

Attachment 1

CITY DIVISIONS IN CORPORATE SERVICES AND FINANCE AND TREASURY SERVICES

PUBLIC RECOMMENDATIONS – FULLY IMPLEMENTED

Division: Facilities Management

Report Date: 06/14/2016

Report Title: Audit of City Cleaning Services - Part 2: Maximizing Value from Cleaning Contracts

No.	Recommendation
004	City Council request the General Manager, Facilities Management to ensure the scope of work included in future procurement processes for contracted cleaning services is consistent with the Custodial Standard Service Model.
005	City Council request the General Manager, Facilities Management, in consultation with the Director, Purchasing and Materials Management Division, to review the sourcing of consumables to determine the most economical procurement strategy for the supply of consumables to facilities where cleaning services are provided by a vendor.
007	City Council request the General Manager, Facilities Management, in consultation with the Director, Purchasing and Materials Management Division, to review the evaluation process for the procurement of cleaning contracts. Such review to consider industry practices for evaluation criteria, scoring methodology, and weighting of criteria including the relative importance of price.
013	City Council request the City Manager, in consultation with the City Solicitor, to consider the City's obligation to notify appropriate authorities about contractor business activities related to irregular contractor payroll records.

Division: Facilities Management

Report Date: 02/03/2015

Report Title: Facilities Management - Security and Safety Improvements Required

No.	Recommendation
004	City Council request the Chief Corporate Officer to implement a process to ensure that all closed circuit television cameras not on the network are regularly checked and equipment deficiencies for all equipment are documented and repaired.
020	City Council request the Chief Corporate Officer to ensure that emergency plans are tested by conducting drills or exercises for important portions of the plan and that the results be reviewed and changes be made to the plan accordingly.

Division: Facilities Management

Report Date: 10/02/2012

Report Title: A Mid-Term Review of the Union Station Revitalization: Managing Risks in a Highly Complex Multi-Year, MultiStage, Multi-Million Dollar Project

No.	Recommendation
009	City Council request the Executive Director, Facilities Management, in consultation with the City Solicitor, to ensure adherence to procedures for the retention of critical and other relevant records related to the head lease, design, construction, and contract administration of the Union Station Revitalization.

Division: Facilities Management

Report Date: 05/31/2010

Report Title: Management of Capital Project 129 Peter Street

No.	Recommendation
014	The Executive Director, Facilities Management, ensure that contractor invoices and change orders are calculated in accordance with the terms of the relevant contract. Further, the Executive Director, Facilities Management, take action as warranted after consultation with the City Solicitor to recover any excess change order amounts paid to the 129 Peter Street contractor.

Division: Information & Technology

Report Date: 06/10/2014

Report Title: Controls Over Telecommunication Expenses Need Improvement

No.	Recommendation
001	City Council request the Chief Information Officer to develop a process for reviewing contract compliance during the time the contract is awarded as well as during the contract period.

Division: Information & Technology

Report Date: 06/15/2010

Report Title: Review of the City SAP Competency Centre

No.	Recommendation
006	The City Manager establish a process for maintaining a single repository for SAP related issues and risks, and the Chief Information Officer establish a formal process for collecting, addressing and reporting on such risks.

Division: Information & Technology

Report Date: 04/20/2010

Report Title: Governance and Management of City Wireless Technology Needs Improvement

No.	Recommendation
003	The Chief Information Officer prepare a comprehensive City-wide IT Wireless Plan and periodically review the plan to ensure that it is current and relevant.

Division: Information & Technology
Report Date: 01/16/2009
Report Title: Integrated Business Management System (IBMS)

No.	Recommendation
007	The City Manager in consultation with the Chief Information Officer develop and implement a change management protocol for IBMS. Such a protocol take into account the SAP change management protocol.

Division: Pension, Payroll & Employee Benefits
Report Date: 10/13/2016
Report Title: Management of the City's Long-Term Disability Benefits Phase Two: The Need for a Proactive and Holistic Approach to Managing Employee Health and Disability

No.	Recommendation
003	City Council request the Director, Pension, Payroll and Employee Benefits Division to: a. undertake a detailed review of Long Term Disability (LTD) active claims from seasonal employees to ensure the benefit payments are calculated accurately and in accordance with the City's LTD Policy; b. consult with Human Resources and City Legal to determine the appropriate action and steps to immediately apply adjustments to future payments for claims where inaccurate payments are identified; and c. ensure City staff responsible for claim payment calculation have complete and correct understanding of how LTD pre-disability earnings should be calculated.
004	City Council request the Director, Pension, Payroll and Employee Benefits Division in consultation with City Legal and other pertinent staff, to assess the appropriateness and feasibility of recovering the overpayments from active claimants.
006	City Council request the Director, Pension, Payroll and Employee Benefits Division to ensure City staff involved in managing the Long Term Disability benefits program timely complete the Plan Sponsor Statement, to avoid unnecessary delays in the adjudication process.

Division: Pension, Payroll & Employee Benefits
Report Date: 06/30/2016
Report Title: Management of the City's Long-Term Disability Benefits Phase Two: Interim Report on the Approval and Monitoring of Claims

No.	Recommendation
003	City Council request the Treasurer to implement adequate steps to ensure that the City's Long-Term Disability (LTD) Benefits Administrator conducts telephone interviews with all LTD benefits claimants' supervisory staff as part of the claim adjudication process.
009	City Council request the Treasurer to ensure the amount of refund received from Manulife in relation to extra tax and administration fee charges for Long-Term Disability benefits administration is complete and accurate.

Division: Pension, Payroll & Employee Benefits
Report Date: 10/24/2016
Report Title: Management of the City's Employee Extended Health and Dental Benefits Phase One: The City Needs to Ensure Adequate Detection and Review of Potentially Excessive and Unusual Drug Claims

No.	Recommendation
002	City Council request the Treasurer to ensure the City only reimburses claimants with eligible expenses that are medically necessary for the treatment of sickness or injury in accordance with the City's policy. Actions to be considered include: a. Ensuring the new plan administrator has adequate controls in place when adjudicating controlled substances and erectile dysfunction drugs in order to verify legitimacy of claims when total quantity dispensed exceeds a year's supply based on the maximum recommended dosages of the drug; and b. Working with the new plan administrator to determine and agree on acceptable tolerance levels that will trigger further investigation on suspicious drug claims.
005	City Council request the Treasurer to ensure the new plan administrator assesses utilization patterns of claimants, in particular, with respect to prescription opioids, sedatives, and stimulants with agreeable predefined criteria and tolerance levels.
008	City Council request the Treasurer to ensure the new benefits plan administrator reviews the status of physicians and pharmacists when adjudicating drug claims, and identifies claims where the drug was prescribed and/or are dispensed by physicians and pharmacists whose licenses have been revoked or suspended. The Treasurer should also ensure pharmacy names or pharmacy unique identifiers are part of the adjudication process for all drug claims.
011	City Council request the Treasurer to implement the Preferred Provider Network of pharmacists as authorized by the City Council in December 2013.
016	City Council request the Treasurer to ensure that all individuals eligible for the City's health benefits have up-to-date eligibility information in the City and the plan administrator's respective systems. A mechanism should be established to periodically reconcile eligibility information between the City and the plan administrator's system.

Division: Revenue Services
Report Date: 10/13/2016
Report Title: Audit of Water Billing and Collection - Phase II: Part 1- Incorrect Vacant Land Status Properties Reduces City's Property Tax Revenue (With Confidential Attachment)

No.	Recommendation
005	City Council request the Director, Revenue Services in consultation with the Chief Building Official and Executive Director coordinate with Municipal Property Assessment Corporation (MPAC) to identify data sources and reports that may improve on the appropriate and timely update of property classification and assessment by MPAC.

Division: Revenue Services

Report Date: 02/17/2016

**Report Title: Audit of Water Billing and Collection- Phase 1: Overdue Water Account Collections
Require Strengthening**

No.	Recommendation
004	City Council request the Director, Revenue Services, to review and renew third-party collection service contracts on a timely basis.
005	City Council request the Director, Revenue Services, in consultation with the General Manager, Toronto Water, to evaluate options for restricting the supply of water on large overdue accounts where all other available collection measures have been exhausted.
009	City Council request the Director, Revenue Services, to ensure the Council approved amendment for apportionment and transfer of outstanding condominium water bills to the tax accounts of individual unit owners be implemented.
010	City Council request the Director, Revenue Services, to implement a process to identify water accounts where a bill has not been issued in the appropriate bill cycle and ensure timely investigation and resolution of any problems in processing the water bills.
017	City Council request the Director, Revenue Services, to ensure that reasons for billing reversals, credits and adjustments are appropriately documented, with supporting source documents retained where applicable.

Division: Revenue Services

Report Date: 10/03/2015

Report Title: Improving Controls Over Property Tax Assessments and Payment in Lieu of Taxes (PILTs)

No.	Recommendation
009	City Council request the Director Revenue Services to develop a process to periodically review tax exempt properties to determine the appropriate tax status of such properties.

**CITY DIVISIONS IN CORPORATE SERVICES AND
FINANCE AND TREASURY SERVICES**

PUBLIC RECOMMENDATIONS – NOT FULLY IMPLEMENTED

Division: 311 Toronto

Report Date: 10/17/2011

Report Title: 311 Toronto - Full Potential For Improving Customer Service Has Yet To Be Realized

No.	Recommendation	Management Comments
002	City Council request the Deputy City Managers, in consultation with the Director of 311, to conduct a comprehensive review of business processes of the call centers operated by Solid Waste Management, Municipal Licensing and Standards, and Urban Forestry, with a view to streamlining processes to effect a consolidation of operations.	A comprehensive business process review has commenced for Municipal Licensing and Standards to further integrate services within 311 Toronto. As a part of the 2018 Capital plan, 311 Toronto is conducting feasibility studies to scope out potential streamlining with Urban Forestry and Solid Waste. As the year 2018 progresses, a holistic understanding of all the call centres will allow for streamlining recommendations, which may result in a further consolidation of call centres. Discussions are also underway with TW to scope out any further efficiencies that can be achieved by streamlining their Customer Care Centre.
003	City Council request the Director, 311 Toronto Division, in consultation with the General Managers/Executive Director of Solid Waste Management, Transportation Services, Toronto Water, Municipal Licensing and Standards, and Parks, Forestry and Recreation, to improve the service request status information such that customers are provided with accurate and clear status information on-line.	311 Toronto continues to partner with our Integrated Service Divisions to provide customers with relevant and timely information as it relates to their service requests. 311 is jointly working with TW, SWM, Forestry, and Transportation on the implementation of the Enterprise Work Order Management System (EWMS). This system will allow for greater transparency and unobstructed data flow between all divisions thereby ensuring accurate and timely information is communicated to residents on their online queries. This project is being rolled out in a phased approach, with the first service results expected late in 2019. 311 Toronto is also in the process of updating the current Customer Relationship Module (CRM) technology with a robust system with additional capabilities in further enhancing the overall customer service journey.

