

Town of Markham

Auditor General

2009-2011 Audit Plan

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Section 1 – Introduction

Purpose

Multi-year Audit Plan developed to deliver on the mandate

This document represents the Auditor General's multi-year Audit Plan for the Town of Markham for the period January 2009 to May 2011. The Plan has been developed to deliver on the Auditor General's mandate with a programme of audit work aimed at assisting Council in holding itself and its administrators accountable for the quality of stewardship over public funds and for the achievement of value of money in operations. The mandate is driven by the provision in Bill 130 – Amendments to the Municipal Act, 2001 that authorizes municipalities to appoint an Auditor General and by the Council approved position report, October 9, 2007. The Auditor General mandate, forms part of the Audit Plan and should be read as a preamble to the Plan.

To ensure the Audit Plan is relevant and focused on what really matters, it is aligned with council strategies and corporate objectives and to the risks in achieving those strategies and objectives. This approach continues to be recognized as good practice by the Institute of Internal Auditors. The Plan targets areas where the Auditor General could add value taking into account management actions underway. The Plan will be reviewed regularly to ensure continuing relevance.

Audit Methodology

Section 2 – Audit Planning Approach

2.1 Selection of Audit Projects

Prior to selecting audit projects information is gathered to understand the Town of Markham operations and possible audit entities.

The starting point in the audit process is deciding what to audit from the myriad of municipal activities. This is a challenging exercise that requires knowledge of the municipality, its objectives, processes, and the environment in which it operates and a level of professional judgement. It is, however, one of the most important steps in the audit process, if the Auditor General is to achieve their mandate cost effectively and make a difference to taxpayers. If the selection of audit projects is not done well, all the audit work that follows will have little chance of producing satisfactory results.

The planning process involves several layers of activity before audit projects are selected. These include the identification of external trends, operational risks, relevant audit objectives, and population of potential audits (audit universe) followed by an audit risk assessment of these potential audits.

2.2 Audit Universe

Audit entities are prioritized based on an audit risk assessment.

The audit universe includes all programs, activities and processes of all Town departments, commissions, boards, municipally-controlled corporations, grant recipients and the offices of the Mayor and members in Council. The development of the audit universe and the audit risk assessment was based on:

- Meetings with Councillors and Senior Management
- Review of strategic, financial and budget documentation
- Review of other municipalities' audit plans and audit results
- Meeting with external auditor and other municipal auditors
- Risk factors designed to reflect the environment in which the Town operates
- Seven risk workshops conducted with selected town departments

Fifty-four auditable units were identified in the audit universe. The multi-year Audit Plan has been designed to provide audit coverage for the highest risk ranked areas first. The Plan does not provide full coverage of all risk areas because of the limited audit resources available, however the Plan will be regularly revisited and recommendations on needed resources will be provided to Council.

2.3 Risk Factors

Risk factors were used to prioritize the auditable entities.

The risk factors used were compared with those used by other municipalities, as well as private sector audit organizations. The following six factors were chosen to risk rank each audit unit identified in the audit universe with a higher weighting given to the first two factors as they were considered as more important to achieving the Auditor General mandate.

- **Impact on priorities** Risks potentially impacting achievement of council and corporate objectives including,
 - *External Developments*: political (the influence of international governments and other governing bodies), economic: international and national markets, globalization, social: major demographic and social trends, level of citizen engagement, technological: new technologies
 - *Strategic Development*: sustainability of the infrastructure, collaboration and strategic alliances
 - *Services*: public expectations and confidence, values and culture, environmental, communications and consultations
 - *Responsible Spending*: expenditures (procurement, purchasing, transfer payments), fraud, investments, contract and project management
 - *Operational and resource management*: Results reporting, legal, people, regulation, business continuity

- Savings Potential for cost savings or efficiencies in operations
- Controls Control maturity specifically; whether controls are ad hoc, repeatable, measurable, or best practice
- Materiality Based on the Towns' 2008 operating and capital budget
- Complexity Degree of specialist knowledge, reliance on outside suppliers, amount and rate of change, cross-department reliance, information technology reliance
- Sensitivity Susceptibility to fraud, resident focus

2.4 Audit Objectives

Audit projects are designed to answer questions (audit objectives)

In conducting an audit the auditor gives consideration as to what questions will be answered by the audit project. These audit objectives are established at the onset of the audit and can include any or all of the following, in accordance with the Auditor General mandate.

