



Office of the Auditor General

Report on Audit Follow-up Procedures

Tabled at Audit Committee

April 27, 2021



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Mayor, Members of Audit Committee and Council,

I am pleased to present this report on follow-ups carried out by the Office of the Auditor General of the City of Ottawa. The report includes an overview and an executive summary for each of the follow-ups conducted.

We wish to express our appreciation for the cooperation and assistance afforded to audit staff by management.

Respectfully,

A handwritten signature in blue ink, appearing to read 'N. Gougeon'.

Nathalie Gougeon

Auditor General



Staff of the Office of the Auditor General

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Progress toward improvement

In recent years, the Office of the Auditor General (OAG) has conducted follow-up audit procedures two to three years after each audit's completion to allow management time to implement the recommendations. The results of our follow-up audit procedures presented in this report are the last ones that will be reported through this process. The OAG has decided to implement a new dynamic approach to provide timely information to the Audit Committee and Council on the status of previously issued audit recommendations.

The OAG adheres to the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing* by performing follow-up audit procedures. Follow-up audit procedures help to evaluate the adequacy, effectiveness and timeliness of actions taken by management in response to OAG recommendations. This evaluation ensures that the required measures, committed to by management and approved by Council, have been implemented.

The follow-ups contained in this report include:

- Follow-up to the 2011 Audit of the Human Resources Master Plan (second follow-up)
- Follow-up to the 2015 Audit of Information Technology (IT) Governance (second follow-up)
- Follow-up to the 2015 Audit of IT Risk Management (second follow-up)
- Follow-up to the 2015 Audit of IT Security Incident Handling and Response (second follow-up, presented in camera)
- Follow-up to the 2017 Audit of IT Remote Access
- Follow-up to the 2017 Audit of the Regulatory Framework for Light Rail Transit
- Follow-up to the 2017 Audit of the Social Housing Registry
- Follow-up to the 2018 Review of the City's Practices for the Procurement of Commercial Vehicles

As highlighted in the following section, it is clear from the results of the follow-up audit procedures that management is committed to the audit process.

Summary and assessment of overall progress made to date on audit recommendations

Audits are designed to improve management practices, enhance operational efficiency, identify possible economies and address a number of specific issues. The follow-up phase is designed to assess management’s progress on the implementation of recommendations from the audit reports. This report is not intended to provide an assessment of each individual recommendation. Rather, it presents our overall evaluation of progress made to date across all completed audits. Should Council wish to have a more detailed discussion of specific follow-up reports, OAG staff are available to do so.

The table below summarizes our assessment of the status of completion of each recommendation for the above-noted follow-up reports.

Table 1: Summary of status of completion of recommendations

Follow-up Report	Total	Complete	Partially complete	Not started	No longer applicable
Human Resources Master Plan	7	4	3	0	0
IT Governance	5	4	1	0	0
IT Risk Management	8	8	0	0	0
IT Security Incident Handling and Response	5	3	2	0	0
IT Remote Access	7	7	0	0	0
Regulatory Framework for Light Rail Transit	3	3	0	0	0
Social Housing Registry	6	3	2	1	0

Follow-up Report	Total	Complete	Partially complete	Not started	No longer applicable
City's Practices for the Procurement of Commercial Vehicles	8	8	0	0	0
Total	49	40	8	1	0
Percentage	100%	82%	16%	2%	0%

With these follow-up procedures now complete, we will not be performing further follow-up unless deemed necessary based on the risk presented and further audit considerations by the OAG. However, as a result of the annual work plan and/or Council requests, new audits in any of these areas may occur in the future.

Acknowledgement

We wish to express our appreciation for the continued cooperation and assistance afforded our Office by the City Manager, management and staff.

Executive summaries – Audit follow-ups

The following section contains the executive summary of each of the follow-ups.

Follow-up to the 2011 Audit of the Human Resources Master Plan

The Follow-up to the 2011 Audit of Human Resources Master Plan was included in the Auditor General's 2020 Audit Work Plan.

The previous follow-up Audit of Human Resources Master Plan tabled at Audit Committee October 2015 identified that four of the nine recommendations from the 2011 audit were partially complete and three were not started at the time. As a result, the follow-up was subsequently included in the Auditor General's 2020 Work Plan, to re-visit the seven recommendations.

