

**City Divisions
Public Recommendations – Fully Implemented**

Division: Building

Report Title: Urban Development Services - Building Division Review

Report Date: 11/13/01

Recommendation

004 the Commissioner, Urban Development Services report to Planning and Transportation Committee on:

(a) the potential impact of the provincial legislation and implementation of the provincial Building Regulatory Reform Advisory Group recommendations by February 28, 2002;

(b) the action required and estimated timelines to implement changes to reporting and business processes necessary to improve the transparency of building fees by September 30, 2002; and

(c) the action required and issues that must be considered for the Building Division to adopt an "entreprise model" for its operations by September 30, 2002;

Division: Chief Corporate Officer

Report Title: Oracle Database Software Acquisition – Additional Information

Report Date: 3/8/02

Recommendation

001 the Commissioner, Corporate Services Department, be required to report back to the Audit Committee by June 30, 2002, on a process to coordinate the acquisition of site licenses for those Agencies, Boards and Commissions over which the City has authority;

Division: City Clerk's Office

Report Title: Permits and Lottery Licences Review

Report Date: 3/29/01

Recommendation

004a The City Clerk

(a) expedite planned enhancements to the financial and compliance components of the Toronto Gaming Information System, including providing access to management information and reports at district offices to improve the efficiency in the processing of licence applications;

(b) coordinate with the Chief Financial Officer and Treasurer, more up-to-date financial reporting of revenues and expenditure information to facilitate appropriate financial monitoring and control of monthly licencing activities.

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Report Title: Review of Staff, Councillors' and Mayor's Office Expenses

Report Date: 1/15/99

Recommendation

005 Due to the delay in settling travel claims, and the fact that many expenses (ie. air fare, registration fees) relating to travel can be paid directly by the Corporation the Chief Financial Officer and Treasurer:

(a) consider eliminating travel advances; and

(b) follow up on all advances currently outstanding for more than 30 days, to either recover any unspent funds or to settle the advance, and that any travel advance still outstanding after follow up by Accounting, be escalated to the respective department head for appropriate action.

Division: City Manager's Office

Report Title: Management Controls: A Basic Departmental Responsibility

Report Date: 3/30/01

Recommendation

002 the General Managers of each of the Agencies, Boards and Commissions, be required to report to their respective Boards by June 30, 2001, on the processes in place to ensure appropriate ongoing evaluation of internal administrative controls and the implementation of revised controls where necessary;

Report Title: Review of the Implementation of Recommendations of the Final Report of the Task Force on Community Access and Equity

Report Date: 1/9/04

Recommendation

010 the Commissioner of Corporate Services, in consultation with the Chief Administrative Officer, develop, pilot and begin delivering, a diversity training program in 2004. The diversity training program, where appropriate, should be customized to meet the specific needs of departmental staff in providing services to the public;

014 the Chief Administrative Officer, in consultation with the Commissioner of Community and Neighbourhood Services, review the current administration of the Access and Equity Grants Program with a view to identifying areas for improved efficiency through further co-ordination with the administration of the Community Services Grants Program; and

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Division: Corporate Finance

Report Title: Investment Policy Compliance

Report Date: 2/1/99

Recommendation

007 the document approved by Council entitled "Investment Policy and Procedures" be finalized, particularly in terms of addressing key management administrative procedures;

Report Title: Treasury Services Review – Corporate Finance Division, Finance Department

Report Date: 3/1/05

Recommendation

005 the Chief Financial Officer and Treasurer ensure:

(a) the development of a risk management strategy, which incorporates industry standards;

(b) this strategy include regular investment strategy meetings with Treasury Services staff; and

(c) all strategy meetings and communications in this regard are documented;

009 the Chief Financial Officer and Treasurer report back to the Policy and Finance Committee by June 30, 2005, on the merits of forming an oversight committee with an oversight role and advisor function to which the Treasury Services Unit would report performance. The Committee, as with the Sinking Fund Committee, should meet on a regularly scheduled periodic basis to review performance reports, and where appropriate, recommend changes to Investment Policies;

014 the Chief Financial Officer and Treasurer ensure the development and documentation of a formal debenture issuance policy;

016 the Chief Financial Officer and Treasurer address and implement all outstanding audit recommendations and report on the status of implementation at the July 2005 the Audit Committee meeting; and

Division: Deputy City Manager & Chief Financial Officer

Report Title: Auditor General's Response – SAP Financial and Human Resources/Payroll Information System, Post Implementation Review – Status of Recommendations

Report Date: 12/31/03

Recommendation

003 the Commissioner of Corporate Services ensure that all requests for new management information systems from City Departments, Agencies, Boards and Commissions be reviewed and approved by the Executive Director of Information and Technology, unless there be compelling reasons otherwise, all such new equipment be restricted to SAP. In

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particular, this process include any future management information systems required by the Toronto Transit Commission; and

- 004 the Chief Financial Officer and Treasurer and Commissioner of Corporate Services report back to the Audit Committee by June 30, 2004, on the progress and timelines for implementing the balance of the recommendations contained in the Auditor General's report entitled "SAP Financial and Human Resources/Payroll Information Systems – Post Implementation Review".

Report Title: Periodic Reporting of Financial Information

Report Date: 6/5/01

Recommendation

- 001 It is recommended that the Chief Financial Officer and Treasurer include appropriately detailed information on the City's assets and liabilities, including Reserve and Reserve Fund balances, in the interim variance reporting currently made to City Council.

Report Title: SAP Financial and Human Resources/Payroll Information Systems – Post Implementation Review

Report Date: 4/4/03

Recommendation

- 003 the Chief Administrative Officer amend the City policy relating to the preparation of detailed business cases supporting all major capital projects. The amended policy include the requirement that projected internal staff costs, relating to those staff with significant involvement in capital projects, be identified and accounted for in all business cases. Such information be provided even if staff costs are not charged to the capital project;

Division: Emergency Medical Services

Report Title: Toronto Emergency Medical Services Operational Support Review – Works and Emergency Services Department

Report Date: 11/29/04

Recommendation

- 001 the Chief Administrative Officer, take the necessary steps to ensure that previous recommendations contained in the Auditor General's report dated May 8, 2001 entitled "Review of Departmental Purchase Orders" are addressed and that:

(a) the City's procurement policies, procedures and guidelines are complied with and communicated to all staff involved in the acquisition of goods and services;

(b) necessary training is provided, such that staff is fully aware of, understand and comply with the policies, procedures and guidelines;

(c) effective management controls and monitoring measures are implemented to ensure compliance with Corporate procurement policies and procedures; and

(d) compliance with procurement policies and procedures is incorporated into the staff

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performance review process;

- 002 the Commissioner, Works and Emergency Services, clearly define and communicate the roles, responsibilities, authorities and accountability of program managers of the Toronto Emergency Medical Services and the Support Services Division, Works and Emergency Services, in the payment approval process, including the responsibility for reviewing related invoices, purchase orders and contracts;
- 004 the Chief/General Manager, Toronto Emergency Medical Services, take immediate steps to ensure that:
- (a) an equipment inventory database which tracks all equipment over a certain dollar threshold amount is completed in a timely manner;
 - (b) procedures are established to monitor regular maintenance of all equipment; and
 - (c) the preventive maintenance history of each piece of equipment is systematically tracked in the database;
- 005 the Chief/General Manager, Toronto Emergency Medical Services, take immediate steps to correct the information maintained in the Stores' inventory system. Such actions include:
- (a) completing an assessment of irregularities in the existing data, and developing an action plan, with specific timelines for the action to be taken to make the necessary corrections;
 - (b) documenting the functionality of the system and operating procedures, and providing formal training to ensure that staff has the necessary knowledge to effectively operate the system;
 - (c) strengthening controls over access to the system, including restricting access; and
 - (d) adjusting inventory records to reflect actual amounts on hand, with such adjustments being the subject of supervisory review and approval;
- 006 the Chief/General Manager, Toronto Emergency Medical Services:
- (a) identify the skills and expertise required by staff to effectively manage inventory items warehoused at the Stores;
 - (b) assess the skill set and competency level of current staff;
 - (c) develop a training and development program that ensures staff has the necessary skills and expertise to effectively perform their responsibilities;
 - (d) define the roles, responsibilities and authorities of supervisory and management staff responsible for the Stores operations; and
 - (e) provide adequate management oversight to reasonably ensure that irregularities are detected and corrected in a timely manner;
- 008 the Chief/General Manager, Toronto Emergency Medical Services, comply with City policies and:

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(a) discontinue the current practice of subsidizing or contributing to certain staff events;
and

(b) discontinue the current practice of making contributions to private and public organizations, or in exceptional circumstances, obtain prior approval from the Commissioner, Works and Emergency Services;

009 the Chief/General Manager, Toronto Emergency Medical Services, ensure that Toronto Emergency Medical Services complies with City policy with respect to business meeting and entertainment expenses, such that expenses be claimed by the most senior staff person present at the meeting or event and be approved by the next level of management who is not at the same meeting or event. Expense claims of the Chief/General Manager, Toronto Emergency Medical Services, should be approved by the Commissioner, Works and Emergency Services;

010 the Commissioner, Corporate Services, in consultation with the Chief/General Manager, Toronto Emergency Medical Services, undertake a review of the use of cellular telephones and pagers by the Toronto Emergency Medical Services. This review include but not be limited to:

(a) an assessment of communication needs of the Toronto Emergency Medical Services;

(b) an identification and analysis of cost saving opportunities, including a detailed review to determine whether the Toronto Emergency Medical Services is paying monthly charges for inactive pagers, and whether corrective actions are required; and

(c) the management and co-ordination of purchases and service subscriptions of cellular telephones and pagers of the Toronto Emergency Medical Services;

Division: Facilities & Real Estate

Report Title: Maintenance and Administrative Controls Review – Facilities and Real Estate

Report Date: 9/16/05

Recommendation

001 City Council on December 5, 6 and 7, 2005, postponed consideration of this Clause to its special meeting on December 14, 2005.

The Audit Committee recommends that City Council:

(1) adopt the staff recommendations in the Recommendations Section of the report (September 16, 2005) from the Auditor General subject to amending Recommendation (2) by requesting the City Manager to also provide an interim response to the February 22, 2006 Audit Committee meeting, so as to read:

“(2) the Deputy City Manager be requested to report to the Audit Committee by July 2006 on the progress of the implementation of the recommendations in the Auditor General's report entitled “Maintenance and Administrative Controls Review – Facilities and Real Estate”, and provide an interim response to the February 22, 2006 Audit Committee meeting; and”;

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- 002 receive the report (October 18, 2005) from the Chief Corporate Officer.
- 005 The City Manager review the practice of establishing multiple building maintenance contracts for the same service and, wherever cost and/or service advantages are identified, the Executive Director of the Facilities and Real Estate Division to establish a standard specification and City-wide contract
- 006 The City Manager ensure that all City divisions participate in the Electrical Safety Authority and the Technical Standards and Safety Authority contracts to ensure compliance with legislation and reduce cost and administration time.
- 007 The Deputy City Manager and Chief Financial Officer ensure the inventory of City-owned buildings and service provider information is complete and accurate and all City-owned buildings are assigned a building landlord.
- 010 The Deputy City Manager and Chief Financial Officer require that the Facilities and Real Estate Division provide other City divisions with written itemized cost estimates for maintenance over certain dollar amounts to assist City divisions in making repair decisions and monitoring program costs.
- 021 The Deputy City Manager and Chief Financial Officer take necessary steps to ensure that interdepartmental charges in the Facilities and Real Estate Division:
- (a) provide detailed supporting documentation and timely and accurate billing;
 - (b) include the requirement that City divisions, as well as the Facilities and Real Estate Division staff, review the accuracy and reasonableness of maintenance and cleaning costs;
 - (c) ensure that interdepartmental charge write-offs are properly authorized in writing by appropriate City Officials and/or Council in accordance with the City policy.
- 031 The Deputy City Manager and Chief Financial Officer take appropriate steps to ensure an up-to-date detailed inventory listing of tools and equipment over a specified amount is maintained at each City-operated district, providing that:
- (a) such listing include purchase price and details of purchase (i.e., date, supplier, invoice number); and
 - (b) a surprise physical inventory count of shop tools and equipment be conducted periodically, discrepancies investigated and adjustments made to records only after review and approval by an authorized official.

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Report Title: Maintenance and Administrative Controls Review-Facilities and Real Estate

Report Date: 9/16/05

Recommendation

001 the following recommendations in the attached Auditor General's report entitled "Maintenance and Administrative Controls Review – Facilities and Real Estate " be adopted:

003 this report be forwarded to the Administration Committee for information

Division: Fire Services

Report Title: Fire Services Operational Review

Report Date: 1/13/06

Recommendation

002 The Fire Chief and General Manager take necessary steps to ensure all sole-source purchases are made in accordance with corporate purchasing policies and procedures.

002 (2) receive the report (February 8, 2006) from Fareed Amin, Deputy the Fire Chief and General Manager, Toronto Fire Services.

003 The Fire Chief and General Manager review the appropriateness of establishing a new video production unit within Professional Development, Training and Mechanical Maintenance. Such a review take into account the resources currently available within the Public Information and Media Communications Unit of Staff Services and Communications as well as the potential availability of resources elsewhere in the City.

004 The Fire Chief and General Manager take necessary steps to strengthen management controls over the use of commercial fuel credit cards in Toronto Fire Services by:

(a) developing a formal policy on the issuance and appropriate use of commercial fuel credit cards;

(b) implementing monitoring measures to ensure adherence to divisional policy on the use of commercial fuel credit cards;

(c) reviewing the necessity and reasonableness of current credit card assignment and usage; and

(d) ensuring all fuelling expenses are adequately reviewed and approved by appropriate supervisory staff.

005 5. The Fire Chief and General Manager ensure:

(a) staff responsible for authorizing purchases obtain and review sufficient and relevant information to ensure best value prior to committing to purchases of goods and services; and

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(b) staff responsible for authorizing payments obtain and review relevant supporting details to ensure the reasonableness of the amount invoiced.

006 The Director of Purchasing and Materials Management take necessary steps to expedite the establishment of a corporate blanket contract for renting photocopiers in the City and ensure that an assessment is conducted in each user division to determine usage and the most cost effective model required.

008 The Fire Chief and General Manager evaluate the feasibility and associated risk of centralizing district offices within Fire Prevention and Public Education of Toronto Fire Services, with a view to:

(a) determining the most cost-effective number and location of district offices;

(b) assessing office space requirements for Fire Prevention staff working outside of district offices;

(c) assessing potential costs and resource levels required to effectively support a more centralized structure; and

(d) presenting to the Community Services Committee by September 1, 2006 with a detailed implementation plan, outlining projected cost savings, actions required, as well as target milestone and completion dates for measuring results.