Division: Environment & Energy**Report Date: 03/26/2012****Report Title: Review of the Energy Retrofit Program at Community Centres and Arenas**

No.	Recommendation	Management Comments
003	City Council request the Director, Energy and Strategic Initiatives, to provide appropriate operations staff with detailed facility by facility reporting of energy savings achieved as a result of the Energy Retrofit Program. Where such savings have not met objectives, appropriate remedial action, where feasible, be taken to maximize energy savings.	Detailed facility reports on energy savings were provided to PF&R staff for review and discussions. PF&R has agreed that securing BAS Maintenance/Service Contracts is the appropriate remedial action to be taken to maximize energy savings. As of June 15, 2018, 47 of the buildings that included BAS work activities in the ERP have a BAS maintenance contract. See attached table for details.
005	City Council request the Director, Energy and Strategic Initiatives, in consultation with the General Manager, Parks, Forestry and Recreation to review alternatives and implement effective support and maintenance of building automation systems. The alternatives should include: a. Centralized monitoring of building automation systems; b. Establishing in house building automation system expertise; c. Additional and ongoing training for staff responsible for monitoring and maintaining building automation systems; and d. Reviewing equipment not currently connected to each building automation system to determine if it would be advantageous to control the equipment through the building automation system.	Having the BAS systems upgraded to a network solution will facilitate centralized monitoring. PF&R wants to and will upgrade all standalone BAS systems to a network solution subject to budget availability. The Environment & Energy Division (EED) has established a team of 3 BAS experts who are providing technical support to PF&R Division staff. Ongoing training is part of the services required in the BAS Maintenance/Service Contracts. In the recently awarded BAS Maintenance/Service Contracts the scope of work includes conducting and reporting on the condition assessment of the existing BAS systems and equipment that could be connected to them. The reports (33 reports received) were reviewed by PF&R and EED BAS Team and evaluated for the recommendations and next steps. Subject to funding allocation by PF&R, recommendations may be implemented.
006	City Council request the Director, Energy and Strategic Initiatives in consultation with the General Manager, Parks, Forestry and Recreation to track costs specifically attributable to support and maintenance of building automation systems, where feasible, and include this information in any analysis of the net benefits achieved.	The cost of the BAS Maintenance/Service Contracts for 47 buildings is \$952,042 for a duration of 2 years and 3 additional 1 year periods. The contracts were awarded in between 2014 and 2016. Specific issues previously identified were addressed shortly after contract award. Based on site assessments (sample attached) completed as part of the Scope of Work, PF&R in consultation with the EED- BAS Team will implement further upgrades based on recommendations in the reports and subject to budget availability.

Division: Facilities Management**Report Date: 06/14/2016****Report Title: Audit of City Cleaning Services - Part 1: Opportunities to Control Costs, Improve Productivity and Enhance Quality of Cleaning Services**

No.	Recommendation	Management Comments
001	City Council request the General Manager, Facilities Management to ensure all current cleaning routines, as well as any future adjustments to cleaning routines, are benchmarked with industry standard cleaning times.	Within 2017 the CSSM was integrated into Six (6) of the Eight (8) external custodial contracts which has standardized the service offered to 70+ facilities. The standardized service levels will allow FM to implement and measure performance against industry best practices. Facilities Management is continuing to consolidate and standardize the custodial services across the City of Toronto. FM will continue its efforts Within 2019 the remaining Two (2) contracts will be integrated into a new RFP scheduled to be awarded for early 2020. Facilities receiving in house custodial services are scheduled to be transitioned once all external locations are complete in 2020. In house service levels are expected to be transitioned within 2021.
002	City Council request the General Manager, Facilities Management to develop the corporate procedure to ensure compliance for measuring and establishing the cleanable area for a City facility.	Facilities Management has developed a procedure for the calculation of the cleanable square footage, which utilizes the existing gross square footage and through consultation with building occupant, non-cleanable spaces are discounted from the total gross floor area. The draft procedure will be circulated for review and comment and is expected to be formalized by early 2019.
003	City Council request the General Manager, Facilities Management to validate the available measurements in accordance with the established corporate procedure.	FM has integrated all available cleanable square footage information into the first consolidated RFP. This detail greatly improved the proponent's ability to estimate the cost and required service. FM will ensure the corporate procedure is followed in all remaining facilities not included in the initial consolidated RFP, for the next consolidated RFP. In house serviced facilities will also use the same procedure to benchmark and analysis purposes. This is expected for 2020.

No.	Recommendation	Management Comments
004	City Council request the General Manager, Facilities Management to: a. Implement a process to ensure that a complete and accurate inventory of City facilities receiving custodial services is centrally maintained. b. Ensure the centralized data source includes all relevant information, including labour costs, to effectively monitor performance of custodial services and support operating decisions made by executive management as well as operational managers and supervisors. c. Establish a protocol for ensuring data is kept accurate and up-to-date for each City facility.	A complete inventory of all City facilities receiving custodial services has been compiled. Base information regarding the individuals responsible for the service, historic costs and gross square footage has been included. FM is currently reviewing the building inventory list and updating key attributes, including services provided such as custodial services. This information will be combined with existing cost data in SAP by facility, and the updated measurements from recommendation 3. A plan will need to be developed to ensure these data sources are stored and/or are centrally available and maintained. Expected by 2020.
005	City Council request the General Manager, Facilities Management to effectively workload each City facility receiving cleaning services, either in-house or contracted. Such undertaking to include actions to: a. Ensure accurate operational data is available b. Workload each facility by applying current industry standard cleaning times and tasks c. Schedule the cleaning workforce in accordance with the estimated workload.	FM has documented and standardized 75% of the contracted facilities under its oversight. This will be used in future RFPs for custodial services. The actions taken related to the recommendations 2-4 will ensure accurate data is available. The software previously used is no longer available as the organization supporting it closed down. The data has been maintained. Staff will need to determine an alternate methodology to workload all facilities, either through a system or process developed to support this, using the data collected and maintained. Once this methodology is determined an accurate timeline can be developed.
006	City Council request the General Manager, Facilities Management to assess and define the level of cleanliness that can be associated with each level of cleaning service in the Custodial Standard Service Model.	Facilities Management has standardized the CSSM and defined the levels of cleaning within the standard operating procedures for each task. All standard operating procedures have been formalized and Quality Assurance expectations documented within each SOP which details the expected level of cleanliness. The AG's office, through its review, has identified concerns with the City Standard and whether or not this can achieve the level of cleanliness identified. City staff will work with the AG's office to clarify and demonstrate that quality assurance expectations can be achieved through the City Standard, or will make adjustments to do so.

No.	Recommendation	Management Comments
007	City Council request the General Manager, Facilities Management to ensure each client group is provided with information about the cleaning service level they are receiving relative to the Custodial Standard Service Model and the associated costs of services provided. Such information be used to examine the opportunities to achieve more economical cleaning services.	Facilities Management is in the process of reengaging all client groups and having the CSSM reviewed and formalized for each specific client group. This will be carried out as contracted cleaning services are further consolidated and as internal serviced locations are aligned with the levels of contracted service locations (expected for 2020).
008	City Council request the General Manager, Facilities Management to ensure that appropriate operational planning for cleaning services is performed to ensure workloads are based on a reasonable estimation of the productive labour hours of the workforce.	FM, through its transformation and in support of the new City-wide real estate model (CWRE), will be reviewing all of its operations. One aspect of this will be workloading of staff providing services, including custodial services. This will feed into operational planning and overall resourcing needs. This task will be completed by the end of the 3-year incubation period identified for the new CWRE model, 2021.
009	City Council request the General Manager, Facilities Management to identify, monitor, and report on key performance metrics on a regular basis relative to internal and external benchmarks for the purposes of regularly assessing the effectiveness and efficiency of cleaning services.	Cost and Quality KPI's have been developed and are scheduled to go live 2019 for all properties which were consolidated in the 2017 custodial service level migration project. As properties transition to the CSSM the KPI's will be introduced to ensure the quality and cost effectiveness of the service is maintained. This item will be fully rolled out to internal and external service as further consolidation happens for the contracts, as data becomes available for the internally serviced locations, and as further standardization occurs across the portfolio.
010	City Council request the General Manager, Facilities Management to implement a program of quality assurance inspections of cleaning services to be deployed across the City and adopted consistently by the Facilities Management Division.	Cost and Quality KPI's have been developed and are scheduled to go live 2019 for all properties which were consolidated in the 2017 custodial service level migration project. The newly created Facilities Management Office (FMO) within FM will be tasked with developing and implementing these programs across the portfolio. The FMO is currently being staffed, and workplans are being developed. This will form part of the workplans for the team.

No.	Recommendation	Management Comments
011	City Council request the General Manager, Facilities Management take appropriate action to control for the risk of bias in completing quality assurance inspections.	The Quality Assurance process will be overseen by the newly established Facilities Management Office (FMO). The FMO includes resources to perform compliance, quality or inspection audits, and who also conduct risk assessments. These are new positions recently created within FM. The positions are currently being filled and workplans will be developed and implemented throughout 2019.
012	City Council request the General Manager, Facilities Management to plan, implement and incorporate the results of customer satisfaction surveys to improve custodial services delivery.	Facilities Management will be carrying out customer satisfaction surveys on all services offered by Facilities Management. Scheduled to be complete 2020
013	City Council request the General Manager, Facilities Management to collaborate with the Executive Director of Human Resources to ensure that vulnerable sector screening is adequately addressed for all City staff who provide services in high risk facilities, such as daycares.	FM and HR will be working together to identify the needs and to plan for implementation of vulnerable sector screening of City staff in high risk facilities. Scheduled to be implemented by 2020.
014	City Council request the City Manager to request Division Heads and Chief Executive Officers of City agencies and corporations to review the issues and recommendations included in this report and consider the relevance to their respective custodial operations.	A letter has been drafted for distribution through the CMO to the appropriate Division Heads and Chief Executive Officers of the City agencies and corporations. This is to be issued in early 2019.

Division: Facilities Management

Report Date: 06/14/2016

Report Title: Audit of City Cleaning Services - Part 2: Maximizing Value from Cleaning Contracts

No.	Recommendation	Management Comments
001	City Council request the General Manager, Facilities Management to ensure specifications, included in call documents to procure cleaning services, are based on accurate measurements of cleanable area.	Facilities Management issued an enhanced RFP in 2017 which greatly improved the accuracy of the specifications and highlighted gaps where information was not available. A new consolidated RFP will be developed with accurate measurements of cleanable area. FM is currently implementing plans to ensure accurate data is available for call documents going forward. This is being completed in parallel with plans for a new RFP in 2019.

No.	Recommendation	Management Comments
002	City Council request the General Manager, Facilities Management, in consultation with the Director, Purchasing and Materials Management Division, to ensure the labour estimates included in call documents for cleaning services are developed using benchmarked industry cleaning times.	Call documents no longer contain labour estimates. Proponents are required to provide the necessary estimates based on the scope identified and the service levels expected. The intent of this was to allow for innovations, to be less prescriptive and to allow for competition amongst vendors bidding on calls. By including labour hours, even if benchmarked to industry cleaning times, in call documents it will likely drive vendors to these hours. The AG's Office has indicated the intent of the recommendation is so the City can assess whether the bids received contain reasonable labour estimates for required cleaning services. Given this, the City can still gather industry benchmarks to compare what vendors bid, without actually including this in the call documents. This will be demonstrated upon the issuance of the next custodial contracts later in 2019 / early 2020.
003	City Council request the General Manager, Facilities Management to compare current contracted cleaning service levels to the standard service level in the Custodial Standard Service Model and industry cleaning times to examine opportunities to reduce costs.	The 2017 Custodial RFP and subsequent contract utilized the CSSM model as the basis of the specifications. The CSSM is undergoing a review to ensure that both cost saving and quality of service are balanced from the perspective of the service required by our clients. This exercise will be complete within 2019 and will include any adjustments to service levels since the contract was awarded. As further consolidation of contracts and services occur over the next few years, an analysis of requested service levels vs. CSSM or industry standards will be completed. This will also be completed for internally serviced facilities.
006	City Council request the General Manager, Facilities Management to implement appropriate controls to monitor the acquisition and use of consumables provided by contractors.	Language has been integrated within the new custodial contract allowing for audits of all consumables and validation at the sites. The Facilities Management Division will include resources to carry out audits and compliance reviews of contracts. This will be included in the workplans for these resources. The staff within the FM are currently being hired. This will be incorporated into compliance and quality assurance plans for contracts in 2019.

