



AUDITOR GENERAL'S REPORT ACTION REQUIRED

Auditor General's Status Report on Outstanding Audit Recommendations for City Agencies and Corporations

Date:	June 11, 2014
To:	Audit Committee
From:	Auditor General
Wards:	All
Reference Number:	

SUMMARY

This report provides information regarding the implementation status of audit recommendations contained in various reports issued by the Auditor General to City Agencies and Corporations. On an annual basis the Auditor General reviews the implementation status of outstanding audit recommendations and reports the results of the review to City Council through Audit Committee.

Since July 1, 2008 the Auditor General has issued various reports to City Agencies and Corporations containing a total of 168 recommendations. Since that time nine of these recommendations have been identified by the Auditor General as no longer relevant. These recommendations are no longer relevant as reorganizations and changes in business practices and service levels have rendered them no longer applicable. Consequently, 159 of the recommendations continue to have relevance.

The results of our review indicate that on a combined basis, City Agencies and Corporations have implemented 77 per cent or 122 of the recommendations made by the Auditor General from July 1, 2008 to June 30, 2013.

Continued efforts to implement outstanding recommendations will provide additional benefit to City Agencies and Corporations through cost savings, additional revenue and enhanced service delivery.

This update on the status of outstanding recommendations includes the following City Agencies and Corporations:

1. Toronto Parking Authority
2. Toronto Police Services
3. Toronto Transit Commission

In addition, the follow-up results for the reports issued to the Toronto Community Housing Corporation (TCHC) are presented in a separate report.

RECOMMENDATION

The Auditor General recommends that:

1. City Council receive this report for information.

FINANCIAL IMPACT

The recommendation in this report has no financial impact.

ISSUE BACKGROUND

In accordance with the Auditor General's 2014 Work Plan, we have completed a review of the implementation status of audit recommendations issued by the Auditor General's Office for City Agencies and Corporations.

On an annual basis, the Auditor General provides a listing of outstanding audit recommendations to management. Management responds with information detailing the actions taken on recommendations implemented as well as progress made on those not fully implemented.

The Auditor General reviews information provided by management to determine the accuracy of management assertions related to each recommendation. The results of these reviews are communicated to the board of the agency or corporation and subsequently to Council through Audit Committee.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, 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

Results of the Auditor General's Review

Table 1 below includes the status of recommendations contained in reports issued by the Auditor General's Office to City Agencies and Corporations during the five year period from July 1, 2008 to June 30, 2013.

Table 1: Status of Recommendations issued from July 1, 2008 to June 30, 2013

Entity	Total Recommendations	Implemented	Not Fully Implemented	No Longer Relevant
Toronto Parking Authority*	16	11	1	4
Toronto Police Service*	37	30	5	2
Toronto Transit Commission*	22	9	13	--
Toronto Community Housing Corporation*	80	59	18	3
Toronto Zoo	13	13	--	--
Total	168	122	37	9

**Reports followed up in this reporting cycle*

Results of follow-up of reports relating to TCHC are presented to Audit Committee in a separate report.

Follow-up reports tabled with respective boards are included in the appendices to this report. These reports provide further detail regarding their respective recommendations and current status. On a combined basis, City Agencies and Corporations have implemented 77 per cent of the recommendations made by the Auditor General since July 1, 2008.

Recommendations reported as implemented in this report will not be reported to Council in the future. All recommendations reported as not fully implemented will be included in subsequent follow-up reviews until fully implemented.

Noteworthy Recommendations Implemented

Toronto Police Service

Police Paid Duty – Balancing Cost Effectiveness and Public Safety

In addressing audit recommendation number 4, the Police Service has undertaken a comprehensive review and re-design of the paid duty business process that resulted in significant improvements to paid duty administration. In March 2014 the Service

implemented a new Paid Duty Management System to automate the paid duty assignment distribution process. The new system eliminates the need for divisional staff to manually select and contact officers to fill paid duty job requests. All eligible officers can now search and apply for paid duty assignments through the new system which then assigns the paid duty to officers who have accumulated the least number of paid duty hours. Officers are also required to report to their home divisions prior to providing paid duty service. This requirement enables divisional supervisory staff to better monitor officer compliance with police paid duty policies.

As a result of implementing the new Paid Duty Management System, the Service will be able to reduce the number of staff involved in paid duty administration, and re-deploy a number of uniformed officers from paid duty administrative work to front-line policing duties. As the system has only been in place since March this year, police staff advised that they would conduct a detailed analysis on efficiency gains and staffing changes and report to the Police Services Board towards the end of this year.

Toronto Transit Commission

Review of Wheel-Trans Services – Sustaining Level and Quality of Service Requires Changes to the Program

The Auditor General completed an operational review of Wheel-Trans Services in 2012 and made 22 recommendations relating to various areas.

Of the 22 recommendations, Recommendation 12 relates to control of staff overtime and Recommendations 16 through 20 relate to improving the contracted taxi procurement process and reducing costs. In implementing the audit recommendations, TTC reduced Wheel-Trans bus operator overtime costs by approximately \$707,000 between 2012 and 2013, reduced the annual accessible taxi contract costs by approximately \$2.1 million, as well as realizing \$250,000 annual savings from eliminating the contractor bonus entitlement in the accessible and sedan contracts.

Detailed results of our follow-up review are enclosed as Appendix 1.