009 The Fire Chief and General Manager develop a formal policy on the timeliness of follow up on fire safety related complaints and measures to ensure fire hazards are properly rectified.

010 The Fire Chief and General Manager, in consultation with the City Solicitor, develop and implement standard policies and procedures to ensure consistency in fire code enforcement efforts, including:

(a) defining non-compliance conditions by severity of fire hazard, response time and corresponding progressive enforcement measures to be applied;

(b) exploring the viability of stating expected target compliance date on the Notice of Violation; and

(c) developing time frames for re-inspection, implementation of corrective measures and timelines for laying charges.

012 The Fire Chief and General Manager take appropriate steps to ensure:

(a) consistency and efficiency in the conduct of Fire Prevention inspections through the use of standard inspection forms, checklists and documentation standards;

(b) Fire Prevention staff comply with written policies, procedures and standards established by Fire Prevention management; and

(c) the level of supervisory review is adequate to ensure consistency in enforcement efforts and compliance with established policies.

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- 018 The Fire Chief and General Manager review the current fee structure for after hour fire inspection services in order to ensure that full-cost recovery is achieved. Any proposed change be reported to the appropriate Committee.
- 020 The Fire Chief and General Manager take appropriate steps to ensure fire station staff clearly understand the frequency and timing related to vehicles and equipment inspections required, inspection procedures and standards for documenting inspection results.
- 026 The Fire Chief and General Manager and the Director of Purchasing and Materials management take necessary action to expedite the finalization of blanket contracts and purchase orders for referral of general vehicle repairs to private garages.
- 035 The Fire Chief and General Manager take steps to improve current materials management and control over the warehouse operation in Toronto Fire Services by:
- (a) ensuring orders, receipts and distribution of all inventory items are systematically tracked and monitored by management;
 - (b) providing adequate management oversight to ensure irregularities are detected and corrected in a timely manner;
 - (c) developing and implementing measures to reduce the quantity of surplus uniform items in storage; and
 - (d) reviewing the feasibility of reducing the number of staff and delivery vehicles assigned to the warehouse function.
- 036 The Fire Chief and General Manager take necessary steps to improve current management control of the gift shop. Such steps to include:
- (a) implementing procedures to ensure adequate controls over orders, receipts and sales;
 - (b) conducting a physical count of existing stock; and
 - (c) ensuring that the operation is adequately supervised.
- 037 The City Manager review the current practice of City Divisions, Agencies, Boards and Commissions selling clothing items with City and/or divisional logos to the public, the associated potential risk and liability to the City and report to appropriate committees on results and recommended action.

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Report Title: Operational Review – Toronto Fire Services

Report Date: 1/13/06

Recommendation

- 001 It is recommended that:
- the following recommendations in the attached Auditor General's report entitled "Operational Review – Toronto Fire Services" be adopted:
- 002 the City Manager be requested to report to the Audit Committee by July 2006 on the implementation of the recommendations in the Auditor General's report entitled "Operational Review – Toronto Fire Services"; and
- 003 this report be forwarded to the Community Services Committee for information.

Division: Fleet Services

Report Title: Fleet Operations Review – Phase One

Report Date: 11/18/03

Recommendation

- 003 the Commissioner, Corporate Services, in consultation with other City departments who directly manage fuel sites, the Toronto Police Service, Emergency Medical Services Division and Fire Services Division, complete a comprehensive assessment of all City-owned fuel sites, with a view to:
- (a) evaluating existing fuel sites, considering such factors as the age, size, type, volume, utilization, location and condition of the fuel tanks;
 - (b) evaluating the benefits and costs, including environmental concerns/benefits of maintaining the fuel sites;
 - (c) evaluating the benefits and costs of closing and decommissioning the fuel sites;
 - (d) recommending the retention or closure of each fuel site based on the results of the evaluation and cost-benefit analysis and long-term fuel supply strategy including any future use of alternative fuels such as biodiesel;
 - (e) developing a long-term strategy, including the cost implications and timelines, for the closure and decommissioning of those fuel sites identified for closure, if any, in (d) above;
 - (f) developing a coordinated long-term fuel site use and management strategy for all City-owned fuel sites, including consideration of single accountability for all City-owned fuel sites, and addressing:
 - (i) policies and procedures with respect to the administration and operation of all such sites including the training of appropriate staff. The policies and procedures provide for receipt of fuel, daily dipstick readings and reconciliation, and the maintenance of the fuel site facility and equipment;

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(ii) practices for ensuring daily fuel reconciliations are properly completed, discrepancies where identified are investigated and corrective action taken on a timely basis, and that all such reconciliations be subject to supervisory review and approval with evidence of such review in writing;

(iii) a review of the computerized fuel dispensing systems in use, including Profuel, in order to ensure that:

(a) controls as originally designed in the system are operating appropriately;

(b) reports, which identify unusual fuel consumption transactions, are generated and reviewed by supervisory staff, such transactions investigated and where necessary appropriate action is taken. Evidence of the review and any follow-up action be documented in writing; and

(c) reports are generated which track fuel consumption on a vehicle by vehicle basis;

(iv) overall management responsibility for all non-computerized (manually operated) fuel sites ensuring all adequate records are maintained and appropriate controls are in place to facilitate control over fuel usage at these sites;

(v) controls relating to the supply of fuel for all commercial fuel sites and ensure that fuel usage reports are generated for all vehicles using commercial fuel supply. These reports be reviewed for reasonableness by supervisory staff and appropriate action taken, where necessary. Evidence of such review and any follow-up action be documented in writing;

(vi) fuel site inspections by the Technical Standards and Safety Authority for all City-operated fuel sites in order to ensure compliance with Ontario's Technical Standards and Safety Act; and

(g) The Commissioner, Corporate Services, report back to the September 2004 meeting of the Administration Committee in connection with the above;

004 the Commissioner, Corporate Services, in accordance with the directive of Council and in consultation with City departments, establish a policy and procedure requiring that a business case be provided by all departments for all vehicle and equipment acquisitions, including justification for all new or replacement vehicle or equipment, taking into consideration the actual usage and purpose of the vehicle being replaced;

008 the Commissioner, Corporate Services, establish fleet emission and fuel efficiency standards and ensure that these standards are incorporated in the fleet management information system when implementing the recommendations in this report with respect to the monitoring of City vehicles' fuel usage and utilization. In addition, any significant deviation from these standards be investigated and appropriate corrective action taken where necessary.

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Report Title: Fleet Operations Review – Phase Two

Report Date: 4/11/05

Recommendation

- 001 The City Manager review the current Corporate governance structure of Fleet Services and determine the extent of resources allocated to fleet-related functions in all City departments with a view to:
- (a) evaluating the feasibility of centralizing ownership, control and accountability of City fleet and integrating all fleet operations and related funding within Fleet Services; and
 - (b) reporting to the Policy and Finance Committee by January 2006. Such report to include the following:
 - (i) proposed organizational structure to integrate all fleet services;
 - (ii) costs and benefits of such change;
 - (iii) roles and responsibilities of Fleet Services and user departments;
 - (iv) impact on the operating and capital budgets of Fleet Services and user departments; and
 - (v) recommended action, including specific timelines for implementation.
- 003 The Deputy City Manager and Chief Financial Officer explore the possibility of purchasing year-old off-lease or nearly-new vehicles.
- 004 The City Manager establish a Corporate-wide policy providing that:
- (a) Fleet Services be designated as the primary provider of maintenance and repair services for City equipment;
 - (b) Fleet Services co-ordinate all referrals of maintenance and repair services to private repair shops, if required.
- 005 The City Manager evaluate the feasibility of centralizing all rental vehicles within Fleet Services and report to the Policy and Finance Committee by January 2006.
- 009 The City Manager report to the Works Committee and Administration Committee by October 2005, on the results of Phase One of the Yards Rationalization Study, as directed by Council in 2001. Such report to provide the following:
- (a) an assessment of the value of the study;
 - (b) expected timelines and requirements to complete Phase Two of the study, giving priority to the completion of the study; and

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(c) the potential impact of any yard closure, resulting from the study, on other programs such as maintenance garages, City Stores and fuel dispensing sites.

- 010 The Deputy City Manager and Chief Financial Officer use the M4 Fleet Management Information System to analyze work performance by comparing actual work hours on specific repairs to industry standards and generating exception reports identifying those repairs where actual work hours vary significantly from industry standards. Such reports to be reviewed by supervisory staff, significant variances investigated and appropriate corrective action taken.
- 011 The Deputy City Manager and Chief Financial Officer establish efficiency and effectiveness performance measures for fleet operations that provide a basis for trend analysis of costs, productivity and performance, and for comparison internally between locations and previous performance or externally with other leading local government fleet organizations.
- 013 The Deputy City Manager and Chief Financial Officer establish criteria for using private repair shops and procedures to ensure repairs and other fleet-related services are referred to private repair shops accordingly.
- 014 The Deputy City Manager and Chief Financial Officer, in consultation with the Chief Financial Officer and Treasurer, explore the possibility of using preferred vendors selected through a competitive process to provide repair services for City vehicles at negotiated rates.
- 015 The Deputy City Manager and Chief Financial Officer take appropriate steps to ensure payments for work performed by private repair shops are in compliance with Corporate purchasing policies.
- 016 The Deputy City Manager and Chief Financial Officer take necessary steps to:
- (a) develop criteria for conducting random quality assurance inspections of vehicles serviced by private repair shops, including the frequency, timing and nature of the inspection;
 - (b) develop a standard form to document the inspection and retain documentation for review by supervisory staff; and
 - (c) evaluate inspection results, taking appropriate corrective action, where necessary, in order to ensure the effectiveness of the program.
- 017 The Deputy City Manager and Chief Financial Officer review practices with respect to warranty repairs and take appropriate steps to:
- (a) establish criteria for determining when warranty repairs should be referred to the manufacturer or performed internally;
 - (b) utilize the M4 Fleet Management Information System for recording warranty information and tracking warranty repairs;
 - (c) ensure eligible costs for warranty repairs are recovered from the manufacturer; and

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(d) formalize warranty reimbursements from manufacturers when in-house warranty repairs are made, ensuring full recovery of direct labour costs.

- 018 The Deputy City Manager and Chief Financial Officer take necessary steps to ensure that odometer and hour meter readings are accurately recorded in the M4 Fleet Management Information System by garage staff prior to work order close-out.
- 019 The Deputy City Manager and Chief Financial Officer take appropriate steps to identify standard management reports that should be generated from the M4 Fleet Management Information System, the purpose and frequency of such reports and the staff responsible for their review and appropriate follow-up action.
- 022 The City Manager ensure that the pending Corporate warehouse review undertaken as part of the rationalization of City Stores, and as requested by the Budget Advisory Committee, includes:
- (a) an evaluation of centralizing control of all automotive parts inventory:
 - (i) under Fleet Services or Purchasing and Materials Management; and
 - (ii) using one management information system for tracking parts inventory using either M4 Fleet Management Information System or SAP; and
 - (b) the establishment of centralized policies and procedures for inventory management at all automotive parts warehouses, ensuring adequate controls are in place, including:
 - (i) establishing criteria for items to be included in inventory;
 - (ii) utilizing available system features for tracking inventory usage and re-order levels;
 - (iii) conducting periodic surprise counts of items over a specified value;
 - (iv) using metered dispensing equipment for bulk items in large volumes such as oils and lubricants; and
 - (v) disposing obsolete items on a timely basis.
- 023 The Deputy City Manager and Chief Financial Officer review the proposed parts consignment model prior to finalizing any agreement, with a view to:
- (a) evaluating all costs and benefits including potential additional costs for staffing, warehouse re-configuration and opportunity costs for increased warehouse space requirements;
 - (b) determining the proper disposition of existing inventory; and
 - (c) ensuring that control of warehouses maintaining inventory is centralized under one management responsibility.

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026 City Council direct that this report be forwarded to those City organizations who separately manage their own fleet operations, including Emergency Medical Services, Fire Services, Toronto Police Service, Toronto Library Board, Toronto Zoo and Exhibition Place, in order to ensure that issues raised are addressed by them where appropriate. These organizations be required to report back to the first 2006 meeting of the Audit Committee in connection with the results of their review, specifically addressing:

- (a) garage operations;
- (b) maintenance and repairs by private repair shops;
- (c) fleet management information systems; and
- (d) parts inventory controls.

Division: Homes for the Aged

Report Title: Resident Fees and Trust Funds Review – Homes for the Aged Division

Report Date: 5/8/06

Recommendation

001 The General Manager, Homes for the Aged Division, enhance the Division's operational reviews by:

- (a) rescheduling delayed operational reviews when practically possible in order to ensure that the reviews, whether full or partial, are conducted within a three-year period; and
- (b) requiring the homes to provide a clear implementation plan with specific timelines and responsibility for addressing the recommendations arising from the Division's operational reviews.

001 City Council on June 27, 28 and 29, 2006, adopted this Clause without amendment.

The Audit Committee recommends that City Council adopt the staff recommendations in the Recommendations Section of the report (March 8, 2006) from the Auditor General:

002 The General Manager, Homes for the Aged Division, revise the process and banking form used for recording cash withdrawals from resident trust funds to include withdrawn amounts written in full and ensuring any alterations are initialled by the resident.

003 The General Manager, Homes for the Aged Division, ensure that all resident funds held in temporary bank accounts are recorded in the Homes for the Aged Trust Funds' general ledger on a timely basis.

004 The General Manager, Homes for the Aged Division, in consultation with the City Treasurer, ensure that all interest earned on residents' funds is credited to the residents' trust accounts.

005 The General Manager, Homes for the Aged Division:

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(a) implement verification procedures to ensure that payments for additional services authorized by residents such as hairdressing and tuck shop purchases are made at the proper amounts and for goods and services received by the residents; and

(b) take appropriate steps to determine the amount of overcharges for hairdressing services, identify the residents affected, and reimburse them accordingly.

006 The General Manager, Homes for the Aged Division, enhance the Division's policies and procedures by requiring that reduced basic accommodation rates entered in the Resident Financial Management System be reviewed for accuracy by someone independent of the input function and evidence of such review be documented in writing.

007 The General Manager, Homes for the Aged Division, evaluate the feasibility of enhancing the Resident Financial Management System in order to facilitate:

(a) uploading of management reports into other electronic format for further analysis;

(b) reporting of statistical information such as resident days; and

(c) simplification of the quarterly statements issued to residents by including only data that is relevant to the resident.

Report Title: Resident Fees and Trust Funds Review – Homes for the Aged Division (covering report)

Report Date: 3/8/06

Recommendation

001 It is recommended that:

(1) the following recommendations in the attached Auditor General's report entitled "Resident Fees and Trust Funds Review – Homes for the Aged Division" (March 8, 2006) be adopted:

002 this report be forwarded to the Community Services Committee for information.