No.	Recommendation	Management Comments
008	City Council request the General Manager, Facilities Management, in consultation with the Director, Purchasing and Materials Management Division, to ensure adequate analysis of the reasonability of the cost of contract changes is performed. Documentation to support the cost of contract changes should be retained in the respective purchasing and contract files.	Language has been integrated into all new RFP's which outlines a consistent change methodology for all additions, deletions and changes to the contract. (Appendix D, Schedule C & D and Section 3.1 (Scope of Work), subsection 2 within the RFP). FM is working with all client groups to ensure service levels are implemented, as per the contract, or adjusted if necessary. If any changes come from this they will be validated through the terms of the contract and documented.
009	City Council request the General Manager, Facilities Management, to implement controls to monitor actual services delivered and cleaning hours provided are in accordance with contracts. Where services do not adhere to contracts, payments should be adjusted for any variances in actual cleaning hours provided.	Language has been integrated into all new RFP's which provides a strong audit framework to ensure that Facilities Management has the ability to audit work performed against supporting documentation. The Facilities Management Division will include resources to develop compliance plans and carry out audits of contracts. This will be included in the workplans for these resources. The staff within the FMO are currently being hired. This will be incorporated into compliance and quality assurance plans for contracts in 2019.
010	City Council request the General Manager, Facilities Management, in consultation with the Director, Purchasing and Materials Management Division, to review the standard call documents for cleaning contracts to ensure that the pricing structure allows changes to be made where the actual services delivered significantly deviates from the award.	Language has been integrated into the new RFP which outlines a consistent change methodology for all additions, deletions and changes to the contract. The AG's office has reviewed this on the new RFP that was issued and noted that pricing for additions and emergency services were bid at a higher price point than hourly rates for the base locations and services. Without knowing the facility type in advance it can be expected that vendors would bid at rates that are higher. Therefore, although the new RFP allowed for changes, future RFPs will further refine this requirement.
011	City Council request the General Manager, Facilities Management to monitor and supervise all cleaning contracts to ensure compliance with contractual terms and obligations to maintain, and make available for review, the records related to the contract.	Contract Clauses have been integrated into the new custodial contract which require the submission of documentation to be audited throughout the contract. The Facilities Management Division will include resources to develop compliance plans and carry out audits of contracts. This will be included in the workplans for these resources. The staff within the FM are currently being hired. This will be incorporated into compliance and quality assurance plans for contracts in 2019.

No.	Recommendation	Management Comments
012	City Council request the General Manager, Facilities Management to work collaboratively with the Fair Wage Office to provide any necessary contract related records required to strengthen the compliance reviews conducted to ensure fair wages.	Facilities Management and the Fair Wage Office have been working collaboratively. This has been evident through the Fair Wage Office's consultation on the latest custodial RFP and contract that Facilities Management developed and issued. This resulted in what Facilities Management feels are stronger terms in the RFP and contract that obligate vendors to provide and/or retain records that would be needed in any fair wage compliance review. Since the issuance of this audit report there have been no new compliance reviews have been initiated or required. Facilities Management is continuing its work with the Fair Wage Office on the outcomes and issues uncovered through this audit. Facilities Management will work with the Fair Wage Office to close this file prior to the end of 2019.
014	City Council request the General Manager, Facilities Management to develop and implement a standard protocol for evaluating custodial contractor performance. The protocol should include: a. A standard form for contractor performance evaluation b. Annual review cycles and a mandatory review prior to exercising a renewal option on a contract c. Documentation of the results of such performance evaluations to be retained within the contract file.	Contract Clauses have been integrated into the current contract which outline the city's expectations that performance must be maintained as per the contract for the renewal of any option period. All contractors underwent an extensive performance audit in 2017, with the results being reported to GMC on November 13, 2017; report GM 23.18. The Facilities Management Division will include resources to develop compliance plans and carry out audits of contracts. This will be included in the workplans for these resources. The staff within the FMO are currently being hired. This will be incorporated into compliance and quality assurance plans for contracts in 2019.
015	City Council request the General Manager, Facilities Management to complete a service review of all current cleaning contracts including an analysis of their cost effectiveness. The results of such review to be reported to Government Management Committee.	Facilities Management reported the results of a preliminary review of its current cleaning contracts to GMC on November 13, 2017; report GM 23.18. Not all contracts have been updated to reflect the latest cleaning standards and contract requirements. Facilities Management is working on implementing these into all custodial contracts by the Spring of 2020. After this Facilities Management will report back to GGLC on a comprehensive review of its cleaning contracts.
016	City Council request the City Manager to request Division Heads and Chief Executive Officers of City agencies and corporations to review the issues and recommendations included in this report and consider the relevance to their respective operations.	A letter has been drafted for distribution through the CMO to the appropriate Division Heads and Chief Executive Officers of the City agencies and corporations. This is to be issued in early 2019.

Division: Facilities Management**Report Date: 02/03/2015****Report Title: Facilities Management - Security and Safety Improvements Required**

No.	Recommendation	Management Comments
001	City Council request the Chief Corporate Officer to develop a plan to complete a review of physical security at all City facilities using a risk based approach and to address any deficiencies found during the review.	A plan has been developed that provides on-site physical security audits for all City facilities and an approach to address applicable deficiencies. All City facilities have been assigned a risk rating based on national crime rates. Audits of the top at risk sites will begin in late 2018.
002	City Council request the Chief Corporate Officer to perform the appropriate follow up reviews to ensure identified security deficiencies are adequately addressed by the divisions.	Corporate Security is workshopping several ideas on how to effectively address this recommendation. Internal Audit will be requested for assistance in late 2018.
007	City Council request the Chief Corporate Officer to run reports to identify inactive access cards and upon review, cancel user access as required.	Beginning in 2014, Corporate Security implemented a new, daily process to ensure inactive employees on SAP had their security access disabled. A daily report is provided by Human Resources from SAP of inactive employees. Corporate Security staff then verifies that the card access was deactivated on the system. To further protect the integrity of the database, a quarterly report is run comparing the full active SAP database against the full security system database to review any possible errors. A capital IT project, titled Self-Serve, is expected to be completed by June 2018 which will automate the ability to run reports to identify inactive access cards and upon review, cancel user access as required. This recommendation is expected to be fulfilled in early 2019 upon full implementation of the Self-Serve project.
010	City Council request the Chief Corporate Officer to review the current level of mobile patrolling activity to determine if it adequately meets requirements and propose options for the actions, if any, necessary to satisfy the security needs.	The patrolling activity at each site is determined by a number of factors including site criticality, occurrence report statistics, seasonality of service, etc. In response to incidents, and in anticipation of future incidents due to forecasting, additional patrolling resources are acquired. A plan for providing an adequate level of mobile patrols has been developed however staffing and budget pressures have prevented implementation. An alternate service delivery model will be in place in late 2018 to assist with the implementation of the plan.

Division: Facilities Management

Report Date: 10/02/2012

Report Title: A Mid-Term Review of the Union Station Revitalization: Managing Risks in a Highly Complex Multi-Year, MultiStage, Multi-Million Dollar Project

No.	Recommendation	Management Comments
006	City Council request the City Manager to ensure that the responsible City division develop and implement, for all significant and complex capital projects, an enhanced process for assessing and managing project risks. The risk assessment should be comprehensive prior to the start of the project and be continuously reviewed and updated.	There has been progress to date, including the Council adopted "Approval of Major Capital Projects" report GM 26.4 on December 16, 2013. The report outlines a four phase approach to guide the process for addressing project risk noted in recommendation # 6 for FM related projects. The phased approach that has been developed is currently being applied to the Relocation of Etobicoke Civic Centre project. A stage gating process is included in the corporate Capital Budget directions and manual for 2019. All Divisions and programs are expected to be follow this approach based on these guidelines and directions. This recommendation cannot be fully implemented until there are major projects available to flow through all phases of process, and it can be demonstrated that project risks are assessed and managed through all phases of the project. Therefore this recommendation will remain outstanding for the next 3 to 5 years.

Division: Facilities Management

Report Date: 05/31/2010

Report Title: Management of Capital Project 129 Peter Street

No.	Recommendation	Management Comments
009	The Executive Director, Facilities Management, be given sole authority to make decisions on the method by which accessibility requirements be incorporated in all relevant tender documents. The design of construction and renovation projects be required to comply with the City's Accessibility Design Guidelines and any new requirements under the Accessibility for Ontarians with Disabilities Act, 2005.	The Director of the Facilities Management Project Management Office (FM-PMO) has sole authority to make decisions on the method by which accessibility requirements be incorporated in to all relevant tender documents. Full implementation of this recommendation will be achieved once the City's accessibility design standards are submitted and approved by City Council, and adopted as a corporate standard. This is expected for early 2019. Expected Full Completion Date: 2019

No.	Recommendation	Management Comments
013	The City Manager direct that Design, Construction and Asset Preservation staff consult with Divisions at the design stage of all projects. Appropriate sign off of all drawings be standard practice by Design, Construction and Asset Preservation staff in consultation with Division staff. Such a process be incorporated into the Project Charter.	Appropriate client sign off processes have been developed through the creation of industry standard templates and protocols that have been adopted by all project managers effective February 18, 2018. The Project Charter will be amended to reflect the following: Deliverables/Milestones section that includes review and sign-off of drawings by client. Approval/sign-off (e.g. e-mail confirmation) of final design drawings from client to be required before proceeding to tender project. Expected Full Completion Date: Q1 of 2019

Division: Facilities Management

Report Date: 09/16/2005

Report Title: Maintenance and Administrative Controls Review – Facilities and Real Estate

No.	Recommendation	Management Comments
004	The Deputy City Manager and Chief Financial Officer give priority to the completion of an implementation plan for facilities maintenance standards including: a. a process to monitor compliance with legislative requirements; b. funding, staffing and operational requirements of the Facilities and Real Estate Division and all other City divisions; c. the development of specific facilities maintenance standards, if necessary, for speciality facilities such as water treatment plants and arenas; and d. timelines for implementation.	a. The process to monitor compliance with legislative requirements is under development as part of the PM project and the fire code compliance review. The process will be aligned with the findings/outcome of both exercises. This process will be in place Q3 2019 aligned with the establishment of the FMO. b. Staff have been and continue to be on boarded for the facilities management office. Expected completion date Q3 2019. c. Facilities Management has developed a maintenance baseline standard which are in the process of being reviewed by each client group. Occupant specific additions are being identified and incorporated into each client's specific service partnership agreements. This process will be in place Q1 2020.
013	The Deputy City Manager and Chief Financial Officer take appropriate steps to: a. determine the complete state of good repair backlog for all City-owned buildings; b. develop City-wide funding priorities for the state of good repair backlog; and c. ensure that approved capital projects are completed on a timely basis.	a. Through the annual capital budget process, the Financial Planning Division consolidates the SOGR backlog for each City divisions and prepares a briefing note on this. See links below for the briefing note prepared for the 2017 and 2018 budget processes. Within this briefing note the complete, City-wide, SOGR backlog is provided. The detailed support for this is submitted through each Divisional capital budget submission, and stored within the Financial Planning Division. This portion of the recommendation has been implemented. b. The 2018 briefing note references capital investment strategies that have been put in place to address backlog pressures. Furthermore, funding allocated for

