Presentation to the Audit Committee
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Operational Review of Build Toronto Inc.

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Presentation Outline

• Audit Request
• Audit Objective and Scope
• Summary of Findings
• Conclusion
• In 2012, City Council requested the Auditor General to conduct a value for money audit on Build Toronto.

• Terms of Reference be in keeping with Build Toronto’s
  – business model
  – hybrid nature
Audit Objective and Scope

• To assess the effectiveness and efficiency of Build Toronto's operations in support of its mandate.

• This audit covered the period from:
  – Inception to December 2013 for real estate transactions
  – January 2012 – December 2013 for administrative practices
Summary of Findings (1)

Clarify mandate, objectives, and expected outcomes

• Focus on financial returns (dividend to the City) took precedence over all other aspects of the mandate ("city building")
Summary of Findings (2)

Enhance transparency of and accountability for real estate development plans and transactions

- Accountability for progress and profitability of the development of assets needs to be strengthened

- Monitoring of progress on all of BT’s mandated objectives is needed

- Sufficient documentation was not retained making it difficult for our office to fully assess the processes used to maximize outcomes
Summary of Findings (3)

Improve operational and administrative practices

• The opportunity for cost savings and operational efficiencies through sharing of administrative functions with the City or its agencies and corporations

• Potential for improvement of procurement practices in support of open, transparent, equitable access to opportunities
Set Build Toronto up for success

• The pace of transfers and turnovers of properties by the City has slowed considerably
Conclusion

• City and Build Toronto management have agreed with all 25 recommendations

• Management action plans are appended to the report

• A follow-up review of the implementation of audit recommendations will take place in early 2016