

Audit of the Ottawa Paramedic Service

Ambulance Dispatch Method Should be Replaced with North American Standard

Ottawa, November 25, 2009 – The Auditor General recommends the City should consider replacing its existing method of dispatching ambulances and bring it in line with the North American standard. The finding is part of an audit of the City’s Paramedic Service presented in Alain Lalonde’s 2008 annual report to Council.

“The City is currently using a model of assessing calls for ambulances that is both inefficient and inaccurate,” concludes Mr. Lalonde. “The result is that an abnormally high number of calls are misidentified as life threatening, creating an unsustainable burden on the service.”

Key findings in the audit include:

- In 2007, approximately 85% of all calls received were categorized as requiring a “lights and siren” response compared with 35-40% using the North American standard triage methodology;
- The Province currently requires the use of this ineffective mechanism despite its shortcomings;
- Of the over 85,000 calls dispatched as life-threatening, only 21,000 were actually transported to hospital as emergencies;
- The high number of calls identified as life-threatening means that frequently the City has very few, and in many cases, no ambulances available for other responses;
- Patient offload delays at Ottawa hospitals are a major driver of response time erosion in City land ambulance services; and,
- The City budget process has failed to supply regular and timely ambulance staffing growth increments to keep pace with ongoing call volume increases occurring between 2001 and 2008.

Of the 34 recommendations, management agrees with 32.

The **Audit of the Ottawa Paramedic Service** is available on the Auditor General’s Web site at www.ottawa.ca.

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Audit of the Long Term Care Branch

Management of Residents' Trust Accounts Needs Improvement

Ottawa, November 25, 2009 – The City's Long Term Care Branch needs to strengthen its processes for managing residents' trust accounts, says the Auditor General of the City of Ottawa.

“We found that there were charges to residents' trust accounts that did not have appropriate documentation or authorization,” states Alain Lalonde in his fourth annual report released today. “Staff in the homes do not have access to adequate information to determine whether or not a particular charge can be made to a resident's account.”

The audit finds that overall the Branch is providing quality care to residents living in the well-maintained City homes. However, the report makes a number of recommendations for improvement and suggests that the Branch:

- Develop policies and procedures for the management of trust accounts that are reflective of legislative standards and regulations and which clearly define the respective roles and responsibilities;
- Implement an annual review process for each resident/family to ensure that the fees charged to the trust are agreed to;
- Review the legislative standard for mandatory training, measure adherence and revise accordingly;
- Develop a process by which compliance plans are centrally vetted prior to submission for consistency; and,
- Review purchasing practices to ensure appropriate segregation of duties, and that documentation and settlement processes are implemented.

Of the 75 recommendations contained in the audit, management has agreed with 67.

The **Audit of the Long Term Care Branch** is available on the Auditor General's Web site at www.ottawa.ca.

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Audit of the Children's Services Division

The City Should Implement a Family-Based Approach to Child Care Subsidies

Ottawa, November 25, 2009 –The City of Ottawa is the only Ontario municipality that allocates fee subsidies to child care agencies rather than directly to clients. This methodology has resulted in an under-utilization of fee subsidies and an overly complex budgetary process. This is the key finding of the Auditor General's Audit of the Children's Services Division released today.

“Since the City allocates fee subsidies to agencies rather than the client, those most in need are not necessarily receiving subsidies,” says Alain Lalonde. “The City should explore the elimination of the allocation of fee subsidies to child care agencies in favour of a client based fee subsidy system”.

The report indicates that current income testing produces mixed results where those less needy may occupy a subsidized space while those who require significant subsidies based upon lower income are prohibited from obtaining a subsidized spot. The report goes on to state that the current approach to the Centralized Waiting List for subsidies does not accurately reflect the true need in the community and that there has been only limited progress to address the issues and recommendations contained in the 2006 Audit of the Ontario Works Child Care subsidies.

Management has agreed with all 28 recommendations made in the audit.

The **Audit of the Children's Services Division** is available on the Auditor General's Web site at www.ottawa.ca.

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Audit of Grants and Contributions

Still No Overall Policy Framework for City Grants and Contribution

Ottawa, November 25, 2009 – As was the case during a 2003 audit, there is still no overall policy framework governing the establishment and management of grants and funding programs to external organizations at the City, says the Auditor General.

The audit of Grants and Contributions, released today, found that accounting for these various funding programs within the corporate financial system remains inconsistent and the data and reports currently available do not facilitate effective management.

“As stated in 2003, the lack of clear corporate direction on funding programs creates the risk of inequitable treatment of applicants for funding,” concludes Alain Lalonde. “No clear direction and guidance are provided to departments in establishing and monitoring these programs, impeding their ability to measure performance, and ensuring that value for money is received from these programs.”

The audit also identifies opportunities for further improvement in the areas of pre-screening for eligibility, conflict of interest, determination of the allocation amount, and management oversight and follow-up.

