PUBLIC HIGH PRIORITY RECOMMENDATIONS

Fully Implemented (Not Verified by the Auditor General)

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2021 Follow-up Status Report

Service Area: Agencies and Corporations

Division: Toronto Transit Commission

Report Title: Review of Wheel-Trans Services - Sustaining Level and Quality of Service Requires Changes to the Program
Report Date: 12/6/2012

No.	Recommendation	Management Comments as of January 8, 2021
2	The Commission request the Chief Executive Officer, in consultation with the Advisory Committee on Accessible Transit, to develop and implement a comprehensive plan for integrating Wheel-Trans customers into the accessible conventional transit system. Such an action plan should include but not be limited to: a. Identifying and addressing potential safety and service issues that can present barriers to Wheel-Trans customers in using the accessible conventional system; b. Education, communication and training programs for Wheel-Trans customers and transit passengers; and c. Customer service training to TTC staff with particular emphasis on assisting people with mobility difficulties.	Part a: • A customer centric audit of all accessible subway stations, Wheel-Trans stops at these stations, accessible bus stops along the pilot bus routes, and regional transfer points was completed in 2017. • Standard Operational Procedures have been implemented to track scheduled Family of Services (FOS) trips, so that customers can be contacted, and modifications made in the event of service issues on the conventional system (e.g. elevator issues, subway delays, etc.). • As well, Wheel Trans staff engage the TTC's Advisory Committee on Accessible Transit (ACAT) through monthly meetings to ensure that there is an ongoing effort to identify and address new or emerging issues. Part b: • Since 2016, annual public meetings have been held in Etobicoke, North York, Scarborough and downtown to update customers on the progress of the 10 Year Wheel Trans program, with emphasis on the advantages of FOS. As a result of the COVID-19 Pandemic, the 2020 program update was provided in a virtual format. • Program initiative updates with an emphasis on FOS travel are regularly posted to TTC and trip booking sites. In November and December 2018 a digital media campaign featuring FOS appeared on major websites and quarterly newsletters continue to be circulated to all customers. • ACAT continues to be regularly engaged for their feedback on all current and future initiatives aimed at encouraging customers to use conventional TTC services whenever possible. Share the Space, ran system-wide, launched in June 2018. A testimonial campaign ran in Wheel Trans vehicles and in the conventional system, launched in Oct 2018 and still in Wheel Trans vehicles. Please offer me a seat – social media campaign launched in May 2018. • Travel Training - From June 2018 to December 2018, Wheel Trans conducted a Travel Training pilot. The purpose was to support customers with disabilities as they learn about navigation on the TTC and transition to the conventional system; rather than the specialized door-to-door service. The program offers customers personalized

No.	Recommendation	Management Comments as of January 8, 2021
		one-on-one training of how best to navigate the system as safely and as independently as possible. After the successful completion of this pilot in 2018, the implementation of a full travel training program commenced in 2019. Part c: • All front-line employees participate in customer service training (AODA Sensitivity Training) with specific emphasis on support for persons with mobility difficulties.

Report Title: Review of Toronto Transit Commission Bus Maintenance and Shops Department, Phase One: Bus Maintenance and Warranty Administration
Report Date: 1/28/2014

No.	Recommendation	Management Comments as of January 8, 2021
3	The Board request the Chief Executive Officer to ensure that bus kilometre records used for scheduling preventive maintenance inspections are accurate.	• Installation of Clever Devices Computer Aided Dispatch and Automatic Vehicle Location (CAD-AVL) hardware and integration of CAD-AVL with related bus vehicle systems is complete as of Q1 2020. Two systems; CAD-AVL and the TTC's fleet materials management system called Industrial Finance System (IFS) - draw mileage data from vehicle odometers. The data from each system is reviewed and compared to ensure they match. Matching data indicates mileage is being correctly captured. Variances between the two systems triggers an investigation. Supporting reports include the Daily Mileage Report, Vehicle Inactivity Report and a Work Order report for Variance Diagnosis.
8	The Board request the Chief Executive Officer to establish standard repair times for common bus repairs, develop procedures to monitor efficiency of bus repair activities, and incorporate the standard repair times into part of technician performance evaluation.	• Standard repair times for common bus parts have been in place in Bus Maintenance since Q2 2020. • TTC dashboards show minimum and maximum repair times for repair activities. Average reasonable repair times are then applied to the activities to gauge productivity of Technicians. Established average reasonable repair times become the standard repair times for TTC technicians • Standard repair times form part of technician performance evaluation and technicians may be counselled relating to standard repair time performance.
10	The Board request the Chief Executive Officer to accurately assess failure rates of major internal bus rebuild parts as well as assessing the costs of rework associated with rebuild failures.	• Through a business analysis, it was determined that purchasing remanufactured engines from the original equipment manufacturer (OEM) was less expensive than internal rebuild costs. Therefore, the TTC will discontinue the internal rebuild of engine parts and assemblies and tracking failures of major internal rebuild parts and assessment of internal re-work costs are negated. Failures of engines and major engine components will be captured through the warranty process.

No.	Recommendation	Management Comments as of January 8, 2021
11	The Board request the Chief Executive Officer, in his ongoing assessment of outsourcing opportunities, to conduct a complete analysis of internal bus rebuild costs at the Duncan Shop accounting for all key and relevant direct and indirect costs.	• Through a yearly analysis, the number of rebuilt bus components are being continually reduced and Bus Maintenance has moved from rebuilding components to purchasing new or repairing only. In some cases, the TTC may elect to extend the life of some bus components by repairing them. In these cases, a 'make vs buy' analysis will support the cost effectiveness of the approach. The TTC considers all direct and indirect costs as a basis for benchmark comparisons.
12	The Board request the Chief Executive Officer to take immediate steps to improve the current defective parts retrieval process at bus garages including but not limited to: a. Implementing adequate controls to account for and track the return of defective parts by technicians; and b. Enhancing efficiency of the parts retrieval process currently carried out by warranty staff.	Part a: • Controls have been implemented through a new parts exchange process. This new process requires Bus Technicians to return old/defectives part to the Materials and Procurement section if the part is eligible for warranty. New replacement parts will not be supplied to the Technician without the return of the old/defective parts. Returns are tracked by the TTC's Materials and Procurement team. Part b: • A parts retrieval progress report was developed in Q2 2020 to describe the Bus Maintenance defective parts return process. Supporting documents include the Bus Maintenance Defective Parts report. In addition the TTC's tracking system (IFS) issues a part return tag with every warranty part ordered. The technician will attach the tag to the defective core and cannot obtain a new part without returning the defective core to the TTC's Materials and Procurement section. This ensures defective parts under warranty are tracked and returned. All parts that have been retrieved are securely stored in the Materials and Procurement area for pick up by warranty staff.
13	The Board request the Chief Executive Officer to take immediate steps to maximize the use of bus warranty provisions and increase warranty recovery revenue. Such steps should include but not be limited to: a. Identifying and addressing reasons prohibiting successful filing of warranty claims; b. Increasing warranty claim submission rate for bus defective parts and labour hours; and c. Systematically tracking and monitoring claim submission rate and warranty cost recovery for the entire bus fleet.	Part a: Staff have identified the following challenges to successfully filing warranty claims: • Reason 1: No standard process to manage warranty Corrective action: The bus warranty process has been optimized and documented (presently in circulation for sign off) for new bus procurements • Reason 2: Shortage of warranty staff: Corrective action: The TTC added another bus warranty administrator to staff in Q1 2020 to ensure the TTC is maximizing the use of bus warranty provisions and keeping pace with demand. • Reason 3: Lack of control on warranty parts Corrective action: All returned defective warranty parts are under controlled access and technicians cannot acquire a new part unless the defective part is returned. Part b: • The TTC's claims submission rate increased by 135% since 2015.

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		• The TTC also achieved a 98% claims success rate for new bus warranty in 2019 with a value of $7.3 million in cost recovery. The estimated savings for 2020 is $5 million (2019-2020 reduction of 300 buses under base warranty). Part c: • A warranty tracking dashboard to monitor bus warranty claims has been developed. This dashboard provides visibility to claim submissions, warranty recovery, the volume of claims and rejected claims.
15	The Board request the Chief Executive Officer to take steps to ensure proper accounting procedures for bus warranty claims and payments. Such steps should include but not be limited to: a. Establish proper accounting procedures for bus warranty payments including setting up accounts receivable for warranty claims, implementing procedures to adjust/write off disputed claims and periodic reconciliations; b. Undertake collection of all valid outstanding claims; and c. Review accounting procedures for warranty payments for other types of TTC vehicles including subway trains and streetcars to ensure adequate financial controls are in place.	Part a: • Accounting procedures to track claims and payments for bus warranty are in place. Accounts receivable for warranty claims has been established and is managed by the TTC's Finance department consistent with AG recommendations. Part b: • Collection of valid outstanding claims is now managed by the TTC's Accounts Receivable section within the Finance Department. Reports are run periodically and Finance follows up with the OEM regarding payment. Part c: • A process is in place to manage warranty claims on new streetcar and subway vehicles. This process differs from the warranty claims process in bus due to the nature of the procurement. In procurement of rail vehicles, the supplier will provide replacement parts and will perform the warranty work. This means that there is no cash transfer. Looking ahead, the current warranty process for Streetcars and Subway will be migrated into Maximo (target implementation is 2022).