The key findings of the original 2011 audit included:

- The City's Human Resources (HR) Department should provide a more prescriptive and integrated approach to HR planning.
- Standardized methods and processes for medium and longer-term workforce planning should be used and that workforce data should be more formally identified and analyzed for planning purposes.
- The Human Resources Department should lead a workforce needs analysis across all departments to develop a City-wide long-term workforce plan.
- Analysis and reporting are required to support longer term workforce planning. More robust analytical and reporting capabilities would serve to enhance regular information provided to departments about their current and future workforce needs, targets and results.
- Corporate HR should lead a City-wide workforce planning needs analysis.
- The City should implement three and five-year workforce plans and identify critical positions in all departments.

To address the areas of improvement above, the original Audit of HR Master Plan provided nine recommendations for implementation by the City of Ottawa. The 2015 follow-up to the 2011 Audit of HR Master Plan assessed the status of completion for each recommendation, results of which are summarized in Table 2 below. Seven findings were subsequently assessed as part of this 2021 follow-up. Details on the assessment are included in the detailed report.

Table 2: Summary of status of completion of recommendations

Recommendations	Total	Complete	Partially complete	Not started	No longer applicable
Number	7	4	3	0	0
Percentage	100%	57%	43%	0%	0%

Conclusion

Since our previous follow-up tabled in October 2015, management has completed four recommendations concerning the regular analysis of City-wide workforce planning data and succession planning for “critical” workforce segments. However, three recommendations remain partially complete. Plans to address each of the remaining recommendations are in place in the “Thriving Workforce: Roadmap and Action Plan” (Thriving Workforce Plan) tabled as a strategic initiative in 2019. In order to fully complete these recommendations, management must ensure that the key activities within the Thriving Workforce Plan are implemented.

Follow-up to the 2015 Audit of Information Technology (IT) Governance

The Follow-up to the 2015 Audit of IT Governance was included in the Auditor General's 2020 Audit Work Plan.

The previous follow-up Audit of IT Governance tabled at Audit Committee May 29, 2019 identified that four of the nine recommendations from the 2015 audit were complete and five were partially complete. As a result, the follow-up was subsequently included in the Auditor General's 2020 Work Plan, to re-visit the remaining five recommendations.

The original audit identified areas of improvement that were categorized into five overarching themes:

1. **Organizational and governance structures:** Guidance published by the Institute of Internal Auditors (IIA) states that “clear organizational structures, the operational nature of their components, how they communicate with each other, and the accountability protocols are important for the IT function to provide the required types and levels of services for the enterprise to achieve its objectives.”

Specific findings from the original audit included:

- Lack of explicit documentation regarding how the Information Technology Services Department (ITS) supports the City in achieving its broad objectives;
- Risk that key items are not discussed at the Corporate Information Technology Management Team (CITMT¹) as the meetings do not follow a formal agenda;
- The IT Governance Committee² is not supported by formal Terms of Reference and therefore there is no formally approved document to describe its purpose and structure; and

¹ CITMT was dismantled subsequent to the original audit.

² IT Governance Committee was discontinued subsequent to the original audit.

- The Individual Contribution Agreements³ (ICAs) lack “measurable” objectives (i.e. successfully implementing projects on time or within budget). Such objectives are considered good practice in serving to reinforce accountabilities of ITS personnel, including the Chief Information Officer (CIO).

2. **Executive leadership and support:** Strong tone at the top and executive leadership plays an important role in ensuring alignment between IT and the wider organizational objectives. This means that there is a strong vision among senior management and the executive regarding the strategic importance and potential of the IT function. There are several elements which enable strong leadership and executive support and which we expected to find over the course of our audit.

Specific findings from the original audit included:

- High turnover rate of the CIO;
- Lack of communication of ITS’ role in achieving the City’s strategic objectives; and
- Lack of established performance indicators related to ITS’ strategic value.

3. **Strategic and operational planning:** A strategic plan, which lays out organizational dependencies on IT as well as ITS’ role in achieving the organization’s strategic objectives, is a crucial component of effective IT Governance. Leading practices also emphasize the need for alignment between ITS’ tactical operating plan and the corporate strategic plan.

Specific findings from the original audit included:

- Lack of explicit linkage and common terminology between the Strategic Plan and the IT projects described in the Technology Roadmap;
- The Strategic Plan does not clearly define ITS’ role and responsibilities in achieving strategic objectives nor does it identify the City’s IT-related dependencies;

³ On December 05, 2017, a City Employee Communications Memo stated: “As announced at the City Manager forums last year, the City has moved away from the formal ICA process towards a dynamic practice focused on regular manager/supervisor and employee check-in conversations throughout the year”. The new process is referred to as “Performance Management”.

