



**AUDITOR GENERAL'S
REPORT
INFORMATION ONLY**

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

Date:	April 23, 2015
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 on the implementation of recommendations contained in audit reports issued. 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 audit included a total of 16 recommendations. At this point last year, 11 recommendations had been implemented, four were deemed no longer applicable, and one had not been fully implemented. This year, one outstanding recommendation remains not fully implemented. Details are included in Attachment 1 of this report.

It is important to note that the full benefit of recommendations can only be achieved when they are implemented in a timely manner. This one recommendation relating to a formal data and management services agreement with the vendor for access to vendor program source code, defined service levels and TPA's ability to obtain potential financial benefits if the vendor markets the product to other clients, has been outstanding for over five years.

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 previously made by the City Auditor General.

COMMENTS

The follow-up review process requires that management provide the Auditor General a written response on the status of each recommendation contained in our audit reports. 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	11	4	0	1	0
Total	16	11	4	0	1	0

Recommendations not fully implemented, together with management’s comments and action plan, are listed in Attachment 1 and will be carried forward to the next follow-up review.

A consolidated report will be tabled at the June meeting of the Audit Committee on the results of the current follow-up of audit recommendations relating to the City’s agencies and corporations for reports issued by the Auditor General. The results of the current follow-up review for the Toronto Parking Authority will be included in that report.

CONTACT

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SIGNATURE

Beverly Romeo-Beehler, Auditor General

ATTACHMENTS

Attachment 1: Audit Recommendations – Not Fully Implemented

**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

Recommendations:

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 market the product to other clients. 	<p>The structure of the data services arrangement between the Toronto Parking authority and the Pay and Display Service provider was substantially altered and simplified in early 2014.</p> <p>Accordingly, the direction and terms of the DMSA have been refocused to conform with the current environment. A revised DMSA and a Master Services Agreement with the Service Provider is expected to be completed by June 30, 2015.</p>