Report Title: Review of Toronto Transit Commission Bus Maintenance and Shops Department, Phase Two: Non-Revenue Fleet and Equipment Management and Maintenance Report Date: 02/06/2015

No.	Recommendation	Management Comments as of January 8, 2021
2	The Board request the Chief Executive Officer to consider implementing a chargeback process or other measures for non-revenue vehicle and equipment costs to help optimize use of vehicle and equipment resources by user departments and enhance accountability.	• An annual condition assessment inspection is performed on all non revenue vehicles and an assessment sheet is completed by the Bus Maintenance Department. This includes collecting the mileage of the vehicle. This information is provided to the Vehicle Programs Department, which reviews this data in relation to the age of the vehicle. Replacement vehicles are determined based on a review of all three criteria: age of the vehicle, mileage accumulated, and condition. Non revenue vehicles in good condition and with low mileage are flagged and user groups are questioned on the need of the vehicle, replacements and new additional vehicles.

No.	Recommendation	Management Comments as of January 8, 2021
		User groups are held accountable for their use but establishment of a financial charge back system is assessed to be not feasible.
16	The Board request the Chief Executive Officer to develop and implement non-revenue fleet quality assurance processes to systematically monitor and detect repair quality issues.	• The TTC complies with legislated Ministry of Transportation Ontario (MTO) repair schedules. In addition, a mandatory post MTO inspection and road test is performed by TTC unionized staff and also by TTC management staff. The TTC also monitors KPIs to allow staff to track and address repeater defects.
17	The Board request the Chief Executive Officer to ensure adequate controls are in place at TTC garages to deter and detect ordering of non-revenue vehicle and equipment parts for non-TTC uses. Periodic reviews should be considered by TTC internal audit staff.	• Ordering of non revenue vehicle parts is restricted to Materials and Procurement (M&P) employees. Parts are stored and maintained in a secured M&P storeroom. Each part has a TTC stock code which allows a mechanic to order the material and the store keeper to deliver the part. Quality audits are conducted by supervisory staff to ensure parts ordered and delivered are installed on the vehicle and may be subject to internal audit.
18	The Board request the Chief Executive Officer to take steps to shorten garage service turnaround time for non-revenue fleet by addressing issues pertaining to garage capacity, availability of technicians, parts availability and maintenance scheduling.	• Since 2016, Bus Maintenance has taken steps to shorten turnaround time for non-revenue fleet, including shortening Materials and Procurement parts delivery times. • The TTC procured a larger facility (1810 Markham Road) which will open in Q4 2021. This new facility will further expand the TTC's capacity to repair non-revenue fleet vehicles. Presently the TTC has three (3) hoists for non-revenue vehicles, the new facility will permit 10 hoists and as a result, garage service turnaround times for non-revenue vehicles will shorten. • In addition, once installed (plan by Q4 2021), GPS on non-revenue fleet vehicles will optimize the servicing of the non-revenue fleet by ensuring underutilized and over utilized vehicles and equipment are serviced at required intervals.
20	The Board request the Chief Executive Officer to establish a formal warranty management process for non-revenue vehicles and fleet equipment such that warranty claims are maximized.	• Non-Revenue Vehicle Forepersons manage warranty defects based on a standard operating procedure in order to maximize warranty claims. In addition, the TTC maintains a Vehicle Programs list of what warranty coverage is in place on specific vehicles. TTC technicians will use discretion and will only perform a warranty repair in-house if the cost is insignificant and if it is more advantageous to keep the unit in service for the TTC user.

Report Title: Review of Toronto Transit Commission Procurement Policies and Practices: Improving Materials Management and Purchasing Policies Can Potentially Result in Significant Savings
Report Date: 05/15/2017

No.	Recommendation	Management Comments as of January 8, 2021
1	The Board request the Chief Executive Officer, Toronto Transit Commission, to undertake the necessary steps to maximize warranty claim rate and revenue for aftermarket parts. Such steps should include an assessment of the resource and technology requirements to enable staff to systematically retrieve, track, and process aftermarket parts warranty.	1. Continuous co-ordination and regular reviews with Bus Maintenance Department towards joint implementation of an aftermarket parts warranty program. 2. Assessment of resource and technological requirements is completed. MM's Aftermarket Warranty Coordinator hiring done, with relevant background in a mature environment. Resource trained on new vehicle warranty administration and began pursuing aftermarket claims in addition to work on procedures and vendor relations. 3. Pilot was completed at one bus garage for prematurely failed parts. Lessons learnt - identification of roles, responsibilities, and enhancement of system help. 4. As a result-ITS pilot project completed for warranty (potential claim) case identification based on failure within a year of installation date. 5. Serialization feature in IFS was explored but it was determined to be not worth the changes and investment needed. 1. Tracking system in place for all warranty cases triggered by Operations and claims filed by MM with vendors. 2. Status - Currently a tracking list with filing status is managed by warranty coordinator. 3. Confirmation of warranty filing processes and requirements for 10 major vendors. 4. Benchmarking of processes was done with some other entities (Société de transport de Montréal & City of Toronto). It is established that the complexity is much higher in AM Warranty as against new vehicle warranty. 5. Completed assessment for resource, process and technology requirements for longer term. Assessment completed of current status (SWOT) including resources and technology. 6. Achieved year 1 savings as targeted. Estimated savings for 2020 – on track to achieve/exceed target of $292,000
2	The Board request the Chief Executive Officer, Toronto Transit Commission, to undertake steps to improve the tracking and retrieving of cores in order to maximize the use of cores in vehicle rebuild programs and avoid paying for additional core charges when purchasing remanufactured parts.	• Linkages between core components and their related new and/or rebuild/repair parts - review completed in IFS system, • Inventory communicating with Maintenance areas on an annual basis to confirm which parts will continue to be rebuilt. • Project Procurement group (buyers for new vehicles) have confirmed that Call documents (RFP & RFQ) for vehicles will be amended to require the awarded suppliers to identify parts with potential core value.

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		• Metrics developed: (e.g. % of receipts/issued (recovery), outstanding parts list, delivery time). Buyer lock in IFS on new parts to avoid accidental purchase of new ones where rebuilt parts are available. This addresses the reported concern of paying additional core charges. Follow up reports/lists generated.
3	The Board request the Chief Executive Officer, Toronto Transit Commission, to review and address the parts shortages issue and its impact on vehicles out of service, rebuild delays, vehicle spare ratios, and materials requests turnaround time. Steps should be taken but not be limited to: a. Reducing delays in processing inventory requests; b. Minimizing repetitive purchases of the same parts in small quantities; c. Measuring and reporting materials requests turnaround time; d. Ensuring alignment of Materials Management's performance indicators with TTC priorities; e. Strengthening IFS system controls to monitor parts requests deletions.	a. For addressing inventory request backlog an automated report has been created showing that outstanding IRs by time buckets and by planners. Volumes can change based on fleet addition, new projects, rebuild programs etc. but regular reviews are being conducted to address any buildup. b. Reviewed parts to minimize repetitive purchases - currently approximately 60% of requisitions are under Supplier Blankets (SBs). Introduced ease of review and inputs through introduction of excel download, upload functions in IFS forecasting module for supplier blankets. Added pre-calculated analysis fields for easier review by planners of past trends while dealing with forecasts. c. Tracking turnaround time for all locations equipped with the Vehicle Work Order system (reported on monthly basis). d. KPIs are being reported monthly. They have been reviewed for conformity with Corporate goals. Review completed for redundancy. Reviews for continuous improvement will continue to take place. e. System controls to prevent unintended parts requests deletions were strengthened through control of access in the system.
4	The Board request the Chief Executive Officer, Toronto Transit Commission, to review the current method of centrally procuring low dollar purchases through the Materials and Procurement Department, and explore ways to improve efficiency, and minimize delays and the backlog of outstanding purchase requisitions.	Continuing from previous implemented improvements, several additional changes have been executed as follows; A. Purchasing Card Program refresher presentation to Department Heads completed in June 2020. B. Presentation was delivered to TTC executives July 15, 2020 to confirm mandatory use of Purchasing Cards for any non-repetitive and non-stock related purchases that are less than or equal to $5,000. C. Director of Operating Procurement issued a notice to PCM (Procurement and Category Management – formerly known as M&P) staff on July 28, 2020 on the upcoming requirement for clients to use the Purchasing Card for qualifying purchases valued at $5,000 or less. D. The requirement to use the Purchasing Card for qualifying purchases valued at $5,000 or less became effective August 1, 2020. A Corporate notice was issued to all TTC staff regarding this change.