- We did not identify more evidence of how the City considered and accounted for current and planned IT capacity within the Technology; and
 - Lack of use of performance indicators and related measures – the current suite of performance measures was found to be insufficient as they focus only on basic operational aspects of the IT function (e.g. “down time”) as well as the basic measures associated with IT projects.
4. **Service delivery and measurement:** As identified in GTAG 17⁴, an effective performance management framework “... captures the right quantitative and qualitative data to enable proactive measurement, analysis, and transparency further assures sound IT governance.”

Specific findings from the original audit included:

- Stakeholders are not clear about how IT costs contribute to the City’s strategic objectives; and
 - ITS does not effectively measure its value either in terms of contributions to strategic goals or the business benefits associated with IT projects.
5. **IT organization and risk management:** In evaluating the IT organization’s risk management practices, the original audit expected to find three key elements. Firstly, the original audit expected there to be standard IT hardware, software, and service procurement policies, procedures, and controls in place. Secondly, that risks be managed effectively in relation to meeting the City’s needs, security, and compliance requirements. Finally, GTAG 17 indicates an expectation that data is standardized and easily shared across applications and the IT infrastructure.

Specific findings from the original audit included:

- Lack of documentation supporting the identification and assessment (likelihood and impact) of risks within ITS.
- Lack of guidance within the ITS Risk Management Policy as to how higher priority IT risks should be communicated up to the City’s Corporate Risk Committee. It was also unclear how corporate risks are cascaded down from

⁴ Institute of Internal Auditors - Global Technology Audit Guide (GTAG) 17: Auditing IT Governance - <https://na.theiia.org/standards-guidance/recommended-guidance/practice-guides/pages/gtag17.aspx>

the corporate level to ITS, resulting in unclear alignment between ITS risks and City-wide/corporate risk.

To address the areas of improvement above, the original Audit of IT Governance provided nine recommendations for implementation by the City of Ottawa. The 2018 and 2020 follow-ups to the 2015 Audit of IT Governance have assessed the status of completion for each open recommendation, results of which are summarized in Table 3 below. Details on the assessment are included in the detailed report.

Table 3: Summary of status of completion of recommendations

Recommendations	Total	Complete	Partially complete	Not started	No longer applicable
Number	5	4	1	0	0
Percentage	100%	80%	20%	0%	0%

Conclusion

Since our previous follow-up in 2018, management has completed four recommendations. These are in relation to governance and roles and responsibilities in relation to the Technology Security Risk Management (TSRM) body; performance objectives for the CIO; the recruitment of an appropriately qualified CIO; and how risks are communicated and escalated.

One recommendation remains outstanding. This is in relation to succession planning for the role of CIO. Management stated that a succession plan is in place for the CIO, however there was limited documentation available in relation to the plan. Additionally, the potential individuals identified were expected to have individual development plans, however they were not available at the time of the audit.

Follow-up to the 2015 Audit of IT Risk Management

The Follow-up to the 2015 Audit of IT Risk Management was included in the Auditor General's 2020 Audit Work Plan.

The previous follow-up Audit of IT Risk Management tabled at Audit Committee May 29, 2019 identified that seven of the eight recommendations from the 2015 audit were partially complete and one was unable to be assessed at the time. As a result, the follow-up was subsequently included in the Auditor General's 2020 Work Plan, to re-visit the eight recommendations.

The original audit identified areas of improvement that were categorized into three audit objectives:

1. **Assess if IT Risk Management Governance at the City effectively supports management of the City's IT-related risks**

Specific findings from the original audit included:

- Lack of an Information Technology Risk Management (ITRM) Framework including a comprehensive Governance component and clear and consistent responsibilities and accountabilities for City executives and management;
- The decentralized method of prioritizing, selecting and funding IT initiatives may result in approved projects that are not aligned with corporate priorities, and significant risk was identified that high priority IT risks are not being adequately addressed on a timely basis where funding is not readily available to the business owner;
- The Corporate Information Technology Management Team (CITMT⁵) authority to discharge its responsibility for recommending a corporate IT plan that is reflective of risk-based IT priorities across the City is hindered by the IT project model as well as the City's existing capability to identify and prioritize City-wide IT risks; and
- The Chief Information Officer's authority and ability to influence and manage City IT resources is limited as staff responsible for IT in various departments and agencies (e.g. Ottawa Public Health, Transit, Water, Wastewater, etc.) are not accountable to the CIO and lines of authority

⁵ CITMT was dismantled subsequent to the original audit.

are not always clear, and the CIO's authorities and responsibilities for City-wide IT risks are not formally defined.