CONTACT

Alan Ash, Director, Auditor General's Office
Tel: 416-392-8476, Fax: 416-392-3754, Email: AAsh@toronto.ca

Jerry Shaubel, Director, Auditor General's Office
Tel: 416-392-8462, Fax: 416-392-3754, Email: JShaubel@toronto.ca

SIGNATURE

Jeffrey Griffiths, Auditor General

13-FLA-06

ATTACHMENTS

- Appendix 1: Toronto Parking Authority, Results of Follow-up of Previous Audit Recommendations
- Appendix 2: Toronto Police Services Board, Results of Follow-up of Previous Auditor General Audit Recommendations
- Appendix 3: Toronto Transit Commission, Results of Follow-up of Previous Auditor General Audit Recommendations



**AUDITOR GENERAL'S
REPORT
INFORMATION ONLY**

**Toronto Parking Authority – Results of Follow-up of
Previous Audit Recommendations**

Date:	April 17, 2014
To:	Board of Directors of the Toronto Parking Authority
From:	Auditor General
Wards:	All
Reference Number:	

SUMMARY

The Auditor General's Office conducts an annual follow-up review of the implementation status of recommendations contained in previously issued audit reports. This report contains the follow-up results on the status of recommendations included in the report issued to the Toronto Parking Authority entitled "Toronto Parking Authority Pay and Display Parking Operations - Review of Revenue, Expenditure and Procurement Practices" dated May 15, 2009.

Our original audit report included a total of 16 recommendations. In last year's follow-up report we determined that 10 recommendations had been implemented, two were deemed no longer applicable and four had not been fully implemented.

In this year's follow-up review, we determined that out of the four outstanding recommendations, management has implemented one recommendation, two recommendations were deemed not applicable and one remains not fully implemented. Details relating to each recommendation are included in Attachment 1, 2 and 3 of this report.

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 included in reports previously issued by the Auditor General.

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 each recommendation contained in audit reports issued. For those recommendations noted as implemented, audit work was conducted by audit staff 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 Parking Authority.

Table 1: Results of the Current Review

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
Toronto Parking Authority Pay and Display Parking Operations-Review of Revenue, Expenditure and Procurement Practices	16	10	2	1	1	2
Total	16	10	2	1	1	2

The one recommendation not fully implemented, along with management's comments and action plan, is shown in Attachment 2 and will be carried forward to the next follow-up review cycle.

Attachment 3 contains two recommendations deemed no longer applicable. The attachment lists two recommendations relating to obtaining Procurement Card Industry (PCI) Level 1 Certification. The Toronto Parking Authority retained a third party to provide merchant services thereby eliminating the need for the TPA to seek PCI Level 1 Certification. Details of recommendations deemed "Not Applicable" and related explanations are provided in Attachment 3.

The results of this follow-up review will be included in a consolidated report to the City's Audit Committee in June 2014. The consolidated report presented to the City's Audit Committee will include a summary of our review of outstanding recommendations for all City Agencies and Corporations.

CONTACT

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

Syed Ali, Senior Audit Manager, Auditor General's Office
Tel: (416) 392-8438, Fax: (416) 392-3754, E-Mail: sali@toront.ca

SIGNATURE

Jeffrey Griffiths, Auditor General

13-AAS-05

ATTACHMENTS

Attachment 1: Audit Recommendations – Fully Implemented
Attachment 2: Audit Recommendations – Not Fully Implemented
Attachment 3: Audit Recommendations – Not Applicable

**TORONTO PARKING AUTHORITY
AUDIT RECOMMENDATIONS – FULLY IMPLEMENTED**

Report Title: Toronto Parking Authority Pay and Display Parking Operations-
Review of Revenue, Expenditure and Procurement Practices

Report Date: May 15, 2009

Recommendation:

008 The President of the Toronto Parking Authority implement procedures to ensure equipment repairs and maintenance are completed on a timely basis and recurring problems are identified and satisfactorily addressed.

**TORONTO PARKING AUTHORITY
AUDIT RECOMMENDATIONS – NOT FULLY IMPLEMENTED**

Report Title: Toronto Parking Authority Pay and Display Parking Operations-
Review of Revenue, Expenditure and Procurement Practices

Report Date: May 15, 2009

Recommendation:

No.	Recommendation	Management’s Comments and Action Plan/Time Frame
(3)	<p>The President of the Toronto Parking Authority, in consultation with legal counsel, take appropriate steps to execute a formal data and management services agreement, ensuring adequate terms and conditions are provided, including</p> <ul style="list-style-type: none"> a. access to vendor program source codes essential to the operation of pay and display equipment, in the event of vendor insolvency b. defined service levels and standards, including criteria and measures for non-performance subject to penalty c. TPA ability to obtain potential financial benefits should the vendor. 	<p>Terms and conditions of a formal data management services agreement with the vendor are being revised to reflect operational changes pursuant to Attachment #3.</p>

**TORONTO PARKING AUTHORITY
AUDIT RECOMMENDATIONS – NOT APPLICABLE**

Report Title: Toronto Parking Authority Pay and Display Parking Operations-
Review of Revenue, Expenditure and Procurement Practices

Report Date: May 15, 2009

Recommendations:

No.	Recommendation	Management’s Comments
(10)	The President of the Toronto Parking Authority give priority to meeting the Payment Card Industry Data Security Standard (PCI DSS) certification requirements and report to the Board on the efforts made in that regard.	The TPA Board approved the reconfiguration of pay and display credit card services and practices with the result being PCI DSS no longer applies to this TPA service.
(13)	<p>The President of the Toronto Parking Authority establish information technology policies and procedures to provide</p> <ul style="list-style-type: none"> a. change management controls requiring adequate documentation and approvals for changes to TPA’s information technology systems b. roles and responsibilities assigned to information and technology staff to ensure adequate segregation of incompatible functions c. adequate security controls including maintaining review of system access logs and conducting periodic review of the logs. 	(same as Management’s comment in Recommendation 10 above)



**AUDITOR GENERAL'S
REPORT
INFORMATION ONLY**

**Toronto Police Service – Results of Follow-up of
Previous Audit Recommendations**

Date:	April 23, 2014
To:	Toronto Police Services Board
From:	Auditor General
Wards:	All
Reference Number:	

SUMMARY

This report provides the results of our 2014 audit recommendation follow-up process. The purpose of the follow-up process is to determine the implementation status of audit recommendations made by the Auditor General to the Toronto Police Services Board.

