

MANAGEMENT ACTION PLANS FOR HIGH PRIORITY AUDITOR GENERAL'S RECOMMENDATIONS REPORTED AS NOT FULLY IMPLEMENTED

Division: Customer Experience (311)

Report Title: 311 Toronto - Full Potential For Improving Customer Service Has Yet To Be Realized (2011)

No.	Recommendation	Management Final Response for Follow-up Report
#2	City Council request the Deputy City Managers, in consultation with the Director of 311, to conduct a comprehensive review of business processes of the call centers operated by Solid Waste Management, Municipal Licensing and Standards, and Urban Forestry, with a view to streamlining processes to effect a consolidation of operations.	<p>An informal business process review of the functions performed within the call centers operated by Solid Waste Management, Municipal Licensing and Standards, and Urban Forestry will begin later this year. These call centers provide functional services such as dispatching and Tier 2 escalation services.</p> <p>However, a comprehensive customer service review will be conducted that will assist in identifying how all Tiers across the City are coordinated and consolidated to ensure that the delivery of customer service is consistent across all divisions. This review will be completed by Q3 of 2024 and will provide a roadmap of any additional consolidations that could possibly take place.</p>
#3	City Council request the Director, 311 Toronto Division, in consultation with the General Managers/Executive Director of Solid Waste Management, Transportation Services, Toronto Water, Municipal Licensing and Standards, and Parks, Forestry and Recreation, to improve the service request status information such that customers are provided with accurate and clear status information on-line.	<p>The City has now selected a software of choice and is moving forward with it as an Enterprise-Wide solution for the Customer Relationship Module (E-CRM). As the Customer Experience Division (CXD)/311 Toronto proceeds with phase 2 of the implementation of the E-CRM, it will become easier for partner divisions to populate and share status updates.</p> <p>CXD has partnered with Transportation Services to pilot a streamlined process that will provide the most recent, relevant, and timely information available to residents on their service requests. It is anticipated that this recommendation will be implemented by Q4 of 2023. With an eventual rollout to other divisions as they roll out their new work order management systems.</p>

Division: Accounting Services

Report Title: City Purchasing Card (Pcard) Program - Improving Controls Before Expanding the Program (2009)

No.	Recommendation	Management Final Response for Follow-up Report
#18	The Treasurer develop and implement strategies to promote and expand the use of PCards by	At this time, divisions continue to be encouraged to use Purchasing Cards (PCards) to make payments, where appropriate. Use of PCards has been incorporated into the

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	<p>City divisions. Such strategies should include, but not be limited to:</p> <ul style="list-style-type: none"> a. Analyzing divisional purchasing patterns to identify potential areas for expansion; b. Developing and implementing measures to increase the use of PCards by divisions; c. Setting performance goals for the City based on the number of participating divisions and yearly PCard purchase volume. 	<p>process flow work associated with the Financial System Transformation Project.</p> <p>In addition, recent changes to the City's Business Expense Policy mandate the use of PCards for business expenses in place of reimbursements to employees. No further work will be performed by Accounting Services in relation to the use of PCards.</p> <p>Expected completion date: September 30, 2024.</p>

Division: Accounting Services

Report Title: Review of The Management of the City's Divisional Accounts Receivable (2012)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>City Council request the City Manager to review the current management of all City-wide receivables. Such a process should be a part of the ongoing shared service review. The review should include an evaluation of centralizing the collection efforts of all outstanding receivables.</p>	<p>The Accounts Receivable function previously executed by Accounting Services was moved to Revenue Services in May, 2021. The service to cash stream, which incorporates the Accounts Receivable function has been incorporated into the financial system transformation project. Through this project, business process reviews and full system integration will result in one authoritative financial system, with standardized and streamlined processes.</p> <p>Implementation of the new financial system is planned for mid to late 2024.</p>
#3	<p>City Council request the Treasurer to review current SAP management reports pertaining to the management of receivables. The reports should contain relevant and current information and include performance management information.</p>	<p>The Accounts Receivable function previously executed by Accounting Services was moved to Revenue Services in May, 2021. The service to cash stream, which incorporates the Accounts Receivable function has been incorporated into the financial system transformation project. Through this project, business process reviews and full system integration will result in one authoritative financial system, with standardized and streamlined processes.</p> <p>Implementation of the new financial system is planned for mid to late 2024.</p>
#7	<p>City Council request the Treasurer to assess the feasibility of using the City SAP Financial System to the</p>	<p>The Accounts Receivable function previously executed by Accounting Services was moved to Revenue Services in May, 2021. The service to cash stream, which incorporates</p>

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	<p>fullest extent in tracking actions taken on customer accounts sent to Legal Services and collection agencies.</p>	<p>the Accounts Receivable function has been incorporated into the financial system transformation project. Through this project, business process reviews and full system integration will result in one authoritative financial system, with standardized and streamlined processes.</p> <p>Implementation of the new financial system is planned for mid to late 2024.</p>

Division: City Manager

Report Title: Cost Benefits of Extended Warranties for Construction Projects Are Unknown (2014)

No.	Recommendation	Management Final Response for Follow-up Report
#3	<p>City Council request the City Manager develop warranty documentation standards and reports to improve information tracking and communication between staff.</p>	<p>Transportation Services, Toronto Water, Facilities Management, Solid Waste Management Services, Engineering & Construction Services.</p> <p>Parks, Forestry and Recreation (PFR)'s "Project Tracking Log" has been updated to include project status fields for "Under Warranty" projects including "Warranty Expiration Date", "Warranty Review Meeting" and "Warranty Close-out Documents".</p> <p>Project status meetings are held every 6-8 weeks and include warranty meetings to ensure staff have collected proper warranty close-out documentation. Warranty meeting minutes are saved in the digital project folder and deficiencies are tracked by the consultant and staff to ensure they are addressed.</p> <p>In Q3 2022, PFR Construction Management established a Business Operations Support Unit to advance the development and implementation of improved business processes. This group is responsible for formalizing a project intake process, establishing a new project tracking system to replace PFRAMS (in consultation with other divisions), and working closely with PFR's Enterprise Work Management team to develop a comprehensive system for asset data management (including warranty) and work order management. This group is reviewing the effectiveness of the current warranty documentation and tracking systems, and addressing any gaps to ensure the new system is capable of tracking warranty information and documentation and providing detailed reports.</p> <p>Full completion of this work is anticipated by end of Q2 2023.</p>

Division: Corporate Real Estate Management

Report Title: Maintenance and Administrative Controls Review – Facilities and Real Estate (2005)

No.	Recommendation	Management Final Response for Follow-up Report
#4	<p>The Deputy City Manager and Chief Financial Officer give priority to the completion of an implementation plan for facilities maintenance standards including:</p> <p>(a) a process to monitor compliance with legislative requirements;</p> <p>(b) funding, staffing and operational requirements of the Facilities and Real Estate Division and all other City divisions;</p> <p>(c) the development of specific facilities maintenance standards, if necessary, for speciality facilities such as water treatment plants and arenas; and</p> <p>(d) timelines for implementation.</p>	<p>A preventative maintenance program has been implemented for facilities under the oversight of Corporate Real Estate Management (CREM). This is being rolled out across various maintenance categories and locations, and standards are being developed where applicable.</p> <p>A quality assurance program is under development, a component of which will be to ensure compliance to standards and process, again mainly focused on facilities and services under the management of CREM.</p> <p>Funding and resource requirements are being managed and adjusted through the annual budget processes to ensure sufficient resources are available to carry out this work.</p> <p>For Fire and Life Safety maintenance, this work has already been rolled out City-wide. For the remainder of CREM services, a City-wide roll out will happen once the City-wide Real Estate mandate is fully implemented. This is expected to occur over the next 3 years. Expected completion: March 31, 2025.</p>
#13	<p>The Deputy City Manager and Chief Financial Officer take appropriate steps to:</p> <p>(a) determine the complete state of good repair backlog for all City-owned buildings;</p> <p>(b) develop City-wide funding priorities for the state of good repair backlog; and</p> <p>(c) ensure that approved capital projects are completed on a timely basis.</p>	<p>a. Through the annual capital budget process, the Financial Planning Division consolidates the State of Good Repair (SOGR) backlog for each City division and prepares a briefing note on this. Within this briefing note the complete, City-wide, SOGR backlog is provided. The detailed support for this is submitted through each Divisional capital budget submission and stored within the Financial Planning Division. This portion of the recommendation has been implemented.</p> <p>b. The City's Asset Management policy was approved by Council in June 2019 and effective since July 2019, as required by Provincial legislation. Further strategies will come forward through the 2024 budget process to enhance asset management planning across all asset categories, address funding issues and determine strategies to address remaining SOGR challenges.</p> <p>c. The AG's office has indicated that a City-wide strategy should be developed to ensure improvements are realized throughout City divisions and programs related to capital project completion. This will require coordination with the City's corporate financial leads, and CREM can support these efforts in developing these plans. Currently through the quarterly variance report all Divisions report on progress on major capital projects.</p>

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		Expected completion: March 31, 2025.
#14	<p>The Deputy City Manager and Chief Financial Officer ensure that a database of the physical condition of all City-owned buildings is developed and forms the basis for a long-term capital plan. In addition, building condition assessments should be completed for all City-owned buildings using criteria based on industry standards and best practices developed by the Facilities and Real Estate Division.</p>	<p>CREM has accomplished all items within this recommendation for facilities under the Divisions' direct oversight. The Division is currently planning to procure services to enhance what exists today, and to be able to scale its processes and procedures across all City-owned buildings.</p> <p>The objectives outlined within the City-Wide real-estate model includes consolidated oversight of facilities asset management under the jurisdiction of CREM.</p> <p>The timeline for completion of this recommendation is dependent on the adoption and implementation of all aspects of the City-wide real estate model, expected to be completed over the next 3 years. Expected completion: March 31, 2025.</p>
#16	<p>The Deputy City Manager and Chief Financial Officer take appropriate steps to establish a maintenance plan for each City building that:</p> <p>(a) includes both capital and operating repairs for current and future years;</p> <p>(b) addresses building deficiencies identified in building condition assessments; and</p> <p>(c) effectively coordinates maintenance and repair activities between the Design, Construction and Asset Preservation and Facilities Operations Units of the Facilities and Real Estate Division.</p>	<p>CREM has accomplished all items within this recommendation for facilities under the Divisions' direct oversight. In order to implement this recommendation, the practices CREM employs needs to be implemented across all City owned buildings. The objectives outlined within the City-Wide real-estate model includes consolidated oversight of all City facilities under the jurisdiction of CREM. The timeline for completion of this recommendation is dependent on the adoption and implementation of all aspects of the City-wide real estate model, expected to be completed over the next 3 years. Expected completion: March 31, 2025.</p>
#17	<p>The Deputy City Manager and Chief Financial Officer ensure that all necessary building information is incorporated into the SAP Plant Maintenance and Asset Management Modules to assist in maintenance planning and repair decisions and provide a record of regulatory inspections.</p>	<p>CREM has effectively completed an asset tagging initiative that has allowed for detailed records of all key building assets to be stored in the City's SAP Plant Maintenance system. This has been integrated with CREM's current work order tools to ensure asset records are continually updated and maintenance records are developed by asset, including regulatory inspections and maintenance.</p> <p>The scope of this project covered all facilities under CREM's SOGR oversight (approx. 400). Asset tagging and maintenance tracking will become a standard within CREM and this will be applied to facilities that come under its oversight over the next 3 years through the implementation</p>

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		<p>of the City-Wide Real Estate mandate. Expected completion: March 31, 2025.</p> <p>For the City's fire and life safety systems, the City has implemented a system and processes within the newly formed Fire and Life Safety team in CREM to track maintenance and inspection records of these key assets, City-wide.</p>

Division: Corporate Real Estate Management

Report Title: A Mid-Term Review of the Union Station Revitalization: Managing Risks in a Highly Complex Multi-Year, MultiStage, Multi-Million Dollar Project (2012)

No.	Recommendation	Management Final Response for Follow-up Report
#6	<p>City Council request the City Manager to ensure that the responsible City division develop and implement, for all significant and complex capital projects, an enhanced process for assessing and managing project risks. The risk assessment should be comprehensive prior to the start of the project and be continuously reviewed and updated</p>	<p>A stage gating process is included in the corporate Capital Budget directions and manual for 2019. All Divisions and programs are expected to be follow this approach based on these guidelines and directions. Further work is being done to ensure major projects are reviewed and on a periodic basis in a uniform manner across the City.</p> <p>This recommendation cannot be fully implemented until there are major projects available to flow through all phases of process, and it can be demonstrated that project risks are assessed and managed through all phases of the project. The phased approach that has been developed is currently being applied to the Relocation of Etobicoke Civic Centre project, therefore this recommendation will remain outstanding until the completion of this project.</p> <p>Expected completion: December 31, 2025</p>

Division: Corporate Real Estate Management

Report Title: Facilities Management – Security and Safety Improvements Required (2015)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>City Council request the Chief Corporate Officer to develop a plan to complete a review of physical security at all City facilities using a risk based approach and to address any deficiencies found during the review.</p>	<p>A plan has been completed and will be submitted for review in 2023.</p> <p>The plan provides on-site physical security audits for City facilities based upon a risk rating and current resources.</p> <p>Physical security continues to be currently reviewed at City sites in a number of ways including: site security audits, preventative maintenance reviews, divisional security plan</p>

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		updates, penetration tests, and security incident reporting and reviews.
#7	City Council request the Chief Corporate Officer to run reports to identify inactive access cards and upon review, cancel user access as required.	A daily SAP report is used to ensure inactive employees have their security access disabled. A capital project providing access to divisional management staff contacts to run reports and validate employee data (Self-Serve application) is also being implemented by Technology Services. The implementation of this project was affected by the COVID response and planned implementation is 2024.
#10	City Council request the Chief Corporate Officer to review the current level of mobile patrolling activity to determine if it adequately meets requirements and propose options for the actions, if any, necessary to satisfy the security needs.	<p>A plan has been completed and will be submitted for review in 2023.</p> <p>The level of mobile patrolling will be commensurate with the risk rating, while taking into account provided staffing resources.</p> <p>Currently, adjustments are being made to the proactive mobile security patrolling based upon seasonality of City services, site criticality, past incidents, and security management feedback.</p>

Division: Corporate Real Estate Management

Report Title: Audit of City Cleaning Services – Part 1: Opportunities to Control Costs, Improve Productivity and Enhance Quality of Cleaning Services (2016)

No.	Recommendation	Management Final Response for Follow-up Report
#1	City Council request the General Manager, Facilities Management to ensure all current cleaning routines, as well as any future adjustments to cleaning routines, are benchmarked with industry standard cleaning times.	All cleaning routines have been benchmarked to the globally recognized International Sanitary Supply Association (ISSA) standard. Any future adjustments to cleaning routines will be aligned with the ISSA standard. Using this benchmark, the custodial team developed a site-specific tool called a Duty List to operationalize cleaning routines. A Duty List details the work a cleaner must perform for each building. And when followed, it ensures cleaners are performing work to ISSA standards. The use of Duty Lists has been implemented in several buildings and the balance is expected to be completed by the end of 2023.
#3	City Council request the General Manager, Facilities Management to validate the available measurements in accordance with the established corporate procedure.	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management’s assertion will be verified in a subsequent follow-up.)</p> <p>The custodial team has successfully developed a procedure to measure cleanable areas.</p>

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		<p>This procedure was used to validate all available measurements. Where measurements were not available, the custodial team manually measure the space. All cleanable space currently cleaned by Facilities Management (FM) has been validated to be consistent with FM's measurement methodology. As for sites that are cleaned by external contractors, FM receives the cleanable area data as part of the call to ensure compliance with our established in-house approach.</p>
#4	<p>City Council request the General Manager, Facilities Management to:</p> <p>a. Implement a process to ensure that a complete and accurate inventory of City facilities receiving custodial services is centrally maintained.</p> <p>b. Ensure the centralized data source includes all relevant information, including labour costs, to effectively monitor performance of custodial services and support operating decisions made by executive management as well as operational managers and supervisors.</p> <p>c. Establish a protocol for ensuring data is kept accurate and up-to-date for each City facility.</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management's assertion will be verified in a subsequent follow-up.)</p> <p>a. Facilities Management has established a process to ensure an accurate inventory of City facilities receiving custodial services. This process centralizes all updates to a dashboard that is maintained by authorized admin staff to ensure data integrity.</p> <p>b. The custodial data in Corporate Real Estate Management (CREM)'s centralized dashboard are relevant and comprehensive. Custodial is working with Business Process Solutions to implement the use of work orders by its staff. Once implemented, Custodial Supervisors can select data elements to produce custom reports that support the monitoring of custodial performance and operational decision-making. In the interim, the custodial team uses monthly labour cost reports, monthly budget data, and service level complaints to monitor cleaning performance and make data-driven decisions.</p> <p>c. CREM has successfully established a protocol to ensure data accuracy is maintained.</p> <p>Expected completion: June 30, 2023</p>
#5	<p>City Council request the General Manager, Facilities Management to effectively workload each City facility receiving cleaning services, either in-house or contracted. Such undertaking to include actions to:</p> <p>a. ensure accurate operational data is available.</p> <p>b. workload each facility by applying current industry standard cleaning times and tasks.</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management's assertion will be verified in a subsequent follow-up.)</p> <p>All cleaning routines have been benchmarked to the globally recognized International Sanitary Supply Association (ISSA) standard. Any future adjustments to cleaning routines will be aligned with the ISSA standard. Using this benchmark, the Custodial team developed a site-specific tool called a Duty List to operationalize cleaning routines. A Duty List details the work a cleaner must perform for each building. And when followed, it ensures cleaners are performing work to ISSA standards. The use of Duty Lists has been implemented in several buildings</p>

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	c. schedule the cleaning workforce in accordance with the estimated workload.	and the balance is expected to be completed by the end of 2023.
#6	City Council request the General Manager, Facilities Management to assess and define the level of cleanliness that can be associated with each level of cleaning service in the Custodial Standard Service Model.	<p>Facilities Management has defined the new cleaning procedures based on the International Sanitary Supply Association (ISSA) Standards.</p> <p>The new cleaning procedures will be consistently applied across in-house and contracted locations by Q2, 2023. A quality assurance method has been implemented on the externally contracted sites. For internal sites, work is in progress to develop a Quality Assurance (QA) program solution. Custodial now has a Quality Assurance Supervisor to perform physical inspections of all sites, internal and external.</p>
#7	City Council request the General Manager, Facilities Management to ensure each client group is provided with information about the cleaning service level they are receiving relative to the Custodial Standard Service Model and the associated costs of services provided. Such information be used to examine the opportunities to achieve more economical cleaning services.	<p>Facilities Management has adopted the International Sanitary Supply Association (ISSA) as the standard to benchmark its cleaning service levels. The custodial team developed a site-specific tool called a Duty List that itemizes the cleaning services delivered to the client. The intention is to send clients a copy of their site-specific Duty List to inform them of the service level they are receiving. The cost of custodial services will be provided to clients at the scheduled quarterly meetings.</p> <p>Expected completion: December 31, 2023</p>
#8	City Council request the General Manager, Facilities Management to ensure that appropriate operational planning for cleaning services is performed to ensure workloads are based on a reasonable estimation of the productive labour hours of the workforce.	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management's assertion will be verified in a subsequent follow-up.)</p> <p>All cleaning routines have been benchmarked to the globally recognized International Sanitary Supply Association (ISSA) standard. Any future adjustments to cleaning routines will be aligned with the ISSA standard. Using this benchmark, the custodial team developed a site-specific tool called a Duty List to operationalize cleaning routines. A Duty List details the work a cleaner must perform for each building. And when followed, it ensures cleaners are performing work to ISSA standards.</p> <p>Expected completion: June 30, 2023</p>
#9	City Council request the General Manager, Facilities Management to identify, monitor, and report on key performance metrics on a regular basis relative to internal and external benchmarks for the purposes of regularly assessing the	KPIs & expected outcomes have been established for external vendors. A vendor performance dashboard has been successfully developed and is currently in use. Monthly quality control reporting is being provided by external vendors and monthly operational review is conducted with the vendors.