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		E. Purchasing Card Procedures were updated and released on Aug 7, 2020 to reflect that any requirement for goods or services whereby the estimated value is $5,000 or less, and the purchase qualifies under the Purchasing Card program, must be ordered using the Purchasing Card in lieu of submitting requisitions to PCM. Previously clients were required to use the Purchasing Card at an estimated value of $250 or less. F. Training completed on August 18, 2020 for the PCM administrative staff on the Purchasing Card Program and on the evaluation of incoming requisitions valued at $5,000 or less. Qualifying purchase authorizations to be returned to clients and advise the use of the Purchasing Card instead with a reference to the Corporate notice. G. Proactive review of qualifying purchasing transactions completed in September 2020, identifying operational cost centers that would benefit from additional Purchasing Cards. Department Heads engaged with completed analysis towards increasing the number of Purchasing Cards. This process is ongoing and the effort has resulted in the release of new additional Purchasing Cards.
9	The Board request the Chief Executive Officer, Toronto Transit Commission (TTC), to review and strengthen the TTC's current non-competitive procurement policy and procedure requirements to ensure all sole and single source purchases are justified, and adequately reviewed and authorized.	Following actions have been taken to implement this recommendation: A. Process changes implemented Dec. 10, 2019 for Non-Competitive Procurements per the CEO directive to all staff on the same date. B. PCM staff received refresher training on July 17, 2020 regarding the process. C. PCM created a standard operating procedure based on the CEO notice. The procedure was released to PCM staff and posted on the PCM intranet website August 20, 2020. D. The released procedure includes a structured approach to ensure client departmental requests for non-competitive procurements include documentation to justify the purchase. Review and approval is needed by the client department head and procurement staff at a minimum, and depending on the value and nature of the purchase, executive level approvals are required. E. Purchase Requisition forms have been updated to include a link to the non-competitive procedure requirements when clients request goods or services on a non-competitive basis.
11	The Board request the Chief Executive Officer, Toronto Transit Commission (TTC), to expand and actively pursue alternate sourcing to	Alternate Sourcing has been expanded and actively pursued by way of additional resources, implementation of procedures, and engagement of various work groups

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	reduce purchase costs for replacement parts, and to ensure the alternate sourced products are adequately reviewed and tested for TTC operations.	within TTC needed to advance the program as set out below. A. Presentation was delivered to TTC executive July 15, 2020 to reaffirm implementation points of Alternate Sourcing and collaboration with the main operational work groups within TTC (e.g. Bus, Subway, Streetcar) that are responsible for reviewing, appropriate testing and approval of alternate parts. B. In order to build upon and advance the work previously performed by existing staff on Alternate Sourcing, three Senior Sourcing Specialist positions were added to the Procurement & Category Management (formerly known as Materials & Procurement) department in 2020. A major part of these roles is to focus on the Alternate Sourcing program. These new staff began in October 2020. C. Procurement & Category Management created an Alternate Sourcing standard operating procedure with input from internal stakeholder departments. The procedure was issued to procurement staff and posted on the PCM intranet website October 16, 2020. D. As part of the procedure, a list of potential alternate parts is being maintained and shared among the work groups in order to track the on-going status of potential alternates. Training on the procedure and use of the list of potential alternate parts was provided October 22, 2020 to Senior Sourcing Specialists.
16	The Board request the Chief Executive Officer, Toronto Transit Commission, to undertake steps to review and enhance the monitoring and controls of the Purchase Card program. Such steps should include a review of the level of staff resource, effectiveness of the current spot audits, and the transaction review and approval process.	In complying with the stated requirements, the following actions have been implemented: A. A Full-Time P-Card Administrator was hired in September 2019 to manage all aspects of the P-Card Program, from daily administration, training and recurring audit activities. B. The Purchasing Card Procedure was updated and released on August 7th 2020 with revised controls in place. C. Purchasing Card Program Presentation to Department Heads completed in June 2020. D. Centralized Micro Strategy Database implemented providing visibility to all P-Card transactions and leveraged for periodic audit activities and distribution of monthly P-Card transactions distributed to Department Heads. Monthly distribution to department heads started in August 2020. E. Ongoing monthly Audit completed on questionable and non-questionable transactions to ensure alignment with Purchasing Card Program. Audits further reinforced by

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		Reconciliation Process requiring documented log of purchasing transactions, supported with transaction receipts, to be submitted to Reconciliation Clerk and approval by the designated Department Head(s). F. Semi-Annual Data-Validation Audit completed of all authorized P-Card Holders.
17	The Board request the Chief Executive Officer, Toronto Transit Commission, to explore ways to expand the current Purchase Card (PCard) program with a view to utilizing PCard to improve the efficiency of the agency's purchasing functions.	Continuing from previous implemented improvements, several additional changes have been executed as follows: A. Purchasing Card Program Refresher Presentation to Department Heads completed in June 2020. B. Presentation was delivered to TTC executive July 15, 2020 to confirm mandatory use of Purchasing Cards for any non repetitive and non stock related purchases that are less than or equal to $5,000. C. Director of operating procurement issued a notice on July 28th on the requirement to use the Purchasing Card for qualifying purchases valued at $5,000 or less. D. Corporate notice issued on Aug 6th to TTC staff on the requirement to use the Purchasing Card for qualifying purchases valued at $5,000 or less with an effective date of August 1st 2020. E. Purchasing Card Procedures were updated and released on August 7th 2020 to reflect that any requirement for goods or services whereby the estimated value is $5,000 or less, and the purchase qualifies under the Purchasing Card program, must be ordered using the Purchasing Card in lieu of submitting requisitions to PCM. Previously clients were required to use the Purchasing Card at an estimated value of $250 or less. F. Training completed on August 18th, 2020 for the administration staff on the PCard Program and on the evaluation of Incoming Requisitions valued at $5,000 or less. Qualifying purchase authorizations to be returned to Clients and advise the use of the Purchasing Card instead in reference to the corporate notice.
18	The Board request the Chief Executive Officer, Toronto Transit Commission (TTC), to ensure the Purchase Card process is considered when reviewing and revising TTC procurement policy dollar thresholds.	Continuing from previous implemented improvements, several additional changes have been executed as follows: A. Purchasing Card Program Refresher Presentation to Department Heads completed in June 2020. B. Presentation was delivered to TTC executive July 15, 2020 to confirm mandatory use of Purchasing Cards for any non repetitive and non stock related purchases that are less than or equal to $5,000.

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		C. Director of operating procurement issued a notice on July 28th 2020 on the requirement to use the Purchasing Card for qualifying purchases valued at $5,000 or less. D. Corporate notice issued on August 6th 2020 to TTC Staff on the requirement to use the Purchasing Card for qualifying purchases valued at $5,000 or less with an effective date of August 1st 2020. E. Purchasing Card Procedures were updated and released on August 7 2020 to reflect that any requirement for goods or services whereby the estimated value is $5,000 or less, and the purchase qualifies under the Purchasing Card program, must be ordered using the Purchasing Card in lieu of submitting requisitions to PCM. Previously clients were required to use the Purchasing Card at an estimated value of $250 or less. F. Training completed on August 18th, 2020 for the administration staff on the PCard Program and on the evaluation of Incoming Requisitions valued at $5,000 or less. Qualifying purchase authorizations to be returned to Clients and advise the use of the Purchasing Card instead in reference to the corporate notice. G. Proactive review of qualifying purchasing transactions completed in September 2020, identifying operational cost centers that would benefit from additional purchasing cards. Department Heads engaged with completed analysis towards increasing the number of purchasing cards. Process is ongoing but effort has resulted in release of new additional purchasing cards. H. The mandatory use of PCards for the $5,000 (or less) threshold has already been reflected in the revised Procurement Policy which is planned to be brought to the Board Meeting in April 2021 for approval.

Report Title: Toronto Transit Commission: Managing Telecommunication Contracts and Payments
Report Date: 05/18/2018

No.	Recommendation	Management Comments as of January 8, 2021
1	The Board request the Chief Executive Officer, Toronto Transit Commission, to work collaboratively with the City Chief Information Officer to evaluate the existing wireless service contracts for best value based on current needs. Staff should be advised to use telecommunication services	• TTC M&P reached out to the City for the contract price re-negotiation with Vendor A, and TTC was suggested to work on its own price negotiation with the vendor. • TTC ITS increased the upset limit with Vendor B. Therefore, TTC is able to get cheaper plans with Vendor B and minimize the business with Vendor A.

