



***Outstanding Audit
Recommendations Follow up
Audit Report***

June 2019

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1.0 Management Summary

Audit Services has completed a follow up of outstanding audit recommendations at March 31, 2019. These recommendations are comprised of:

1. Audit recommendations that were noted as ‘not yet completed’ in our previous Outstanding Audit Recommendations Follow up Audit Report dated January 2019.
2. Any new audit report recommendations presented at the January 2019 meeting of the York Region Audit Committee.

There were 69 audit recommendations originally issued through the 12 audit reports currently on our list for follow up. Management has implemented 62% of these recommendations. In the last term of Council this has ranged between 60% and 90%, and varies based on timing of reports being issued.

For this outstanding audit recommendations follow up, there was one ‘private’ audit report with outstanding audit recommendations requiring update.

For a detailed summary of audit reports followed up and recommendations issued, completed and outstanding, please refer to section 4.0. Additional detail is available upon request from the Director, Audit Services.

Our follow up was conducted in accordance with the Institute of Internal Auditors *International Standards for the Professional Practice of Internal Auditing Standard 2500 – Monitoring Progress*:

The chief audit executive must establish and maintain a system to monitor the disposition of results communicated to management.

2500.A1 – The chief audit executive must establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action.

2.0 Introduction

As part of our 2019 - 2022 Audit Plan, which accommodates various types of audit projects, consulting engagements, and follow up requests from Audit Committee and Management, the Audit Services Branch performed a follow up of outstanding audit recommendations. These recommendations included those noted as outstanding in our Outstanding Audit Recommendations Follow up Report dated January 2019, and all new recommendations issued in audit reports reported to Audit Committee in their last meeting in January 2019.

The Audit Plan, approved by York Region's (the Region's) Audit Committee, is developed annually by the Audit Services Branch using a Risk Assessment Methodology that helps to define the different risks associated with the various processes here at the Region. It is one tool that Audit Services uses in assessing where best to allocate audit resources.

On a semi-annual basis, Audit Services updates the Region's Audit Committee and the Chief Administrative Officer (CAO) on the status of issued audit recommendations. To provide this update, Audit Services contacts Commissioners and Directors to confirm the status of the issued recommendation(s) relating to their area. In some cases, the status is further validated directly by Audit Services through discussions and / or detailed testing. This is an integral part of our audit process that allows us to confirm that the opportunities for improvement outlined in the audit report(s) has (have) been implemented.

Department heads were emailed requests containing:

1. A request to provide a status update and a confirmation of the original due date for implementation of the recommendation, or a new anticipated implementation date if necessary.
2. A summary of outstanding audit recommendation(s) for their area. The Commissioner and Director responsible for the implementation of the recommendation(s) are also requested to sign off on the updated document.
3. As requested by Audit Committee in November 2008, departments having an audit recommendation outstanding that has an original due date older than one year provide Audit Committee with a separate report as to why the recommendation has not been implemented. Management action plans that detail what is being done to implement the recommendation(s) are to be included.

Audit reports presented at the June 2019 meeting of the York Region Audit Committee will be followed up at the next Audit Committee meeting.

3.0 Objectives and Scope

The objective for this engagement was:

- To provide feedback to the Region's Audit Committee and CAO as to the disposition of issued audit recommendations.

The audit scope to accomplish this objective was:

- All outstanding audit recommendations issued prior to and including those presented at the January 2019 meeting of the York Region Audit Committee.

4.0 Detailed Observations and Recommendations

4.1 Detailed Summary Responses and Statistics for Outstanding Audit Recommendations Followed Up

- Table A summarizes the outstanding audit recommendations followed up for this review.
- Table B is a detailed summary of outstanding audit recommendations which were followed up for this review.
- PRIVATE: Table C summarizes the private outstanding audit recommendations followed up for this review.
- PRIVATE: Table D is a detailed summary of private outstanding audit recommendations which were followed up for this review.

TABLE A – Summary of Outstanding Audit Recommendations Follow up as at March 31, 2019

Audit Report	Number of opportunities originally highlighted	Completed for 9/30/18	Completed for 3/31/19	Not yet complete	% Not yet complete	Date of Audit Report	Date Reported to Audit Committee
ES – Operation Maintenance and Monitoring	11	9	0	2	18%	Dec-15	Feb-16
FN – Accounts Payable & Procurement	6	5	0	1	17%	Apr-16	Jun-16
CHS – Housing Capital Repairs	5	4	0	1	20%	Jul-16	Oct-16
ES – MRF Contract Compliance	3	2	0	1	33%	Jul-16	Oct-16
FN – Procurement Card	2	1	0	1	50%	Feb-17	Jun-17
CS – Realty Services	5	3	0	2	40%	Aug-17	Jan-18
CS – Property Services Building Security	10	7	0	3	30%	Sept-16	Jan-18
TS – Fleet Services	7	3	2	2	29%	Dec-17	Jun- 18
TS – Materials Quality Assurance Testing	5	2	2	1	20%	Feb-18	Jun-18