- Whether the Town is acquiring, protecting, and using its resources economically and efficiently and the causes of any inefficiencies or uneconomical practices
- The extent to which established desired results for programs are relevant, measured, monitored and achieved effectively and efficiently
- Compliance with legislation, regulations, by-laws, policies and procedures
- Reliability of management and operational information

Areas that fall outside of the Auditor General mandate are political decisions and the administration of programs delivered by other levels of government.

2.5 Audit Plan approval

The Audit Plan is approved by Council through General Committee

The Audit Plan is approved by Council through General Committee and no deletion or amendment to the Plan shall be made except by the Auditor General and Council supported by a simple majority vote of Council. The Audit Plan is reviewed at least annually for continued relevance by the Auditor General and General Committee.

2.6 Audit Scheduling

Audit Plan fits the available resources.

The plan has been prepared based on the available time of the Auditor General assuming no additional resources are engaged. The scheduling of audits is based on forty weeks available for audits annually after allocating twenty-five percent of the year for statutory holidays, vacation, continuing education, committee reporting, follow up on audit recommendations. No time has been scheduled to meet council requests.

Section 3 – Audit Process

3.1 Audit Process

The audit process has 4 phases; planning, review, reporting, follow-up. Management commitment to agreed timelines is expected.

Critical to the successful completion of the Audit Plan is management's commitment to the published audit schedule and required response timelines. A "terms of reference", outlining detailed audit objectives, scope, criteria, timelines, will be completed for each audit project. Management will have an opportunity to review the document. The Auditor General has the authority to decide the scope of work.

Staff have a duty to co-operate with the Auditor General and provide the necessary assistance in units where audits are performed. Management delay that impedes the ongoing audit and agreed timelines will be escalated as necessary to the Commissioner, Chief Administrator, and ultimately to Council through General Committee.

All audit projects result in an audit report that is provided to management for their comment, however the report is owned by the Auditor General and cannot be altered by management. Where there is agreement, management provides action plan with timelines and the person accountable for the action. Where management disagrees, the disagreement is documented in the Report along with the rationale. Issues uncovered by the Auditor General are reported regardless of whether management has remedied the situation during the course of the audit. Issues that involve fraud, personnel or impact ongoing Town legal actions are reported in-camera until such time as the situation is resolved, where upon the Auditor General will follow the standard reporting process.

3.2 Public Reporting

The Auditor General's office operates under a public reporting protocol that requires all Final Audit Reports to be issued publicly unless the contents involve personnel issues, fraud or legal actions. Final Audit Report is considered those audit project reports where the report has been reviewed with and responded to by municipal staff. Audit reports become public through the General Committee Agenda distribution process.

Follow up process by the Auditor General monitors and reports on status of action implementation

3.3 Follow up

The Auditor General follows up on all agreed actions annually to determine if corrective action has been taken and presents a status report to Council through General Committee. It is expected that management sets reasonable and achievable action completion dates. Management is responsible for advising the Auditor General of actions that will not be met on time. Late and overdue actions will be reported to Council through General Committee.

Section 4 – Performance Measurement

Professional standards provide an overall framework for ensuring that auditors have competence, integrity, objectivity and independence in planning, conducting and reporting their work. Professional Standards require external assessments at least every 5 years. The Audit Plan is developed in accordance with the Institute of Internal Auditor professional standards. Consistent with the Town's existing performance measurement framework, key performance indicators (KPIs) will be used for measuring the performance of the Auditor General office. The measurements have been benchmarked with leading audit functions but are limited to what is practical with a one person audit shop. Refer to Appendix B for measurements.

