



CITY OF HAMILTON
CITY MANAGER'S OFFICE
Audit Services Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	February 10, 2014
SUBJECT/REPORT NO:	Annual Follow Up of Outstanding Audit Recommendations (AUD14001) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Ann Pekaruk 905-546-2424 x4469
SUBMITTED BY:	Ann Pekaruk Director, Audit Services City Manager's Office
SIGNATURE:	

RECOMMENDATION

That Report AUD14001, respecting the 2013 Annual Follow Up of Outstanding Audit Recommendations, be received.

EXECUTIVE SUMMARY

The annual follow up process results in a report which provides information on the status of the implementation of the outstanding recommendations made since 2005. In addition, a matrix outlining the recommendations which continue to be in various states of incomplete implementation (i.e. not completed, initiated, in progress or undetermined) is provided as Appendix "A" of Report AUD14001.

From 2005 to March 31, 2013, 918 recommendations were made. After the completion of the annual follow up work, it was verified that another 291 recommendations (above the 489 reported in the prior year) had been fully implemented, leaving 138 still in an uncompleted state. Therefore, for purposes of this Report, there is a completed implementation rate of 85% on the 918 recommendations, a slight drop from the 89% completion rate reported in October, 2012.

Alternatives for Consideration – Not Applicable

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

Financial: None.
Staffing: None.
Legal: None.

HISTORICAL BACKGROUND (Chronology of events)

On April 13, 2011, Council approved a process for an annual follow up of outstanding audit recommendations. The process was designed to be a positive assurance exercise in which Internal Audit reports on the status of management's implementation of the audit recommendations made since 2005.

In January, 2013, an overall completion percentage target of 95% was proposed to Committee, allowing a balance of 5% not completed to account for action plans that may require longer timeframes to implement (e.g. new systems application, legislative changes).

During the period May to September, 2013, Internal Audit performed testing to verify the status of the implementation of the recommendations.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

None.

RELEVANT CONSULTATION

Internal Audit consulted with staff across all departments of the City of Hamilton to verify the status of outstanding recommendations.

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

The annual follow up of outstanding audit recommendations is an extension of Internal Audit's standard follow up process which occurs 12 to 18 months after the issuance of the original audit report. All recommendations found to be in non fully implemented states (i.e. incomplete, initiated, in progress or undetermined) are subjected to additional annual follow up verification until a completed status is reached. This process provides an annual Committee update on the status of the implementation of recommendations made in the past audit reports.

From January 1, 2005 to March 3, 2013, the 918 recommendations that were followed up by Internal Audit (regular and annual follow up) have an 85% completion rate (Table 1). This is a slight drop from the 89% completion rate reported in October, 2012.

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Table 1 – Recommendations Completed

Year	Recommendations	Completed	Not Completed	% Complete
2005	101	98	3	97%
2006	50	46	4	92%
2007	153	136	17	89%
2008	123	119	4	97%
2009	114	106	8	93%
2010	251	169	82	67%
2011	126	106	20	84%
Total	918	780	138	85%

During the annual follow up conducted between May and September, 2013, Internal Audit also updated the status of the 138 recommendations that remain outstanding (see Table 2).

Table 2 – Recommendations Outstanding

Year	O/S	Status Update			
		IP	I	NC	U
2005	3	3			
2006	4	4			
2007	17	15	1	1	
2008	4	4			
2009	8	6			2
2010	82	57	5	19	1
2011	20	17		1	2
Total	138	106	6	21	5

Legend:

O/S – Outstanding
 IP – In Progress
 I – Initiated
 NC – Not Completed
 U – Undetermined

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Management has committed to completing the remaining recommendations as detailed in the matrix of Outstanding Audit Recommendations attached as Appendix “A” to Report AUD14001. Most of the recommendations will be completed before 2014 year end. Some recommendations, however, have a longer term implementation due to required new systems or completion of extensive projects. The matrix will be updated with each annual review to include the addition of new recommendations determined as not completed during standard follow ups (which will add to the database) in the year, as well as, the deletion of recommendations verified as completed in the annual follow up exercise.

Table 3 – Recommendations Not Completed By Year/Department

Department	NC	2005	2006	2007	2008	2009	2010	2011
City Manager's Office	14						14	
Community and Emergency Services	8	1		1	1	1	4	
Corporate Services	32	1	4	1	1	4	21	
Hamilton Public Library	10			10				
Planning & Economic Development	17					2	4	11
Public Health Services	11	1					2	8
Public Works	46			5	2	1	37	1
Total	138	3	4	17	4	8	82	20

Legend:

NC – Not Completed

This type of process is considered a best practice. It ensures Management is held accountable for the implementation of action plans to which it has committed. It provides valuable and timely information to members of the Audit, Finance and Administration Committee as part of its responsibilities for the oversight of the control environment.

Audit Services conducted this follow up exercise in conformity with the *International Standards for the Professional Practice of Internal Auditing*. Audit Services believes that the work performed provides a reasonable basis for the follow up comments 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 #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.

Strategic Priority #3

Leadership & Governance

WE work together to ensure we are a government that is respectful towards each other and that the community has confidence and trust in.

Strategic Objective

- 3.4 Enhance opportunities for administrative and operational efficiencies.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report AUD14001

ap:dt

2013 Annual Follow Up of Outstanding Audit Recommendations Summary - Status Report

**CITY MANAGER'S OFFICE
2010**

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-08 HR Recruitment	1.b - That Employment Services incorporate the items identified into their strategic and operational plans.	In Progress	Many of these items have been incorporated into the Strategic Plan. Performance measures are still being defined.	March 2014
	2. - That Employment Services review and update published policies and procedures. New policies should be created to address the areas identified in the observations. Care should be taken to build flexibility into the standards to make the recruitment process more appealing to job seekers.	In Progress	Based on the analysis performed, many of the remaining policies have not been updated.	Dec. 2013
	3.a - That Employment Services analyze why department delays occur and anticipate the effect of such delays by providing appropriate advice or support to departments early in the recruitment and selection process.	In Progress	Data is being collected during 2013 with analysis of the data scheduled to occur in 2014. The collection of data will enable analysis of delays to occur.	March 2014
	3.bi - That Employment Services revise the time to hire calculation to be more in line with actual performance and benchmarking sources.	In Progress	Data is now being consistently collected in PeopleSoft HR. Calculations for 2013 are going to be based on data that is entered into PeopleSoft HR.	March 2014
	3.bii - That Employment Services set a target time to hire performance measure and implement processes to monitor and analyze performance against this measure with the goal of improving the overall recruitment and selection process.	Initiated	A report has been designed to collect relevant data so that analysis can be performed. Data collection is occurring in 2013, with analysis and goal setting scheduled to occur in 2014.	July 2014

