



STAFF REPORT INFORMATION ONLY

Toronto Public Library - Results of Follow-up of Previous Audit Recommendations

Date:	April 28, 2011
To:	Toronto Public Library Board
From:	Auditor General
Wards:	All
Reference Number:	

SUMMARY

The Auditor General's Office conducts an annual follow-up review on the implementation of recommendations contained in audit reports issued since January 1, 1999. This report contains the follow-up results on the Auditor General's review of recommendations included in past reports issued to the Toronto Public Library.

Our review indicates that the Toronto Public Library has completed the implementation of all outstanding audit recommendations. Since the completion of our audit, the Toronto Public Library has taken significant action to improve controls in the collection of fines and revenues. Implementation of the Integrated Library Management System has improved the management and administration of the library system's book inventory and fine collections. In addition, the implementation of the CLASS system has improved the efficiency and effectiveness of library room bookings and related revenue collection.

Attachment 1 lists two audit recommendations that have been fully implemented since our last follow-up review. Attachment 2 lists recommendations deemed no longer applicable. The two recommendations shown on Attachment 2 are no longer applicable as the recent implementation of the Integrated Library Management System renders these recommendations no longer relevant.

FINANCIAL IMPACT

There is no financial impact resulting from receipt of this report.

ISSUE BACKGROUND

The Auditor General conducts an annual follow-up process to ensure management has taken appropriate action to implement recommendations contained in audit reports.

In accordance with the Auditor General's Work Plan, we have reviewed the status of outstanding audit recommendations previously made by the Auditor General to the Toronto Public Library.

We conducted this follow-up audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient and appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

COMMENTS

The follow-up review process requires that management provide the Auditor General with a written response on the status of recommendations contained in audit reports. For those recommendations noted as implemented, audit work was conducted to ensure the accuracy of management assertions. Where management indicated that a recommendation was not implemented, audit work was not performed.

Table 1 represents the results of our current follow-up on audit recommendations for the Toronto Public Library.

TABLE 1: FOLLOW-UP RESULTS

Report Title and Date	Total No. of Recs	Previously Reported		Results of Current Review		
		Fully Implemented	Not Applicable	Fully Implemented	Not Fully Implemented	Not Applicable
Fines and Income Review – Toronto Public Library dated May 29, 2006*	32	28	--	2	--	2
Total	32	28	--	2	--	2

*Website link for the above report: www.toronto.ca/audit/2006/fines_income_review_final_may2006.pdf

Recommendations deemed no longer applicable, together with management's comments are listed in Attachment 2.

A report consolidating the results of our follow-up review of City Agencies, Boards and Commissions will be tabled at the July 5, 2011 Audit Committee meeting. The results of our follow-up review for the Toronto Public Library will be included in that report.

CONTACT

Alan Ash, Director
Tel: (416) 392-8476, Fax: (416) 392-3754, E-Mail: aash@toronto.ca

SIGNATURE

Jeffrey Griffiths, Auditor General

ATTACHMENTS

Attachment 1: Audit Recommendations – Fully Implemented
Attachment 2: Audit Recommendations – Not Applicable

**TORONTO PUBLIC LIBRARY
AUDIT RECOMMENDATIONS - FULLY IMPLEMENTED**

Report Title: Fines and Income Review – Toronto Public Library
Report Date: May 29, 2006

Recommendations:

- (15) The City Librarian should ensure that outstanding balances for room bookings are recorded in the accounting system and reported in the financial statements.
- (18) The City Librarian should ensure centralized branch use of the room booking system (CLASS) by the end of 2006.

ATTACHMENT 2

**TORONTO PUBLIC LIBRARY
AUDIT RECOMMENDATIONS – NOT APPLICABLE**

Report Title: Fines and Income Review – Toronto Public Library
Report Date: May 29, 2006

Recommendations:

No.	Recommendation	Management’s Comments
(4)	<p>The City Librarian consider the implementation of the following features for the proposed Library circulation system:</p> <ul style="list-style-type: none"> - automated controls for limiting waivers and fine overrides in accordance with staff access levels; and - capability of generating more periodic reports related to collections and waivers including fine waivers over certain limits, cumulative fines waived by account, fine waivers by staff identification and the reasons for the waiver. 	<p>The integrated library management system (ILS) was implemented in February 2008 and extensive training was provided on fines collections and waiving to front line staff during 2008 and 2009. Benchmarks are used to help monitor and control the level of waives by branches.</p> <p>Management also reviewed options for incorporating automated controls for limiting waives and fine overrides and development of additional reports. It determined that together with system limitations, it is not operationally feasible to incorporate automated controls on limiting waives and fines overrides. Management also determined that the current reports combined with staff review and follow-up provide a sufficient level of control.</p> <p>This recommendation was made prior to the implementation of new integrated library management system with the intent to improve controls in fine waivers. As the waive percentage for 2010 remains constant when compared to previous years and meets the target benchmarks, management feels while the intent of the recommendations are met, given the system and resource limitations, the additional controls are not applicable.</p>

(6)	<p>The City Librarian develop and implement a process for more frequent review of fine waivers and the cost of lost materials by branch managers and Library management.</p>	<p>In additional to front line staff training, Management uses benchmarks to help monitor and control fines collection and the level of waives by branches.</p> <p>As described above, this recommendation was made prior to the implementation of new integrated library management system with the intent to improve controls in fine waivers. As the waive percentage for 2010 remains constant when compared to previous years and meets the target benchmarks, management feels while the intent of the recommendations are met, given the system and resource limitations, the additional controls are not applicable.</p>
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