Division: Information & Technology

Report Title: Management of City Information Technology Assets

Report Date: 1/26/06

Recommendation

001 The City Manager give consideration to extending the terms of reference of the upcoming Information Technology Governance and Organization Design Review to include the City's Agencies, Boards and Commissions.

001 City Council on April 25, 26 and 27, 2006, adopted this Clause without amendment.

The Audit Committee recommends that City Council:

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(1) adopt the staff recommendations in the Recommendations Section of the report (January 26, 2006) from the Auditor General; and

- 001 the following recommendations in the attached Auditor General's report entitled "Management of City Information Technology Assets" be adopted:
- 002 the City Manager be requested to report to the Audit Committee by July 2006 on the implementation of the recommendations in the Auditor General's report entitled "Management of City Information Technology Assets";
- 002 The City Manager communicate to all City divisions that the Information Technology Governance and Organization Design Review is clearly a City-wide initiative managed by the City Manager's Office and is intended to be inclusive of all City divisions.
- 002 receive the report (February 8, 2006) from the Chief Corporate Officer.
- 003 the City Manager give consideration to extending the terms of reference of the upcoming Information Technology Governance and Organization Design Review to include the City's Agencies, Boards and Commissions; and
- 004 the City Manager communicate to all City divisions that the Information Technology Governance and Organization Design Review is clearly a City-wide initiative managed by the City Manager's Office and is intended to be inclusive of all City divisions.
- 008 The Chief Corporate Officer determine whether unused Novell Inc. software licences will be required in the short-term. Negotiations be initiated with Novell Inc. to review the possibility of discontinuing future maintenance payments on unused software licences.
- 010 The Chief Corporate Officer review the possibility of consolidating the City's computer server resources and where possible, consider locating servers at the City's main data centre.
- 011 The City Manager direct divisions to provide the Contract Management Office with a list of all active computer contracts including those currently under negotiation or being considered for renewal. The Chief Corporate Officer review each one of these contracts to determine if opportunities exist for consolidating contracts and reducing costs.
- 013 The Chief Corporate Officer ensure that there are procedures in place regarding the ongoing monitoring of information technology asset competitive pricing, as well as the processes required to recover funds in situations where the City has been overcharged for certain equipment.
- 014 The City Manager direct all City divisions of the requirement to comply with spending authority requirements as specified in the Delegation of Financial Authority. Divisions be required to develop an internal control process to identify instances of non-compliance and where appropriate, action be taken for instances of non-compliance.
- 015 The City Manager direct all City divisions to comply with City procurement policies when obtaining quotes for goods and services.

City Divisions
Public Recommendations – Fully Implemented

- 016 The City Manager, in consultation with the Chief Corporate Officer, establish written criteria regarding the level of authority required to declare an information technology asset obsolete. Divisions be directed to comply with established authorization requirements.
- 019 The Chief Corporate Officer review current procedures relating to the processes required to erase data from computer hardware earmarked for disposal. The erasure process should be commensurate with the type and confidential nature of data being erased. All action taken should be clearly documented and authorized by management.
- 022 The Fire Chief and General Manager, in consultation with the City Solicitor, determine whether insurance guarantees provided for in the contract for the Computer Aided Dispatch and Report Management System were provided to the City. The appropriate action be taken if such guarantees have not been provided.
- 023 The Fire Chief and General Manager ensure that future maintenance charges related to the contract for the Computer Aided Dispatch and Report Management System are in accordance with contract provisions.

Report Title: Telecommunication Services Review

Report Date: 1/31/05

Recommendation

- 003 the Commissioner, Corporate Services, evaluate whether or not there is the potential for the recovery of fees paid to the network service provider in regard to the non-performance of certain provisions in the contract. In addition, the Commissioner, Corporate Services, consider including in contracts, where appropriate, remedies for non-compliance of contract terms and conditions. Such potential remedies to include liquidated damages (penalty clauses) for non-performance;
- 004 the Commissioner, Corporate Services, ensure that all appropriate contracts contain the necessary insurance guarantee provisions, that renewals are executed as required, and documentation to be provided is received in a timely manner;
- 005 the Chief Administrative Officer, in the development of its contract management framework, develop a standard template which identifies in a summary form all relevant contract revisions such that:
- changes from the previous contract terms are highlighted;
 - appropriate performance requirements are highlighted; and
 - prices, costs and other relevant details are identified;
- 011 the Commissioner, Corporate Services, in consultation with departments, expedite a comprehensive review of the use of cellular telephones and pagers by all City departments. The review should include an assessment of each department's communication needs and the identification of cost saving opportunities such as the pooling of unused cell phone usage;

City Divisions
Public Recommendations – Fully Implemented

- 017 the Commissioner, Corporate Services, at a minimum of once a year, request departments to validate the complete inventory of all cellular telephones. The results, listing the staff member assigned to each cellular telephone, be forwarded to the Telecommunication Services Unit to update their inventory records;
- 019 the Commissioner, Corporate Services, finalize and communicate to all departments the policies, procedures and standards for telecommunication services by the end of June 2005;

Division: Parks, Forestry & Recreation

Report Title: CLASS Recreation Registration and Permitting System Information Technology Review – Economic Development, Culture and Tourism Department

Report Date: 10/6/04

Recommendation

- 002 the Commissioner, Economic Development, Culture and Tourism, establish appropriate performance indicators for the key deliverables and objectives of the Information Technology Unit. These indicators be established for specific system development, system enhancement activities, as well as on-going operations. The Information Technology Unit be required to report on actual performance on a regular basis;
- 007 the Commissioner, Economic Development, Culture and Tourism, ensure that a copy of the Source Code and Source Code Documentation for the CLASS Recreation Registration and Permitting software is held in escrow and that it is maintained on an on-going basis;
- 009 the Commissioner, Economic Development, Culture and Tourism:
- (a) ensure responsibility for managing security for the CLASS Recreation Registration and Permitting System is clearly assigned;
 - (b) conduct an assessment of the risks associated with the CLASS Recreation Registration and Permitting System and determine the level of security required; and
 - (c) establish specific security standards complete with procedures to support those standards and communicate expectations to employees;

City Divisions
Public Recommendations – Fully Implemented

Division: Pension, Payroll & Employee Benefits

Report Title: Payroll Processing Review – Phase One

Report Date: 10/27/04

Recommendation

- 003 the Chief Financial Officer and Treasurer review those specific on-line system controls currently available through SAP and in addition implement those on-line system controls identified during the course of this review. Such implementation be completed by July 11, 2005, and reported to the Audit Committee at that time;

- 004 the Chief Administrative Officer require that departmental staff, independent of the payroll input process, review and verify the accuracy and completeness of payroll transactions;

- 006 the Chief Financial Officer and Treasurer review the extent and usefulness of payroll reports currently available. Those reports which serve no purpose and consequently are not being used should be discontinued. The Chief Financial Officer and Treasurer be required to advise all Departments of payroll reports available through the financial information system;

- 007 the Chief Financial Officer and Treasurer, in consultation with the Commissioners, review the accuracy of vacation, lieu time and sick leave bank balance information in the SAP Human Resources/Payroll system. Appropriate action should be taken to correct SAP bank balances as required and discontinue the use of manual records;

- 008 the Chief Financial Officer and Treasurer review the controls in the SAP Human Resources/Payroll system in regard to employee alternate rate assignments;

- 009 the Chief Administrative Officer direct that all City Commissioners review the use of temporary alternate rate assignments within their own operations to ensure compliance with Corporate policy. All long-term acting assignments should be recorded on the SAP Human Resources/Payroll system as continuous alternate rates with a one-year expiry date and monitored by Finance Department payroll staff;

- 014 the Chief Financial Officer and Treasurer and the Commissioners review and assess the training needs of users of the SAP Human Resources/Payroll system and ensure additional training is provided. Such training should include information on payroll and human resource policies and collective agreements;

- 017 the Chief Administrative Officer direct that access to confidential personnel and employee payroll information be restricted to those employees who require access to perform their specific job functions. Employees should not be provided complete access to sensitive and confidential data unless specific written approval is obtained from management; and

City Divisions
Public Recommendations – Fully Implemented

Division: Purchasing & Materials Management

Report Title: Procurement Processes Review – City of Toronto (Detailed Report)

Report Date: 3/31/03

Recommendation

- 002 The Chief Financial Officer and Treasurer and Commissioners ensure that:
- (a) appropriate controls are in place to effectively mitigate the risks in the procurement process;
 - (b) mechanisms exist to prevent and detect situations of non compliance;
 - (c) all applicable staff understand and are aware of their roles and responsibilities, and requirements that must be followed in the respective procurement process, as well as the consequences for not meeting their responsibilities or adhering to policies and procedures; and
 - (d) compliance with procurement procedures is incorporated into the staff performance review process.
- 003 The Chief Financial Officer and Treasurer, in consultation with the Commissioner of Corporate Services, report to the Administration Committee by January 2004 on any revisions to the organizational structure of the Purchasing and Materials Management Division, such report to include:
- (i) an examination of the various organizational structure models;
 - (ii) a determination as to whether the Client Services group of the Purchasing and Materials Management Division should be merged with the Purchasing Services Unit; and
 - (iii) clarification of the roles and responsibilities of each unit, the number, type and mix of positions required, and any resulting resource implications.
- 005 The Chief Financial Officer and Treasurer, in consultation with the Commissioner of Corporate Services:
- (i) identify the skills and expertise required by Purchasing and Materials Management Division staff to effectively meet the Division's business and customer service objectives;
 - (ii) assess the skill set and competency level of current staff;
 - (iii) develop a training and development program that ensures staff have the necessary customer service and technical expertise to effectively perform their responsibilities; and
 - (iv) determine the causes of the Purchasing and Materials Management Division's high staff turnover rate, and take the necessary corrective action to remedy this problem.

City Divisions
Public Recommendations – Fully Implemented

015 The Chief Financial Officer and Treasurer, in consultation with Commissioners, ensure that all City staff involved in the procurement process have the knowledge and are properly trained to manage and participate in the process, and develop directives and guidelines such that:

(i) call/request methods used are appropriate, an effective evaluation methodology is designed for all requests, that the evaluation is performed by more than one person, as appropriate, that the composition, knowledge and expertise of the evaluation team is reflective of the complexity and dollar value of the assignment, and that outside expertise is retained as required for complex and high risk procurement transactions, to ensure that a sound business decision is made and properly justified;

(ii) the proposal evaluation criteria are disclosed in the request document, the relative weights are pre-determined and documented, that price be assigned a minimum weight of 25 percent, consistent with the City's Hiring and Selection of Consulting Services Policy, and that criteria be developed for any exceptions to these requirements;

(iii) the Purchasing and Materials Management Division is involved, in proposal evaluations for those projects above a pre-determined dollar threshold limit or based on other criteria, as determined by the Chief Financial Officer and Treasurer, to monitor, provide guidance and ensure due process is followed;

(iv) proposal evaluations are performed independently and that each evaluation team member, whether a staff member or an outside consultant, is required to sign a conflict of interest declaration:

- disclosing any entertainment, gifts, or other benefits, in cash or in kind, received from proponents or their representatives;

- certifying that he or she conducted the evaluation in a fair and objective manner, and free from any conflict of interest or undue influence;

(v) the Chief Financial Officer and Treasurer develop a policy of "no informal contact" between department staff involved in the procurement process and the potential suppliers, and establish guidelines to assist staff in determining proper conduct and limitations with respect to communication and contact with potential suppliers; and

(vi) the City's call/request documents stipulate that staff directly or indirectly involved in the evaluation and decision making process are not permitted to accept any gifts, entertainment or other benefits, and that the supplier's bid/proposal may be rejected if it fails to comply with this requirement.

021 Commissioners:

(i) identify their procurement needs, including the volumes of goods and services required, specifications and deliverables, and the timing of such requirements; and

(ii) ensure that this information is communicated to the Purchasing and Materials Management Division and City Legal on a timely basis, allowing for sufficient lead time, such that both the Purchasing and Materials Management Division and City Legal can schedule their respective resources to meet departmental timelines.

City Divisions
Public Recommendations – Fully Implemented

- 024 The Chief Financial Officer and Treasurer:
- (i) ensure that departments are notified of any changes to call/request documents before the request or call is issued; and
 - (ii) in consultation with departments, make the determination with respect to any changes to the closing date specified in a call/request document.
- 026 The Commissioner, Corporate Services, take the necessary action to expedite implementation of procurement initiatives that require information technology assistance and support.
- 028 The Chief Financial Officer and Treasurer:
- (i) expedite the implementation of purchasing cards in City operations, using a phased-in approach;
 - (ii) develop the necessary policies and procedures with respect to the issuance, use and control of credit and purchasing cards, including consequences for misuse of the cards;
 - (iii) in consultation with Commissioners, ensure that necessary training is provided to all departmental staff responsible for the use and management of the purchasing cards; and
 - (iv) report to the Administration Committee by January 2004, on the status of the purchasing card program, including any costs to administer the program and any benefits realized.
- 029 Commissioners:
- (i) monitor the use of single source purchases in their respective departments with the view to reducing the need to purchase goods and services without going through a competitive process; and
 - (ii) in consultation with the Purchasing and Materials Management Division, properly plan their requirements in order to reduce the single sourcing of purchases.
- 031 The Chief Financial Officer and Treasurer:
- (i) monitor purchasing activity, including Departmental Purchase Orders issued by departments, and work with departments to identify opportunities to consolidate the procurement of common goods and services;
 - (ii) in consultation with departments, be more proactive in identifying potential opportunities to utilize blanket contract agreements for goods and services, to more efficiently meet the needs of departments, including emergency requirements;
 - (iii) further explore opportunities to enter into co-operative purchasing agreements with the City's Agencies, Boards and Commissions, other municipalities, public organizations, and other levels of government.

City Divisions
Public Recommendations – Fully Implemented

- 033 The Chief Financial Officer and Treasurer, in consultation with Commissioners, re-establish a Purchasing Client Reference Group to deal with procurement issues.
- 034 The City Solicitor, in consultation with the Chief Financial Officer and Treasurer, and Commissioners:
- (i) develop criteria and guidelines outlining the circumstances in which a formal contract is required; and
 - (ii) develop a standard contract template to be used and executed by departments for straightforward purchases, and where there is no negotiation involved with respect to the terms and conditions in the bid document.
- 036 The Chief Administrative Officer, in consultation with the City Solicitor:
- (i) clarify the roles and responsibilities of City Legal, the Chief Financial Officer and Treasurer, City Clerk, and Commissioners in the contract execution process and ensure that the responsibilities and rationale are clearly communicated to all staff involved; and
 - (ii) develop mechanisms and assign clear responsibility for ensuring the decisions of Bid Committee, Standing Committee and Council are accurately reflected in the purchase order or contract, and that the necessary authority exists to enter into the agreement.
- 037 The Chief Administrative Officer, in consultation with the Chief Financial Officer and City Clerk, establish a central repository for all contract signing and other procurement authorities delegated to departmental staff.
- 039 The Chief Financial Officer and Treasurer, in consultation with Commissioners, identify the procurement information needs of the Purchasing and Materials Management Division and departments, and take the necessary action to cost-effectively obtain the information required, in order to enable the effective management of procurement activities.