Audit Plan

Section 5 – Observations influencing the Plan

Town wide themes observed from risk workshops and information gathering activities are incorporated into the Audit Plan either as separate themed audit projects or integrated into individual audit projects.

The audit risk assessment identified a number of organizational wide themes that will be explored during the audit process either as separate themed audit projects or integrated into the various audit projects as applicable. Risk workshop participants were asked the question “what risks are you facing in meeting your unit goals and the corporate priorities?” Risk is the uncertainty that surrounds future events and outcomes, it is the possibility of experiencing adverse consequences as a result of choices and actions.

The following observations are intended to highlight common themes and how they are incorporated into the Audit Plan. It is important to note that the observations are just that, observations based on inquiry and workshop discussions where further investigation and assessment may be needed.

5.1 Growth

The Town of Markham is a growing community officially identified as an urban growth centre and as such is developing a “Growth management strategy” to form the basis for sustainable community growth. The Town views itself as an organization under transformation sparking great activity in reviewing operations for improvements. There is also an element of evolution, the gradual change into a different municipality, a City preserving its heritage while moving forward with leading practices to sustain urban growth. Evolution requires continual organization self reflection and decisive action to continually move forward. Throughout the workshops growth emerges as a strain on town resources and operations impeding program service delivery and sustainable town

infrastructure. **The Audit Plan includes audit projects to evaluate the effectiveness and efficiency of a sample of programs giving consideration to the optimal use of technology, partnerships, and staffing models in an environment of growth.**

5.2 People

People resources account for approximately sixty percent of the operating budget. Managing this resource well can positively impact cost effective delivery of programs. Workshops highlighted the need for an established organization wide talent management framework. The most common concern was lack of effective succession planning; however talent management needs to be a strategic and deliberate approach to attract, develop and retain people to meet current and future organizational needs with clear direction on resourcing models. Effort in this area becomes more important as the organization transforms and evolves. **The Audit Plan includes audit projects to assess staffing models, attendance management and the benefits realized through the use of consultants.**

*5.3
Information
Technology*

Markham is Canada's high-tech capital and there is an external expectation that internally the Town also capitalizes on technology supporting "ease of doing business" however the risk workshops results indicated that technology is not always used sufficiently to achieve excellence in execution. Often processes are cumbersome and involve workarounds with inefficient data management and reporting. Systems are not always "linked" increasing processing effort. Sound governance practices over investments in technology solutions is critical to ensure cost efficiencies are achieved through exploiting corporate synergies and avoiding duplication, underused solutions, and downstream process inefficiencies. Although information technology is integrated into the business planning and budgeting process governance mechanisms could be strengthened. **The Audit Plan includes a project specific to this topic in addition to consideration in all audit projects.**

*5.4
Procurement*

One of the most significant activities undertaken by the Town involves procurement, the obtaining through contractual agreement, timely and correct delivery of goods and service at best value for money or more simply the wise expenditure of taxpayers' money. Sound procurement is an essential part of good government. Construction projects entail considerable investments of time and money. The Town's growth management strategy ensures that future construction will continue. Effective management of projects and contractors is critical to ensure the best value for money and achievement of Council strategies. Procurement process was identified in most workshops as requiring improvement with observations that the process was onerous, outdated procedures not fit for purpose, non compliance, and weak governance. Along with procurement, contract and project management practices were identified as needing strengthening. **The Audit Plan tackles these potential inefficient**

processes through targeted audit projects, 1) testing the procurement process 2) testing construction project management and contracts, and 3) assessing purchasing and contract management practices in a number of audit projects.