CHS – Housing York Inc. Rent Geared to Income	3	1	0	2	67%	Mar-18	Jun-18
CS – Compensation and HRMS	6	1	0	5	83%	Nov-17	Jun-18
CS – Health & Safety on Property Services Capital Projects	6	0	1	5	83%	Jun-18	Jan-19
Totals	69	38	5	26	38%		

TABLE B – Summary of Outstanding Audit Recommendations as at March 31, 2019

Audit Report	Recommendation	Management response	Original due date	Current due date
Environmental Services – Operations Maintenance & Monitoring	<p>4.1 OMM work with IAM to resolve the noted asset inventory discrepancies.</p> <p>OMM continue updating the protocol used to identify assets needed to be entered into MAXIMO from an asset maintenance perspective.</p>	<p>The following work is in progress for completion by Q4 2019:</p> <ul style="list-style-type: none"> • Digital Updates: Update MAXIMO to reflect the new Section 21 Guidelines which includes developing new Process Location Hierarchies for each water and wastewater facility. • Physical tagging for each water and wastewater facility. <p>Done.</p>	<p>Q4 2019</p> <p>N/A</p>	<p>Q4 2019</p> <p>N/A</p>
	<p>4.2 OMM continue with the implementation of an input screen to help in updating the MAXIMO inventory base whenever it changes.</p> <p>OMM should also perform a full inventory of all their MAXIMO assets to establish a baseline of actual assets within each facility.</p> <p>OMM should develop and implement annual inventory verification routines that spot check an</p>	<p>Done.</p> <p>Progressing with completing a full inventory review and clean-up of existing MAXIMO assets and actual assets in the field at all water and wastewater facilities in Area 1, Area 2N and 2S.</p> <p>Done.</p>	<p>N/A</p> <p>Q4 2019</p> <p>N/A</p>	<p>N/A</p> <p>Q4 2019</p> <p>N/A</p>

Audit Report	Recommendation	Management response	Original due date	Current due date
	acceptable level of asset inventory using ‘book to floor’ and ‘floor to book’ asset verification.			
	4.3 Spare parts inventory program create detailed plans and process flows to help ensure that management controls over the inventory are sufficient.	Done.	N/A	N/A
	4.4 The backlog listing should be reviewed: 1. To determine which codes are required and who may require them. 2. Reiterate to all MAXIMO users the proper protocols for entering a Level code, with particular attention to Level 5 codes. 3. Reiterate to all MAXIMO users the importance of descriptions to help schedule work order assignment to mechanics and electricians. 4. Reiterate to all MAXIMO users the importance of timely resolution of the work – order in MAXIMO. 5. Determine the required work necessary to complete this work order.	Done.	N/A	N/A
	4.5 OMM management should reconsider the value being provided by the tablets. The connectivity	Done.	N/A	N/A

Audit Report	Recommendation	Management response	Original due date	Current due date
	fee should be terminated immediately. The 36 tablets noted could be reassigned where they will be used or sold to recover any residual value.			
	4.6 For some types of work orders, predominantly level 1 thru 4, a triage system should be piloted to determine if tradespersons could be more effectively and efficiently dispatched to perform their work.	Done.	N/A	N/A
	4.7 OMM management should continue constructing and finalizing an input page to be used by tradespersons in the field.	Done.	N/A	N/A
	4.8 Consultants contracted to provide complete and accurate asset information should be held accountable for incomplete and erroneous asset information. Explore the possibility to recoup the cost of having to review and correct any new asset information entered by consultants.	Done.	N/A N/A	N/A N/A
	4.9 OMM management ensures that any future contracts issued for tender follows the Surety	Done.	N/A	N/A

Audit Report	Recommendation	Management response	Original due date	Current due date
	Bond Policy and associated procedures.			
	4.10 A current, blanket COI should be collected by Finance – Insurance & Risk for the contractor executing the diesel generator maintenance.	Done.	N/A	N/A
	4.11 OMM management should arrange for preventative maintenance to be performed on the portable diesel generators as per the contract with the contractor responsible for this work. Missing documentation should be investigated and collected to help ensure that all equipment is being maintained as per the standards followed.	Done.	N/A N/A	N/A N/A
Finance – A/P & Procurements	4.1 Consider implementing a stamp for departments to use for invoice approval / general ledger coding. Reiterate to staff the requirement for segregation of duties between purchase commitment and payment authority.	Done.	N/A	N/A
	4.2 Tender Bid Request Form is updated to clarify the requirement for advertising in the DCN.	Done.	N/A	N/A

