

# Administration Response - Social Development Branch Audit

## Recommendation

That the November 17, 2020, Citizen Services report CS00002, be received for information.

## Executive Summary

In 2020, the Office of the City Auditor completed a branch-wide audit on the Social Development branch. The auditors report provided three recommendations related to:

1. aligning branch activities to role, purpose and outcomes
2. evaluating branch activities and outcomes
3. improving the adequacy of Administration's processes for financial contributions

Administration accepts all three recommendations and has begun work to address the recommendations. Following the recent realignment of Social Development, the branch began to refocus efforts toward the city's most pressing issues. The branch also began a project to determine branch outcomes and how they would be measured. Over the past few years, efforts have been made to use the Customer Relationship Management Grantor system for more financial contributions and Administration is currently developing a plan to ensure all branch contributions can be incorporated into this workflow. While combating the current increased workload during the pandemic, staff are still actively working towards addressing the auditors recommendations but have suggested implementation timelines that account for our current resource restrictions.

## Report

In 2020, the Office of the City Auditor completed a branch-wide audit of the Social Development branch. The auditors report provided three recommendations related to: aligning branch activities to role, purpose and outcomes; evaluating branch activities and outcomes; and, improving the adequacy of Administration's processes for financial contributions.

### Recommendation One

Implement and communicate a process that aligns the branch's activities to its role, purpose and outcomes.

### *Management Response*

Administration recognized the need to align the work of the branch into key priorities and develop principles to communicate the outcomes. In 2019, Social Development leadership undertook an extensive review of its work and determined that Edmontonians could be best served by defining the business of the branch as:

- reducing poverty and social inequity
- increasing the supply of affordable housing
- ending homelessness
- advancing reconciliation
- creating safe and healthy communities
- investing in preventive social services

This exercise included aligning branch activities with these core lines of business. When the audit began, the realignment work had been introduced to the branch but not yet developed into a framework or a model.

When incorporating financial contributions into this framework, it's important to recognize that due to the expertise of the team, Social Development processes other grants that are not within the branch's mandate on behalf of the department. Examples include grants for community leagues, the Community Facility Partner Capital Grant Program, and other neighbourhood grant programs, as well as operational funding which has been directed by City Council. The branch functions as a conduit for those dollars, and, as a result, these programs or services may not align directly with the goals and outcomes of Social Development.

Administration accepts this audit recommendation and will continue to identify and define the branch impact and align branch activities to its role, purpose and outcomes.

Implementation Date: September 30, 2021

### Recommendation Two

Implement a process that evaluates the achievement of the branch's activities and outcomes.

### *Management Response*

Given the complexity of social impact measurement and the diversity of work within the branch, a system that measures success in different ways and the resources to manage such a system is required. While evaluation and outcomes measurement within programs and partnerships has occurred for many years, there is no overarching framework that all the pieces can feed into.

Since the realignment, the branch has begun to develop an evaluation framework through engagement with the branch staff and leadership. These efforts build upon the evaluation and outcomes work done previously in programs like the Family and

Community Support Services program, RECOVER, EndPovertyEdmonton, the Affordable Housing Investment Plan and align with key corporate documents like ConnectEdmonton and the draft City Plan. Results of the engagement will also allow Administration to strengthen the measures collected through the Enterprise Performance Management system.

Administration accepts this recommendation and is exploring opportunities to evolve how to measure and communicate impact and incorporate diverse ways of knowing, being and story-telling. In a time when challenging our systems, programs, policies and services to be anti-racist and more inclusive is a priority, it's important to consider how these efforts will filter through the social impact framework and evaluation plan for both contribution and non-contribution work within the branch. Thus, Administration's approach may leverage value-for-money approaches, but not allow it to solely drive the process or the methodologies used within the framework.

Implementation Timeline: December 30, 2022

### Recommendation Three

Improve the adequacy of the administration processes for the branch's financial contributions by:

- a) Implementing a procedure that aligns with Administrative Directive A1460, defining how and what data will be collected, recorded, and reported for each type of financial contribution provided by the Branch.
- b) Implementing a single and common system/tool/spreadsheet to record and monitor the Branch's financial contributions.

### *Management Response*

Administration accepts this recommendation and will implement several actions to strengthen the administrative processes related to financial contributions.

Administration will use the Customer Relationship Management Grantor program, developed for grant and funding programs, to centralize, record and monitor all of the branch contributions. Administration will enter all contributions into the system using an internal form with standardized data fields and the ability to upload copies of supporting documentation as required. Administration will work to automate this process throughout 2021.

Staff that approve contributions will undergo training to understand this new process as well as ensure the importance of following the standardized process. Administration will ensure that Customer Relationship Management Grantor reconciles with the city's financial system on a monthly basis.

Centrally tracking contributions in this way will allow the branch to strengthen record keeping, increase consistency, allow branch-wide reporting, and more efficient long-term data storage. This will also lead to enhanced oversight of contracted service

providers by centralizing data tracking and oversight of contracts and reporting requirements across the branch.

Implementation Timeline: December 30, 2021

### Corporate Outcomes and Performance Management

<b>Corporate Outcome(s):</b> The City of Edmonton has a resilient financial position			
<b>Outcome(s)</b>	<b>Measure(s)</b>	<b>Result(s)</b>	<b>Target(s)</b>
Enhanced internal financial controls, greater alignment of processes to goals and better monitoring & evaluation of activities and outcomes.	Number of audit recommendations implemented.	N/A	All three audit recommendations addressed by target dates.

### Attachments

1. Social Development Overview

### Others Reviewing this Report

- C. Owen, Deputy City Manager, Communications and Engagement
- K. Armstrong, Deputy City Manager, Employee Services
- M. Persson, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services
- B. Andriachuk, City Solicitor