TORONTO PARKING AUTHORITY

PUBLIC AUDIT RECOMMENDATIONS PARTIALLY IMPLEMENTED

FOR RECOMMENDATIONS REPORTED AS PARTIALLY IMPLEMENTED, THE AUDITOR GENERAL DOES NOT CONDUCT ANY AUDIT WORK TO VERIFY MANAGEMENTS' ASSERTIONS

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

No.	Recommendation	Management Comments as of January 31, 2020
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.	The overarching goal of TPA’s pricing strategy policy is to ensure an availability of short-stay, high turnover public parking supply by ensuring facilities are kept busy, but not full. By pricing half-hour rates to achieve approximately 85% peak occupancy, turnover and therefore parking revenue is maximized while achieving TPA's mandate. Daily maximum rates are set to equal or exceed nearby competitors in order to discourage all-day commuter parking. Under current practices, rates may not meet benchmarks where usage of existing facilities is low or where facilities are impacted by construction projects. While competitor benchmarking is used as a tool to support pricing decisions, the rate setting policy is focused on the management of peak occupancy. Updated policy recommendations drafted for consideration by TPA’s Board of Directors at its meeting on March 24, 2020 are now being presented at its June 3, 2020 meeting. Once the policy recommendations are implemented, TPA will adjust daily maximum rates as required. Timeline: Q4, 2020
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 2020. b. Interim automation procedures have been adopted where practical for recording and reconciliation of revenue transactions. Timeline: Q4, 2020
004	The Board of Directors request the Chief Executive Officer to use system functionality, where possible, and analyze collected	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

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	data to augment monitoring of exception transactions and events.	consideration of the new accounting system implementation scheduled for 2020 and parking equipment vendor's proposed new revenue collection system enhancements. Timeline: Q4, 2020
012	The Board of Directors request the Chief Executive Officer, in consultation with the Board's 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.	Although operational and financial duties have been segregated and TPA's previous Audit Committee has approved the use of a professional services audit firm to conduct this activity, a services statement of work remains to be drafted. Services will be retained once the financial system and the new governance structure in place and will be subject to the new Board's approved directions. During the past year, as required, TPA has sought the services of the City's Internal Audit team and PriceWaterhouse Coopers where appropriate to support this requirement. Timeline: 2021