5.5 KPIs

Key performance indicators (KPIs) are financial and non-financial metrics used to help an organization define and measure progress toward organization goals. The Town has been developing and using performance measures throughout the organization over the last few years in addition to reporting Municipal Performance Measurements required by the provincial government. Significant effort and resource can be spent on developing and reporting KPIs that are not sufficiently robust or used by management. The current Town KPIs are not sufficiently aligned in maturity with needs and complexity of Town operations. **The Audit Plan will address this during audit projects where KPIs are clearly deficient or improvement opportunities exist are identified.**

5.6 Business Continuity

Provincial regulation establishes the minimum standard requirements for emergency management programs required by municipalities and annually is audited by the provincial Emergency Management Office. The program is concerned with public health, continuity of operations and employee safety. Business continuity is continuing operations and recovery in the face of an event, not necessarily a life threatening event (crisis) but a loss of power or systems, which impacts town operations. Workshops and discussions with staff indicate that processes could be improved, in particular, the redeployment strategy in the case an event occurs, the disaster recovery plan for information technology infrastructure, lack of business impact assessment, need for dedicated resources to ensure effective sustainable program meeting legislative requirements and best practices. **The Audit Plan is not addressing business continuity and emergency preparedness as the processes are reviewed by the provincial regulator and are expected to be addressed in the normal course of business.**

5.7 Information Management

Information management has been identified in risk workshops, interviews and through the Town's efficiency reviews, as an area to be strengthened. The Town manages a significant amount of information that is used internally, with vendors, other government bodies, and residents. An effective information management program ensures maximum corporate value is achieved from data, cost efficiencies associated with streamlined collection and storage are realized, data is protected from unauthorized alteration, and staff are aware of how data and documents need to be handled. **The Audit Plan addresses information management in terms of the privacy legislation (collection, availability and protection) but not document management as the Town is funding an information management project.**

Section 6 - Audit Projects Scheduled

For the period January 1, 2009 to June 1, 2011

Year. reference	Audit Project Title	Commission Primary / Secondary
2009.1	Procurement Process	CS / All
2009.2	Operations (maintenance of parks, roads, signs)	CFS
2009.3	Attendance Management	CAO / CFS
2009.4	Construction Contract Project Management	CFS / DS
2010.5	Fleet Services	CFS
2010.6	Use of Consultants	CAO / All
2010.7	By-Law Enforcement & Licensing	CS / All
2010.8	Waterworks	CFS
2010.9	Information Technology Governance	CS
2011.10	Privacy	CS / All
2011.11	Governance	All
2010.12	Development Review Process	DS / All

Refer to Appendix A for details of each Audit Project

CS = Corporate Services

CFS = Community & Fire Services

DS = Development Services

CAO = Chief Administrative Officer

Appendix A –Audit Projects - Details

Audit Project (year- reference #)	Audit Focus
<p>2009.1 Procurement Process</p>	<p>Value Proposition: Procurement is the obtaining, through contractual agreement, of the timely and correct delivery of goods and services at best value for money. The Town processed approximately 775 purchase orders totalling \$50 million in 2007. If procurement process is not done well, Council is not fulfilling its fiscal stewardship obligation to taxpayers.</p> <p>Audit Focus This audit will focus on evaluating effectiveness of the centralized procurement program “to acquire, rent, or lease the quality and quantity of goods and services required in the most cost effective and efficient manner.”¹ Operating procedures and policy will be evaluated to ensure the process is effective in its use of town resources, there is reliable, sufficient management information to monitor key activities, and competition is maximized.</p> <p>¹ Purchasing by-law 2004-341</p> <p>The scope of the audit will be limited to purchase orders requiring approval outside of the user department (greater than \$25,000) and cover the procurement strategy planning, requests to procure, potential vendor identification (database and web site), the competitive process (quotes, bids), and evaluation and selection of awards.</p> <p>Sole source contracts awarded will be assessed as to compliance with the by-law and how effective the by-law is in achieving the best value for money. As at June 2008, fourteen sole source contracts had been awarded for a value of approximately \$1.5m.</p> <p>The audit will be conducted through inquiry, observation, process assessment and testing a sample of purchase orders for compliance to purchasing policies.</p> <p>Commission / Department Recipient Corporate Services / Purchasing (primary) All Commissions and departments (secondary)</p>
<p>2009.2 Operations (parks, roads, signs)</p>	<p>Value Proposition The Operations business unit is responsible for the maintenance of roads, parks, and streetscapes, ensuring effective winter control, environmental protection of right-of-ways, watercourses, and the maintenance of drainage infrastructure. Their 2008 expenditure budget was approximately \$19 million, with \$1.2million</p>