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	effectiveness and efficiency of cleaning services.	<p>For internal sites, the custodial team is currently in the process of identifying key performance metrics and validating potential Quality Assurance (QA) program solutions. Custodial has filled the role of a Quality Assurance (AR) Supervisor to perform physical inspections of all sites, internal and external. In the interim, the custodial team uses monthly labour cost reports, monthly budget data, and service level complaints to assess the effectiveness and efficiency of cleaning services.</p> <p>Expected completion: December 31, 2023</p>
#10	City Council request the General Manager, Facilities Management to implement a program of quality assurance inspections of cleaning services to be deployed across the City and adopted consistently by the Facilities Management Division.	<p>Our cleaning vendors have implemented quality assurance software. All CREM contracted sites are audited on a monthly basis and reports are provided to FM for review. For internally managed sites custodial has recently filled the role of a Quality Assurance (AR) Supervisor to perform physical inspections of all sites, internal and external. Quality Assurance (QA) program solutions are currently being reviewed and full implementation is expected by the end of 2023.</p>
#12	City Council request the General Manager, Facilities Management to plan, implement and incorporate the results of customer satisfaction surveys to improve custodial services delivery.	<p>As a prerequisite to improving custodial service delivery based on customer feedback, Facilities Management (FM) must first conduct a client satisfaction survey. To do so, FM needs more City staff to return to work locations to act as respondents. However, most divisions are on site only twice a week with no estimated time on when this will change.</p> <p>As a result, FM has placed this recommendation on hold until there is sufficient time for the return-to-work policy to take effect and to understand new occupancy levels and usage so a survey can produce meaningful data.</p> <p>Expected completion: December 31, 2024</p>

Division: Corporate Real Estate Management

Report Title: Audit of City Cleaning Services – Part 2: Maximizing Value from Cleaning Contracts (2016)

No.	Recommendation	Management Final Response for Follow-up Report
#15	City Council request the General Manager, Facilities Management to complete a service review of all current cleaning contracts including an analysis of their cost effectiveness. The results of such review to be reported to	<p>Corporate Real Estate Management (CREM) reported the results of a preliminary review of its cleaning contracts at the time to GMC on November 13, 2017 (report GM23.18). Standardization of custodial contracted services were improved through contracts awarded in 2020. This will be further improved through refinement of those contracts and the potential for new agreements to be put in place in the next year.</p>

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	Government Management Committee.	Furthermore, the pandemic has limited CREM's ability to fully make these improvements and assess the cost effectiveness of cleaning contracts. Cleaning needs, building usage and the uncertainty that the pandemic has brought on is the cause of this delay. As we transition out of the pandemic, and improve standards and services, a more fulsome analysis of the cost effectiveness of cleaning contracts will be completed and reported to General Government Committee, expected in 2024.

Division: Corporate Real Estate Management

Report Title: Real Estate Services Division - Restore Focus on Union Station Leasing (2017)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>City Council request the Chief Corporate Officer to:</p> <p>a. determine the City's measurements at Union Station (as at January 1, 2010) and assess the impact of significant changes to the following measurements for each year after 2010:</p> <ol style="list-style-type: none"> 1. rentable area (occupied and vacant); 2. common areas and facilities; 3. common use equipment; 4. areas used for municipal purposes; and 5. areas under construction; and <p>b. ensure that current measurements are maintained and used for annual settlement purposes.</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management's assertion will be verified in a subsequent follow-up.)</p> <p>Measurements have been completed to an industry-accepted standard as has the Standard Operating Procedures for maintaining the accuracy and currency of information. Information will be compiled and collated following a final internal review.</p>
#2	<p>City Council request the Chief Corporate Officer, in consultation with the City Solicitor, to determine the appropriate action to take to settle the accounts related to the retail operations at Union Station for the period from 2010 to 2015.</p>	<p>Corporate Real Estate Management (CREM) has undertaken an external audit to ensure that lease related revenue during the period is accounted for in pursuit of developing a reliable audit opinion on which the City can determine both the level of recovery and strategy to ensure payment is collected.</p> <p>The audit is being reviewed and validated with updated measurements in order to finalize any level of recovery to pursue and collection strategy necessary. This review is anticipated to be complete by July 31, 2023.</p>

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#5	<p>City Council request the Chief Corporate Officer to:</p> <p>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</p> <p>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.</p>	<p>Legal Services has clarified interpretation on direct vs Common Area Maintenance (CAM) cost recoveries under the Head Lease Agreement to ensure a singular and mutually accepted interpretation of the relevant provisions.</p> <p>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 the lessee. Accurate and up-to-date measurement information about occupancy in Union Station has been completed in order to reflect actual outstanding amounts and will be submitted after a final internal review.</p> <p>Expected completion: July 31, 2023</p>
#6	<p>City Council request the Chief Corporate Officer to annually review and update lease data for each occupant at Union Station in the City's financial information system.</p>	<p>CREM has developed and implemented a lease reconciliation process that operates annually to review Union Station agreements with responsibility to pay utilities and/or percentage rents based on shared common area costs.</p> <p>Outstanding reconciliations for all tenants have been brought current and lease data has been inputted to the City's financial system (SAP). Standard Operating Procedures have been developed and will be submitted for closure after a final internal review. Evidence of ongoing reconciliations will also be provided by July 31st, 2023.</p>
#7	<p>City Council request the Chief Corporate Officer, in consultation with the Director, Accounting Services, to develop and implement a process to periodically review the accuracy and completeness of Union Station leasing receivables and revenues recorded in the City's financial information system.</p>	<p>CREM, in consultation with Accounting Services, have reviewed historical revenues recorded in the financial system (SAP) and reconciled the tenant's customer account to the current receivable/payable balance. CREM relies on the City's Accounting Services division to manage receivables. Standard Operating Procedures have been developed and will be submitted for closure after a final internal review. Evidence of ongoing reconciliations will also be provided.</p> <p>Expected completion: August 31, 2023</p>
#8	<p>City Council request the Chief Corporate Officer to ensure the estimated Union Station operating costs are calculated annually and each occupant is notified of their required monthly installment payment towards rents and recoveries.</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management's assertion will be verified in a subsequent follow-up.)</p> <p>CREM has developed and implemented an annual lease reconciliation process to ensure that operating costs subject to tenant recovery are appropriately calculated, documented and collected in compliance with the terms of each agreement.</p> <p>The process includes expressing the allocation of recoverable operating costs in monthly increments and use of standard account collection processes to affect recovery</p>

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		<p>within a timely fashion (i.e., 30 days). Evidence of ongoing reconciliations has been presented with a completed Standard Operating Procedure to ensure ongoing monitoring and collection of operating costs.</p>
#11	<p>City Council request the Chief Corporate Officer, in consultation with the Financial Planning Division, to develop and implement a comprehensive financial model to annually evaluate the financial performance of the commercial operations in Union Station.</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management’s assertion will be verified in a subsequent follow-up.)</p> <p>A model has been supplied by an external consultant and the work to document the annual process has been completed.</p>
#12	<p>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.</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management’s assertion will be verified in a subsequent follow-up.)</p> <p>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).</p> <p>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 reconciliation process and used to allocate operating costs to the Union Station’s tenants.</p> <p>The cost allocation model has been supplied and implemented. Management has provided the corresponding standard operating practice to fulfill this related recommendation.</p>
#13	<p>City Council request the Chief Corporate Officer to determine the proportionate share of property taxes payable by each occupant at Union Station relative to the annual property tax bill.</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management’s assertion will be verified in a subsequent follow-up.)</p> <p>The process of calculating and allocating the proportionate share of property taxes is incorporated into the annual lease reconciliation process for all current occupants at Union Station.</p> <p>Up-to-date measurements have been taken and utilized to accurately determine the property taxes recovery in order to fully address the recommendation. Management has provided evidence of ongoing reconciliations as well as a</p>

No.	Recommendation	Management Final Response for Follow-up Report
		Standard Operating Procedure to ensure ongoing monitoring and collection of property taxes.
#15	City Council request the Chief Corporate Officer to develop formal policies and procedures to perform periodic reviews of budgets and actual expenditures provided by the Head Lessee; reviews and explanations for variances should be documented and retained.	CREM has developed a financial reporting framework that catalogues the required financial reporting, payments, receivables, and supporting documentation that is required within the Head Lease Agreement for each fiscal year. This includes a quarterly management report review process that requires comprehensive financial variance analysis, explanation, and corrective action commitment. Business processes have been developed, and a Standard operating procedure has been completed for submission following a final internal review to be completed by July 31, 2023.
#18	City Council request the Chief Corporate Officer to review the City's rights under the Head Lease Agreement to enter into rental agreements with the Head Lessee for use of office space in Union Station and take the necessary actions to generate leasing revenue and recover operating costs.	The East Wing space was fully measured and a rent recovery analysis was completed. Staff have determined that a gross rent amount to recover operating costs for the East Wing will resolve the outstanding amount and not create any additional conflicts with the Head Lease Agreement provisions. However, negotiations are ongoing. The process is anticipated for completion by the end of the year (December 31, 2023).
#20	City Council request the Chief Corporate Officer to clarify and summarize the terms in the Head Lease Agreement that are significantly material or subject to interpretation so that quick reference summaries are readily available for City staff assigned to manage leasing at Union Station.	Legal services has advised that any summary should be heavily caveated to ensure that the summary is not regarded as a stand in for the full Head Lease Agreement provisions, due to the potential for misapplication of the Head Lease Agreement summary. Pending completion of amendments for commencement and restatement of the Head Lease Agreement, CREM and Legal services will re-evaluate the value and liability of a summary. CREM is engaging with Legal Services and the Tenant in hopes of completing the amendment by early 2024 (April 30, 2024).

Division: Corporate Real Estate Management

Report Title: Enhance Focus on Lease Administration of City-owned Properties (2018)

No.	Recommendation	Management Final Response for Follow-up Report
#6	City Council request the Director, Real Estate Services to establish a process to ensure the lease management system is accurately set up to automatically alert staff to: a. agreements where negotiations for the next term should commence	Corporate Real Estate Management (CREM) has implemented systems reporting and business processes to automatically identify the expiry of agreements with 6 months and 30 days of notice for referral to staff that coordinate renewal renegotiation before expiry. Where staff determine that the overhold rate is appropriate (relative to criteria detailed in Rec 5), the rate is applied and documented within the system. A Leasing Audit Committee has been formed to lend oversight to the business process.

No.	Recommendation	Management Final Response for Follow-up Report
	<p>in order to prevent unnecessary overholding; and</p> <p>b. charge the appropriate overhold rate upon agreement expiry, where appropriate; and take action to address expired agreements in a timely manner.</p>	<p>However, the documentation of the business process remains outstanding and is scheduled for completion by August 31, 2023.</p>
#7	<p>City Council request the Director, Real Estate Services, in consultation with other City Divisions that administer leases, to perform a complete review of all leases to:</p> <p>a. identify any accounts where percentage rents were missed and obtain all necessary financial information from occupants to calculate applicable percentage rents;</p> <p>b. identify any accounts where utilities (such as water, gas, and hydro), as well as all operating expense recoveries have been missed; and</p> <p>c. recover, where possible, any amounts that have gone unbilled or uncollected from prior periods.</p>	<p>CREM has developed and implemented a lease reconciliation process that operates annually to review accounts with responsibility to pay utilities and/or percentage rents based on shared common area costs.</p> <p>The initial implementation plan included a comprehensive review of all accounts to identify where cost allocation of utilities or percentage rents may have been missed.</p> <p>Going forward, the annual lease reconciliation process will operate within each fiscal year to ensure that allocated cost responsibilities are appropriately calculated, documented and collected in compliance with the terms of each agreement.</p> <p>However, in a decentralized real estate model, similar work to conduct comprehensive lease reconciliations among the properties under management by various other divisions and agencies is outstanding and requires significant coordination. CREM is developing a plan to engage with the several divisions with leases to develop a work plan before the end of 2023.</p>
#9	<p>City Council request the Director, Real Estate Services, in consultation with other City Divisions that administer leases, to establish and implement a process, including appropriate monitoring controls, to ensure all utilities billed to the City that should be recovered from occupants in accordance with their respective agreements are recovered in a timely manner.</p>	<p>CREM has developed and implemented a lease reconciliation process that includes allocation of utility costs 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 utility cost responsibilities, document results of lease reconciliation exercises (including utility cost information utilized for calculation) and track/collect the resulting receivable within a 30-day expectation.</p> <p>However, in a decentralized real estate model, similar work to implement a process and controls for verified utility billing among the properties under management by various other divisions and agencies is outstanding and requires significant coordination. CREM is developing a plan to engage with the several divisions with leases to develop a work plan before the end of 2023.</p>
#10	<p>City Council request the Director, Real Estate Services, in</p>	<p>The work to review all properties with occupancy agreements to determine which (if any) should be provided</p>

No.	Recommendation	Management Final Response for Follow-up Report
	<p>consultation with other City Divisions that administer leases, to establish and implement a process to:</p> <p>a. review all properties with occupancy agreements to identify any space that needs to be assessed for property tax purposes and notify the Municipal Property Assessment Corporation accordingly; and</p> <p>b. ensure that when new occupancies are established on City-owned properties that the Municipal Property Assessment Corporation is notified promptly so that they can be assessed for property taxes.</p>	<p>to Municipal Property Assessment Corporation (MPAC) for assessment has been integrated into the annual lease reconciliation process.</p> <p>All new agreements or renewals are identified for initial review by the tax services team who identify criteria such as agreement type, term and the lessor / lessee arrangement to determine if the agreement should be sent to MPAC for review and tax status determination.</p> <p>However, in a decentralized real estate model, similar work to integrate the MPAC assessment review among the properties under management by various other divisions and agencies is outstanding and requires significant coordination. CREM is developing a plan to engage with the several divisions with leases to develop a work plan before the end of 2023.</p>
#14	<p>City Council request the Director, Real Estate Services, in consultation with any City divisions managing leases, to:</p> <p>a. identify all City-owned properties where a cost allocation model is required to allocate the appropriate proportionate share of operating costs to respective occupants;</p> <p>b. develop a cost allocation model that clearly defines how annual operating costs will be allocated to and recovered from the respective occupants including details on the type and source of information for appropriate cost recovery; and</p> <p>c. ensure the implemented cost allocation models are used to accurately calculate and allocate operating cost estimates and year-end settlements to the respective occupants.</p>	<p>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.</p> <p>The BOMA standard and calculation approach is incorporated into the annual lease reconciliation process and used to allocate operating costs to the City's tenants.</p> <p>However, in a decentralized real estate model, similar work to review apply the standard and calculation among the properties under management by various other divisions and agencies is outstanding and requires significant coordination. CREM is developing a plan to engage with the several divisions with leases to develop a work plan before the end of 2023.</p>
#16	<p>City Council request the Director, Real Estate Services, as part of the development of a City-wide leasing strategy and in consultation with relevant program areas, to:</p>	<p>The City's system (SAP) maintains the inventory of assets, can identify vacant properties and is utilized within the leasing process to update property statuses. The inventory is provided to the Leasing Management Oversight Committee consisting of staff from CREM's Transaction Services and Property Management teams to examine and prioritize leasable properties for strategic leasing.</p>

No.	Recommendation	Management Final Response for Follow-up Report
	<p>a. establish and maintain an accurate and up-to-date consolidated inventory of leasable space across the City; and</p> <p>b. establish a process to identify available vacant leasable space on an ongoing basis and prioritize such space to be marketed to interested parties on a timely basis.</p>	<p>Work remains to validate the lease-ability of vacant properties (assessing state of good repair) and to ensure that properties under the management of other divisions and agencies are recorded within the system with a status. CREM is developing a plan to engage with the several divisions with leases to develop a work plan.</p> <p>Expected completion: December 31, 2023</p>
#18	<p>City Council request the Director, Real Estate Services to review and report to the Government Management Committee on whether the City should be including an administrative fee in lease agreements to help recover the cost of lease administration. Such review to consider the appropriate fee structure to be applied and any criteria for exempting lessees from such an administrative charge.</p>	<p>CREM has researched the use of administrative fees among private and public sector real estate property managers and adopted an approach based on prevailing practices and that is consistent with the scope of administrative duties carried out by the division. Given that fees can only be introduced at the point of a new or renewing lease, the implementation of the administrative fee will be integrated into those respective processes.</p> <p>The timing to the suggested implementation of the fee (and Council Report requesting authority) was deferred in lieu of the pandemic's financial impact on tenant but will be recommended during 2023 given the market's general recovery.</p>

Division: Corporate Real Estate Management

Report Title: Raising the Alarm: Fraud Investigation of a Vendor Providing Life Safety Inspection Services (2018)

No.	Recommendation	Management Final Response for Follow-up Report
#2	<p>City Council request the General Manager, Facilities Management, to:</p> <p>a. bring all buildings in compliance with the Ontario Fire Code.</p> <p>b. establish a process to monitor the completeness of fire inspections and monitor the rectification of all fire safety deficiencies for all City Divisions, Agencies and Corporations.</p> <p>c. report back to City Council annually on the level of compliance.</p>	<p>In order to fulfill this recommendation, Corporate Real Estate Management (CREM) must fully operationalize the Fire and Life Safety Program Office, centralize all functions City-wide, and ensure that sufficient time passes so that the impact of these changes can be measured. The Fire and Life Safety (FLS) Program Office continues to make substantial progress toward bringing the City of Toronto into compliance with the Ontario Fire Code. An organizational structure has been established with three main objectives, Operational Compliance with the Ontario Fire Code; Corporate Training and Development; and Contract Management and Quality Assurance. All three programs are in the process of hiring staff and assigning roles and responsibilities. The centralization of all Fire and Life Safety responsibilities continues to move forward as individuals are hired and assume their roles.</p>

No.	Recommendation	Management Final Response for Follow-up Report
		<p>The COVID-19 response has resulted in delays in hiring staff into the Fire and Life Safety Program Office and operationalizing our internal monthly inspection program. These delays have been offset with some significant progress on centralizing and consolidating our contracts and eliminating noncompliant vendors from City Buildings. With these successes the Fire and Life Safety Program Office remains on schedule to meet our objectives.</p> <p>The FLS Program has published the Master Fire Program and completed hiring for staff; operations, training and program support are all live. All vendors will be using software in which signatures are electronically timestamped to standardized reports in accordance with the Ontario Fire Code.</p> <p>Expected completion: March 31, 2024</p>
#3	<p>City Council request the General Manager, Facilities Management, to:</p> <p>a. develop a training curriculum that encompasses all requirements of the Ontario Fire Code and be delivered to those delegated and/or designated responsibility by the City of Toronto to ensure compliance with the requirements of the Ontario Fire Code.</p> <p>b. that records be kept of this training consistent with the provisions of Division B, Clause 1.1.2.2 (a) of the Ontario Fire Code.</p>	<p>In an effort to expedite the establishment of clear roles and responsibility, the Fire and Life Safety Program Office has been working diligently on the roll out of a corporate wide Fire and Life Safety training program. This program will be focusing on two main areas of improvement, service provider compliance and occupant understanding of the Ontario Fire Code. Furthermore, the Manager of FLS Training & Education position has been filled and incumbent will be tasked to develop a training curriculum that encompasses all requirements of the Ontario Fire Code as part of the Master Fire Program.</p> <p>The COVID-19 response has delayed the hiring of the Fire and Life Safety Trainers and the kick off of the City wide training program. Opportunities did present themselves during the COVID-19 response which accelerated the development of training resources, which have been uploaded through the City portal and rolled out to several divisions. This has allowed the Fire and Life Safety Program Office to remain on schedule with this recommendation.</p> <p>The Fire and Life Safety Program Office has hired 3 trainers and has begun the roll out of the FLS Training Curriculum to Client Portfolios. Training has been conducted for Fire Technicians and a Vendor Orientation will be delivered to all vendors awarded a contract prior to the commencement of service. Training records will be stored for City of Toronto staff and in our platform for vendor technicians.</p> <p>Expected completion: March 31, 2024</p>

Division: Corporate Real Estate Management

Report Title: Challenges in Contract Management - Auditor General's Review of the Corporate Real Estate Management Division (2021)

No.	Recommendation	Management Final Response for Follow-up Report
#1	City Council request the Executive Director, Corporate Real Estate Management, in consultation with the City Solicitor, to identify and assess the recoverability of the Corporate Real Estate Management Division's current vendor billing of journeyman's rates for apprentice work for the City's maintenance contracts where apprentice work is involved.	Corporate Real Estate Management (CREM) is in the process of reviewing the current vendor billing of journeyman's rates for apprentice work. Once the review has been completed, CREM will consult with the Legal Services to assess the recoverability of any identified overpayment. This work is expected to be completed by the end of the year (2023).