CITY MANAGER’S OFFICE (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-08 HR Recruitment (Continued)	4. - That Employment Services determine what information is required in a call file to support the hiring decision. Staff should then be trained in this regard. The Table of Contents and Call File Checklist should be updated to reflect any revisions.	Initiated	No progress has been made since the 2012 Follow Up Audit. This item is dependent on the completion of #8a below.	July 2014
	5.a - That Employment Services staff ensure adequate approvals are obtained on forms submitted by departments.	In Progress	Appropriate approvals are not occurring on a consistent basis.	July 2014
	6.bi - That processes are documented and communicated to hiring managers to ensure a written offer is extended for a position prior to the commencement of employment in that position.	Not Completed	Offer letters are not consistently sent to successful candidates prior to their start date.	July 2014
	8.a - That Employment Services review the entire recruitment and selection process with the objective of eliminating instances where duplicate manual or electronic documents exist. Use of current technology for document storage and retention should be considered.	Not Completed	No progress has been made on this item since the 2012 Follow Up Audit was performed.	July 2014
	8.b - That Employment Services consider ways to encourage electronic submission of applications and resumes. For example, setting up a workstation in the Human Resources reception area with a scanner, so that in person applicants can scan and submit their resumes electronically.	In Progress	A computer has been installed, but instructions are not posted and staff assistance to the public is not occurring.	Nov. 2013

CITY MANAGER’S OFFICE (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-08 HR Recruitment (Continued)	8.e - That once policies and procedures are brought up to date as outlined in #2, Employment Services provide training to hiring managers in regard to their responsibilities.	In Progress	A training module is currently being finalized and needs to be piloted and rolled out. Expected completion date is November 2013 for the pilot and this training is expected to be a regular course offering in 2014.	Dec. 2014
	9.a - That Employment Services include a policy and procedure to clarify the use of acting positions as part of the recommendation noted in #2. Controls should be outlined in the policy.	In Progress	A Policy for Acting Assignments is in effect within the organization. A sample of acting assignments was reviewed to assess compliance with the policy and were found to be not consistently in compliance with this Policy.	July 2014
	9.b - That Employment Services prepare offer letters for employees entering into acting positions.	In Progress	Based on the sample that was reviewed during testing, temporary deployment agreements were not included consistently in employee files when an acting position was obtained.	July 2014
	11.c - That departments be directed to retain documentation regarding co-op student hires to support their selections.	Not Completed	No action has been taken by management. Management considers this item to be of low priority.	Undetermined

**COMMUNITY AND EMERGENCY SERVICES
2005**

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2005-10 CLASS System - Culture & Recreation	5.c - That the refund request and approval function include the provision of information to properly evaluate the appropriateness and amount of refund and documents/data bear evidence of such review.	In Progress	A procedure to review and approve refunded CLASS transactions has been developed and is in the process of being included in the final draft of the revised Cash Handling Policy. The new refund procedure will include the provision of information to properly evaluate the appropriateness and amount of refunds and documents/data will bear evidence of such review.	Sept. 2013

2007

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2007-15 OW – Non-Active Clients & Overpayments	1. - That management work together with other municipalities to actively pursue the Province in developing reliable, standard reports for the accounting and administration of overpayments. Such reports should be readily available to be run off the system in a format that facilitates analysis and data extraction.	In Progress	The Ministry has delayed the introduction of a new system of electronic reports supporting the accounting and administration of overpayments.	Dec. 2013

COMMUNITY AND EMERGENCY SERVICES (Continued)
2008

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2008-06 Fleet Management - Part II (HES)	12.c - That a formal re-order point be set in the above-referenced system for frequently used parts in inventory.	In Progress	The Fire Data Management (FDM) database continues to be populated with live data so that analysis of re-order requirements can be performed.	Jan. 2014

2009

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2009-06 Fire Prevention Division	A.2 - That management and systems support investigate the full potential functionality of FDM in regard to enhancing the efficiency of various processes through automation and database extractions.	In Progress	Management identified several milestones within the Fire Data Management (FDM) system automation. Seven of the initiatives identified have been implemented and another five remain outstanding.	Sept. 2014

2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-13 Domiciliary Hostel Program (DHP)	3. - That Case Managers be required (by way of a written procedure) to update client files and the RCF database with current income information at least minimally every twelve (12) months. The Manager should monitor adherence to this timeline by performing random file checks on a regular basis.	In Progress	The procedure has been approved. However, files are not being reviewed and updated every 12 months. File review by a Supervisor / Manager has not been occurring.	Dec. 2013

COMMUNITY AND EMERGENCY SERVICES (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-13 Domiciliary Hostel Program (Continued)	5. - That current subsidy agreement contracts be executed and copies placed in the appropriate operator files. Terms of the contract (such as proof of insurance, licenses, etc.) should then be enforced. Any non-compliance could result in non-payment of subsidies.	In Progress	New contracts were sent to all operators in 2013. Contracts have been received back from all but one operator. Tracking was occurring but has temporarily been halted due to a staff vacancy in the program.	July 2013
	11. - That specific details be documented as to the reasons DHP clients are receiving the transportation amounts that they are being provided. These details should be reviewed and updated every 12 months at a minimum or as client circumstances change.	In Progress	The reasons DHP clients are receiving the transportation amounts are not always provided. There is no evidence that these details are updated every 12 months or as client circumstances change. A Policy document for this area has been drafted and approved.	Dec. 2013
	A2. - That the DHP consider creating the reports noted above in order to better support program workflows.	In Progress	The reports have been developed and are currently being refined and finalized in the test version of the RCF database.	Aug. 2013

**CORPORATE SERVICES
2005**

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2005-06 Accounts Payable	2.a - That, in order to ensure accountability for invoices received and in order to have immediate accrual recognition for management decision making, management continue investigating a workflow driven process whereby invoices are entered into the PeopleSoft system at the time they are received with subsequent approval taking place.	In Progress	The PeopleSoft Financial system is currently being upgraded. The upgrade relates to the automation of the scanning and processing of incoming Accounts Payable invoices.	Dec. 2013

2006

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2006-02 Accounts Receivable	1. - That management consider restricting system access to only those functions of the accounts receivable system that are within each employee's area of responsibility. An adequate segregation of duties should be considered in this exercise.	In Progress	A partial review of Accounts Receivable access was carried out in late 2012. A full review is currently being performed. Regular, automated monitoring for changes to existing users takes place. A solution to address the segregation of duties issues is being developed.	Oct. 2013
	6.a - That a payment withholding system be considered for long, overdue customers with whom the City also has purchasing contracts.	In Progress	Legal Services is in the process of finalizing the draft wording for a set-off clause.	Dec. 2013

CORPORATE SERVICES (Continued)
2006

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2006-06 Metered Water - Billings & Revenue	2. - That Hamilton Utilities Corporation (HUC) notify the City’s appropriate contact in the Budget and Finance section of proposed deferred payment agreements made with water and wastewater customers whenever the amount owing exceeds a set threshold level agreed to by both the City and HUC. The Service Agreement between the City and HUC should be modified to reflect the above requirement.	In Progress	Current Budgets (previously called Budget & Finance) continues to be informed about deferred payment agreements made between HUC and water/wastewater customers. However, the City’s Service Agreement with HUC has not been modified to reflect that this is a requirement.	Jan. 2015
	A.1 - That the City’s Water and Wastewater section of Public Works escalate a program to replace older meters so as to minimize the risk of potential revenue loss.	In Progress	Hamilton Water is aware that more than a third of its water meters are past their 15 year service life. Hamilton Water has hired a consultant to assist in the development of a formal change out program for its water meters. A report is expected to be presented to Council. However, the completion date of the replacement of the meters is unknown.	Undetermined

