



CITY OF HAMILTON
CITY MANAGER'S OFFICE
Audit Services Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	September 14, 2015
SUBJECT/REPORT NO:	Performance Audit Report 2015-03 - Agenda Process (Value for Money Audit) (AUD15025) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Brigitte Minard 905-546-2424 x2088 Ashley Frank 905-546-2424 x3830
SUBMITTED BY:	Brigitte Minard CPA, CA, CIA, CGAP Acting Director, Audit Services City Manager's Office
SIGNATURE:	

RECOMMENDATION

- (a) That the Management Action Plans as detailed in Appendix "A" of Report AUD15025 be approved; and
- (b) That the City Manager and General Manager of Finance and Corporate Services be directed to instruct the appropriate staff to have the Management Action Plans (attached as Appendix "A" to Report AUD15025) implemented.

EXECUTIVE SUMMARY

The 2013 Performance Audit work plan approved by Council included an audit of agenda processes. The audit calculated how much it costs the City to print and distribute paper agendas, possible cost savings by reducing the number of agendas provided to various recipients and identified challenges that may require attention to move to a more electronic agenda process.

The audit focused on agendas printed for Council and Standing Committee meetings.

The results of this audit are presented in a formal Performance Audit Report (2015-03) containing observations, recommendations and management responses. Audit Report 2015-03 is attached as Appendix "A" to Report AUD15025.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS (for recommendation(s) only)

Financial: The implementation of the recommendations in this report may result in cost savings by reducing the volume of printing. Additional investigation and action is required by the Office of the City Clerk with input from the Information Technology Division. As a result, the overall related cost savings cannot be estimated at this time.

Staffing: None

Legal: The implementation of an electronic agenda process would require adequate management and security of private and confidential agenda items.

HISTORICAL BACKGROUND (Chronology of events)

This audit was scheduled as part of the 2013 Performance Audit work plan approved by Council. The audit fieldwork was completed in May 2015. The results of this audit are attached as Appendix “A” of Report AUD15025.

On March 9, 2015 the Audit, Finance and Administration Committee directed staff to investigate the implementation of an electronic means of publishing Standing Committee and Council agendas for Members of Council and City staff.

The Audit, Finance and Administration Committee receives and approves performance audit reports as part of its responsibilities for the oversight of governance.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

None.

RELEVANT CONSULTATION

Appendix “A” to Report AUD15025 includes action plans which reflect the responses of management responsible for the administration of the agenda process, the Office of the City Clerk Division of the City Manager’s Office in coordination with management in the Information Technology Division in the Corporate Services Department.

**ANALYSIS AND RATIONALE FOR RECOMMENDATION
(Include Performance Measurement/Benchmarking Data if applicable)**

The City prints approximately one million agenda pages for Council and Standing Committee meetings annually. It costs the City approximately \$35,000 and 120 trees to print and distribute agendas to Members of Council, select staff and the public for Council and Standing Committee meetings. The audit scope covered all Council and Standing Committee print volumes generated by the Print & Mail section for the period October 1, 2013 to September 30, 2014. This provides one complete year of information as limited meetings were held from October to December 2014 due to the municipal election.

Cost savings may be achieved if all or some of the printed agendas are eliminated through the adoption of an electronic or paper reduced agenda distribution process. Staff have been directed by Council to investigate the implementation of an electronic means of publishing agendas.

The formal Performance Audit Report (2015-03) containing background information, audit objectives, scope, methodology, findings and recommendations was issued. Four recommendations were included in Performance Audit Report 2015-03 (attached as Appendix "A" to Report AUD15025). Among the recommendations are:

- Reviewing survey results and considering the challenges and concerns identified in the investigation of publishing agendas electronically;
- Assessing the overall cost savings, considering technology related costs in the adoption of electronic or paper reduced agenda distribution processes and strategies; and
- Reducing agendas printed for use by the public.

Management agreed with all four recommendations and provided action plans for implementation. The implementation of many recommendations is anticipated to be completed by the end of 2015. The implementation of an electronic or paper reduced agenda distribution process is anticipated to be completed prior to the 2018 – 2022 term of Council. Management action plans can be found in the attached Performance Audit Report (Appendix "A" to Report AUD15025).

Audit Services conducted this audit in conformity with the *International Standards for the Professional Practice of Internal Auditing*. These standards require that Audit Services plan and perform the audit to obtain sufficient, appropriate evidence to support the findings and conclusions based on the audit objectives. Audit Services believes that the work performed provides a reasonable basis for the audit findings and conclusions.

ALTERNATIVES FOR CONSIDERATION

(Include Financial, Staffing, Legal and Policy Implications and Pros and Cons for each alternative)

Not applicable.

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN

Strategic Priority #1

A Prosperous & Healthy Community

WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.

Strategic Objective

1.6 Enhance Overall Sustainability (financial, economic, social and environmental).

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

2.1 Implement processes to improve services, leverage technology and validate cost effectiveness and efficiencies across the Corporation.

2.2 Improve the City's approach to engaging and informing citizens and stakeholders.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report AUD15025

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