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	contracts that offer the best value subject to terms and conditions.	• TTC has converted to / purchased almost 1000 phones from Vendor B right after the audit. Additional conversion happens when business requirement of phone replacement or new phone raises. • On December 31, 2019, TTC finalized a vendor of record (VOR) with Vendor C, which comes with a lower monthly plan cost. This VOR is from the Provincial MGS, which the City is leveraging. TTC is following the City's direction. • Both contracts with Vendor A and Vendor B expired on December 2019. Current active plans with Vendor A and B will be converted to Vendor C when they expire. COVID-19 has slowed down the conversion. Even though there are savings in monthly rates, the demand for cellular/smart phones increases year over year, thus the savings anticipated in the budget are offset by the increase in the number of phones. We would not be able to demonstrate a reduction in budget equal to the savings because the savings would be off-set by the increase cost for additional phones.
4	The Board request the Chief Executive Officer, Toronto Transit Commission, to review and evaluate the unused telecommunication services identified during the audit, and terminate those services that are no longer needed.	TTC ITS reviewed the unused telecommunication services identified during the audit and completed the following: • ITS negotiated with the vendor and obtained a one-time offer to waive termination fees on up to 125 Centrex 1.0 lines for the period of December 19, 2018 to October 1, 2022. 98 lines were identified and disconnected during the audit and achieved $24,696 annual cost avoidance from it, starting from January 2019. • During the audit, samples were selected for the no activity phones by the AG's auditors who confirmed that no further action was needed, as all sampled no activity phones were required by the business. • Other lines were reused for business purposes or remained as is for safety purposes or business requirements.
5	The Board request the Chief Executive Officer, Toronto Transit Commission, to develop a procedure to have end-user department staff review and verify telecommunication service invoices before payment.	• ITS consulted HR and Finance departments, and updated the invoice verification process to manage the fixed and variable monthly costs for all ITS telecom contracts. ITS reviews and approves all received telecom service invoices before Finance department proceeds with payment. This process helps ITS to complete the invoice verification effectively and efficiently, to avoid late payment charges. • For the current wireless plans, TTC ITS has taken measures to monitor and minimize data usage. Users are notified via text message as they reach a certain threshold of their data usage. They get a notification

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		upon reaching a threshold of 50%, 75% and then 95% of their allocated data usage. End user and their cost center manager / telephone representative will be advised of any additional charges incurred.
6	The Board request the Chief Executive Officer, Toronto Transit Commission, to ensure staff are fully aware of the telecommunication contract clauses, and that services and payments are managed accordingly. The staff should be provided with copies of the current telecommunication contracts and be informed of ongoing changes.	• A list of all telecommunication contracts has been established. Contract rates and invoice verification cheat sheet have been developed for all identified contracts. Fixed and variable costs are listed out for each contract/PO in the sheet for verification purpose. • All telecommunication service contracts are stored on the designated intranet site and accessible to all relevant staff. Each supervisor is responsible for ensuring all staff are aware of clauses and any changes. • Monthly governance meetings with the key vendors have been established and met.
7	The Board request the Chief Executive Officer, Toronto Transit Commission, to: a. Update current invoice verification procedure to include the use of available electronic data provided by vendors. b. Ensure staff conduct detailed invoice verification as per the documented invoice verification procedure.	a. In the updated invoice verification process, TTC ITS is fully using the vendor provided data via their portals. Invoices and detail usage reports are downloaded from the portals to identify inconsistency if any which will be investigated. b. ITS has created reference guides for all responsible staff to follow on how to schedule and download reports from the vendor provided portals. All relevant staff were properly trained to verify invoices properly. The Supervisor of IT Contract Administration is responsible for ensuring job training is provided, when required.
8	The Board request the Chief Executive Officer, Toronto Transit Commission, to work with the vendors to obtain credits or refunds for overpayments identified during the audit.	• Out of the $26,600 data circuit overcharges, a $15,700 credit was received by TTC. The rest was refused by the vendor due to their maximum refund period of 6 months. The updated invoice verification process ensures that the telecom service analysts will review and approve the invoices for all new telecom services before they are paid. • Out of $22,700 identified in long distance charges for the period of 2014-2016, it was too far past the time and the maximum refund period of 6 months. However, the current updated invoice verification process will ensure that the telecom coordinator reviews and approves the invoices for all long distance charges before they are paid, and that the right charge rate is applied in the invoices for long distance calls. • Out of $5,100 overpayments on 51 smartphones, $2,562.12 was within the vendor's maximum refund period. TTC requested a refund of $2,562.12 and received the complete payment.

No.	Recommendation	Management Comments as of January 8, 2021
9	The Board request the Chief Executive Officer, Toronto Transit Commission, to evaluate, in the light of overpayments and incorrect charges identified during the audit, whether a review of prior period payments and charges is needed. A temporary summer student could be hired to complete such a review, once a review period is determined.	• TTC ITS reviewed the prior period payments and charges for the maximum refund period. A request for an overpayment refund of $47,378 was sent to the vendor and TTC received the full refund for incorrect charges in 2019. • The new invoice verification process will help to prevent future incorrect charges.
10	The Board request the Chief Executive Officer, Toronto Transit Commission, to obtain missing telecommunication service pricing agreements identified during the audit, and ensure that all payments adhere to the agreed prices. The overpayments, if any relating to prior periods should be recovered from the vendors accordingly.	• The updated invoice verification process ensures that invoice prices are consistent with the contract terms or pricing agreements. • Items listed in the audit observations are built-in features of landline and voice circuits, which were part of the master agreement with the vendor. There are no separate pricing agreements for those built-in features. • The Asymmetric Digital Subscriber Line (ADSL) circuits in the observations were valid and needed at the time of audit. ITS was monitoring and approving the invoices for these circuits according to the charge rates agreed upon between the vendor and the project team, which implemented the circuits, until their decommissioning at the end of 2018.

Report Title: Review of Toronto Transit Commission's Revenue Operations: Phase Two - PRESTO/TTC Fare Equipment and PRESTO Revenue
Report Date: 10/21/2019

No.	Recommendation	Management Comments as of January 8, 2021
14	The Board request the Chief Executive Officer, Toronto Transit Commission, to ensure the TTC Bus Maintenance department provides an accurate listing of "bus out-of-service greater than seven days" to PRESTO.	• The TTC tracks the status and location of all vehicles. A 'bus out service greater than seven days' tracking process has been in place since February 2017. • Bus Maintenance currently receives a daily automated report that provides details of outstanding first line maintenance and second line maintenance PRESTO repair activities. This report represents PRESTO repair activity work performed within the previous 24 hours, including items that have been resolved.

Service Area: Community and Social Services

Division: Court Services

Report Date: 4/26/2018
Report Title: Toronto Court Services: Collection of Provincial Offence Default Fines

No.	Recommendation	Management Comments as of January 8, 2021
14	City Council request the Director, Court Services, in consultation with Revenue Services and Legal Services, to improve processes for reviewing debtor information against various property databases, to maximize opportunities to add defaulted fines to the property tax roll for collection purposes.	Court Services worked with Revenue Services and Legal Services in Q2 and Q3 2018 to review the existing processes for tax-rolling. This review resulted in a series of process improvements that were incorporated into a new Court Services local tax-rolling procedure effective January, 2019. Process improvements in the new tax-rolling procedure include Court Services sending the final tax-roll list directly to Revenue Services, reviewing the entire accounts receivable twice per year to identify eligible accounts, and Revenue Services providing tax-rolling results on a monthly basis. Court Services implemented improved data modelling processes in Q1 2020. Stabilization of these processes was delayed as a result of the COVID-19 emergency and completed in Q4 2020. Stabilization is demonstrated through the division's replication and enhancement of the Auditor General's matching results using the November 2019 Accounts Receivable database and the Property Database provided by the Auditor General's Office. Staff will use this new process to maximize tax-rolling results and will incorporate the business requirements into a new information management system.

Division: Parks, Forestry & Recreation

Report Title: Review of Urban Forestry - Ensuring Value for Money for Tree Maintenance Services
Report Date: 04/26/2019

No.	Recommendation	Management Comments as of January 8, 2021
6	City Council request the General Manager, Parks, Forestry and Recreation Division, to assess whether the new system procedure is effective in minimizing unnecessary maintenance work performed by City and contractor crews on trees that are still under warranty.	UF immediately implemented a new system procedure through its existing work management system to alert warranty status of trees on printed work orders used by City and contractor crews to help minimize maintenance on trees under warranty. UF's Tree Inspection Manual, Operations Module, was finalized in September 2020, which also provides direction concerning warranty trees. There are emergency scenarios where trees under warranty require work to be completed by operations such as if the tree has fallen and blocks a road.