CORPORATE SERVICES (Continued)
2007

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2007-05 Fleet Management	2. - That all long-term vehicle/equipment rentals be discussed with Central Fleet staff and approval to proceed be given only after consideration of the alternative suggestions. Documentation should be retained by the department to support the decision to rent on a long-term basis.	In Progress	The vehicles in Recreation were returned. However, there are currently three long-term rentals in Public Works for which Central Fleet was not consulted.	Undetermined

2008

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2008-01 Risk Management – Claims Administration	1.b - That all these procedures, once written and updated, be reviewed regularly to ensure that they remain current.	In Progress	Many of Risk Management's procedures are reviewed regularly and are kept current. One procedure (regarding Outstanding Claims Reconciliation) is in the process of being updated.	Dec. 2013

**CORPORATE SERVICES (Continued)
2009**

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2009-04 Telecommunication Services	1.b - That the RFP process be initiated before existing contracts expire to ensure minimum lag time between old and new contracts.	Undetermined	The Supervisor of Contract Administration is responsible for the various telecommunications contracts. However, since the renewal of the City’s major telecommunication’s contract is still more than one year from expiry, the lag time between old and new contracts could not yet be determined.	Dec. 2014
	2.a. - That procedures pertaining to all the processes with respect to IPT, land lines, Blackberries, cellular phones and pagers be documented.	In Progress	The procedures for IPT and landlines developed to date do not include a scope or a date showing when they were developed or updated and have not been signed by management.	Dec. 2013
	2.b - That, once completed, the above procedures (including any still relevant existing procedures) be reviewed on a regular basis to ensure that they remain current and are appropriately and consistently applied.	Undetermined	Since the procedures are not dated, it cannot be determined if the procedures are reviewed regularly.	Dec. 2013
	8.d - That costs associated with personal long distance use, personal text messaging usage and other personal services (such as directory assistance) be reimbursed to the City within 30 days of receipt of the invoice.	In Progress	There are still some users who are not reimbursing the City within 30 days of the receipt of their invoice, as required by the Cell Phone Use Agreement.	Undetermined

**CORPORATE SERVICES (Continued)
2010**

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-01 Real Estate Asset Management	A.1a – That all leases be invoiced through the City’s Accounts Receivable (A/R) section.	In Progress	Accounts Receivable is still not invoicing the lessee that resulted in this recommendation.	Sept. 2013
	A.1b – That the outstanding amount of GST due be recovered from the lessee and that it be remitted to the Canada Revenue Agency (CRA).	In Progress	HST is now being collected from the lessee. However, amounts outstanding due to non collection have not been recovered or remitted to CRA.	Aug. 2013

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-07 IS Business Process Management	1. - That IS complete the implementation of the business processes as outlined in the IBM reports, customizing them as necessary to best meet the needs of the City.	In Progress	A temporary Problem Management process has been implemented and a Release Management process is being gradually implemented across the Sections in the IT Division.	Aug. 2014
	4.d - That a Lead Time Policy be drafted, implemented and enforced across IS. This Policy should define standard lead times that are required for non-standard work based on priority levels. This Policy should also contain documentation of CRM (Customer Relationship Manager) roles within IS including responsibility for the awareness of future departmental requests and needs on a more pro-active basis.	In Progress	This recommendation cannot be fully implemented until the IT Governance Review has been completed. There currently is no expected completion date for the IT Governance Review.	Undetermined

CORPORATE SERVICES (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-07 IS Business Process Management (Continued)	5. - That IS management create, regularly update and ensure staff compliance with policies and procedures for all of the business processes within IS.	In Progress	Formal business procedures or a process management guide have not yet been developed for the Problem Management Process (a user guide has been developed). This is included in the scope of the “Service Management Process Improvements Project”.	Aug. 2014
	6.a - That IS make quality assurance part of the job responsibilities of a current staff member.	In Progress	The role of a "Quality Assurance Analyst" has been defined. This role has not been filled due to other priority projects within IT (Web Redevelopment and Call Handling).	Jun. 2014
	7. - That IS draft and implement Service Level Agreements (SLAs) with other departments in the City.	In Progress	SLAs have been established for four user groups but have not yet been created for other user groups.	Dec. 2013
	11. - That IS research and implement a Knowledge Base tool for the Incident Management process.	In Progress	A temporary Knowledge Base solution has been put in place. A permanent solution is currently being implemented as part of the “Service Management Process Improvements Project”.	Aug. 2014

CORPORATE SERVICES (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-07 IS Business Process Management (Continued)	12. - That a well-defined Problem Management process be implemented by IS.	In Progress	A temporary Problem Management process has been implemented. Funding was received in 2013 to upgrade or replace the current IT Service Management Tool (Problem Management is one component of IT Service Management).	Aug. 2014
	13. - That the above noted documents be developed by IS and included as part of the Problem Management process implementation.	In Progress	A user guide for the Problem Management process has been created. However, formal, approved business procedure documents have not been created. Funding was received in 2013 to upgrade or replace the current IT Service Management Tool (Problem Management is one component of IT Service Management).	Aug. 2014
	15.a - That the Change Management procedures be revised to address the deficiencies noted above. After these procedures have been augmented, they need to be communicated to staff in order to set expectations and ensure that they are followed by all staff.	In Progress	Separation of production and test/development environments has not yet been completed.	Dec. 2014

CORPORATE SERVICES (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-07 IS Business Process Management (Continued)	17.b - That IS designate staff as either developers or implementers for specific servers and applications and the access to servers and applications be restricted to only appropriate staff members by utilizing security groups. For staff that are required to provide after hours support to all areas, an after-hours support account (that is not generic) should be assigned and their support accounts should have the usage monitored on a regular basis.	In Progress	More progress has been made on the Data Centre upgrade project whose completion is necessary for full implementation of this recommendation.	Dec. 2014
	18. - That the Change Management procedures be revised to address the deficiencies noted above. Management must ensure that the documentation and approvals as noted in the revised process are being carried out.	In Progress	Appropriate segregation of duties has not been achieved and therefore, has not been addressed in the Change Management process. Until the datacentre upgrades have been completed, this recommendation cannot be fully implemented.	Dec. 2014
	21.a - That IS investigate the various options for a Change Management database and reporting tool and implement the tools that best meet the City's needs.	In Progress	Budgetary funding has been approved for a project to investigate IT Service Management (including integration with Change Management) that is currently underway in the IT Division.	Aug. 2014

CORPORATE SERVICES (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-07 IS Business Process Management (Continued)	23. - That a testing methodology be drafted and implemented. It should include sign-off and approval levels depending on the risk and impact of the proposed release.	In Progress	Phase 1 of the Quality Assurance (QA) project has been completed and four key recommendations for the development of the program have been made. A testing methodology has been developed. This methodology has not been implemented due to other priority projects within IT (Web Redevelopment and Call Handling).	Jun. 2014
	24. - That IS commit to implementing a Release Management process by implementing the recommendations noted above.	In Progress	Significant process has been made towards implementing Release Management since the regular follow up in 2012. Release Management is now occurring regularly for PeopleSoft, with other areas scheduled to begin using Release Management later in 2013 and in early 2014.	Feb. 2014