Audit Report	Recommendation	Management response	Original due date	Current due date
	<p>Consider implementation of an electronic procurement filing system to reduce likelihood of misplacing key documents, and, create a more consistent standard file set-up.</p>			
	<p>4.3 A formal process be developed to ensure compliance with the policy of annual reviews of designated authorities.</p> <p>Department heads perform annual review of the designated approval authorities and report results to Finance for updates.</p>	Done.	N/A	N/A
	<p>4.4 Compare all NSA forms to purchasing course training records. Where the course has not been attended, a deadline established for attendance. If not attended, the NSA form should be revoked.</p> <p>NSA form should include the requirement for attendance to the purchasing training course and employee statement that the course was attended or scheduled attendance.</p>	Done.	N/A	N/A
	<p>4.5 Authorization of Payment of Goods and Services Policy is updated to clarify approval limits for Project Managers, include the segregation of duties between purchase commitment and</p>	Done.	N/A	N/A

Audit Report	Recommendation	Management response	Original due date	Current due date
	<p>payment approval.</p> <p>Purchasing Tool Kit be updated to clearly identify the requirement for a purchase order for purchases above a specified dollar limit.</p>	<p>The policy has been finalized, however, it is recommended that the policy not take effect until January 1, 2020, to coincide with the implementation of the new Purchasing Bylaw which is expected to be approved by Regional Council in Q4 2019.</p>	Q1 2019 ¹	Q1 2020
	<p>4.6 Perform a thorough review of the purchase orders identified as having errors and omissions and correct them in the system.</p> <p>Perform an annual review of unused purchase orders beyond a certain age to identify instances where invoices are being processed without being applied to a purchase order or directly to a general ledger account.</p>	Done.	N/A	N/A
CHS - Housing Capital Repairs	<p>4.1 Management should:</p> <ul style="list-style-type: none"> • Review contract requirements to ensure Schedule C and Schedule A are completed • Implement a process to ensure these and other contract requirements are completed 	Done.	N/A	N/A
	4.2			

¹ As presented by the Commissioner of Finance to the Audit Committee in their January 9, 2019 meeting.

Audit Report	Recommendation	Management response	Original due date	Current due date
	Management should: <ul style="list-style-type: none"> • Ensure that interest is calculated, tracked and reported annually to housing providers • Move forward with the development and implementation of the integrated Housing Solutions software 	Done. HCI is being developed in combination with seven other municipalities. The project is progressing slower than anticipated.	N/A Q3 2018	N/A Q1 2020
	4.3 Management develop and implement formal policies and procedures for the administration of the loan program. This program should include interest tracking and management.	Done.	N/A	N/A
	4.4 Management should: <ul style="list-style-type: none"> • Ensure housing providers selection process is in compliance with the provincial requirements for future programs • Develop / implement a formal process to ensure the reporting requirements for provincial flow through fund programs are met and in compliance with the Transfer Payment Agreement • Consider drafting a tenant waiver agreement to ensure access to the required electrical billing and usage data • Ensure the draft agreement with housing providers captures the applicable reporting 	Done.	N/A	N/A

Audit Report	Recommendation	Management response	Original due date	Current due date
	<p>requirements and consider including a clause in the agreement to grant Region access to electrical information on their behalf</p> <ul style="list-style-type: none"> Determine the frequency of collecting this data 			
	<p>4.5 Management should develop a formal policy and process document for the administration of the government flow through funding programs.</p>	<p>Done.</p>	<p>N/A</p>	<p>N/A</p>
<p>Environmental Services – MRF Contract Compliance</p>	<p>4.1 Subsequent revisions to the operating agreement require 30 days written notice of cancellation to coincide with the standard insurance requirements for the Region.</p>	<p>The MRF contract with Miller Waste Systems does not expire until 2020. On target for Q3 2020.</p>	<p>Q3 2020</p>	<p>Q3 2020</p>
	<p>4.2 To assist the Region in ensuring the facility is operating in compliance with the operating agreement:</p> <ul style="list-style-type: none"> Include a three month rolling average for rear-load compaction tonnage to the spreadsheet used to monitor gate-to-gate times, loading times, and rear-load compaction. This would help in timely identification if minimum tonnage is not being achieved, or trending unfavourably. Update the monthly averages spreadsheet to document reasons for unfavourable 	<p>Done.</p>	<p>N/A</p>	<p>N/A</p>