Division: Shelter, Support and Housing Administration

2021 Follow-up Status Report

Report Title: Opening Doors to Stable Housing: An Effective Waiting List and Reduced Vacancy Rates Will Help More People Access Housing
Report Date: 6/21/2019

No.	Recommendation	Management Comments as of January 8, 2021
14	City Council request the General Manager, Shelter, Support and Housing Administration Division, to ensure greater integration of services and supports is provided for vulnerable clients in the shelter system as they transition from homelessness to stable housing including confirming that those experiencing homelessness receive appropriate priority status on the centralized waiting list for rent-geared-to-income.	SSHA conducts reviews of the centralized waiting list to flag applicants that are also in the shelter system or have a shelter address. To date, SSHA reviews have resulted in 2,580 applications being updated to priority status.

Division: Toronto Paramedic Services

Report Title: Emergency Medical Services - Payroll and Scheduling Processes Require Strengthening
Report Date: 10/03/2013

No.	Recommendation	Management Comments as of January 8, 2021
3	City Council request the Chief and General Manager, Emergency Medical Services, develop a process to ensure divisional consistency in attendance management procedures. Attendance records including overtime and time off requests should be adequately supported with documentation reflecting supervisory review and approval, and maintained in accordance with legislated record retention requirements.	On June 4, 2020, Paramedic Services upgraded the Kronos In-Touch Clock and Workforce Central application to measure the time an ambulance arrives at a station at the end of the shift. This process uses vehicle GPS data and proximity to the Paramedic Crew's home station. This time is then used to calculate the maximum eligible Overtime for each Paramedic in accordance with the Collective Agreement. When the Paramedic badges OFF at the end of their shift, any time exceeding the maximum eligible Overtime calculated at the Clock is subject to review and approval by the on-duty Deputy Commander.

Service Area: Corporate Services

Division: Corporate Real Estate Management (CREM)

Report Title: Audit of City Cleaning Services - Part 2: Maximizing Value from Cleaning Contracts
Report Date: 06/14/2016

No.	Recommendation	Management Comments as of January 8, 2021
3	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 new RFP was developed as a strategic sourcing initiative by the Purchasing and Materials Management Division's Category Management and Strategic Sourcing (CMSS) unit and Corporate Real Estate Management's Strategic Sourcing team. The requirements of the NRFP followed current industry best practices and are outcome-based with a focus on performance. As a result of this sourcing initiative, the City will benefit from a standardized outcome-based custodial services model, enhanced abilities to hold vendors accountable and consistency in terms of contract requirements and performance levels. This is all expected to result in annual cost savings on base services and added benefits ranging from $1.080 million to $1.900 million to be realized over the term of the contract.

Report Title: Real Estate Services Division - Restore Focus on Union Station Leasing
Report Date: 06/13/2017

No.	Recommendation	Management Comments as of January 8, 2021
5	City Council request the Chief Corporate Officer to: a. complete the 2016 settlements of additional rent for all occupants at Union Station and ensure the amounts owing are recorded and collected on a timely basis; and b. ensure future settlements of additional rent are completed with each occupant at Union Station on an annual basis and in accordance with their respective agreements.	Legal Services has clarified interpretation on direct vs CAM cost recoveries under the Head Lease Agreement to ensure a singular and mutually accepted interpretation of the relevant provisions. The City is to continue recovering CAM from the Head Lessee as done for prior years. Payment for the outstanding amounts have been made by a tenant.
12	City Council request the Chief Corporate Officer to develop and implement a cost allocation model that clearly defines how annual operating costs associated with different areas of Union Station will be allocated to and recovered from the Station's occupants.	All City-buildings are subject to the cost allocation model. Tenants are required to pay their proportionate share of operating costs based on their rentable area (ex/ the area that the occupant rents exclusively + their proportional share of the building common area costs). For multi-tenanted buildings, CREM utilizes the Building Owners and Managers Association's ("BOMA") Standard Methods of Measurement for cost allocation. The standard takes a building-wide approach to the measurement of floor area, providing a basis for measuring common space and allocating the related costs. The BOMA standard and calculation approach is incorporated into the annual lease

No.	Recommendation	Management Comments as of January 8, 2021
		reconciliation process and used to allocate operating costs to the Union Station's tenants.

**Report Title: Enhance Focus on Lease Administration of City-owned Properties
Report Date: 6/28/2018**

No.	Recommendation	Management Comments as of January 8, 2021
8	City Council request the Director, Real Estate Services to establish and implement a process, including appropriate monitoring controls, to: a. ensure pending percentage rent reviews are efficiently and effectively identified and actioned, leveraging where possible available functionality in the City's financial system; and b. ensure percentage rents are calculated based on verifiable financial information and are billed and collected on a timely basis.	CREM has developed and implemented a lease reconciliation process that includes percentage rent reviews along with other cost allocations for which tenants may have responsibility as part of their respective agreements. This process includes use of functionality within SAP to identify accounts with percentage rent responsibilities, document results of lease reconciliation exercises (including financial information utilized for calculation) and track/collect the resulting receivable within a 30 day expectation. Accounts Receivable subsequently manages the aged receivables with a 30, 60 and 90+ day perspective towards collection within a timely fashion.
12	City Council request the Director, Real Estate Services, to review all active leases to ensure reconciliations of recoveries for all periods up to December 31, 2017, are completed and any settlement amounts are recorded in the City's financial system, and appropriately billed and collected from the respective occupants in a timely manner.	CREM has developed and implemented an annual lease reconciliation process (detailed in management response to Recommendation 7). Reconciliations have been conducted among all active leases within CREM responsibility, dating back to December 31, 2017. The City's financial tracking system (SAP) has been updated with the respective credits / receivables emerging from the exercise. Leaseholders with a reconciled arrears balance have been contacted with the details and a 30-day expectation to pay. Where necessary, re-payment agreements have been negotiated. Leases in default will be treated within the same process as is used to manage rental arrears in cooperation with Accounting Services and Legal Services.

**Report Title: Raising the Alarm: Fraud Investigation of a Vendor Providing Life Safety Inspection Services
Report Date: 06/28/2018**

No.	Recommendation	Management Comments as of January 8, 2021
7	City Council request the Toronto Fire Chief to work with the Ontario Fire Marshal to determine if such a watch list of those companies and persons charged or convicted of violations of the Fire Protection and Prevention Act and accompanying Regulations is needed province-wide because	TFS met with the Office of the Fire Marshal to discuss this recommendation and has offered assistance should the Office of the Fire Marshal elect to move forward. TFS offer of assistance fully implemented by December 31, 2019.

No.	Recommendation	Management Comments as of January 8, 2021
	the life safety service providers may work with other municipalities and private buildings.	
8	City Council support the Toronto Fire Chief in recommending to the Minister of Community Safety and Correctional Services to amend the Fire Protection and Prevention Act limitation period and discoverability language as required to lengthen the time to conduct complex investigations in support of fire safety.	TFS met with the Office of the Fire Marshal to discuss this recommendation. TFS and City Legal met with representatives from the Ministry of the Solicitor General on June 28, 2019, amendments to the Fire Protection and Prevention Act and Ontario Regulation 213/07 were enacted; reflecting all of the changes requested. Fully Implemented by December 31, 2019.
11	City Council request the Toronto Fire Chief to make recommendations to the appropriate Provincial authorities about the need to: a. regulate the training and licensing for all life safety inspection services including emergency lighting and fire extinguishers, so that inspections of buildings is treated as a system. b. where a contractor is non-compliant, providing an avenue for delicensing, if necessary.	TFS met with the Office of the Fire Marshal and made the request. TFS request fully implemented by December 31, 2019.
13	City Council request the Toronto Fire Chief to make recommendations to the Ontario Fire Marshal to consider training and/or certification for building owners or the staff responsible on behalf of building owners so that they understand their roles and responsibilities under the Ontario Fire Code for the inspection of life safety systems, including sprinklers, emergency lighting and other fire suppression systems including the requirement for the keeping of records consistent with the provisions of Division B, Clause 1.1.2.2 (a) of the Ontario Fire Code.	TFS met with the Office of the Fire Marshal and made the request. TFS request fully implemented by December 31, 2019.
14	City Council request Toronto Fire Chief to make recommendations to the Ontario Fire Marshal related to a brochure available in all mediums that outlines the building owner's responsibilities, and that the brochure be available on Toronto Fire Service's website and distributed as a quick reference to all building owners as part of the approval of their fire safety plans.	TFS met with the Office of the Fire Marshal and made the request. TFS request fully implemented by December 31, 2019.

2021 Follow-up Status Report

No.	Recommendation	Management Comments as of January 8, 2021
15	City Council request the Toronto Fire Chief to make a recommendation to the Ontario Fire Marshal that a Technical Advisory Committee be struck to review the system-wide issues raised in this report and make recommendations to the Minister of Community Safety and Correctional Services.	TFS met with the Office of the Fire Marshal and made the request. TFS request fully implemented by December 31, 2019.