Since 1999, the Auditor General has provided 14 audit reports to the Toronto Police Services Board. Based on the results of previous audit follow-up processes, recommendations from the following 11 audit reports have all been addressed:

- Parking Enforcement Review, 2011
- Second Follow-up Review on Police Investigation of Sexual Assaults, 2010
- Court Services Review, 2008
- Fleet Review, 2008
- Enterprise Case and Occurrence Processing System (eCOPS) Project Review, 2005
- Follow-up Review on the October 1999 Report Entitled: Review of the Investigation of Sexual Assaults, 2004
- Revenue Controls Review, 2002
- Vehicle Replacement Policy, 2000
- Review of Controls Relating to Overtime and Premium Pay, 2000
- Review of Parking Enforcement Unit, 2000
- Review of the Investigation of Sexual Assaults, Toronto Police Service, 1999

The 2014 follow-up process included the following three audit reports to the Board:

- Review of Integrated Records and Information System, 2011
<http://www.toronto.ca/legdocs/mmis/2011/au/bgrd/backgroundfile-41473.pdf>
- Police Paid Duty – Balancing Cost Effectiveness and Public Safety, 2010
<http://www.toronto.ca/legdocs/mmis/2011/au/bgrd/backgroundfile-37754.pdf>
- Review of Police Training, Opportunities for Improvement, 2006
<http://www.toronto.ca/legdocs/mmis/2007/au/bgrd/backgroundfile-2617.pdf>

A total of nine audit recommendations from the above three reports were included in the 2014 follow-up process. One recommendation in the paid duty audit report was determined to be no longer applicable. Of the remaining eight audit recommendations, two recommendations were determined by audit staff to have been fully implemented and six recommendations were reported by management as partially implemented. No audit work was conducted on the partially implemented recommendations.

The six outstanding recommendations in Attachment 2 will be reviewed in each future year until they are determined to be fully implemented.

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 determine whether management has taken appropriate action to implement recommendations contained in previously issued audit reports. The follow-up process is part of the Auditor General's Annual Work Plan.

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, 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 Auditor General's follow-up review process requires that management provide a written response on the implementation status of each recommendation contained in audit reports. Where management indicated that a recommendation was not fully implemented, audit work was not performed. For those recommendations noted by

management as implemented, audit staff conducted additional analysis and testing, and reviewed relevant information to verify management assertions.

Our verification is based on audit work conducted during the follow-up period usually between March and April of each year. For recommendations verified as fully implemented by audit staff, no further work will be conducted on those recommendations in subsequent audit follow-up cycles. Ongoing implementation and maintenance of the audit recommendations, such as policy and procedure enhancements or improved controls, will rely on management’s continuous efforts beyond the audit follow-up process. The Auditor General may decide to initiate a new review on areas previously audited.

Table 1 outlines audit reports issued to the Toronto Police Services Board since 1999 that no longer have outstanding audit recommendations.

Table 1: Previous Audit Reports with No Outstanding Recommendations

Report Title and Date	Total	Previously Reported	
		Fully Implemented	Not Applicable
Parking Enforcement Review (October 3, 2011)	8	8	-
Review of the Investigation of Sexual Assaults (1999) and two subsequent follow-up reviews in 2004 and 2010*	60	60	-
Court Services Review (June 12, 2008)	5	5	-
Fleet Review (September 26, 2008)	4	4	-
Enterprise Case and Occurrence Processing System (eCOPS) Project Review (April 29, 2005)	32	31	1
Revenue Controls Review (January 8, 2002)	5	5	-
Vehicle Replacement Policy (June 21, 2000)	3	-	3
Review of Controls Relating to Overtime and Premium Pay (January 6, 2000)	16	15	1
Review of Parking Enforcement Unit (January 4, 2000)	27	26	1
Total	160	154	6

* 57 recommendations from the initial 1999 review and 3 new recommendations from 2010 follow-up review

Table 2 outlines the results of our current follow-up review of the three audit reports provided to the Toronto Police Services Board.

Table 2: Results of the Current Follow-up Review

Report Title and Date	Total	Previously Reported		Results of Current Review		
		Fully Implemented	Not Applicable	Fully Implemented	Not Fully Implemented	Not Applicable
Review of Integrated Records and Information System (August 26, 2011)	7	3	-	-	4	-
Police Paid Duty – Balancing Cost Effectiveness and Public Safety (December 1, 2010)	10	5	1	2	1	1
Review of Police Training – Opportunities for Improvement (October 26, 2006)	39	37	1	-	1	-
Total	56	45	2	2	6	1

The 2014 follow-up review results of the above three audit reports are summarized as follows:

Review of Integrated Records and Information System

In response to the April 7, 2011 Toronto Police Services Board request, the Auditor General conducted a review of certain actions taken to date regarding the development and implementation of the Police Integrated Records and Information System (IRIS). The report was adopted by the Board at its September 14, 2011 meeting.

The audit report contained seven recommendations for action required throughout the development and conclusion of the project particularly relating to the realization of benefits and the need to quantify, track and report expected benefits. Three of the seven recommendations were verified as fully implemented during our 2013 follow-up process. In 2014 management reported the remaining four audit recommendations as partially implemented. The four outstanding audit recommendations along with management’s comments are listed in Attachment 2.

Police Paid Duty – Balancing Cost Effectiveness and Public Safety

In response to the request of the Toronto Police Services Board, the Auditor General conducted a review of the police paid duty system and issued a report entitled “Police Paid Duty- Balancing Cost Effectiveness and Public Safety.” The report was adopted as amended by the Board at its April 7, 2011 meeting.

The audit report contained 10 recommendations to improve the operating effectiveness and efficiency of the system, and officer compliance with police paid duty policies. Five of the 10 recommendations were verified as fully implemented during our 2012 and 2013 follow-up processes, and one recommendation was no longer applicable. The remaining four recommendations were assessed in 2014.