Audit Report	Recommendation	Management response	Original due date	Current due date
	<p>variances. Historical references can assist in identifying and correcting any future unfavourable variances.</p> <ul style="list-style-type: none"> Implementation of a checklist for use by cleaning personnel to ensure all items are performed as per the operating agreement and documented. 			
	<p>4.3 The Contractor submits completed and signed due diligence questionnaires with their monthly invoices for applicable buyers that month.</p>	Done.	N/A	N/A
Finance - Procurement Card	<p>4.1 Management should ensure the P-Card Policy is formally approved by Council. Once approved, management should ensure the P-card procedures are finalized and formally communicated to staff.</p>	Done.	N/A	N/A
	<p>4.2 Management should continue to automate the P-Card process to improve the control environment and increase efficiencies where possible, including the automation of the monthly reconciliation and approval process.</p> <p>Management could consider procuring an external consultant for assistance in the development and implementation of the automation process where internal recourses are limited.</p>	In-Progress and targeted to be completed by Q2 2019.	Q4 2018	Q2 2019

Audit Report	Recommendation	Management response	Original due date	Current due date
Corporate Services – Realty Services	4.1 Due to the growth of the Realty Services Branch and increasing volume of acquisitions since the last policy review, Management should review both policies to ensure that definitions, descriptions, policies and procedures remain relevant and up to date.	Done.	N/A	N/A
	4.2 To help ensure the fairness, objectivity, accountability and transparency of the procurement process, management should complete a formal Request for Pre-Qualification through the Procurement Office to develop a roster of qualified appraisers.	The Roster was issued in May, and will close in late June. Award will take place in July / August.	Q3 2018	Q3 2019
	4.3 Management should identify critical documents and develop a consistent process for maintaining acquisition files. For example, each file should include a checklist of critical documents to ensure consistency in file maintenance. Management should consider monitoring completion dates for each step of the acquisition process from negotiations to CAO and Council approval.	Done.	N/A	N/A
	4.4			

Audit Report	Recommendation	Management response	Original due date	Current due date
	<p>Since the LTM system is an interim solution being replaced in the near future, we recommend that management ensure the following internal controls are implemented in the MasterWorks system:</p> <ul style="list-style-type: none"> • Specific read-only and editing access rights based on job requirements • Comprehensive audit trail with all editing history available • Formal policies and training communicated to all staff requiring use of the system. 	Done.	N/A	N/A
	<p>4.5 The accrued interest spreadsheet produced by the Realty Services Branch should be produced and communicated to all clients.</p> <p>Management should develop a formal process for monitoring and recording long-term accrued interest, including determining at which point aged acquisitions should be removed from project costs and transferred to a corporate program.</p>	<p>Uploading Viva information to the Land Transaction Management (LTM) database is complete, and all accrued interest on outstanding transactions is tracked, monitored and reported.</p> <p>All non-vivaNext related liabilities are tracked on spreadsheets and as of Q2 2019, are reported quarterly to the appropriate departments.</p>	Q2 2018	Q2 2019
Corporate Services – Property Services Building Security	<p>4.1 PSB management should create and present a business case as part of the 2019 budget process for the development of an in-house security management team capability to manage York</p>	Done.	N/A	N/A

Audit Report	Recommendation	Management response	Original due date	Current due date
	Region's security efforts.			
	<p>4.2 The 3rd party monitoring of Region buildings is an ongoing program with approximately \$63,000 being spent annually. A request for tender or proposal should be issued and a service level agreement obtained for the vendor(s).</p>	We will complete the award of a security monitoring contract by the end of Q2, 2019.	Q2 2018	Q2 2019
	<p>4.3 A To help ensure key inventories are kept accurate and secure, PSB management should develop formal inventory processes for each key type. B PSB management should also consider the costs / benefits of deploying the KeyWatcher program to help house and control 'regular' keys at all or some of the Region's office building. C Written processes for the creation, use and eventual destruction of security cards should be created.</p>	Done.	N/A	N/A
	<p>4.4 PSB management should develop a report and run the report periodically, i.e. monthly or quarterly, to note offices where the alarm is not being armed on a regular basis. Inquiry as to why an office is not arming the alarm on a regular basis should be</p>	Done.	N/A	N/A

Audit Report	Recommendation	Management response	Original due date	Current due date
	<p><u>620 Bayview Pkwy</u></p> <ul style="list-style-type: none"> PSB management should revisit the decision to not install CCTV at this facility. This facility should be as secure as other publically accessible Regional offices. <p><u>Other</u></p> <ul style="list-style-type: none"> Property Services work with Environmental Services to create a conditional approach to alarm notifications giving weight as to the type of condition and the time of day. In some cases, it could be prudent for YRP to attend the site before an Environmental Services employee. 	<p>Done.</p> <p>Monitoring and response protocols have been agreed to with Environmental Services and will be implemented Q3 2019.</p>	<p>N/A</p> <p>Q3 2018</p>	<p>N/A</p> <p>Q3 2019</p>
	<p>4.7 PSB management should:</p> <ol style="list-style-type: none"> Ensure that proper documentation is included with all invoice payment requests, i.e. commission report for new installations. Ensure that all Notification of Signing Authority forms are reviewed for completeness and accuracy on an annual basis. For Alfa Security Solutions maintenance and parts contracts, authority to purchase goods and services should not be extended to contractor employees. Work or purchase of 	<p>Done.</p>	<p>N/A</p>	<p>N/A</p>