Division: Fleet Services

Report Title: Fleet Services Operational Review Phase One: Stronger Corporate Oversight Needed for Underutilized Vehicles
Report Date: 4/16/2019

No.	Recommendation	Management Comments as of January 8, 2021
3	City Council request the City Manager to forward this report to Division Heads and Chief Executive Officers of City agencies and corporations with fleet management operations, and request them to review and consider implementing the recommendation relevant to their respective operations.	Fleet Services (on behalf of the City Manager) communicated the recommendations identified in this report to the Division Heads and CEO of the City agencies and corporations with fleet management operations on August 28th, 2019. Fleet Services also discussed the recommendations during the Fleet Management Steering Committee meeting held on February 2nd, 2020.

Report Title: Fleet Services Operational Review - Phase One: Lengthy Downtime Requires Immediate Attention
Report Date: 4/26/2019

No.	Recommendation	Management Comments as of January 8, 2021
14	City Council request the City Manager to forward this report to Division Heads and Chief Executive Officers of City agencies and corporations with fleet management operations, and request them to review and consider implementing the recommendations that are relevant to their respective operations and take steps to improve vehicle retrieval times following service.	Fleet Services (on behalf of the City Manager) communicated the recommendations identified in this report to the Division Heads and CEO of the City agencies and corporations with fleet management operations on August 28th, 2019. Fleet Services also discussed the recommendations during the Fleet Management Steering Committee meeting.

Report Title: Fleet Services Operational Review Phase Two – Stronger Asset Management Needed
Report Date: 10/10/2019

No.	Recommendation	Management Comments as of January 8, 2021
14	City Council request the General Manager, Fleet Services Division, to revise the warranty administration reporting structure to allow effective communication of warranty related issues to Asset Management.	The Warranty Administrator is now reporting to Supervisor, Fleet Standards and Specifications.
19	City Council request the City Manager, in consultation with the General Manager, Fleet Services Division, to take steps to effectively identify, report, and deter damages caused from operating without care to avoid unnecessary costs to the City.	• Fleet Safety is conducting regular training to our clients and they also share the training manuals with them. • Fleet Maintenance is sending the identified errors related to operator's accidents with associated costs to clients on a regular basis. • This recommendation has been communicated to clients during the Fleet Services steering committee.

Division: Technology Services

Report Title: Governance and Management of City Wireless Technology Needs Improvement
Report Date: 04/20/2010

No.	Recommendation	Management Comments as of January 8, 2021
5	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.	Technology Services Division updated the Wireless Standard and published the Standard No. S130, Version 1.2 on TechWeb in Q4 2019. The updated Standard can be found on the City's intranet.

Report Title: Review of the City SAP Competency Centre
Report Date: 6/15/2010

No.	Recommendation	Management Comments as of January 8, 2021
5	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.	Technology Services Divisions (TSD) launched a new Service Level Management process to manage service level agreements (SLA) with Client Divisions on September 27, 2019. The SLA applies to all standard IT services and specifies the standard terms and conditions for delivering and supporting those services including SAP Application Services.

Report Title: IT Infrastructure and IT Asset Management Review: Phase 1: Establishing an Information Technology Roadmap to Guide the Way Forward for Infrastructure and Asset Management
Report Date: 01/30/2018

No.	Recommendation	Management Comments as of January 8, 2021
5	City Council request the Chief Information Officer to establish a strategic technology roadmap to modernize and transform the Information Technology environment. The roadmap should clearly set out milestones and performance measures to assess progress in meeting the City's short-term and long-term Information Technology goals.	Technology Services Division established a strategic technology roadmap to modernize and transform the Information Technology environment in Q4 2018. This road map was established to support the City's Strategic and Corporate priorities and the City's short term and long term technology goals.
9	City Council request the Chief Information Officer to expedite efforts to mature its processes and capabilities to support Cloud services.	Technology Services Division has developed an IT Cloud Strategy and have been performing ongoing reviews of the projects through the Cloud Architecture Review Board (CARB). TSD's Cloud First approach supported by IT Cloud Strategy along with Cloud Governance mechanism has ensured maturity in Cloud services. IT Cloud Strategy can be referred at the City's intranet and associated CARB governance.
11	City Council request the Chief Financial Officer, in consultation with the Chief Information Officer, to develop a tool to communicate the total cost impacts (operating and capital) of Information Technology projects to provide clarity wherever increased operating budget pressures from cloud services are offset by savings in capital costs.	1. The Cloud Cost Benefits Analysis Tool was developed in partnership by Technology Services Division and the Financial Planning Division Teams to communicate the Total Impacts (Operating & Capital) of Cloud proposed projects to provide clarity wherever increased operating budget pressures from cloud services are offset by savings. 2. The Cloud Computing Framework as published on the TECHweb (City Intranet), which provides guidance on the evaluation, acquisition, implementation and management of cloud computing services for the City of Toronto, and where applicable, when adopting cloud services in the City, includes the Cloud Cost Benefit Analysis Tool as a requirement. 3. To ensure this Tool is completed for all cloud service projects, it has been formally incorporated into the IT Procurement Process since November 22, 2019. The Information Technology Authorization Procurement Plan (ITAPP), which is the intake document for all citywide technology procurements and routed through I&T Division, also includes a section to provide information on the use of the Cloud Cost Benefit Analysis Tool prior to submitting the request to procure.
12	City Council request the Chief Information Officer, to coordinate with the Chief Purchasing Officer on implementing category management for the procurement of Information Technology equipment, services and solutions, utilizing the strategic technology roadmap to lower the total cost of Information Technology.	1. Technology procurements identified as part of Wave 1 corporate activity that commenced in early 2019 for implementing Category Management and Strategic Sourcing in the City. Two strategic sourcing initiatives were completed in 2020 - one for a Managed Security Service Provider (awarded in July 2020 - the procurement process commenced in the Technology Division but contract negotiations and award was done by the Office of the CISO once this section was set up as an independent

Attachment 1

No.	Recommendation	Management Comments as of January 8, 2021
		division) and the second for IT Professional Services (5 contracts awarded in October 2020 to preferred vendors and back up vendors). 2. Additional strategic sourcing opportunities identified through category profiling with timing to align with contract expiry dates and project milestone plans.

Report Title: Information Technology Infrastructure and Asset Management Review: Phase 2: Establishing Processes for Improved Due Diligence, Monitoring and Reporting for Effective IT Projects and Asset Management
Report Date: 6/28/2018

No.	Recommendation	Management Comments as of January 8, 2021
3	City Council request the Chief Information Officer to develop a reporting mechanism and criteria for reporting to the Executive Modernization Committee and respective Executive Project Sponsors on project implementation delays and unused software licences with reports to include as a minimum: a. Accumulated financial impact of delays. b. Unused assets, licences and solutions. c. Forgone benefits as a result of project implementation delays. d. Plans in place to mitigate the impact of delays.	In 2020, updates were made to the Capital project Change Requests and On Hold/Cancellation forms to ensure greater accountability with project implementation delays, financial impacts and mitigation strategies. In addition, monthly Project Status reporting forms were updated to provide clarity on the status of project health and provide greater details for mitigating projects 'back on track'. Similarly, monthly and quarterly Variance Reports for monitoring spend, commitments in place, status updates, timing, project year end spend and any additional relevant commentary were developed.
4	City Council request the Chief Financial Officer to coordinate with the Executive Director of Human Resources and Chief Information Officer to: a. Expedite the adoption of the SAP Employee Self-service solution throughout the City to maximize licence use and save costs incurred from printing and distribution of pay stubs. b. Review the existing IT environment to evaluate options to allow staff that do not have a work	a) Increased adoption of employee self-serve by rolling out Employee Self Service (ESS) to all Union Staff with Novell IDs, access to a City computer and printer. Implementation took place in September, 2019. Employees can access their T4 and time bank balances online. b) The Employee Access Management technology architecture proposal that outlined the technology to enable employee external access to the employee self service portal was presented to the Enterprise Architecture Review Board (EARB) on July 9, 2020. The EARB, as the Governance body accountable for Enterprise Architecture directions, has directed the Office 365 implementation project to include in its scope the roll out of the recommended employee access management technology (Microsoft Azure AD Premium P1) to all City

No.	Recommendation	Management Comments as of January 8, 2021
	computer to have access to Employee Self-service solution.	employees, including employees without City-issued devices.
5	City Council request the Chief Information Officer to conduct an assessment of the City's existing physical servers for identification of opportunities for adoption of cloud services and/or virtualization.	Technology Services Division has completed an assessment of the City's existing physical servers in Q4 2020 to identify the opportunity for adoption of cloud services or virtualization and can be considered as Fully Implemented.
6	City Council request the Chief Information Officer to implement ongoing monitoring of cloud consumption levels by divisions to ensure any necessary adjustments to the service delivery model are identified and implemented on a timely basis to avoid incurring excessive costs.	Cloud consumption controls and process is an ongoing process and are being followed since Q4 2017, and can be considered as Fully Implemented.
7	City Council request the Chief Information Officer to formalize criteria to identify critical network assets to be covered by the corporate support and maintenance contract and communicate to the responsible divisions the advantages of inclusion in the City contract.	Guideline has been published on TECHWeb to assist Divisions to determine criteria to identify devices to be covered by the Corporate network devices maintenance contract.

