



Status Update on Audit Recommendations from Internal Audit Reports as of June 30, 2023

Item 12B

September 8, 2023

Building Investment, Finance and Audit Committee

Report: BIFAC:2023-106

To: Building Investment, Finance and Audit Committee
("BIFAC")

From: Director, Internal Audit

Date: August 25, 2023

PURPOSE:

The purpose of this report is to provide the BIFAC with the status of Internal Audit's follow-up on outstanding recommendations set out in past Internal Audit reports submitted to BIFAC during its public sessions as of June 30, 2023.

RECOMMENDATION:

It is recommended that the BIFAC receive this report for information.

REASONS FOR RECOMMENDATION:

Background

The Internal Audit Department reports to the BIFAC on its follow-up of all open audit recommendations from previously issued Internal Audit reports to ensure Management has taken appropriate action to implement those recommendations.

Reports Issued

This report presents the review of the outstanding audit recommendations from the following report presented in BIFAC's public session:

Report Title	Date presented to BIFAC
<i>Tenant Parking Charges Monitoring</i>	April 12, 2018

Status as of June 30, 2023

The implementation status of the recommendations contained in the above report is summarized in the following table:

Report Title	Total No. of Recs.	Implemented	In Progress	Not Started
<i>Tenant Parking Charges Monitoring</i>	6	0	5	1
Total	6	0	5	1

Attachment 1 to this report sets out the recommendations that are in progress.

Attachment 2 to this report sets out the recommendations that have not been started.

In the above-mentioned attachments, revised target dates provided by Management (as of the latest update) have been highlighted in green fonts if they are within two years from the date our audit report was presented to the BIFAC and in red fonts if they are beyond two years.

IMPLICATIONS AND RISKS:

Recommendations from Internal Audit reports are meant to improve the internal controls and processes of TCHC.

Such recommendations hold little value if they are not fully and timely implemented by Management. By conducting follow-up procedures, we are able to assess Management's implementation of those recommendations.

SIGNATURE:

“Karim Jessani”

Karim Jessani
Director, Internal Audit

ATTACHMENTS:

1. Internal Audit Recommendations – In Progress as of June 30, 2023.
2. Internal Audit Recommendations – Not Started as of June 30, 2023.

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Attachment 1

**Attachment 1
 Toronto Community Housing Corporation
 Internal Audit Department
 Internal Audit Recommendations – In Progress as of
 June 30, 2023**

**Report: Tenant Parking Charges Monitoring
 Presented to BIFAC on: April 12, 2018**

Recommendation:	Status Update:	Target Date:	Staff:
<p>1(a) Management conduct an inventory count of parking spaces in the TCHC portfolio. The results of the inventory count should be reconciled to the parking spreadsheets.</p> <p>1(b) Management take steps necessary to ensure the security and integrity of the data in the parking spreadsheets (e.g. access controls, version control, audit trails).</p>	<p><i>a) CSU staff continue to manually reconcile information in HoMES after the completion of all audits. The work continues and should be completed by the end of Q3 2023.</i></p> <p><i>This includes reviewing tenancies which are not paying for parking but based on their lease should be. The CSU continues to work with Operations to ensure the information entered into HoMES is accurate. CSU administration staff are routinely in HoMES and AIMS ensuring accuracy.</i></p> <p><i>Once the entering of all information is complete and the Parking Application feature of HoMES has been completed, this item will be closed. Due to the amount of</i></p>	<p>Q4-2023</p>	<p>Allan Britton</p>



Recommendation:	Status Update:	Target Date:	Staff:
	<p><i>time required to reconcile information, identify and resolve issues found, this project continues to be ongoing. The timeline for completion has been moved to Q4 2023 as the CSU is unsure when Yardi will complete testing on the Parking Application, which is still ongoing.</i></p> <p><i>b) During the review of information being input into HoMES, CSU staff identified issues in the HoMES Parking Inventory. If information is not entered into the system on the Operations end correctly, it will display a \$0 payment on the inventory side. This work is extremely labor intensive and is ongoing, while also working with other business units to ensure the entering of information is consistent.</i></p> <p><i>Once the entering of all information is complete and the Parking Application feature of HoMES has been completed, this item will be closed. Due to the amount of time required to reconcile information, and identify and resolve issues found, this</i></p>		

Recommendation:	Status Update:	Target Date:	Staff:
	<i>project continues to be ongoing.</i>		
<p>2. Management perform a periodic analysis of a sample of tenant parking data to billing information for both DM and CM buildings, as a detective control to ensure tenants are paying for parking.</p>	<p><i>Due to the need to manually verify this information, this item continues to be ongoing.</i></p> <p><i>The CSU continues to work with Yardi and other Operations staff to ensure that tenants who are supposed to pay for parking are paying.</i></p> <p><i>TCHC Legal Services has also become involved in this item to ensure that all parking documents and agreements reflect parking as a “service” as defined in the Residential Tenancies Act and that removal of parking is not arbitrary. Mediation and adjudication/enforcement will be used as a last resort in accordance with LTB processes.</i></p> <p><i>As Legal has become involved this item continues to be ongoing, though work on all forms has been completed.</i></p>	<p>Q3-2023</p>	<p>Allan Britton</p>