Report Title: Selection and Hiring of Professional and Consulting Services Review

Report Date: 6/19/01

Recommendation

- 012 the Chief Administrative Officer, in consultation with the City's Commissioners, identify areas where departments have skill shortages or insufficient staff resulting in the consistent and extensive long-term use of consultants and:
- (a) present the appropriate business cases justifying meeting long-term operational demands by increasing staffing levels, such increases to be financed by the transfer of funds from consulting budgets to salaries and wages budgets;
 - (b) where possible, ensure sufficient City staff are trained in skills required frequently and on a long-term basis, thus reducing the City's reliance on consultants to perform such duties; and
 - (c) ensure that the continuous operation of critical management information systems is not dependant upon a single individual consultant;

City Divisions
Public Recommendations – Fully Implemented

Division: Shelter, Support & Housing Administration

Report Title: Hostel Operations Review – Community and Neighbourhood Services

Report Date: 6/20/04

Recommendation

- 002 the Commissioner, Community and Neighbourhood Services, in consultation with the General Managers of Shelter, Housing and Support and Homes for the Aged Divisions, conduct a comprehensive review of those individuals who are long-term hostel residents with a view to:
- (a) identifying the appropriate level of support and accommodation for these residents;
 - (b) evaluating the financial impact on subsidies available from the Province in regard to the reallocation of long-term hostel residents to other programs;
 - (c) identifying the appropriate facility, such as rental housing, supportive housing, long-term care or special care facility, that is available to accommodate these individuals;
 - (d) identifying the availability of beds at those facilities; and
 - (e) developing a transition plan for the transfer of long-term hostel residents to those facilities;
- 003 the Commissioner, Community and Neighbourhood Services, establish formal policies and procedures for the ongoing transfer of hostel residents to other appropriate permanent housing facilities, including the placement of those individuals on the waiting lists of such facilities;
- 005 the Commissioner, Community and Neighbourhood Services, establish a process to claim provincial subsidy for the personal needs allowance provided in kind to individuals. In addition, appropriate steps should be taken to negotiate a retroactive subsidy claim for prior years where possible;
- 006 the Commissioner, Community and Neighbourhood Services, establish centralized policies and procedures regarding the issuance of personal needs allowance to individuals either in cash or in kind. The policy should specify eligibility criteria for the receipt of personal needs allowance in cash or in kind, the rate to be paid in cash, the maximum value of personal needs items to be provided, and general administration guidelines for issuance of the allowance;
- 008 the Commissioner, Community and Neighbourhood Services, review the food and personal needs allowance rates paid to families accommodated in the shelters and motels, in comparison to the level of support provided to similar families receiving social assistance in the community, with a view to determining whether any adjustment to the shelter rates is warranted;
- 009 the Commissioner, Community and Neighbourhood Services, give priority to the development of a performance measurement framework that includes performance indicators to evaluate the effectiveness of support programs, particularly with respect to case management and counselling provided by the Hostel Services Unit, as well as the reporting requirements on the results of such evaluations;

City Divisions
Public Recommendations – Fully Implemented

- 010 the Commissioner, Community and Neighbourhood Services, develop file documentation standards in order to adequately document and monitor the level of support services provided to individuals serviced by the emergency shelter system;
- 011 the Commissioner, Community and Neighbourhood Services, review the arrangement between the City and St. Michael's Hospital Foundation regarding the disbursement of donated funds for Seaton House programs, with a view to ensuring that:
- (a) the City receives all the funds that it is entitled to; and
 - (b) for any new program that will be funded from the donated funds, all capital and operating costs and related funding are taken into consideration and receive the appropriate approvals prior to the implementation of such program;
- 013 the Commissioner, Community and Neighbourhood Services, develop financial criteria and specific financial guidelines to be consistently applied in determining per diem rates for any community agency requesting to operate an emergency shelter;
- 019 the Commissioner, Community and Neighbourhood Services, establish standardized policies and procedures for the administration and control of funds in all City-operated shelters, particularly with respect to the following:
- (a) administration and reporting of imprest cash funds and client savings accounts;
 - (b) preparation of bank reconciliations, ensuring that proper bank reconciliations are prepared monthly for all bank accounts maintained by the City-operated shelters. Such reconciliations be reviewed and approved in writing by an authorized supervisory official who is independent of the cash handling and cash recording functions; and
 - (c) assignment of responsibilities including those of supervisory staff, ensuring that there is adequate segregation of duties whenever possible and practical;
- 021 the Commissioner, Community and Neighbourhood Services, develop policies and procedures which establish clear accountability and responsibility for the payment verification process, including an appropriate level of supervisory control and approval. Such policies ensure that payments are made only for goods and services received in accordance with costs contained in duly approved contracts;

Report Title: Hostel Vacancy and Bed Rates

Report Date: 3/12/01

Recommendation

- 003 the Commissioner, Community and Neighbourhood Services, enhance the agency review officers' site visits to the shelters to include random verification checks of the per diem billings and occupancy data submitted by the shelters;
- 006 the Commissioner, Community and Neighbourhood Services, ensure that timely and accurate hostel bed vacancy information is available and accessible to agencies or individuals in need of this information. Opportunities may exist to coordinate the process with Street Helpline, a program of Community Information Toronto.

**City Divisions
Public Recommendations – Fully Implemented**

Report Title: Let's Build Program - 3810 Bathurst Street and 1555 Jane Street

Report Date: 10/21/05

Recommendation

- 001 The Deputy City Manager responsible for the Affordable Housing Office, ensure that the evaluation process for projects selected by the Office take into consideration the impact of any existing planning approvals, including Section 37 agreements.
- 003 City Council on December 5, 6 and 7, 2005, postponed consideration of this Clause to its special meeting on December 14, 2005.
- Council also considered additional material, which is noted at the end of this Clause.
- The Audit Committee recommends that City Council:
- (1) adopt the staff recommendations in the Recommendations Section of the report (October 21, 2005) from the Auditor General subject to clarifying whether there are any inaccuracies in the Auditor General's attached report (September 30, 2005) respecting the affordable housing project at 1555 Jane Street as it relates to the OMB directed for-profit daycare facility, and the execution and registration of the Section 37 agreement; and
- 007 (2) requested the Auditor General to consider conducting an audit review of the affordable housing project at 418 Dawes Road; and

Report Title: Let's Build Program - 3810 Bathurst Street and 1555 Jane Street - Additional Information

Report Date: 11/29/05

Recommendation

- 001 It is recommended that this report be received for information.

Division: Social Development, Finance & Administration

Report Title: Community & Neighbourhood Services – Community Services Grants Program Review

Report Date: 2/27/01

Recommendation

- 007 the Commissioner, Community & Neighbourhood Services, ensure that each individual agency to whom Community Services grants are given clearly demonstrate measurable, attainable goals and expected annual results. The review assessment and monitoring process take into account whether or not these goals are met;
- 009 the Commissioner, Community & Neighbourhood Services, ensure that the criteria and basis for recommendations and decisions at all stages of the Community Services grants process, including the assessment and the approval of each grant, be effectively documented;

City Divisions
Public Recommendations – Fully Implemented

016 the Commissioner, Community & Neighbourhood Services, continue discussions with all funding agencies, particularly the United Way of Greater Toronto and the Ontario Trillium Foundation, with the objective of co-ordinating the grants application assessment and monitoring process. The ability to do this will ultimately result in the reduction of administrative time and costs;

Division: Social Services

Report Title: Recovery of Social Assistance Overpayments, Toronto Social Services

Report Date: 6/2/05

Recommendation

001 City Council on December 5, 6 and 7, 2005, adopted this Clause without amendment.

The Audit Committee recommends that City Council:

(1) adopt the staff recommendations in the Recommendations Section of the report (June 2, 2005) from the Auditor General subject to amending Recommendation (2) by requesting that the Deputy City Manager also provide an interim response to the February 22, 2006 meeting of the Audit Committee, so as to read:

“(2) the Deputy City Manager be requested to respond to the Audit Committee by July 2006, and provide an interim report to the February 22, 2006 Audit Committee meeting, regarding the actions taken to address the recommendations made by the Auditor General in the report entitled “Recovery of Social Assistance Overpayments – Toronto Social Services;and”;

002 The General Manager, Toronto Social Services, establish appropriate controls over the custody, retention and location of all inactive case files where overpayments have been identified. All such files be appropriately tracked and accounted for.

002 request the Province of Ontario to assume the entire cost of the Ontario Works program;

003 direct the General Manager, Toronto Social Services to request the Province of Ontario to improve or replace the Provincial Service Delivery Model Technology (SDMT) to effectively manage the recovery of inactive overpayments; and

004 The General Manager, Toronto Social Services, establish criteria to identify high priority cases where overpayments exist. Priority be established on accounts in excess of a predetermined threshold. Collection efforts be focussed on those high priority cases.

004 receive the report (October 24, 2005) from the General Manager, Social Services Division.

006 The General Manager, Toronto Social Services, take steps to ensure case management staff and related supervisors review all files relating to overpayments in order to ensure that compliance with policies and procedures and to ensure the accuracy and timeliness of recovery efforts.

City Divisions
Public Recommendations – Fully Implemented

- 008 The General Manager, Toronto Social Services, request the Province to review the feasibility of centrally coordinating the development of information management systems pertaining to the accounting and administration of the recovery of all social assistance overpayments.
- 009 The General Manager, Toronto Social Services, take steps to ensure that funds are forwarded to the Revenue Accounting Unit at the end of each business day for immediate deposit.
- 011 The General Manager, Toronto Social Services, ensure that the accounting for the recovery of overpayments and reimbursements relating to other programs is accurate. Reconciliation between the City's SAP financial system and the Province's Management Information System be conducted on a monthly basis and where appropriate, corrections be made on a timely basis. All such reconciliation be subject to supervisory review.

Report Title: Recovery of Social Assistance Overpayments, Toronto Social Services (covering report)

Report Date: 6/2/05

Recommendation

- 001 the following recommendations in the attached Auditor General's report entitled "Recovery of Social Assistance Overpayments, Toronto Social Services" be adopted:
- 002 the Deputy City Manager be requested to respond to the Audit Committee by July 2006 regarding the actions taken to address the recommendations made by the Auditor General in the report entitled "Recovery of Social Assistance Overpayments – Toronto Social Services;" and
- 003 this report be forwarded to the Community Services Committee for information.

Division: Technical Services

Report Title: Contract Management Issues

Report Date: 12/19/05

Recommendation

- 001 City Council on April 25, 26 and 27, 2006, adopted this Clause without amendment.

The Audit Committee recommends that City Council:

(1) adopt the staff recommendations in the Recommendations Section of the report (December 19, 2005) from the Auditor General; and

(2) receive the report (February 10, 2006) from Fareed Amin, Deputy City Manager and the Executive Director, Technical Services.

The Audit Committee submits the report (December 19, 2005) from the Auditor General:

**City Divisions
Public Recommendations – Fully Implemented**

- 002 the Deputy City Manager ensure that:
- (a) all tender calls are appropriately planned and managed in order to ensure that any tender call cancellations are minimized;
 - (b) all tender calls be appropriately planned in order to ensure that the tendered work can be completed during the construction period time frame;
 - (c) policies relating to “vendor complaint resolution” be re-evaluated in order to ensure that delays to the contract approval process are minimized;
 - (d) the determination of what constitutes a “material written objection” relating to contract awards be evaluated in consultation with City Legal; and
 - (e) decisions relating to cancelled contract awards be in writing and approved by Senior Management; and
- 003 the Deputy City Manager ensure that the issues identified in this report are included in the Capital Works Projects, Procurement and Administration Manual. In addition, the development of a detailed procedural checklist for inclusion in the manual should be considered.

Division: Transportation Services

Report Title: Review of Snow Budget Over-expenditure

Report Date: 6/5/00

Recommendation

- 009 in consultation with Legal Services and the Purchasing and Materials Management Division, a revised Contractor Performance Evaluation Form and a Contractor Infraction Report Form be implemented for all winter maintenance contracts;

Report Title: Snow Removal Budget Review

Report Date: 11/8/01

Recommendation

- 001 the Commissioner of Works and Emergency Services ensure that monthly reconciliations and analysis are performed between the Maintenance Management System and the SAP system;
- 002 the Commissioner of Works and Emergency Services, in consultation with the Chief Financial Officer and Treasurer, develop a single time sheet to be used for both the SAP Payroll system and the Maintenance Management System;

City Divisions
Public Recommendations – Fully Implemented

Report Title: Toronto Maintenance Management System Application Review

Report Date: 3/30/04

Recommendation

- 003 the Commissioner, Works and Emergency Services:
- (a) identify all outstanding requests for enhancements or modifications to the Toronto Maintenance Management System;
 - (b) analyze the costs and benefits of each potential change;
 - (c) prioritize the enhancements based on the cost benefit analysis; and
 - (d) ensure that the above steps are documented and approved by appropriate supervisory staff;
- 004 the Commissioner, Works and Emergency Services, submit to the SAP Competency Centre a current updated version of its business case for implementing an electronic interface between SAP and the Toronto Maintenance Management System;
- 006 the Commissioner, Works and Emergency Services, implement a security governance framework for the Toronto Maintenance Management System. The framework should outline the standards to be followed, the duties to be performed and the staff position responsible for overseeing the security for the system;
- 007 the Commissioner, Works and Emergency Services, implement formal procedures, for granting or removing a user's access to the Toronto Maintenance Management System. These procedures to include, but not be limited to; approval requirements, assigning user group(s), procedures to deal with contractors, temporary workers, as well as transferred and terminated employees, and the maintenance of appropriate documentation in support of the access privileges granted;
- 021 the Commissioner, Works and Emergency Services, ensure that all future development and enhancements to the Toronto Maintenance Management System adhere to project management practices and standards, including a system to capture and report on the costs of projects;

**City Divisions
Public Recommendations – Not Fully Implemented**

Division: Chief Corporate Officer

Report Title: Information Security Framework

Report Date: 1/26/01

Recommendation

001 the Commissioner of Corporate Services, prepare a report outlining options available to the City to implement an Information Security Program designed to ensure:

(a) information security accountability and responsibility is clearly defined and acknowledged;

(b) all parties with a need to know, including but not limited to, information owners and information security practitioners, have access to documented principles, standards, conventions or mechanisms for the security of information and information systems, and are informed of applicable threats to the security of information;

(c) principles, standards, conventions and mechanisms for the security of information and information systems addresses the considerations and viewpoints of all interested parties;

(d) information security controls are proportionate to the risks of modification, denial of use, or disclosure of the information;

(e) principles, standards, conventions and mechanisms for the security of information are co-ordinated and integrated with each other and with the City's policies and procedures to create and maintain security throughout an information system;

(f) all accountable parties act in a timely, co-ordinated manner to prevent or respond to breaches of and threats to the security of information and information systems; and

(g) the risks to information and information systems are assessed periodically;

003 the Commissioner of Corporate Services, implement a user security awareness program which promotes security awareness through regular communications, and as part of the orientation program for new employees. The awareness program be reviewed on an annual basis, at a minimum, to ensure it is up to date and relevant.