No.	Recommendation	Management Comments
		the capital programs are ranked in order of priority – 1) Health and Safety, 2) Legislative, 3) SOGR, 4) Service Improvement and 5) Growth. The AG's office has indicated that a City-wide funding policy to prioritize SOGR backlog from each City division is required in order to implement this recommendation. This will require coordination and direction with the Financial Planning Division and the CFO's office. Facilities Management will support these efforts and explore options with our corporate financial partners. c. Within Facilities Management execution and spending on SOGR projects has improved over the last 3 years. There has been a greater emphasis on capital project execution. This is evident through monthly capital program review meetings at the Divisional level, and enhanced capital variance reporting at the corporate level. This has led to improvements in capital funding utilization, and in turn capital project completions. Within Facilities Management, spending on SOGR projects under its control exceeded 80% in 2018. The AG's office has indicated that a City-wide strategy should be developed to ensure improvements are realized throughout City divisions and programs. This will also require coordination with the City's corporate financial leads, and Facilities Management will support this efforts in developing these plans.
014	The Deputy City Manager and Chief Financial Officer ensure that a database of the physical condition of all City-owned buildings is developed and forms the basis for a long-term capital plan. In addition, building condition assessments should be completed for all City-owned buildings using criteria based on industry standards and best practices developed by the Facilities and Real Estate Division.	Facilities Management has accomplished all items within this recommendation for facilities under the Divisions' direct oversight. In order to implement this recommendation the practices FM employs needs to be implemented across all City owned buildings. The objectives outlined within the City-Wide real-estate model includes consolidated oversight of asset management related to facilities under the jurisdiction of Facilities Management. The timeline for completion of this recommendation is dependent on the adoption and implementation of all aspects of the City-wide real estate model, expected to be completed over the next 3 years.
016	The Deputy City Manager and Chief Financial Officer take appropriate steps to establish a maintenance plan for each City building that: a. includes both capital and operating repairs for current and future years; b. addresses building deficiencies identified in building condition assessments; and c. effectively coordinates maintenance and repair activities between the Design,	Facilities Management has accomplished all items within this recommendation for facilities under the Divisions' direct oversight. In order to implement this recommendation the practices FM employs needs to be implemented across all City owned buildings. The objectives outlined within the City-Wide real-estate model includes consolidated oversight of asset management related to facilities under the jurisdiction of Facilities Management. The timeline for completion of this recommendation is dependent on the adoption and implementation of all aspects of the City-wide real estate model, expected to be completed over the next 3 years.

No.	Recommendation	Management Comments
	Construction and Asset Preservation and Facilities Operations Units of the Facilities and Real Estate Division.	
017	The Deputy City Manager and Chief Financial Officer ensure that all necessary building information is incorporated into the SAP Plant Maintenance and Asset Management Modules to assist in maintenance planning and repair decisions and provide a record of regulatory inspections.	Facilities Management captured all buildings and system level information for all buildings under Facilities Managements oversight. This includes tracking all maintenance and legislative activities at the building level through its work order system. Facilities Management carried out a pilot projects which track key building equipment and assets that are aligned with industry standards and have tracked these and developed preventative maintenance plans around these assets. The pilot program provides the planned maintenance and a record of regulatory inspections on all equipment at the pilot site. FM is now rolling out these plans across its entire portfolio. This is also a key component of the workplan for the implementation of the new City-wide real estate model as building portfolios city-wide are rolled under the jurisdiction of Facilities Management.

Division: Information & Technology

Report Date: 02/16/2016

Report Title: Audit of Information Technology Vulnerability and Penetration Testing- Phase 1: External Penetration Testing

No.	Recommendation	Management Comments
001	City Council request the Chief Information Officer to establish the City baseline for cybersecurity applicable to all of the City's IT systems and infrastructure and to direct all City divisions, agencies, and corporations to adhere to this standard. The Chief Information Officer establish protocols for monitoring and enforcing compliance with this City-wide standard.	Additional time is needed to review context of this audit recommendation. The I&T Division is conducting a Cyber-Security Maturity Assessment that will guide future required actions. The Cyber-Security Program is assessing the overall Cyber-Security standards and positioning. Expected Completion in Q2 2019.
002	City Council request that the Chief Information Officer to develop a cybersecurity program that includes ongoing vulnerability assessment and penetration testing using current tools used by industry subject matter experts. The testing tools adopted by the City should be updated regularly and provide ongoing reporting and metrics around existing and newly discovered threats.	The City has established a formal Cyber-Security Program that will be implementing Vulnerability Management capabilities as part of a move to Managed Security Services/Security as a Service capabilities supported through industry leading practices and 3rd party specialized Cyber-Security intelligence and support with ongoing reporting and management of any identified threats. Implementation is targeted to start Q4 2018 with an expected completion date Q2 2019.

Division: Information & Technology**Report Date: 02/04/2015****Report Title: Software Licenses - Managing the Asset and Related Risks**

No.	Recommendation	Management Comments
001	City Council request the Chief Information Officer to ensure there is a software owner identified for all software assets and that activities to ensure compliance with software licensing agreements are performed in accordance with the divisional policy.	Major software has been identified with corporate and divisional software owners. This software identification includes: a) corporate software managed by the I&T Division and b) software which is maintained by corporate or divisions and the cumulative cost to maintain such software has reached or exceeded \$500K year over year for sole sources. The Information Technology Asset Management Steering Committee held on January 25, 2018 has determined to move the self-audit and verification process work to start at Q1 2019.
005	City Council request the Deputy City Manager and Chief Financial Officer to ensure that divisional staff responsible for recording purchases in the financial information system are adequately trained on the appropriate account codes to be used and that procedures include sufficient reviews to provide assurance that correct codes are used.	Reference to the account code was included in a CIO Memo regarding Software Licenses – Managing the Asset and Related Risks distributed to all Division Heads on April 20, 2017. In addition, the IT Validation and Reporting Procedures document, Section 3.0 IT Asset Procurement Requirements is on the City Intranet for staff what is required from an IT Asset Management perspective in procurement and a supplementary document was posted as part of the procurement process. In order for I&T to validate whether the correct account codes are being used by other Divisions, I&T will work with PMMD to request for the appropriate access to enable City-wide review of all purchase orders entered into the system. To obtain access and introduce formal review process by Q4 2018.
008	City Council request the Chief Information Officer to implement a process to review and validate reasons for restrictions on the use of the data collection tool.	Identification of all exceptions will be determined, validated and documented by Q3 2019. Alternative means to collect the information will be determined by working with the Configuration Management team and appropriate Division(s).
010	City Council request the Chief Information Officer to ensure software owners perform annual software reconciliations and report the results to the Information and Technology Division.	Software reconciliation for confirmed software titles has been implemented and has been operationalized (ongoing validation is occurring). Due to the delay of the HPAM tool upgrade activities for the various components of Asset Management to 2018, the ITAM Steering Committee held on January 25, 2018 has determined to move the self-audit and verification process work to start at Q1 2019.

No.	Recommendation	Management Comments
011	City Council request the Chief Information Officer to ensure that the inventory of software is completed as soon as possible and that software usage reports be developed and distributed to software owners for their review. Software owners should report back on license usage to the Chief Information Officer so that proper decisions can be made in relation to City software assets.	Software reconciliation for confirmed software titles has been implemented and has been operationalized (ongoing validation is occurring). Divisional Usage reports are included along with self-assessment requests when available. Due to the delay of the HPAM tool upgrade activities for the various components of Asset Management to 2018, the Information Technology Asset Management Steering Committee held on January 25, 2018 has determined to move the self-audit and verification process work to start at Q1 2019.

Division: Information & Technology

Report Date: 06/10/2014

Report Title: Controls Over Telecommunication Expenses Need Improvement

No.	Recommendation	Management Comments
004	City Council request the City Manager to direct divisions to review controls over access and use of group wireless devices. The inventory of group wireless devices should be reviewed and those not required should be cancelled.	A process and associated tools have been developed to guide divisions in their periodic reporting of wireless devices inventory. A Usage and Inventory report is issued to All Divisions on a monthly basis and timelines for when divisions will proactively report on their inventory is outlined in the process document. A Memo was issued by CIO to Divisions outlining the actions required by the Divisions. In addition, RFP No. 9171-17-7077 was issued with a Closing Date of 24-Apr-17. Proponent will conduct an initial audit of the City's Telecommunication Invoices, Contracts, and Recovery of historical charges billed in error. Contract was awarded on 22-Feb-18. Scope of work includes review of requested cancelled service no longer being billed and recommendations to disconnect unused services by Q4, 2018.
011	City Council request the Deputy City Manager and Chief Financial Officer to review the existing process of manually updating invoice payment information from SAP to the NetPlus telecommunication system and evaluate whether the process can be automated.	Improved the SAP-TEM file process (SAP Netweaver – Netplus Telecommunication Management are the two systems involved in Telecom invoice payment processing) by capturing additional field (i.e. Contract # in Assignment Field) in the batch file. This will allow for the ability to generate Telecom Contracts reports to determine the amount spent on each contract. The assessment will be completed by Q2 2019.
015	City Council request the City Manager to direct divisions to review their respective inventory of telecommunication devices to ensure that it reflects the current status of such devices. Inventories should be adjusted where appropriate and reviews should be performed on a periodic basis.	A vendor has been contracted by the I&T Division to cleanup and verify inventory against invoices and will provide a clean slate and accurate electronic inventory of all City of Toronto telecommunications assets and services by Q4 2018.

No.	Recommendation	Management Comments
016	City Council request the City Manager to develop exception reporting criteria to assist in evaluating unnecessary telecommunication costs. Criteria identified should include devices and services with no activity, suspended phones beyond a specified period and phones no longer in use. Devices and services no longer required should be cancelled.	A vendor has been contracted by the I&T Division to conduct an initial audit and evaluate the City's telecommunication costs, including invoices, contracts and any recovery of charges. This initial audit will be inclusive of devices and services with no activity, suspended phones beyond a specified period and phones no longer in use. Planned completion: Q4 2018.

Division: Information & Technology

Report Date: 09/18/2013

Report Title: IT Service Desk Unit - Opportunities for Improving Service and Cost - Effectiveness

No.	Recommendation	Management Comments
004	City Council request the Chief Information Officer to implement proactive problem management for the IT Service Desk Unit to improve the efficiency and cost-effectiveness in providing information technology support.	The IT Service Desk Unit, in conjunction the Information and Technology Service Management Team (ITSM) will implement Problem Management within the IT Service Desk. Due to divisional realignment and reestablishment of the ITSM team, project planning had been delayed. Estimated completion date in Q2 2019.

Division: Information & Technology

Report Date: 01/09/2013

Report Title: Electronic Data - Standardizing Data Formats Across City Information Systems

No.	Recommendation	Management Comments
002	City Council request the Chief Information Officer and the City Clerk to recommend the data standards to City agencies and corporations for adoption.	The development of several data standards has been completed and further data standards will be completed as planned. We are completing a City of Toronto Data Policy further to the standards and this can be communicated to the agencies and corporations as a package once completed. Planned completion date: Q4 2018.

Division: Information & Technology

Report Date: 10/04/2012

Report Title: eCity Initiative - Improvements Needed in Governance, Management and Accountability

No.	Recommendation	Management Comments
006	City Council request the Chief Information Officer in consultation with the Business Executive Committee develop performance measures for the eCity Vision that are relevant, reliable and measurable.	The Business Executive Committee has adopted an eCity Program Model with 12 programs across priority City business capabilities and outcomes in alignment with the eCity vision. Common performance measures have been established at the overall IT Portfolio, eCity program, and IT project delivery level within programs. Performance measures specific to each eCity program are continuing to be developed. In addition, the Information & Technology Division is developing a reporting mechanism and criteria to ensure

No.	Recommendation	Management Comments
		accountability associated with project implementation delays, financial impacts and mitigation strategies. Reports will be presented through current governance and will include updates to the Executive Modernization Committee. Estimated completion Q3 2019.