Division: Revenue Services

Report Title: Audit of Water Billing and Collection- Phase 1: Overdue Water Account Collections Require Strengthening (2016)

No.	Recommendation	Management Final Response for Follow-up Report
#7	City Council request the Director, Revenue Services, in consultation with the City Solicitor, to review the potential of charging interest on outstanding water account balances that are not eligible for transfer to property taxes. Such a change may require amendment to the City of Toronto Municipal Code.	COVID-19-related delays and shifting priorities prevented decisions and work on this item. Revenue Services Division (RSD) staff will reconvene discussions with Legal and affected divisions in 2023 and document any decisions made.
#18	<p>City Council request the Director, Revenue Services, in consultation with the General Manager, Toronto Water, to:</p> <p>a. Establish a formal protocol for setting up in the water billing system non-billable City accounts (where water consumption requires tracking but no payments are required from the Divisions), as well as, billable accounts (where payments are required from the Divisions for water service provided); and</p>	<p>a. "No Bill" Report exists and was provided to the Auditor General's Office along with sample accounts identifying why certain accounts are not to be billed. This process will be automated in the new Water Management System Upgrade expected to be implemented in Q1 - 2024.</p> <p>b. City accounts will be identified during the review of the aged utility receivables by the collection unit. All accounts identified as non collectible will be included in the write-off list for consideration and approval by the Treasurer.</p> <p>Expected completion: March 31, 2024</p>

No.	Recommendation	Management Final Response for Follow-up Report
	b. Review existing internal City accounts with overdue balances to determine if these are collectible and billable. The account status should be updated accordingly and outstanding balances should be collected or written-off.	

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 (With Confidential Attachment) (2016)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>City Council request the Chief Building Official and Executive Director to develop an action plan to resolve dormant permits. The Action Plan should include:</p> <p>a. A communication strategy to educate property owners about their responsibilities and obligations to inform the City about the progress of their construction project.</p> <p>b. A strategy to prioritize the review of permits that have been open for an extended period of time and are classified as vacant land.</p>	<p>a. As part of a communication strategy to educate property owners about their responsibilities to inform the City about the progress of their construction projects, Toronto Building has implemented the following actions:</p> <p>(i) Toronto Building has a website for owners to look up the status of their inspections and Building Permit.</p> <p>(ii) As part of Toronto Building's Residential Infill Strategy, an area inspector visits the site at the beginning of a project to review what the responsibilities are for the homeowner/ builder, emphasizing their responsibility to meet the requirement to close the permits once the work is completed.</p> <p>(iii) A Permit Closure Notice is automatically sent to the owner after the Building Permit is closed by the inspector to clearly communicate the completion of the work on the property.</p> <p>(iv) In addition to the actions above, Toronto Building continues to explore new opportunities to educate applicants and provide upfront communications on the need to close permits.</p> <p>b. Toronto Building is continuing its work to close existing permits in all four districts through its dormant permit action plan. Toronto Building is supporting Revenue Services in compiling a database of properties classified as vacant land. Once the database is complete, dormant permits associated with these properties will be investigated against the database.</p> <p>Expected completion: June 30, 2023</p>

No.	Recommendation	Management Final Response for Follow-up Report
#2	<p>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:</p> <p>a. Reports identifying properties with completed construction still coded as vacant land.</p> <p>b. Reports of properties with open permits coded as vacant land and consuming water.</p>	<p>a. Fully Implemented</p> <p>Revenue Services continues to review occupancy permits/completed construction to identify properties for follow up action with Municipal Property Assessment Corporation (MPAC).</p> <p>b. In progress</p> <p>New procedures are currently being tested (Q1 2023). Assessment Analysis staff forward vacant land listing to Water Billing, Water Billing staff will initiate Service Request to run reports to identify properties that are consuming water. Once identified, the Assessment Analysis Unit will review properties to determine if any have open building permits. Estimated completion by Q3 2023.</p>
#4	<p>City Council request the Chief Building Official and Executive Director to implement measures that will deter the occurrence of no show inspection visits. The measure should include an assessment of whether a fee can be charged to property owners for 'no show' inspection visits where these visits are pre-scheduled.</p>	<p>COVID-19 has delayed a Program Review that includes an examination of building inspection services. It is currently being completed. The review is considering what measures can be implemented to deter occurrence of no-show inspection visits, including whether a fee should be charged under these circumstances. Implementation of this recommendation is linked with the Program Review currently underway with the Division.</p> <p>Expected completion: December 31, 2023</p>

Division: Revenue Services

Report Title: Auditor General’s Review of Toronto Water Billing and Collections – Phase II: Water Billing and Water Meter Management Controls Require Strengthening (2017)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>City Council request the Director, Revenue Services, to coordinate with Real Estate Services, Parks, Forestry & Recreation, Toronto Water and other City Divisions, and develop a plan to:</p> <p>a. compile a complete list of all City-owned leased and licensed properties and determine whether water consumption is being billed in compliance with the lease or licensing agreement;</p> <p>b. implement a communication process for 'Do Not Bill' properties for timely status updates when</p>	<p>Awaiting Information from Parks and Facilities to establish Lease information and parameters. Once that information is received, respective accounts will be updated and actioned accordingly.</p> <p>Expected completion: December 31, 2023</p>

No.	Recommendation	Management Final Response for Follow-up Report
	<p>these properties are leased, licensed or sold, to verify whether they should be billed for water consumption;</p> <p>c. review existing 'Do Not Bill' properties to identify if they should be billed for water usage and adjust the designation accordingly;</p> <p>d. review existing 'Garbage Only' properties to determine if any of these accounts are billable for water; and</p> <p>e. periodically monitor the status of all 'Do Not Bill' and 'Garbage Only' accounts for updating the billable status.</p>	
#2	<p>City Council request the Director Revenue Services in consultation with the City Solicitor, Real Estate Services, Parks Forestry & Recreation and Toronto Water to:</p> <p>a. determine the back billing period for outstanding unbilled water consumption for City-owned leased and licensed properties and where required install water meters; and</p> <p>b. retroactively bill the water consumption accordingly.</p>	<p>Awaiting Information from Parks and Facilities to establish Lease information and parameters. Once that information is received, respective accounts will be updated and actioned accordingly.</p> <p>Expected completion: December 31, 2023</p>
#3	<p>City Council request the Treasurer implement a similar process (as per recommendations 1 and 2) to ensure that applicable property taxes, solid waste charges and any other relevant city charges are being collected on all City-owned properties that are leased or licensed.</p>	<p>Full implementation of this item is dependent on significant inputs and undertakings from Real Estate and Parks, Forestry and Recreation Divisions to identify affected properties. Revenue Services have undertaken process improvements to collect all charges/arrears on City-owned or leased properties. Full implementation is anticipated for Q4 2023. (30% complete).</p>
#4	<p>City Council request the General Manager, Toronto Water, to coordinate with Toronto Building and explore opportunities for shared services relating to construction permit status reporting and water meter verification during building inspections.</p>	<p>Toronto Water continues to work with Toronto Building and Revenue Services to develop and implement a plan for reports to be sent automatically on a monthly basis that flag accounts without water meters. Toronto Building has advised that the reports will be ready by Q2 2024. The reports will be based on demo permits issued or actual inspections, at the Vapour Barrier Stage (no meter) and Final Interior Inspection Stage (no meter).</p>

No.	Recommendation	Management Final Response for Follow-up Report
		In the absence of a report, in Q2 2022, Toronto Water prepared and delivered training for Toronto Building management and inspection staff so they are able to identify the location of a water meter in a building and flag accounts without water meters. This training will be delivered on an annual basis going forward.
#6	City Council request the Director, Revenue Services and General Manager, Toronto Water, to evaluate the feasibility of updating the water billing system with water meter records for multi residential properties, severed properties and properties with more than one street address associated with the same meter. A process should be developed for future updates to ensure every address is mapped to a water meter.	Full implementation of this recommendation remains dependent on the development and deployment of upgrades and new functionality within the new billing system, now scheduled for implementation by Q1 2024, reflecting delays arising from COVID-19 and resource availability.
#7	City Council request the Director, Revenue Services and General Manager, Toronto Water, to review all property addresses in the various systems with a view to integrating data and developing exception reports for properties without a water meter. A similar process should be developed for billing other revenue sources, such as, property taxes and solid waste charges.	Full implementation of this recommendation remains dependent on the development and deployment of upgrades and new functionality within the new billing system, now scheduled for implementation by Q1 2024, reflecting delays arising from COVID-19 and resource availability.
#9	City Council request the General Manager, Toronto Water, to develop system reports for water meter service order management. The reports should include information such as, delays and other useful information that will help to effectively manage water meter service orders.	<p>As these types of automated reports are not in the current billing system or in the current works management system, Toronto Water staff will ensure that the functional requirements will be included in the new billing system and the new Enterprise Works Management System for this capability.</p> <p>Toronto Water will meet quarterly, with Revenue Services and the Enterprise Works Management System team to receive updates on the new billing system and Enterprise Work Management System and to provide input so the new systems will be able to have the desired capabilities.</p> <p>Estimated completion of the new billing system is Q4 2022, and estimated completion of the new Works Management System is Q4 2023.</p>
#10	City Council request the Director, Revenue Services, to develop an automated process for consistently	Full implementation of this recommendation remains dependent on the development and deployment of upgrades and new functionality within the new billing

No.	Recommendation	Management Final Response for Follow-up Report
	charging the administrative fee for water bill payment transfers.	system, now scheduled for implementation by Q1 2024, reflecting delays arising from COVID-19 and resource availability.
#12	City Council request the Director, Revenue Services, to evaluate whether separate transaction codes can be created to identify customer and City initiated bill reversals, adjustments and refunds. Reports should be developed using the new codes to identify and monitor the underlying reasons for these transactions.	Full implementation of this recommendation remains dependent on the development and deployment of upgrades and new functionality within the new billing system, now scheduled for implementation by Q1 2024, reflecting delays arising from COVID-19 and resource availability.

Division: Fleet Services

Report Title: Fleet Services Operational Review – Phase One: Lengthy Downtime Requires Immediate Attention (2019)

No.	Recommendation	Management Final Response for Follow-up Report
#13	<p>City Council request the General Manager, Fleet Services Division, to take steps to maximize warranty claims for parts and labour costs. Steps to be taken should include, but not be limited to:</p> <ul style="list-style-type: none"> a. setting a performance target for warranty claims and periodically measuring warranty effort against the target; b. allocating appropriate staff resources to adequately review and monitor the parts supplier’s administration of aftermarket part and labour warranty claims; c. making sure the warranty data in M5 are accurate and complete; d. providing training to Fleet maintenance staff on policies and procedures pertaining to warranty claims. 	<p>Fleet Services Division (FSD) has taken action to maximize warranty claims for parts and labor by doing the following: established a target for warranty claims and is measuring the performance monthly, Hired and provided training to staff to monitor and claim warranty started using the warranty module in its M5 fleet management system.</p> <p>Additionally, FSD is generating a weekly warranty violation report to monitor claims, developed warranty claims policies and procedures, and provided employees with the required training. FSD will provide supporting evidence to demonstrate that it has ensured parts warranty information entered by vendor into the system is accurate and complete.</p> <p>Expected completion: December 31, 2023</p>

Division: Fleet Services

Report Title: Fleet Services Operational Review Phase One: Stronger Corporate Oversight Needed for Underutilized Vehicles (2019)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>City Council request the City Manager, in consultation with the General Manager, Fleet Services Division, to take steps to:</p> <p>a. review and minimize the number of underutilized vehicles, including implementing car share and pooling programs, using City-owned vehicles where cost and operationally effective; and</p> <p>b. maximize the use of the City's available fleet.</p>	<p>Fleet Services Division (FSD) is currently testing Fleetshare options, and conducting analyses to identify specific areas where the implementation of Fleetshare program would yield the most effective results.</p> <p>Expected completion: March 31, 2024</p>

Division: Fleet Services

Report Title: Fleet Services Operational Review Phase Two – Stronger Asset Management Needed (2019)

No.	Recommendation	Management Final Response for Follow-up Report
#17	<p>City Council request the General Manager, Fleet Services Division, to establish internal warranty claim submission and success rate targets, and to measure and report actual performance against these targets.</p>	<p>Fleet Services Division (FSD) has established Warranty recovery rate targets and also measure and report the actual warranty claims every month. FSD will provide supporting evidence to demonstrate the success rate process of warranty claims in place.</p> <p>Expected completion: December 31, 2023</p>
#20	<p>City Council request the City Manager to consider the appropriate role of Fleet Services in the management and oversight of the City's fleet assets, and provide the Fleet Services Division with authority to act accordingly.</p>	<p>Fleet Services Division has completed a plan for a 'centre-led' approach to oversight and leadership of City fleet management and planning. This approach will leverage existing authority, and work in partnership with client divisions to transform and modernize the way City fleets are planned and managed. The centre-led plan will involve the development of a fleet planning framework, working with Financial Planning Division to formalize a model of financial centralization, and further collaboration with clients to provide more value-add services and move towards greater centralization of procurement, maintenance, and fleet management processes.</p> <p>Expected completion: June 30, 2024</p>

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 (2017)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>City Council request the Executive Director, Municipal Licensing and Standards Division, in consultation with the City Solicitor, to review the By-law provisions, related enforcement framework, and the Division's Standard Operating Procedures, pertaining to unlicensed businesses with a view to strengthen the City's efforts to ensure compliance with licensing requirements.</p>	<p>The policy reviews continue to be delayed due to COVID and competing priorities.</p> <p>Staff completed a review of a suite of Standard Operating Procedures (SOPs) 2019, including those for licences such as eating establishments and retail food stores, nightclubs and entertainment establishments, and body-rub parlours, and holistic centres.</p> <p>The Chapter 545, Licensing reviews, including bars, restaurants, and nightclub licensing, are ongoing. Staff will report on body-rub parlours and holistic centres in 2024.</p> <p>These reviews have been impacted by COVID-19 as a result of shifting City priorities, staffing challenges, limits on consultations, and industry impacts.</p> <p>Update on April 28, 2023: The BREV review which will modernize regulations for Bars, Restaurants and Nightclubs under the licensing bylaw will be delivered October 2023, with the full review of Chapter 545 planned for 2024.</p>
#2	<p>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:</p> <p>a. Develop and implement proactive inspection frequency by the type of business licences based on risks and enforcement history.</p> <p>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.</p>	<p>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. SOPs 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. Our Business Intelligence tool launched in Q4 2019.</p> <p>Business License enforcement framework continues to prioritize work based on a Priority Response model based on risk and frequency. Proactive enforcement is supported by an operational plan and approved by management. All activity is documented and reviewed by management regularly.</p> <p>In addition, a general enforcement policy has been developed and is in its final phase of draft. Approvals are pending.</p> <p>Expected completion: December 30, 2023</p>

No.	Recommendation	Management Final Response for Follow-up Report
#3	<p>City Council request the Executive Director, Municipal Licensing and Standards Division, to review and enhance the timeliness and efficiency of the complaint investigation process. Steps to be considered should include but not be limited to:</p> <ul style="list-style-type: none"> a. Capture the necessary milestone dates in the licensing database to enable monitoring of performance measures. b. Establish performance measures to track and monitor the efficiency of complaints handling and investigation process. c. Develop internal processes to periodically review staff time spent by type of investigation to ensure efficient use of staff resources. 	<p>MLS has launched a Business Intelligence tool in Q4 2019, which provides a suite of performance measures that are used to track the efficiency of complaints handling and investigation process.</p> <p>MLS has chosen a cloud-based system to replace current systems. MLS will move all of Licensing, Integrated Business Management System (IBMS) and other parts to this system over the next several years. MLS began by working with 311 to manage noise complaints from intake to resolution.</p> <p>The next phases of modernization include partnering with TSD on the IBMS system re-boot project and partnering with TSD on the licensing modernization project, which both aim to modernize and replace existing legacy systems. Both projects are underway, with business cases submitted and scoping and current and future states in the process of being mapped. Updated implementation date is to be determined in consultation with Technology Services Division, as part of building out the technology roadmap for both projects over the next couple of years using a phased approach.</p> <p>Expected completion: June 30, 2024</p>
#5	<p>City Council request the Executive Director, Municipal Licensing and Standards Division, in developing system requirements for a new case management system for business licences, to consider and incorporate the need for providing efficient and user-friendly mobile devices to officers to improve the efficiency of recording inspection and investigation results while onsite.</p>	<p>MLS has chosen a cloud-based system to replace current system. MLS will move all of Licensing, IBMS and other parts to this system over the next 2 years. MLS began by working with 311 to manage noise complaints from intake to resolution. The next phases of modernization include implementing Investigation services and Licensing bylaw enforcement.</p> <p>Currently, MLS is working with Technology Services Division to progress its modernization roadmap, which will eventually replace current legacy systems. MLS began by working with 311 to manage noise complaints from intake to resolution. The next phases of modernization include partnering with others on the licensing modernization project, which both aim to modernize and replace existing legacy systems. Both projects are underway, with business cases submitted and scoping and current and future states in the process of being mapped. Updated implementation date is to be determined in consultation with Technology Services Division.</p> <p>Expected completion: June 30, 2024</p>

Division: Municipal Licensing and Standards

Report Title: A Review of Municipal Licensing and Standards Division's Management of Business Licences - Part Two: Licensed Holistic Centres (2017)

No.	Recommendation	Management Final Response for Follow-up Report
#1	City Council request the Executive Director, Municipal Licensing and Standards, in consultation with the City Solicitor, to re-assess the merits and practicality of relying upon Professional Holistic Associations as governing and accreditation bodies for holistic licensees and practitioners.	A staff report recommending changes to these by-law provisions was considered by the General Government and Licensing Committee (GGLC) in May 2019. The committee did not accept staff recommendations and referred the report back to staff for further research and consultation. MLS Staff are reviewing the decision of Committee and will conduct research and consultation with a new report on this issue. By-law reviews have been impacted by Covid19 pandemic as a result of a shift in City priorities, staffing challenges, limits on consultation and industry impacts. Due to Covid-19 competing priorities, as well as the need and importance of further stakeholder consultations, at this time the report is scheduled for 2024.
#2	City Council request the Executive Director, Municipal Licensing and Standards in consultation with the City Solicitor, to conduct a detailed and thorough review of the existing By-laws and legislative framework governing the licensing of body rub parlours and holistic centres, with a view to ensuring the City can exercise effective oversight and enforcement actions to stop licensed holistic centres from offering services outside of the parameters and conditions of the licensing category.	A staff report recommending changes to these by-law provisions was considered by GGLC in May 2019. The committee did not accept staff recommendations and referred the report back to staff for further research and consultation. http://app.toronto.ca/tmmis/viewAgendaitemHistory.do?item=2019.GL5.2 Staff are reviewing the decisions of Committee and will conduct research and consultation with a new report on this issue expected at the GGLC. By-law reviews have been impacted by Covid-19 as a result of shift in City Priorities, staffing challenges, limits on consultation, and industry impacts. Due to the Covid -19 pandemic and competing priorities, as well as the need for and importance of further stakeholder consultation, at this time the report is scheduled for 2024.

Division: Municipal Licensing and Standards

Report Title: A Review of Municipal Licensing and Standards Division's Management of Business Licences - Part Three: Eating Establishments and Nightclubs (2017)

No.	Recommendation	Management Final Response for Follow-up Report
#1	City Council request the Executive Director, Municipal Licensing and Standards Division, in consultation with the City Solicitor, to review the existing definition of "entertainment establishments/nightclubs" in By-law 545 to identify the necessary changes that will strengthen the	MLS is currently reviewing regulations related to restaurants, eating establishments, entertainment establishments and nightclubs (called the Review of Bars, Restaurants, Nightclubs and Music Venues) this will include public and stakeholder consultations. A staff report with a framework for responding to the AG recommendations and addressing other issues raised

No.	Recommendation	Management Final Response for Follow-up Report
	Division's inspection and enforcement efforts relating to licensed eating establishments operating as unlicensed nightclubs.	<p>through the review as presented to GGLC in 2022, the full report on proposed by-law and zoning changes is forthcoming in Q2 2023. This review had been impacted by Covid-19 as a result of shifting City priorities, staffing challenges, limits on consultations, and industry impacts.</p> <p>A staff report laying the framework for the review (EX 28.15) was considered by Executive Committee on December 7, 2021 and was adopted without amendment. The report outlined plans for consultation and policy work needed throughout 2022. A final report will come later in 2023.</p>
#4	City Council request the Executive Director, Municipal Licensing and Standards Division, in consultation with the City Solicitor, to review By-law 545 provisions and classifications relating to eating establishments and entertainment establishments/nightclubs to identify needs for By-law amendments.	MLS is currently reviewing regulations related to restaurants, eating establishments, entertainment establishments and nightclubs (called the Review of Bars, Restaurants, Nightclubs and Music Venues) – including public and stakeholder consultations. A staff report responding to the AG recommendations and addressing other issues raised through the review will be presented to Economic and Community Development Committee (ECDC) in October 2023.