Report Title: Oracle Database Review – Security Controls and Other Issues

Report Date: 12/12/03

Recommendation

004 the Commissioner of Corporate Services, in consultation with the Chief Administrative Officer, report to the City's Administration Committee on the benefits and costs of establishing a centralized database security function with authority to administer and monitor database security practices for all databases throughout the City;

City Divisions
Public Recommendations – Not Fully Implemented

006 the Commissioner of Corporate Services, in consultation with the Chief Administrative Officer, review the current practices in connection with the installation of software patches to Oracle and other software applications. Such a review ensure that:

(a) an analysis is done to ensure that the benefits of installing specific software patches outweigh the risk and costs inherent in not applying the software patches;

(b) a process be implemented in order to ensure that information in regard to software patches is disseminated throughout the City; and

(c) patches, where required, have been appropriately and consistently installed.

Division: City Manager's Office

Report Title: Environmental Issues and Audit Plan

Report Date: 5/30/02

Recommendation

001 the Chief Administrative Officer, in consultation with the Chair of the Toronto Inter-departmental Environment Team (TIE), review the recommendations of the Environmental Plan and:

(a) develop corporate environmental priorities based on an evaluation of current environmental risks and the potential for environmental health benefits and cost savings to the City;

(b) set objectives, targets and time frames for environmental initiatives, that are achievable, clearly defined and measurable;

(c) refine the monitoring and reporting system recently developed to evaluate progress on the targets and objectives set, and to document those environmental initiatives which have been completed;

(d) assign an appropriate lead for each environmental initiative, with the responsibility for developing an implementation plan, co-ordinating activities, and defining and achieving expected deliverables or outcomes;

(e) develop a process for incorporating environmental initiatives into departmental business plans and the annual budget process; and

(f) include in an annual environmental report to City Council, the status of environmental initiatives, results achieved to date as well as the challenges and priorities in both the short and long-term in implementing the Environmental Plan;

and report thereon to the Policy and Finance Committee;

003 the Chief Administrative Officer consider the development of a risk management approach for all City departments, that will identify and assess day-to-day environmental impacts and health risks in City operations, to reduce potential environmental liabilities and report to the Policy and Finance Committee on a recommended course of action;

City Divisions
Public Recommendations – Not Fully Implemented

Report Title: Review of the Implementation of Recommendations of the Final Report of the Task Force on Community Access and Equity

Report Date: 1/9/04

Recommendation

- 005 the Commissioner of Corporate Services report to the Administration Committee by June 2004 on how the expertise and skills of the employment equity and human rights consultants are being used to enhance the activities of the Human Resources Business Units as required by Recommendation number 95(i) of the Task Force on Community Access and Equity;
- 007 departmental Commissioners:
- (a) identify in the departmental access and equity action plan opportunities for involving residents in program advisory committees; and
- (b) ensure that the operational effectiveness of these program advisory committees is regularly reviewed for improvement;
- 011 the Chief Administrative Officer:
- (a) take over responsibility for the Human Rights Office and request Council approval to transfer all existing staff resources and approved budget of the Human Rights Office from the Corporate Services Department to the Chief Administrator's Office;
- (b) ensure that the Human Rights Office is established as a distinct unit within the Chief Administrator's Office such that it has the profile and operational independence to carry out its functions specifically related to investigations, the provision of confidential advice, and raising contentious issues that require attention; and
- (c) develop effective communication mechanisms to ensure that City staff are fully aware of the roles of the Human Rights Office in addressing human rights enquiries and complaints;
- 012 the Chief Administrative Officer, in consultation with the Commissioner of Corporate Services:
- (a) clearly define the roles and responsibilities of the Human Rights Office and consultants in Human Resources Business Units in their investigation and reporting of all complaints of discrimination regarding employment, access to services, and hate-related activities;
- (b) develop mechanisms to maintain strong linkages between the Human Rights Office and Human Resources Division to ensure that all Human Resources policies, programs, and guidelines incorporate human rights standards and reflect the City's commitment to human rights and equity; and
- (c) ensure that all data on human rights complaints, enquiries, and concerns received and addressed by the Human Resources Division are reported to the Human Rights Office for inclusion in its annual report to Council effective 2004;

City Divisions
Public Recommendations – Not Fully Implemented

015 the Commissioner of Community and Neighbourhood Services ensure that the Grants Business Practice Improvement Project includes an assessment of grant application review procedures (particularly on Part A of the application form, site visits and information sessions) for opportunities to eliminate duplications among City grants programs.

Division: Corporate Finance

Report Title: Treasury Services Review – Corporate Finance Division, Finance Department

Report Date: 3/1/05

Recommendation

002 the Chief Financial Officer and Treasurer implement controls, processes and procedures necessary to ensure data integrity, and support accurate reporting to management. At a minimum, system controls be implemented to address system weaknesses outlined in this report. Improvements to controls include:

- (a) access to the system be aligned with Treasury Services staff duties. Restrict user access and capabilities of Treasury Services staff to their respective functions;
- (b) only authorized users be provided access to the database system for data entry;
- (c) the editing of security settings be approved and documented with access limited to authorized users only;
- (d) a Disaster Recovery Plan specific to the Financial Investments and Debt Management System be developed and implemented;
- (e) changes to a transaction, and the reasons for the changes should be documented and limited to authorized staff only. Wherever possible, no changes should be made to transactions that have been settled;
- (f) the deletion of transactions should not be allowed without proper approval. When the deletion of information is required, the rationale for the deletion, should be documented and retained. A report of all deletions should be generated and reviewed by management;
- (g) Treasury Services staff should be required to change their system password periodically;
- (h) audit trail capabilities must be enhanced. At a minimum, an audit trail should record all changes, when they were made and by whom;
- (i) system controls should be strengthened to provide automatic reasonableness edits;
- (j) trades entered into the system must be in compliance with Investment Policies. Incidents of non-compliance should be automatically flagged by the system by way of a message to the user and documented in a system-generated report to be reviewed by senior management;
- (k) hardcopy documentation of credit rating changes be retained until such time that the Financial Investments and Debt Management System can produce accurate reports for prior reporting periods;

City Divisions
Public Recommendations – Not Fully Implemented

- (l) feasibility of importing of data be considered; and
- (m) the Financial Investments and Debt Management System be configured for an interface with SAP to provide for more efficient and effective posting of entries and reconciliation;
- 003 the Chief Financial Officer and Treasurer ensure Investment Policies include clear guidelines, timelines and protocols for identifying, communicating and acting upon policy exceptions. The guidelines should include clear roles and responsibilities of Treasury Services staff and senior management and should outline documentation and approval requirements of any action related to the exceptions;
- 004 the Chief Financial Officer and Treasurer ensure that a formal review process for reports be developed, documented and implemented. All available reports, with special emphasis on exception reports, be reviewed and consulted regularly to ensure City holdings are in compliance with Investment Policies. Evidence of such review be documented;
- 006 the Chief Financial Officer and Treasurer, in ensuring that trades are conducted in compliance with the Investment Policies and related legislation, determine the appropriateness of technical trading and address technical trading in the Investment Policies;
- 007 the Chief Financial Officer and Treasurer, whenever possible, separate the duties, roles and functions of Treasury Services staff according to Front, Back and Middle Office functions. Respective duties, roles and functions be clearly delineated and documented;
- 011 the Chief Financial Officer and Treasurer ensure that trader authority limits be established, that duties of all positions within the Treasury Services Unit correspond with their respective job descriptions, and that Treasury Services staff duties align with assigned signing authorities;
- 012 the Chief Financial Officer and Treasurer develop ethics policies and statements specific to the Treasury Services Unit. Policies and statements to include guidance regarding personal trading, gifts, offerings, trader ethics, and trader dealings with brokers or outside providers, as well as requirements for reporting deviations from policy to senior management. Acknowledgement Statements should be updated and signed by all Treasury Services staff on an annual basis;
- 013 the Chief Financial Officer and Treasurer, with a view to improving controls over cash and investment management:
- (a) consider the use of taped lines, or other accepted recording processes to safeguard City interests in the event of a dispute;
- (b) develop and implement a system to improve or replace the process of manual transposition of trade information;
- (c) develop and implement policies and procedures to address trades for which a confirmation advice is not received;

City Divisions
Public Recommendations – Not Fully Implemented

(d) ensure that trades are reconciled with trade ticket information in the FIDM System upon receipt of the confirmation advice. Outstanding confirmation advices should be tracked using the FIDM System and obtained as soon as possible;

(e) ensure that trade tickets are adequately completed and authorized. In circumstances where staff is not available, the rationale for less than three authorizing signatures be documented and reviewed by senior Treasury Services staff; and

(f) establish limits on concentrations in volume and dollar amounts. Concentrations over set amounts be explained, documented and reviewed by senior Treasury Services staff;

Division: Emergency Medical Services

Report Title: Scheduling Process Review – Toronto Emergency Medical Services

Report Date: 1/12/01

Recommendation

002 the General Manager, Toronto Emergency Medical Services, reduce the number of staff in the Scheduling Unit based on a review of workflow and coverage requirements. The most effective hours of operations should be determined and service requirements outside these hours of operations be handled by the Communications Centre and operational management;

004 the General Manager, Toronto Emergency Medical Services, ensure that written guidelines are developed for use by the Scheduling Unit to ensure that scheduling is done in a planned, efficient and effective manner. These guidelines should:

- provide clear direction to schedulers on the Division's expectations for how scheduling is to be conducted;

- establish the protocol to be followed when there is a need to assign staff between quadrants, when staff are called in for overtime, etc.;

- ensure that quadrant managers are notified and aware of any staff movement which impacts on "car counts";

- form the basis against which the performance of schedulers is evaluated; and

- necessary training be provided to scheduling staff to ensure the current system is used to its full potential;

City Divisions
Public Recommendations – Not Fully Implemented

Report Title: Toronto Emergency Medical Services Operational Support Review – Works and Emergency Services Department

Report Date: 11/29/04

Recommendation

007 the Chief/General Manager, Toronto Emergency Medical Services, review and take the necessary steps to improve procedures for re-ordering, stocking and controlling access to inventory items at ambulance stations, and to ensure that appropriate quantities of medical and other supplies are maintained;

Division: Facilities & Real Estate

Report Title: Maintenance and Administrative Controls Review – Facilities and Real Estate

Report Date: 9/16/05

Recommendation

001 The City Manager review the current Corporate governance structure of Facilities and Real Estate and building maintenance service arrangements and determine the extent of resources allocated to building maintenance functions in all City divisions, with a view to:

(a) evaluating the feasibility of centralizing ownership, control and accountability of City buildings and integrating all building maintenance operations and related funding within the Facilities and Real Estate Division; and

(b) reporting to the Policy and Finance Committee by July 2006. Such report to include the following:

(i) proposed organizational structure to integrate all building maintenance services;

(ii) costs and benefits of such change;

(iii) roles and responsibilities of the Facilities and Real Estate Division and all City-user divisions;

(iv) impact on the operating and capital budgets of the Facilities and Real Estate Division and all other City divisions;

(v) recommended action, including specific timelines for implementation; and

(vi) direct consultation with City divisions.

002 The Deputy City Manager and Chief Financial Officer ensure priorities are established on a City-wide basis for the capital repair of City-owned buildings. All divisional capital repair budgets should be evaluated and priorities established irrespective of budget responsibilities.

003 The City Manager establish a Corporate-wide policy providing that the Facilities and Real Estate Division maintain facilities maintenance standards relating to City-owned buildings, excluding certain speciality facilities, and authorize the Facilities and Real Estate Division to maintain a Corporate governance role in monitoring compliance with legislative requirements.

City Divisions
Public Recommendations – Not Fully Implemented

- 004 The Deputy City Manager and Chief Financial Officer give priority to the completion of an implementation plan for facilities maintenance standards including:
- (a) a process to monitor compliance with legislative requirements;
 - (b) funding, staffing and operational requirements of the Facilities and Real Estate Division and all other City divisions;
 - (c) the development of specific facilities maintenance standards, if necessary, for speciality facilities such as water treatment plants and arenas; and
 - (d) timelines for implementation.
- 008 The Deputy City Manager and Chief Financial Officer ensure that:
- (a) the responsibility for making economically sound repair decisions be clearly articulated and communicated to appropriate City maintenance staff; and
 - (b) repair decisions consider acquisition cost and history of repairs.
- 009 The Deputy City Manager and Chief Financial Officer take necessary steps to ensure that:
- (a) each City building has a separate cost centre in the SAP Financial Information System and building revenue and expenditures are charged to individual building cost centres;
 - (b) building maintenance and cleaning expenditures are classified on the same basis in the SAP Financial Information System; and
 - (c) total maintenance and cleaning costs are determined for individual City buildings, City divisions and the City as a whole.
- 011 The Deputy City Manager and Chief Financial Officer ensure that the facility operations staff in the Facilities and Real Estate Division and other City divisions who manage City buildings:
- (a) monitor maintenance expenditure budget variances and review the appropriateness and reasonableness of work order costs; and
 - (b) ensure supervisory staff investigate significant variances and take appropriate corrective action.
- 012 The Deputy City Manager and Chief Financial Officer take appropriate steps to:
- (a) develop and implement results based performance indicators measuring the productivity of building maintenance and cleaning services;
 - (b) use performance indicators to compare internally between building locations and previous performance or externally with other leading local government and private sector organizations;

City Divisions
Public Recommendations – Not Fully Implemented

- (c) incorporate performance measures into service level agreements with City-user divisions; and
- (d) implement a process to track service delivery against agreed upon benchmarks.
- 013 The Deputy City Manager and Chief Financial Officer take appropriate steps to:
- (a) determine the complete state of good repair backlog for all City-owned buildings;
- b) develop City-wide funding priorities for the state of good repair backlog; and
- (c) ensure that approved capital projects are completed on a timely basis.
- 014 The Deputy City Manager and Chief Financial Officer ensure that a database of the physical condition of all City-owned buildings is developed and forms the basis for a long-term capital plan. In addition, building condition assessments should be completed for all City-owned buildings using criteria based on industry standards and best practices developed by the Facilities and Real Estate Division.
- 015 The Deputy City Manager and Chief Financial Officer review:
- (a) the feasibility of implementing a numeric ranking system to establish priorities on a City-wide basis for funding capital repairs to City-owned buildings; and
- (b) the results of an evaluation of industry best practices and current prioritization processes followed by the Facilities and Real Estate and the Parks, Forestry and Recreation Divisions.
- 016 The Deputy City Manager and Chief Financial Officer take appropriate steps to establish a maintenance plan for each City building that:
- (a) includes both capital and operating repairs for current and future years;
- (b) addresses building deficiencies identified in building condition assessments; and
- (c) effectively coordinates maintenance and repair activities between the Design, Construction and Asset Preservation and Facilities Operations Units of the Facilities and Real Estate Division.
- 017 The Deputy City Manager and Chief Financial Officer ensure that all necessary building information is incorporated into the SAP Plant Maintenance and Asset Management Modules to assist in maintenance planning and repair decisions and provide a record of regulatory inspections.
- 018 The Deputy City Manager and Chief Financial Officer develop written policies and procedures for building maintenance and cleaning operations.
- 019 The Deputy City Manager and Chief Financial Officer conduct a review to determine the most cost-effective mix and number of in-house, trade and contracted staff required to deliver building maintenance services at minimum cost to the City.

