



# AUDITOR GENERAL'S REPORT ACTION REQUIRED

## Municipal Grants – Improving the Community Partnership and Investment Program

<b>Date:</b>	January 21, 2013
<b>To:</b>	Audit Committee
<b>From:</b>	Auditor General
<b>Wards:</b>	All
<b>Reference Number:</b>	

### SUMMARY

---

The Auditor General's 2012 Work Plan included a review of the Community Partnership and Investment Program. The objective of this review was to assess the processes for both the awarding of funding and monitoring subsequent agency performance.

This report contains eight recommendations along with a management response to each of the recommendations. The implementation of these recommendations will improve the administration of the City's Community Partnership and Investment Program for issuing and monitoring municipal grants.

### RECOMMENDATIONS

---

**The Auditor General recommends that:**

1. City Council request the Executive Director of Social Development, Finance and Administration to streamline the grant application assessment process prior to its integration into the Corporate Grant Information System.
2. City Council request the General Manager, Shelter, Support and Housing Administration to open the application process for the City's Homeless Initiative Fund for all interested community agencies.
3. City Council request the General Manager of Shelter Support and Housing Administration to revise the application process for the Homeless Initiatives Fund to ensure agency performance objectives are clear and are subsequently compared to actual performance.

4. City Council request the City Manager to ensure City staff overseeing grant programs document explanations for unusual financial information.
5. City Council request the City Manager to ensure checklists for supervisory review of Community Partnership and Investment Program grant allocations are developed and that supervisory reviews are performed in a timely manner.
6. City Council request the City Manager to ensure all grant assessment forms are relevant, practical and clear.
7. City Council request the City Manager to train grants staff on the use of updated assessment forms.
8. City Council request the City Manager to ensure that standard documents developed for the application or assessment of specific grant programs be carefully completed, all outstanding issues are addressed, and files contain explanations for exceptions to established guidelines.

### **Financial Impact**

The implementation of recommendations in this report will improve and strengthen the administration of the City's Community Partnership and Investment Program. The extent of any resources required or potential cost savings resulting from implementing the recommendations in this report is not determinable at this time.

### **DECISION HISTORY**

The Auditor General previously audited the community services grants program in 2001 and the audit resulted in 18 recommendations.

<http://www.toronto.ca/legdocs/2001/agendas/committees/au/au010411/it001.pdf>

Since that time, staff have implemented our 18 recommendations resulting in strengthened management practices for the City's grants programs.

This program was selected for audit in 2012 because of the significant funds expended and the time lapse since the previous review.

### **COMMENTS**

The City has authority to issue grants under Section 83 of the City of Toronto Act (2006). The Toronto Grants Policy sets out the conditions and standards for the administration of grants.

The Community Partnership and Investment Program (CPIP) contributes to the quality of life of residents in the City of Toronto by directly funding service delivery and by building capacity for service delivery in the community.

There are three types of funding provided to a City-wide network of community agencies:

1. Partnership funding – for specific programs to meet ongoing service demands.
2. Investment funding – for short-term limited activities and development of new initiatives.
3. Administration funding – supports the effective delivery of services and the accountability of City funding through community organizations.

The 2012 budget for CPIP grants was \$47.2 million. Approximately 85 per cent of the total CPIP budget is allocated to partnership programs. The balance is allocated to investment programs and administration.

Various City divisions administer grant programs under the CPIP umbrella. This review identifies areas of improvement for design, application assessment and performance monitoring for certain grant programs. This report also makes suggestions for administrative improvements for all CPIP grant programs.

The audit report entitled “Municipal Grants – Improving the Community Partnership and Investment Program” is attached as Appendix 1. Management’s response to the audit recommendations is attached as Appendix 2.

## **CONTACT**

Jerry Shaubel, Director, Auditor General’s Office

Tel: 416-392-8462, Fax: 416-392-3754, E-mail: [JShaubel@toronto.ca](mailto:JShaubel@toronto.ca)

Claire Fang Mu, Audit Manager, Auditor General’s Office

Tel: 416-392-0887, Fax: 416-392-3754, E-mail: [cmu@toronto.ca](mailto:cmu@toronto.ca)

## **SIGNATURE**

---

Jeff Griffiths, Auditor General

2011 POD 01

## **ATTACHMENTS**

Appendix 1: Municipal Grants – Improving the Community Partnership and Investment Program

Appendix 2: Management’s Response to the Auditor General’s Review of Municipal Grants – Improving the Community Partnership and Investment Program