Division: Office of the CISO

Report Title: Implementation of Cybersecurity High-Risk Recommendations Needs to be Expedited and Completed (2021)

No.	Recommendation	Management Final Response for Follow-up Report
#1	City Council request the Chief Technology Officer to expedite the implementation of high-priority cybersecurity recommendations.	<p>TSD and Office of CISO have closed multiple cyber related recommendations. Others continue to collaborate with in-progress recommendations and are on track.</p> <p>Expected completion: June 30, 2024</p>

Division: Parks, Forestry & Recreation

Report Title: Parks, Forestry and Recreation - Capital Program - The Backlog in Needed Repairs Continues to Grow (2009)

No.	Recommendation	Management Final Response for Follow-up Report
#9	The General Manager, Parks, Forestry and Recreation, give priority to completing the development and implementation of the work order system for Parks, Forestry and Recreation Division to provide the tracking of both	The implementation of the City's Enterprise Work Management System (EWMS) plays a critical role in the full implementation of a number of Auditor General Recommendations including Parks, Forestry and Recreation (PFR) Capital Backlog report and the 2019 and 2021 Urban Forestry reports. The implementation of this configuration has begun and will include a multi-staged

No.	Recommendation	Management Final Response for Follow-up Report
	operating and capital costs of each facility.	release of functionality throughout 2022 and 2023. It was anticipated the initial launch of EWMS for PFR would occur in Q4 2022; however, this has been updated to Q3, 2023, in order to provide more thorough end-to-end testing of the product prior to implementation.

Division: Parks, Forestry & Recreation

Report Title: Review of Urban Forestry – Permit Issuance and Tree By-law Enforcement Require Significant Improvement (2018)

No.	Recommendation	Management Final Response for Follow-up Report
#1	City Council request the General Manager, Parks, Forestry and Recreation to ensure that the new Urban Forestry information system consists of all key permit issuance functions to enable adequate system controls over permit issuance and the collection of fees, payments, and deposits.	<p>Implementation Date: December 31, 2023</p> <p>Full implementation is dependent upon Enterprise Work Management System (EWMS). EWMS will feature key permitting functions including generating a permit and permit ID., calculating fees and payments, and selecting permit conditions.</p> <p>As of April 2022, Tree Protection & Plan Review has begun testing of EWMS permitting functions and has begun testing of an integrated public-facing permit application intake solution.</p>
#3	City Council request the General Manager, Parks, Forestry and Recreation to develop and implement effective and efficient procedural requirements to verify compliance with tree replanting and tree protection permit requirements.	<p>Permit Hoarding and Tree Planting Verification procedures were created and implemented in 2019, adding and clarifying the use of Forecasting and Inspection Codes and provided further details on data entry including updating City tree assets. The increased targets year-over-year have been exceeded each year:</p> <p>Follow up Inspections (Target/Completed) 2021 Planting (1000/1442) 2021 Hoarding (500/1187) 2022 Planting (1300/2037) 2022 Hoarding (1000/1419)</p> <p>Urban Forestry experiences continued challenges in filling and retaining the additional staffing requirements that were identified as needed to fully implement this recommendation. In 2023, Urban Forestry will continue to monitor ability to verify compliance with 100 per cent of permit conditions with staffing levels. Full implementation is expected in December 2023, and dependent upon TPRR achieving sufficient staffing complement.</p>
#8	City Council request the General Manager, Parks, Forestry and Recreation Division, in consultation with the City Solicitor, to review and	Full implementation is dependent upon the analysis of the effectiveness of the Compliance and Enforcement Guidelines to capture fees collected, and Orders and

No.	Recommendation	Management Final Response for Follow-up Report
	<p>where appropriate amend the provisions in the tree By-laws, to ensure effective enforcement and fee and payment requirements for contraventions of the bylaw requirements.</p>	<p>prosecutions filed, anticipated to be completed by December 2023.</p> <p>Tree Protection & Plan Review (TPPR) consulted with the City Solicitor and determined that By-law revisions are not required in order to enforce payment requirements. Legal Services and Urban Forestry have developed solutions that address the intent of this recommendation as outlined in TPPR's Compliance and Enforcement Procedure and Compliance and Enforcement Procedures – Documentation and Guidelines implemented March 4, 2020. These documents outline how to meet compliance objectives and prosecute contraventions including improved follow-up on Orders, prosecuting illegal tree removals and major tree injuries with sufficient evidence and requiring fees for non-compliant sites.</p> <p>Since this time the number of locations and charges laid against individuals and fines have been increasing. Full implementation is dependent upon the analysis of the effectiveness of the Compliance and Enforcement Guidelines and Prosecutions to capture the applicable fines. Expected completion for review to co-inside with Enterprise Work Management System (EWMS) implementation, December 2023.</p> <p>Implementation Date: December 31, 2023</p>
#9	<p>City Council request the General Manager, Parks, Forestry and Recreation Division, to review and improve the current complaint handling and investigation process by:</p> <p>a. putting in place a regular supervisory review and training process to ensure contravention related complaints are properly investigated and orders are issued as needed;</p> <p>b. implementing ongoing monitoring measures through periodic reviews of exception reports on duplicated records, investigation status, and follow-up actions by staff to ensure compliance with orders issued;</p> <p>c. ensuring the new Work Management System has controls in place to minimize and prevent data entry errors and the ability to run exception reports to identify</p>	<p>Implementation Date: December 31, 2023</p> <p>Full implementation is dependent upon EWMS. EWMS will feature tools to ensure work orders are tracked against standard service level timeframes for completion and notify staff to follow up on outstanding inspections and corrective actions.</p> <p>In addition, the EWMS interface will provide drop down menus and pre-selected values in order to minimize data entry errors and support subsequent reporting.</p> <p>a. and b. are Fully Implemented</p> <p>Secondary review and training procedures to support consistent contravention file review have been implemented.</p> <p>Contravention procedures were implemented on March 4, 2020. Legal Services led training for Urban Forestry Standards Officers staff on prosecutions on February 21, 2020 with further MLS led training scheduled on enforcement fundamentals in September/October 2020. New procedures provide direction on investigating, documenting, prosecuting and obtaining compliance with the Tree By-laws. A supplemental database to Toronto</p>

No.	Recommendation	Management Final Response for Follow-up Report
	<p>anomalies for follow-up. Staff should be provided with adequate training and procedure in recording information in the new system.</p>	<p>Maintenance Management System (TMMS) was created to facilitate accurate data collection and to track and monitor contravention files and to generate reports on site deficiencies, orders issued and fees requested/collected. This interim database is continuously being updated, most recently in April 2022. Recent procedural changes include, follow-up inspection and compliance requirements tracking, prompts for fee payment due dates, and mechanisms for prepopulated fee selection, minimizing the possibility of entry errors. The ability to extrapolate data has greatly improved.</p> <p>A new quadrant-based work distribution, management and service request tracking model and response time tool was also improved in 2021 to track errors, trends, performance, assignments, follow ups required and to ensure daily activities are easily measured.</p> <p>Full implementation of c. is dependent upon EWMS.</p>

Division: Parks, Forestry & Recreation

Report Title: Review of Urban Forestry - Ensuring Value for Money for Tree Maintenance Services (2019)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>City Council request the General Manager, Parks, Forestry and Recreation Division, to take the necessary steps to ensure the City only pays for legitimate tree maintenance work that has been performed by contractor crews in accordance with the contractual terms. Such steps should include, but not be limited to, a regular review of a sample of contractor crews' Daily Work Activity Reports (daily logs) with the Global Positioning System (GPS) reports to:</p> <ul style="list-style-type: none"> a. identify questionable records; b. follow up on the discrepancies; c. identify high-risk crews for further review and follow-up. 	<p>Implementation Date: December 31, 2023</p> <p>Full implementation is dependent on Enterprise Work Management System (EWMS).</p> <p>All other processes are in place. EWMS features tools that are integrated with Urban Forestry (UF)'s Forestry Performance Inspection Report (FPIR) database and will assist in tracking crew's work activity, identifying questionable records ensuring the City pays for legitimate tree maintenance work.</p> <p>Urban Forestry (UF) has updated DWAR guidelines to provide activity coding clarification, improving the ability to review Daily Work Activity Report (DWAR) and GPS logs.</p> <p>The Forestry Performance Inspection Report (FPIR) database and guidelines have been updated to include weekly reviews of DWAR's against GPS reports to help identify questionable activities.</p> <p>Live GPS access is a contract requirement, enhancing UF ability to identify questionable records and follow up on discrepancies. These are reviewed through the FPIR and the number of reviews has doubled since the start of the</p>

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		<p>audit. Discrepancies are brought to the Vendor's attention and adjusted accordingly. Invoices will be either paid based on the adjusted daily log or Parks, Forestry and Recreation (PFR) requests credits and replacement invoices. Discrepancies are documented in the FPIR and appropriate action taken with the Contractor, as applicable per contract terms.</p> <p>An external surveillance firm has been conducting discreet physical observation of UF Contractors since April 1, 2021. Issues identified are managed through invoice credits for unproductive time and appropriate enforcement of contract terms.</p>
#3	<p>City Council request the General Manager, Parks, Forestry and Recreation Division, to require supervisory staff to conduct thorough reviews of Daily Work Activity Report (daily logs) from both City crews and contractor crews to identify duplicated and questionable tree maintenance activities.</p>	<p>Implementation Date: December 31, 2023</p> <p>Implementation of an interim digital DWAR system has improved the ability of supervisory staff to conduct thorough reviews of work activity by City Crews and verify work orders for accuracy.</p> <p>EWMS will replace the interim digital DWAR system and enhance staff's ability for thorough tracking and verification of work orders and service receipts.</p> <p>Urban Forestry updated the Daily Work Activity Report (DWAR) guidelines to provide activity coding clarification which will improve the ability to review DWAR and GPS logs and assess efficient use of time. The updated DWAR guidelines also include revised review requirements based on the recommendations of the 2021 Audit. Updated guidelines were distributed to City staff and vendors on March 12, 2021. City staff completed training on the revised guidelines by March 31, 2021.</p> <p>Urban Forestry also updated the Forestry Performance Inspection Report (FPIR) Guidelines to include weekly reviews of DWAR's against GPS reports to help identify questionable activities. These updated guidelines include new inspection and review targets for Supervisors and Managers. Revised FPIR guidelines were effective March 15, 2021. All Forestry Forepersons and Supervisors completed training on the revised guidelines by March 31, 2021. Enhancements were made to the FPIR database to support these changes. Urban Forestry developed GPS Guidelines to support the DWAR/GPS review process. The initial guidelines were distributed to staff on May 2, 2019 and updated guidelines were distributed to staff on August 7, 2019.</p>
#5	<p>City Council request the General Manager, Parks, Forestry and Recreation Division, to review the time spent by tree maintenance</p>	<p>Partial implementation of this recommendation can be accomplished following the implementation of City-wide systematic improvement measures to manage parked vehicles that impact tree maintenance activities, to be</p>

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	<p>crews on supporting activities with a view to maximizing the actual onsite tree maintenance time. Consideration should be given to:</p> <p>a. undertaking steps to reduce time spent on moving or towing parked vehicles on streets obstructing the scheduled tree maintenance activities;</p> <p>b. assessing the feasibility of installing a woodchip compound in more City yards to reduce driving time for wood disposal;</p> <p>c. assessing ways to reduce wait time for crews at the City yards, particularly at the end of each shift.</p>	<p>completed by December 2022 and an analysis of newly implemented unit-rate contracts and advancements made to reduce unproductive time in yards, to be completed March 2022.</p> <p>Full implementation requires the opening of the Murray Road Yard, through the Industrial Yard Strategy, planned for December 2023.</p> <p>a. Implementation Date: December 2022</p> <p>Parks, Forestry and Recreation (PFR) has implemented various measures to provide improvements related to the issues of parked vehicles with the goal of reducing the amount of time related to moving parked vehicles and increasing the productive time spent working on trees.</p> <p>PFR will continue to monitor and evaluate these process improvements, and is committed to leveraging new opportunities including a communication and education campaign, and a review of the relevant Municipal Codes to provide PFR the authority to relocate vehicles.</p> <p>b. Implementation Date: December 2023</p> <p>As part of the Industrial Yard Strategy, being led by Create TO, Urban Forestry will have an additional wood chip compound at Murray Road Yard, located in the north central part of the city, an area currently without a wood chip compound. This site is planned to open in 2023.</p> <p>c. Fully Implemented</p> <p>In consultation with Purchasing and Materials Management Division (PMMD), Urban Forestry explored alternative approaches to leverage best practices to strategically source tree maintenance services. Through this collaborative effort, PFR and PMMD developed a negotiated Request For Proposals (RFP) for Arboricultural Services, which included a combination of hourly rate and unit rate price schedules. The unit rate price schedules will help reduce administrative cost and contractor oversight at yards, eliminating yard time for contractor crews performing work on a unit rate basis. This contract became effective July 1, 2021.</p> <p>A letter of expectation was issued to each vendor on March 22, 2021, advising that they are responsible for ensuring the full crew complement begins and ends their shift at their assigned yard per the contract terms.</p> <p>As a result of increased oversight by Urban Forestry staff, wait time for crews at all Urban Forestry yards has been reduced, particularly at the end of the work shift. A review of</p>

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		yard time for October 2021 and January 2022 was completed and the average yard time at the end of shift for all Forestry regions was 21 minutes and 20 minutes respectively. Urban Forestry (UF) will continue to monitor tree maintenance crew yard time and implement work assignment efficiencies to achieve further reductions with respect to the time crews spend in the yards.

Division: Parks, Forestry & Recreation

Report Title: Getting to the Root of the Issues: A Follow-Up to the 2019 Tree Maintenance Services Audit (2021)

No.	Recommendation	Management Final Response for Follow-up Report
#2	<p>City Council request the General Manager, Parks, Forestry and Recreation to improve City and contracted tree maintenance crew productivity, outputs, and outcomes by planning, assigning, and monitoring work to:</p> <p>a. maximize the amount of time spent actively working on tree maintenance activities (i.e., pruning, removal, stumping, fill and seed, etc.);</p> <p>b. reduce the time spent on supporting activities (i.e., time spent at the yard, dumping, driving, etc.); and</p> <p>c. minimize non-productive time (i.e., time waiting for parked vehicles to be moved, idle time, unreported breaks, etc.).</p> <p>City Council direct that, to support the effective analysis and monitoring of productivity, Urban Forestry Forepersons or Supervisors must verify that crews accurately record information (including locations, activities, and times) on their daily logs and review the logs for productivity and completeness on a sample basis; the sample should include at least one daily log per crew within every two-week period; and, where</p>	<p>Implementation Date: December 31, 2023</p> <p>Full implementation is dependent on Enterprise Work Management System (EWMS). All other processes are in place.</p> <p>a) Urban Forestry (UF) updated and created several processes, and procedures to maximize efficiency at work locations including, communications on crew expectations, parked cars, hydro hold-off, daily log completion procedures, and Forestry Performance Inspection Report (FPIR) guidelines.</p> <p>b) Enhanced work organization reduced yard time through increased work packages assigned to crews, expediting daily work direction. UF has negotiated an agreement with SWMS to dump wood chip materials in all transfer stations, reducing drive time city wide. UF has had access to dump material since January 2023.</p> <p>In future, through the Industrial Yard Strategy, being led by Create TO, UF will have add an additional wood chip compound at Murray Road Yard, this site has been delayed and a new planned opening date cannot be determined at this time.</p> <p>c) Parks, Forestry and Recreation (PFR) has implemented a number of measures to reduce unproductive time in areas of parked cars, hydro hold offs, quality and quantity reviews of daily logs and crew oversight. This included hiring nine new Forestry Forepersons and procuring unit rate contracts. Urban Forestry (UF) expects that the implementation of Enterprise Work Management System (EWMS) will continue to reduce time spent on supporting activities.</p>

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	<p>issues are noted on a selected daily log, additional logs should be reviewed and, where necessary, daily logs and invoices should be adjusted in accordance with the contract.</p>	
#5	<p>City Council request the General Manager, Parks, Forestry and Recreation to:</p> <p>a. obtain precise route information (in accordance with contracts), which includes specific geo-location (latitude and longitude) at frequent (minute-by-minute) intervals and not just fixed addresses associated with tree locations;</p> <p>b. investigate any discrepancy between the reported geo-location and GPS geo-location exceeding an acceptable threshold no greater than 25 metres; any challenge to the GPS accuracy should be supported by GPS service providers' direct confirmation to the City that the data recorded by their GPS device is faulty; and explanations and supporting evidence for discrepancies should be properly documented;</p> <p>c. request crews to submit geo-tagged photos of each tree, showing the tree before and after work has been completed; and Urban Forestry staff should review these photos when signing off on crews' daily logs; and</p> <p>d. update Urban Forestry tree maintenance records with current geo-tagged photos of trees submitted by tree maintenance crews.</p>	<p>Full implementation is dependent on the electronic Daily Work Activity Report (DWAR) and storing geotagged photos in Enterprise Work Management System (EWMS). All other processes are in place.</p> <p>a) The 2021 and 2023 Arboricultural Services Contracts, require vendors to provide live GPS access. Longitude and latitude and minute by minute interval GPS reports are referenced only where there is an anomaly with the DWAR and GPS report. Mapping review is included in the quality control inspection process.</p> <p>b) GPS discrepancies are reviewed through the Forestry Performance Inspection Report (FPIR). The number of reviews has doubled as a result of the ongoing implementation of the recommendations from the Auditor General's 2019 and 2021 reports. The reviews consist of cross-referencing the daily logs with the GPS report and map to verify times and locations for accuracy.</p> <p>Discrepancies are brought to the contractor's attention and adjusted on the daily log. If discrepancies are discovered prior to invoicing, payment will be based on the adjusted daily log, otherwise credits and replacement invoices are requested.</p> <p>c) Submission of "geo-tagged" photos is a requirement of the current and new Arboricultural Services Contracts.</p> <p>d) All geo-tagged photos are retained as an email by Urban Forestry (UF) and will be saved with the tree maintenance records.</p> <p>Implementation Date: December 31, 2023</p>
#6	<p>City Council request the General Manager, Parks, Forestry and Recreation to improve crew management at the operations yards to reduce daily yard time and</p>	<p>Full implementation of recommendation #6 is dependent upon EWMS.</p> <p>Urban Forestry (UF) enhanced its organization of work and increased the number of work packages assigned to crews</p>

No.	Recommendation	Management Final Response for Follow-up Report
	<p>increase efficiency on tree maintenance work and City Council request Urban Forestry management to monitor whether there is any improvement to operational efficiency when taking this action.</p>	<p>to reduce frequency of contact for work distribution and expedite daily work direction (to reduce yard time). UF has improved several processes, practices, and procedures to maximize efficiency at work locations including, communications on crew expectations, parked car, hydro hold-off and daily log completion procedures. Additional longer-term initiatives that will address the issue of time spent on supporting activities in yards includes: the transition to unit rate pricing contracts; the launch of the City's electronic work management system.</p> <p>Implementation Date: December 31, 2023</p>
#13	<p>City Council request the General Manager, Parks, Forestry and Recreation to:</p> <p>a. define expected outcomes for tree maintenance service delivery and include related performance measures directly within the contracts;</p> <p>b. specify actions and remedies for not meeting performance outcomes in the contracts; and</p> <p>c. consider contract terms that allow the City to base the assignment of tree maintenance work packages or hourly rate work based on how crews perform relative to other crews.</p>	<p>Full Implementation is dependent upon EWMS and consultation with partnering Divisions.</p> <p>a) & b) Information regarding expected outcomes is included in the current contract such as: meeting or exceeding recognized industry standards; City pruning guidelines and standards.</p> <p>These expectations have been enhanced through the 2021 nRFP for hourly rates and includes minimum productivity requirements for unit rate contracts. Further, Urban Forestry (UF) will use future data obtained through EWMS to monitor trends and define expected outcomes and related performance measures to inform future contract development. c) With Purchasing and Materials Management Division (PMMD), UF will explore whether contract terms based on performance is feasible. UF anticipates discussions with Labour Relations and CUPE Local 416 will need to take place with respect to the implementation of this recommendation.</p> <p>The configuration of the solution under EWMS is intended to meet requirements addressing the Auditor General's recommendation. The implementation of this configuration is scheduled to begin Q2 2021 and will include a multi-staged release of functionality with the first release anticipated Q3 2023 with full implementation expected in 2024.</p>
#14	<p>City Council request the General Manager, Parks, Forestry and Recreation to compare performance measures and outcomes achieved by City and contracted tree maintenance crews and use this information to determine the appropriate type and volume of work to allocate to City crews and outsourced service providers.</p>	<p>Full Implementation is dependent upon EWMS.</p> <p>Urban Forestry (UF) will use data available and future data obtained through EWMS to monitor all crews and use it to inform future decisions on work allocation between City staff and outsourced contracts. UF anticipates discussions with Purchasing and Materials Management Division (PMMD), Labour Relations and CUPE Local 416 will need to take place with respect to the implementation of this recommendation.</p>

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		The configuration of the solution under EWMS is intended to meet requirements addressing the Auditor General's recommendation. The implementation of this configuration is scheduled to begin Q2 2021 and will include a multi-staged release of functionality with the first release anticipated Q3 2023 with full implementation expected in 2024.