Audit Report	Recommendation	Management response	Original due date	Current due date
	<p>parts must be approved by authorized Regional employees. This information should be formally shared with Alfa Security Solutions.</p> <p>4.Ensure that Alfa Security Solutions provides the Region with the name of the person requesting the work and performing any maintenance work on the service report.</p> <p>5.Ensure the required police screening is provided by the contractor as per the contract.</p>			
	<p>4.8 PSB management should ensure that the vendor follows the contract terms and provide service reports and consolidated invoices.</p>	<p>Done.</p>	<p>N/A</p>	<p>N/A</p>
	<p>4.9 PSB management should ensure that a formal centralized inventory that includes new and reclaimed Europlex parts be established and maintained. This would include:</p> <ul style="list-style-type: none"> • Identifying who removed the part and on which job the part was used. This can be subsequently verified to a work order or invoice. • Housing the inventory in a more secure fashion, i.e. locking lids. 	<p>Done.</p>	<p>N/A</p>	<p>N/A</p>
	<p>4.10</p>			

Audit Report	Recommendation	Management response	Original due date	Current due date
	<p><u>Security Guard contract</u></p> <p>PSB management ensures that all interviews and screening process is completed to help ensure proper aptitude and demeanor in line with Region expectations prior to assignment.</p> <p><u>Honeywell contract</u></p> <p>PSB management should ensure that security clearances are performed.</p> <p><u>Alfa Security Solutions</u></p> <p>PSB management should ensure the proper police screening is performed.</p>	Done.	N/A	N/A
Transportation Services – Fleet Services	<p>4.1 Management should develop and communicate a comprehensive Operator’s Safety Manual. The Manual should address York Region requirements, defensive driving and equipment operation, vehicle collision and incident responsibilities, general operating procedures, and updated fueling procedures.</p> <p>Management should consider rescinding the outdated Use of Transportation Services and Environmental Services Fleet Vehicles Policy and clarify employee expectations regarding personal use of fleet vehicles in the Manual.</p>	<p>At this time these items should be built into the new version of the Corporate Fleet and Driver Safety Policy (see below).</p> <p>Initial conversations with Piragal have started to get this policy updated. It was discussed that this policy will refer to the various components generally but will point to a procedures document with more details on</p>	Q4 2019	Q4 2019

Audit Report	Recommendation	Management response	Original due date	Current due date
	<p>A policy regarding the application of tires to fleet vehicles should be developed and communicated to staff.</p> <p>Additionally, the Manual should be communicated to contractors, who may use Region equipment and fueling stations during their operations.</p>	<p>each component.</p> <p>Preliminary planning has been initiated completion by Q4 2019 is on target.</p>	Q4 2019	Q4 2019
	<p>4.2 Management should implement a formal process to ensure all specifications developed for bid documents are administered through the Fleet Services to ensure compliance with the Purchasing Bylaw.</p> <p>The process should ensure compliance to the Region Records Retention Bylaw. Each file should include a cover page summarizing the product or service being tendered and a list of personnel involved in the development and evaluation of specifications. Also included in the file should be all documentation received from the requesting department and all correspondence regarding changes to specifications throughout the process.</p> <p>All specifications development files should be</p>	<p>Done.</p> <p>Fleet staff has created 2 main folders within e-docs that will contain all of the vehicle unit information. M5, Fleet's main software, will be used to track all operating costs from the point of commissioning the vehicle to the time of decommissioning.</p> <p>The first folder contains all tenders, RFP's, RFQ's document versions as each may have multiple units purchased within it. Once the procurement process has been completed, copies of the documents will be added to each individual unit folder.</p> <p>The second folder will have a list of unit numbers and within each folder will be PO's,</p>	N/A	N/A

Audit Report	Recommendation	Management response	Original due date	Current due date
	maintained at a centralized location within Fleet Services.	<p>tender documents, correspondence from clients as well as copies of the disposal documentation.</p> <p>A cover / index page will be included in each unit indicating those involved in the purchase of each vehicle.</p> <p>Finance and Supplies & Services will have access to these folders however Fleet will manage the information.</p>		
	<p>4.3 Management should re-communicate to staff their requirement to decommission fleet equipment when unsafe conditions are identified, until appropriate repairs are complete.</p> <p>Management should create a Driver Trainer position in the next budget process.</p>	Done.	N/A	N/A
	<p>4.4 Management should consider providing Fleet Services with access to vehicle GPS to assist in maintenance scheduling. Coordinating servicing based on usage and location assists in reducing unnecessary travel of the vehicle, labour hours, and the amount of time the vehicle is unavailable for use due to servicing.</p>	Done.	N/A	N/A
	<p>4.5 A formal process should be developed requiring</p>	Done.	N/A	N/A