2. **Assess if the City's IT Risk Management Framework of policies, practices and procedures are adequately designed and aligned with the City's Enterprise Risk Management (ERM) Framework**

Specific findings from the original audit included:

- Lack of a comprehensive IT Risk Management Framework that serves to bridge the gap between ERM and more granular ITRM.
- There are many deficiencies in the documentation to support the identification, assessment and mitigation of IT risks. The design effectiveness of the existing ITRM framework is reduced by: insufficient documented and approved ITRM framework with a supporting policy and procedures suite, insufficient processes for the identification and assessment of City-wide IT risks, weaknesses in challenge mechanisms for assessment of proposed/possible corrective measures, insufficient training of ITS staff, IT professionals outside of ITS and others who are non-IT professionals yet are tasked with performing IT risk assessment, undocumented IT risk universe that would serve to support oversight and inform decision-makers, and incompleteness of Business Technology Plan including how the plan is based on mitigating the highest risks/priorities as well as related timelines, costs and sources of financing.
- The low maturity level of most City departments for ITRM and the broad and technical nature of IT risks, procedures and guidance at both the corporate and departmental level are not sufficient to ensure that the identification, evaluation, communication, mitigation, and monitoring of the most important IT risks is consistent, appropriate and timely. In addition, IT issues and priorities that are critical to City-wide objectives do not necessarily rise to the top.

3. Assess if the City’s IT Risk Management policies, practices and procedures are effectively supporting the identification, evaluation, mitigation and monitoring of IT risks across the City

Specific findings from the original audit included:

- There is neither the culture nor capacity to support a complete and holistic view of IT risks and the effective management of these risks;
- Outputs may not have been subject to sufficient analysis, consideration and challenge by people with appropriate and sufficient skill sets/competencies to effectively perform this function;
- Some IT-related issues may not be appropriately identified, assessed and subsequently escalated to both inform (awareness) and mitigate (plans and funding);
- It is not clear if all risks related to aging infrastructure, data storage, network capabilities, etc. have been identified; and
- There is not always a linkage between the identification of a critical risk with the provision of sufficient resources allocated for effective mitigation.

To address the areas of improvement above, the original Audit of IT Risk Management provided eight recommendations for implementation by the City of Ottawa. The follow-up to the 2015 Audit of IT Risk Management assessed the status of completion for each recommendation, results of which are summarized in Table 4 below. All eight findings were subsequently assessed as part of this audit. Details on the assessment are included in the detailed report.

Table 4: Summary of status of completion of recommendations

Recommendations	Total	Complete	Partially complete	Not started	No longer applicable
Number	8	8	0	0	0
Percentage	100%	100%	0%	0%	0%

Conclusion

Since our previous follow-up in 2018, management has completed all eight of the recommendations. The Technology Security Risk Management (TSRM) process is now v2.0 with additional improvements now in place and better alignment to the Enterprise Risk Management process. The Annual IT Risk Management Validation process has also been conducted to perform additional verification on the 'High rated' IT risks.

While we recognize that all areas where previous observations were raised have been completed by Management, there were minor observations where controls in the area could be further improved, namely formalization of risk management decisions and further reconciliation of risk mitigation strategies.

Follow-up to the 2017 Audit of IT Remote Access

The Audit of IT Remote Access was conducted in 2017 and resulted in seven recommendations. Subsequently a follow-up audit was included in the 2020 Audit Plan of the Office of the Auditor General (OAG), to review the status of the seven recommendations.

The recommendations are summarized as follows:

Recommendation 1: The Chief Information Officer (CIO) should ensure that the City's IT strategy incorporates remote access across all departments and services. The strategy should consider how individual departments connect and secure remote access to critical services. The IT strategy should address, where applicable, work needed to respond to prior IT audits undertaken by the OAG.

Recommendation 2: The City should ensure their new standard for remote access is adopted across all City departments and supported as a corporate service managed by a central security authority. The standard should clearly define the scope and boundaries of the Enterprise Computing Environment.

Recommendation 3: The City should take steps to ensure that a review and update of its IT policies is completed at least every two (2) years.

Recommendation 4: The City should develop and maintain a document or diagram which effectively describes city-wide IT network architecture across all departments and services. Changes to the architecture should be subject to CIO approval.

