

# Administrative Update on the Auditor's Dashboard

## Recommendation

That the April 16, 2021, Office of the City Manager report OCM00498, be received for information.

## Executive Summary

The Administrative Update on Auditor Dashboard provides the status on audit recommendations that are more than six months overdue. For this reporting period, there are eight recommendations that are more than six months overdue, as outlined below.

## Report

### **18448 - Edmonton Transit Service Revenue Management Audit Rec 8 - Improve Safeguards for Fare Media**

Administration continues to monitor CCTV scans on a regular basis and is working on completing staff training and a final review of cash controls and obtaining sign-off from Treasury Management to close the cash control review recommendations. This work was delayed due to COVID-19 and temporary staff layoffs.

Administration expects that final actions to fully implement the recommendation will be complete for review and closure by the City Auditor by April 30, 2021.

### **19453 - Conflict of Interest Management Audit Rec 3 - Ensure All Employees have Completed the Code of Conduct Training**

The refreshed Code of Conduct training rolled out to all employees on February 24. Employees required to complete training by June 30, 2021.

Administration expects that final actions to fully implement the recommendation will be complete for review and closure by the City Auditor by July 30, 2021.

### **19453 - Conflict of Interest Management Audit**

#### **Rec 4 - Provide Ongoing Conflict of Interest Communication and Easily Accessible Information and Tools**

Various means have been used to communicate regularly with employees about the tools and their responsibilities and processes to manage conflicts of interest, including email, OneCity articles, and offline communications methods such as FAQs and tipsheets for supervisors of those who work in the field and direct contact with People Leaders.

A risk based approach has been used to ensure existing employees receive appropriate training. In fact, all new and existing employees have been asked to complete the updated Code of Conduct training by June 2021.

Administration expects that final actions to fully implement the recommendation will be complete for review and closure by the City Auditor by March 31, 2021.

### **19454 - Edmonton Economic Development Corporation (EEDC) Audit**

#### **Rec 1 - Update EEDCs Governing Documents**

The Articles of Association governance document, Memorandum of Association and other strategic documents for Explore Edmonton have been updated to clarify the roles and responsibilities of the shareholder, board, and Management. The changes were approved by Explore Edmonton's governance committee and board in December 2020. The new governance documents will be presented at the Annual General Meeting meeting on April 23, 2021 for approval.

Administration expects that final actions to fully implement the recommendation will be complete for review and closure by the City Auditor by April 30, 2021.

### **18448 - Edmonton Transit Service Revenue Management Audit**

#### **Rec 2 - Improve Program Reporting**

Administration developed a Standard Operating Procedure that outlines a consistent process to review discounted fare programs offered by Edmonton Transit Service (ETS) to identify the costs and benefits of the discounted fare program offered by ETS in advance of each four year budget cycle.

Administration expects that final actions to fully implement the recommendation will be complete for review and closure by the City Auditor by June 30, 2021.

### **18448 - Edmonton Transit Service Revenue Management Audit**

#### **Rec 3 - Document Support for Inputs and Assumptions**

ETS's Enterprise Performance Management catalog includes the key performance measures for ETS and details how and which inputs will be used to calculate the

outputs. The catalog provides the definitions, calculation methodology, and roles and responsibilities for each measure. This approach aligns with the City of Edmonton's Performance Management Framework.

Administration expects that final actions to fully implement the recommendation will be complete for review and closure by the City Auditor by June 30, 2021.

### **18448 - Edmonton Transit Service Revenue Management Audit Rec 4 - Enhance Non-Fare Revenue Strategies**

Due to COVID-19 pandemic response and recovery efforts, ETS has adjusted plans related to the position and strategy that was being implemented with the intention of increasing non-fare revenues. Both fare and non-fare revenues are disrupted and negatively impacted due to reduced ridership, provincial restrictions on large gatherings and community events, and changing economic conditions in the City. As a result, ETS has developed a non-fare revenue action plan with corresponding timelines that accounts for COVID-19 impacts and appropriate timeline to revisit this initiative. Administration to focus resourcing and staffing to oversee plans to regain 2019 revenue levels by recovering ridership.

Administration expects that final actions to fully implement the recommendation will be complete for review and closure by the City Auditor by June 30, 2021.

### **18448 - Edmonton Transit Service Revenue Management Audit Rec 5 - Document Performance Measures Methodology**

Edmonton Transit Service's Enterprise Performance Management catalog includes the key performance measures for ETS and details how and which inputs will be used to calculate the outputs. The catalog provides the definitions, calculation methodology, and roles and responsibilities for each measure. This approach aligns with the City of Edmonton's Performance Management Framework.

Administration expects that final actions to fully implement the recommendation will be complete for review and closure by the City Auditor by March 31, 2021.

### **Corporate Outcomes and Performance Management**

Corporate Outcome(s): Conditions of Success			
Outcome(s)	Measure(s)	Result(s)	Target(s)

## Administrative Update on the Auditor's Dashboard

Timely closure of audit recommendations	Number of audit recommendations more than six months overdue	Eight recommendations are more than six months overdue:	Anticipated completion date:
		18448 - Edmonton Transit Service Revenue Management Audit Rec 8 - Improve Safeguards for Fare Media	April 30, 2021
		19453 - Conflict of Interest Management Audit Rec 3 - Ensure All Employees have Completed the Code of Conduct Training	July 30, 2021
		19453 - Conflict of Interest Management Audit Rec 4 - Provide Ongoing Conflict of Interest Communication and Easily Accessible Information and Tools	March 31, 2021
		19454 - Edmonton Economic Development Corporation (EEDC) Audit Rec 1 - Update EEDCs Governing Documents	April 30, 2021
		18448 - Edmonton Transit Service Revenue Management Audit Rec 2 - Improve Program Reporting	June 30, 2021
		18448 - Edmonton Transit Service Revenue Management Audit Rec 3 - Document Support for Inputs and Assumptions	June 30, 2021
		18448 - Edmonton Transit Service Revenue Management Audit Rec 4 - Enhance Non-Fare Revenue Strategies	June 30, 2021
		18448 - Edmonton Transit Service Revenue Management Audit Rec 5 - Document Performance Measures Methodology	March 31, 2021

### Others Reviewing this Report

- K. Fallis-Howell, Acting City Solicitor