**CORPORATE SERVICES (Continued)
2010**

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-11 Citizen Service Centre (CSC) - Funds Handling	1. - That deposit controls be enhanced by implementing the following: a) the individuals dropping off and receiving the deposit sign the log.	In Progress	Individuals dropping off the deposit are not required to sign the log. As an alternative, staff are to receive two copies of the deposit slip, each to be signed by the individual dropping off and receiving the deposit. One slip is returned to the departmental staff. The second copy is filed with the Brinks log book. It was found that this second copy is not consistently signed by CSC staff to provide accountability.	July 2013

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-12 Provincial Offences Administration (POA) – Revenue & Cash Handling	6. - That each Municipal Service Centre (MSC) include a copy of the Excel spreadsheet summarizing the batch of offence payment documentation remitted to the POA Office for processing. The POA Office should stamp the receipt date on the batch listing. The receipt date, payment dates and payment amounts summarized on the batch listing may be used by the Financial Officer to reconcile MSC payments and investigate discrepancies in a more timely manner.	Not Completed	A reconciliation between MSC CLASS and POA ICON is being prepared but does not adequately ensure all payment received at MSCs have been recorded in ICON. It may be difficult to resolve discrepancies or identify errors occurring earlier in the fiscal year.	Aug. 2013

CORPORATE SERVICES (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-12 Provincial Offences Administration (POA) – Revenue & Cash Handling (Continued)	A.1 - That the POA Office set a precise cut-off period and generate an accurate actual write off report to Council for approval.	In Progress	Write offs pertaining to uncollectible offences, underpayments and deceased persons are segregated in the POA Write Off Report. The POA Office has set cut-off periods for these write offs. However, the cut-off periods are not adequately detailed in the POA Write Off Report.	Sept. 2013
	A.4ii - That the POA Office investigate ways to protect sensitive cardholder data on the forms outlined above. For instance, the POA Office may request the Ministry of the Attorney General change the format of such forms or restrict access to stored documents within the POA Office. The POA Office should inquire of actions being taken by other areas in the City to address PCI DSS and consider similar actions, where feasible.	In Progress	A security card reader has been installed to restrict access to stored documents to staff working in the POA Office. Part 1 Payment Notices now have credit card information in a tear off portion and the Telephone Authorization forms have credit card information at the bottom of the form that can be easily removed and shredded. However, credit card information is not consistently being removed from the form before being filed in POA records. By not protecting this information, the POA Office is not PCI DSS compliant and does not secure sensitive cardholder information.	July 2013

CORPORATE SERVICES (Continued)
2010

2010-12 Provincial Offences Administration (POA) – Revenue & Cash Handling (Continued)	A.5 - That the Financial Officer count and reconcile the petty cash and witness fee cash boxes on a quarterly basis.	In Progress	Although petty cash and witness fees cash boxes are being counted and reconciled, this is not consistently being performed on a quarterly basis to ensure timely follow up of discovered differences.	July 2013
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HAMILTON PUBLIC LIBRARY (HPL)
2007

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2007-10 Library Fines & Other Revenues	1. - That management approach Sirsi-Dynix about the feasibility of switching to user-specific usernames and passwords to access the existing version of Horizon (also known as ‘Unicorn’). If such functionality is not available in the Unicorn version of Horizon, management should consider insisting on user-specific access when upgrading to the next version of Horizon (likely to be the ‘Symphony’ ILS).	In Progress	HPL has awarded a contract for a new Integrated Library System (ILS). The requirements for user-specific user names and passwords have been included in the contract.	Dec. 2013
	3.b - That a requirement to input staff identification and reasons for processing waivers be implemented.	In Progress	Fine waivers are input into Smart Money Manager (SMM) with a staff identification and reason. However, reasons do not appear on SMM reports and were not indicated for all waivers approved by Branch Managers.	Dec. 2013

**HAMILTON PUBLIC LIBRARY (HPL) (Continued)
2007**

<p>2007-10 Library Fines & Other Revenues (Continued)</p>	<p>4. - That management consider automating the cash receipting process for locations that receive reasonably large amounts of cash in order to improve the reliability and accuracy of amounts reported. The cost of installing cash registers at these locations should be weighed against the benefits of increased security and information reliability and a possible increase in reported revenues.</p> <p>Due to fiscal constraints, a staged implementation may be considered starting with branches with the higher cash receipts.</p>	<p>In Progress</p>	<p>HPL has installed Smart Money Manager point-of-sale systems in all branches. However, some transactions are still posted through Horizon. These transactions are not being matched to SMM to ensure they are included in the daily reconciliation.</p>	<p>Dec. 2013</p>
	<p>5.a - That circulation related revenues be periodically reconciled to Horizon cash reports and that management develop dollar thresholds beyond which discrepancies are investigated.</p>	<p>In Progress</p>	<p>Although all branches are using Smart Money Manager to process payments, system limitations still require fines and fees to be processed through Horizon and then entered into SMM under certain circumstances. Fines and fees processed through Horizon are not being reconciled to SMM to ensure amounts received are entered into the general ledger intact.</p>	<p>Dec. 2013</p>

HAMILTON PUBLIC LIBRARY (HPL) (Continued)
2007

2007-10 Library Fines & Other Revenues (Continued)	5.b - That management implement training programs to standardize the use of the Horizon system for payment processing and that staff be made aware that cash reports from Horizon will be used for cash balancing.	In Progress	SMM point-of-sale systems are being used at all branches and all staff have been trained on standard cash handling processes and how to reconcile daily activity with SMM. However, some payments have are still being processed through Horizon and there is no reconciliation of these transactions to SMM.	Dec. 2013
	6.a - That a requirement to input staff identification and reasons for waiving fines and other fees be implemented.	In Progress	Fine waivers are input into SMM with a staff identification and reason. However, reasons do not appear on SMM reports and were not indicated for all waivers approved by Branch Managers.	Dec. 2013
	10. - That a comprehensive debt collection agreement be drawn up that will ensure that: - All services provided by the collection agency are incorporated into the agreement. - A rate adjustment formula that is responsive to currency fluctuations is negotiated or that the billing rate be set in US dollars.	Not Completed	HPL's current debt collection agreement is not comprehensive and some terms and rates are out-dated. Management plans to review the agreement once the new Integrated Library System is operational.	Dec. 2013

HAMILTON PUBLIC LIBRARY (HPL) (Continued)
2007

2007-10 Library Fines & Other Revenues (Continued)	13. - That management consider introducing the following performance measures: - Fine waivers above certain established limits - Fines waived by branch (number and dollar) - Fine waivers by staff identification Delinquent accounts handed over by branch - Fines waived as A percentage of billings	In Progress	Performance measures have been set for management to review fine waivers above certain established limits. Other performance measures have not been implemented although management is reviewing fines waived by branch and by staff identification. HPL will look more closely at other measures once the new Integrated Library System is implemented.	Dec. 2013
	A.1 - That management review the incidence of cash surpluses and shortages and establish a threshold for reporting discrepancies to the branch manager.	In Progress	Variances in excess of \$10 should be investigated. Not all branches are investigating and documenting resolution of these variances.	Dec. 2013
	A.4a - That Daily Cash Sheets be reconciled to cash on hand on a daily basis and that variances be reported to the Branch Manager and investigated.	In Progress	Variances in excess of \$10 should be investigated. Not all branches are investigating and documenting resolution of these variances.	Dec. 2013