Recommendation 5: As remote access connections are made across City networks, departments and services, the City should create a central register of all remote access solutions employed corporately and within City departments. The register should identify the nature of the remote access, how it is isolated (or connected) to other City services network and any security considerations or requirements. Proposed changes to the register should be subject to CIO approval.

Recommendation 6: The City should take steps to strengthen its mobile device management including the implementation of additional technical security requirements and controls for remote access including:

- Establishing mandatory strong two-factor authentication; and
- Restricting ability of users to install unauthorized remote access solutions on City issued devices.

Recommendation 7: The City should evaluate and implement enhancements to their remote access security management and monitoring, including:

- Finalizing the implementation of use cases specific to monitoring remote access security incidents with their Managed Security Service Provider (MSSP); and
- Continuing to improve operational practices including vendor and employee account management and reconciliation.

The follow-up to the 2017 Audit of IT Remote Access assessed the status of completion for each recommendation, results of which are summarized in Table 5 below, along with the status asserted by Management at the outset of the audit. Details on the assessment and detailed findings are included in the detailed report section.

Table 5: Summary of status of completion of recommendations

Recommendations	Total	Complete	Partially complete	Not started	No longer applicable
Number	7	7	0	0	0
Percentage	100%	100%	0%	0%	0%

Conclusion

The follow-up Audit of IT Remote Access has identified that all seven of the previous recommendations from the 2017 audit have now been addressed and are assessed as complete.

As remote access has become even more critical during the COVID-19 pandemic, the City has taken steps to formalize the related process and must continue to monitor access and perform regular risk assessment reviews of any exemptions to the Remote Access Standard.



Follow-up to the 2017 Audit of the Regulatory Framework for Light Rail Transit

The Follow-up to the 2017 Audit of the Regulatory Framework for Light Rail Transit was included in the Auditor General’s 2019 Audit Work Plan.

The key findings of the original 2017 audit included:

- There were no gaps in the safety and security regulatory frameworks and that the City was in compliance with delegation agreement
- Only limited assurance could be provided on the completeness of the content of the Safety Management System (SMS) or the Security Management System (SeMS)
- OC Transpo had significant and comprehensive documentation related to incident identification, classification and escalation policies and procedures and guidelines for incidents related to railway operation and maintenance
- OC Transpo consulted many sources during the development and review of the SMS elements; however documentation of consulted sources was not structured or consistent
- The review process for the development, review and update of security documents subject to the delegation agreement was not documented

Table 6: Summary of status of completion of recommendations

Recommendations	Total	Complete	Partially complete	Not started	No longer applicable
Number	3	3	0	0	0
Percentage	100%	100%	0%	0%	0%

Conclusion

Management made good progress by completing all three recommendations. Management should continue to monitor and encourage staff to ensure compliance with the Document Management Program policies and procedures on an ongoing basis.

Follow-up to the 2017 Audit of the Social Housing Registry

The Follow-up to the 2017⁶ Audit of the Social Housing Registry was included in the Auditor General's 2020 Audit Work Plan.

The key findings of the original 2017 audit included:

- Protection of applicant information and continuity of services
 - There was appropriate level of security awareness among Social Housing Registry (SHR) personnel as well as the existence of formal procedures regarding the handling and protection of personal/confidential information;
 - Electronic backup files which were being transported offsite were not encrypted;
 - SHR's central file room lacked a tracking system for the removal and return of files;
 - The SHR plan to support business continuity in response to a disruptive event, had not been updated and lacked sufficient detail. A proposed new agreement between the City and the SHR was expected to include provisions to develop a Business Continuity Plan to support the Pandemic/Emergency Plan.
- Efficiency and Effectiveness of SHR Operations
 - The City had taken steps to enhance its Service Agreement with the Registry to further strengthen reporting and better support continuity of operations in the event of a disruption;
 - Reports provided by the Registry were not being effectively analyzed by the City;
 - The City did not have any formal processes in place to ensure that the Registry was complying with the Registry Service Agreement.
- Compliance with applicable acts, regulations and other requirements

⁶ The audit was underway in 2017 when a decision was taken to suspend the audit due to the flooding of the building which houses the Registry's offices. The audit recommenced in 2018.

- Both the Service Manager Policy and Procedure Manual which addresses the City’s obligations under the Housing Services Act, 2011 (HSA) and the Registry Service Agreement which outlines the Registry’s obligations to the City were out of date.
- Maintaining the Centralized Waiting List
 - SHR staff were following the procedures set out in its Policy and Procedures document;
 - While the SHR’s Policy and Procedures document was found to fully support Provincial priorities, it did not address re-assessing the eligibility of applicants with local priority status.