Division: Pension, Payroll & Employee Benefits

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 (2015)

No.	Recommendation	Management Final Response for Follow-up Report
#1	City Council request the Director, Pension, Payroll and Employee Benefits Division, in consultation with the Executive Director, Human Resources Division, to review alternate ways of managing the City's Long-Term Disability benefit program, including a review of how the Toronto Police Service and the Toronto Transit Commission manage their respective Long-Term Disability benefit programs.	The Director Pension, Payroll and Employee Benefits, in conjunction with the Director Occupational Health, met with Toronto Transit Commission and Toronto Police Service Board management team and completed a review of their Long-Term Disability Plans and process. Key learnings of benefit to the City will be tabled at the next round of bargaining. Expected completion: Q4 2024
#5	City Council request the Director, Pension, Payroll and Employee Benefits Division, in consultation with the City Solicitor and the Executive Director, Human Resources Division, to review the current process to seek consent from Long-Term Disability claimants to facilitate employee return to work process.	Revised consent language that meets the benefits provider's criteria will be presented and negotiated with the union at the next round of bargaining. Expected completion: Q4 2024

Division: Purchasing & Materials Management

Report Title: City Stores: Maximize Operating Capacity to Be More Efficient (2012)

No.	Recommendation	Management Final Response for Follow-up Report
#3	City Council request the City Manager, through the Shared Services review, to explore ways to maximize purchasing power and	Purchasing and Materials Management Division (PMMD) has been working with Agencies and Corporations on conducting joint procurement over the last few years. A working group was set up in 2015 and was active until late

No.	Recommendation	Management Final Response for Follow-up Report
	rationalize materials handling for items commonly purchased by the City, its Agencies and Corporations.	<p>2019, when due to staff changes, it was paused, and then the global pandemic occurred.</p> <p>PMMD has also become a member of larger purchasing groups. All of these are to leverage greater spend volumes to assist the City in getting better savings and being more efficient in the procurement process. Review of Shared Services keeps proceeding on a greater scale.</p> <p>Expected completion: July 31, 2023</p>
#4	City Council request the Director, Purchasing and Materials Management, in consultation with the Chief Information Officer, to develop and implement an online system for ordering goods from City and Divisional stores.	PMMD continues to work with Technology Services Division to find an interim solution to create an online order form accessible for staff at remote work locations until a complete solution inclusive of the picture catalogue, can be completed. Purchase-to-Pay (P2P) Project delayed until 2024.

Division: Purchasing & Materials Management

Report Title: Review of Divisional Purchase Orders (2015)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>City Council request the City Manager to expedite implementation of the outstanding recommendation, below, which is contained in the Auditor General's 2010 report "City Purchasing Card (PCard) Program – Improving Controls Before Expanding the Program": "The Treasurer develop and implement strategies to promote and expand the use of PCards by City divisions. Such strategies should include, but not be limited to:</p> <ul style="list-style-type: none"> a. Analyzing divisional purchasing patterns to identify potential areas for expansion. b. Developing and implementing measures to increase the use of PCards by divisions. c. Setting performance goals for the City based on the number of participating divisions and yearly PCard purchase volume." 	<p>At this time, divisions continue to be encouraged to use PCards to make payments, where appropriate. Use of PCards has been incorporated into the process flow work associated with the Financial System Transformation Project.</p> <p>In addition, recent changes to the City's Business Expense Policy mandate the use of PCards for business expenses in place of reimbursements to employees. No further work will be performed by Accounting Services in relation to the use of PCards.</p> <p>Expected completion: September 30, 2024</p>

Division: Purchasing & Materials Management

Report Title: Strengthening Enforcement of the Fair Wage Policy (2016)

No.	Recommendation	Management Final Response for Follow-up Report
#6	<p>City Council request the City Solicitor, in consultation with the Manager, Fair Wage Office, to review the current penalty provisions to ensure that they are effective in deterring vendors from breaching the Fair Wage Policy.</p>	<p>Senior Consultant hired Q4 2021 and has begun work on this project, and initial submissions have been sent to Legal Services to begin changes to the Bylaw.</p> <p>The date for completion has been pushed further to account for ensuring a review of future compliance activity planned for Purchasing and Materials Management Division (PMMD) and to align it with the goals and activities of Supplier and Contract Management programs.</p> <p>Furthermore, the Bylaw needs to be updated to reflect the current realities of the industries it applies to and the modernized procurement process. The Bylaw's review is done through the lens of legal challenges that were recently made and amendments that will help the office stand up to judicial review, make sound decisions and ensure procedural fairness. The Bylaw is under review and will need to delay its completion until the end of the fiscal year 2023.</p>

Division: Purchasing & Materials Management

Report Title: Obtaining the Best Value Through the Use of Vendor Rosters (2017)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>City Council request the Director, Purchasing and Materials Management, to:</p> <p>a. provide clear guidance on roster design, unless there is an overriding consideration otherwise, vendor selection methods that prioritize cost should be used; and</p> <p>b. update the Buyer review process for rotational rosters, such as including verification of how a vendor was selected, and that prices charged match the original submissions made to the Request for Expression of Interest.</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management's assertion will be verified in a subsequent follow-up.)</p> <p>The updated roster procedure states that:</p> <p>a) Rotational rosters can only be used when there is an overriding consideration and the procedure includes specific criteria defining when a rotational roster may be used. In addition, the maximum value of work assignments permitted for rotational rosters has been reduced from \$500K to \$250K.</p> <p>b) Divisions using a rotational roster must record the rationale on the file for selecting suppliers for a work assignment and must confirm that pricing matches the pricing submitted in response to the original Request for Supplier Qualification (RFSQ) solicitation that established the roster. Audits conducted by Purchasing and Materials Management Division (PMMD) on rotational rosters will use a specialized rotational roster</p>

No.	Recommendation	Management Final Response for Follow-up Report
		<p>checklist that includes verification of these and other criteria required for using a rotational roster</p>
#2	<p>City Council request the Director, Purchasing and Materials Management, to provide guidance in its Roster Procedure on the use of different evaluation criteria during the roster qualification process.</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management’s assertion will be verified in a subsequent follow-up.)</p> <p>The updated roster procedure states that Request for Supplier Qualifications (RFSQs – the solicitation type used to establish rosters) must use a weighting scoring evaluation method to evaluate suppliers and that mandatory technical requirement (i.e., pass/fail) may be used as part of the evaluation process but only where the requirement is deemed critical for the delivery of the goods or services. In addition, Buyers must provide an RFSQ evaluation workbook (already in use) that details the evaluation process for their divisional clients for each RFSQ.</p>
#3	<p>City Council request the Director, Purchasing and Materials Management, to ensure Buyers provide adequate oversight of the roster qualification process, including a review of the evaluation outcome and documenting the decision process and rationale for deviations from the terms in the call document.</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management’s assertion will be verified in a subsequent follow-up.)</p> <p>The updated roster procedure states that: “as with all competitive solicitation processes, the evaluation criteria and process must be disclosed in the RFSQ and cannot be changed after closing of the RFSQ. In the exceptional event there are any deviations to the evaluation process that were included in the RFSQ (and shall only be permitted in consultation with PMMD, Fairness Monitor, if applicable, and where required, Legal Services) the decision process and rationale must be documented in the procurement file.” In addition, Buyers must provide an RFSQ evaluation workbook (already in use) that details the evaluation process that must be followed for their divisional clients for each RFSQ and Buyers are responsible for reviewing the evaluation workbook with the evaluation team to ensure all members understand the evaluation process.</p>
#4	<p>City Council request the Director, Purchasing and Materials Management, to review current roster processes and make adjustments where necessary to ensure that controls developed in Purchasing and Materials Management’s Unbalanced Bidding procedure are also implemented in all applicable areas of roster activity.</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management’s assertion will be verified in a subsequent follow-up.)</p> <p>The updated roster procedure now requires divisions to perform an unbalanced bid analysis for applicable roster work assignment RFQs and RFPs in accordance with the existing unbalanced bid analysis procedure. Training for Roster Captains and divisional staff for second stage competitive rosters will now include the unbalanced bid analysis.</p>

No.	Recommendation	Management Final Response for Follow-up Report
#5	<p>City Council request the Director, Purchasing and Materials Management, to develop clear guidelines regarding contractor/subcontractor relationships within a roster, including the need for disclosure, responsibility for monitoring and analysis, and the resolution process when potential conflicts of interest are identified.</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management’s assertion will be verified in a subsequent follow-up.)</p> <p>The updated roster procedure includes a section for subcontractor or subconsultants and states that subcontractor or subconsultant information should be requested with the RFSQ submission. Buyers are responsible for verifying if any subconsultant or subcontractor is also a supplier that submitted a bid for that RFSQ, in which case, unless the RFSQ specifically allowed for it (and only under certain circumstances in accordance with the Subcontracting procedure), the involved suppliers would be subject to disqualification. The procedure also refers to the existing Subcontracting procedure previously developed by PMMD in consultation with Legal Services.</p>
#6	<p>City Council request the Director, Purchasing and Materials Management, to review controls relating to rosters with unique circumstances such as the ones held by the Environment and Energy Division, and ensure that there is sufficient oversight over its purchasing activity, in particular the bid receipt and evaluation process.</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management’s assertion will be verified in a subsequent follow-up.)</p> <p>The updated procedure includes a section on the monitoring of specialized rosters with Council authority (such as those maintained by the Environment and Climate Division). These rosters will now be audited quarterly (by the centralized compliance group within PMMD) with criteria specific to these rosters including reviewing the bid receipt and evaluation process</p>
#7	<p>City Council request the Director, Purchasing and Materials Management, to ensure that the required control processes as specified in its Roster Procedure are consistently implemented and that staff are appropriately following up on any issues identified; where it is determined that a control is not practical or not working as intended, the Procedure should be reviewed and amended where needed.</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management’s assertion will be verified in a subsequent follow-up.)</p> <p>With the updated procedure, the managing of the control processes for rosters has moved away from the Buyers and will be managed by a centralized compliance group within the Program Support, Policy & Development section of PMMD who will ensure they are consistently implemented and staff are appropriately following up on any issues identified. This includes the managing of the roster master list, quarterly reports from roster captains, quarterly audits of rosters, and running quarterly financial reports on the use of rosters.</p>
#8	<p>City Council request the Director, Purchasing and Materials Management, to review the roster management objectives and information requirements to identify opportunities for improving</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management’s assertion will be verified in a subsequent follow-up.)</p>

No.	Recommendation	Management Final Response for Follow-up Report
	<p>efficiencies and maximizing the use of rosters by divisional staff, including a consideration of:</p> <p>a. developing a reporting process on the roster program's overall activities;</p> <p>b. publishing and maintaining an accurate list of active rosters available to City staff;</p> <p>c. simplifying input requirements for the roster Master List; and d. revising the quarterly reporting process.</p>	<p>With the updated procedure, the managing of the control processes for rosters has moved away from the Buyers and will be managed by a centralized group within the Program Support, Policy & Development section of PMMD. This group will: a) run quarterly financial reports on the use of rosters from SAP; b) manage, monitor, Quality Assurance (QA), and post the master roster list on PMMD's intranet site (the roster master list had previously been simplified including removing the list of award amounts); and c) ensure receipt of and review the quarterly roster reports from divisions.</p> <p>The quarterly reports from divisions are still required as SAP reports can't differentiate between separate roster lists (categories) that were established through the same RFSQ which applies to the majority of existing rosters. As well, the centralized group managing the control processes will be validating the quarterly reports against the SAP financial reports to identify any discrepancies/potential issues in either report.</p>

Division: Purchasing & Materials Management

Report Title: Audit of Interface Invoice Payments - Improving Contract Management and Payment Processes (2019)

No.	Recommendation	Management Final Response for Follow-up Report
#2	<p>City Council request the Controller to develop a process to verify the accuracy of early payment discounts for both interface and non-interface payment vendors. The 'discount lost' report should be updated to identify and include discounts lost on interface payments.</p>	<p>Work has been initiated to document the early payment process and develop a program to support bring the work into the system through Financial Systems Transformation Project (FSTP). The revised due date has been set to Q3 2024 in keeping with FSTP implementation.</p>
#3	<p>City Council request the Controller to automate recording, monitoring and collection of volume rebates. Outstanding amounts of volume rebates should be followed-up on, including those identified during the audit.</p>	<p>In January 2020, Purchasing and Materials Management Division (PMMD) identified and developed a list of all existing contracts that contained volume rebate from year 2015 thru to 2019 and recently added a tab for 2020.</p> <p>The list was cross referenced to the list identified by the AG and further cross referenced to the list of payments received. The list has been updated and will continue to be updated on a monthly basis. However, the list will be maintained manually until such time alternate option becomes available to track electronically. Work will be initiated to identify a program and process to support bring the work into the system. The revised due date has been set to Q3 2024 in keeping with FSTP implementation.</p>

No.	Recommendation	Management Final Response for Follow-up Report
#6	<p>City Council request the Chief Purchasing Officer to develop criteria and procedures for limiting the use of ‘miscellaneous category’ in contracts. Any excess expenditures under the miscellaneous category over a specified limit should be reported as exceptions to respective Division Heads.</p>	<p>A procedure has been finalized and we are working to incorporate the change into our compliance program. Roll out of new procedure is in progress currently.</p> <p>Expected completion: August 31, 2023</p>
#10	<p>City Council request the Controller to evaluate the feasibility of establishing a Centralized Contract Management Unit/Centre of Excellence to look after City-wide contracts, where possible. The Unit should be responsible for:</p> <ul style="list-style-type: none"> a. performing continuous controls monitoring on contracts, including analyzing divisional purchases, consolidating overall trends, and monitoring contract compliance; b. developing criteria for providing exception reports to divisions on contract compliance, for example, purchase of goods not listed in the contract, and following up with divisions on any potential changes required to contracts; c. developing processes and guidelines for divisions to improve automation and consistency in ordering, receiving and paying for goods and services. 	<p>The Controller, PMMD, internal Audit and the City Manager's Office are working on how best to approach this recommendation. A business case was put forward and is in the process of implementation review.</p> <p>Expected completion: December 31, 2023</p>
#16	<p>City Council request the General Manager, Facilities Management Division to develop:</p> <ul style="list-style-type: none"> a. a complete list of all City-owned transformers. b. a process for validating city's records of transformers with hydro service provider for eligible credits. Further, the transformer list should become part of the Facilities maintenance program. 	<p>The Energy Management Team has established a list of accounts that include City-Owned transformers that meet the sizing requirements of the Transformer Allowance. This list is used to validate that the City is receiving the transformer allowance on eligible accounts. The process 'Transformer Allowance Verification Procedures' document outlines the steps necessary to ensure that the Transformer Allowance line item is appearing on invoices. This process can be run as needed, but will be run quarterly as a normal business process.</p> <p>Expected completion: March 31, 2024</p>

Division: Shelter, Support and Housing Administration

Report Title: Strengthening the City's Oversight of Social Housing Programs (2014)

No.	Recommendation	Management Final Response for Follow-up Report
#13	<p>City Council request the General Manager, Shelter, Support and Housing Administration in consultation with the Deputy City Manager and Chief Financial Officer to report to City Council in the spring of 2015 on the potential financial implications of obtaining property tax exemptions for eligible social housing providers.</p>	<p>On March 30, 2022, the Province introduced a new regulatory framework under the Community Housing Renewal Strategy (CHRS). This includes two new regulations under the Housing Services Act, 2011 (HSA): O. Reg. 241/22 and O. Reg. 242/22, as well as changes to the HSA that reflect these regulatory changes.</p> <p>The regulations address key issues for the social housing sector, including providing the regulatory framework empowering Service Mangers to enter into new service agreements with housing providers after their original construction mortgage is repaid.</p> <p>There is program development work to be done leading up to the development of new service agreements. This work will include consideration of the granting of property tax exemptions. Recommendations to approve the new program by City Council is anticipated by December 31, 2023.</p> <p>Housing Providers will be brought into the new program following a phased implementation schedule based on the end of their original construction mortgage.</p>

Division: Shelter, Support and Housing Administration

Report Title: Safeguarding Rent-Geared-to-Income Assistance: Ensuring Only Eligible People Benefit (2019)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>City Council request the General Manager, Shelter, Support and Housing Administration Division, to ensure all rent-geared-to-income households identified by the Auditor General as having potential eligibility issues are appropriately reviewed.</p>	<p>1,335 of 1,415 (94%) Fraud and Waste Hotline household records have been closed.</p> <p>Expected completion: September 30, 2023</p>

Division: Shelter, Support and Housing Administration

Report Title: Part 1 of the Audit of Emergency Shelters: A Focus on Case Management (2022)

No.	Recommendation	Management Final Response for Follow-up Report
#4	City Council request the General Manager, Shelter, Support and Housing Administration to ensure all eligible shelter clients are added to the City's centralized social housing waiting list system and are designated priority status applicants for faster access to social housing and rent geared-to-income assistance.	<p>As of January 2, 2023, 1,078 shelter staff have completed Housing Checklist Training:</p> <p>The Shelter, Support and Housing Administration (SSHA) Quality Assurance (AQ) Unit have scheduled Quality Assurance (QA) visits for all shelter programs to be completed in Q1 of 2023. The focus of the visit is on Client Specific Services in the Toronto Shelter Standards which includes Case Management and directive 2019-01. Support will be provided by the Quality Assurance (QA) and Agency Review Officer (ARO) team to support site with remediation as required.</p> <p>The Housing Secretariat, in partnership with SSHA, are documenting processes to support sharing information with service providers to ensure all clients are provided with the opportunity to be added to that waitlist i.e., status reports and consistent application of Disadvantage (DA) codes to client files.</p> <p>22% of households on the By Names List (BNL) are also on the centralized wait list CWL). This is a slight decrease from the previous quarterly report of 26% due to two factors; a) using data from the BNL vs households listed in Shelter Management Information System (SMIS), and b) outflow of households from the CWL due to people and families securing housing through choice based or accessing the Canada Ontario Housing Benefit (COHB).</p> <p>As of June 8, 2023, 2,570 clients are active with an interaction with the CWL (both applied and eligible).</p> <p>Work is ongoing and on target for an implementation date of Q3 2023.</p>

Division: Shelter, Support and Housing Administration

Report Title: Part 2 of the Audit of Emergency Shelters: Lessons Learned from Hotel Operations (2022)

No.	Recommendation	Management Final Response for Follow-up Report
#4	City Council request the General Manager, Shelter, Support and Housing Administration, in consultation with the Controller and the City Solicitor, to assess the	<p>In consultation with Legal Services, work is ongoing to review and assess charges noted in the report by the AG.</p> <p>Expected completion: September 30, 2023</p>