**PLANNING AND ECONOMIC DEVELOPMENT
2009**

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2009-11 Parking Revenues	4. – That on a quarterly basis, the Supervisor of Parking Revenues perform a reconciliation of the cash clearing account to provide a breakdown of the reconciling items.	In Progress	A reconciliation of the cash clearing account is being performed but no breakdown of the reconciling items is provided.	Dec. 2013
	5. – That the Manager of Parking Operations ensure that procedures are finalized and communicated to staff within a reasonable time.	In Progress	Procedures are currently being developed.	Undetermined

2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-01 Real Estate Asset Management	1.a – That the Real Estate section either implement a new system or modify one of the existing systems in order to provide accurate and up-to-date property inventory data (including identification of purchases and sales) to facilitate real estate asset management from a single source.	In Progress	Real Estate staff continue to update their in-house system. Unreconciled differences continue to exist between Real Estate’s system and ARCHIBUS.	Undetermined
	4.b – That a new system or a modified existing system be implemented to provide complete and accurate information regarding lease agreements for all City-owned properties from a single source. This recommendation should be considered in conjunction with the decision made for recommendation #1 above.	In Progress	Community Services leases will be input into ARCHIBUS in 2014.	Dec. 2014
	A.1a – That all leases be invoiced through the City’s Accounts Receivable section.	In Progress	Accounts Receivable is still not invoicing the lessee that resulted in this recommendation.	Sept. 2013

**PLANNING AND ECONOMIC DEVELOPMENT
2010 (Continued)**

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-10 Development Charges	1. - That written procedures be developed for the collection of development charges in Building Services and the allocation of fees to the reserve accounts in Financial Planning and Policy.	In Progress	Written procedures for the collection of development charges have been created, but they are in draft form only. These procedures are expected to be adopted after the new Building Services software is implemented.	Mar. 2014

2011

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2011-01 Culture Facilities – Cash Handling	1i- That cashiers maintain a log documenting the date, amount, nature and payment with respect to all voided and refunded transactions. Management should use this log to reconcile and approve voided or refunded transactions reported on the register transaction summary tape. The log and register transaction summary tape should bear evidence of this review and indicate resolution of questionable items. (SM)	<u>Steam Museum</u> In Progress	A transaction log was created to document the date, transaction type, payment type, amount and reason for the voided or refunded transaction. However, the amount is not consistently recorded in the log and there is no evidence that voids and refunds recorded in the log are reconciled to those processed through the cash register.	Sept. 2013

**PLANNING AND ECONOMIC DEVELOPMENT
2011 (Continued)**

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2011-01 Culture Facilities – Cash Handling (Continued)	1ii. - That cashiers maintain a log documenting the date, amount, nature and payment with respect to all voided and refunded transactions. Management should use this log to reconcile and approve voided or refunded transactions reported on the register transaction summary tape. The log and register transaction summary tape should bear evidence of this review and indicate resolution of questionable items. (CM)	<u>Children's Museum</u> In Progress	A transaction log was created to document the date, transaction type, payment type, amount and reason for the voided or refunded transaction. However, the amount is not consistently recorded in the log by cashiers and there is no evidence that voids and refunds recorded in the log are reconciled to those processed through the cash register. Also, there is no documentation supporting the resolution of questionable items	Sept. 2013
	1iii. - That cashiers maintain a log documenting the date, amount, nature and payment with respect to all voided and refunded transactions. Management should use this log to reconcile and approve voided or refunded transactions reported on the register transaction summary tape. The log and register transaction summary tape should bear evidence of this review and indicate resolution of questionable items. (BHM)	<u>Battlefield House Museum</u> In Progress	A transaction log was created to document the date, transaction type, payment type, amount and reason for the voided or refunded transaction. However, the amount is not consistently recorded in the log and there is no evidence that voids and refunds recorded on the log are reconciled to those processed through the cash register. Transactions entered on the log are not consistently approved by Supervisors.	Sept. 2013

PLANNING AND ECONOMIC DEVELOPMENT (Continued)
2011

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2011-01 Culture Facilities – Cash Handling (Continued)	1iv. - That cashiers maintain a log documenting the date, amount, nature and payment with respect to all voided and refunded transactions. Management should use this log to reconcile and approve voided or refunded transactions reported on the register transaction summary tape. The log and register transaction summary tape should bear evidence of this review and indicate resolution of questionable items. (DC)	<u>Dundurn Castle</u> In Progress	A transaction log was created to document the date, transaction type, payment type, amount and reason for the voided or refunded transaction. However, the amounts are not consistently recorded in the log. There is no evidence that voids and refunds recorded in the log are reconciled to those processed through the cash register. Voids and refunds are not consistently recorded in the transaction log.	Sept. 2013
	1v. - That cashiers maintain a log documenting the date, amount, nature and payment with respect to all voided and refunded transactions. Management should use this log to reconcile and approve voided or refunded transactions reported on the register transaction summary tape. The log and register transaction summary tape should bear evidence of this review and indicate resolution of questionable items. (FM)	<u>Fieldcote Museum</u> In Progress	A transaction log was created to document the date, transaction type, payment type, amount and reason for the voided or refunded transaction. However, voids and refunds are not consistently recorded in the log and there is no evidence that voids and refunds recorded in the log are reconciled to those processed through the cash register.	Sept. 2013

PLANNING AND ECONOMIC DEVELOPMENT (Continued)
2011

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2011-01 Culture Facilities – Cash Handling Continued)	2i - That two employees count funds from the donation box, record the counted donation, initial the form and retain this documentation in the register. The Curator should reconcile recorded donations to this form. (SM)	<u>Steam Museum</u> In Progress	Although two employees count the funds from donation boxes, record the counted donation in the register and initial the receipt, donations received at the register do not consistently follow procedures outlined in the Cash Handling Manual indicating that the receipt with two signatures is to be attached to the daily report.	Sept. 2013
	2ii- That two employees count funds from the donation box, record the counted donation, initial the form and retain this documentation in the register. The Curator should reconcile recorded donations to this form. (BHM)	<u>Battlefield House Museum</u> Not Completed	The donation box is no longer used to collect donations. Donations received at the till are not rung through the register when received and therefore, do not follow procedures outlined in the Cash Handling Manual.	Sept. 2013
	2iii. - That two employees count funds from the donation box, record the counted donation, initial the form and retain this documentation in the register. The Curator should reconcile recorded donations to this form. (FM)	<u>Fieldcote Museum</u> Undetermined	The donation box has not yet been emptied following the implementation of the new procedures. Therefore, staff have not had an opportunity to use the donation count procedures. Also, donations received at the register do not consistently follow procedures outlined in the Cash Handling Manual that indicate a receipt with two signatures is to be attached to the daily report.	Sept. 2013