Management has agreed with 12 of the 13 recommendations made in the audit.

In addition to the audit of overall Grants and Contributions, two specific grant recipients were selected at random as part of the annual audit of grant recipients:

- Banff Avenue Community House where 12 recommendations were made and agreed to; and,
- Southpointe Community Association where seven recommendations were made and agreed to by management. An additional seven recommendations were made to the Community Association, however no response was received.

The Audit of Grants and Contributions, the Audit of Governance and Compliance with Community Funding Service Agreement of the Banff Avenue Community House, and the Audit of Governance and Compliance with Access Management Agreement of the Southpointe Community Association are available on the Auditor General’s Web site at www.ottawa.ca.

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Audit of Year-End Spending 2004-2007

No Indication That Budgets Are Being Systematically Emptied in the Final Quarter of the Year

Ottawa, November 25, 2009 – In a report released today, the City’s Auditor General states that year-over-year expenditure levels in the fourth quarter during 2004-2007 were consistent and reasonable.

“Although no pattern of excessive fourth quarter spending was observed, the total annual budgets for certain accounts are regularly overspent, in some cases by significant amounts,” says Alain Lalonde. “This is particularly true for accounts such as Conferences and Conventions, Consultants, Receptions and Luncheons, Office Furniture and Equipment, and Computers/Peripherals/Software.”

The audit was conducted as a result of a motion of Council at its September 26, 2007 meeting. Of note in the audit is the fact that various obstacles relating to the City’s financial system resulted in extensive delays in receiving the data required to conduct the analysis. As a result, the Auditor General was unable to finalize the audit report in time for the 2008 budget deliberations, as was requested by Council.

Management has agreed with the three recommendations made in the audit.

The chapter **Audit of Year-End Spending 2004-2007** is available on the Auditor General’s Web site at www.ottawa.ca.

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Audit of the Assessment and Monitoring of Eligibility for Social Housing Subsidies

The City Needs to Strengthen its Social Housing Controls

Ottawa, November 25, 2009 – An audit report on assessing and monitoring eligibility for social housing subsidies recommends that management controls and oversight functions be strengthened.

“There is a perception among some citizens that there is abuse in this area. The lack of consistency in many areas creates the real risk that these concerns are more than just perception,” concludes Alain Lalonde, Auditor General of the City of Ottawa in his fourth annual report released today.

Other related findings include:

- Procedures need to be formalized to guide the staff in carrying out their duties;
- Service Agreements between the City and housing providers need to be properly executed and retained on file;
- The annual reconciliation process between the City and housing providers is often significantly delayed; and,
- The current approach to the Centralized Waiting List for subsidies does not accurately reflect the true need in the community.

Of the 17 recommendations contained in the audit, management has agreed with 15.

The **Audit of the Assessment and Monitoring of Eligibility for Social Housing Subsidies** is available on the Auditor General’s Web site at www.ottawa.ca.

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Audit of Sick Leave Management

City Not Managing Sick Leave Effectively

Ottawa, November 25, 2009 –The City is doing a poor job in managing absenteeism, concludes Alain Lalonde, Auditor General of the City of Ottawa. The audit of Sick Leave Management is part of Mr. Lalonde’s fourth annual report released today.

“Decreasing sick leave is not, at present, an objective of the City’s attendance management program,” states Mr. Lalonde. “It is our opinion that a fundamental goal of any attendance management program should be to decrease sick leave. Unless the City clearly establishes such a goal, decreasing sick leave will continue to represent a challenge for the City.”

The audit report goes on to state that:

- For 2007, City employees averaged 10.6 paid sick days per eligible employee, costing taxpayers approximately \$27.8 million;
- City staff feel that corporate policies do not clearly define the roles of respective managers and staff in the sick leave management process;
- Managers perceive that some employees look at short-term sick leave as a benefit owed to them and not for bona fide short-term disability; and,
- Some medical certificates were found to be unsatisfactory and/or questionable, but nonetheless were accepted.

Management agrees or partially agrees with all of the 32 recommendations made in the audit, however, the Auditor General indicates that four of these should be forwarded to the Audit, Budget and Finance Committee for discussion.

The **Audit of Sick Leave Management** is available on the Auditor General’s Web site at www.ottawa.ca.

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Audit of the Traffic Operations Division

No Strategic Objectives, Goals or Priorities for Traffic Management at the City

Ottawa, November 25, 2009 – Auditor General Alain Lalonde has found that traffic management at the City is not guided by a strategy, goals or priorities, making it difficult to ensure achievement of Council approved policies identified in the Official Plan and Transportation Master Plan.

The audit found that the Traffic Operations Division did not use any performance measurement systems to measure work conducted nor publish statistics on its performance to Council, although there was a corporate initiative underway to characterize performance measurements.

“Year-to-year planning is conducted in association with the corporate budget process, but a strategic plan for the Division does not currently exist,” says Mr. Lalonde.