City Divisions
Public Recommendations – Not Fully Implemented

- 020 The Deputy City Manager and Chief Financial Officer finalize all service level agreements relating to building maintenance and cleaning services by June 30, 2006 ensuring that service level agreements:
- (a) clarify the interdepartmental charge back process; and
 - (b) address specific client service requirements, wherever feasible.
- 022 The Deputy City Manager and Chief Financial Officer expedite the preparation of the required report relating to interdepartmental charges.
- 023 The Deputy City Manager and Chief Financial Officer take steps to ensure staff responsible for authorizing or processing invoice payments are aware of their responsibilities including:
- (a) review of invoices and supporting documentation; and
 - (b) the need to review contract terms and evaluate the appropriateness of charges, as well as validating the accuracy of goods and services received.
- In this regard, a Financial Policy and Procedures Manual should be developed for use by supervisory staff approving and processing invoice payments.
- 024 The Deputy City Manager and Chief Financial Officer take appropriate steps to ensure payments are in compliance with Corporate purchasing policies. In particular:
- (a) discontinue the practice of using Departmental Purchase Orders where the use of a blanket purchase order would be more appropriate;
 - (b) ensure that Departmental Purchase Orders are prepared prior to ordering goods and services;
 - (c) discontinue the practice of splitting Departmental Purchase Orders to keep the purchase amount below the maximum level of \$7,500 or below the \$3,000 limit for three quotes;
 - (d) prohibit the use of Contract Release Orders where goods and services ordered are not included in contract specifications;
 - (e) ensure three quotes are obtained for purchases over \$3,000; and
 - (f) monitor contract overspending and ensure necessary approvals and contract amendments are obtained in accordance with the City's Financial Control By-law.
- 026 The City Manager establish formal procedures to monitor the performance of maintenance contractors to ensure work is delivered as required under contract. At a minimum, regular inspections of work should be performed, documented and performance problems followed up promptly with contractors.

City Divisions
Public Recommendations – Not Fully Implemented

- 027 The City Manager ensure that City contracts contain:
- (a) a detailed description of goods and services to be delivered, pricing and payment procedures;
 - (b) key performance criteria such as response time, quality and reliability measures; and
 - (c) provisions related to evaluating contractor performance, including procedures for resolving issues related to unsatisfactory performance.
- 028 The Deputy City Manager and Chief Financial Officer ensure the SAP Plant Maintenance Module be used to schedule and track preventive maintenance services.
- 029 The Deputy City Manager and Chief Financial Officer take appropriate steps to improve the use of the work order system by:
- (a) ensuring only one work order is created for each work request;
 - (b) including in each work order a brief description of the type of work performed by internal and contracted services staff; and
 - (c) identifying standard management reports that should be generated from the SAP Plant Maintenance System, including the purpose and frequency of such reports and the staff responsible for their review and appropriate follow-up action.
- 030 The Deputy City Manager and Chief Financial Officer take steps to implement the interface of the SAP Plant Maintenance Module with the SAP Financial Information and Human Resources/Payroll System to eliminate duplicate input processing and to ensure the accuracy and completeness of maintenance expenditure and payroll information in the work order system.
- 032 City Council direct that this report be forwarded to those City organizations separately managing building maintenance and cleaning operations, in order to ensure that issues raised are addressed where appropriate. These organizations be required to report back to the Audit Committee by July 2006 in connection with the results of their review.

Division: Fire Services

Report Title: Fire Services Operational Review

Report Date: 1/13/06

Recommendation

- 001 The Fire Chief and General Manager take appropriate steps to ensure purchases are in compliance with Corporate purchasing policies and procedures. In particular:
- (a) discontinue the practice of using Departmental Purchase Orders where the use of a blanket contract and purchase order would be more appropriate and continue working with the Purchasing and Materials Management Division to ensure blanket contracts and purchase orders for frequently required goods and services are issued;

City Divisions
Public Recommendations – Not Fully Implemented

(b) discontinue the practice of splitting purchases to keep the purchase amount below the maximum level of \$7,500 for a Departmental Purchase Order or below the \$3,000 limit for three quotes;

(c) provide necessary training, such that staff understand and comply with City purchasing policies, procedures and guidelines; and

(d) incorporate compliance with procurement policies and procedures into the staff performance review process.

- 007 The Fire Chief and General Manager review the cost and benefits of introducing handheld computing equipment in the fire prevention inspection process. Such an analysis to include the costs of original capital investment plus increased efficiency gains. In conducting this review, the Fire Chief and General Manager ensure coordination with both Toronto Public Health and the Toronto Police Service.
- 011 The Fire Chief and General Manager establish a policy to ensure rotation of Fire Prevention staff regularly to various geographical areas.
- 013 The Fire Chief and General Manager consider taking a “risk based” approach in delivering the fire prevention program in the City and conduct a review to determine:
- (a) the cost effectiveness of the current inspection program of institutional facilities;
- (b) the number of additional high fire risk premises in the City requiring routine inspections, appropriate inspection frequency and resource requirements, as well as potential risks and liability to the City if identified high fire risk premises are not routinely inspected;
- (c) the reasonableness of inspection staff resources currently assigned to the four district commands and possible re-organization to facilitate implementation of a “risk based” inspection program; and
- (d) report results and recommendations to the appropriate City Committee.
- 014 The Fire Chief and General Manager prepare a project plan detailing resource requirements, major milestones and target completion dates, as well as regular status reports to ensure properties requiring retrofit actions, as stipulated by Ontario Fire Code, are inspected within projected time frames. Such plan and the first status report be presented to the appropriate Committee by June 2006.
- 015 The Fire Chief and General Manager take appropriate steps to develop and implement results based performance indicators to measure the productivity and cost effectiveness of the Fire Prevention inspection and enforcement services provided by the City.
- 016 The Fire Chief and General Manager take necessary steps to expedite the development of a new information system for Fire Prevention.
- 017 The Fire Chief and General Manager ensure Toronto Fire Services staff prepare:
- (a) a detailed analysis clearly defining business processes, data and system requirements necessary to effectively manage the Fire Prevention program;

City Divisions
Public Recommendations – Not Fully Implemented

(b) an assessment of the system’s ability to accommodate changes in technology, such as handheld computing devices; and

(c) recommendations to senior management for system enhancements, estimated costs, target completion and milestone dates.

019 The Fire Chief and General Manager review and take necessary steps to:

(a) ensure the implementation of a proactive and enhanced preventive maintenance program for firefighting vehicles and equipment; and

(b) monitor and minimize fire vehicle downtime and service disruptions associated with unscheduled and unexpected repairs.

021 The Fire Chief and General Manager ensure that:

(a) the Mechanical Division maintain complete, reliable, accurate vehicle records and comply with regulatory requirements;

(b) policies and formal documentation standards for vehicle repairs and maintenance activities are developed;

(c) documentation requirements and management expectations are clearly communicated to garage staff; and

(d) management regularly review manual and system records and monitor compliance with established documentation policies and standards.

022 The Fire Chief and General Manager ensure records maintained by the Mechanical Division accurately account for all repairs performed on each vehicle, including repair and maintenance services rendered under warranty and those performed by private garages.

023 The Fire Chief and General Manager take steps to ensure cost-effective management of the Mechanical Division including:

(a) establishing and maintaining formal, written and enforceable job standards and monitor compliance with those standards; and

(b) ensuring accurate tracking of repair time by utilizing the capability built into the M4 Fleet Management Information System.

024 The Fire Chief and General Manager take necessary steps to:

(a) utilize the M4 Fleet Management Information System for recording warranty information and tracking warranty repairs;

(b) establish criteria for determining when warranty repairs should be performed internally or referred to the manufacturer; and

City Divisions
Public Recommendations – Not Fully Implemented

- (c) establish formal arrangements with manufacturers, ensuring the recovery of eligible costs when in-house warranty repairs are made.
- 025 The Deputy City Manager, in consultation with the Deputy City Manager and Chief Financial Officer, explore the costs and benefits of designating Fleet Services as the primary provider of maintenance and repair services for Toronto Fire Services' light vehicle fleet.
- 027 The Fire Chief and General Manager establish procedures to strengthen management controls to ensure:
- (a) adequate documentation to support repairs referred to private garages;
 - (b) vendor selection and payments for work performed by private garages are in compliance with Corporate purchasing policies; and
 - (c) random quality assurance inspections of vehicles serviced by private garages are conducted and adequately documented for review by garage management.
- 028 The Fire Chief and General Manager take appropriate steps to:
- (a) ensure purchases of auto parts are made in compliance with corporate procurement policies; and
 - (b) explore the possibility of coordinating parts and tool purchases with Corporate Fleet Services for volume discounts.
- 029 The Fire Chief and General Manager review the feasibility of utilizing the parts tracking feature in the M4 Fleet Management Information System for implementation in 2006.
- 030 The Fire Chief and General Manager take appropriate steps to ensure implementation of adequate inventory controls, including:
- (a) utilizing available system features for tracking inventory usage;
 - (b) assigning a staff position to monitor receipts and issuance of parts inventory and restricting physical access to the stockroom to authorized personnel;
 - (c) recording all parts and labour in the M4 Fleet Management Information System, including unit cost, vendor information and labour hours; and
 - (d) establishing policies and guidelines to provide for an annual inventory process and periodic surprise physical counts of items and ensuring that discrepancies are adequately investigated and resolved.
- 031 The Fire Chief and General Manager take necessary steps to expedite the implementation of the M4 Fleet Management Information System and include:
- (a) the development of policies and procedures;
 - (b) the securing of technical support from the Information and Technology Division; and
 - (c) the requirement to provide formal training to staff.

City Divisions
Public Recommendations – Not Fully Implemented

- 032 The Deputy City Manager ensure the Mechanical Division of Toronto Fire Services:
- (a) establish clear and measurable objectives and performance goals;
 - (b) coordinate with Fleet Services in establishing efficiency and effectiveness performance measures to evaluate progress toward those goals; and
 - (b) regularly measure and report on progress in achieving performance goals.
- 033 The City Manager ensure coordination of Fleet Services, Toronto Fire Services and other City fleet operations in establishing common performance measures and standard for fleet operations City-wide
- 034 The Deputy City Manager, in conjunction with the Deputy City Manager and Chief Financial Officer, take steps to improve current materials management and control over the warehouse operation in Toronto Fire Services as a part of the corporate Stores/Warehouse Rationalization Project. Such steps to include:
- (a) developing and implementing a Corporate policy on reporting divisional inventory value at year-end;
 - (b) developing and implementing adequate control over access to the inventory information system; and
 - (c) providing inventory control training to Toronto Fire Services Staff.

Division: Fleet Services

Report Title: Fleet Operations Review – Phase Two

Report Date: 4/11/05

Recommendation

- 002 The Deputy City Manager and Chief Financial Officer take appropriate steps to ensure:
- (a) all fleet-related costs are considered prior to authorizing equipment repairs, providing that no further repairs be made to equipment scheduled for disposal within a specified period or equipment with total maintenance and repair costs within a specified percentage of its replacement value, without written justification for the repair authorized by Fleet Services, in consultation with the operating division. At a minimum, justification to specify that:
 - (i) no similar equipment from other programs or Corporate pool is available as temporary replacement; and
 - (ii) equipment has been scheduled for replacement at a specified date.
 - (b) all equipment acquisitions comply with standard equipment specifications, with a view to further reducing the number of equipment types and models; and
 - (c) a progressive enforcement program be established for ensuring equipment receives preventive maintenance on a timely basis.

City Divisions
Public Recommendations – Not Fully Implemented

- 006 The Deputy City Manager and Chief Financial Officer implement policies and procedures pertaining to vehicle rentals requiring that:
- (a) detailed business cases be provided by all departments for rental vehicles, such business cases to take into account the following:
 - (i) cost benefit of renting as opposed to purchasing vehicles;
 - (ii) availability of similar under-utilized or surplus vehicles in other programs or departments; and
 - (iii) the possibility of sharing vehicles with other programs for use throughout the year;
 - (b) Fleet Services assume responsibility for ensuring business cases for rental vehicles are completed, reviewed and authorized; and
 - (c) where rental vehicles are used throughout the year for permanent programs, contribution to the vehicle and equipment replacement program be provided towards the purchase of the vehicle within a specified period.
- 007 The City Manager report to the Administration Committee, upon completion of the Yards Rationalization Study, on the status of the recommended closures of the maintenance garages located at 875 Eastern Avenue, 1008 Yonge Street, 1401 Castlefield Avenue and 30 Northline Road.
- 008 The City Manager give priority to the completion of the Yards Rationalization Study and report to the Administration Committee by October 2005 on the status of the study and expected implementation timelines.
- 012 The Deputy City Manager and Chief Financial Officer modify the calculation of the standard hourly labour rate used to bill user departments for services performed at City garages, in order to ensure that full-cost recovery is achieved, as directed by Council.

Division: Human Resources

Report Title: Corporate Absenteeism/Attendance Management Follow-up Review

Report Date: 10/15/04

Recommendation

- 001 the Commissioner, Corporate Services, develop a standardized reporting format to document the results of meetings held with employees to discuss their absenteeism and ensure that evidence of acknowledgement by the employee of these discussions and action taken is retained on file.

