencies. If required, requests for amendments to provincial legislation be made in order to facilitate the collection of out-of-province receivables.</p>	X			<p>Management will undertake a review of information available on the collection practices adopted by 407 International Inc. for out-of-province vehicles, provided that this information can be obtained. This review will also include a review of best practices of other jurisdictions, and the use of collection agencies.</p> <p>Where feasible and cost-effective solutions are identified for the collection of out-of-province parking tickets, these will be implemented. Where necessary requests for amendments to provincial legislation will be made.</p> <p>Timeframe/Completion: June 2010</p>

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3.	<p>The Treasurer re-evaluate the criteria supporting the discretionary cancellation of parking tags. Policies and procedures concerning the preparation and retention of documentation in support of cancellations be developed. Supporting documentation be randomly reviewed by supervisory staff. In addition, management reports be developed and reviewed on an ongoing basis to identify anomalies and trends.</p>	X			<p>Revenue Services management will re-evaluate the existing criteria surrounding discretionary cancellation of parking tags, including requirements for documentation to support cancellations, and amend these where necessary.</p> <p>Although supervisory staff currently review discretionary cancellations, including supporting documentation, on a daily basis, management will review the volume and frequency of this supervisory review to ensure that anomalies and trends can be identified. Enhancements to this process will be implemented where warranted.</p> <p>Management reports that facilitate supervisory review of cancellation already exist and are used by supervisors and managers. Management will review the current reports to identify what enhancements, if any, or additional information on these reports can be developed to better identify anomalies and trends.</p> <p>Timeframe/Completion: Oct 2010</p>

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4.	<p>The Treasurer, in consultation with the Chief Information Officer, review the potential of automating certain aspects of the documentation requirement process as it pertains to pre-court filing documents and request for trials. Such a process should be conducted in consultation with the City Solicitor in order to ensure that the automation of certain processes is not contrary to legislation and, if required, amendment to the provincial legislation be requested.</p>	X			<p>Revenue Services staff, in consultation with the City Solicitor and the Chief Information Officer, will review the trial request and pre-court filing processes to determine cost-effective means to automate current documentation requirements. Given that both of these processes, including the type and form of documentation that must be provided to the courts, are legislated under the <i>Provincial Offences Act</i> and filing of documents is subject to the approval of the Senior Regional Justice, any changes or automation in this area will require amendments to Provincial legislation and/or approval by the Senior Regional Justice.</p> <p>Amendments to provincial legislation and/or Senior Regional Justice approval will be sought and if obtained, staff will undertake the necessary changes to improve processing for pre-court filing documents and requests for trials.</p> <p>Timeframe/Completion: Oct 2010</p>

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5.	The Treasurer review the parking enforcement process as it relates to the issue and cancellation of parking tags for delivery and courier vehicles. Such a review include an evaluation of best practices in other Canadian and US jurisdictions. If required, amendments to provincial legislation be requested.	X			The Treasurer and Revenue Services management staff will review and provide input to a study currently being undertaken by Transportation Services and Legal Services Divisions related to the issuance and cancellation of parking tags for delivery and courier vehicles, including an evaluation of best practices in other Canadian and US jurisdictions. Where necessary, amendments to provincial legislation will be requested. Timeframe/Completion: Oct 2010

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6.	The Treasurer direct all staff that parking tag adjustments processed through the Parking Tag Management System are appropriately documented and that each adjustment be accompanied by an appropriate audit trail. Such documentation be reviewed on a random basis by supervisory staff.	X			<p>Management will review current protocols regarding adjustments and implement measures that will ensure adjustments are documented. Documentation will include notes on the PTMS System or alternate documentation to ensure an appropriate audit trail is maintained.</p> <p>Documentation and adjustments will be reviewed on a random basis by supervisory staff.</p> <p>Timeframe/Completion: June 2010</p>

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7.	The Treasurer review the current plate denial process. Such a review take place in consultation with the Ministry of Transportation and focus on the reasons why significant receivables continue to be outstanding beyond the two-year licence plate renewal period. Improvements identified be implemented in order to maximize the effectiveness of the plate denial system.	X			<p>Management staff will require participation from the Ministry of the Attorney General and Ministry of Transportation to conduct a review of the Plate Denial Process. If participation is agreed, management staff will review the Province's plate denial process with both Ministries to identify potential improvements to maximize the effectiveness of the plate denial process.</p> <p>Any changes to the plate denial process must be agreed to and implemented by the Ministry of Transportation, given that this is a provincially controlled process/system.</p> <p>Timeframe/Completion: September 2011</p>