Recommendation:	Status Update:	Target Date:	Staff:
<p>3. Management support the PEO enforcement process by (i) replacing the current barcode reader program/process with a simpler, more viable option and (ii) ensuring the PEOs can access up-to-date parking data and information from the field.</p>	<p><i>The CSU continues to wait for Yardi to complete the revisions that were requested in the Parking Application. As this requires extensive programming on Yardi's end, there has not been significant movement on this item.</i></p> <p><i>CSU Management continues to work with Yardi to expedite this work to implement the application.</i></p> <p><i>The CSU notes that based on their review, the app will be a significant improvement once implemented.</i></p> <p><i>Yardi has received images of the parking permits which are in use and will be used going forward by TCHC/CSU to test the application. Yardi has not provided an updated timeline of completion yet and as such this item is still ongoing.</i></p>	<p>Q3-2023</p>	<p>Allan Britton</p>
<p>4. Management develop a risk-based method of parking enforcement assignments in order</p>	<p><i>This remains an ongoing item for the CSU as information from the City of Toronto and Toronto Police Service on the use of handheld devices is still pending.</i></p>	<p>Q4-2023</p>	<p>Allan Britton</p>

Recommendation:	Status Update:	Target Date:	Staff:
<p>to make the best use of limited resources.</p>	<p><i>The CSU has already put in place Directed Patrols for parking-related issues that have been identified in communities. Special Constables are encouraged to proactively enforce parking during their patrols to support CSU Parking Enforcement Officers. This process continues and presents itself as most effective for the allotment of resources outside of proactive enforcement. This process continues and presents itself as the most effective for allotment of resources outside of proactive enforcement.</i></p> <p><i>The City has seen that the use of handheld technology would benefit all MLEO/CCO agencies within Toronto, and they have begun exploring a mobile cellphone app. The CSU will be able to provide more information once the City provides it as this has become a City plan rather than an agency push.</i></p>		
<p>5. Management review the functionality of all</p>	<p><i>The implementation of handheld technology will increase the automatic data</i></p>	<p>Q4-2023</p>	<p>Allan Britton</p>

Recommendation:	Status Update:	Target Date:	Staff:
<p>processes and systems used to record parking permits and offence data and, where feasible (i) increase the automation of the data capture and (ii) identify fewer systems to replace the current legacy systems.</p>	<p><i>capture and, it is expected, will expand the amount of data recorded. As the CSU is awaiting more information from TPS and the City of Toronto, there has been no major progress on this item.</i></p> <p><i>The legacy system issue will be resolved with the completion of the Yardi Parking Management App in HoMES. This will allow for registration, permit issuance, vehicle records, parking space allocation, and tenant identification to be contained and accessible in a single location. Initial tests of the Parking Management App have been completed and Yardi is working to make modifications based on feedback identified.</i></p> <p><i>TCHC has received no response from the MTO with respect to this issue. The investigation of individual vehicles will reveal whether the plate is valid and attached. No provisions at the provincial level allow for the identification of an invalid plate.</i></p>		

Item 12B – Status Update on Audit Recommendations from Internal Audit Reports as of June 30, 2023
 Public BIFAC Meeting – September 8, 2023
 Report #: BIFAC:2023-107
Attachment 2



Attachment 2
Toronto Community Housing Corporation
Internal Audit Department
Internal Audit Recommendations – Not Started as of
June 30, 2023

Report: Tenant Parking Charges Monitoring
Presented to BIFAC on: April 12, 2018

Recommendation:	Status Update:	Target Date:	Staff:
<p>6. Management determine the feasibility, including the cost/benefit, of increasing the use of a third-party service provider to administer all or part of the TCHC Parking Program, including enforcement.</p>	<p><i>This item remains on hold at this time due to limitations set forth by municipal by-laws and other implicated areas. This item, if implemented may have a significant impact on the corporation due to labour relations issues (removing work from a bargaining unit) as well as negatively impacting service to tenants.</i></p> <p><i>For progress to occur, changes would be required to the City of Toronto Municipal Code, which are unlikely to be accepted. As previously stated, enforcement cannot be taken over by a 3rd party provider due to regulations set forth in the Municipal Code as well as by Toronto</i></p>	<p>Q4-2023</p>	<p>Allan Britton</p>



Recommendation:	Status Update:	Target Date:	Staff:
	<p><i>Police Parking Enforcement Contract Services Section.</i></p> <p><i>This item can only move forward if a decision is made to remove Parking Enforcement authorities from CSU/OPSEU Local 529 and transfer them to an independent provider.</i></p>		