PA6.1 Attachment 2

Attachment 2

TORONTO PARKING AUTHORITY AUDIT RECOMMENDATIONS – PARTIALLY IMPLEMENTED

Report Title: **Auditor General's Observations of a Land Acquisition at Finch Avenue West and Arrow Road by the Toronto Parking Authority - Part 2**
Report Date: **06/22/2017**

No.	Recommendation	Management Comments
002	The Board of Directors request the President to review and recommend to City Council appropriate amendments to Toronto Parking Authority's by-law.	TPA and the City Clerk's office have compiled a new draft TPA by-law. Finalizing the document is contingent on implementing the TPA governance structure going forward, and incorporating the recommendations recently approved by Council (Item EX1.2) arising from the aforementioned Torys governance investigation. Torys report entitled: "Toronto Parking Authority Governance Review & Report" is available at: https://www.toronto.ca/legdocs/mmis/2019/ex/bgrd/backgroundfile-123470.pdf
004	City Council request the City Clerk to review the qualifications for City Agencies and consider whether to recommend to the Executive Committee whether at least one board member on each Agency board should hold a Director's designation qualification.	The City Clerk will address Director's designations or training as part of a review of all board qualifications to be conducted later in the latter half of 2019 for presentation to City Council. This work is delayed due to the allocation of Public Appointments unit resources to the recruitment and filling of a high volume of vacancies in 2019 Q1 and Q2 arising from the transition to a new term of Council. In the meantime, Public Appointments staff have regard for directors training when scoring candidates for submission to the various nominating panels for consideration. The City Clerk's Office partners with several board training organizations including the Institute of Corporate Directors, on Board Canada and the Society of Ontario Adjudicators and Regulators and is also currently examining the feasibility of developing customized directors training for municipal public boards.
005	City Council request the City Manager, in consultation with the City Clerk and the City Solicitor, to update as necessary guidelines and training for Agency boards based on the findings in the report (June 22, 2017) from the Auditor General.	In EX1.2, City Council approved a staff recommendation, based on the recommendation of the external consultant, to request the TPA Board, once appointed, to adopt a governance and procedural policy which addresses issues such as roles and duties of directors, the Chair, the President and TPA staff; the right of Board members to dissent; the process for directors to seek information from management; and, the period in which all Board briefing materials must be provided to directors in advance of a meeting. From report EX1.2, the external consultant made other recommendations regarding "training, orientation, evaluation frameworks to evaluate the performance of a board, its

No.	Recommendation	Management Comments
		committees, Chair and individual directors, as well as consideration of a policy handbook that could be adopted in whole or in part by City agencies. In order to ensure that there is a consistent approach across boards, these recommendations will be considered by the City Manager in consultation with the City Clerk as part of a comprehensive orientation and training program for members of boards of all City agencies."

Report Title: **Toronto Parking Authority Phase 2: Audit of the Revenue Operations of Off-Street Controlled Facilities**
Report Date: **01/12/2016**

No.	Recommendation	Management Comments
002	The Board of Directors request the Chief Executive Officer to clearly communicate how long term parking rates align with the parking rate benchmarks (as set out in Toronto Parking Authority Policy Resolution 2-1 “Parking Rates – Off-Street Facilities”) and document the factors which may impact the alignment of Toronto Parking Authority parking rates with the benchmarks.	These relationships as set out in amended Policy 2-1, and specific factors impacting alignment with the benchmarks, are documented and reported to the TPA Board in conjunction with the comprehensive annual Parking Rate Review, including the analysis of the compliance of the rates to the guidelines. The 2019 comprehensive off-street rate review report will contain this information and it will continue to be provided going forward. Timeline: Q4, 2019
003	The Board of Directors request the Chief Executive Officer, where possible, to: a. Implement automated interfaces between the parking revenue control system and the accounting system. b. Automate the recording and reconciliation of revenue generating transactions, collections, and deposits.	a. The implementation of automated interfaces between revenue control and accounting systems will be incorporated as part of a larger project with other planned upgrade and automation of the TPA accounting system, scheduled for implementation through 2019 - 2020. b. Interim automation procedures have been adopted where practical for recording and reconciliation of revenue transactions.
004	The Board of Directors request the Chief Executive Officer to use system functionality, where possible, and analyze collected data to augment monitoring of exception transactions and events.	Manual exception management monitoring remains unchanged, however, TPA has automated, where possible and financially practical, the capture of collected data to assist with audit, control and exception reporting. This review was made in consideration of the new accounting system implementation currently proceeding in 2019-2020 and parking equipment vendor’s proposed new revenue collection system enhancements.
012	The Board of Directors request the Chief Executive Officer, in consultation with the Board’s	Operational and financial duties have been segregated. The former TPA Board’s Audit Committee approved the use of a professional services audit firm to conduct this activity.

No.	Recommendation	Management Comments
	Finance and Audit Committee, to review the role and mandate for the Internal Audit function. Such review to determine whether the Internal Audit function be required to: a. Preserve independence and objectivity, transferring all operational duties to other Toronto Parking Authority personnel b. Conduct audits or issue reports in accordance with or guided by the International Standards for the Professional Practice of Internal Auditing and the Code of Ethics issued by the Institute of Internal Auditors.	Services will be retained once the financial system and the new governance structure are in place. In the interim as required, TPA has retained the services of the City's Internal Audit team to support this requirement.