Division: Information & Technology

Report Date: 01/07/2011

Report Title: Governance and Management of City Computer Software Needs Improvement

No.	Recommendation	Management Comments
004	The Chief Information Officer ensure the City Information Technology Risk Management Program includes a periodic risk assessment to identify, assess and implement processes to address software related risk.	Software application risk can come from various sources and a review of these risks should be done independently with expertise in auditing. I&T will work with Internal Audit to determine the scope and approach for undertaking such risk assessments to determine if they can be included in Internal Audit's Annual Work Plan. This approach will determine the types of software risk and how they would be audited. Expected Completion Date Q4 2019.

Division: Information & Technology

Report Date: 06/15/2010

Report Title: Review of the City SAP Competency Centre

No.	Recommendation	Management Comments
005	The Chief Information Officer include SAP Competency Centre service level expectations in formal service level agreements currently being prepared between operating divisions and the Information and Technology Division	As part of the implementation of the City's SAP Governance framework, the City created a position for a Manager of SAP Enterprise Business Services. The City has filled this position with an experience staff who is accountable for establishing clearly defined Service Levels expectations for the SAP Service Centre (former SAP Competency Centre) in formal Service Level Agreements being prepared between operating divisions and the Information & Technology Division. Currently, SLAs have been developed for 311 Toronto, Toronto Paramedic Services (TPS), and Parks Forestry and Recreation (PFR), and we are using these SLAs as templates to expand to other Divisions, as number of Divisions are going through transformations with new systems being implemented (e.g. SAP Ariba, SuccessFactors, Kronos and expansion of eTime. These SLAs will be part of the roll-out of the solutions. Planned Completion Date: Q4 2018
007	The Chief Information Officer develop SAP Competency Centre performance measures and standards. Such measures and standards should monitor ongoing performance.	As part of the implementation of the City's SAP Governance framework, the City created a position for a Manager of SAP Enterprise Business Services. The City has filled this position with an experience staff who is accountable for developing SAP Service Centre (former SAP Competency Centre) performance measures and standards and monitoring them on an on-going basis. The SAP Service Centre will establish performance

No.	Recommendation	Management Comments
		measures and service standards based on clearly defined Service Level Agreements between operating divisions and the Information & Technology Division. The performance measures will be utilized for management purposes to support on-going business planning and continuous service improvement initiatives. Planned Completion Date: Q4 2018

Division: Information & Technology

Report Date: 04/20/2010

Report Title: Governance and Management of City Wireless Technology Needs Improvement

No.	Recommendation	Management Comments
005	The Chief Information Officer implement City-wide wireless standards and develop procedures to provide for periodic review to ensure the accuracy and relevancy of wireless standards.	The Wireless Local Area Network Security Standard is pending approval as it is circulating amongst SMT for endorsement. The standard should be approved and published for Q3 2018.
006	The Chief Information Officer develop a comprehensive IT Security Manual as a ready reference for City staff.	The IT Security Policy has been completed in draft and is currently being circulated to Stakeholders. The draft has been revised again since original Stakeholder engagement in 2016. Planned completion is Q3 2018.

Division: Information & Technology

Report Date: 03/03/2008

Report Title: Disaster Recovery Planning for City Computer Facilities

No.	Recommendation	Management Comments
002	The City Manager implement a disaster recovery and business continuity program that includes divisional roles and responsibilities, resource and training requirements, and simulation and plan maintenance schedules.	The mandate of a Disaster Recovery program resides with the I&T Division and the development of a complete program is in-progress. With a recent reorganization within the I&T Division, this item has an expected completion date of Q2 2019. City Divisions have completed initial business continuity plans. The business continuity program requirements of yearly maintenance activities, which includes plan updates and exercises, are ongoing based on individual division schedules. The Office of Emergency Management has developed a 2018 Business Continuity Management program work plan in consultation with the Business Continuity working group and provided updates to the Toronto Emergency Management Program Committee.
005	The Chief Information Officer review the backup and storage procedures of City information technology units for: a. compliance with acceptable standards and practices for data backup and storage requirements; and	Compliance criteria and data backup storage requirements will be clearly documented in addition to reviewing current procedures for compliance to I&T derived standards for data backup and storage requirements by Q3 2019.

No.	Recommendation	Management Comments
	b. provide divisions with the opportunity to participate in existing data storage arrangements within the City or with the outside service provider.	City divisions have all been given the opportunity to participate in the existing data storage arrangements. Thus far, Policy, Planning, Finance and Administration and Toronto Public Health have decided to use the service. The service has been designed to support agencies as well as divisions and is available for their utilization upon request.
006	The City Manager, in consultation with the Chief Information Officer, direct divisions to test information technology disaster recovery plans on a regular basis.	The Chief Information Officer is working in conjunction with the City Manager to establish requirements to regularly test existing divisional information technology disaster recovery plans. It is expected that a few divisional disaster recovery plans will have completed testing and have proper follow-up communications by Q3 2019.
007	The Chief Information Officer develop disaster recovery testing guidelines and provide training necessary to ensure cross-divisional consistency.	As the new City-wide Business Continuity Management program is developed, the I&T Division is focusing on determining long-term disaster recovery along with testing guidelines to be rolled-out to all divisions. A training strategy will also be developed to ensure cross-divisional consistency. Further disaster recovery will be incorporated with the City's infrastructure and cloud adoption. Expected completion date is Q4 2019.

Division: Accounting Services

Report Date: 04/12/2012

Report Title: Review of the Management of the City's Divisional Accounts Receivable

No.	Recommendation	Management Comments
001	City Council request the City Manager to review the current management of all City-wide receivables. Such a process should be a part of the ongoing shared service review. The review should include an evaluation of centralizing the collection efforts of all outstanding receivables.	At this time, invoicing and collection efforts remain decentralized across the City, with the exception of Facilities Management, City Clerk's Office, Fleet Services, I&T, and Legal Services, where receivables are managed by Accounting Services (ASD). In Q1 - 2018, as part of the Financial Accounting System Transformation (FAST) project, Accounts Receivable workshops were conducted with Divisional staff to review Divisional invoicing and collection processes. Information from these workshops is currently being analyzed as part of an enterprise wide review of accounts receivable within the City with the goal of recommending enhanced corporate governance and financial controllership, corporate standards for processes and systems, and options for increased collections. The review work will be conducted by an external business partner with business transformation that considers a number of different options against cost and associated benefits, and all aspects of public sector redesign such as human resources. Recommendations will be presented to the CFO and Treasurer for Q3 – 2019.

No.	Recommendation	Management Comments
003	City Council request the Treasurer to review current SAP management reports pertaining to the management of receivables. The reports should contain relevant and current information and include performance management information.	As part of the FAST project the following financial system/technological elements are being reviewed: i) Divisional standalone systems – assess the opportunity to use one financial system (SAP) to manage all accounts receivable data. ii) Receivable and Performance Management reports – enhancement of existing reports and creation of new reports. iii) Business Intelligence – review opportunities to modernize data/reporting (e.g. dashboards). At this time, it is clear that amending existing reports and/or creating new reports in the current ECC instance may not be the most cost effective or high value option. As a result, recommendations that consider the next instance of ECC, S/4HANA, may result from the City-wide review. As noted in item 001, recommendations will be presented to the CFO and Treasurer.
007	City Council request the Treasurer to assess the feasibility of using the City SAP Financial System to the fullest extent in tracking actions taken on customer accounts sent to Legal Services and collection agencies.	Extended or enhanced use of the SAP financial system for tracking actions is currently being reviewed and will be included as part of the recommendations noted above. In Q1 – 2018, as part of the FAST project, revenue source data and process information was gathered from Divisions. The FAST project team is currently conducting detailed reviews of "as is" processes and opportunities to centralize and increase efficiency and effectiveness in the A/R process, including enhanced reporting. In addition, any data element (coding block) enhancement work noted by the FAST project will be included as medium or longer term action items (implemented in S4 HANA).

Division: Accounting Services

Report Date: 10/27/2009

Report Title: City Purchasing Card (Pcard) Program - Improving Controls Before Expanding the Program

No.	Recommendation	Management Comments
018	The Treasurer develop and implement strategies to promote and expand the use of PCards by City divisions. Such strategies should include, but not be limited to:	Efforts to modernize the PCard payment tool are currently underway in Accounting Services. In Q4 2018 a program review will begin with a goal to streamline the front end process of the Pcard payment tool including online card request, on-line information training and direct from bank card distribution. In addition to these efficiencies a review of the existing transaction log

No.	Recommendation	Management Comments
	a. Analyzing divisional purchasing patterns to identify potential areas for expansion b. Developing and implementing measures to increase the use of PCards by divisions c. Setting performance goals for the City based on the number of participating divisions and yearly PCard purchase volume.	documentation and submission process, potential functionality within Ariba and a review of Pcard eligible transactions will also be conducted. It is anticipated that the above noted efficiencies will revive interest in the corporate Pcard payment tool.

Division: Financial Planning

Report Date: 05/02/2013

Report Title: Financial Planning Analysis and Reporting System (FPARS) - A Large Scale Business Transformation/Information Technology Project

No.	Recommendation	Management Comments
007	City Council request the Deputy City Manager and Chief Financial Officer, the Director, Financial Planning and the Chief Information Officer to ensure that upon project completion, a final "close-out" report is submitted to City Council. Such reports should include comparisons of budget to actual timelines, costs, actual benefits achieved and where applicable, a description of anticipated benefits not realized.	The FPARS project has 2 phases: 1. Multi-year Service Based Planning, Budgeting, Reporting with implementation of PBF (Completed May 2015); and 2. Enterprise Performance Management (Underway) In accordance with AG's recommendation to report on the status of major capital projects in the budget process (as well as variance reports and Standing Committees), the 2018 Capital Budget Notes for Financial Services (pages 20-22) provided a status of the project with deliverables completed for Phase 1 and appropriate financials. It also set out the deliverables and status for Phase 2. Benefits realization continue to be documented for Phase 1 (\$17.827M have been identified to date) and will continue through for Phase 2. A final close-out report will be submitted to Council once the project is completed (mid of 2019); operationalized and benefits realized, currently anticipated by 2020.

Division: Pension, Payroll & Employee Benefits
Report Date: 10/24/2016
Report Title: Management of the City's Employee Extended Health and Dental Benefits Phase One: The City Needs to Ensure Adequate Detection and Review of Potentially Excessive and Unusual Drug Claims

No.	Recommendation	Management Comments
003	City Council request the Treasurer to undertake necessary steps to ensure the City's benefits plans are cost-effective and follow industry standards and best practice, including but not be limited to: a. Consultation, on a regular basis, with industry experts and the new plan administrator to identify industry standards and acceptable practices for drug benefit coverage limits, particularly in areas where utilization by the City's members is significantly higher than industry standards or benchmarks; and b. Recommending reasonable maximum plan coverages for the appropriate drugs with consideration for special circumstances.	In May 2018, the Director of Pension, Payroll and Employee Services engaged Mercer to conduct an environmental market review of City benefits plans and identify opportunities for change for all employee groups. Reports for all employee groups have been received. New contract with TPAFF approved by council on December 13, 2018. Mercer report will be referenced for 2019/2020 CUPE 79 and CUPE 416 bargaining. Target Completion April 30, 2020
006	City Council request the Treasurer to regularly conduct detailed reviews of drug benefit claims history by high-risk drug categories that are commonly subjected to misuse or abuse, and on drug categories for which the City incurs significantly higher utilization and claims cost than industry standards.	The Director, Pension, Payroll & Employee Benefits has met with the new benefits carrier a number of times since the January 2017 transition. Quarterly Claim Insight reports for drugs, paramedical and dental utilization trends by City, Industry and new carriers' book of business are reviewed. This is in addition to internal monthly reviews conducted by PPEB staff. PPEB will keep records of detailed reviews with GSC related to high-risk drug categories and those with significantly higher utilization rates. Q3 2019
007	City Council request the Treasurer to ensure the City only reimburses over-the-counter drug claims in accordance with City policies and to ensure cost effective reimbursement of over-the-counter drug claims. Steps should be taken but not be limited to: a. Following up with Manulife to validate the eligibility of over-the-counter drug claims to ensure they meet the life sustaining requirements in the City's policies and recover any ineligible amounts paid; b. Ensuring the new plan administrator has a process in place to obtain	a. Staff from Pension, Payroll & Employee Benefits and the Auditor General's office met with Manulife. Manulife provided responses to these concerns. Contract with City terminated December 31, 2016, not obligated to provide further support. b. The Director, Pension, Payroll & Employee Benefits has met with the new carrier, a number of times over the course of the transition to the new carrier. The new carrier verified that the rules based system has been programmed to allow for the predefined life sustaining over-the-counter drugs to be processed and provided. PPEB will continue to work with the new carrier to ensure a process is in place to obtain evidence of life sustaining purpose when reimbursing over-the-counter drugs in accordance with City policies.

