

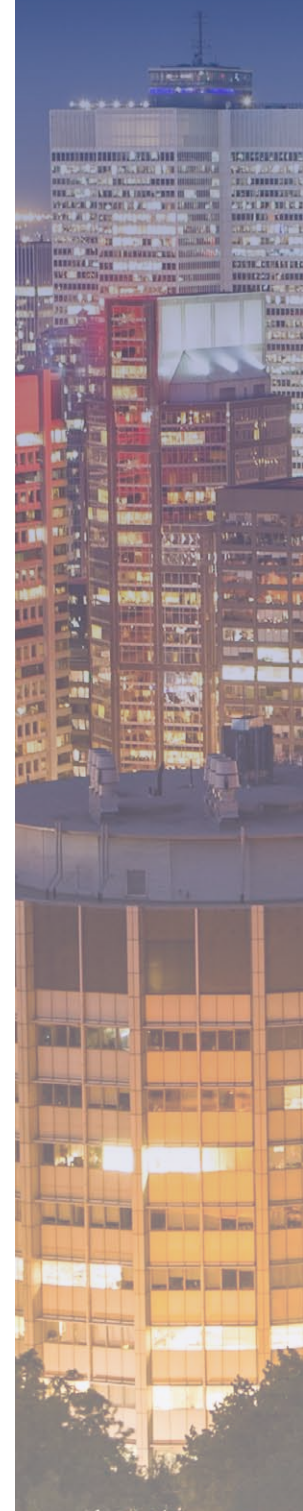


Report of the Auditor General of the Ville de Montréal to the City Council and to the Urban Agglomeration Council

For the Year Ended December 31, 2012

Follow-Ups to Recommendations from Previous Years

5.1



5. Value-for-Money and Information Technology Audit

5.1. Follow-Ups to Recommendations from Previous Years

The percentage of the recommendations made by the Bureau du vérificateur général (BVG) that received concrete corrective measures is an essential indicator to ensure that departments and boroughs implement these recommendations promptly.

The policy of the BVG is to initiate a follow-up to the recommendations the year after they appear in the annual report. The follow-up to the recommendations for a given year generally extends over a maximum period of three years, except in very specific circumstances when some recommendations are monitored for an additional year or two.

The results of the follow-up to the recommendations made in the annual reports for years 2005 to 2011 are shown in Table 1, with the exception of follow-ups related to recommendations involving the Société de transport de Montréal (STM), which we discuss separately at the end of this section.

Table 1 – Results of the Follow-Ups to Recommendations

Status of the recommendations	Number of recommendations per year							
	2005	2006	2007	2008	2009	2010	2011	Total
Completed	182	228	162	64	231	149	79	1,095
Under way	–	–	3	3	13	24	128	171
Deferred	–	–	–	–	2	2	10	14
Cancelled	6	–	2	1	19	–	3	31
Not done	9	13	9	2	8	–	–	41
No longer valid	3	3	6	1	13	–	–	26
Other ^a	–	–	–	–	–	–	4	4
Total number of recommendations made	200	244	182	71	286	175	224	1,382

^a New recommendation.

For recommendations made in 2011, 92% have been “completed” or are “under way” compared with the municipal administration’s annual objective of 80%.

The follow-up done in March and April 2013 for recommendations made since 2005 showed that 1,095 were completed, including 170 that were completed during the past 12 months. On a cumulative basis (over the last seven years), therefore, 79% of recommendations were completed, whereas 12% are under way.

Follow-Up to the 40 Major Recommendations Made between 2005 and 2010 for which the Status was “Not done”, “No Longer Valid” or “Other” as of March 31, 2012

In our 2011 annual report, sixty-two recommendations were shown with a status of “not done”, “no longer valid” or “other – new recommendation” for the years 2005 to 2010. Of these 62 recommendations, we identified 40 as being major (28 “not done” or “no longer valid”, and 12 “other – new recommendation”).

Following public review of our annual report by the Commission permanente sur les finances et l'administration in August 2012, and as we had recommended, the commission mandated the Direction générale to:

- set priorities with the units involved so that satisfactory results could be achieved, **within a year**, in following up on the 40 recommendations of previous years that the Bureau du vérificateur général deemed to be important;
- ensure that the action plans submitted by the various activity sectors of the city were updated.

During our audit of the follow-up of the recommendations made between 2005 and 2011, we looked into the actions taken by the business units involved and the information collected for that purpose by the Direction générale in order to determine the degree to which the 40 major recommendations had been implemented. While we are aware that the business units have a fixed date in August 2013 to complete implementing the recommendations that concern them, the interim audit that we conducted in March and April 2013, revealed the results presented in Table 2.

Table 2 – Follow-Up to the 40 Major Recommendations

2011 situation		Updated situation – April 2013	
Status	Number	Status	Number
Other – new recommendation	12	Completed	7
		Under way	4
		Deferred	1
Not done or no longer valid	28	Not done or no longer valid	26
		Completed	2
Total	40	Total	40

We intend to re-examine the follow-up of the implementation of these recommendations at a later time after the completion date set in August 2013 by the Commission permanente sur les finances et l'administration.

Follow-Up to the Recommendations – Société de transport de Montréal

We also looked into the follow-up of the recommendations stemming from the audits conducted in 2010 involving the STM. It should be recalled that these audits dealt with tests of physical intrusion into its facilities and the integrated control system of the Montréal metro. The results of this follow-up are presented separately since the STM is not subject to the accountability methods established by the municipal administration, but by those set by its board of directors. The results of follow-ups to the 17 recommendations issued as part of these audits are presented in Table 3.

Table 3 – Results of the Follow-Up to the Recommendations in Audits Involving the STM

Status of recommendations	Number of recommendations
	2010
Completed	6
Under way	11
Total number of recommendations made	17