



OMBUDSMAN REPORT INFORMATION REPORT

Response to 2011 Audit conducted on the Office of the Ombudsman

Date:	July 4, 2012
To:	City Council
From:	Ombudsman
Wards:	All
Reference Number:	

SUMMARY

Pursuant to Toronto Municipal Code Chapter 3, section 3-8B, an Accountability Officer's office shall undergo an annual compliance audit by an external auditor appointed by and reporting to Council. This report is a response from the Ombudsman to two items contained in the external auditor's 2011 compliance audit of the Ombudsman's office.

RECOMMENDATIONS

The Ombudsman recommends that Council receive her report for information and be made aware of the facts from the Office of the Ombudsman's perspective.

Financial Impact

This report has no financial impact.

DECISION HISTORY

Annually the Ombudsman's Office is audited by an external auditor for compliance with the City's policies and governing framework. This represents the third full year compliance audit although one was conducted for the six weeks of 2008 in which the Ombudsman was in place.

COMMENTS

1. Appendix B of the auditor's report states: "Contracts exceeding \$50,000 multi-year requirements should be done through a formal bid process administered by PMMD. The contract referenced above was administered by the OO [Office of the Ombudsman] rather than PMMD."

The facts are materially as follows.

The Ombudsman posted a Request for Proposal for purposes of retaining a communications consultant/firm during the fiscal year 2010. The office awarded the call to one of the proponents based on predetermined scoring criteria. The RFP referred to an award that was not to exceed \$30,000 in each of three successive years for a total of up to \$90,000 over the three years.

The original RFP was issued by the Ombudsman so the office would retain its independence as provided for in Chapter 3. Because the DPO Policy requires that purchases exceeding \$50,000 must be processed through PMMD, the contract was not awarded as issued. In consultation with PMMD, it was decided that rather than cancelling the entire RFP, the best approach was to issue a contract for only two years. This would be compliant with the DPO Policy for purchases less than \$50,000.

A DPO for \$49,000 (\$19,000 in 2010 and \$30,000 in 2011) was issued in compliance with the DPO policy.

2. Appendix C of the auditor's report states that "we noted an instance of insufficient documentation related to the Conference and Business Travel Policy, Guidelines for Obtaining Travel Rates."

The Ombudsman's office did comply with policy and obtained three quotes for the air travel, selecting the cheapest option. It is the case that the Ombudsman's office inadvertently disposed the copies of the three quotes that were obtained. The seat sale with West Jet was the most cost effective way to travel and the quotes obtained through Expedia and Air Canada were more expensive.

The Ombudsman's Office notes the auditor's observations and continues to ensure that the Office is operated in a manner that is compliant with c3-10 of Chapter 3 of the Toronto Municipal Code.

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SIGNATURE



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