Report Title: Improvement Needed in Managing the City's Wireless Telecommunication Contracts
Report Date: 6/28/2018

No.	Recommendation	Management Comments as of January 8, 2021
1	City Council request the Chief Information Officer to: a. Review the existing wireless service contracts for best value and evaluate the feasibility of negotiating changes in price plans with the vendor(s) based on the City's current cellular voice and data needs. b. Advise staff to use service contracts that offer best value to the City. c. Develop and implement a process to ensure compliance with all contract terms and conditions, including annual review of price plans and service rates with the vendor(s). The annual review should be performed after an analysis has been completed on the comparison	a. Negotiations completed with all existing wireless service providers. Monthly data rate for Smartphones reduced by $13 from $45 to $32/month by preferred vendor. A reduction of $13 to the monthly rate implemented effective March 1, 2019, and adjustment to billings included in April 2019 invoices; savings achieved in 2019 City-wide. b. Email communication sent to wireless representatives in all Divisions to inform them of new reduced rate. c. An annual review was conducted to ensure compliance, resulting in successful vendor negotiations. Analysis of market offerings was conducted and resulted in the recommendation to proceed with adopting the Provincial Agreement.

No.	Recommendation	Management Comments as of January 8, 2021
	of cost of similar telecommunication services offered by contracted vendors, and the prices available in the market or to other public sector organizations.	

Service Area: Finance and Treasury Services

Division: Revenue Services

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

No.	Recommendation	Management Comments as of January 8, 2021
2	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: 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.	Toronto Building provided training for Revenue Services staff to retrieve reports from IBMS and have arranged for monthly reports to be sent to complete water billing issues related to vacant properties.

Report Title: Auditor General's Review of Toronto Water Billing and Collections – Phase II: Water Billing and Water Meter Management Controls Require Strengthening
Report Date: 3/10/2017

No.	Recommendation	Management Comments as of January 8, 2021
14	City Council request the Director, Revenue Services, to revise the procedure for granting and monitoring user access in the water billing system. The access should be removed on a timely basis for inactive and unauthorized accounts. The practice of creating temporary accounts without expiry dates should be stopped.	Completed.

Division: Pension, Payroll & Employee Benefits

Report Title: Improving Reporting and Monitoring of Employee Benefits (Manulife)
Report Date: 6/12/2012

No.	Recommendation	Management Comments as of January 8, 2021
2	City Council request the Director Pension Payroll and Employee Benefits, give consideration to the formal documentation of an annual evaluation of the benefit administrator performance as it relates to prevention, detection and investigation of benefit fraud including fraud related to the receipt of Long Term Disability benefits.	• Consideration and decision has been made to have Bi-audit Audit of GSC and Manulife. • The GSC 2019 Audit has been done - the report is completed. • Currently engaged with Manulife for LTD.

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
Report Date: 10/6/2015

No.	Recommendation	Management Comments as of January 8, 2021
8	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.	The LTD benefits provider is implementing better internal controls to ensure all billing statements are reviewed and validated prior to be sent to the City. The City will continue to validate through our Financial Control unit. This includes the agreed quarterly audit of other charges.

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
Report Date: 10/24/2016

No.	Recommendation	Management Comments as of January 8, 2021
3	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	This was put forth in the 2019 Collective bargaining and was not successful.

No.	Recommendation	Management Comments as of January 8, 2021
	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.	
7	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 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.	The City has a defined list of life sustaining OTC drugs which is managed by our benefits provider. Dispensing fees defined by CA – we are mandated to follow. Through the City Benefits provider city employees have access to the free online pharmacy at a dispensing fee rate of 37% lower than the City's CA obligation.
15	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 individuals, steps should be initiated to recover overpayments.	The city has implemented audit protocol that monitors all enrollment, plan member enrollment including dependent to ensure there are no missing date of birth and check for age reasonableness.

Report Title: Management of the City's Employee Extended Health and Dental Benefits, Phase Two: Ineffective Controls and Plan Design Leaving the City Vulnerable to Potential Benefit Abuse
Report Date: 3/20/2017

No.	Recommendation	Management Comments as of January 8, 2021
2	City Council request the Treasurer to ensure the plan administrator has adequate tools, controls and adjudication processes in place to identify unusual trends and patterns, and to detect and prevent fraud and abuse at both the provider and individual plan member level. This should include establishing predetermined criteria with the plan administrator for identification of unusual trends and patterns, and requesting periodic reports back from the plan administrator on actions taken.	The City's health and dental provider, provided an overview to the Auditor General on their internal controls used to identify unusual trends and patterns that enable them to detect and prevent fraud and abuse, at both the provider and individual Plan Member level.
5	City Council request the Treasurer to consider establishing a reasonable quantity limit for orthotics and orthopedic shoes benefits for dependents aged 18 or younger and for medical braces.	Successfully negotiated the establishment of the annual maximum of 3 pairs of orthopedic and orthotic devices eligible, for dependent children aged 18 years or younger.
10	City Council request the Treasurer to ensure that the current employee health benefit plan administrator's adjudication processes include an assessment on age reasonableness for health claims.	City Benefits Plan Administrator does not adjudicate paramedical claims based on age of the claimant, but only against plan design parameters, and doctor prescription with diagnosis.
11	City Council request the Treasurer to assess the reasonableness and appropriateness of the City's physiotherapy benefit provisions, taking into account the financial impact and the City's comparability to other jurisdictions.	Attempted and was not successful. The items were put forth during bargaining but subsequently withdrawn.

Report Title: Supplementary Report to the Auditor General's Phase One Report: "The City Needs to Ensure Adequate Detection and Review of Potentially Excessive and Unusual Drug Claims"
Report Date: 6/13/2017

No.	Recommendation	Management Comments as of January 8, 2021
1	City Council request the Treasurer to consult with the City's current benefits plan administrator and the appropriate legislative agencies to determine whether the benefits plan administrator should implement a practice of considering reporting to the appropriate regulatory body, physicians or pharmacists who prescribed or dispensed potentially excessive opioids to claimants.	This is embedded in service provider audit protocol.

2021 Follow-up Status Report

No.	Recommendation	Management Comments as of January 8, 2021
3	City Council request the Treasurer to clarify with the City's benefits plan administrator its practice of adjudicating erectile dysfunction drugs to identify anomalies such as excessive dosage, significant year-over-year increases, and obtaining multiple types of drugs at the same time.	This was included in Collective Bargaining. Was somewhat successful by implementing a maximum (previously was limited).

Division: Purchasing & Materials Management

Report Title: City Stores: Maximize Operating Capacity to Be More Efficient
Report Date: 10/5/2012

No.	Recommendation	Management Comments as of January 8, 2021
5	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.	PMMD has implemented scanning technology in the corporate warehouse for all internal and outbound operations.

Report Title: Audit of Interface Invoice Payments - Improving Contract Management and Payment Processes
Report Date: 6/18/2019

No.	Recommendation	Management Comments as of January 8, 2021
14	City Council request the Director, Real Estate Services, to develop a process for updating properties owned or leased by the City including changes to the ownership in a central database. The database should be used to reconcile addresses with the hydro invoice payment system on a periodic basis, and any hydro services identified as not related to the City should be terminated.	Management response was not updated in the follow-up system.
15	City Council request the Director, Environment and Energy Division, to perform a one-time validation of those accounts that do not have a specific service address, with respective divisions and establish a baseline for future validation.	Management response was not updated in the follow-up system.

No.	Recommendation	Management Comments as of January 8, 2021
18	City Council request the Director, Environment & Energy Division, to review other utility payments for address reconciliations and to implement similar controls as recommended for hydro service payments.	Management response was not updated in the follow-up system.