Table 7: Summary of status of completion of recommendations

Recommendations	Total	Complete	Partially complete	Not started	No longer applicable
Number	6	3	2	1	0
Percentage	100%	50%	33%	17%	0%

Conclusion

Management made progress by completing three out of six recommendations. However, two recommendations are partially complete, and one recommendation was not started.

The two partially complete recommendations relate to implementing an alternative process for the backup and safeguarding of electronic information within the Central Waiting List (CWL); and, updating the City’s Service Manager Policy and Procedure Manual to ensure that roles and responsibilities align with Provincial requirements.

The original audit found that weekly electronic backups of the CWL were stored offsite. These backups were not encrypted and were physically transported by the SHR staff. Our follow-up found that while the SHR has improved its interim procedures to backup and archive data, these measures do not fully address the risks associated with the compromise of privacy information.

The original audit had also found that the City’s Service Manager Policy and Procedure Manual and the Registry Service Agreement were both out of date. Our follow-up found

that the City's Service Manager Policy and Procedures Manual has not been updated. Management informed us that the Province plans to develop and release new regulations by early 2022 and that they are waiting for them before updating the Manual.

The recommendation that was not started relates to the City formalizing processes to assess the Registry's compliance with the Registry Service Agreement. The original audit found that the City did not have formal processes to ensure the Registry's compliance with the Registry Service Agreement. Our follow-up found that no such formal review process had been implemented. We recognize the impact of COVID-19 on the City's ability to conduct such an operational review. We support management's intention to reschedule it once the emergency order is lifted and normal operations can resume.

Follow-up to the 2018 Review of the City's Practices for the Procurement of Commercial Vehicles

The Follow-up to the 2018 Review of the City's Practices for the Procurement of Commercial Vehicles was included in the Auditor General's 2020 Audit Work Plan.

The key findings of the original review are identified below.

- The procurement of Mercedes Sprinter vans was not always a cost-effective solution and there was no supporting documentation to demonstrate that a value analysis was conducted to justify the purchase of the Mercedes Sprinter prior to bid solicitation.
- Between May and August 2015, Fleet Services purchased seven Mercedes Sprinters when a more economical option existed: The Ford Transit high-roof cargo van. The Ford Transit was purchased in April 2015 at a lower cost. The City could have saved \$167,000 had it purchased seven Ford Transit vehicles instead of the Mercedes Sprinters.
- The lease of one Mercedes Sprinter to support Light Rail Transit did not go through a formal lease or buy analysis to support the decision to lease a Mercedes Sprinter van rather than purchase the van through the City's existing standing offer. The decisions to lease and buyout the lease were not supported with any type of financial analysis.
- Fleet Services' investigation of its own decision to purchase the Mercedes Sprinters in response to a Fraud and Waste Hotline report raised the potential for bias and may have impacted the investigation's conclusion that the acquisition of the Sprinters was completed in accordance with the City's Procurement By-law and procurement practices and procedures.
- Based on our review of a sample of invoices for Mercedes Sprinter vans purchased by Transit, itemized options on each invoice did not always agree to the pricing table in the standing offer. Transit staff confirmed that the particulars of the options listed on the invoices for Mercedes Sprinters were not thoroughly verified before approving the invoice for payment.
- The City's issuance of a Request for Tender requesting Sprinter vans contravened the Procurement By-law subsection 12(3) that states "procurement documentation shall avoid the use of specific products or brand

names”. The Director, Fleet did not provide a valid reason in the procurement documents that the Sprinter vans were essential to the City’s operations.

- In 2005, Motion 27-139 carried by City Council directed staff to provide pre-budget reports in advance of the draft budget for the acquisition of any growth or replacement fleet vehicles. The motion also specifies that "for the purposes of these reports ‘fleet’ be defined as any vehicle purchased by any branch of the Corporation of the City of Ottawa". Transit’s Fleet and Facilities Maintenance branch was not included in Fleet Services’ Municipal Vehicle and Equipment Capital Replacement Plan and the Annual Vehicle Growth reports tabled to the Transportation Standing Committee and City Council.

Table 8: Summary of status of completion of recommendations

Recommendations	Total	Complete	Partially complete	Not started	No longer applicable
Number	8	8	0	0	0
Percentage	100%	100%	0%	0%	0%

Conclusion

Management has made significant progress, completing all eight recommendations. Although value analysis comparisons and lease versus buy assessments are being conducted, we identified opportunities for management to improve their effectiveness.