No.	Recommendation	Management Comments
	evidence of life sustaining purpose when reimbursing over-the-counter drugs in accordance with City policies; and c. Working with the new plan administrator to develop ways to minimize the cost of dispensing fees for eligible over-the-counter drug claims.	c. GSC rules based system has been coded to allow the contracted \$9 dispensing fee as per the City of Toronto plan. The Director of Pension, Payroll and Employee Benefits will work with the new carrier to explore feasibility of minimizing cost of dispensing fees for eligible over the counter life sustaining drug claims. Target Q1/2019
010	City Council request the Treasurer to ensure the new employee health benefits plan administrator has proper controls in place to restrict dispensing fees to the coverage limit, and City staff undertake periodic reviews to ensure the City is only charged the dispensing fees up to the established limit.	The Director, Pension, Payroll & Employee Benefits has met with the new carrier, Green Shield Canada (GSC) a number of times over the course of the transition to the new carrier. The following is the director response from GSC regarding this recommendation The GSC rules based system is coded to allow the \$9 dispensing fee. Reports have been provided to the City that include the dispensing fee information for verification. Further Director Pension, Payroll and Employee Benefits will conduct annual review of 2018 dispensing fee claims. Target completion March 31, 2019
012	City Council request the Treasurer to ensure more effective coordination and sharing of drug benefits report information between the Pension, Payroll and Employee Benefits Division and the Employee Health and Rehabilitation team to facilitate development of wellness initiatives amongst City employees.	The Director of Pension, Payroll & Employee Benefits and the Director, Occupational Health & Safety meet on a quarterly basis with the new benefits carrier to review the Health and Dental Claims Insight Report which captures drug utilization and trends across the City Plan. These reports provide the foundation for ongoing enhancements of the City's wellness initiatives. Minutes will be kept of all meetings on going forth basis. Target December 31, 2018
014	City Council request the Treasurer to require the City's new employee health benefits administrator to provide City staff with all necessary supplementary information to support invoiced amounts to assist the City's review of accuracy of invoiced amounts, reasonableness of billing reversals, and of the related recoveries.	A detailed Monthly ASO statement report has been developed to summarize and support the invoiced amounts. This is provided by the 10th day of each month and includes information by line of benefit and billing division. The Treasury will meet with GSC to review the provided reports to determine what additional invoicing information may be available. Target February 28, 2019
015	City Council request the Treasurer to undertake a review of the City's records of eligible individuals for health benefits coverage to ensure accurate and complete information in the City's system. A review of the health benefit claim histories should be conducted on individuals with questionable or missing dates of birth. Where claim reimbursements were made for ineligible	The Director of Pensions, Payroll and Employee Benefits received confirmation from staff of the employee records changes resulting from employee and retiree responses to the September 2016 Positive Enrollment initiative had been completed. Monthly/quarterly/annual internal controls had been implemented to ensure eligible employees/retirees and dependents are enrolled in the appropriate plan. The Director of Pensions, Payroll and Employee Benefits will

No.	Recommendation	Management Comments
	individuals, steps should be initiated to recover overpayments.	review to ensure controls capture all scenarios. Target January 31, 2019
017	City Council request the Treasurer to ensure the performance standards agreement with the new benefits plan administrator comprehensively measures all the service areas to be delivered by the plan administrator.	The Director of Pensions, Payroll and Employee Benefits in concert with City Legal and the new benefits carrier are in the process of developing a draft Service Level Agreement (SLA). It is anticipated that the SLA will be finalized on or before September 30, 2019.
018	City Council request the Treasurer to ensure that the new benefits plan administrator provides the City with the necessary supplementary information to enable the City to independently assess the administrator's performance, and consider engaging an independent auditor to assess the new plan administrator's performance. Clear provisions should be included in the contract to enable the City's Auditor General to conduct an independent audit of the administrator's performance.	The new benefit carrier has provided the Director Pension, Payroll and Employee Benefits with Annual reports that which contain auditable data. This data was provided according to the specifications provided by the City. Provisions have been included in the contract to enable the City's Auditor General to conduct an audit. This has been incorporated into the Contract under Section 2.11 - Personal Data and Confidential Information of the Administrative Services Only, Group Benefit plan contract. The City team is working with GSC to finalize the contact not later than Q2 2019. The Treasurer engaged Mercer in November 2018 to conduct audit, the results would be available by March 30, 2019.

Division: Pension, Payroll & Employee Benefits

Report Date: 10/13/2016

Report Title: Management of the City's Long-Term Disability Benefits Phase Two: The Need for a Proactive and Holistic Approach to Managing Employee Health and Disability

No.	Recommendation	Management Comments
001	City Council request the Director, Pension, Payroll and Employee Benefits Division to review Manulife's Plan Document in administering the City's Long Term Disability (LTD) claims to ensure that the Plan Document provisions are consistent with the City's Collective Agreements and related policies. Where practices are deemed appropriate that are not consistent with the Collective Agreements, staff of Legal Services and Human Resources should be consulted to assess the financial impact and legality of continuing such practice.	The Director of Pensions, Payroll and Employee Benefits, in consultation with Employee & Labour Relations, Occupational Health & Safety and Legal Services will continue the review and take appropriate action to address issues that may arise. Inconsistency in practice as it relates to Collective Agreements are addressed during the bargaining process. We anticipate this been addressed upon the conclusion of the next rounds of bargaining in Q4 2021.

No.	Recommendation	Management Comments
002	City Council request the Director, Pension, Payroll and Employee Benefits Division to develop and implement appropriate processes and protocol for significant changes to Long Term Disability (LTD) benefit policy and the benefit administrator's Plan Document. Such processes and protocol should include adequate consultation with City Legal and other pertinent staff, documentation in accordance with the City's Records Retention By-Law, and appropriate City authorization prior to implementation by the benefits administrator.	The Director of Pension, Payroll and Employee Benefits established practice in modifications to LTD Policy involves consultation with Employee and Labour Relations, such changes are incorporated within the bargaining process. The most recent changes were a result of 2015/2016 bargaining, the LTD Plan Document and policies/collective agreements have been updated. The process is be formally documented by Q4 2019.
005	City Council request the Director, Pension, Payroll and Employee Benefits Division to: a. Clarify the definition of 'totally disabled' in the Long Term Disability benefits policy and the effect of performing modified work during the qualifying period; and . Develop procedures and training to ensure City staff involved in managing the Long Term Disability benefits program have complete and correct understanding of the eligibility requirements.	a. In progress, The Director of Pensions, Payroll & Employee Benefits, in consultation with Employee & Labour Relations, Occupational Health & Safety and Legal Services have met on a number of occasions related to this issue and anticipate finalizing by Q4 2019. b. Completed – LTD Administrative Manual has been updated to reflect current procedures and applicable LTD staff trained. The updated version was provided in July 2017.
007	City Council request the Executive Director, Human Resources to review the City's current short term disability management program for early and pro-active intervention opportunities, to reduce the risk of employees progressing to Long Term Disability leave.	Business process review completed. 2018 Q1: Vendor selected and system process and metrics requirements finalized. 2018 Q2 – 2019 Q2: system development 2019 Q2: tools and process implementation for early intervention
008	City Council request the Executive Director, Human Resources to review the existing return to work processes for employees on Long Term Disability leave with a view to improving the return to work success rate and turnaround time.	Business process review completed. 2018 Q1: Vendor selected and system process and metrics requirements finalized. 2018 Q2 – 2019 Q2: system development 2019 Q2: tools and process implementation for early intervention

No.	Recommendation	Management Comments
009	City Council request the Executive Director, Human Resources to consider increasing the contracted resources for Physician and Psychiatrist such that they can effectively and timely facilitate the return to work process for employees on Short Term Disability and Long Term Disability leaves.	Review the funding for contracted medical rehab services to assist with early intervention and return to work from STD and LTD Q4 2019.
010	City Council request the Executive Director, Human Resources to develop a tracking system to monitor the City's work search efforts for employees returning from Long Term Disability leave and identify improvement opportunities.	Business process review completed. 2018 Q1: Vendor selected and system process and metrics requirements finalized. 2018 Q2 – 2019 Q2: system development 2019 Q2: tools and process implementation for early intervention.

Division: Pension, Payroll & Employee Benefits

Report Date: 06/30/2016

Report Title: Management of the City's Long-Term Disability Benefits Phase Two: Interim Report on the Approval and Monitoring of Claims

No.	Recommendation	Management Comments
001	City Council request the Treasurer to require the City's Long-Term Disability (LTD) Benefits Administrator to provide up-to-date diagnostic statistics and reports, in aggregate data, to the City reflecting claimants' initial and current primary diagnoses.	The Director Pension, Benefits and Employee Benefits has confirmed with the City's LTD Benefits Administrator that where the initial condition has been completely resolved and there is a new condition that has emerged as the primary diagnosis; The City's Long Term Disability (LTD) Administrator is updating the claim diagnosis field in the system. The City's LTD Benefits Administrator will continue to report the diagnostic trends for the top 3 diagnoses for new cases in the period and top 3 diagnosis for active block on an annual basis. The Director Pension, Benefits and Employee Benefits will engage the City's LTD Benefits Administrator to discuss the feasibility of providing up-to-date diagnostic statistics and reports, in aggregate data, to the City reflecting claims initial and current primary diagnoses by 2019 Q2.
002	City Council request the Treasurer to assess, within the framework of Human Rights and Privacy legislation, the feasibility and appropriateness of requiring the City's Long-Term Disability (LTD) Benefits Administrator to ensure all new mental and nervous disorder claims, and claims in which the diagnoses change to mental health and nervous disorders, are supported by medical reports from specialists	The Treasurer will engage an external Benefits Consultant to review and make recommendation by Q4 2018.