Our 2014 follow-up assessment verified that:

- Recommendation number 4 and 9 have been fully implemented
- Recommendation number 5 was reported by police staff as partially implemented
- Recommendation number 10 was determined to be no longer applicable

The fully implemented recommendations are listed in Attachment 1. The partially implemented recommendation along with management comments and action plans are listed in Attachment 2, and the one “not applicable” recommendation is shown in Attachment 3.

In considering the paid duty audit report and recommendations in 2011, both City Council and the Toronto Police Services Board adopted additional motions in relation to audit recommendation number 4 and number 9. The additional motions and our 2014 follow-up assessment results pertaining to these two recommendations are provided in the following:

Audit Recommendation (4)

“The Chief of Police take steps to reduce current paid duty system administrative costs. Such steps should include but not be limited to:

- a. Exploring the use of information technology to replace manual procedures; and*
- b. Ensuring uniformed police resources are not used to perform clerical functions.”*

In considering the paid duty audit report and recommendations, City Council at its June 2011 meeting adopted a motion requesting the Auditor General to recommend further efficiency gains in the paid duty administrative processes during the upcoming recommendation follow-up review.

The Council adopted Motion Number 6 states:

“City Council refer the letter (April 7, 2011) from Councillor McConnell addressed to the Police Services Board (Item AU2.1.1) to the Auditor General for further clarification of administrative processes that may find other efficiencies, with the request that the Auditor General recommend those changes during his upcoming follow-up review of the implementation of the recommendations.”

Our recommendation follow-up process is not designed to identify new improvement opportunities, and during our previous and current follow-up processes we did not identify further opportunities for efficiency gains that need to be added to recommendation number 4.

Nonetheless, in addressing audit recommendation number 4, the Police Service has undertaken a comprehensive review and re-design of the paid duty business process that resulted in significant improvements to paid duty administration. In March 2014 the Service implemented a new Paid Duty Management System to automate the paid duty assignment distribution process. The new system eliminates the need for divisional staff to manually select and contact officers to fill paid duty job requests. All eligible officers can now search and apply for paid duty assignments through the new system which then assigns the paid duty to officers who have accumulated the least number of paid duty hours. Officers are also required to report to their home divisions prior to providing paid duty service. This requirement enables divisional supervisory staff to better monitor officer compliance with police paid duty policies.

As a result of implementing the new Paid Duty Management System, the Service will be able to reduce the number of staff involved in paid duty administration, and re-deploy a number of uniformed officers from paid duty administrative work to front-line policing duties. As the system has only been in place since March this year, police staff advised that they would conduct a detailed analysis on efficiency gains and staffing changes and report to the Police Services Board towards the end of this year.

Audit Recommendation (9)

“The Chief of Police review the current policy governing requirements for paid duty officers at special events, with a view to:

- a. Ensuring consistent application of Service criteria in determining when paid-duty officers should be required for special events;*
- b. Including guidelines to promote a consistent and transparent approach in determining the number of police officers, including paid-duty officers, required for special events; and*
- c. Further maximizing the use of auxiliary members at special events where possible.”*

In adopting the paid duty audit report and recommendations, the Police Services Board at its April 2011 meeting adopted the following motions pertaining to recommendation number 9:

- “4. THAT, with regard to recommendation no.9 in the Auditor General’s report, the Board amend the recommendation by requesting the Chief of Police to conduct a review of the current policy governing requirements for paid duty officers at*

special events, in consultation with representatives from Economic Development and Culture and Parks, Forestry and Recreation;”

“5. THAT the Auditor General and the Chief of Police in the report requested in Motion No.4, look at the three hour minimum and carefully examine when on-duty officers are required and when paid duty officers are required and recommend any changes to Board policy that may be required.”

In response to audit recommendation number 9, the Service has developed a new Toronto Police Service Staffing Matrix for special events. The Staffing Matrix facilitates a consistent and systematic approach in determining the number of on-duty, paid-duty, and auxiliary members to be deployed at special events. The Staffing Matrix outlines specific factors for consideration in the following areas of special event planning:

- Event organizers’ past history, planning and staffing
- Location of the event
- Nature of the event
- Type and size of crowd attending the event
- Past event history
- Previous number of police staff deployed to the event

We are of the view that the Service, in implementing audit recommendation number 9, has addressed the intent of the additional motions from the Board.

Review of Police Training – Opportunities for Improvement - Toronto Police Service

In January 2007 the Auditor General issued a report entitled “Review of Police Training – Opportunities for Improvement” to the Toronto Police Services Board. The Board adopted the 39 recommendations included in the report and approved a motion for the Auditor General to perform a follow-up review. The results of the first comprehensive follow-up review for this audit were provided to the Toronto Police Services Board in June 2010.

At the time of this follow-up process the only outstanding audit recommendation for this report was deemed not fully implemented by the police. Consequently, there was no audit work performed on this recommendation during this follow-up process. The outstanding recommendation relates to reviewing whether applicable fees are to be charged to people who attend training at the Toronto Police College and who are not members of the Toronto Police Service. These fees would recover the costs associated with provision of training at the Toronto Police College. In response to the current follow-up review process, police staff advised that this matter was still being discussed. The outstanding recommendation along with management comments are listed in Attachment 2 to this report.

Next Steps

The results of this follow-up on outstanding audit recommendations will be included in a consolidated report to the Audit Committee at its June 2014 meeting. The consolidated report presented to the City Audit Committee will include a summary of our review of outstanding recommendations for all City Agencies and Corporations.

CONTACT

Alan Ash, Director, Auditor General's Office

Tel: (416) 392-8476, Fax: (416) 392-3754, E-Mail: Aash@toronto.ca

Jane Ying, Senior Audit Manager, Auditor General's Office

Tel: (416) 392-8480, Fax: (416) 392-3754, E-Mail: jying@toronto.ca

SIGNATURE

Jeffrey Griffiths, Auditor General

13-AAS-05

ATTACHMENTS

Attachment 1: Toronto Police Service, Audit Recommendations – Fully Implemented

Attachment 2: Toronto Police Service, Audit Recommendations – Not Fully Implemented

Attachment 3: Toronto Police Service, Audit Recommendations – Not Applicable

**Toronto Police Service
Audit Recommendations – Fully Implemented**

Report Title: Police Paid Duty- Balancing Cost Effectiveness and Public Safety

Report Date: December 1, 2010

Recommendations:

- (4) The Chief of Police take steps to reduce current paid duty system administrative costs. Such steps should include but not be limited to:
 - a. Exploring the use of information technology to replace manual procedures; and
 - b. Ensuring uniformed police resources are not used to perform clerical functions.

