



# INFORMATION REPORT

<b>TO:</b> Chair and Members of Audit, Finance and Administration Committee	<b>WARD(S) AFFECTED:</b> CITY WIDE
<b>COMMITTEE DATE:</b> March 25, 2013	
<b>SUBJECT/REPORT NO:</b> Procurement Policy #19 Review (AUD13012) (City Wide)	
<b>SUBMITTED BY:</b> Ann Pekaruk Director, Audit Services City Manager's Office	<b>PREPARED BY:</b> Ann Pekaruk 905-546-2424 ext. 4469
<b>SIGNATURE:</b>	

## Council Direction:

During the Audit, Finance and Administration (A, F&A) Committee meeting of December 7, 2011, the Committee directed that, after the initial implementation period of 12 months, Audit Services conduct a review to assess City staff adherence to the Procurement Policy #19 – Non-compliance with the Procurement Policy (Policy #19), and to report the findings to the A, F&A Committee.

## Information:

Procurement Policy #19 was approved by City Council on December 14, 2011 (Procurement Policy By-Law No. 11-297) and revised on November 14, 2012 (Procurement Policy By-Law No. 12-255).

During 2012, management and staff identified 53 purchases that were not compliant with the Procurement Policy. As required under the Policy, these occurrences were reviewed by the General Manager, where appropriate. Corrective and/or disciplinary actions were noted. The non-compliant procurements identified in Quarters 1 to 3 have already been reported to Council. The Quarter 4 non-compliant procurements are expected to be reported on March 25, 2013. The review completed by Audit Services indicates that City staff are adhering to Policy #19, as written.

Procedure #19 – Non-Compliance with Procurement Policy was written to set out the process for documenting those procurements that are not in compliance with the Procurement Policy and for authorization of payment for the procurements. The procedure can be enhanced through a clarification of the desired documentation to be retained.