PLANNING AND ECONOMIC DEVELOPMENT (Continued)
2011

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2011-01 Culture Facilities – Cash Handling (Continued)	7bi. - Management reviews the box office report to ensure balances reconcile to the register transaction summary tape, the Moneris batch total tape, the deposit slip and the cash receipts on hand to be deposited. The box office report should bear evidence of this review and indicate why discrepancies are accepted. (DC)	<u>Dundurn Castle</u> In Progress	No discrepancies were noted with the reports selected for testing. However, reports are not printed and initialled to show evidence of review.	Sept. 2013
	7bii. - Management reviews the box office report to ensure balances reconcile to the register transaction summary tape, the Moneris batch total tape, the deposit slip and the cash receipts on hand to be deposited. The box office report should bear evidence of this review and indicate why discrepancies are accepted. (FC)	<u>Fieldcote Museum</u> In Progress	The site Supervisor reviews and initials the box office report. However, gift shop sales are being incorrectly recorded as HST on the report.	Sept. 2013
2011-01 Culture Facilities – Cash Handling (Continued)	10. - That management build upon the extensive procedures documented for Dundurn Castle to create standard cash handling processes for all museums and ensure compliance. (All Sites)	In Progress	Management ensures compliance with stated cash handling processes twice yearly. An assessment was done at each location in June / July 2013. However, not all sites have fully implemented the documented cash handling processes (i.e. void and refund processes and donations).	Sept. 2013

**PUBLIC HEALTH SERVICES
2005**

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2005-01 Dental Claims Administration	6. - That all incoming mail be received by an individual independent of the claims processing duties. Any cheques received should be recorded on a register. The register should be given to the Program Manager for review on a monthly basis and initialled once the review is complete. In addition, this individual should use the register to ensure the funds have been deposited into the City's bank and reflected in the PeopleSoft financial system.	In Progress	All incoming mail is received by a Dental Claims Payment Clerk who is independent of the claims processing duties. Returned cheques are not recorded on a register when received. There is no reconciliation performed to ensure that these cheques have been deposited into the City's bank and reflected in the PeopleSoft financial system.	Oct. 2013

2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-02 PHS – Food Safety Program	4.a – That management expand the current Quality Assurance (QA) process to include monitoring of information uploading, complaint follow up and enforcement actions. Further methods of monitoring Public Health Inspector productivity and tracking of the premises with significant non compliance issues should be added to the QA process.	In Progress	PHS is requesting an upgraded Hedgehog system in the 2014 budget. In the meantime, a temporary solution has been implemented for reviewing complaint documentation.	Dec. 2014

PUBLIC HEALTH SERVICES (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-02 PHS – Food Safety Program (Continued)	A.2a - That management investigate alternative, innovative work arrangements to reduce mileage expenditures and streamline the workflows of Public Health Inspectors (PHIs). In particular, management should consider the possibility of equipping the Municipal Service Centres for uploading of information on the Inspectors' tablet PCs. Complaint details required for inspection could be received through facilities available at the Centres or by telecommunication devices such as blackberries.	In Progress	PHS is developing a pilot project that will have the PHIs participate in an innovative work arrangement. There will be IT upgrades and staff will be more mobile, resulting in less trips to the office.	Apr. 2014

2011

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2011-06 Infectious Diseases Programs	1. - That management develop, approve and implement a comprehensive policy and procedure manual for administrative procedures in the Infectious Diseases Programs. These documents should be reviewed on a regular basis (annually) and be revised as required.	In Progress	Policy and procedure documents have been reviewed and signed. The three year PHS requirement for updating the documents has not passed and, therefore, a review has not occurred.	Aug. 2016

PUBLIC HEALTH SERVICES (Continued)
2011

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2011-06 Infectious Diseases Programs (Continued)	2.a - That management finalize, approve and implement policy and procedure documents for PSS and LDN inspections. These documents should be reviewed on a regular basis (annually) and be revised as required.	In Progress	Policy and procedure documents have been reviewed and signed for Personal Service Settings (PSS) and Licensed Day Nurseries (LDN) inspections. As a year has not passed since the procedures were approved, the recommended annual review has not occurred.	Aug. 2014
	2.b - That management develop, approve and implement a policy and procedure document that provides guidance for enforcement actions that are to be taken during the inspection process (as required). This document should be reviewed on a regular basis (annually) and be revised as needed.	In Progress	A policy and procedure has been written and signed off by the Associate Medical Officer Health (AMOH). As a year has not passed since the procedure was approved, the recommended annual review has not occurred.	June 2014
	3 - That management develop, approve and implement a policy and procedure document that provides guidance and direction regarding the issuance of Green Signs to PSS premise operators during the inspection process. This document should be reviewed on a regular basis (annually) and be updated, as required.	In Progress	A policy and procedure that provides guidance and direction in regards to Green Signs has been written and signed off by the AMOH. As a year has not passed since the procedure was approved, the recommended annual review has not occurred.	June 2014

**PUBLIC HEALTH SERVICES (Continued)
2011**

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2011-06 Infectious Diseases Programs (Continued)	4. - That management finalize, approve and implement the “Protocol for the Investigation of Infectious Disease Outbreaks” policy and procedure document. This document should be reviewed on a regular basis (annually) and be revised as required.	In Progress	The “Protocol for the Investigation of Infectious Disease Outbreaks” policy and procedure document has been written and signed by the AMOH. As a year has not passed since the procedure was approved, the recommended annual review has not occurred.	June 2014
	5. - That management develop, approve and implement a comprehensive internal policy and procedure manual for the West Nile Virus Program. These documents should be reviewed on a regular basis (annually) and be revised as required.	In Progress	The West Nile Virus Program policy and procedure was written and signed off by the Director, Health Protection. As a year has not passed since the procedure was approved, the recommended annual review has not occurred.	Feb. 2014
	7. - That management investigate various means to verify the completeness of the inventory of premises subject to inspection. This could include setting aside a period of time on a regular basis (i.e. quarterly) to allow Public Health Inspectors to perform walkabouts / driveabouts in assigned areas in order to identify new establishments, and/or to perform internet searches for unlicensed and uninspected premises. These procedures and the results of such investigations should be documented in writing.	In Progress	A procedural document detailing the process to ensure completeness of PSS inventory has been written and signed by the Director, Health Protection Division but routine quarterly checks have not yet begun.	Aug. 2013

PUBLIC HEALTH SERVICES (Continued)
2011

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2011-06 Infectious Diseases Programs (Continued)	10. - That management expand the current Quality Assurance (QA) process to include: complaint follow up; management review of inspection reports; a checklist to facilitate management review of community outbreak files; and the use of hazard ratings in Hedgehog to detect problem premises and to help management monitor enforcement actions taken at these premises.	In Progress	PHS is requesting an upgraded Hedgehog system in the 2014 budget which will expand the current QA process to include the items listed in the recommendation. In the meantime, a temporary solution has been implemented for reviewing complaint documentation.	Dec. 2014

PUBLIC WORKS
2007

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2007-08 Encroachment Agreements	4.a - That copies of the contracts with various newspaper providers pertaining to the vending box encroachment agreements be newly validated.	In Progress	Contracts with newspaper box providers will be part of the Street Furniture Program RFP.	Mar. 2015
	4.e - That proof of specified insurance coverage as set out by the contract be obtained and filed with corresponding contracts.	Initiated	The proof of specified insurance coverage has not been obtained for bicycle racks and benches. However, management has started to address the need for insurance coverage for newspaper boxes.	Mar. 2015