- (9) The Chief of Police review the current policy governing requirements for paid duty officers at special events, in consultation with representatives from Economic Development and Culture and Parks, Forestry and Recreation, with a view to:
 - a. Ensuring consistent application of Service criteria in determining when paid-duty officers should be required for special events;
 - b. Including guidelines to promote a consistent and transparent approach in determining the number of police officers, including paid-duty officers, required for special events; and
 - c. Further maximizing the use of auxiliary members at special events where possible

ATTACHMENT 2

**Toronto Police Service
Audit Recommendations – Not Fully Implemented**

Report Title: Toronto Police Service – Review of Integrated Records and Information System (IRIS)

Report Date: August 26, 2011

Recommendation Not Fully Implemented	Management’s Comments and Action Plan/Time Frame
<p>(3) The Chief of Police ensure that Privacy Impact Assessments are incorporated into all future information technology projects at the initial stages of project development. A Privacy Impact Assessment be completed at the earliest possible time in regard to the Integrated Records and Information System project.</p>	<p>The inclusion of a Privacy Impact Assessment requirement is in the project management framework. The requirement has been documented and published and this portion of the recommendation is complete.</p> <p>The IRIS Preliminary Privacy Impact Assessment was completed and published in April 2013. The IRIS Logical Privacy Impact Assessment was completed and published in June 2013. The IRIS Business Intelligence and Electronic Disclosure are still in progress. Once this last part is completed, the final Privacy Impact Assessment Report will be completed.</p>
<p>(5) Upon project completion, the Chief of Police report to the Toronto Police Services Board on the actual benefits achieved and where applicable, a description of anticipated benefits not realized.</p>	<p>A project close out requirement, which compares the project’s actual benefits achieved and anticipated benefits not realized, is a part of the Service’s Project Management Framework. The close-out report for IRIS, expected to be completed late in 2014, will address the AG’s recommendation.</p>

Recommendation Not Fully Implemented	Management's Comments and Action Plan/Time Frame
(6) The Chief of Police develop a process to define, articulate and measure anticipated project objectives and outcomes.	<p>A process has been developed to ensure all project scope, deliverables and benefits are identified, measured and documented.</p> <p>The process to define and articulate anticipated project objectives and outcomes is complete, documented and published in the Project Management Framework.</p> <p>The Project Initiate Procedure is available to all TPS members via the ITS website in the PMO toolbox.</p> <p>The process to measure the project outcomes against the anticipated objectives is to be finalized by the fourth quarter of 2014.</p>
(7) Upon project completion, the Chief of Police report to the Toronto Police Services Board the objectives achieved and where applicable, a description of anticipated objectives not realized.	As indicated in 005, a project close out requirement, which compares the project's actual benefits achieved and anticipated benefits not realized, is a part of the Service's Project Management Framework. The close-out report for IRIS, expected to be completed late in 2014, will address the AG's recommendation.

Report Title: Police Paid Duty – Balancing Cost Effectiveness and Public Safety

Report Date: December 1, 2010

Recommendation Not Fully Implemented	Management's Comments and Action Plan/Time Frame
(5) The Chief of Police take steps to track paid duty equipment rental costs including direct and indirect costs, and ensure costs can be fully recovered from equipment rental revenue.	<p>In conjunction with the new system implemented in March 2014, the operational framework was changed <i>from</i> “vehicles, regardless of their location, are used for paid duties” <i>to</i> “vehicles used for paid duties can only be retrieved from Traffic Services.”</p> <p>There are 21 vehicles dedicated to paid duties located in Traffic Services. The costs of these vehicles are monitored and can readily be extracted.</p>

Recommendation Not Fully Implemented	Management's Comments and Action Plan/Time Frame
	<p>The Service has developed a mechanism to allow for a more fulsome review of costs on a regular basis. This review is incorporated as part of the budget cycle, specifically - the user fee assessment.</p> <p>The equipment rental fees charged by the Service are comparable with that of other police services. The Service will monitor the full costs for equipment used on a regular basis to ensure the revenue from the fees fully covers the costs.</p>

Report Title: Review of Police Training, Opportunities for Improvement – Toronto Police Service

Report Date: October 26, 2006

Recommendation Not Fully Implemented	Management's Comments and Action Plan/Time Frame
<p>(39) The Chief of Police review the level of tuition fees charged to police officers from other police services or from other organizations attending courses organized by the Toronto Police Service with a view to charging amounts which are more in line with actual training costs. In addition, any tuition fees waived for police officers attending from other police services or organizations be appropriately authorized in writing.</p>	<p>The decision on whether to charge for attendance at training is still being discussed.</p>

**Toronto Police Service
Audit Recommendations – Not Applicable**

Report Title: Police Paid Duty – Balancing Cost Effectiveness and Public Safety

Report Date: December 1, 2010

<p align="center">Recommendation Not Fully Implemented</p>	<p align="center">Reasons for recommendation determined as “not applicable”</p>
<p>(10) The Chief of Police, in conjunction with the General Manager of Economic Development and Culture and the General Manager of Transportation Services, develop criteria for determining film permit paid duty policing requirements. Such criteria be accessible to the film industry through permit documents or websites.</p>	<p>At the time of our audit in 2010, paid duty policing requirements at film shoots were determined by Police’s Central Paid Duty Office staff even though the film permit was issued by the City’s Film and Television Office, which is part of the City’s Economic Development and Culture Division.</p> <p>At its February 2012 meeting, City Council adopted a staff recommendation as amended regarding paid duty requirements at film shoots. The amended recommendation approved by Council states that:</p> <p><i>“...decisions regarding traffic control be taken by the Toronto Film and Television Office in consultation with City of Toronto Transportation Services.”</i></p> <p>City Council also endorsed the use of Traffic Control Persons for film and television events in accordance with the Ministry of Transportation Book 7 requirements.</p> <p>Since paid duty requirements at film shoots are now determined by the City’s Film and Television Office according to the latest Council direction, audit recommendation #10 requiring the Police to develop criteria for paid duty requirements for film permits in conjunction with the City’s Economic Development and Culture Division is no longer applicable.</p>



