

Auditor General's Outstanding Recommendations on reports from 1999 - 2005

Date:	January 5, 2010
To:	Audit Committee
From:	City Manager
Wards:	All
Reference Number:	

SUMMARY

This report outlines the City Manager's response to Audit Committee's request of October 20, 2009 as to the status of recommendations made by the Auditor General since January 1, 1999.

RECOMMENDATIONS

The City Manager recommends that:

1. City Council receive this report for information.

Financial Impact

There are no financial impacts associated with this report.

ISSUE BACKGROUND

At its meeting on October 20, 2009 the Audit Committee requested that the City Manager report to Audit Committee within 3 months, on what is being done with regard to those recommendations made by the Auditor General since January 1, 1999 which still have not been implemented.

Subsequently at the meeting on October 26, 2009 City Council requested that responses to all outstanding recommendations be submitted to the AG Office by December 31,

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2009. Further that if there is an objection to the AG recommendations the reason be stated as to why the recommendations would not be implemented.

Pages 15 to 50 inclusive of Attachment 2 of the Auditor General's 2009 Audit Report on Outstanding Recommendations (dated June 1, 2009) outlines what is being done by management relating to each outstanding recommendation and the reasons the Auditor General's recommendations remain outstanding. These reasons are provided by management and noted each year in the Auditor General's Report to Audit Committee and Council.

Following is the link to the 2009 Auditor General's report.

Report (June 1, 2009) from the Auditor General - Auditor General's Status Report on Outstanding Audit Recommendations for City Divisions

(<http://www.toronto.ca/legdocs/mmis/2009/au/bgrd/backgroundfile-22143.pdf>)

Attachment 2 - City Divisions - Public Recommendations

(<http://www.toronto.ca/legdocs/mmis/2009/au/bgrd/backgroundfile-22144.pdf>)

The City Manager has followed up on the Audit Committee and City Council requests updating the information already provided by management to the Auditor General in the above noted report. These updates have been discussed with the Auditor General. The recommendations outstanding from 2000 – 2005 were covered as part of this exercise (note that there were no recommendations outstanding from 1999).

COMMENTS

There were twelve AG reports issued between 2000 and 2005 with recommendations outstanding as at the AG 2009 audit. In total there were 199 recommendations within these twelve reports and 169 of the recommendations or 85% had been successfully cleared as at the 2009 AG audit of Outstanding Recommendations. Of the 30 outstanding recommendations, many will be recorded as Implemented or Not Applicable by management for the 2010 Auditor General's audit of Outstanding Recommendations.

The clearance of the remaining recommendations is subject to long term action such as pending feasibility studies, business process reviews and/or system implementations. It is anticipated that these will remain outstanding in 2010 and beyond due to their complexity.

The majority of the recommendations that remained outstanding as at 2009 were not implemented fully due to changes in service priorities and system implementations that while planned for, may have been delayed for budgetary reasons.

There were no objections by management to implementing the Auditor General's recommendations made between 2000 and 2005. However, management believes that there are some recommendations that are dated and as such not applicable to the current organization. These recommendations will be discussed further with the Auditor General

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and may be reported as Not Applicable for the Auditor General's 2010 recommendation follow up process.

The audit of management's assertions relating to those recommendations gathered by the City Manager's Office and discussed with the Auditor General in December 2009 will be subject to the annual audit undertaken by the Auditor General as part of his 2010 follow up of outstanding recommendations and will be reported to Audit Committee and Council in 2010.

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SIGNATURE

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