SUMMARY

This report provides the results of our 2017 audit recommendation follow-up review. The purpose of the follow-up review 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 follow-up reviews, recommendations from the following audit reports have all been addressed:

- Parking Enforcement Review, October 3, 2011
- Court Services Review, June 12, 2008
- Fleet Review, September 26, 2008
- Review of Police Training, Opportunities for Improvement, October 26, 2006
- Enterprise Case and Occurrence Processing System (eCOPS) Project Review, April 29, 2005
- Revenue Controls Review, January 8, 2002
- Vehicle Replacement Policy, June 21, 2000
- Review of Controls Relating to Overtime and Premium Pay, January 6, 2000
- Review of Parking Enforcement Unit, January 4, 2000
- Review of the Investigation of Sexual Assaults, Toronto Police Service, 1999 including first and second follow-up review during 2004 and 2010 respectively

The 2017 follow-up review included the following two audit reports to the Board:

Review of Integrated Records and Information System, 2011

Police Paid Duty – Balancing Cost Effectiveness and Public Safety, 2010
A total of three audit recommendations from the above two reports were included in the 2017 follow-up review. Of the three recommendations, two were determined as fully implemented and one as partially implemented. The one outstanding recommendation is listed in Attachment 2 and will be reviewed in subsequent years until determined to be fully implemented.

RECOMMENDATIONS

The Auditor General recommends that:

1. The Toronto Police Services Board receive this report for information.

FINANCIAL IMPACT

There is no financial impact resulting from receipt of this report.

DECISION HISTORY

The Auditor General conducts an annual follow-up review to determine whether management has implemented recommendations in audit reports issued. The follow-up review 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 annual follow-up review on outstanding audit recommendations requires that management provides a written response on the implementation status of each recommendation contained in the audit reports. Where management indicates that a recommendation is not implemented, audit work is not performed. For those recommendations reported by management as fully implemented, audit staff conduct additional analysis and testing, and review relevant information to verify management assertions.

Our verifications were based on the 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 audit work will be conducted on those recommendations in subsequent 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 review. 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

<table>
<thead>
<tr>
<th>Report Title and Date</th>
<th>Total Issued</th>
<th>Previously Reported</th>
<th>Fully Implemented</th>
<th>Not Applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking Enforcement Review (October 3, 2011)</td>
<td>8</td>
<td>8</td>
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<tr>
<td>Review of the Investigation of Sexual Assaults (1999) and two subsequent follow-up reviews in 2004 and 2010*</td>
<td>60</td>
<td>60</td>
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<td></td>
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<tr>
<td>Court Services Review (June 12, 2008)</td>
<td>5</td>
<td>5</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Fleet Review (September 26, 2008)</td>
<td>4</td>
<td>4</td>
<td>-</td>
<td></td>
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<tr>
<td>Review of Police Training, Opportunities for Improvement (October 26, 2006)</td>
<td>39</td>
<td>38</td>
<td>1</td>
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</tr>
<tr>
<td>Enterprise Case and Occurrence Processing System (eCOPS) Project Review (April 29, 2005)</td>
<td>32</td>
<td>31</td>
<td>1</td>
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<tr>
<td>Revenue Controls Review (January 8, 2002)</td>
<td>5</td>
<td>5</td>
<td>-</td>
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</tr>
<tr>
<td>Vehicle Replacement Policy (June 21, 2000)</td>
<td>3</td>
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<td>3</td>
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<tr>
<td>Review of Controls Relating to Overtime and Premium Pay (January 6, 2000)</td>
<td>16</td>
<td>15</td>
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<tr>
<td>Review of Parking Enforcement Unit (January 4, 2000)</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>199</strong></td>
<td><strong>192</strong></td>
<td><strong>7</strong></td>
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</table>

*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 two audit reports provided to the Toronto Police Services Board.

Table 2: Results of the Current Follow-up Review

<table>
<thead>
<tr>
<th>Report Title and Date</th>
<th>Total Issued</th>
<th>Previously Reported as Not Fully Implemented</th>
<th>Results of Current Review</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review of Integrated Records and Information System (August 26, 2011)</td>
<td>7</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Police Paid Duty – Balancing Cost Effectiveness and Public Safety (December 1, 2010)</td>
<td>10</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>17</td>
<td>3</td>
<td>2</td>
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</table>

Attachment 1 lists the fully implemented recommendations.

Attachment 2 includes the recommendations not fully implemented along with the management comments and action plan. The outstanding recommendations will be reviewed in subsequent years until determined as fully implemented.

The 2017 follow-up review results of the above two audit reports are summarized below:

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 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. Five of the seven recommendations were verified as fully implemented during previous follow-up reviews. The remaining recommendations Number 5 and 7 require that, upon project completion, management report to the Board on the benefits and objectives achieved and where applicable provide a description of anticipated benefits and objectives not realized. These two recommendations were determined to be fully implemented during the current follow-up review.
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 effectiveness and efficiency of the system, and officer compliance with police paid duty policies. During our previous follow-up reviews, seven of the 10 recommendations were verified as fully implemented and two recommendations were determined as no longer applicable. For the remaining one outstanding recommendation, which pertains to the need to track and recover paid duty equipment and rental costs, management reported in 2017 that this recommendation has not been fully implemented. In 2010 when we conducted the paid duty audit, the Service received approximately $900,000 in revenue from rental of police equipment such as vehicles, motorcycles, boats and horses for paid duty purpose.

In response to the 2017 follow-up review, management reported that "a review of the fees to confirm they cover the cost of providing vehicles and other equipment has not been a priority for the Service, particularly given the Transformation Task Force’s assessment of the paid duty program in 2016...", and that "once any changes to the paid duty program are confirmed, the Service will endeavour to conduct a review, so that any changes to the fees can be taken into account as part of the 2018 operating budget process." Management comments to this recommendation are included in Attachment 2.

Since the paid duty system enables police officers to gain secondary employment income, the costs associated with equipment rental for paid duty purpose should be fully recovered from the rental revenue without using public funds. It is important that the Service conducts a review of the costs of providing paid duty equipment to ensure full cost recovery.

Next Steps

The results of this follow-up review of outstanding audit recommendations will be included in a consolidated report to the City Audit Committee at its June 2017 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

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SIGNATURE

Beverly Romeo-Beehler
Auditor General

ATTACHMENTS

Attachment 1: Recommendations – Fully Implemented
Attachment 2: Recommendations – Not Fully Implemented
**Attachment 1**

**Recommendations – Fully Implemented**

Division: Toronto Police Service  
Report Date: August 26, 2011  
Report Title: Toronto Police Service – Review of Integrated Records and Information System (IRIS)

<table>
<thead>
<tr>
<th>No.</th>
<th>Recommendation</th>
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<tbody>
<tr>
<td>05</td>
<td>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.</td>
</tr>
<tr>
<td>07</td>
<td>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.</td>
</tr>
</tbody>
</table>
### Recommendation No. 05

**Recommendation:** 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.

**Management Comments:**

- The fees charged by the Service are in line with other police services and in our view, adequately cover the full cost of providing the equipment.
- As such, a review of the fees to confirm they cover the cost of providing vehicles and other equipment has not been a priority for the Service, particularly given the Transformation Task Force’s assessment of the paid duty program in 2016, and limited staff time to carry out the review of the fees, as a result of the hiring moratorium and increased workloads.

However, once any changes to the paid duty program are confirmed, the Service will endeavour to conduct a review, so that any changes to the fees can be taken into account as part of the 2018 operating budget process.