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	<p>amounts charged on invoices and to take action to recover any amounts paid to hotel operators and other service providers that are not in accordance with the express terms of contract, including:</p> <p>a. “DMF” and Marketing Service Fees;</p> <p>b. “facility surcharge” and gratuities applied for meal services;</p> <p>c. vacant room charges less any credits received to date; and</p> <p>d. any other charges identified that are not in accordance with the express terms of the agreement.</p>	
#8	<p>City Council request the General Manager, Shelter, Support and Housing Administration to review all invoice charges in addition to hotel rooms (such as printer fees, storage costs), to see if there are more cost-effective options for addressing the operational requirement needed to operate emergency shelter programs in hotels.</p>	<p>Shelter, Support and Housing Administration (SSHA) can confirm that we are no longer being charged printer fees as of November 2021.</p> <p>As part of the review of storage requirements, rooms previously used for storage purposes at 92 Peter (in floors 12 and 14) ceased to be used for storage in March 2022.</p> <p>As part of the invoice review and payment process, SSHA - Program Support, has developed an Invoice Policy and Procedure (in June 2022).</p> <p>As many of the hotel invoices are paid through a Schedule A under a lease, an interim work approval process is being developed by SSHA to ensure consistency with work being completed in hotels as a result of operational requirements and will allow for greater City oversight on the costs associated with such repairs in hotels. This work approval process will continue to be fine-tuned through consultation with CREM and Legal Services. A new project manager has been hired to assist with the drafting of the process.</p> <p>A CREM-SSHA working group was established in September 2022 and SMT of both CREM-SSHA are discussing a Memorandum of Understanding (MOU) between both divisions.</p> <p>This work is ongoing, implementation is anticipated by Q4 2023.</p>
#9	<p>City Council request the General Manager Shelter, Support and Housing Administration, in consultation with the Corporate</p>	<p>Steps taken to date to address this recommendation include:</p>

No.	Recommendation	Management Final Response for Follow-up Report
	<p>Real Estate Management Division, to:</p> <p>a. implement processes to support the Division's ability to enforce the contract requirements related to repairs of any damages caused by the City's occupancy of hotels; and</p> <p>b. ensure the appropriate review of charges by hotels for damages prior to authorizing payments to ensure the charges are in accordance with the express terms of contract.</p>	<p>SSHA, in consultation with CREM and Legal Services, have reviewed charges to confirm that charges for repairs and damages are in accordance with the existing terms of the agreements.</p> <p>An interim work approval process is being developed by SSHA to ensure consistency with work being completed in hotels and will allow for greater City oversight on the costs associated with such repairs in hotels. SSHA will consult with CREM – Real Estate and Legal Services on the interpretation of the contract to ensure costs are allowable under the terms and conditions. A new project manager has been hired to assist with drafting of the process.</p> <p>SSHA and CREM will work collaboratively on a work plan that includes a framework, associated business processes, rules and procedures that will be developed jointly in the next 12 to 16 months, which will align with the City-Wide Real Estate Model. A MOU between the two divisions is being discussed.</p> <p>This work is ongoing, implementation is anticipated by Q4 2023.</p>
#10	<p>City Council request the General Manager, Shelter, Support and Housing Administration and the Executive Director, Corporate Real Estate Management to review roles and responsibilities for identifying potential locations for emergency shelter programs, procuring and negotiating pay-per-use agreements and room block leases, and managing contracted hotel space used for emergency shelter purposes; such review to determine how Shelter, Support and Housing Administration can best leverage Corporate Real Estate Management real estate service delivery, wherever possible.</p>	<p>Steps taken to date to address this recommendation include:</p> <p>SSHA and CREM continue to meet to discuss how to approach implementing this recommendation.</p> <p>To assist CREM, SSHA is drafting the next RFP for CREM's consideration for future block room contracts.</p> <p>Once CREM has delivered a location, SSHA will ensure it's operational as efficiently as possible.</p> <p>The creation of a MOU between CREM and SSHA will assist to document roles and responsibilities for identifying potential locations for emergency shelter programs, procuring and negotiating pay-per-use agreements and room block leases, and managing contracted hotel space used for emergency shelter purposes.</p> <p>This work is ongoing, implementation is anticipated by Q4 2023.</p>
#11	<p>City Council request the General Manager, Shelter, Support and Housing Administration to reduce costs associated with vacant and unused rooms by prioritizing assignment of rooms in leased facilities before incurring additional</p>	<p>SSHA is implementing two key measures:</p> <p>1. As a preventive measure, on March 20, 2023, SSHA implemented an operational procedure at Central Intake to prioritize placing clients into hotel rooms under leased-type arrangements, prior to placing clients into hotel rooms under pay-per-use arrangements whenever operationally feasible.</p>

No.	Recommendation	Management Final Response for Follow-up Report
	<p>room costs at hotels with more flexible arrangements.</p>	<p>“Pay-per-use arrangements” do not refer to pay-per-use-per-day. SSHA has had a long-standing practice of having standing RFPs (sometimes referred to as pay-per-use) with hotels, which allows for flexible arrangements of booking blocks of rooms for a specified period of time, as needed to meet operational demand for space. These costs are not incurred on a daily basis, under these arrangements, SSHA incurs the cost of the block of rooms booked from a hotel provider.</p> <p>“Operationally feasible” refers to SSHA’s ability to appropriately place clients into programs based on program requirements.</p> <p>SSHA continues to investigate the most effective and efficient methods for identifying, securing, and operating hotel shelters in the future. SSHA will monitor to see if the future direction for hotel operations will be inclusive of these two differing pay arrangements (i.e., leased facilities vs. pay-per-use facilities), and if so, consider incorporating this operational procedure as part of a future Shelter Management Information System (SMIS) enhancement.</p> <p>2. As a detective control measure, SSHA has created a prototype of a report to monitor the application of the operational procedure. The report pulls relevant information (i.e., the placement rate of clients into hotel programs) from SSHA’s Daily Shelter Management Information System (SMIS) Occupancy report to monitor the ratio of clients placed into lease-type hotel programs versus RFP-type hotel programs. More time is required to further develop and operationalize the report, which we anticipate can be achieved by Q3 2023.</p>
#14	<p>City Council request the General Manager, Shelter, Support and Housing Administration to ensure the Shelter, Support and Housing Administration Division:</p> <p>a. keeps the Infection Prevention and Control manual for shelters settings up-to-date and available to all shelter service providers;</p> <p>b. monitors shelter service providers' Infection Prevention and Control plans are up-to-date and that Infection Prevention and Control principles and procedures are properly and consistently being implemented at each shelter on an ongoing basis to reduce the risk of</p>	<p>Implemented monitoring of shelter service providers' Infection Prevention and Control (IPAC) plans are up-to-date and that IPAC principles and procedures are properly and consistently being applied at each shelter on an ongoing basis.</p> <p>On an ongoing and regular basis, obtaining independent assessments of IPAC procedures through an IPAC specialist; working with shelter service providers that may require improvement for each facility and/or agency.</p> <p>Planning is underway for including this information in an upcoming report to Economic and Community Development Committee.</p> <p>Expected completion: December 31, 2023</p>

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	<p>spreading any infection in the shelter system;</p> <p>c. on an ongoing and regular basis, obtains independent assessments of Infection Prevention and Control procedures in place to effectively prevent, detect, and manage outbreaks, in consultation with the Medical Officer of Health or third-party Infection Prevention and Control specialist and works with shelter service providers to remedy areas that may require improvement for each facility and/or agency; and</p> <p>d. reports transparently to City Council, through the Economic and Community Development Committee, on Infection Prevention and Control areas requiring improvement, including corrective action plans to strengthen Infection Prevention and Control measures in the shelter system.</p>	

Division: Technology Services Division

Report Title: Disaster Recovery Planning for City Computer Facilities (2008)

No.	Recommendation	Management Final Response for Follow-up Report
#2	<p>The City Manager implement a disaster recovery and business continuity program that includes divisional roles and responsibilities, resource and training requirements, and simulation and plan maintenance schedules.</p>	<p>Technology Services Division (TSD) published the Enterprise IT Disaster Recovery Policy on February 2023, which sets the governance and compliance requirements for the City's Enterprise IT Disaster Recovery (DR) Program. It will maintain the IT aspect of business continuity. The implementation of the policy and DR standards (ongoing development) support the mission of the Corporate Business Continuity Management (BCM) Program, which specifically relates to maintaining the City's critical, regulatory business services while reducing risks from any disaster.</p> <p>TSD is developing the guideline in creating a Disaster Recovery Test Plan and in conducting simulation DR testing. Communication and launch of relevant trainings on this guideline are planned on Q4 2023.</p>

No.	Recommendation	Management Final Response for Follow-up Report
#6	The City Manager, in consultation with the Chief Information Officer, direct divisions to test information technology disaster recovery plans on a regular basis.	TSD is developing DR standards and DR Plan templates based on the newly designed DR Framework and the roles and responsibilities set in the Enterprise IT DR Policy. The standards and templates encompass the business impact analysis of the application, application architecture, design, dependencies, recovery processes, and key internal and external contacts in the event of a disaster. Ongoing consultations are in place with various stakeholders. Rollout is planned for Q4 2023.
#7	The Chief Information Officer develop disaster recovery testing guidelines and provide training necessary to ensure cross-divisional consistency.	TSD is developing DR standards and DR Plan templates based on the newly designed DR Framework and the roles and responsibilities set in the Enterprise IT DR Policy. The standards and templates encompass the business impact analysis of the application, application architecture, design, dependencies, recovery processes, and key internal and external contacts in the event of a disaster. Ongoing consultations are in place with various stakeholders. Rollout is planned for Q4 2023.

Division: Technology Services Division

Report Title: Controls Over Telecommunication Expenses Need Improvement (2014)

No.	Recommendation	Management Final Response for Follow-up Report
#11	City Council request the Deputy City Manager and Chief Financial Officer to review the existing process of manually updating invoice payment information from SAP to the NetPlus telecommunication system and evaluate whether the process can be automated.	<p>Technology Services Division (TSD) has implemented the Telecommunications Expense Management Service solution which addresses this recommendation. Vendor contract was signed in September 2022.</p> <p>New vendor payment process now captures vendor contract numbers on IT system interface file. Solution optimizations in progress to decrease payment processing validation efforts to decrease errors during IT system interface file processing for payment. It will be completed by Q4 2023.</p>
#16	City Council request the City Manager to develop exception reporting criteria to assist in evaluating unnecessary telecommunication costs. Criteria identified should include devices and services with no activity, suspended phones beyond a specified period and phones no longer in use. Devices and services no longer required should be cancelled.	<p>A Usage and Inventory report is issued to all Divisions monthly since 2019. A process and set of associated tools have been developed to guide divisions in their periodic reporting of wireless devices inventory. Updates received from the Divisions based on the usage report are used to process cancellation if needed.</p> <p>Technology Services Division (TSD) has implemented the Telecommunications Expense Management Service solution which addresses this recommendation. Vendor contract was signed in September 2022.</p> <p>This solution ensures consistency and mapping of services in use to individual staff or to group contact as assigned</p>

No.	Recommendation	Management Final Response for Follow-up Report
		<p>based on staff hierarchy taken from IT system report. Phones can also be suspended through the solution. Solution enhancements are in progress to address efforts required by divisional coordinators to extract their divisional phone usage data and to decrease reporting analysis process steps. It will be completed by Q4 2023.</p>

Division: Technology Services Division

Report Title: Service Desk Unit - Opportunities for Improving Service and Cost - Effectiveness (2013)

No.	Recommendation	Management Final Response for Follow-up Report
#4	<p>City Council request the Chief Information Officer to implement proactive problem management for the IT Service Desk Unit to improve the efficiency and cost-effectiveness in providing information technology support.</p>	<p>A Problem Management Process flow has been developed to demonstrate proactive problem management by TSD Service Desk. The new process will enable root-cause analysis and improve efficiency and cost-effectiveness in providing information technology support.</p> <p>In January 2023, TSD has started engagement with a vendor on the implementation of a new solution for IT Service Desk Management which will provide automation in this process. Planned implementation of this new solution in Q2 2024.</p>

Division: Technology Services Division

Report Title: Software Licenses - Managing the Asset and Related Risks (2015)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>City Council request the Chief Information Officer to ensure there is a software owner identified for all software assets and that activities to ensure compliance with software licensing agreements are performed in accordance with the divisional policy.</p>	<p>Technology Services Division (TSD) is implementing a new solution for IT Asset Management (ITAM). Vendor has been selected for the implementation.</p> <p>This implementation will help in automating the maintenance of all service owners and software assets while strengthening the governance process and reporting through usage and exception reports. Planned implementation of this new solution in Q2 2024.</p>
#10	<p>City Council request the Chief Information Officer to ensure software owners perform annual software reconciliations and report the results to the Information and Technology Division.</p>	<p>Technology Services Division (TSD) is implementing a new solution for IT Asset Management (ITAM). Vendor has been selected for the implementation.</p> <p>This implementation will help in automating the maintenance of all service owners and software assets while will help facilitate software reconciliations through</p>

No.	Recommendation	Management Final Response for Follow-up Report
		exception reports. Planned implementation of this new solution in Q2 2024.
#11	City Council request the Chief Information Officer to ensure that the inventory of software is completed as soon as possible and that software usage reports be developed and distributed to software owners for their review. Software owners should report back on license usage to the Chief Information Officer so that proper decisions can be made in relation to City software assets.	<p>Technology Services Division (TSD) is implementing a new solution for IT Asset Management (ITAM). Vendor has been selected for the implementation.</p> <p>This implementation will help in automating the maintenance of all service owners and software assets while will help facilitate software reconciliations through exception reports. Planned implementation of this new solution in Q2 2024.</p>

Division: Technology Services Division

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 (2018)

No.	Recommendation	Management Final Response for Follow-up Report
#2	<p>City Council request the Chief Information Officer to:</p> <p>a. ensure that the inventory in the Corporate Information Technology asset management system is updated (including assets directly managed by the Information and Technology Division, as well as assets managed by other City divisions);</p> <p>b. perform periodic reviews and reconciliations of data captured within the Corporate Information Technology asset management system to ensure the system is accurate and complete;</p> <p>c. implement available tools and reporting functionality within the Corporate Information Technology asset management system to support ongoing asset monitoring; and</p> <p>d. use the data available within the corporate asset management</p>	<p>Technology Services Division (TSD) is implementing a new solution for IT Asset Management (ITAM). Vendor has been selected for the implementation.</p> <p>This implementation will help in automating the maintenance of all service owners and software assets while will help facilitate software reconciliations through exception reports. Planned implementation of this new solution in Q2 2024.</p>

No.	Recommendation	Management Final Response for Follow-up Report
	<p>system to inform strategic technology planning, including maximizing the use of assets and managing the costs to maintain them throughout their lifecycle.</p>	
#4	<p>City Council request the Chief Information Officer, in consultation with all relevant divisions, to:</p> <p>a. develop a comprehensive list of applications and identify those applications and systems that have the potential to be consolidated and modernized, eliminating the need to procure, implement, and maintain duplicative systems in the future; and</p> <p>b. review existing decentralized Information Technology services and, where possible, consolidate these services with the Information and Technology Division.</p>	<p>Technology Services Division (TSD) is implementing a new solution for IT Asset Management (ITAM). Vendor has been selected for the implementation.</p> <p>This implementation will help in automating the maintenance of all service owners and software assets while will help facilitate software reconciliations through exception reports. Planned implementation of this new solution in Q2 2024.</p>
#13	<p>City Council request the Chief Information Officer, in consultation with the City Clerk, the City Solicitor, and where needed, the City's Accountability Officers, to include in the data governance model:</p> <p>a. guidance on the City's enterprise-wide data strategy to provide direction for lifecycle management and classification of data in alignment with the Municipal Code; and</p> <p>b. a special case data retention policy and procedure to address scenarios where archiving specific data is required, such as litigation needs.</p>	<p>Technology Services Division (TSD), in collaboration with the City Clerk's Office, is currently undertaking the Data Governance Project, with planned completion by Q4 2023. This project involves the Data Governance Framework, a policy roadmap, and sustainment plan.</p>

Division: Technology Services Division

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 (2018)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>City Council request the Chief Information Officer to:</p> <p>a. Develop a process to ensure timely synchronization of IT asset purchases recorded in SAP with IT Asset Management (ITAM) System records.</p> <p>b. Expedite reconciliation of network assets and update them in the ITAM System.</p> <p>c. Develop secure communication mechanisms (or an alternate process) to allow for the update of segregated networks' IT assets in the ITAM System.</p> <p>d. Provide ITAM System access to other City divisions (where required) including adequate training to assist them in understanding the system.</p>	<p>Technology Services Division (TSD) is implementing a new solution for IT Asset Management (ITAM). Vendor has been selected for the implementation.</p> <p>This implementation will help in automating the maintenance of all service owners and software assets while will help facilitate software reconciliations through exception reports. Planned implementation of this new solution in Q2 2024.</p>

Division: Technology Services Division

Report Title: Information Technology Projects Implementation: Information Privacy and Cybersecurity Review of Human Resource System (2021)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>City Council request the Chief Technology Officer to enhance the management of cybersecurity and privacy risks, as part of its information technology project governance, by:</p> <p>a. ensuring that cybersecurity and information privacy requirements and related budget are part of the acquisition, development, design, and testing phases of technology projects; and the Office of the Chief Information Security Officer and the</p>	<p>a. Technology Services Division (TSD), in collaboration with City Clerk's Office (CCO) and Office of the Chief Information Security Officer (OCISO), has created the 2023 New Business Case Submissions Governance Model which ensures the review of cybersecurity and information privacy requirements and related budget in business case assessments for business and technology projects.</p> <p>b and c. An updated project governance has been established to ensure that cybersecurity and information privacy risks are proactively identified, documented, and communicated to all relevant stakeholders at each project phase through a Risk Mitigation Plan. The identified risks are either mitigated or formally accepted during project</p>

No.	Recommendation	Management Final Response for Follow-up Report
	<p>City Clerk must review and endorse the requirements and budget allocated for cybersecurity and information privacy for all City technology initiatives, transformations, and procurements;</p> <p>b. ensuring that a process is in place to identify, analyze, and communicate all cybersecurity and information privacy risks to all stakeholders at each project phase through a documented risk mitigation plan; and the identified risks are either mitigated or formally accepted by the division head/project sponsor and communicated to the City's Senior Leadership Team before the system is launched;</p> <p>c. ensuring that the remediation of open risks is completed within a specified timeline and are signed off by the division head/project sponsor before moving to the next project development stage; and</p> <p>d. identifying new or reallocated resource requirements required by the Office of the Chief Information Security Officer or the City Clerk needed to support the information technology project through its life cycle. City Council request the Chief Technology Officer to extend the actions in Part 1 above to existing in-progress technology projects and all future implementations.</p> <p>(Amended by Audit Committee - part a, b, added part d)</p>	<p>reviews and meetings, by the Division Head / Project Sponsors before the system is launched.</p> <p>d. Review of in-flight projects has been completed in February 2022 together with CCO and OCISO to ensure adequate allocation of resources.</p> <p>Further optimization of the project management process in ongoing to streamline documentations and strengthen the whole governance for IT projects.</p> <p>This recommendation will be completed in Q3 2023.</p>
#2	<p>City Council request the Chief Technology Officer to enhance the City's incident response process by:</p> <p>a. ensuring that all incidents are logged in a consistent manner and addressed and communicated to the appropriate stakeholders in a timely manner;</p>	<p>(Note: Management indicated the status of the recommendation to fully implemented after the cut-off date of April 30, 2023. Management's assertion will be verified in a subsequent follow-up.)</p> <p>Actions have been taken to strengthen the City's incident response process related to parts a, b and d of the recommendation. Part c is still in progress.</p> <p><u>Office of the CISO</u></p>