No.	Recommendation	Management Comments
	(Psychiatrist or Psychologist) prior to or soon after the claim approval to assess claimants' return to work potential and accommodation needs.	
004	City Council request the Treasurer to develop a process whereby the appropriate City staff are informed by the City's Long-Term Disability (LTD) Benefits Administrator of workplace related issues associated with LTD claims and return to work. The workplace related issues should be communicated in a manner that complies with applicable privacy legislation and in a timely manner allowing the appropriate City staff to adequately address the issues and accommodate LTD claimants' needs for returning to work.	The Treasurer will engage the Director of Pension, Payroll & Employee Benefits and the Director of Occupational Health & Safety and Legal Services continue to work with The City's Long Term Disability (LTD) Administrator on this issue. The City's Long Term Disability (LTD) Administrator has confirmed that there is a process currently in place where The City's Long Term Disability (LTD) Administrator will involve both the City's Employee Health Consultant and Division Manager to inform all parties about any issues impacting return to work in order and to ensure the City has the opportunity to accommodate a Plan Members needs for returning to work. The Treasurer will engage the Director of Pension, Payroll & Employee Benefits and the Director of Occupational Health & Safety and Legal Services to work with the City's Long Term Disability (LTD) Administrator to formally document the process by 2019 Q3.
005	City Council request the Treasurer to review the need and consider incorporating into the new five-year contract with the City's Long-Term Disability (LTD) Benefits Administrator requirements to develop and implement specific criteria to help ensure: a. LTD benefits claimants' timely participation in rehabilitation program; and b. Case Managers undertake timely return to work actions during claim management process.	The Director of Pension, Payroll and Employee Benefits along with the Director Occupational Health and Safety finalized the LTD Disability Guide which documents the Disability Administration. The City's Long Term Disability (LTD) Administrator Case Managers conducts pre return to work meetings with Employee Health to discuss potential RTW potential, job search opportunities and other know barriers to progressing case management plans. The City will review the feasibility of incorporating these requirements within the contract with the successful proponent of the next RFP targeted for 2022 Q1 or if extension clause of current contract exercised 2023 Q1.
006	City Council request the Treasurer to review the need and consider incorporating into the new five-year contract with the City's Long-Term Disability (LTD) Benefits Administrator performance measures pertaining to: a. Acquiring timely medical updates to support continuation of LTD benefits; b. Timely claim management actions to address claimants' delays in responding to the Administrator's contact; and	The Director of Pension, Payroll and Employee Benefits confirmed with The City's Long Term Disability (LTD) Administrator that Case Managers conducts pre return to work meetings with Employee Health to discuss potential RTW potential, job search opportunities and other know barriers to progressing case management plans. The Director of Pension, Payroll and Employee Benefits and City Legal will review the feasibility of incorporating these requirements within the contract with the successful proponent of the next RFP targeted for 2022 Q1 or if extension clause of current contract exercised 2023 Q1.

No.	Recommendation	Management Comments
	c. Timely claim management actions in arranging for rehabilitation activities for claimants.	
007	City Council request the Treasurer to review the need and consider incorporating into the new five-year contract with the City's Long-Term Disability (LTD) Benefits Administrator a requirement to provide the City with internal audit results if available. These internal audit results should be reviewed by the appropriate City staff to ensure ongoing compliance with contractual requirements.	The treasurer via the Director Pension, Payroll and Employee Benefits continues to work with The City's Long Term Disability (LTD) Administrator on this issue and The City's Long Term Disability (LTD) Administrator has expressed openness in identifying and addressing quality concerns. The Treasurer, the Director of Pension, Payroll and Employee Benefits and City Legal will review the feasibility of incorporating these requirements within the contract with the successful proponent of the next RFP targeted for 2022 Q1 or if extension clause of current contract exercised 2023 Q1.
008	City Council request the Treasurer to require the City's Long-Term Disability (LTD) Benefits Administrator to take steps to ensure all active claims are supported by medical information provided by physicians who are licensed to practise medicine in Ontario. Such steps should include but not be limited to: a. Review all active claims and the license status of the physicians and specialists, including the two claims supported by the physicians whose licenses had either been suspended or revoked; and b. Implement a process to verify physicians' license status during the initial claim assessment. The license verification process should also be conducted on all active claims at least on an annual basis.	The Director, Pension, Payroll and Employee Services have confirmed with the City's LTD Benefits Administrator that: a. All claims were reviewed for Physician's license status. b. An annual review is now in place to confirm Physician's license status, however initial claim review of physician license status is still under development. The Treasurer will engage an external Benefits Consultant to review and make recommendation by Q4 2018.

Division: Pension, Payroll & Employee Benefits**Report Date: 10/06/2015****Report Title: Management of the City's Long-Term Disability Benefits Phase One: Improving City Management to Address Growing Trends in Long-Term Disability Benefits**

No.	Recommendation	Management Comments
001	City Council request the Director, Pension, Payroll and Employee Benefits Division, in consultation with the Executive Director, Human Resources Division, to review alternate ways of managing the City's Long-Term Disability benefit program, including a review of how the Toronto Police Service and the Toronto Transit Commission manage their respective Long-Term Disability benefit programs.	The Director of Pension, Payroll and Employee Benefits has met with TTC, TPS and the City of Hamilton; the detailed supporting documentation and meeting notes were provided to the AG Office in July 2017. Differences in collective agreements and policies influence the ability to adopt TTC, TPS and the City of Hamilton's disability management models and processes. An overview of the findings and recommendations will be completed by the end Q1 2019.
004	City Council request the Executive Director, Human Resources Division, to develop and track performance indicators for assessing and continuously improving the City's return to work process for employees in receipt of Long-Term Disability benefits .	Contract signed off with Vendor Oct/2018 finalizing all business requirements for Quatro system development to track all program delivery actions including performance measures related to absences for non-occupational illness. Implementation to be completed in 2019.
005	City Council request the Director, Pension, Payroll and Employee Benefits Division, in consultation with the City Solicitor and the Executive Director, Human Resources Division, to review the current process to seek consent from Long-Term Disability claimants to facilitate employee return to work process.	The Director of Pension, Payroll and Employee Services in concert with Legal is in the process of finalizing the implementation with Manulife with target completion on or before end of 2019 Q2.
006	City Council request the Executive Director, Human Resources Division, to explore ways to further enhance staff awareness and knowledge of early intervention and accommodation for employees with health issues, including an assessment of alternate training delivery methods.	Delay in sign-off of Vendor contract: signed in Oct 2018. Development delayed to November and expected to be completed in 2019. Finalizing the tool kit for Supervisors is in tandem.

No.	Recommendation	Management Comments
008	City Council request the Director, Pension, Payroll and Employee Benefits Division, to request supporting documents and cost breakdowns from Manulife for all "Other Charges" in the monthly billing statement for Long-Term Disability benefit administration services. Staff to recover charges paid by the City for which Manulife cannot provide supporting documents or reasonable cost breakdowns.	Manulife implemented Other Charges Detailed summaries in September 2016 and commenced quarterly audits in January 2017. PPEB will continue to review the quarterly audits to ensure that the billing charges are accurate and reasonable.

Division: Purchasing & Materials Management

Report Date: 02/06/2015

Report Title: Review of Divisional Purchase Orders

No.	Recommendation	Management Comments
001	City Council request the City Manager to expedite implementation of the outstanding recommendation, below, which is contained in the Auditor General's 2010 report "City Purchasing Card (PCard) Program – Improving Controls Before Expanding the Program": "The Treasurer develop and implement strategies to promote and expand the use of PCards by City divisions. Such strategies should include, but not be limited to: a. Analyzing divisional purchasing patterns to identify potential areas for expansion b. Developing and implementing measures to increase the use of PCards by divisions c. Setting performance goals for the City based on the number of participating divisions and yearly PCard purchase volume."	Efforts to modernize the Pcard payment tool are currently underway in Accounting Services. In Q4 2018 a program review will begin with a goal to streamline the front end process of the Pcard payment tool including online card request, on-line information training and direct from bank card distribution. In addition to these efficiencies a review of the existing transaction log documentation and submission process, potential functionality within Ariba and a review of Pcard eligible transactions will also be conducted. It is anticipated that the above noted efficiencies will revive interest in the corporate Pcard payment tool.
002	City Council request the Director, Purchasing and Materials Management review and revise quality assurance procedures including: a. Taking a risk-based approach to selecting Departmental Purchase Order files for review	The Divisional Purchase Order (DPO) Quality Assurance Procedures were updated effective November 14, 2017 and posted on PMMD's website in January 2018 In 2018, three (3) Quality Assurance (QA) Reviews were conducted by PMMD for Toronto Water, Facilities Management & Parks, Forestry and Recreation. However, due to increased volumes in other areas of work, SAP ECC data errors, and project work during the

No.	Recommendation	Management Comments
	b. Adjusting sample sizes to a manageable level, to allow for a balance between the sufficiency and timeliness of file reviews c. Tracking and monitoring the progress and compliance of divisions.	summer months, this process was not fully completed. To complete the process, PMMD will need to meet with management staff in these divisions to review the findings, discuss the issues of non-compliance and offer guidance, and where appropriate, request that divisional staff in these areas take re-training for the use of DPOs. PMMD will also improve on the above-noted procedures, to build in a follow up process following an initial QA Review, within (2 years) to verify that improvements in the processing/use of DPOs has been achieved, resulting in reduced non-compliance. The procedures will also be enhanced to provide clarity on the risk based criteria and how that is applied in the QA Reviews. PMMD will also review and establish a criteria for the appropriate sample size used in the QA Reviews, based on criteria such as division size, number of DPOs processed, dollar value, etc. (to be determined)
004	City Council request the Director, Purchasing and Materials Management to require staff be re-trained on the use of Divisional Purchase Orders in instances where consistently significant non-compliance is detected through quality assurance procedures	Meetings with Toronto Water, Facilities and Parks, Forestry and Recreation (as described above) are still pending. Following a thorough review of the non-compliance issues found in the QA Reviews conducted in 2018 by PMMD for these divisions, there is a very high likelihood that divisional staff in these areas will be required to attend re-training on the use of Divisional Purchase Orders based on several areas of non-compliance/criteria.

Division: Purchasing & Materials Management

Report Date: 10/05/2012

Report Title: City Stores: Maximize Operating Capacity to Be More Efficient

No.	Recommendation	Management Comments
003	City Council request the City Manager, through the Shared Services review, to explore ways to maximize purchasing power and rationalize materials handling for items commonly purchased by the City, its Agencies and Corporations.	In 2016, PMMD engaged Ernst & Young to complete a review on Materials Management and to offer recommendations with respect to the continuation of the service of warehousing by Materials Management. Through that review, it was recommended to conduct further rationalization on the existing Divisional Stores and combine them with the Corporate Stores. In 2017, PMMD consolidated the corporate store of 1050 Ellesmere into 799 Islington Avenue and in 2018 has begun working with Divisions to identify further consolidation or other efficiency opportunities. A key driver to further consolidation is implementing the SAP Warehouse management module. Once the SAP Warehouse management module and the review with the Divisions are completed in 2019, then as part of the overarching PMMD Category Management implementation, we will be looking for opportunities to explore shared service arrangements with the City's Agencies and Corporations.

No.	Recommendation	Management Comments
		Time frame – 2019 to complete Materials Management rationalization – 2019 to 2020 for further consideration of shared services.
004	City Council request the Director, Purchasing and Materials Management, in consultation with the Chief Information Officer, to develop and implement an online system for ordering goods from City and Divisional stores.	The development and implementation of an online ordering system is contained within the Supply Chain Transformation project in a sub-project, Materials Management Refresh, currently underway and is anticipated to be implemented in a number of stages over the next 18 to 24 months.
005	City Council request the Director, Purchasing and Materials Management, in consultation with the Chief Information Officer, to review the costs and benefits associated with integrating scanning technology into existing City and Divisional store operations.	The review of the costs and benefits is underway within the Supply Chain Transformation project in a sub-project, Materials Management Refresh. The concepts and associated costs are being developed with various strategies and benefits will be rationalized to determine applicability of utilizing a specific scanning technology strategy. The Materials Management Refresh project is anticipated to be completed within the next 18-24 months.