**City Divisions
Public Recommendations – Not Fully Implemented**

Division: Information & Technology

Report Title: Management of City Information Technology Assets

Report Date: 1/26/06

Recommendation

- 003 The Chief Corporate Officer ensure that the Enterprise Information Technology Asset Management System is implemented as a priority. Any solution considered has the ability to interface with other management information systems in the City and in particular, the SAP Financial Information System.
- 004 The City Manager direct all divisions to ensure that internally developed computer asset inventory lists be accurate, up to date and complete. All divisions be advised that asset inventory information provided by them will be transferred to the Enterprise Information Technology Asset Management System and such information will be subject to an internal audit process.
- 005 The Chief Corporate Officer, subsequent to the implementation of the Enterprise Information Technology Management System, be required to coordinate periodic asset inventory counts. Any inaccuracies discovered during the inventory count be investigated and appropriate adjustments made accordingly, subject to supervisory review and approval.
- 006 The City Manager, in consultation with the Chief Corporate Officer direct all divisions to complete an inventory of all non-standard computer software. Inventories, once complete, be consolidated by the Corporate Information and Technology Division within the Enterprise Information Technology Asset Management System. Such information be available to all City divisions.
- 007 The Chief Corporate Officer consider the implementation of a software compliance assessment program. The extent of such a program be documented.
- 009 The City Manager, in consultation with the Chief Corporate Officer, coordinate the review of City software agreements over a predetermined value in order to ensure that the number of software licences purchased is commensurate with the number of licences in use. Significant differences be investigated and where possible, future maintenance payments on unused software be discontinued.
- 012 The Chief Corporate Officer give priority to the reduction or elimination of certain mainframe applications currently outsourced to E.D.S. Canada Ltd. and ensure that this process takes place prior to the expiration of the current contract with E.D.S. Canada Ltd.
- 017 The Chief Corporate Officer establish a procedure which requires computers for Schools Ontario to acknowledge, in writing, details of all information technology assets received by them from the City.
- 018 The Chief Corporate Officer ensure that computer assets declared obsolete be disposed of at the earliest opportunity.

City Divisions
Public Recommendations – Not Fully Implemented

020 The Fire Chief and General Manager ensure that the services specified in the Computer Aided Dispatch and Report Management System contract are reconciled to the equipment and services actually received. This review should be completed prior to the release of the final payment to the vendor.

021 The Fire Chief and General Manager make the necessary arrangements to ensure that system source codes and all related documentation provided for under the contract for the Computer Aided Dispatch and Report Management System are transferred to an Ontario incorporated company resident in Ontario in accordance with the agreement.

Report Title: Telecommunication Services Review

Report Date: 1/31/05

Recommendation

009 the Commissioner, Corporate Services, in consultation with the service providers, ensure that an appropriate level of cellular telephone billing information is provided to all departments. Departments ensure that controls are in place for the recovery of non-business related calls;

Division: Legal Services

Report Title: Relationship of the Auditor General to the Toronto Hydro Corporation, the City of Toronto Economic Development Corporation, the Toronto Community Housing Corporation and Enwave Energy Corporation

Report Date: 10/17/05

Recommendation

001 It is recommended that the City Solicitor review the existing shareholders' agreements with Toronto Hydro Corporation, Toronto Economic Development Corporation and the Toronto Community Housing Corporation with a view to amending the agreements to provide the Auditor General the same level of access to records as is provided to the Deputy City Manager and Chief Financial Officer. Consideration be given to further amending the agreement to include a provision enabling the Auditor General to conduct specific audit work only in circumstances, where in Councils opinion, the interests of the City are being compromised.

Division: Parks, Forestry & Recreation

Report Title: Cash Controls Review – Parks and Recreation Division, East and West Districts

Report Date: 5/4/00

Recommendation

005 in order to minimize the amount of cash handled at each facility:

(a) debit card terminals be installed at appropriate locations and a policy be adopted that promotes payment by debit or credit card as opposed to cash and cheques; and

(b) the reservation of arenas and sportfields be centralized at the district level and a policy be adopted, as appropriate, requiring payment in full prior to permitting the use of the facility;

City Divisions
Public Recommendations – Not Fully Implemented

- 006 the Commissioner of Economic Development, Culture & Tourism harmonize and/or implement the following policies and procedures:
- (a) the timely follow-up and resolution of NSF cheques and declined credit cards;
 - (b) credit procedures to protect against and reduce the risk of loss of revenue from organizations renting facilities. Such procedures could include performing credit checks, obtaining credit card imprints or collecting a reasonable deposit amount;
 - (c) the expansion of armoured car services to pick up receipts at appropriately designated facilities with significant cash balances;
 - (d) the development of an appropriate and uniform policy relating to cancellations, with particular emphasis on facility rentals;
 - (e) the timely follow-up and collection of accounts receivable;
 - (f) the timely invoicing of amounts due from customers for arena usage;
 - (g) the reconciliation and balancing of cash receipts by each cashier upon completion of each shift and the investigation and resolution by supervisory staff of any cash overages and/or underages;
 - (h) the implementation of uniform facility permit agreements and forms at all sites; and
 - (i) the review and enhancement as required of the physical security of all cashier areas;

Report Title: CLASS Recreation Registration and Permitting System Information Technology Review – Economic Development, Culture and Tourism Department

Report Date: 10/6/04

Recommendation

- 012 the Commissioner, Economic Development, Culture and Tourism, direct that a review of current user access rights be performed and that such a review be conducted on a regular basis to confirm that user access rights are compatible with job functions and responsibilities;
- 013 the Commissioner, Economic Development, Culture and Tourism, ensure that password management practices, such as setting a standard minimum length for passwords, requiring regular password changes and locking out users after three unsuccessful attempts, are implemented;
- 015 the Commissioner, Economic Development, Culture and Tourism, establish a policy and corresponding procedures for archiving records maintained on the CLASS Recreation Registration and Permitting System; and

City Divisions
Public Recommendations – Not Fully Implemented

Report Title: Economic Development, Culture and Tourism Department – Review of Receivables Relating to Parks and Recreation Operations and the Review of Revenue and Cash Controls Relating to the Parks and Recreation Division, North and South Districts

Report Date: 3/19/04

Recommendation

001 The Commissioner, Economic Development, Culture and Tourism review all reports issued by the Auditor General's Office relating to cash controls and accounts receivable management and ensure that all recommendations are appropriately addressed.

003 The Commissioner, Economic Development, Culture and Tourism review in detail the outstanding accounts receivable balances and ensure that:

(a) Efforts are directed to the collection of the outstanding accounts receivable balances. Such outstanding amounts be prioritized in terms of the extent of each receivable. Priority be given to the largest amounts and those most likely to be collected.

(b) Continuing services to those organizations and individuals that have outstanding receivable balances should be evaluated. Payment plans be developed and monitored. In specific circumstances where there is no agreement on payment plans, services to these organizations be discontinued.

(c) Where specific payments relating to outstanding receivables are identifiable and have been credited to the incorrect account, the accounting records be adjusted accordingly.

(d) When appropriate, and where potential gains exceed the cost, in consultation with the Chief Financial Officer and Treasurer, consideration be given to the assignment of receivables to collection agencies for collection.

(e) In consultation with the Chief Financial Officer and Treasurer, consideration be given to the charging of interest on accounts which have been outstanding for a pre-determined period of time.

(f) Management review the collectability of the receivables and determine an appropriate level of provision for uncollectable accounts. This information be communicated to the Chief Financial Officer and Treasurer and recorded in the accounting records of the City. Such a process to be conducted on an annual basis.

(g) Where all collection efforts have been exhausted, such accounts be forwarded to Council, in accordance with policy, for formal write-off authority. This process be conducted in consultation with the Chief Financial Officer and Treasurer and take place on an annual basis.

(h) Specific performance measures be developed in order to measure the effectiveness of the receivable collection process. Management reports be amended to facilitate the disclosure of receivables by District and appropriate action be taken where collection efforts are not meeting performance expectations.

City Divisions
Public Recommendations – Not Fully Implemented

- 004 The Commissioner, Economic Development, Culture and Tourism, in consultation with the Chief Financial Officer and Treasurer, develop accounts receivable policies and procedures in order to provide guidance for the management of accounts receivable. Specifically the policy and procedure address collection efforts, the granting of credit, routine ageing of accounts, standard time frames for sending accounts to collection agencies and the process for the determination of doubtful accounts and the write-off of uncollectable accounts.
- 006 The Commissioner, Economic Development, Culture and Tourism, during its review of the Department's organizational structure, prioritize those facilities requiring the implementation of the appropriate financial modules within the CLASS permitting and registration system. A specific timetable be established for implementation of such CLASS modules at those prioritized City facilities.
- 014 The Commissioner, Economic Development, Culture and Tourism direct the Compliance Unit to evaluate the controls over the sale and accounting for memberships and passports. Such review to ensure that the inventory of memberships and passports are accounted for, the numerical sequence of all such passes is controlled, and reconciliations of cash collected with passports sold is performed on a daily basis. All reconciliations be reviewed and approved in writing by supervisory staff.

Division: Pension, Payroll & Employee Benefits

Report Title: Payroll Processing Review – Phase One

Report Date: 10/27/04

Recommendation

- 012 the Commissioner of Economic Development, Culture and Tourism, in consultation with the Chief Financial Officer and Treasurer, review controls over payroll processing in the Parks and Recreation Division related to part-time recreation employees and make the necessary internal control and system improvements to reduce the risk of payroll overpayments and the number of manual cheques;

Division: Purchasing & Materials Management

Report Title: Procurement Processes Review – City of Toronto (Detailed Report)

Report Date: 3/31/03

Recommendation

- 001 The Chief Financial Officer and Treasurer, in consultation with Commissioners, develop service level agreements for the procurement process:
- (i) that clearly define the roles, responsibilities, authorities and accountability of the Purchasing and Materials Management Division and departments for each step in the process, including the responsibility for ensuring compliance with the various policies;
 - (ii) that outline the standards and expectations, with respect to the level of service, turnaround time and lead time required; and

City Divisions
Public Recommendations – Not Fully Implemented

(iii) ensure such requirements are communicated and understood by all applicable staff, and the necessary training is provided to staff in this regard.

004 The Chief Financial Officer and Treasurer, in his report to the Administration Committee on the rationalization of all city stores, take into account:

(i) what materials, supplies and equipment should be stocked in City stores, including those operated by departments;

(ii) the impact of the use of procurement cards and the increased use of blanket contracts to supply goods currently stocked by City Stores;

(iii) the impact on staff levels;

(iv) the opportunity costs of land and building on which the current stores are located, as well as funds tied up in inventory; and

(v) the overall benefits and cost savings resulting from the rationalization of the City stores operation.

006 The Chief Financial Officer and Treasurer develop:

(i) results based performance indicators for the Purchasing and Materials Management Division that measure the results and effectiveness of its activities; and

(ii) benchmarks to measure the success of the implementation of the recommendations in this report.

018 The Chief Financial Officer and Treasurer develop a template for contract award reports that clearly presents key information to committees and Council, including information such as:

- the bid/proposal solicitation method
- evaluation criteria, including weight assigned to each factor
- composition and technical knowledge of evaluation team
- justification for contract award
- length of the contract, including any renewal options
- total value of contract
- total value of any contingencies in contract
- key terms and conditions in the contract.

025 The Chief Financial Officer and Treasurer review and report to the Administration Committee by September 2003, on:

(i) discontinuing the practice of mailing out call/request documents to suppliers;

(ii) utilizing the City's Internet Web site or other electronic tendering services, as appropriate, to advertise contract opportunities with the City, and allow interested vendors to download the call/request document;

City Divisions
Public Recommendations – Not Fully Implemented

- (iii) the purpose, cost and benefits of maintaining a Bidders List in its current form;
- (iv) the cost savings and revenue implications resulting from changes to the current procurement solicitation process; and
- (v) an appropriate and effective communication plan to inform suppliers of any changes to the current procurement solicitation process and requirements.

038 The Chief Financial Officer and Treasurer:

- (i) report to the Administration Committee by September 2003 on the control mechanisms in place or to be implemented to prevent contracts from being over-spent, including the benefits and resource implications of processing contract release orders, both at the dollar value and commodity level, and explore other viable options, such as potential system modifications to achieve this objective; and
- (ii) develop appropriate interim mechanisms to prevent contracts from being over-spent.

Report Title: Selection and Hiring of Professional and Consulting Services Review

Report Date: 6/19/01

Recommendation

011 the Commissioners take the necessary steps to ensure that:

- (a) measurable standards and acceptance criteria are included in contracts executed with consultants;
- (b) regular, properly documented, meetings are held with consultants to ensure that the consultant is meeting contractual obligations and performing as required; and
- (c) upon completion of a project, the consultant's performance is documented and made available for review to relevant City staff, including the Purchasing Agent, when considering consultants for new projects;

Division: Shelter, Support & Housing Administration

Report Title: Hostel Operations Review – Community and Neighbourhood Services

Report Date: 6/20/04

Recommendation

001 the Commissioner, Community and Neighbourhood Services, report to City Council with proposed provincial subsidy options and recommended changes to the current funding arrangements for the City's shelter system. Such a report:

- (a) clearly articulate the need for a funding model which has as its objectives:
 - (i) the need to provide incentives for shelter operators to transition the homeless to permanent long-term accommodation; and
 - (ii) the need to provide a measure of financial stability to shelter operators; and

City Divisions
Public Recommendations – Not Fully Implemented

(b) include funding alternatives, including the short-term and long-term financial implications under each option; and

(c) along with any recommendations which City Council may have, form the basis of future negotiations with the Province of Ontario;

004 the Commissioner, Community and Neighbourhood Services, ensure that the recommendations in this report, particularly with respect to the financial-related controls are addressed in the development of the Shelter Management Information System. In addition, consideration be given to accelerating the implementation of the Shelter Management Information System;

017 the Commissioner, Community and Neighbourhood Services, review the Out of the Cold Program, with a view to:

(a) evaluating the costs and benefits of the program;

(b) reporting to the Community and Neighbourhood Services Committee, together with a recommendation on the future direction of the program both in the short-term and the long-term based on the evaluation; and

(c) in the interim, provide clear direction as to how the program fits into the overall City shelter system, including:

(i) the City's role in the provision of the support services by the agency running the program; and

(ii) the City's role in the provision of emergency shelter services by the participating community organizations, particularly with respect to the applicability of the City's Shelter Standards to these organizations;

018 the Commissioner, Community and Neighbourhood Services, assess the reliability of the financial information in the Hostel Utilization System currently used by the City-operated shelters and ensure that any information that is required to be carried forward to the new Shelter Management Information System, currently under development, is complete and accurate;

020 the Commissioner, Community and Neighbourhood Services, in consultation with the Treasurer and Chief Financial Officer, establish trust accounts for client savings administered by each City-operated shelter and further that these trust accounts be recorded in the City's accounting system. All interest earned on such accounts be proportionately credited to each individual account;

024 the Commissioner, Community and Neighbourhood Services, develop a policy that clearly establishes standard rates for maintenance fees for emergency shelter users. Such a policy determine at what income levels maintenance fees become due. The policy be applied consistently to both City-operated and purchased service shelters. Internal controls commensurate with the level of fees collected be established; and

City Divisions
Public Recommendations – Not Fully Implemented

Report Title: Let's Build Program - 3810 Bathurst Street and 1555 Jane Street

Report Date: 10/21/05

Recommendation

- 002 The Deputy City Manager responsible for the Affordable Housing Office, ensure that all issues or concerns raised through the evaluation of affordable housing proposals be appropriately addressed by City staff and that the results of any further analysis or action taken be fully documented as evidence that concerns have been satisfactorily resolved.
- 003 The Deputy City Manager responsible for the Affordable Housing Office, ensure that detailed net present value cost/budget calculations are included as a part of the Business Plan and Cost Effectiveness component of the evaluation criteria of all projects selected by the Affordable Housing Office.
- 004 The City Solicitor in consultation with the Chief Planner and Executive Director, City Planning Division, report to the first Planning and Transportation Committee meeting in 2006, on any potential concerns associated with the City, in regard to negotiation of Section 37 agreements, preparing general guidelines in relation to the quantification of development height and density increases and community benefits. Such report to include a recommendation as to whether the City should proceed with the formal quantification of these benefits.
- 005 (2) a financial weighing of "lost opportunity costs" of future affordable housing projects, and of the value of retrofitting older projects as opposed to constructing new projects.
- 005 The Deputy City Manager responsible for the Affordable Housing Office, be required to prepare appropriate net present value calculations of the benefits accruing to the City for each proposed housing project. Such information be provided to City Council prior to such projects being approved.
- 006 The Deputy City Manager responsible for the Affordable Housing Office, ensure that all funding decisions including benefits under Section 37 agreements and the Affordable Housing Office are appropriately coordinated.