Service Area: Infrastructure and Development

Division: City Planning

Report Title: City Planning Division-Community Benefits Secured Under Section 37 or 45 of The Planning Act
Report Date: 3/31/2011

No.	Recommendation	Management Comments as of January 8, 2021
1	The Chief Planner assess the status of community benefits secured since amalgamation (January 1, 1998) under Sections 37 and 45 of the Planning Act to provide an appropriate level of assurance that all cash and significant non-cash benefits that should have been received, have been received and report any uncollectible benefits to Council.	In August 2019 City Planning reported on outstanding Section 37 funds for the period from 2008 to 2017. The report identified five developments for which Section 37 payments to the City, totalling $701,387 (0.17% of all community benefits funds received from 2008–2017), were due and/or no record of payment had been found. Following the August report, City staff continued to work on collecting outstanding funds and in October of 2019 reported that: • In two cases, the development corporations had committed to making a payment as soon as reasonably possible. • In a third case, the original owner advised that the development had been transferred to another development corporation. Attempts to contact the alternate developer were made, but have not lead to payment. Since the October 2019 report, City staff continued with collection activities and further reported to Council on January 29, 2020 the additional balances received as follows: • Receipt of an outstanding balance for $3,387.44 • An offer by an individual (one of the 3 partners in the now dissolved company) and a payment of $100,000 on behalf of a development company he once co-owned, but has since been dissolved which through Council's adoption of the report accepted partial payment of the outstanding balance. • Despite ongoing attempts by City staff, there has been no reciprocal communications from any of the

No.	Recommendation	Management Comments as of January 8, 2021
		remaining developers with outstanding Section 37 contributions.

Management is of the opinion it undertook due diligence in reaching out to the developers that owed funds. In light of revised business processes future funds should all be collectable. Analysis confirms that since 2011, there have been no further instances of non-payment of community funds. |

Division: Municipal Licensing and Standards

Report Title: A Review of Municipal Licensing and Standards Division's Management of Business Licences - Part One: Licence Issuance, Inspection and Complaint Investigation Functions
Report Date: 10/24/2017

No.	Recommendation	Management Comments as of January 8, 2021
2	City Council request the Executive Director, Municipal Licensing and Standards Division, to review and improve the effectiveness and efficiency of the existing proactive inspection process. Steps to be considered should include: a. Develop and implement proactive inspection frequency by the type of business licences based on risks and enforcement history. b. Ensure adequate supporting documentation on proactive inspections is retained to ensure the inspections are conducted in a consistent and equitable manner to all licensees and for quality assurance monitoring purpose.	Business Licence Enforcement has finalized and implemented a series of standard operating procedures to support enforcement decisions relating to proactive enforcement and frequency of enforcement based on risk assessment. Standard Operating Procedures also provide guidance on documentary evidence building. Updated officer training continues to be rolled out.

Further, prioritization projects are underway within Business Licence Enforcement to develop a priority matrix rating system to objectively rank work areas and better deploy resources.

DataMart (BI tool) launched in Q4 2019. |

Report Title: A Review of Municipal Licensing and Standards Division's Management of Business Licences - Part Three: Eating Establishments and Nightclubs
Report Date: 10/24/2017

No.	Recommendation	Management Comments as of January 8, 2021
3	City Council request the Executive Director, Municipal Licensing and Standards Division, to develop and implement a risk-based follow-up inspection processes after licence issuance that will require officers to visit selected eating establishments	In April 2019 a High Risk B71 Establishment protocol was established that resulted in Bylaw Enforcement attendance at Eating or Drinking establishments based on questions during application. The officer undertakes an inspection of the business, provides education of key issues such as noise, DineSafe, Good Neighbour and Chapter 545 requirements.

No.	Recommendation	Management Comments as of January 8, 2021
	to confirm they are not offering nightclub services and settings in violation of their approved eating establishment licence.	

Division: Toronto Building

Report Title: Toronto Building Division - Building Permit Fees, Improving Controls and Reporting
Report Date: 1/23/2012

No.	Recommendation	Management Comments as of January 8, 2021
2	City Council request the City Manager formalize service level agreements with key divisions supporting the Toronto Building Division permit process. Service level agreements should set forth anticipated service levels and applicable charges.	Toronto Building has now established a service level agreement (SLA) or a Memorandum of Understanding (MOU) with the following key Divisions supporting Toronto Building in the permit process: • Information and Technology Division • Toronto Fire Services • 311 Toronto Establishment and maintenance of the annual cost recovery for these divisions is managed through the Inter-Divisional Charges (IDC) and Recoveries (IDR) process, in accordance with Operating Budget policies.

Report Title: Toronto Building - Improving the Quality of Building Inspections
Report Date: 1/15/2014

No.	Recommendation	Management Comments as of January 8, 2021
2	City Council request the Chief Building Official and Executive Director to take the appropriate action to develop and implement an action plan to resolve dormant permits and priority be given to those with unresolved violations.	As part of Toronto Building's dormant permit action plan, a dedicated enforcement team is taking the lead in working with all districts to close open permits. Divisional staff are utilizing a new tracking tool to close outstanding dormant permits with violations. To further assist the timely closure of permits, the Division has fully implemented an Introductory Inspection service. Under this program, an area inspector visits the site at the beginning of a project to go over what the responsibilities are for the homeowner/builder, emphasizing their responsibility to meet the requirement to close the permits once the work is completed.
3	City Council request the Chief Building Official and Executive Director review the current administrative process and the controls related to outstanding	The Division has established a program of ongoing supervisory review of all outstanding violations. Unsafe orders are identified in the Division's new tracking tool. In addition to Inspection Managers conducting supervisory

No.	Recommendation	Management Comments as of January 8, 2021
	violations. Such a process ensure that there is ongoing supervisory review of all outstanding violations. In particular, the review should include an immediate evaluation of "unsafe orders" and, where appropriate, immediate action be taken.	reviews, outstanding violations are reviewed at monthly Inspection Coordinating Team meetings.
7	City Council request the Chief Building Official and Executive Director to ensure compliance with inspection documentation standards and that all inspection records are complete and reliable.	Toronto Building has amended its Inspection Audit Policy A-60b, to align with the Auditor General's recommendation. The policy requires that management staff include a review of inspection notes and records entered into IBMS by building inspectors when completing inspection audit reviews. The revised policy now requires audits be performed at least twice each year.

Division: Toronto Fire Services

Report Title: Toronto Fire Services - Improving the Administration and Effectiveness of Firefighter Training and Recruitment
Report Date: 09/16/2013

No.	Recommendation	Management Comments as of January 8, 2021
3	City Council request the Fire Chief and General Manager, Fire Services Division, to take the necessary steps to evaluate the goals and activities of the Professional Development and Training Division. Such steps should include but not be limited to: a. Developing and using relevant and consistent key performance indicators that are aligned with the strategic goals of the Fire Master Plan; b. Determining the reporting requirements of training goals and activities, such as content, frequency, and recipients; and c. Ensuring necessary tools and information for measuring, monitoring and reporting activities consistently are available.	As part of the CFAI Accreditation process, parts a & b of this recommendation were completed through the development of the training division service plan and resulting appraisal. The final step to closing out this item was to ensure KPIs related to training were reported out to the executive management team dynamically. TFS has developed and rolled out its inaugural Training KPI dashboard. This was developed jointly with TFS' ELI lead, the Office of the Fire Chief and TFS' analytics team.
22	City Council request the Fire Chief and General Manager, Fire Services Division, to undertake a detailed review of National Fire Protection Agency's standard on Recommended Practices for Fire Service Training Reports and Records to ensure Toronto Fire	In 2019, TFS launched a research project and in-depth analysis of NFPA 1401. The research focused on comparing NFPA record standards to TFS' internal training records process. TFS' training records practices are in line with these requirements.

No.	Recommendation	Management Comments as of January 8, 2021
	Services' standard operating guidelines are aligned with recommended practices, where appropriate, and standard operating guidelines are updated accordingly.	
25	City Council request the Fire Chief and General Manager, Fire Services Division, to develop and implement a records management policy. The policy should include, but not be limited to: a. Ensuring standard operating guidelines dealing with records management practices and procedures are consistent and align with City policies; and b. Ensuring standard operating guidelines are complied with, such as obtaining and maintaining all required documentation on file.	In 2019, TFS seconded a project team (independent from reporting structures within training) to conduct a process mapping and improvement project regarding internal training records. As part of this project, the standard operating guidelines pertaining to training records management policy were reviewed and tested to ensure compliance.
26	City Council request the Fire Chief and General Manager, Fire Services Division, to develop and implement a quality assurance process to verify the completeness, accuracy, and consistency of training records and ensure internal guidelines are followed.	In 2019, TFS seconded a project team (independent from reporting structures within training) to conduct a process mapping and improvement project regarding internal training records. As part of this project, the quality assurance elements of the business process mapping pertaining to the training records management policy were reviewed and tested to ensure compliance.
31	City Council request the Fire Chief and General Manager, Fire Services Division, to ensure controls are implemented that provide for timely, complete, and accurate data entry. Further, controls should include a data entry verification process.	In 2019, TFS seconded a project team (independent from reporting structures within training) to conduct a process mapping and improvement project regarding internal training records. As part of this project, TFS analyzed the controls currently in place for data verification of training records and were validated to ensure training record data flows are robust.