No.	Recommendation	Management Final Response for Follow-up Report
	<p>b. actively monitoring remediation actions and ensuring that processes are in place to test the post-remediation environment;</p> <p>c. coordinating with the City Clerk to integrate the privacy incident response process with the Office of the Chief Information Security Officer's Cyber Incident Response Plan and the Technology Services Division's Major Incident Management Process; and</p> <p>d. integrating the applicable sections of the Technology Services Division's Major Incident Management Process into the Office of the Chief Information Security Officer's Cyber Incident Response Plan. City Council request the Chief Technology Officer to consider the actions in Part 3 above in addition to the previous recommendation in the supplementary report (June 19, 2019) from the Auditor General headed "Establishment of City Wide Cyber Security Breach Incident Management Procedures Required" (Item 2019.AU3.12a).</p> <p>(Amended by Audit Committee - added part d)</p>	<p>The Office of the CISO has developed a cyber incident response process which incorporated feedback from numerous stakeholders, including Technology Services Division (TSD), the Office of Emergency Management (OEM) and the City Clerk's office. The cyber incident response process leverages TSD's enterprise IT service management process.</p> <p>The most recent edits to the plan were in response to feedback received from the City Clerk's office. The City Clerk's Office is continuing to consult with the CISO to ensure edits incorporate processes for privacy related incidents and ensure legislative accuracy.</p> <p><u>Technology Services Division (TSD)</u> TSD has an Enterprise IT Service Management (ITSM) Process that follows the IT Infrastructure Library (ITIL) framework. This process includes incident and problem management resolution activities that includes cyber-related incidents. The processes were built in collaboration with the Office of the CISO. To further enhance the process, the CTO will ensure mandatory compliance of critical systems with the ITSM process including (not limited to) incident logging, stakeholder communication, tracking remediation actions, testing post-remediation environment. The City Clerk's privacy incident response plan will be integrated with the Office of the CISO's Cyber incident response plan and Technology Services Division's Major Incident Management process.</p> <p><u>City Clerk's Office</u> The City Clerk's Office has been actively consulting with CISO on development of Cyber Incident Reporting Plan to ensure compliance with relevant legislation, including MFIPPA. The City Clerk's Office has also engaged divisional Health Information Custodian (HIC) contacts to ensure to ensure alignment with PHIPA.</p> <p>Feb 2023 update: on part c. The Office of the CISO (OC) met with the City Clerk's Office and received feedback from them on February 3rd. The OC is working on updates to the plan to incorporate City Clerk's feedback. Percentage Completion: 95%. Target completion by June 2023</p>
#3	<p>City Council request the Chief Technology Officer to enhance project governance by:</p> <p>a. ensuring that all projects fully comply with the Project Review Team gating approvals; and exceptions relating to cybersecurity and privacy must be reviewed by the Chief Information Security</p>	<p>a. Technology Services Division (TSD) has revamped its Project Review process with an appropriate Gating Model. The Project Review Team (PRT) ensures mandatory compliance with the Gating Model for all capially funded projects that meet the established criteria. The PRT gating model includes review and sign-off of exceptions relating to cybersecurity and privacy by the Chief Information Security Officer and the City Clerk for a go/no-go decision.</p>

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	<p>Officer and the City Clerk for a go/no-go decision;</p> <p>b. ensuring that project management gating criteria include a clear support transition plan when projects move from development to operations or from one stage to the next, depending on which project management methodology is used, such as Agile project management; and</p> <p>c. ensuring that project managers are trained in change management methodology.</p> <p>(Amended by Audit Committee)</p>	<p>b. The Project Gating Model includes a support transition plan from 'project' to 'operations' for all projects at last gate before moving to production stage or from one stage to another, depending on which project management methodology is used, such as Agile project management</p> <p>c. Change Management Training Program has been launched in TSD on August 2022 with over 100 TSD staff across 7 cohorts, with the last classes completed in November 2022.</p> <p>This recommendation will be submitted to AGO as completed in Q3 2023.</p>
#5	<p>City Council request the Chief Technology Officer to enhance the project governance and project management framework by ensuring that:</p> <p>a. all stakeholders' roles and responsibilities are clearly defined and key stakeholders are involved from the pre-procurement stage;</p> <p>b. a clear support transition plan when a project is moved from development to operations at Gate 4, the last gate before the system is moved to operations;</p> <p>c. the Chief Information Security Officer and the City Clerk are part of the project steering committee for all key technology initiatives and transformations; and</p> <p>d. criteria are developed to determine projects with high risks that have not been mitigated prior to moving to production be escalated to the Senior Leadership Team; and the developed criteria should be shared with the City Manager for City-wide implementation.</p> <p>(Amended by Audit Committee)</p>	<p>Project governance and project management templates are updated as per recommendation. The Technology Services Division (TSD) has developed a responsibility assignment matrix that clearly defines the roles and responsibilities and ensures that there is proper stakeholder representation from project initiation stage, including the City Clerk and Chief Information Security Officer for privacy and security impacts. The Project Gating Model also includes a support transition plan from 'project' to 'operations' for all projects before moving to production stage.</p> <p>Work is in-progress on the development and sharing of criteria with the City Manager for City-wide implementation that aids in the escalation process for high-risk projects that have not been mitigated prior to moving to production. Target completion by Q4 2023.</p>

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#6	<p>City Council request the Chief Technology Officer to enhance the project management framework by:</p> <ul style="list-style-type: none"> a. including a review of internal controls for systems that involve financial transactions; and b. involving the Controller or the Director, Internal Audit in the review of user roles in relation to financial transaction processing to ensure that the appropriate segregation of duties is maintained for all user roles. 	<p>TSD is improving the Project Gating framework and setting up the required governance. Internal Audit involvement will be reviewed as part of this enhancement. Target completion by Q2 2024.</p>
#7	<p>City Council request the Chief Technology Officer improve the user permissions framework of the Human Resources application, including:</p> <ul style="list-style-type: none"> a. conducting a cybersecurity and information privacy review of the various roles created in the Human Resources system; b. reviewing the users with a Super Administrator role and limiting the number of users with that role considering the industry's best practices and professional bodies; c. ensuring that user access roles are designed with cybersecurity and information privacy in mind; and access roles should be provided to users on a "need to have" basis; d. defining a process for the approval of access roles for support staff; instead of providing Super Administrator access, support staff should be provided access on a "need to have" basis; and e. eliminating the use of generic and anonymous accounts; if these roles are needed as an exception for operational reasons, detailed monitoring and logging procedures should be developed and implemented for these roles; and, 	<p>The Chief Technology Officer will improve the user permissions framework of the Human Resources application by:</p> <ul style="list-style-type: none"> a. Conducting a cybersecurity and information privacy review and update of all roles created in the HR system, not only those identified in the previous privacy incidents. b. Conducting a review of accounts with Super Administrator access and limiting the number of users with that role, using least privileged access principles and considering the industry's best practices and respective professional bodies. c. Ensuring that user roles are designed based on least privileged access principles where possible, and considering the industry's best practices and respective professional bodies. d. Defining a process for the approval of access roles for support staff based on least privileged access principles where possible, and considering the industry's best practices and respective professional bodies e. Eliminating the use of generic and anonymous accounts for operational support where possible. If these roles are needed as an exception for operational reasons, a risk-based approach will be adopted to limit use, considering the industry's best practices and respective professional bodies. In addition, a review of elevated access roles and use of generic or anonymous users in the SAP enterprise application will be considered, with the intent of adopting a risk-based approach to limit use. <p>February 2023 update: TSD has engaged the business partners and initiated the review of current state and develop joint plan with business partners. Target completion by Q4 2023.</p>

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	in addition, the review of elevated access roles and the use of generic or anonymous users should be extended to the SAP enterprise application.	

Division: Technology Services Division

Report Title: City Needs to Improve Software License Subscription Tracking, Utilization and Compliance (2021)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>City Council request the Chief Technology Officer to:</p> <p>a. identify agreements that require license tracking and reporting; and</p> <p>b. implement procedures to monitor compliance and address any issues identified in a timely manner.</p>	<p>Technology Services Division (TSD) is implementing a new solution for IT Asset Management (ITAM). This implementation will help in tracking and reporting licenses through usage and exception reports. Planned implementation of this new solution in Q2 2024.</p>
#2	<p>City Council request the Chief Technology Officer to improve the existing software procurement process to ensure:</p> <p>a. software subscriptions are thoroughly evaluated before purchasing; and</p> <p>b. all software subscriptions are deployed in a timely manner so there are no excessive software subscriptions.</p>	<p>a. Ongoing collaboration to integrate changes to the Information Technology Authorization Procurement Plan (ITAPP) pertaining to evaluation of software subscriptions before purchasing.</p> <p>b. Developed a deployment schedule template to accompany all CROs requesting for software licenses. Necessary communication to stakeholders impacted by the relevant process change has been performed.</p> <p>Technology Services Division (TSD) is implementing a solution for IT Asset Management (ITAM). This implementation will help in tracking and reporting licenses through usage and exception reports. Planned implementation of this new solution in Q2 2024.</p>
#3	<p>City Council request the Chief Technology Officer to consult with the City Solicitor to help ensure adequate clauses are included in all future software agreements to reduce potential liability in situations where the City of Toronto is not able to comply with the agreement.</p>	<p>Technology Services Division (TSD), in consultation with Legal Services, has drafted a template of agreements which highlights critical clauses related to license tracking and when they should be added. Agreement template is already in use.</p> <p>This recommendation will be completed in Q3 2023.</p>

Division: Technology Services Division

Report Title: Supplementary Report: City Needs to Improve Software License Subscription Tracking, Utilization and Compliance (2021)

No.	Recommendation	Management Final Response for Follow-up Report
#1	City Council request the City Manager, in consultation with the Chief Procurement Officer, to review all instances of settling or resolving contract non-compliance or contract disputes that have occurred in the past and to recommend changes to the Financial Control By-law and Purchasing By-law to consider a requirement for City divisions to report to City Council, through the General Government and Licensing Committee, on financial transactions to settle or resolve contract non-compliance or vendor disputes exceeding delegated signing authorities.	The Chief Procurement Officer, in consultation with the Controller and the City Solicitor is reviewing situations in which contracts disputes have been resolved in the past to determine the appropriate changes required to the Financial Control Bylaw or the Purchasing Bylaw to ensure proper controls are in place with respect to the approval and reporting of resolving contract disputes. Increased complexity due to transformational projects. Target implementation by Q3 2023.

Division: Toronto Building

Report Title: Toronto Building Division - Building Permit Fees, Improving Controls and Reporting (2012)

No.	Recommendation	Management Final Response for Follow-up Report
#1	City Council request the Chief Building Official in consultation with related City divisions review, revise and monitor the accuracy and completeness of information used to calculate building permit fees on an annual basis.	As a result of changes to City policies, practices and processes related to budgets and full costing, Toronto Building is working with Financial Planning and Accounting Services to develop a methodology and process for determining indirect support costs to be factored into the determination of building permit fees and included in the preparation of the permit fees annual report. Through the new process being developed, indirect support costs will be reviewed and validated annually through the budget process, beginning with the 2024 budget. Q2 2024 (June 28, 2024)
#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	Toronto Building has established a service level agreement (SLA) or a Memorandum of Understanding (MOU) with key Divisions supporting Toronto Building in the permit process including Information and Technology Division, 311 Toronto, Toronto Fire Services and Municipal Licensing & Standards.

No.	Recommendation	Management Final Response for Follow-up Report
	anticipated service levels and applicable charges.	As a result of changes to City policies, practices and processes related to budgets and full costing, Toronto Building is working with Financial Planning and Accounting Services to develop a methodology and process for determining indirect support costs to be factored into the determination of building permit fees and included in the preparation of the permit fees annual report. Through the new process being developed, indirect support costs will be reviewed and validated annually through the budget process, beginning with the 2024 budget. Q2 2024 (June 28, 2024)
#8	City Council request the Chief Building Official to ensure that the annual report on building permit fees includes additional information explaining the differences between building permit fees collected and the amounts included in the annual report.	As a result of changes to City policies, practices and processes related to budgets and full costing, Toronto Building is working with Financial Planning and Accounting Services to develop a methodology and process for determining indirect support costs to be factored into the determination of building permit fees and included in the preparation of the permit fees annual report. Through the new process being developed, indirect support costs will be reviewed and validated annually through the budget process, beginning with the 2024 budget. Q2 2024 (June 28, 2024)

Division: Toronto Building

Report Title: Toronto Building - Improving the Quality of Building Inspections (2014)

No.	Recommendation	Management Final Response for Follow-up Report
#10	City Council request the Chief Building Official and Executive Director review the current quality assurance process and take steps to ensure City-wide inspection practices are consistent and comply with established Divisional standards.	<p>The Division has completed the development of the new Building Compliance Quality Assurance (BCQA) team. New positions have now been approved by City Council. With some recent audits and investigations, the Division is currently reassessing the BCQA team to ensure that it is appropriately structured to manage risks identified within the Division. With the new Quality Assurance team in place, the Division will be able to ensure City-wide inspection practices are consistent, comply with established Divisional standards and appropriately address risk management. It is anticipated the implementation of the BCQA team will commence in Q4-2021.</p> <p>(Note: this recommendation is superseded by the Auditor General's 2023 report, "Building Better Outcomes: Audit of Toronto Building's Inspection Function", recommendation #16, which can be found here: https://secure.toronto.ca/council/agenda-item.do?item=2023.AU1.5)</p>

Division: Toronto Building

Report Title: Toronto Building Division – Strengthening System Controls to Safeguard Cash Receipts (2017)

No.	Recommendation	Management Final Response for Follow-up Report
#4	<p>City Council request the Chief Building Official and Executive Director, Toronto Building to review the current overpayment review process and undertake the necessary steps to ensure its appropriate handling, such steps should include but not be limited to:</p> <p>a. implementing a periodic review of overpayment accounts to ensure either prompt refunds or error corrections;</p> <p>b. considering a one-time recognition of small long-outstanding overpayments as revenue to aid the proposed future periodic review; and</p> <p>c. seeking a legal interpretation regarding the applicability of the "Minimum Permit Payment" to ensure consistent implementation of Municipal Code Chapter 363-6, Fees, Refunds.</p>	<p>The Division is currently undertaking a review to determine options to address long-outstanding overpayments residing in Integrated Business Management System (IBMS) and development of a policy relating to processing and refunding of overpayments. It is expected that the new policy will be implemented by Q1 2024.</p>
#5	<p>City Council request the Chief Building Official and Executive Director, Toronto Building to review the current payment methods and explore ways to minimize credit card processing fees.</p> <p>Considerations should be given to reducing the maximum threshold amount for credit card payment and exploring other low-cost online payment methods on its web-based business portal.</p>	<p>The Division's costs, including credit card processing fees, are fully recovered on a global basis by permit fees at time of permit issuance, in accordance with Section 7 of the Building Code Act.</p> <p>Toronto Building's current online payment service utilizes payment functionality that is shared with other Divisions and does not yet support the use of debit cards. Toronto Building has requested the Technology Services Division to explore enhancements to this common component to support the use of debit cards.</p> <p>Additionally, Council approved the adoption of a new digital payment "Platform" on May 5, 2021 (2021.EX23.2). The Platform will not only provide residents with greater digital payment options, but it will also offer self-service features that people expect from modern mobile and web applications in a digital era. The new Platform is being implemented in phases, beginning with the launch of property tax, utility bill, and parking violation payments. Further services, such as building permits, licenses, and court fines, will be integrated onto the same Platform in</p>

No.	Recommendation	Management Final Response for Follow-up Report
		<p>subsequent phases. The Division has been engaged in preliminary discussions to evaluate and assess opportunities to implement this new payment platform for Toronto Building services.</p> <p>The Division expects discussions with the Treasurer's Office and Technology Services Division to continue in 2023, with an implementation plan and date to be confirmed.</p> <p>Expected completion: June 28, 2024</p>
#6	<p>City Council request the Treasurer to review the current payment methods used by various divisions and explore ways that can reduce credit card processing fees without negatively impacting customer services.</p>	<p>The Controller and Director, Revenue Services, will be undertaking a review of all current payment methods used by various divisions and considering ways to reduce credit card processing fees.</p> <p>This review is now aligned with the objectives and outcomes of the Service-to-Cash function under the broader Financial Systems Transformation Project (FSTP), and the Target Operating Model that is expected to reduce credit card processing costs.</p> <p>Toronto Building will be engaged by the Controller and the Director, Revenue Services as the review progresses, with planned completion by Q4 2024.</p>

Division: Toronto Building

Report Title: Toronto Building Division: Conditional Permits (2017)

No.	Recommendation	Management Final Response for Follow-up Report
#9	<p>City Council request the Chief Building Official & Executive Director, Toronto Building Division to periodically report to Council providing information as to timing of conditional permits relative to changes in development charges, extent, and impact of conditional permits issued.</p>	<p>The Division is working with other impacted divisions to review the impact of Bill 109 and Bill 23 on existing processes and bylaws and will seek to resolve this recommendation following this review.</p> <p>Expected completion by Q1 – 2024.</p>
#14	<p>City Council request the Chief Building Official & Executive Director, Toronto Building Division, to explore opportunities to enhance the use of technology in the inspection process in an effort to gain both efficiency and effectiveness.</p>	<p>The Division continues to work with Technology Services Division to deploy an updated version of the Remote Computing System (RCS) software that, improves the ability for inspectors to record inspection results, documents deficiencies and manages inspection requests in the field. This software upgrade is in the final stages of user testing with Inspectors in the field and is scheduled to be deployed in the first half of 2023. The Division will work with the Chief Technology Officer (CTO) to explore and assess further</p>

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		<p>potential enhancements to the system functionality to gain additional efficiency and effectiveness.</p> <p>Expected completion Q2-2024 to Q2 – 2026</p>
#16	<p>City Council request the Chief Building Official & Executive Director, Toronto Building Division to review, in consultation with the City Solicitor, the General Manager, Parks, Forestry & Recreation Division, and other appropriate City Divisions, the provisions of the Municipal Code related to the collection of Parkland Levies and propose any changes necessary.</p>	<p>The Division has implemented a conditional permit policy to ensure Parkland Levies are collected in accordance with the Parkland bylaw prior to issuance of an above grade permit. The Division will continue to collaborate with the General Manager of Parks, Forestry and Recreation on the provisions of the Municipal Code related to Parkland Levies and will align Divisional processes to changes in response to Bill 23 and other Provincial legislative changes.</p> <p>Expected completion Q1 – 2024</p>
#17	<p>City Council request the Chief Building Official & Executive Director, Toronto Building Division, to implement appropriate controls to ensure IBMS data cannot be overridden without appropriate authorization.</p>	<p>The Division has implemented an audit system where all conditional permits are audited by the Deputy Chief Building Official and undergo a further review by the Chief Building Official's office prior to issuance. All information is stored in IBMS. The Division will work with the Chief Technology Officer (CTO) to explore and assess potential enhancements to the system functionality.</p> <p>Expected completion Q2 – 2024 to Q2 – 2026</p>

Division: Toronto Paramedic Services

Report Title: Emergency Medical Services – Payroll and Scheduling Processes Require Strengthening (2013)

No.	Recommendation	Management Final Response for Follow-up Report
#9	<p>City Council request the Chief and General Manager, Emergency Medical Services, evaluate whether transactions entered using shared IDs or by system users not authorized to enter transactions identified during the audit require further analysis to determine if transactions were valid and properly authorized. Reports should be developed to identify such transactions on an ongoing basis for review and action.</p>	<p>June 16, 2023</p> <p>The configuration challenges for both administrator and employee access were resolved in September 2022 in a proposed upgrade from the vendor. The testing of this upgrade could not be initiated at that time due to unanticipated multi-divisional staffing challenges and year-end processes. Testing of the upgraded version commenced in February 2023, with implementation originally scheduled for May 25, 2023.</p> <p>Paramedic Services was unable to proceed with the upgrade due to potential security concerns identified regarding proposed changes to the system architecture. Currently, Technology Services Division (TSD) and the time attendance scheduling team are in consultation with CISO to determine a secure solution. A new timeline for implementing the recommendations</p>

