

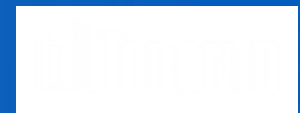


**Audit Committee Meeting  
May 29, 2013**

**Auditor General's Office**

**Toronto Community Housing Corporation  
Results of Follow Up of Previous  
Audit Recommendations**

**Jeff Griffiths, C.A., C.F.E. - Auditor General  
Jerry Shaubel, C.A., CISA, CGAP - Director**





# Toronto Community Housing Corporation

- Follow up is conducted every 12 months for all audit reports we issue
- Follow up is conducted until all recommendations are implemented
- Results reported to the TCHC Audit Committee
- Results reported to the TCHC Board
- Results reported to City's Audit Committee
- Follow up process relates to 5 public reports and 1 in camera report (2 issued in 2011 and 4 issued in 2012)



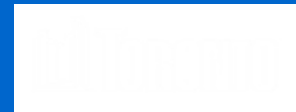


# Toronto Community Housing Corporation

## Audit Reports Issued in 2011

- Procurement Policies and Procedures Are Not Being Followed (31 recommendations)
- Controls Over Employee Expenses Are Ineffective (10 recommendations)

At the present time 20 of the 41 recommendations contained in these reports have been implemented





# Toronto Community Housing Corporation

## Audit Reports Issued in 2012

- HSI – Review of Controls Over Procurement and Payment Functions (19 recommendations)
- Oversight of Subsidiaries and Other Business Interests (9 recommendations)
- Fleet Management (11 recommendations)
- In Camera report (1 recommendation)

Of the total of 40 recommendations, 21 recommendations have been implemented





# Toronto Community Housing Corporation

## Final Results

- In summary, of the 81 recommendations made in both 2011 and 2012, 41 have been implemented
- These results are not a reflection of the lack of attention to recommendations – Quite the contrary

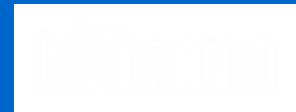




# Toronto Community Housing Corporation

## Why Follow Up Recommendations?

- Realize cost savings/revenue increases
- Controls identified as weak have been addressed

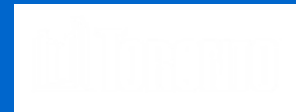




# Toronto Community Housing Corporation

## Cost Savings Identified / Realized

- Actual savings estimated – between \$4 million and \$10 million
- Actual savings to date \$5.4 million
- Employee expenses – reduced by approximately \$1 million

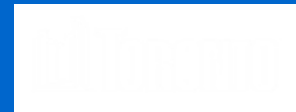




# Toronto Community Housing Corporation

## Other Benefits

- Dissolution of HSI
- Audits of subsidiaries
- Many policies revised particularly procurement
- Change in senior and middle management
- More robust, professional and independent internal audit group
- More active and informed Committee structure
- Closer relationships with the City







# Toronto Community Housing Corporation

## In Camera Report

Recommendation has been implemented but  
results have been disappointing

