

Audit Committee

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| Meeting No. | 7 | Contact | Julie Lavertu, Committee Administrator |
| Meeting Date | Thursday, November 19, 2020 | Phone | 416-397-4592 |
| Start Time | 9:30 AM | E-mail | auditctte@toronto.ca |
| Location | Video Conference | Chair | Councillor Stephen Holyday |

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| AU7.6 | ACTION | Adopted | | Ward: All |
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Auditor General's Office 2021 Operating Budget

Committee Decision

The Audit Committee recommends to the Budget Committee that:

1. City Council approve the 2021 Operating Budget for the Auditor General's Office in Attachment 1 to the report (November 5, 2020) from the Auditor General.
2. City Council approve the Auditor General's request to convert five temporary contract staff positions into permanent positions, resulting in a net zero budget impact, as outlined in the report (November 5, 2020) from the Auditor General.

Decision Advice and Other Information

The Audit Committee considered Items AU7.5 and AU7.6 together.

The Auditor General gave a presentation on Auditor General's 2021 Work Plan and 2021 Operating Budget.

The Audit Committee forwarded the 2021 Operating Budget for the Auditor General's Office in Attachment 1 to the report (November 5, 2020) from the Auditor General to the Budget Committee for consideration during the 2021 Budget process.

Origin

(November 5, 2020) Report from the Auditor General

Summary

In accordance with Chapter 3 of the Toronto Municipal Code, the Auditor General is submitting her 2021 Operating Budget request to the Audit Committee for consideration and recommendation to City Council.

The attached report provides information relating to the Auditor General's 2021 Operating Budget request of \$6.651 million. This is slightly less than the base budget request last year and

is equal to 1/20th of one per cent, or 0.05 per cent, of the City's 2020 Approved Adjusted Budget. Within the requested base budget, the Auditor General is seeking to convert five temporary contract staff positions to permanent positions as part of an organizational restructure. This will result in a net zero budget impact; conversion costs will be absorbed in the base budget.

The budget request supports the Auditor General providing the same level of capacity to undertake value for money audits and investigations as in previous years. The Auditor General recognizes the City's ongoing financial pressures, especially with a focus on identifying savings and/or efficiencies. That being said, the benefits of performance audits that the Auditor General brings are that much more valuable. As highlighted in the Auditor General's Annual Reports, past audit reports have realized millions of dollars in cost savings, avoided costs, and identified revenue increases and new revenues.

The Auditor General's 2021 Work Plan is being presented to the Audit Committee at the same meeting as this 2021 Budget Request.

Background Information

(November 5, 2020) Report from the Auditor General on Auditor General's Office 2021 Operating Budget

(<http://www.toronto.ca/legdocs/mmis/2020/au/bgrd/backgroundfile-158134.pdf>)

(November 5, 2020) Attachment 1 - Auditor General's Office 2021 Operating Budget

(<http://www.toronto.ca/legdocs/mmis/2020/au/bgrd/backgroundfile-158135.pdf>)

(November 19, 2020) Presentation from the Auditor General on Auditor General's 2021 Work Plan and 2021 Operating Budget

(<http://www.toronto.ca/legdocs/mmis/2020/au/bgrd/backgroundfile-158700.pdf>)