	<p>attributable to vehicle supplies, and a capital budget of approximately \$11 million that supports council's strategic priorities for quality and cost-effective delivery of municipal services. Poor quality service from Operations directly impacts Markham residents. Initial audit assessment indicates potential for efficiency improvements.</p> <p>Audit Focus This audit will focus on the efficient and effective performance of the Operations department; how it plans its activities, the effectiveness of its resource strategy, how it provides direction and establishes good procedures for efficient operations and the extent to which it achieves desired service results. Areas to be considered for scope include but are not limited to, contract administration and payments, pavement condition survey process, resourcing strategy, overtime and time reporting, emergency work, service standards, yard inventory, and information systems.</p> <p>Fleet services unit supports all Town departments and is excluded from this audit to be considered a separate audit project scheduled for 2010.</p> <p>Commission / Department Recipient Community Services / Operations</p>
2009.3 Attendance Management	<p>Value Proposition Community members, and reports from other cities, generally express concern about the use of overtime in the public sector. The use of lost time and overtime carry risks that they might fix in place inefficient resource use or be abused. Excessive overtime may compromise employee health and safety.</p> <p>Audit Focus This audit will focus on the effectiveness of the attendance management strategy, policy and process across town departments to ensure adequate oversight and management of overtime and "lost time". Costs, risks and trends will be examined in detail for one department to assess the reasonableness of the use of overtime.</p> <p>Commission / Department Recipient Chief Administrative Office / Human Resources (primary) Community & Fire Services (secondary)</p>
2009.4 Construction contract project Management	<p>Value Proposition Construction projects entail considerable investments of time and money. The Town's growth management strategy ensures that future construction will continue. Effective management of projects and contractors is critical to ensure the best value for</p>

	<p>money and Council strategies are achieved.</p> <p>Audit Focus This audit will assess if construction projects are successfully managed as measured by project cost, timelines, and quality of work. Specifically the audit will focus on project management practices to answer the following questions,</p> <ul style="list-style-type: none"> • Do contractors comply with contract provisions and specifications? • Are contractor payments adequately supported, authorized, monitored and controlled for actual services rendered and work performed? • Do the contract terms and conditions adequately protect the Town's interests? • Is there effective monitoring of the construction process? <p>The audit will be conducted through inquiry and observation giving consideration to effectiveness and efficiency of the process and the use of technology once the contract is awarded. A detailed review of one recently completed "right of way / utilities" construction contract will be undertaken focusing on the four questions above. The selection is intended to represent the type of work the Town conducts now and in the future.</p> <p>Commission / Department Recipient Community Services / Asset Management (primary) Development Services / Engineering (secondary)</p>
<p>2010.5 Fleet Services</p>	<p>Value Proposition The Town fleet is comprised of approximately 600 vehicles and equipment units, which are used to maintain parks and streets, respond to fire emergencies, and assist all Municipal operations. With the increase in fuel cost and the expansion of the Town, there is a need to continuously improve the efficiencies in supplying fleet services and align with environmental council strategies. Misuse and abuse of the Town fleet is a potential risk that when managed can improve costs.</p> <p>Audit Focus This audit will focus on the efficient and effective performance of the Fleet Services unit; how it plans its activities, the effectiveness of its resource strategy, how it provides direction and establishes good procedures for efficient operations and the extent to which it achieves desired service results. Specifically the audit will look at areas such as fuel management; vehicle procurement, utilization and disposal; the greening of the fleet program; fleet safety; repairs</p>

