

## Corporate Structures List Audit

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### EXECUTIVE SUMMARY

The City Auditor's Office issued the Corporate Structures List (CSL) Audit Report to Administration on November 03, 2017. The report includes Administration's response to six recommendations raised by the City Auditor's Office to Facility Management. Administration accepted all recommendations and has committed to the implementation of action plans no later than December 31, 2018. The City Auditor's Office will track the implementation of these commitments as part of our on-going follow-up process.

### RECOMMENDATIONS

1. That Audit Committee receive this report for information; and
2. That Audit Committee recommend that Council receive this report for information.

### RECOMMENDATION OF THE AUDIT COMMITTEE, DATED 2017 DECEMBER 14:

That Council receive Report AC2017-1201 for information.

### PREVIOUS COUNCIL DIRECTION / POLICY

Bylaw 30M2004 (as amended) established the position of City Auditor and the powers, duties and functions of the position. Under the City Auditor's Office Charter, the City Auditor presents an annual risk-based audit plan to Audit Committee for approval. The City Auditor's Office 2017/18 Annual Audit Plan was approved on November 10, 2016. The City Auditor is accountable to Council and subject to the oversight of Audit Committee under Bylaw 48M2012 (as amended).

### BACKGROUND

This audit was undertaken as part of the approved City Auditor's Office 2017/18 Annual Audit Plan. The objective of the audit was to assess the effectiveness of the CSL as a tool to manage the facility portfolio at a corporate level. This was achieved by assessing time frames and criteria for moving the initiative to a sustainment phase, and the design of controls that ensure information quality. As the list was under development, and subject to ongoing additions and alternations, we did not test its accuracy.

### INVESTIGATION: ALTERNATIVES AND ANALYSIS

Since beginning the CSL initiative in March 2016, Facility Management (FM) has populated the listing with information on over 3,000 structures. For each structure the CSL identifies its location on a map, address, construction year and building steward responsible for maintenance. The listing is stored within The City's existing geographic information system (GIS), which has allowed the initiative to avoid the additional upfront costs, ongoing support costs and time associated with implementing a new system.

The CSL tool provides a foundation for managing The City's facility portfolio at a corporate level. However, the initiative does not have formal objectives to provide clarity of purpose and balance the different stakeholder needs. As such we are currently unable to provide full assurance on CSL effectiveness, as a tool to manage the facility portfolio at a corporate level.

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FM is successfully collaborating with stakeholders across the corporation, both for data collection and to understand their usage needs. In addition to supporting efficient facility management the CSL is planned to be used for emergency management, securing buildings, ensuring appropriate insurance coverage and responding to 311 requests. Finally, FM has identified and is in the process of implementing controls to address risks to the CSL's information quality.

The information quality controls in place provides sufficient checks at the CSL's current development phase. This reflects that during development, a small number of individuals within FM are comparing information received against multiple sources to validate its quality. As the initiative moves into sustainment, preventative controls are needed, and the detective information quality controls FM are currently implementing will need to be formalised.

### **Stakeholder Engagement, Research and Communication**

This audit was conducted with Facility Management acting as the principal audit contact within Administration.

### **Strategic Alignment**

Audit reports assist Council in its oversight of the City Manager's administration and accountability for stewardship over public funds and achievement on value for money in City operations.

### **Social, Environmental, Economic (External)**

N/A

### **Financial Capacity**

#### **Current and Future Operating Budget:**

N/A

#### **Current and Future Capital Budget:**

N/A

### **Risk Assessment**

The activities of the City Auditor's Office serve to promote accountability, mitigate risk, and support an effective governance structure.

This audit was included on the 2017/18 audit plan as a continuation of the Facility Utilization Audit (AC2014-0086), presented to Audit Committee in January 2014. A key recommendation from the Facility Utilization Audit was to define data on a centralized basis to efficiently and effectively manage The City's facility portfolio at a corporate level. The CSL is an important component in actioning this recommendation through the creation of a comprehensive listing of structures owned by The City.

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**REASONS FOR RECOMMENDATIONS:**

Bylaw 48M2012 (as amended) states: "Audit Committee receives directly from the City Auditor any individual Audit Report and forwards these to Council for information."

**ATTACHMENT**

AC2017-1150 CORPORATE STRUCTURES LIST AUDIT