PUBLIC WORKS (Continued)
2007

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2007-09 Administration of Outdoor Boulevard Cafes	3. - That the policies and procedures governing the administration of agreements for Boulevard Cafés, Banners and Permanent Road Closures be formally documented.	In Progress	Currently, the policies and procedures for banners and permanent road closures are in draft format.	Feb. 2014
	A.2 - That a decision be made on whether agreements for temporary encumbrances are necessary and how they will be enforced.	In Progress	Work has been done on assessing best practices but a decision on whether temporary encumbrances are necessary and how they are to be enforced has not been made.	Dec. 2013

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2007-11 Overstrength & Sewer Surcharge Agreements	3. - That a chart of escalated fines and penalties for overstrength infractions be developed and approved by Council. A reference to such fines should then be incorporated into the overstrength agreements.	In Progress	The Draft Sewer Use By-law which addresses penalties and fines has not been implemented. It is expected to be approved by the end of 2013.	Dec. 2013

2008

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2008-06 Fleet Management - Part II (Central Fleet)	A.2 - That a cost benefit analysis be performed to evaluate the necessity of maintaining all the City's fuel sites, garages and inventory stockrooms currently in operation. (PW-CF)	In Progress	A staff report is scheduled to be presented to the Public Works Committee in November 2013. An expected completion date is not currently known as the item is pending Council approval for further action.	Undetermined

PUBLIC WORKS (Continued)
2008

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2008-07 Capital Planning & Budgeting	4. - That the City’s Senior Management Team (SMT) along with other relevant stakeholders continue to investigate alternative means of obtaining optimal funding levels that support sustainable asset management practices without adversely affecting the City’s credit rating and its ability to service the debt. The results of such work should be communicated to Council.	In Progress	Public Works will be performing a citizen engagement infrastructure project during 2013 and the results will be presented to Council.	Jan. 2014

2009

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2009-08 Cemeteries – Administrative Office	2. – That management complete the calculation for the resources required to convert the historically significant paper cemetery records into electronic format. Resources should then be temporarily assigned to complete the conversation within a reasonable time period.	In Progress	A data entry staff member is assigned and has converted approximately 861 property lots and interment paper records into electronic format within the past 13 months. There are almost 160,000 records remaining to be converted for 44 out of 67 cemeteries. Records are missing for the 23 remaining cemeteries.	Dec. 2017

PUBLIC WORKS (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-06 Tools (Hamilton Water)	1. - That greater care be taken to ensure that expenditures on tools, supplies, etc. are posted to their proper accounts.	In Progress	Staff have been reminded to use the proper account and Department IDs when accounting for small tool purchases. However, errors are still noted.	Oct. 2013
	4.ciii - That yearly inventory counts be taken to verify that the information in the ledgers is correct.	Not Completed	Inventory counts have not yet been performed.	Jan. 2014
2010-06 Tools (Forestry)	4.eii -That these ledgers be updated periodically (monthly or quarterly) depending on the turnover of tools in inventory.	In Progress	The tools ledger is being updated quarterly for new purchases. However, purchase dates and costs are not being updated in the ledger.	Dec. 2013
	4.eiii - That yearly inventory counts be taken to verify that the information in the ledgers is correct.	In Progress	Inventory counts are being performed twice per year. However, counts are not being compared to the tool ledger.	Dec. 2013
2010-06 Tools (Roads)	4.dii - That these ledgers be updated periodically (monthly or quarterly) depending on the turnover of tools in inventory.	Not Completed	Tools ledgers are not updated regularly.	Dec. 2013
	4.diii - That yearly inventory counts be taken to verify that the information in the ledgers is correct.	In Progress	Initial counts were conducted but some locations have not performed annual counts since and others could not provide evidence a count has been completed.	Dec. 2013

PUBLIC WORKS (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-06 Tools (Roads) (Continued)	7.b - That management develop a control to track the issuance and return of the tools whose value exceeds a predetermined limit.	In Progress	Management has developed a control sheet to track the issuance and return of tools at some yards. However, it is not being consistently utilized. There is no method of controlling tools issued or returned at other yards.	Dec. 2013
2010-06 Tools (Recreation)	2. - That written procedures be developed covering the purchase, receipting, stocking, issuance and safeguarding of tools.	Not Completed	Recreation Facilities are now managed by the Corporate Assets & Strategic Planning Division and a written procedure has not been developed.	Dec. 2013
	4.gi - That all divisions or sections utilizing tools either modify existing tool ledgers or develop new ones that provide descriptions of the tools including brands and serial numbers (or other identifiers), locations, acquisition dates and costs	Initiated	Management has begun the development of a tools ledger.	June 2014
	4.gii - That these ledgers be updated periodically (monthly or quarterly) depending on the turnover of tools in inventory.	Not Completed	Tools ledgers cannot be regularly updated until they have been developed.	June 2014
	4.giii - That yearly inventory counts be taken to verify that the information in the ledgers is correct.	Not Completed	An annual tools inventory has not been completed.	June 2014
	5. - That all tools owned by the City of Hamilton be marked in a manner that permits their tracing to identified locations/vehicles.	Not Completed	Tools owned by the City of Hamilton are not marked in a manner that permits their tracing to identified locations/vehicles.	Dec. 2014

PUBLIC WORKS (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-06 Tools (Central)	4.biii - That yearly inventory counts be taken to verify that the information in the ledgers is correct.	Initiated	Initial counts are currently being performed.	Nov. 2013
2010-06 Tools (Parks & Cemeteries)	7.b - That management develop a control to track the issuance and return of the tools whose value exceeds a predetermined limit.	In Progress	Tools are signed in and out at only some locations. Other locations do not have a control to track the issuance or return of tools.	Oct. 2013
2010-06 Tools (Facilities)	2. That written procedures be developed covering the purchase, receipting, stocking, issuance and safeguarding of tools	In Progress	A written procedure has been developed but not signed off by management for implementation.	Dec. 2013
	4.hii - That these ledgers be updated periodically (monthly or quarterly) depending on the turnover of tools in inventory.	In Progress	Evidence was found that the ledger was not updated for all recently purchased tools.	Undetermined
	4.hiii - That yearly inventory counts be taken to verify that the information in the ledgers is correct.	Not Completed	The annual tools inventory count has not been completed.	Dec. 2013
	5.g - That all tools owned by the City of Hamilton be marked in a manner that permits their tracing to identified locations/vehicles.	Undetermined	The blank tag used to mark tools was noted. However, no response was received when trying to schedule site visits to confirm that tools are distinctively marked.	Undetermined

PUBLIC WORKS (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-09 Facilities Maintenance and Administrative Controls	1.a - That management in the Recreation Division enforce the requirement for all work requests to be directed to the Facilities Helpdesk. (Rec)	In Progress	Recreation (Rec) -Demand work requests are directed to the Facilities Help Desk and vetted through ARCHIBUS. Little progress has been made with Recreation facilities' preventative maintenance work orders in this regard.	Dec. 2013
	2.a - That the Superintendent of Preventative Maintenance in Recreation Division develop and document PM programs for all equipment and facilities managed by the Division. (Rec)	Not Completed	Rec - Management is in the process of compiling an equipment listing at recreation facilities after which time PM programs will be documented.	Dec. 2014
	2.bi - That, once the programs have been developed, they be uploaded into ARCHIBUS and linked to the work order system to enable work orders to be automatically generated at pre-set times. (CF)	In Progress.	Corporate Facilities (CF) - Preventative maintenance schedules have been uploaded into ARCHIBUS to enable work orders to be automatically generated at pre-set times for some equipment. Schedules are continually being added as equipment is documented in ARCHIBUS for all facilities.	Dec. 2014