In addition, the City relies completely on a single contractor for all traffic controllers used. This leaves the City with no recourse should this contractor be unable to meet its obligations.

The audit also identified several City employees who were also employed by a private engineering firm, which conducts similar work for neighbouring municipalities. The audit found that no action was taken by senior branch or departmental management to monitor or assess the conflict of interest by these employees. This issue is the subject of a separate audit report.

Management agrees with all of the 20 recommendations made in the audit, however, the Auditor General indicates that one of these should be forwarded to the Audit, Budget and Finance Committee for discussion.

The **Audit of the Traffic Operations Division** is available on the Auditor General’s Web site at www.ottawa.ca.

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Audit of Moonlighting and Corporate Risk Issues – Traffic Operations Division

Management Violated Code of Conduct in Moonlighting Case

Ottawa, November 25, 2009 – In an audit released today, the Auditor General of the City of Ottawa concludes that managers within the City’s Traffic Operations Division and Public Works and Services Department were in violation of the Employee Code of Conduct by not proactively managing a case of moonlighting by City staff.

“Management is obligated by the Code of Conduct to establish and maintain adequate systems, procedures and controls to prevent and detect fraud, theft, breach of trust, conflict of interest, bias and any other form of wrongdoing,” says Alain Lalonde. “In this case, this was not done.”

Nine City staff were also employed by Partham Engineering, a firm owned by the Manager of Traffic Operations and which provides services to neighbouring municipalities that are similar to those provided by Traffic Operations. An examination of time sheets revealed that these employees were:

- Among the highest overtime earners within Traffic Operations;
- On sick leave with City while working for Partham; and,
- Working for both the City and Partham at the same time.

The audit states that ineffective management of Partham staff by current and past Traffic Operations Division supervisors and managers may have also allowed for inappropriate actions on the part of City staff. The Manager involved is no longer employed by the City, however the other employees continue to work for both the City and Partham.

Management has agreed with all nine recommendations made in the audit, however, the Auditor General indicates that one of these should be forwarded to the Audit, Budget and Finance Committee for discussion.

The **Audit of Moonlighting and Corporate Risk Issues – Traffic Operations Division** is available on the Auditor General’s Web site at www.ottawa.ca.

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Audit of an Allegation of Blogging on City Work Time

City Employee Blogging During Working Hours

Ottawa, November 25, 2009 – In his audit report tabled today, Ottawa’s Auditor General notes that a City employee sent a link to the “zero-means-zero” blog site to all Councillors’ assistants. The audit was undertaken as a result of a call to the Fraud and Waste Hotline and is part of Alain Lalonde’s fourth annual report to Council.

“Based on the information for the period reviewed, we conclude that the employee does not regularly visit blogs but demonstrated a lack of judgment by sending Councillors’ Assistants an e-mail with a link to this blog,” says Mr. Lalonde.

The audit recommends that the need for this position be reviewed. It was eliminated as a result of a re-organization but was subsequently re-created and re-staffed a short time later.

The audit report also makes a number of comments on compliance to the City’s Responsible Computing Policy including:

- Non-business related Internet hits accounted for 95% of the employee’s Internet traffic;
- The Policy does not define what constitutes “incidental [personal] usage” and since neither guidance nor parameters are provided, the designation of incidental is subjective; and,
- The City’s Network Services Unit discovered a large personal folder in the employee’s network file but had it deleted without informing either the Manager responsible or the Office of the Auditor General.

Management has agreed with all eight recommendations in the audit.

The **Audit of an Allegation of Blogging on City Work Time** is available on the Auditor General’s Web site at www.ottawa.ca.

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Fraud and Waste Hotline

140 Calls To City's Fraud and Waste Hotline

Ottawa, November 25, 2009 – A total of 140 reports were made to the City of Ottawa's Fraud and Waste Hotline during 2008. The information was presented today by the Auditor General, Alain Lalonde in his fourth annual report. The Hotline was launched in November 2005 and was made available to the public in May 2009.

Some Hotline reports are transferred directly to management to be addressed, while in other instances the Office of the Auditor General (OAG) has undertaken its own review, conducted a separate audit, or considered the matter as part of an ongoing audit.

Audits conducted by the OAG based on fraud and waste reports are detailed in a section of the Annual Report and include the following audits:

- Audit of Hospitality and Other Ethical Matters;
- Audit of the Building Code Services Process for 215 Preston Street; and,
- Audit of an Allegation of Presenting a Former Employee with a Going-away Party.

Other areas of the City where issues were raised to management in 2008 include abuses involving:

- Time and Leave;
- Misuse of City Equipment;
- Theft of Goods;
- Fuel Card Program;
- Vehicles and Equipment
- Internet and e-mail usage;
- City Recreation Programs;
- Conflict of Interest and Nepotism; and,
- Procurement.

The full 2008 annual report on the Fraud and Waste Hotline is available on the Auditor General's Web site at www.ottawa.ca

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