**AUDITOR GENERAL'S
REPORT
ACTION REQUIRED**

**Toronto Transit Commission – Results of Follow-up of
Previous Audit Recommendations**

Date:	April 17, 2014
To:	TTC Audit Committee
From:	Auditor General
Wards:	All
Reference Number:	

SUMMARY

The Auditor General's Office conducts an annual follow-up review of the implementation status of recommendations contained in previously issued audit reports. This report provides the follow-up results pertaining to recommendations in the audit report entitled "Review of Wheel-Trans Services – Sustaining Level and Quality of Service Requires Changes to the Program."

The Wheel-Trans audit report contains 22 recommendations. The report was presented to the TTC Board at its December 19, 2012 meeting and to the TTC Audit Committee on February 19, 2013. This is our first follow-up review of the Wheel-Trans audit.

Of the total 22 recommendations, nine recommendations were determined to be fully implemented and the remaining 13 recommendations were partially implemented. We recognize that certain of the audit recommendations require substantial changes to TTC's current policies and practices and consequently full implementation of these recommendations will require a longer timeframe.

RECOMMENDATION

The Auditor General recommends that:

1. The TTC Audit Committee receive this report for information and forward the report to the TTC Board.

Financial Impact

The recommendation in this report has no financial impact.

DECISION HISTORY

The Auditor General conducts an annual follow-up process to determine whether management has taken appropriate action to implement recommendations contained in previously issued audit reports. The follow-up process is part of the Auditor General's Annual Work Plan.

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, 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.

The Auditor General's follow-up review process requires that management provide a written response on the implementation status of each recommendation contained in audit reports. Where management indicated that a recommendation was not implemented, audit work was not performed. For those recommendations noted by management as implemented, audit staff conducted additional analysis and testing, and reviewed relevant information to verify management assertions.

Our verification is based on audit work conducted during the follow-up period usually between March and April each year. For recommendations verified as fully implemented by audit staff, no further work will be conducted on those recommendations in subsequent audit follow-up cycles. Ongoing implementation and maintenance of audit recommendations, such as policy and procedure enhancements or improved controls, will rely on management's continuous efforts beyond the audit follow-up process. The Auditor General may decide to initiate a new review on subject matter previously audited.

COMMENTS

Table 1 outlines our current assessment results pertaining to the implementation status of recommendations in the 2012 Wheel-Trans audit report.

Table 1: Results of the Current Follow-up Review

Report Title and Date	Total	Results of Current Review		
		Fully Implemented	Not Fully Implemented	Not Applicable
Review of Wheel-Trans Services – Sustaining Level and Quality of Service Requires Changes to the Program (December 6, 2012)	22	9	13	-
Total	22	9	13	-

Of the 22 recommendations in the audit report, 9 recommendations were assessed as fully implemented. The remaining 13 recommendations were partially implemented. A number of these outstanding audit recommendations require substantial changes to TTC’s current policies and practices and consequently full implementation of these recommendations will require a longer timeframe.

Fully implemented recommendations are listed in Attachment 1. Recommendations not fully implemented, along with management’s comments and action plan, are listed in Attachment 2. The outstanding recommendations in Attachment 2 will be reviewed in each future year until they are determined to be fully implemented.

A brief review of the nine fully implemented recommendations and the resulting improvements and cost savings are provided below.

Recommendation 7

Recommendation 7 in the audit report relates to the need for maintaining an up-to-date Wheel-Trans registrant database, and identifying and canceling inactive passes in a timely manner in order to reduce the risk of passes being used by non-eligible persons. In addressing this recommendation, Wheel-Trans staff implemented new system procedures to automatically change customer status from “active” to “in-active” when a trip has not been booked over 12 consecutive calendar months. Procedures are also in place to re-activate a customer status when needed. According to staff, as a result of the new automated procedures, the number of active registrants has decreased by 35 per cent from 47,787 in December 2012 to 30,818 in March 2014.

Recommendation 12

In 2011 TTC incurred approximately \$1.9 million in overtime payments to Wheel-Trans bus operators. Recommendation 12 directs staff to take steps to reduce the level of overtime. In response to this recommendation, staff efforts to maintain adequate staffing levels have reduced overtime and further improved attendance. Overtime costs have decreased by 33 per cent between 2012 and 2013 resulting in a reduction of approximately \$707,000 in 2013 overtime expenditures.

Recommendation 13

At the time of our 2012 audit we noted an increasing trend in the Wheel-Trans preventable bus collision rate between 2009 and 2011. We recommended that staff take steps to reduce the bus preventable collision rate. In addressing this recommendation, staff implemented a poster campaign to increase bus operator awareness of potential accident situations. In addition, a more extensive operator refresher training course is being implemented in 2014. As the enhanced training is being implemented in 2014, the resulting benefits in lowering the preventable collision rate may not appear until the end of 2014 or later. However, based on management actions to address this recommendation, recommendation 13 is considered fully implemented.

Recommendation 14

At the time of our 2012 audit, a number of Wheel-Trans customers indicated problems in their trip routing schedules. These problems could have been a result of Wheel-Trans newly acquired computer system at the time. We recommended staff monitor and refine the new route scheduling system.