Audit Report	Recommendation	Management response	Original due date	Current due date
	<p>the semi-annual or perpetual review of inventory stock. The Fleet Manager should identify slow moving and obsolete inventory, which can be forwarded to the Director, Roads and Traffic Operations.</p> <p>The Director may discuss with Finance and any other appropriate departments before providing approval to the Fleet Manager to move ahead with the auction or disposal of inventory, in accordance with the Corporate Disposal of Surplus Assets Policy</p>			
	<p>4.6 Policy should require Fleet Services to be involved in any purchase of fleet assets under their jurisdiction, regardless of department. This process would ensure that the Region does not purchase equipment it does not require, and Fleet Services is aware of all existing assets to properly schedule preventative maintenance.</p> <p>Additionally, Fleet Services should participate in the budgeting process for vehicles and equipment to assist in ensuring the accuracy of actual versus budgeted costs.</p>	<p>Preliminary planning has been initiated completion by Q4 2019 is on target.</p> <p>New policy to be created.</p>	Q4 2019	Q4 2019
	<p>4.7 Management should implement a formal process requiring use of the existing checklists for the</p>	Done.	N/A	N/A

Audit Report	Recommendation	Management response	Original due date	Current due date
	<p>commissioning and decommissioning of assets, including a training and orientation requirement as part of the commissioning process.</p> <p>The existing checklists should be reviewed to consolidate steps and require sign-off by responsible personnel.</p> <p>Additionally, supporting documentation (including vehicle assets approval information) requirements should be clearly defined and each file should be stored in a centralized location in accordance with the Records Retention Bylaw.</p>	<p>A commissioning and decommissioning checklist was created and is currently being utilized. This document will be added to the various edocs folders for each unit as described in 4.2.</p>		
<p>Transportation Services – Materials Quality Assurance</p>	<p>4.1 Transportation Services should request the contractor’s Quality Management Plan and Quality Control Plan before commencing capital projects. The plans should be reviewed and understood. Formal feedback should be provided to the contractor for clarifications as a result of the review.</p>	<p>Done.</p>	<p>N/A</p>	<p>N/A</p>
	<p>4.2 Review of testing documentation should be recorded to help ensure any problems worth noting are brought forward for resolution.</p> <p>To avoid paper and email files from being improperly stored or accidentally deleted, all quality assurance and quality control files should be saved to the appropriate folders on the</p>	<p>Both recommendations are now included in the scope of the new electronic Contract Management System, which is currently in development. The new system is being finalized at this time and will be rolled out for all construction projects in 2019</p>	<p>Q4 2018</p>	<p>Q2 2019</p>

Audit Report	Recommendation	Management response	Original due date	Current due date
	Region's server on a timely basis.			
	4.3 Transportation Services should develop an SOP guideline to assist in determining the level of materials quality testing for capital delivery projects. Budgets should be based on a plan of anticipated requirements based on the work.	Done.	N/A	N/A
	4.4 SPAR and SPAR Lite should be updated to provide more detailed guidance to staff as to the correct storage of quality testing documents in order to create more uniformity in project management document filing for retention purposes. Periodic management review of these files should also be performed to help ensure the documents are being collected and stored online on a timely basis.	Done. Current SOPs for SPAR and SPAR Lite have been completed before November 2018. Further updates will be required to reflect the new Construction Management Software (CMS) solution.	N/A	N/A
	4.5 Transportation Services should continue to develop detailed pre-pour and pre-pave meeting agendas that will help ensure all parties understand their roles and expectations.	Done.	N/A	N/A
Housing York Inc. – Rent Geared to	4.1 Management should update and develop, where	In progress.	Q4 2019	Q4 2019

Audit Report	Recommendation	Management response	Original due date	Current due date
Income	necessary, internal procedures to support the administration of the RGI program. Internal policies should support the regulatory requirements and clearly define local rules where applicable.			
	4.2 Management should reinstate a quality control review process at the south office to help ensure accuracy in RGI calculations, and consistency between the two offices and RGI files.	Done.	N/A	N/A
	<p>4.3 Management should review the current annual income verification documentation that is required by the Region and update/change where determined necessary.</p> <p>Management should implement a clearly defined follow up process for missing documentation. This should be included in the internal procedures, <i>see issue 4.1 Policies & Procedures</i>.</p> <p>Management should follow up on the missing documentation identified during the audit testing to ensure compliance with current requirements.</p> <p>Management should ensure the identified error in the rent calculation is corrected with rent adjusted/collected accordingly.</p>	<p>Done.</p> <p>In progress.</p> <p>Done.</p> <p>Done.</p>	<p>N/A</p> <p>Q4 2019</p> <p>N/A</p> <p>N/A</p>	<p>N/A</p> <p>Q4 2019</p> <p>N/A</p> <p>N/A</p>