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8.	<p>The Treasurer review the parking tag collection process, prioritise those receivables which relate to individuals and entities who have significant receivables owing on multiple plates and consider conducting corporate searches to identify these entities. Once identified the appropriate follow-up process be conducted including the use of collection agencies specifically directed to these accounts.</p>	X			<p>The current protocol approved by Council in September 2007 is to assign offenders owing \$300 or more to collection agencies. Management will review the current parking tag collection process to determine if enhancements are warranted and will continue to prioritize collection for individuals and entities that have significant receivables.</p> <p>Management, in consultation with the City Solicitor's Office, will review the feasibility, costs and benefits of conducting corporate searches for entities that have significant receivables on multiple plates. Where feasible, an appropriate follow-up process will be identified and implemented, including the use of collection agencies directed to these accounts.</p> <p>Timeframe/Completion: Oct 2010</p>

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9.	The Treasurer review the possibility of providing collection agencies with specific information including the names and addresses of individuals and companies with outstanding parking tags. Amendments to provincial legislation be requested, if required.	X			<p>Current legislation and the terms of the Ministry of Transportation’s Authorized Requestor Agreement prevents the City of Toronto, and all other municipalities in Ontario, from sharing or providing name and address information obtained from the Ministry of Transportation to any third party, including collection agencies.</p> <p>Management staff, in consultation with the City Solicitor's Office, will review the feasibility of providing collection agencies with specific information including the name and addresses of individual and companies with outstanding parking tags. Requests for amendments to provincial legislation will be requested if warranted as a result of the review.</p> <p>Timeframe/Completion: Oct 2010</p>

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10.	<p>The Treasurer review the extent of receivables submitted to collection agencies such that collection agencies are provided information on entities who have parking tags owing on more than one vehicle. Finally, the Treasurer consider providing collection agencies with more up to date receivable information.</p>	X			<p>Currently, the City and all other Ontario municipalities are only permitted to provide license plate information to collection agencies on outstanding parking ticket violations. Municipalities are prevented from sharing or providing name or address information to these agencies.</p> <p>Management will begin providing collection agencies with more up to date receivable information following a review of its current collection agency contracts. If required, management will ensure that future contracts allow the City to provide collection agencies with up to date receivable information on a more frequent basis.</p> <p>Timeframe/Completion: Dec 2010</p>

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11.	The Treasurer, in consultation with the Chief Information Officer, review the current cheque processing system so that payments relating to tags in plate denial status and payments which have previously been made are identified more easily by those staff receiving payment. Such a process would reduce the administrative process of issuing refund cheques.	X			<p>The Revenue Services Division, working with Corporate I&T, implemented a system change in September 2009 to address the issue of duplicate payments. This change will significantly reduce the number of duplicate payments and refunds required.</p> <p>Management staff, in consultation with Corporate I&T, will continue to monitor the success of these processes launched in 2009 to attempt to further enhance processes to reduce duplicate payments.</p> <p>It should be noted that unless changes are made to the current plate denial process by the Province of Ontario, cheque payments made for tickets in plate-denial status will continue to require that refunds be made since some offenders will pay their fines on the same dates as the fines are posted in plate denial.</p> <p>Timeframe/Completion: Dec. 2010</p>

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12.	The Treasurer review the merits of amending the cheque collection process so that NSF fees are clearly identified and subsequently collected. Amendments to provincial legislation be requested, if required.	X			Staff will review the NSF process to determine whether improvements can be made to improve the collection of NSF fees, and, if necessary, request amendments to provincial legislation to permit such processes. Timeframe/Completion: Dec 2010
13.	The Treasurer develop a formal change control process. Application development should be separate from system administration, and developers should not install their own programs to the production environment.	X			Management will develop a formal change control process and implement a segregation of duties similar to the existing protocol used for the Revenue Services Division's Tax and Utility systems. Staff will be trained on the new processes as necessary. Timeframe/Completion: Dec 2010

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14.	The Treasurer develop and implement a formal access control and review process. A review of user access should occur periodically and unauthorized users deleted from the authorized user list.	X			<p>Management will develop a formal access control and review process to control access to the Parking Ticket Management System (PTMS), including periodic reviews to identify and prevent access by unauthorized users of the system, similar to existing processes in place for Revenue Services Divisions Tax and Utility systems. Staff will be trained on the new processes as considered necessary.</p> <p>Timeframe/Completion: Dec 2010</p>