

AUD21008
Review: Ward 3 Capital Reserve Administrative Oversight

RECOMMENDATIONS
AND
MANAGEMENT RESPONSES

Recommendations

The following 5 recommendations will strengthen controls and increase process efficiencies related to reserve administration to reduce the risk and impact of errors:

1. That the Corporate Services Department implement a process to ensure that the Financial Planning, Administration and Policy Division is provided with all confidential Committee and Council reports and minutes so that they can be reviewed to ensure that City financial records are updated with the relevant financial implications from these reports.

It is important that City financial records are complete and accurate, while ensuring the confidentiality of the reports is maintained.

Management Response

Agreed. Finance staff will work with Clerk's office to ensure a process that balances the need for financial accuracy with the need to maintain appropriate confidentiality of records.

Expected completion date: Q3 2021

2. That a process be developed to reconcile actual reserve spending and future reserve commitments in the PeopleSoft Financial system and Reserve spreadsheets.

Management Response

Agreed. An update of the current Reserve Forecast SOP will begin in the summer with the introduction of the new budget software (Questica).

Expected completion date: Q3 2021

3. That the reconciliation process developed for Recommendation #2 continue for at least six months after going live with the Questica system to ensure reserve information within the PeopleSoft Financial and Questica systems produce accurate and complete reports.

Management Response

Agreed. The intention is that, in the new budgeting platform, the reserve information will be kept up-to-date (live), which will require regular reconciliations by associated staff to ensure the reports are pulling information accurately.

Expected completion date: Q1 2022

4. That this new reconciliation process and related expectations be incorporated into the Supervisor's job description and performance appraisal, as well as the Section's written operating procedures or work instructions.

Management Response

Partially Agree. We agree that the development of Standard Operating Procedures for updating the Council Action Items Worksheet is necessary. We believe that the existing job description captures the requirement to establish and document procedures and would therefore be captured in the annual performance appraisal process.

Expected completion date: Q3 2021

5. That a standard operating procedure be developed, approved and implemented for the communication of financial errors that exceed a pre-determined threshold, any related corrections/adjustments to Council and to inform other impacted stakeholders.

Management Response

Partially Agree. A standard operating procedure will be established to inform impacted stakeholders of financial errors that exceed a pre-determined threshold. The reporting or informing of financial errors will be conducted as per the Capital Projects' Monitoring Policy and the Budget Control Policy.

Expected completion date: Q1 2022