	<p>and maintenance; and inventories.</p> <p>Commission / Department Recipient Community Services / Operations (primary) Community Services / Fire (secondary)</p>
<p>2010.6 Use of Consultants</p>	<p>Value proposition Consultants, when used correctly, can provide great benefit to the Town; achieving things that the Town does not have the capacity or capability to do themselves. On the other hand, when used incorrectly, consultants can drain budgets very quickly, with little or no productive results.</p> <p>Consultants, for the purpose of the audit, are project based non construction engagements where the responsibility for the final outcome largely rests with the Town.</p> <p>Audit Focus The audit will focus on the management framework over the use of consultants to assess the effectiveness and efficiency in engaging consultants and answer the following questions,</p> <ul style="list-style-type: none"> • Is there sufficient management information to understand the extent of usage and the benefits obtained? • Are assessment made whether internal resources should be used instead? • Are performance measures used to assess consultant work? • Are there plans to carry out the transfer of skills to internal staff? • Are key consultancy supplier relationships actively managed? <p>The audit will be conducted through inquiry and observation, analytical review of spending, evaluating sufficiency of management information and selecting a sample of engagements for review.</p> <p>Commission / Department Recipient Chief Administrative Office (primary) All commissions (secondary)</p>
<p>2010.7 By-Law Enforcement and Licensing</p>	<p>Value Proposition The By-Law Enforcement & Licensing department supports residents and businesses on issues, such as property standards, pesticide use, noise control, and taxi industries operating in the Town. The Parking control unit ensures safety of residents through enforcement of fire routes, disabled spaces, and clear</p>

	<p>roadways. By-law enforcement requires coordination amongst various departments to ensure effective service when addressing an issue. There is increasing number of by-laws increasing the demands on enforcement.</p> <p>Audit Focus The audit will focus on the efficient and effective performance of the By-Law Enforcement and Licensing department; how it plans its activities, the effectiveness of its resource strategy and after hours approach, how it provides direction and establishes good procedures for efficient operations, and the extent to which it achieves desired service results. In addition, the audit will assess the effectiveness of the integration of enforcement with the applicable departments and the effectiveness of technology in executing the process. Revenue collection procedures will be assessed as to completeness and security.</p> <p>Commission / Department Recipient Corporate Services / Legislative Services (primary) All commissions (secondary)</p>
<p>2010.8 Waterworks</p>	<p>Value Proposition Waterworks is responsible for the provision of safe drinking water and for the maintenance and repair of watermains, watermeters, and sanitary sewers. All operations are self funded using the Waterworks fund and user fees from water billing. Considerable risk arises from this municipal service in terms of public safety, public confidence, town liability, and sustainable user fees. The Town expects to fully implement the provincially required “Drinking Water Quality Management System” (DWQMS) in early 2009 which includes extensive documentation, monitoring processes, internal and third party audits.</p> <p>Audit Focus Although this program represents a significant risk to the Town, the audit is scheduled later (2010) to avoid duplication of efforts during the DWQMS implementation, audit and accreditation process. The audit will focus on assessing the effective implementation of the DWQMS and contract management including payment processing. In 2008 Waterworks budgeted approximately \$5 million in service agreements and \$8 million in their capital budget.</p> <p>Commission / Department Recipient Community Services / Waterworks</p>