Audit Report	Recommendation	Management response	Original due date	Current due date
<p>Corporate Services – Compensation and HRMS</p>	<p>4.1 Management should review the existing compensation related policies and update or create where necessary.</p> <p>Management should also develop and formally document procedures for key processes to support the policies once completed.</p>	<p>Compensation is responsible for ten policies, a number of which are interconnected, and our intent is to address most of them jointly by developing a comprehensive Non-Union Compensation Policy in 2019 for implementation is 2020.</p> <p>Completed. Job description / Titles and Job Evaluation Policies and guidelines are drafted – being held pending implications from SMT meetings.</p> <p>Delayed. Following the Compensation presentation to SMT in January and a subsequent communication in March 2019, the suggested direction was approved for incorporation into the draft policy document. Signoff is anticipated by the end of Q2 with a broader roll out by end of Q4 to include communication and supporting materials. Related technology and process changes are also in progress.</p> <p>In process and on target. The Non-Union Salary Administration policy and program will be drafted by end of year.</p> <p>Expected to be on target.</p>	<p>N/A</p> <p>Q2 2019</p> <p>Q4 2019</p> <p>Q2 2020</p>	<p>N/A</p> <p>Q2 2019 – submit Q4 2019 approval and roll out</p> <p>Q4 2019</p> <p>Q2 2020</p>

Audit Report	Recommendation	Management response	Original due date	Current due date
		<p>The Non-Union Salary Administration policy and program will be submitted for approval. Upon successful signoff, a communications plan, revised program supports and guidelines will be launched by the end of Q2-2020. This includes pay for performance and acting assignments referenced in the findings.</p>		
	<p>4.2 Management should review the current Job Evaluation policy and procedures and update to reflect actual practice.</p> <p>Management should also consider implementing a formal Job Evaluation Committee for non-union jobs and/or a formal appeals process to ensure the process remains as fair and transparent as possible.</p> <p>Once policies/procedures have been updated, management should ensure information is communicated with staff and available on the Region intranet.</p>	<p>Delayed – As described in 4.1, following the Compensation presentation to SMT in January and subsequent communication in March 2019, the suggested direction was approved for incorporation into the draft policy document. Sign-off is anticipated by end of Q2 with a broader roll out by the end of Q4 to include communication and supporting materials. Related technology and process changes are also in progress.</p> <p>Done.</p> <p>Not started - Collective bargaining is the primary method through which changes to Job Evaluation for Union could be raised and negotiated, but there is no guaranteed outcome. The current CUPE agreements expire in 2020 and the recommendations from the program review which require Union input/approval will be brought forward during 2020</p>	<p>Q2 2019</p> <p>N/A</p> <p>Q4 2020</p>	<p>Q2 2019</p> <p>N/A</p> <p>Q4 2020</p>

Audit Report	Recommendation	Management response	Original due date	Current due date
		Negotiations.		
	<p>4.3 Management should consider developing and implementing a standard Job Evaluation checklist to ensure consistency in file documentation and that all supporting documents, including the JIF and Evaluation Record Sheet, are included in the evaluation files.</p>	Done.	N/A	N/A
	<p>4.4 Management should continue to investigate alternative options to Microsoft Excel for managing and tracking key compensation programs to better help streamline processes and reduce the room for errors inherent with using Excel.</p>	<p>Completed. JEMS (Job Evaluation Management System) was used for new job evaluations.</p> <p>In progress – RFP (for HR Tech Roadmap) to be released in Q2 and with anticipated work completion in Q4.</p>	<p>N/A</p> <p>Q2 2019</p>	<p>N/A</p> <p>Q2 2019 RFP release YE 2019 – Project completion</p>
	<p>4.5 Access for compensation rate changes and adding new employees should be reviewed and removed where not required as part of the employee’s job function.</p> <p>Management should develop a policy and process for requesting and granting HRMS access and for reviewing access when there is an internal</p>	<p>Done.</p> <p>Completed. The online access request form went live for HRMS by end of 2018 and was expanded to</p>	<p>N/A</p> <p>N/A</p>	<p>N/A</p> <p>N/A</p>