Division: Revenue Services

Report Date: 10/13/2016

Report Title: Audit of Water Billing and Collection - Phase II: Part 1- Incorrect Vacant Land Status Properties Reduces City's Property Tax Revenue (With Confidential Attachment)

No.	Recommendation	Management Comments
001	City Council request the Chief Building Official and Executive Director to develop an action plan to resolve dormant permits. The Action Plan should include: a. A communication strategy to educate property owners about their responsibilities and obligations to inform the City about the progress of their construction project. b. A strategy to prioritize the review of permits that have been open for an extended period of time and are classified as vacant land.	As part of the Division's dormant permit action plan, work to close existing permits is underway throughout all four districts. In 2017 priority was given to resolve dormant permits with violations. On September 4, 2018, Toronto Building also launched a Residential Infill Strategy which is a comprehensive city-wide initiative established to proactively address issues associated with construction and demolition of residential buildings in Toronto's neighbourhoods. Toronto Building is working with Revenue Services, other Divisions and MPAC to develop a strategy to prioritize the review of permits that have been open for an extended period of time where the property has been classified as vacant land.
002	City Council request the Director, Revenue Services and the Chief Building Official develop exception reports to monitor the classification status of vacant land properties, such as:	Revenue Services is working with Buildings to finalize the following two reports with respect to Vacant Land: (a) construction is completed (i.e. occupancy permits issued); and (b) water is being used. Implementation expected before December 31, 2018.

No.	Recommendation	Management Comments
	a. Reports identifying properties with completed construction still coded as vacant land. b. Reports of properties with open permits coded as vacant land and consuming water.	
003	City Council request the Director, Revenue Services review the reported vacant land properties to identify such properties to the Municipal Property Assessment Corporation (MPAC) to ensure that appropriate property taxes may be billed and recovered.	Once recommendation 02 is completed, reports will be provided to MPAC for follow up and revision of the assessment roll, beginning in Q1, 2019.
004	City Council request the Chief Building Official and Executive Director to implement measures that will deter the occurrence of no show inspection visits. The measure should include an assessment of whether a fee can be charged to property owners for 'no show' inspection visits where these visits are pre-scheduled.	Toronto Building has undertaken a comprehensive review and update of Chapter 363 and associated fees contained in Chapter 441 of the Toronto Municipal Code. As part of the review an assessment of whether a fee can be charged to property owners for 'no show' inspection visits where these visits are pre-scheduled. Legal Services is working with Toronto Building on the review and update to Chapter's 363 and 441. The completion of the review and subsequent report to City Council is scheduled for Q2-2019.

Division: Revenue Services

Report Date: 02/17/2016

Report Title: Audit of Water Billing and Collection- Phase 1: Overdue Water Account Collections Require Strengthening

No.	Recommendation	Management Comments
001	City Council request the Director, Revenue Services, to develop a report identifying high risk and high value accounts. The report should be reviewed for long outstanding overdue accounts on a quarterly basis to ensure that appropriate measures for collection are taken.	Monthly aged receivable reports will be utilized to review receivables and assignment of the receivables to appropriate staff and or collection agencies. Final process and procedures will be developed and implemented by Q4, 2018.
002	City Council request the Director, Revenue Services, to develop a report to identify missing information in water accounts and ensure accounts are updated.	Revenue Services Utility Billing Unit utilizes quarterly or more frequent reports to identify missing information on water accounts. Work on linking accounts, matching information to Tax Roll information and collection of phone numbers and emails during customer enquiries has been documented and incorporated into the unit's procedures since 2016. This is on-going process and therefore, there is no definitive completion date given that property and parcel attributes are continually changing with development.

No.	Recommendation	Management Comments
003	City Council request the Director, Revenue Services, to develop criteria for assignment of long overdue accounts to third-party collection services. Assignments should be tracked and collection agency performance should be monitored.	The development of procedures and improvements to collections process was deferred pending hiring of a new Supervisor of Collections, anticipated for Q3, 2018. These processes will allow Collections Unit staff to determine which receivables should be assigned to collections agencies. Full implementation anticipated for Q4, 2018.
006	City Council request the Director, Revenue Services, to periodically review all accounts with outstanding water account balances that do not have a corresponding property tax roll and ensure missing tax roll information in the water billing system are investigated and resolved.	Water Billing staff in conjunction with Collection staff have been identifying unlinked utility accounts and determining whether they can be linked to a tax account. This process has continued in 2017 and 2018.
007	City Council request the Director, Revenue Services, in consultation with the City Solicitor, to review the potential of charging interest on outstanding water account balances that are not eligible for transfer to property taxes. Such a change may require amendment to the City of Toronto Municipal Code.	This proposed change will be discussed with Legal Services in Q3, 2018. Expected completion in 2019 as this would require Council approval.
008	City Council request the Director, Revenue Services, to develop a process for periodic review of overdue accounts with "Do Not Transfer" status to ensure that these accounts are followed-up and their collection efforts are expedited. Specific collection approaches should be developed to improve collections on overdue accounts for each type of account holder or owner.	This recommendation was reviewed with staff of Toronto Water in Q2, 2017 and is expected to be fully implemented when the new Supervisor of Collection is appointed (3rd quarter 2018) and the process for review of the overdue accounts and assignment of the arrears to collectors/collection agencies is established, with expected completion by Q4, 2018.
011	City Council request the Director, Revenue Services, to ensure bills for new accounts and final bills for accounts that are being closed are issued and collected on a timely basis. Benchmarks for expected timelines for issuing bills upon creation or closure of accounts should be developed, with performance against the benchmarks monitored and any significant deficiencies resolved.	The process for closing accounts is highly dependent on home owners or legal firms advising the Division of the intended change of ownership. In many cases, delays exist because the Division is notified of a purchase and sale long after the sale and closing is executed. In Q2 2018, Revenue launched a new on-line mailing address self-service feature to allow utility customers to advise the City of a change in mailing address information. Revenue Services will continue to investigate the feasibility of using additional data sources to confirm ownership changes, and will develop benchmarks to ensure that property ownership changes are completed on a timely basis after notification of the ownership change. Expected completion by Q4, 2018.

No.	Recommendation	Management Comments
012	City Council request the Director, Revenue Services, to develop a formal dispute resolution process and reporting criteria for disputes that remain unresolved for an extended period of time. The process should also include communication to clients for payment of current dues while the disputed amounts are being resolved.	An escalating dispute and review process already exists but is not documented. Revenue Services in conjunction with Toronto Water will formalize the dispute resolution process by Q2, 2019.
013	City Council request the Director, Revenue Services, to review existing outstanding balances for inactive accounts and develop a strategy to collect these accounts.	Revenue Services Division undertook a review of outstanding utility account balances in Q1 2017. A documented strategy to formalize collections processes will be implemented by Q4, 2018.
014	City Council request the Director, Revenue Services, to review credit balances for inactive accounts and coordinate with the Deputy City Manager and Chief Financial Officer, and the City Solicitor with a view to evaluating whether credit balances in 'Inactive Accounts' can be transferred to revenue.	Expected to be completed by 4th quarter 2018
015	City Council request the Director, Revenue Services, to review practices at other municipalities relating to treatment of small balances for inactive accounts and develop criteria to clean-up such accounts.	Communication with other municipalities (through municipal associations, e.g. Ontario Municipal Tax & Revenue Association) will be undertaken in Q3, 2018, and criteria/procedures will be developed and implemented by Q4, 2018.
016	City Council request the Director, Revenue Services, to establish appropriate financial signing authority limits, such that billing reversals, credits and other account adjustments are reviewed and approved by an appropriate level of management based on the materiality of the adjustment amount.	Financial signing authority limits are established under the Financial Control Bylaw and internal controls, including variable authority limits and user roles that have been created within the Water Billing System. Access levels for various staff, including approval limits for adjustments are controlled by UserID's. A review of existing financial signing authority limits will be undertaken by Q4, 2018.
018	City Council request the Director, Revenue Services, in consultation with the General Manager, Toronto Water, to: a. Establish a formal protocol for setting up in the water billing system non-billable City accounts (where water consumption requires tracking but no payments are required from the Divisions), as well as, billable accounts (where payments are required from the Divisions for water service provided); and	Recruitment of the Supervisor of Collections is expected to be completed in the 3rd quarter 2018. The collections process will be reviewed and changes will be implemented by the 4th quarter 2018.

No.	Recommendation	Management Comments
	b. Review existing internal City accounts with overdue balances to determine if these are collectible and billable. The account status should be updated accordingly and outstanding balances should be collected or written-off.	
019	City Council request the Director, Revenue Services, to review the recommendations in this report and where applicable implement similar processes for collection of overdue solid waste management accounts.	Changes and processes improvements for water as recommended above will apply, as appropriate, to collection of outstanding solid waste receivables, with the anticipated timing as identified above.

Division: Revenue Services

Report Date: 10/03/2015

Report Title: Improving Controls Over Property Tax Assessments and Payment in Lieu of Taxes (PILTs)

No.	Recommendation	Management Comments
002	City Council request the Director Revenue Services develop a process and criteria to identify where Payment in Lieu of Tax amounts paid by the government agencies are significantly less than requested amounts, and take steps to invoke the review process when warranted.	Documentation of process and criteria are pending finalization (expected by Q4, 2018); however, the review process has begun, resulting in the initiation of applications to the Dispute Advisory Panel, in consultation with Legal Services, with respect to Canada Post (3 properties) in 2016 and Public Works Canada (4 properties) in Q1, 2018. Meetings with both agencies took place in 2018 to clarify PILT payment amounts.
004	City Council request the Director Revenue Services develop a process and criteria to identify where Payment in Lieu of Tax payments may be deemed unreasonably delayed and request supplementary payments where warranted.	Process has been reviewed and discussed. Pending finalization of documentation and allocation of responsibilities between two sections within Revenue Services, with expected implementation by Q4 2018.

CITY DIVISIONS IN CORPORATE SERVICES AND FINANCE AND TREASURY SERVICES

PUBLIC RECOMMENDATIONS – NO LONGER APPLICABLE

Division: Pension, Payroll & Employee Benefits
Report Date: 10/24/2016
Report Title: Management of the City's Employee Extended Health and Dental Benefits Phase One: The City Needs to Ensure Adequate Detection and Review of Potentially Excessive and Unusual Drug Claims

No.	Recommendation	Management Comments
001	City Council request the Treasurer to review, identify, and verify with Manulife the validity of claims where excessive quantities of drugs were reimbursed, in particular, for the prescription opioids, sedatives, stimulants, and erectile dysfunction drugs, and, if appropriate, take steps to recover any overpayments.	Staff from Pension, Payroll & Employee Benefits and the Auditor General's office met with Manulife. Manulife provided responses to these concerns. As the contract with the City ended December 31, 2016, Manulife will not provide answers to any further questions.
004	City Council request the Treasurer to follow up with Manulife on the questionable claims and utilization patterns for prescription opioids, sedatives, and stimulants drugs, including requesting further investigation by Manulife where needed and taking steps to recover overpayments, where appropriate.	Staff from Pension, Payroll & Employee Benefits and the Auditor General's office met with Manulife. Manulife provided responses to these concerns. As the contract with the City ended December 31, 2016, Manulife will not provide answers to any further questions.
009	City Council request the Treasurer to identify and review with Manulife all applicable claims where dispensing fees were paid above the \$9 plan limit and, if appropriate, recover overpayments.	Staff from Pension, Payroll & Employee Benefits and the Auditor General's office met with Manulife. Manulife provided responses to these concerns. As the contract with the City ended December 31, 2016, Manulife will not provide answers to any further questions.
013	City Council request the Treasurer to review and identify, for the periods covered under the current and previous employee health benefits administration contracts with Manulife, all cases of billing reversals for health benefits claims where the City should receive a recovery, including those made for ineligible claims and/or result of errors. Where overpayments are identified, steps should be taken to ensure the City recovers all overpayments.	Based upon AG's additional work on this item the AG is satisfied the reversals were no longer an issue.