<p>2010.9 Governance for Technology Solutions</p>	<p>Value Proposition Markham is Canada's high-tech capital and there are expectations that the Town capitalizes on technology supporting the ease of doing business. Sound governance practices over investments in technology solutions is critical to ensure cost efficiencies are achieved and efficiencies optimized through exploiting corporate synergies and avoiding duplication, underused solutions, and downstream process inefficiencies.</p> <p>Audit Focus This audit will focus on the current information technology governance practices, the related impact on investments in technology solutions, and the management of those investments.</p> <p>Commission / Department Recipient Development Services / Information Technology(primary)</p>
<p>2011.10 Privacy</p>	<p>Value Proposition The Town is subject to the provisions of the Municipal Freedom of Information and Protection Act (MFIPPA). The first part of MFIPPA states that all government information should be available to the public with the exception of specifically enumerated types of information. The second part of the MFIPPA provides for the protection of personal privacy. It requires that a local government protect the privacy of an individual's personal information that exists in the governmental records and that it follow a privacy protection scheme that includes rules regarding the collection, retention, use, disclosure and disposal of personal information in its custody or control. Privacy breaches can result in negative public attention, loss of public confidence, town liabilities, and regulatory sanctions.</p> <p>Audit Focus This audit will focus on the effectiveness of processes throughout the Town to ensure compliance with privacy legislation, how the town manages the information it collects, staff education, and effective resolution of inquiries or complaints. Areas of specific attention include governance practices, information management practices, how and why the Town collects, uses and discloses information, system access controls, and procedures for disposing of information.</p> <p>Commission / Department Recipient Corporate Services / Legislative Services (primary)</p>

	All commissions / departments (secondary)
2011.11 Governance	<p>Value Proposition Governance is the processes and structures used to direct and manage Town operations supporting Council in achieving its accountability for the stewardship over public funds. Ineffective governance, breach of procedures, misconduct (actual and perceived) could impact the stewardship of public funds.</p> <p>Audit Focus This audit will focus on the governance structures in place, specifically selected policies, reimbursement of senior management, mayor and council expenses as to compliance with Town policies and by-laws. In addition the code of conduct for municipal staff will be reviewed as to its effectiveness in terms of its clarity, currency, employee and council awareness and training, and reporting requirements.</p> <p>The audit will be conducted through inquiry and observation, benchmarking, analytical review and testing a sample of expenses for compliance.</p> <p>Commission / Department Recipient Chief Administrative Office (primary)</p>
2011.12 Development Review process	<p>Value Proposition The Development Review Process (DRP) is a core municipal service that regulates the development of land, the assumption of municipal infrastructure from developers, and the construction of residential and non-residential buildings. The process must ensure compliance with statutory requirements of the Planning Act, the Building Code Act, and the Municipal Act. In 2006 over 4,000 permits were issued, 78,000 inspections, and 500 applications circulated. Inefficient or untimely processing impacts delivery of Council priorities, such as growth and the required infrastructure.</p> <p>In 2007 a Task Force was formed with a mandate to review the development application process, related conditions and agreements and building permits. Report and recommendations were approved by Development Services Committee and Council November 2007. Action Plans were developed and work continues on their implementation with the majority complete by end of 2008 except for some technology automation scheduled for 2009.</p> <p>Audit Focus This audit has been scheduled for 2010 to allow for a focus on the</p>

	<p>execution of the action plans and assess the effectiveness and efficiency of the implemented processes and compliance with legislation. Particular attention will be given to technology automation, its use and its reliability, and timeliness of processing. Further scoping of the audit will be done based on results of task force actions.</p> <p>Commission / Department Recipient Development Services (primary)</p>
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Appendix B – Key Performance Indicators

Key Performance Indicator for Auditor General office	Status	Actual	Target
Customer Satisfaction			
Councillor satisfaction surveys (<i>% satisfied: good and above</i>)			80%
Senior staff satisfaction surveys (<i>% satisfied: good and above</i>)			70%
Financial Performance			
Cost of Audit (<i>% of Town Operating and Capital Budget</i>)			0.05%
¹ Audit improves efficiency & effectiveness and controls (<i>% of actions implemented within agreed timelines</i>))			65%
Operational Excellence			
Delivery of Audit Plan (<i>% of Plan completed</i>)			80%
¹ Timeliness of reporting (<i>% of Reports issued within 2 weeks of agreed times in the Terms of Reference</i>)			75%
¹ Output of audit adds value (<i>% of recommendations accepted</i>)			75%
Staff Satisfaction			
Continuing professional education credits earned by Auditor General			40 hours

¹ Indicator obtained from the 2002 North American Local Government Audit Association Benchmarking and Best Practice Survey