PUBLIC WORKS (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-09 Facilities Maintenance and Administrative Controls (Continued)	2.bii - That, once the programs have been developed, they be uploaded into ARCHIBUS and linked to the work order system to enable work orders to be automatically generated at pre-set times. (Rec)	Not Completed	Rec - Preventative maintenance programs have not yet been developed.	Dec. 2014
	2.ci - That management in Corporate Facilities and the Recreation Division work collaboratively to ensure that a corporate standard for the maintenance of the City’s facilities is developed and adhered to. (CF)	Not Completed	CF - A corporate standard for the maintenance of the City's facilities has not yet been developed.	Mar. 2014
	2.d - That the Superintendent of Preventative Maintenance in the Culture and Recreation Divisions ensure that an electronic copy of HVAC PM programs are obtained from the vendor and integrated into the ARCHIBUS system. (Rec)	In Progress	Rec - A web service is being constructed to enable data transfer between ARCHIBUS and the company that has been awarded all HVAC preventative maintenance work for the Recreation Division. The web service is ready for testing. Data has not yet been transmitted into ARCHIBUS.	Sept. 2013
	3i. - That a complete inventory of all equipment, furniture and fixtures be developed, uploaded into ARCHIBUS and regularly updated to ensure that it remains current. (CF)	In Progress	CF - Equipment inventories have been completed or partially completed at 130 of the total 185 buildings. A complete inventory of furniture and fixtures has not been initiated.	Dec. 2017

PUBLIC WORKS (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-09 Facilities Maintenance and Administrative Controls (Continued)	3ii. - That a complete inventory of all equipment, furniture and fixtures be developed, uploaded into ARCHIBUS and regularly updated to ensure that it remains current. (Rec)	In Progress	Rec - Equipment inventories have been completed or partially completed at 40 of the total 337 buildings. A complete inventory of furniture and fixtures has not been initiated.	Dec. 2017
	4i. - That management of Corporate Facilities and the Culture & Recreation Divisions work with the Application & Systems Analyst to ensure that the City fully utilizes the ARCHIBUS modules covered by the existing license. (CF)	Initiated	CF - The Condition Assessment Module has been fully implemented. The Environmental Sustainability and Emergency Preparedness and Service Desk Management Modules are no longer applicable. There have been no changes to the implementation status of the other modules. A consultant has been hired to review the utilization of ARCHIBUS.	Undetermined
	5. - That the General Managers of Public Works and Community Services review the existing governance structures with respect to facility management and ensure that responsibilities are aligned in a way that ensures that: <ul style="list-style-type: none"> • A corporate standard for the management of the City’s facilities is developed and implemented. • Staff and other resources are deployed in a way that ensures the best use of skills and avoids a duplication of roles and responsibilities. (CF) 	In Progress	CF - Corporate and recreation facilities were consolidated and merged under one section (Facilities Management & Capital Programs Section of the Public Works Department). This provides overall oversight to deploy staff and other resources to ensure the best use of skills and avoid duplication. However, a corporate standard for the management of all City facilities has not been developed.	March 2014

PUBLIC WORKS (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-09 Facilities Maintenance and Administrative Controls (Continued)	6.bi - That, upon completing the repair work, staff update the ReCAPP system by completing the ReCAPP Facility Update Form. (CF)	Not Completed	CF - The developer of the ReCAPP software system was purchased by a competitor who discontinued any new development. A RFP for a capital management software package is being issued. All initiatives involving ReCAPP are currently on hold.	Feb. 2014
	6.bii. - That, upon completing the repair work, staff update the ReCAPP system by completing the ReCAPP Facility Update Form. (Rec)	Not Completed	Rec - The developer of the ReCAPP software system was purchased by a competitor who discontinued any new development. A RFP for a capital management software package is being issued. All initiatives involving ReCAPP are currently on hold.	Feb. 2014
	7. - That the Manager, Corporate Buildings & Technical Services finalize service level agreements with client departments for implementation by January 2011. Service levels should be mutually agreed upon and each party's responsibilities and the basis of cost allocations should be clearly defined. (CF)	In Progress	CF - Service Level Agreements have been negotiated with some client departments. Other negotiations are in progress or have not started.	Dec. 2013

PUBLIC WORKS (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-09 Facilities Maintenance and Administrative Controls (Continued)	8i. - That the Application & Systems Analyst investigate and resolve technical problems being experienced with the PeopleSoft/ARCHIBUS interface to ensure that the ARCHIBUS system captures the cost of all external work completed. (CF)	In Progress	CF - The PeopleSoft / ARCHIBUS interface has been completed but is in the quality assurance stage and has not been fully implemented. Additional testing is required to ensure the interface is capturing the cost of all external work completed.	Sept. 2013
	8.a - That the management of Corporate Facilities and the Recreation Division regularly communicate to their staff the requirement to have all facility maintenance work orders processed through the ARCHIBUS system. (Rec)	In Progress	Rec - Demand work requests are processed through ARCHIBUS. However, little progress has been made with Recreation facilities' preventative maintenance requests being processed through ARCHIBUS.	Undetermined
	8.c - That trades people be regularly reminded to close work orders once the work has been completed and to include the numbers of hours worked.	In Progress	CF - Although supervisors are reminding their tradespeople to be more thorough in closing their work orders and including the hours worked, there are still some instances of non-compliance indicated.	Dec. 2013
	8.e - That the ARCHIBUS internal work order system be linked to the PeopleSoft Payroll system to ensure that actual hours worked by internal trades people are billed to facilities.	Not Completed	CF - ARCHIBUS has not been linked to the PeopleSoft Payroll system. There has been no action taken to ensure actual hours are recorded in ARCHIBUS.	Undetermined

PUBLIC WORKS (Continued)
2010

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2010-09 Facilities Maintenance and Administrative Controls (Continued)	8.f - That the Application & Systems Analyst continues to investigate ways of updating the ARCHIBUS system with the details of actual work carried out.	Not Completed	CF - There is no electronic trail of the actual service work completed by vendors in ARCHIBUS.	Undetermined
	A.1 - That before implementing the activity based costing system, management develop a comprehensive and consistent methodology for allocating costs to user departments. Such methodology must be directly linked to the amount of staff time spent on the individual projects and facilities and must be mutually agreed upon with user departments.	Not Completed	CF - Until the amount of time staff spend on individual projects and facilities is being consistently and accurately captured, an activity based costing system cannot be reasonably explored.	Undetermined

2011

Report # & Subject	Recommendation	Current Status By Audit Services	Reason for Outstanding Status	Anticipated Completion Date
2011-11 PRESTO – Financial Controls	1. - That HSR management work with PRESTO to reduce the number of individual transactions made to one withdrawal and one deposit per day. PRESTO should then provide reports detailing the transactions.	Not Completed	The new system introduced by PRESTO does not help to reduce the number of individual transactions to one withdrawal and one deposit per day. While addressing this recommendation is desired by Transit, PRESTO ultimately decides on the enhancements and the timing of their implementation.	Undetermined