Staff reported during our 2014 follow-up review that they have undertaken a number of measures to improve route scheduling including adjusting for rush hour travel time, creating and adjusting numerous landmarks, and updating the network map. We have also verified that procedures are in place for bus operators to report route problems encountered during service delivery.

Recommendation 16 to 20

At the time of our 2012 audit, both the accessible and sedan taxi contracts were due for expiry by the end of 2013. The audit provided five recommendations to improve the contracted taxi service procurement process, reduce contracted costs and better protect taxi driver rights. At the time of our 2014 recommendation follow-up process, a new accessible taxi service contract has been issued to four companies. The RFP for the sedan taxi service has been issued however the contract has not yet been awarded.

Based on information from TTC staff and the RFP documents, we determined that all five recommendations pertaining to contracted taxi services have been fully implemented. As a result of implementing audit recommendations, TTC has realized approximately \$2.1 million in annual cost reduction related to accessible taxi contracts, as well as \$250,000 annual cost savings from eliminating the contractor bonus entitlement in both the accessible and sedan contracts. Cost savings, if any, from the new sedan taxi contract are not known at the time of this report as the sedan contract has not yet been awarded.

Next Steps

The results of this follow-up review will be included in a consolidated report to the City's Audit Committee in June 2014. The consolidated report presented to the City's Audit Committee will include a summary of our review of outstanding recommendations for all City Agencies and Corporations.

CONTACT

Alan Ash, Director, Auditor General's Office

Tel: (416) 392-8476, Fax: (416) 392-3754, E-Mail: Aash@toronto.ca

Jane Ying, Senior Audit Manager, Auditor General's Office

Tel: (416) 392-8480, Fax: (416) 392-3754, E-Mail: jying@toronto.ca

SIGNATURE

Jeff Griffiths, Auditor General

13-AAS-05

ATTACHMENTS

Attachment 1: Toronto Transit Commission, Audit Recommendations – Fully Implemented

Attachment 2: Toronto Transit Commission, Audit Recommendations – Not Fully Implemented

**Toronto Transit Commission
Audit Recommendations – Fully Implemented**

Report Title: Review of Wheel-Trans Services – Sustaining Level and Quality of Service Requires Changes to the Program

Report Date: December 6, 2012

Recommendations:

- (7) The Commission request the Chief Executive Officer to develop and implement procedures to maintain an up-to-date Wheel-Trans registrant database. Steps should also be taken to systematically identify and cancel inactive passes in a timely manner.
- (12) The Commission request the Chief Executive Officer to monitor the extent of overtime incurred by Wheel-Trans bus operators and where possible steps be taken to reduce the level of overtime.
- (13) The Commission request the Chief Executive Director to continue to monitor and where possible steps be taken to reduce Wheel-Trans bus preventable collision rate.
- (14) The Commission request the Chief Executive Officer to monitor and refine the Wheel-Trans route scheduling system to improve efficiency. Ongoing monitoring should include processes to encourage customers and bus operators to report inefficient route scheduling for further investigation.
- (16) The Commission request the Chief Executive Officer to ensure that all future Requests For Proposal for Wheel-Trans contracted taxi services are designed to seek competitive bidding on price components as well as non-financial factors.
- (17) The Commission request the Chief Executive Officer, in developing future Request For Proposal for Wheel-Trans contracted accessible taxi services, to ensure that the monthly management fee is adequately structured to obtain the best overall value for the Commission.
- (18) The Commission request the Chief Executive Officer to take the necessary steps to enhance the procurement process in future acquisitions of Wheel-Trans contracted taxi services. Such steps should include but not be limited to:
 - a. Ensuring all terms and conditions in the Requests For Proposal and contract documents are reviewed for clarity and consistency;
 - b. Ensuring all concerns identified in the previous procurement process and contracts are addressed; and

- c. Retaining a Fairness Commissioner to oversee the entire procurement process, from finalization of the Requests For Proposal to the final award of the contracts.
-
- (19) The Commission request the Chief Executive Officer, in developing future Requests For Proposal for Wheel-Trans contracted taxi services, to replace the bonus entitlement with a financial penalty clause to deter inadequate contractor performance or non-compliance with contract terms and conditions.
 - (20) The Commission request the Chief Executive Officer, in developing future Requests For Proposal for Wheel-Trans contracted taxi services, to incorporate requirements for contractors to inform drivers of their rights and responsibilities as prescribed in the contracts, and how drivers may report inappropriate contractor practices to Wheel-Trans.

**Toronto Transit Commission
Audit Recommendations – Not Fully Implemented**

Report Title: Review of Wheel-Trans Services – Sustaining Level and Quality of Service Requires Changes to the Program

Report Date: December 6, 2012

No.	Recommendation	Management’s Comments and Action Plan/Time Frame
1.	The Commission request the Chief Executive Officer, in consultation with the Advisory Committee on Accessible Transit, to explore various short-term options, including a free-ride program on a pilot basis, to encourage Wheel-Trans customers to use the accessible conventional transit system.	This item has not been implemented but options including a free ride program are being considered as part of a corporate integration plan. (see Item 002)

No.	Recommendation	Management's Comments and Action Plan/Time Frame
2.	<p>The Commission request the Chief Executive Officer, in consultation with the Advisory Committee on Accessible Transit, to develop and implement a comprehensive plan for integrating Wheel-Trans customers into the accessible conventional transit system. Such an action plan should include but not be limited to:</p> <ul style="list-style-type: none"> a. Identifying and addressing potential safety and service issues that can present barriers to Wheel-Trans customers in using the accessible conventional system; b. Education, communication and training programs for Wheel-Trans customers and transit passengers; and c. Customer service training to TTC staff with particular emphasis on assisting people with mobility difficulties. 	<p>TTC has begun the development of a corporate integration plan which includes all recommendations in a, b and c.</p>
3.	<p>The Commission request the Chief Executive Officer to expedite the planning and implementation of an eligibility classification system for Wheel-Trans services in accordance with requirements set forth in the Integrated Accessibility Standards Regulation made under the Accessibility for Ontarians with Disabilities Act.</p>	<p>The TTC intends to expedite the planning and implementation of an eligibility classification system well before the required January 2017 date.</p>