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	<p>transfer. A form could be developed that links to defined user roles when requesting access. Transfers should include a check for existing access to determine if still required.</p> <p>Management should develop and implement defined user roles/groupings within HRMS that should be tied to job code/functions. The existing access within HRMS should be reviewed and converted once the roles are clearly defined and developed.</p>	<p>Payroll in early 2019. No policy for this is recommended.</p> <p>On target for Q4 2019: to determine if audit recommendation ought to be implemented. The HR Technology roadmap may assess the future of PeopleSoft and inform of implementation measures. If the decision is to proceed, it will be a multi-month project requiring significant investment of time and resources not budgeted for or internally available. Interim measures as described above are currently in place.</p>	Q4 2019	Q4 2019
	<p>4.6 Management should review the above survey results and could consider the following;</p> <ul style="list-style-type: none"> • Increasing the maximum increase per pay grade for acting assignments and internal promotions to better align with industry best practices. Alternatively, a policy could be developed where increases above the 3.5% increase per grade would be permitted at the hiring Director's discretion. • A job evaluation maintenance review schedule. 	<p>On target – No substantial updates since the last reporting period.</p> <p>On target – The concept of a cyclical job evaluation review will be incorporated in the</p>	Q4 2020	Q4 2020
			Q4 2019	Q4 2019

Audit Report	Recommendation	Management response	Original due date	Current due date
	<ul style="list-style-type: none"> • Develop and implement a formal Retention & Attraction Policy for “hot skills”, which includes regular reviews and updates when required. • Review and update, if required, the current municipal comparator list to ensure it includes the most accurate and representative comparator municipalities. • As previously stated in issue 4.1 and 4.2; management should review and update all existing compensation related policies and procedures and implement a job evaluation committee and/or a formal appeals process for evaluation results. 	<p>revised job evaluation policy and/or guidelines; however, a maintenance review schedule can only be implemented once job evaluation volumes are brought into line with best practices.</p> <p>On target – no substantial updates since the last reporting period. Captured in 4.1. – Non-Union salary administration policy.</p> <p>Done.</p> <p>Response documented in 4.1 management response and this update.</p>	<p>Q4 2020</p> <p>N/A</p> <p>Q4 2020</p>	<p>Q4 2020</p> <p>N/A</p> <p>Q4 2020</p>
<p>Corporate Services – Health & Safety on Property Services Capital Projects</p>	<p>4.1 Property Services should continue identifying and implementing workable solutions to create a capital project filing structure for project documentation.</p>	<p><u>Property Services:</u> On schedule. Draft filing structure has been completed and being tested in Q2. Full implementation by end of Q3.</p>	<p>Q3 2019</p>	<p>Q3 2019</p>

Audit Report	Recommendation	Management response	Original due date	Current due date
	<p>4.2 For non-emergency capital projects, management should reiterate the requirement to collect health & safety documentation. For emergency purchases a process should be established that would allow for a quicker collection of the necessary health & safety documents as listed in the Policy and Guideline so as to help minimize the risk of accidents happening. The Contractor Safety Specialist should be notified of projects as per the Policy and Guideline.</p>	<p><u>Property Services:</u> On schedule. All staff in Capital Delivery & Engineering were reminded of the requirements to collect H&S documentations and notify the Contractor Safety Specialist of construction kick off meeting. A methodology that will allow for quicker collection of necessary H&S documents during emergency purchases has been drafted and being reviewed by the Contractor Safety Specialist. Full implementation by Q3.</p>	Q3 2019	Q3 2019
	<p>4.3 Based on the collection of documents testing results, management should consider a refresher course (HS0076 - Contractor Safety Construction Projects) that may be useful to reaffirm the health & safety documentation needing to be collected and why the Region collects them.</p>	<p><u>Property Services:</u> On schedule. All staff in Capital Delivery & Engineering will complete the refresher course, HS0076 Contractor Safety – Construction Projects, by end of Q2.</p>	Q2 2019	Q2 2019
	<p>4.4 The SOP for the Construction Safety Audit Process should be updated to reflect current practises in place.</p>	<p><u>Human Resources Services:</u> Done. The SOP for the <i>Construction Safety Audit Process</i> has been updated to reflect current practices.</p>	N/A	N/A

Audit Report	Recommendation	Management response	Original due date	Current due date
	<p>4.5 Management should consider the incorporation of tablet based software to capture the construction safety audits performed by the Region. This data can then be used for management reporting and planning purposes.</p>	<p><u>Human Resources Services:</u> The Workplace Health, Safety, Wellness & Benefits (WHSW&B) division is currently investigating software options to improve availability of construction safety audit reports, data and insights. WHSW&B will partner with relevant Capital Division staff in Property Services, Transportation and Environment for their input before confirming a recommendation.</p>	Q3 2019	Q3 2019
	<p>4.6 The Policy and Guideline should be updated to reflect current corporate processes and document collection requirements. Once management approval has been obtained, the updated policy should be posted on the intranet with the necessary hyperlink to the updated guide. All affected staff should be made aware of the update. This will help to ensure corporate process and documentation requirements continue being met.</p>	<p><u>Human Resources Services:</u> Edits to the Policy and Guideline were completed during Q1, 2019. The updated documents are currently under review as per York Region's Approval Process for New Policies and Major Policy Changes. All affected staff will be made aware of the updated Policy and Guidelines upon final approval.</p>	Q1 2019	Q2 2019