Report Title: Let's Build Program - 3810 Bathurst Street and 1555 Jane Street (covering report)

Report Date: 10/21/05

Recommendation

- 001 the following recommendations in the attached Auditor General's report entitled "Let's Build Program – 3810 Bathurst Street and 1555 Jane Street" be adopted:
- 002 the Deputy City Manager be requested to report to the Audit Committee by February 22, 2006 on the implementation of the recommendations in the Auditor General's report entitled "Let's Build Program – 3810 Bathurst Street and 1555 Jane Street".

City Divisions
Public Recommendations – Not Fully Implemented

Division: Social Development, Finance & Administration

Report Title: Community & Neighbourhood Services – Community Services Grants Program Review

Report Date: 2/27/01

Recommendation

- 008 the Commissioner, Community & Neighbourhood Services, develop an internal quality review process, whereby a selection of Community Services grants files are reviewed on a random and regular basis. Agencies which are recommended for grants in excess of a predetermined amount should be the subject of an annual supervisory review. Evidence of such reviews should be documented in each file. In addition, consideration be given, where practical, to the rotation of agency review responsibilities of Agency Review Officers;
- 017 the Commissioner, Corporate Service, prepare an accounting of all grants in kind provided by the City. Such an accounting to facilitate a determination as to whether individual grants in kind meet City policy and guidelines and whether or not such funding should continue. In cases where grants in kind relate to accommodation being provided at no cost this matter be considered during the Corporate master accommodation plan currently in process; and
- 018 the Commissioner, Community & Neighbourhood Services, be requested to recommend amendments to the City of Toronto Grants Policy. The amendments to include specific policies relating to grants in kind. The amended policy be forwarded to City Council for approval.

Division: Social Services

Report Title: Recovery of Social Assistance Overpayments, Toronto Social Services

Report Date: 6/2/05

Recommendation

- 001 The General Manager, Toronto Social Services, review and develop appropriate performance measures and targets in relation to program costs and recoveries. Such performance measures be used to evaluate the financial results and performance of the Inactive Overpayment Unit and determine an appropriate allocation of resources to the Unit.
- 003 The General Manager, Toronto Social Services, establish appropriate performance measures in relation to collection follow-up procedures for all overpayments relating to Ontario Works clients. Such performance measures be subject to supervisory review and appropriate management action. The ongoing monitoring of collection activities be reviewed and evidence of such review be contained in all files.
- 005 The General Manager, Toronto Social Services, evaluate the use of collection agencies in recovering outstanding overpayments on certain predetermined inactive cases. Specific criteria for determining overpayment accounts to be referred to collection agencies be established along with adequate policies and procedures for monitoring such cases.

City Divisions
Public Recommendations – Not Fully Implemented

- 007 The General Manager, Toronto Social Services, evaluate the reporting capabilities of the current management information systems in order to ensure that the needs of the Inactive Overpayments Unit are addressed. The functionality of such a system should include:
- automated receipt issuance when a recovery is processed;
 - automated consolidation of daily funds received and processed;
 - outstanding overpayment account balance information;
 - standardized collection letters;
 - automated bring forwards;
 - tracking of post-dated repayment cheques;
 - automated priority ranking of accounts; and
 - performance reports indicating key financial ratios such as overpayment recoveries compared to outstanding overpayments.
- 010 The General Manager, Toronto Social Services, take appropriate steps to ensure:
- overpayment recovery deferrals receive supervisory review and authorization;
 - policies and procedures are developed with criteria to guide staff in deferring recovery; and
 - management reports are developed and reviewed to ensure cases where recovery is deferred are correctly classified.
- 012 The General Manager, Toronto Social Services, establish reporting requirements for social assistance overpayments and recoveries. At a minimum, reports should include the following information for active and inactive cases administered by Toronto:
- annual overpayments issued;
 - annual automated and repayment recoveries collected;
 - a summary of the cumulative year-end balance of overpayments, recoveries and outstanding overpayments to be recovered; and
 - performance indicators measuring overpayments created and the effectiveness and efficiency of recovery activities.
- These reports should be submitted annually to Senior Management and the Community Services Committee.
- 013 The General Manager, Toronto Social Services, review and measure the impact created by the implementation of full portability of overpayments on the administration of social assistance and report the current and projected operational impact to the Community Services Committee and the Ministry of Community and Social Services.
- 014 The General Manager, Toronto Social Services, expand its current performance management process to include performance measures related to overpayments for both active and inactive overpayments and recoveries.

City Divisions
Public Recommendations – Not Fully Implemented

Division: Technical Services

Report Title: Contract Management Issues

Report Date: 12/19/05

Recommendation

001 the Deputy City Manager ensure that:

(a) all specifications contained in construction contracts are clear, concise and enforceable. In circumstances where certain specifications are considered too rigid and likely unenforceable, such specifications be reviewed and where appropriate, amended;

(b) minimum standards for material testing on all construction contracts are developed, documented, approved and monitored;

(c) all contract specifications are appropriately communicated to Contract Administrators, including Senior Engineers, Engineers and Inspectors. In unusual circumstances, where there is a need to deviate from contract specifications, reasons for such deviations be documented and approved

(d) recommendations contained in the March 2001 report entitled, "Contract Management Procedures – Transportation Services Division, Works and Engineering Services Department" are reviewed and implemented;

(e) decisions in regard to asset preservation issues should be documented; and

(f) current policies concerning the rotation of Inspectors throughout the City's districts be evaluated. Such evaluations take into account the need to rotate Inspectors amongst the City's Contractors;

Division: Transportation Services

Report Title: Contract Management Procedures – Transportation Services Division, Works & Emergency Services Department

Report Date: 3/19/01

Recommendation

001 the Commissioner of Works & Emergency Services, take the necessary action to strengthen quality assurance over projects by:

(a) developing a harmonized quality assurance program, for implementation by the 2001 construction season, which includes inspection and quality testing guidelines and standards to effectively manage road maintenance contracts. The program should take into account the need for more frequent, independent verification of truckload weights and regular material quality testing;

(b) designing a form for documenting and reporting on the completion of required lab tests and related results on each project for review by district road operation managers and supervisors;

City Divisions
Public Recommendations – Not Fully Implemented

(c) providing staff training to ensure that all inspectors are aware of the Transportation Services Division's inspection, testing and documentation requirements, as well as management expectations in this regard;

(d) regularly monitoring staff adherence to the harmonized quality assurance program;

(e) considering the rotation of inspectors, as appropriate;

Report Title: Toronto Maintenance Management System Application Review

Report Date: 3/30/04

Recommendation

010 the Commissioner, Works and Emergency Services, implement a process for tracking activity on the Toronto Maintenance Management System. The tracking strategy consider; the activities or actions to track, the generation of exception reports for review on a regular basis, and follow-up steps for exceptions noted. Further, the Division consult with Records & Archives Division of the Clerks Office, to determine the appropriate retention period for audit records maintained within the system;

013 the Commissioner, Works and Emergency Services, ensure that:

(a) a business continuity plan that integrates operational needs with the technology component of the Toronto Maintenance Management System is prepared, and that such a plan is documented and tested on a regular basis; and

(b) this plan be incorporated into the departments overall disaster recovery plan;

Division: Treasurer

Report Title: Review of the City's Bank Reconciliation and Deposit Procedures

Report Date: 9/13/00

Recommendation

001 the Chief Financial Officer and Treasurer implement formal policies and procedures with respect to the reconciliation of the City's bank accounts including the requirement:

(a) that bank reconciliations for all bank accounts be completed within 30 days of month-end;

(b) that all reconciling items be properly investigated on a timely basis and supported by appropriate documentation;

(c) that supervisory review of each bank reconciliation include the review of unusual reconciling items and signing of each reconciliation as evidence of supervisory approval; and

(d) that procedures be implemented to ensure timely and accurate recording of reconciliation adjustments in the general ledger;

City Divisions
Public Recommendations – Not Fully Implemented

- 002 the Chief Financial Officer and Treasurer, in conjunction with all other Commissioners, establish a policy requiring daily deposits of cheques received and establish a reporting procedure for deposits such that:
- (a) staff responsible for the receipt of cheques be required to restrictively endorse such cheques with an appropriate City of Toronto corporate name and date stamp;
 - (b) staff preparing bank deposits review the date stamps on cheques being deposited. Where significant delays are noted between the date on the date stamp and the date of deposit, this fact should be brought to the attention of appropriate supervisory staff for necessary action; and
 - (c) the Accounting Services Division work with departments to identify where additional training is required regarding the use of the general ledger account codes.

**City Divisions
Public Recommendations – No Longer Relevant**

Division: Chief Corporate Officer

Report Title: Oracle Database Software Acquisition – Additional Information

Report Date: 3/8/02

Recommendation

002 the Commissioner, Corporate Services Department, be required to report back to the Audit Committee by June 30, 2002, on a process to coordinate the acquisition of all computer software and hardware throughout the City, including those Agencies, Boards and Commissions over which the City has authority; and

003 the Commissioner, Corporate Services Department, in her report to the Audit Committee give consideration to an appropriate dollar threshold amount over which the above recommendations would apply.

Division: City Clerk's Office

Report Title: Permits and Lottery Licences Review

Report Date: 3/29/01

Recommendation

006 the City Clerk consider staggering the timing for the issuance of bingo licences to eliminate the congestion that occurs with the existing six month renewal period on January 1 and July 1;

Division: City Manager's Office

Report Title: The Migration of the SAP Financial and Human Resources/Payroll System to the City's Agencies, Boards and Commissions

Report Date: 10/12/04

Recommendation

001 It is recommended that the Chief Administrative Officer initiate a process whereby all information technology acquisitions throughout the City, including the Agencies, Boards and Commissions, are effectively planned and coordinated. Such a process take into account the potential of establishing a corporate governance model which provides the appropriate level of authority for initiating, coordinating and approving technology investments at the City's Agencies, Boards and Commissions. If appropriate, the Chief Administrative Office be required to propose changes to legislation to ensure that such a process takes place. The Chief Administrative Officer report back to Audit Committee for its July 11, 2005 meeting in regard to this matter.

**City Divisions
Public Recommendations – No Longer Relevant**

Division: Facilities & Real Estate

Report Title: Maintenance and Administrative Controls Review – Facilities and Real Estate

Report Date: 9/16/05

Recommendation

025 The City Manager take necessary steps to develop a City-wide formal process to evaluate contractor performance by June 30, 2006, which includes:

(a) clear criteria to measure performance;

(b) standard form(s), procedures and guidelines;

(c) requirements for at least an annual performance evaluation for each City contract in excess of a predetermined dollar value; and

(d) appropriate training in contract performance evaluation be provided to all City staff managing contracts.

Report Title: Maintenance and Administrative Controls Review-Facilities and Real Estate

Report Date: 9/16/05

Recommendation

002 the Deputy City Manager be requested to report to the Audit Committee by July 2006 on the implementation of the recommendations in the Auditor General's report entitled "Maintenance and Administrative Controls Review – Facilities and Real Estate";

Division: Fire Services

Report Title: Fire Services Operational Review

Report Date: 1/13/06

Recommendation

001 The Audit Committee recommends that City Council:

(1) adopt the staff recommendations in the Recommendations Section of the report (January 13, 2006) from the Auditor General subject to adding the following additional Recommendation 19(c):

"19(c) consider performing preventative maintenance work on firefighting vehicles more frequently than every six months;"; and

City Divisions
Public Recommendations – No Longer Relevant

Division: Shelter, Support & Housing Administration

Report Title: Let's Build Program - 3810 Bathurst Street and 1555 Jane Street

Report Date: 10/21/05

Recommendation

004 City Council on April 25, 26 and 27, 2006, postponed consideration of this Clause to its next regular meeting on May 23, 2006.

The Audit Committee recommends to City Council that the Deputy City Manager be requested to report to the May 11, 2006 meeting of the Audit Committee and the Affordable Housing Committee on:

(1) the status of the Council approved affordable housing projects (approximately 16), the funds set aside for each project, and the dates of approval and expected completion of each project; and

006 Action taken by the Committee

The Audit Committee:

(1) received the report (February 1, 2006) from Sue Corke, Deputy City Manager and requested the Deputy City Manager to:

(a) amend her Implementation Response to Recommendation (5) of the Auditor General's report by adding the word "a major" after the word "form", so that this response now reads:

"The Affordable Housing Office will prepare net present value calculations of the benefits accruing to the City for each proposed housing project. This will form a major part of the report to Council through the Affordable Housing Committee."; and

(b) submit a further report to the Audit Committee for its meeting on May 11, 2006 recommending the implementation of the recommendations in the Auditor General's report dated October 21, 2005 relating to the inclusion of criteria into the RFP process; and

Division: Transportation Services

Report Title: Review of Snow Budget Over-expenditure

Report Date: 6/5/00

Recommendation

007 the interface of Maintenance Management System with the SAP Financial Information System and Human Resources/Payroll System be expedited to eliminate duplication of processing and to ensure the accuracy and completeness of expenditure and payroll information in the Maintenance Management System;

City Divisions
Public Recommendations – No Longer Relevant

Report Title: Snow Removal Budget Review

Report Date: 11/8/01

Recommendation

004 the Commissioner of Works and Emergency Services report to the Works Committee by April 30, 2002, on the status and action taken to address the recommendations in this report; and

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