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		<p>through the upgrade will be provided once the concerns and security risks are resolved.</p> <p>Note: The planned version upgrade contains significant enhancements to the work code audit reporting, and the audit report provides greater detail than our previous time management system). However, we cannot be sure that the current applications' functionality will satisfy all aspects of the recommendations. In the interim, this may be the optimum solution until the vendor makes further changes to their application in future upgrades. Management will provide an update for the November 2023 follow-up cycle.</p>
#12	<p>City Council request the Chief and General Manager, Emergency Medical Services, upgrade the history log in the scheduling module to track deletions and changes by user ID, date and time.</p>	<p>June 16, 2023</p> <p>The configuration challenges for both administrator and employee access were resolved in September 2022 in a proposed upgrade from the vendor. The testing of this upgrade could not be initiated at that time due to unanticipated multi-divisional staffing challenges and year-end processes. Testing of the upgraded version commenced in February 2023, with implementation originally scheduled for May 25, 2023.</p> <p>Paramedic Services was unable to proceed with the upgrade due to potential security concerns identified regarding proposed changes to the system architecture. Currently, TSD and the time attendance scheduling team are in consultation with CISO to determine a secure solution. A new timeline for implementing the recommendations through the upgrade will be provided once the concerns and security risks are resolved.</p> <p>Note: The planned version upgrade contains significant enhancements to the work code audit reporting, and the audit report provides greater detail than our previous software. However, we cannot be sure that the current applications' functionality will satisfy all aspects of the recommendations. In the interim, this may be the optimum solution until the vendor makes further changes to their application in future upgrades. Management will provide an update for the November 2023 follow-up cycle.</p>

Division: Toronto Transit Commission

Report Title: Review of Toronto Transit Commission Bus Maintenance and Shops Department, Phase Two: Non-Revenue Fleet and Equipment Management and Maintenance (2015)

No.	Recommendation	Management Final Response for Follow-up Report
#14	<p>The Board request the Chief Executive Officer to ensure</p>	<p>Bus Maintenance has taken steps to improve accuracy of mileage information by having the Maintenance</p>

No.	Recommendation	Management Final Response for Follow-up Report
	<p>accurate and up-to-date non-revenue vehicle kilometrage data are obtained to facilitate effective preventive maintenance scheduling.</p>	<p>Management Software administrator conduct routine audits and reviews of the manual data entry process to enhance data accuracy. These include accurate and up to date vehicle mileage tracking with end users in an effort to plan and prioritize preventative maintenance tasks.</p> <p>Ongoing fleet reconciliation with regular mileage updates being entered into the Maintenance Management system. Increase in compliance for date-based maintenance intervals by both the TTC and contractor for light duty vehicles.</p> <p>Future installation of new GPS software will further enhance and automate collection of mileage data.</p> <p>Expected completion: March 31, 2024</p>

Division: Toronto Transit Commission

Report Title: Review of Toronto Transit Commission Procurement Policies and Practices: Improving Materials Management and Purchasing Policies Can Potentially Result in Significant Savings (2017)

No.	Recommendation	Management Final Response for Follow-up Report
#7	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to identify strategies to improve response rate for competitive procurement and such strategies to include but not be limited to:</p> <p>a. providing free viewing of tender documents or detailed notices of tenders;</p> <p>b. extending bid response time for complex specifications;</p> <p>c. Identifying alternate sources of supply and revise its current minimum quotes requirement to invite five or more suppliers where low bid response rates are evident.</p>	<p>Following actions have been completed:</p> <p>7a. - free detailed notices of tenders are provided via an electronic tendering service.</p> <p>7b. - TTC has reviewed and extended bid response cycle times to ensure compliance with Comprehensive Economic and Trade Agreement (CETA) and to address complex specifications.</p> <p>7c.</p> <ul style="list-style-type: none"> - an alternate sourcing procedure has been implemented (Refer to Recommendation # 11). - the IFS requisition report has been updated (Phase 1) to display the history of the last 5 procurements (reason for award and winning bidder). This report has been updated further (Phase 2) to display additional information related to the last 5 procurements (the number and identity of invitees and bidders, along with relevant Buyer Notes from those procurements). - a strategic sourcing template form that assists in identifying potential sources of supply in the marketplace has been created and used by Staff. <p>Action Plan for achieving the fully implemented status: Complete a procedure regarding low bid response rate, post it on the intranet and roll out training with staff. The</p>

No.	Recommendation	Management Final Response for Follow-up Report
		<p>procedure will address lessons learned from the previous file, consider vendor outreach initiatives, and examination of specifications to ensure they are generic in order to mitigate low bid response rates.</p> <p>Expected completion: July 31, 2023</p>
#12	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to establish a comprehensive Blanket Contract policy and procedural requirements detailing minimum dollar threshold and ongoing review and renewal processes.</p>	<p><u>Inventory Blankets:</u></p> <p>Following actions have been completed:</p> <p>A Kaizen (a virtual workshop held between various stakeholders) was held in March 2021 to capture the “As Is” processes and identify opportunities for improvement with Inventory Blanket contracts, including the proactive renewal of blanket contracts, controls, dashboards to report on blanket expenditures, and potential minimum blanket dollar thresholds.</p> <p>Kaizen results were communicated to the stakeholders and the action items in the Kaizen register have since been completed.</p> <p>The Inventory Blanket procedure was revised, approved and posted on the Procurement and Category Management (PCM) intranet. The procedure establishes the minimum dollar threshold for Blanket Contracts and details ongoing review and renewal processes.</p> <p>Training module for staff completed and rolled out.</p> <p>All outstanding actions completed for Inventory Blankets.</p> <p><u>Non - Inventory Blankets:</u></p> <p>Following actions have been completed:</p> <p>A Kaizen was held in June 2021 (for the same purpose as noted above for the Inventory Blankets)</p> <p>Following actions are in progress:</p> <p>Kaizen Action register created and being worked on.</p> <p>Action Plan for achieving the fully implemented status:</p> <p>Non-Inventory Blanket Procedure to be finalized based on Kaizen results.</p> <p>Rollout training on the finalized procedure to staff and post the procedure on the intranet.</p> <p>Expected completion: November 30, 2023</p>

No.	Recommendation	Management Final Response for Follow-up Report
#13	<p>The Board request the Chief Executive Officer, Toronto Transit Commission (TTC), to reduce annual purchase costs where feasible by establishing Blanket Contracts or expanding existing price agreements with vendors of concentrated spending and repetitive purchases. Periodic analysis of TTC's overall purchase activities to identify Blanket Contract opportunities should also be undertaken.</p>	<p><u>Inventory Blankets:</u></p> <p>Following actions have been completed:</p> <p>A Kaizen (a virtual workshop held between various stakeholders) was held in March 2021 to capture the “As Is” processes and identify opportunities for improvement with Inventory Blanket contracts, including the proactive renewal of blanket contracts, controls, dashboards to report on blanket expenditures, and potential minimum blanket dollar thresholds.</p> <p>Kaizen results were communicated to the stakeholders and the action items in the Kaizen register have since been completed.</p> <p>The Inventory Blanket procedure was revised, approved and posted on the Procurement and Category Management (PCM) intranet. The procedure establishes the minimum dollar threshold for Blanket Contracts and details ongoing review and renewal processes.</p> <p>Training module for staff completed and rolled out.</p> <p>All outstanding actions completed for Inventory Blankets.</p> <p><u>Non-Inventory Blankets:</u></p> <p>Following actions have been completed:</p> <p>A Kaizen was held in June 2021 (for the same purpose as noted above for the Inventory Blankets).</p> <p>Following actions are in progress:</p> <p>Kaizen Action register created and being worked on.</p> <p>Action Plan for achieving the fully implemented status:</p> <p>Non-Inventory Blanket Procedure to be finalized based on Kaizen results.</p> <p>Rollout training on the finalized procedure to PCM and client department staff. Post the procedure on the PCM intranet.</p> <p>Expected completion: November 30, 2023</p>
#14	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to ensure that all procurement policies, procedures, and forms are up to date and that staff have a single-point electronic</p>	<p>Following actions have been completed:</p> <p>Procurement and Category Management updated its internal webpages supporting a single point of access to staff for procurement policies, procedures and forms. Updates continue based on completed AG</p>

No.	Recommendation	Management Final Response for Follow-up Report
	<p>access to procurement policies, procedures and forms.</p>	<p>recommendations. Work on updating the TTC Procurement policy is on-going.</p> <p>Following actions are in progress:</p> <p>Consultation with stakeholders is continuing; the updated Procurement policy includes significant changes, including social procurement principles of diversity and inclusion. The draft has undergone several iterations and internal TTC stakeholders are currently reviewing and providing feedback for additional improvements.</p> <p>In addition, in order to inform the development of the revised Procurement policy, continue to compare best practices among peer transit agencies and public sector entities.</p> <p>The TTC continues to consult with the City of Toronto regarding its Social Procurement policy/program and potential changes currently under review by the City of Toronto.</p> <p>Action Plan for achieving the fully implemented status:</p> <p>Complete the consultation process and bring the updated policy to the Board for approval in early 2024.</p> <p>Procurement procedures are being updated as part of the AG recommendations and will align with the updated once implemented. Implementation of an updated Procurement Policy and related procedures is planned for completion by the end of Q1 2024.</p>
#15	<p>The Board request the Chief Executive Officer, Toronto Transit Commission (TTC), to regularly report to the Board on TTC's procurement statistics and performance indicators.</p>	<p>Following actions have been completed:</p> <p>Dashboards have been developed to enhance existing internal tracking of procurement statistics and KPIs.</p> <p>Following actions are in progress:</p> <p>Benchmarking of other public bodies, including transit agencies, for external procurement statistical reporting content.</p> <p>Continuing to refine key procurement statistics and KPIs through the use of dashboards for internal monitoring and reporting.</p> <p>Action Plan for achieving the fully implemented status:</p> <p>The implementation of other related AG recommendations may result in the development of new KPIs. Once finalized, annual reporting to the Board is planned for the previous fiscal year.</p>

No.	Recommendation	Management Final Response for Follow-up Report
		Submit a report to the Board in 2024.
#19	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to report to the Board on an annual basis on savings achieved as a result of implementing the recommendations from this report, including information regarding:</p> <ul style="list-style-type: none"> - identifying alternate sourcing, - pursuing aftermarket parts warranty, - initiating further Blanket Contracts or expanding the product catalogue of existing Blanket Contracts, - retrieving and tracking cores 	<p>Following actions have been completed:</p> <p>Dashboards have been developed to enhance existing internal tracking of procurement statistics and KPI's.</p> <p>Implementation of recommendations in this report (e.g., # 11, alternate sourcing) have further enabled tracking of savings.</p> <p>Aftermarket Parts Warranty Savings and Alternate Sourcing savings have been reported to the Board and City Council through the annual budget process, with validation of savings by the Auditor General.</p> <p>Following actions are in progress:</p> <p>The procedures resulting from the implementation of these AG Recommendations will include a tracking mechanism to capture savings achieved via alternate sourcing, pursuing aftermarket parts warranty, initiating further Blanket Contracts or expanding the product catalogue of existing Blanket Contracts, and retrieving and tracking cores. These savings will be included in the annual budget process. Internal reporting enhancements are continuing.</p> <p>Action Plan for achieving the fully implemented status:</p> <p>Implement the recommendations noted in this report to identify savings in the various categories and report annually on these savings metrics via the budget process.</p> <p>Submit a report to the Board in 2024.</p>

Division: Toronto Transit Commission

Report Title: Review of Toronto Transit Commission (TTC) Employee Expenses and Reward and Recognition Programs: Opportunities to Improve Policies and Controls and Save Costs (2018)

No.	Recommendation	Management Final Response for Follow-up Report
#12	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to review the criteria and current process for issuing free annual passes to non-TTC staff to ensure valid justification and adequate controls, and to minimize lost revenue opportunities.</p>	<p>TTC has implemented an electronic approval process which requires sign-off by manager level staff as a minimum for the issuance of each non-employee pass, this eliminates the risk of missing or incorrect approvals for passes. All requests and approvals are retained electronically.</p> <p>With the adoption of PRESTO, passes can now be programmed to deactivate at a specified expiry date. There</p>

No.	Recommendation	Management Final Response for Follow-up Report
		<p>is currently one employee assigned to administer all non-employee passes. Once the non-employee leaves, their pass is collected and returned to the TTC designate noted. If it is not possible to collect the pass, it can be deactivated remotely upon request.</p> <p>Annual free passes are provided to Councillors and Commissioners on request as a taxable benefit. In addition, annual free passes are provided to contractors and co-op students for the length of their work term at the request of their manager, as well as to select designated individuals such as current Advisory Committee on Accessible Transit (ACAT) members (former ACAT members no longer receive a free pass). A review of the eligible groups and eligibility criteria is being planned.</p> <p>Daily free passes have been considered as an alternative but rejected given the administrative burden of significant tracking/issuing and the loss of a critical security feature – photo ID.</p> <p>Expected completion: July 31, 2023</p>

Division: Toronto Transit Commission

Report Title: Review of Toronto Transit Commission's Revenue Operations: Phase One – Fare Evasion and Fare Inspection (2019)

No.	Recommendation	Management Final Response for Follow-up Report
#1	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to set acceptable targets for its fare evasion rates (by mode and overall) and to develop short and long-term strategies to reduce the fare evasion rates and the resulting revenue loss, while ensuring good customer service.</p>	<p>We have established a preliminary target for 2023 for fare evasion. The 2023 Operating Budget includes an anticipated \$6.0 million gross, and \$5.7 million net, increase in passenger revenue based on a resumption in ticketing for fare evasion resulting in the expected reduction in the fare evasion rate.</p> <p>The fare evasion rate is forecasted to return to its pre-COVID level (which is the basis for the increased passenger revenue incorporated into the 2023 Operating Budget). Fare evasion rates are monitored monthly, through Revenue Protection’s inspection data, with associated passenger revenue recovery monitored against budgeted expectations.</p> <p>In Q2 2023, TTC’s Audit, Risk and Compliance Department commenced a review to determine current fare evasion rates outside of Revenue Protection’s inspection data. Review findings will be used to inform targets, deployment models and inspection methods for all modes.</p>

No.	Recommendation	Management Final Response for Follow-up Report
		<p>Due to COVID-19, the TTC experienced significant reductions in ridership in 2019 and 2020. Substantial ridership recoveries are not anticipated until 2023 as ridership trends are influenced by hybrid work patterns. Revenue recovery targets will be revisited in the 2024 budget cycle.</p> <p>Expected completion: June 30, 2024</p>
#6	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to expand its fare inspection program to include buses and develop effective fare inspection methods for buses.</p>	<p>In Q2 2023, TTC’s Audit, Risk and Compliance Department commenced a review to determine current fare evasion rates outside of Revenue Protection’s inspection data. These findings will be used to inform targets, deployment models and inspection methods on all modes and explore opportunities for inspection on buses.</p> <p>Expected completion: June 30, 2024</p>
#9	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to take the necessary actions to reduce the number of illegal entries, particularly at automatic subway entrances, including:</p> <p>a. Perform a cost-benefit analysis of continuing to keep the automatic entrances open, whether to install high gates in high-risk entrances at subway stations, and whether to station Toronto Transit Commission staff at some of these entrances;</p> <p>b. Complete work on the fare gate sensors and fare gate event data reporting, so that information can be used to determine the rate of illegal entries at subway stations and to strategically allocate fare inspection resources; and</p> <p>c. Ensure security camera video is monitored on a regular basis.</p>	<p>Part a:</p> <p>A preliminary cost-benefit analysis was performed in 2019. The analysis indicated that providing TTC employees to manage the highest fare evasion entrances in the system is more cost-effective than installing high-gates to meet the new accessibility and Ontario Building Code specifications. In addition, the TTC will be increasing the height of the adjacent barriers connecting to the fare gates to minimize the risk of people accessing the system illegally.</p> <p>Part b:</p> <p>Actions taken to address this recommendation include –fare gate software updates, stations with high risk for illegal entry stations were identified, collector breaks reviewed, re-distribution of supervisory resources to high-risk entrances, fare line barriers installed at 37 stations to eliminate the current gap between the collector booth and the first fare gate. The fare gate software upgrade was completed in Q3 2019 which modified the fare gate sensor and event reporting data, bringing them in line with the TTC definitions. The information from this update is used to provide a monthly report to help determine the rate of illegal entries at subway stations and to strategically allocate fare inspection resources. This item is complete.</p> <p>Part c:</p> <p>CCTV monitors are installed at all fare lines to deter illegal entries. All customers are able to see their live video feed on the CCTV monitors while crossing the fare lines in the hopes of discouraging illegal entry behavior. The TTC identified 31 high-risk fare evasion entrances which now all have CCTV monitors. To further support the illegal entries, the booth collectors have been transitioned to crash gate</p>

No.	Recommendation	Management Final Response for Follow-up Report
		<p>crews at primary fare lines. This will not only deter illegal entries at primary fare lines but will also deter this behavior at all fare lines by way of monitoring them upon the completion of CCTV installs. Next steps include determining a strategy to integrate CCTV data and fare evasion results from Audit, Risk and Compliance (ARC) to develop recommended approach to reduce evasion at fare gates.</p> <p>Expected completion: June 30, 2024</p>
#10	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to ensure the contracted service requirements are upheld regarding functionality of Metrolinx Single Ride Vending Machines and PRESTO Card Readers, and recover from Metrolinx lost passenger revenue.</p>	<p>TTC has been invoicing Metrolinx for the lost fare revenue for out-of-service bus and streetcar devices, through the Interim Loss Fare Revenue process and has received payment from Metrolinx on such billings. In order to ensure better performance and reliability of all devices, TTC has worked with Metrolinx to develop SLAs and performance targets. If Metrolinx fails to meet the required performance targets, they will compensate TTC based on a New Credit Methodology, which applies to all revenue-impacting devices including Readers and Vending Machines. The TTC is in the process of finalizing the New Credit methodology with the goal of implementing by June 1, 2023.</p>
#11	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to review current TTC fare gate functionality issues, and develop and implement short and long-term strategies to improve fare gate functionality to reduce revenue loss.</p>	<p>Fare gate functionality is reviewed regularly with the fare gate vendor. These meetings review functionality, availability, as well as any issues raised by operational staff. Depending on the subject matter, meetings are held weekly, bi-weekly and monthly. The long-term improvement strategy is in development.</p> <p>Expected completion: December 1, 2023</p>

Division: Toronto Transit Commission

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

No.	Recommendation	Management Final Response for Follow-up Report
#7	<p>The Board request the Chief Executive Officer, Toronto Transit Commission, to work together with Metrolinx to restore the contracted deliverable of the credit and debit card fare payment method on the new streetcars, with estimated timing provided by Metrolinx.</p>	<p>Metrolinx has proposed that Open Payments functionality, which allows customers to pay for fares using credit/debit on payment devices, be considered as meeting payment requirements instead of restoring credit/debit purchasing on SRVM vending machines.</p> <p>The proposal, along with its rationale and cost estimate of \$5.2 million to restore the function, was presented to the TTC Joint Working Group on April 11th, 2023. With Open Payments implementation scheduled for Q3 2023, the proposal will be reviewed and discussed among TTC stakeholders to confirm the path forward.</p>

No.	Recommendation	Management Final Response for Follow-up Report
#21	The Board request the Chief Executive Officer, Toronto Transit Commission, to work together with Metrolinx to obtain the required information to refine their estimate of revenue loss due to malfunctioning PRESTO fare equipment.	As part of the Settlement Negotiation, Metrolinx has agreed to adopt the Gartner suggestion to apply revenue loss based on device availability as per SLA performance target. TTC Finance Team is reviewing the suggested approach and may prefer to apply other mechanism to calculate actual revenue loss instead of using the service credit approach. Target completion date is Q2 2023.
#22	The Board request the Chief Executive Officer, Toronto Transit Commission, to work together with Metrolinx to come to an agreement on a methodology for the revenue loss claim acceptable to both parties, and leverage its contractual governance framework of the Expert Panel if needed.	As part of the Settlement Negotiation, Metrolinx has agreed to adopt the Gartner suggestion to apply revenue loss based on device availability as per SLA performance target. TTC Finance Team is reviewing the suggested approach and may prefer to apply other mechanism to calculate actual revenue loss instead of using the service credit approach. Target completion date is Q2 2023.

Division: Transportation Services

Report Title: Inventory Controls Over Traffic Control Devices in Transportation Services Need to be Improved (2012)

No.	Recommendation	Management Final Response for Follow-up Report
#8	City Council request the Deputy City Manager and Chief Financial Officer to take appropriate action to identify City operations that maintain a significant level of inventory and review those operations to ensure adequate inventory controls are in place such as those identified in City's warehouse and stores business model as adopted by Council in the Corporate Warehouse/Stores Rationalization Project.	Purchasing and Materials Management Division (PMMD) has been delayed working with Toronto Water (TW) Ash Bridges Bay treatment plant, to ensure adequate inventory controls for TW's spare parts inventory are implemented due to the pandemic. Review to be completed with TW of required inventory by the end of fiscal 2024.