No.	Recommendation	Management's Comments and Action Plan/Time Frame
4.	<p>The Commission request the Chief Executive Officer, in consultation with the Advisory Committee on Accessible Transit, to review and enhance the Wheel-Trans eligibility assessment process and criteria to ensure that applicants' abilities to use the conventional transit system are objectively and credibly appraised. Steps to be considered should include but not be limited to:</p> <ul style="list-style-type: none"> a. Requiring a medical or health certification regarding mobility conditions as part of the application process; b. Considering the merits and cost-effectiveness of incorporating functional evaluations into the eligibility assessment process; and c. Evaluating the effectiveness of the assessment criteria, scoring scheme, and threshold points for eligibility. <p>The review should also take into consideration the process used by other providers throughout Canada and the United States.</p>	<p>With the exception of point a. (requiring a medical or health certification) TTC intends to review and enhance Wheel-Trans process in conjunction with Item #003.</p> <ul style="list-style-type: none"> a. The issue of requiring a medical certificate was brought forth and discussed at the March 7, 2013 ACAT Wheel-Trans Operations Sub-Committee. The issue was brought forth in the March 28, 2013 ACAT Meeting where members voted unanimously to not support this Auditor General recommendation.
5.	<p>The Commission request the Chief Executive Officer, in consultation with the Advisory Committee on Accessible Transit, to consider initiating a photo identification card program to applicants eligible for Wheel-Trans services.</p>	<p>The issue is to be placed on an upcoming ACAT Sub-Committee agenda.</p> <p>(Preliminary estimates suggests a upfront pay out would be approximately \$80,000 with an annual cost of \$20,000 thereafter)</p>

No.	Recommendation	Management's Comments and Action Plan/Time Frame
6.	The Commission request the Chief Executive Officer, in consultation with the Advisory Committee on Accessible Transit, give consideration to the establishment of a policy to discourage repetitive late cancellations and "no-shows" for Wheel-Trans eligibility assessment or appeal appointments.	A draft SOP is under review and will be put forth to ACAT at its next scheduled Operations Sub-Committee which is to occur in February 2014.
8.	<p>The Commission request the Chief Executive Officer to review Wheel-Trans call center operations and call response capacity. Such review should include but not be limited to:</p> <ul style="list-style-type: none"> a. Shortening reservation line operating hours to allocate more staff resources to the afternoon hours; b. Enhancing internet booking capacity by removing the address change and time booking restrictions; c. Dedicating more staff resources to the priority line to ensure timely call response; d. Addressing the high absenteeism rate among call center staff; and e. Consulting 311 Toronto on ways to improve Wheel-Trans call center response capacity and reduce staff absenteeism rate. 	<ul style="list-style-type: none"> a. Seven (7) additional staff positions have been requested in the yet to be approved '14 Budget. b. Customers can now book for same-day rides and will soon be able to edit or add to their pre-registered destination addresses. c. A revised work schedule has been implemented to enhance response time. d. More rigorous efforts are being developed with HR. e. Completed 2013

No.	Recommendation	Management's Comments and Action Plan/Time Frame
9.	The Commission request the Chief Executive Officer, in consultation with the Advisory Committee on Accessible Transit, to review the Wheel-Trans policy regarding late cancellations and no-shows with a view to increasing its flexibility. Consideration be given to including formalized processes for customers to request re-consideration based on unusual circumstances.	<p>The policy was brought forth and discussed in the March 7, 2013 ACAT Wheel-Trans Sub-Committee and before ACAT in their July 25, 2013 meeting. Staff presented a modification to the process which involved the issuance of a letter to customers alerting them of policy violations that reach a level of concern.</p> <p>The Sub-Committee made a recommendation that ACAT support the measure.</p> <p>Changes to the policy will be discussed further with ACAT.</p>
10.	The Commission request the Chief Executive Officer, in consultation with the Advisory Committee on Accessible Transit, to consider developing procedures to identify and contact Wheel-Trans customers who consistently miss their scheduled trips to ensure they have a clear understanding of the pick-up and wait time rules.	Although the SOP is yet to be finalized an automated messaging protocol is in the process of being developed. This message will be sent to customers at their 1 st and 4 th late cancellation to remind them of the policy and hopefully prevent them from violating the policy.
11.	The Commission request the Chief Executive Officer, in consultation with the Advisory Committee on Accessible Transit, to consider adopting a more restrictive Wheel-Trans late cancellation and no-show policy after successfully implementing the four-hour cancellation allowance, and incorporating the provisions for re-consideration.	The policy has been reviewed and possible changes will be discussed with ACAT.
15.	The Commission request the Chief Executive Officer to re-assess the needs for the existing Wheel-Trans community bus routes, and cancel or develop alternate routes to ensure the services are cost efficient and effective.	TTC is currently assessing the routes and a report to the Board is to be presented in early 2014.

No.	Recommendation	Management's Comments and Action Plan/Time Frame
21.	The Commission request the Chief Executive Officer to develop and update Wheel-Trans standard operating procedures in a timely manner, including those relating to taxi contract administration and monitoring.	<p>A total of 211 SOPs were reviewed or created since the issuance of the AG report.</p> <p>78% have been completed while the remaining 22% are in the process of being completed.</p>
22.	The Commission request the Chief Executive Officer to reduce the annual printing and mailing costs of Wheel-Trans quarterly newsletters and bulletins to customers. Consideration should also be given to allowing advertisements in the publications to generate revenue.	<p>Newsletters distribution has been reduced from 4 per year to 3.</p> <p>Newsletter information will be available by email, via web and call-outs. Email-able version available in early 2014. Staff will seek feedback on other formats and provide if possible based on each individual needs.</p> <p>The suggestion to solicit advertising has been rejected.</p>