

## V.1. Follow-Ups to Recommendations from Previous Years



## **V. VALUE-FOR-MONEY AND INFORMATION TECHNOLOGY (IT) AUDIT**

### **V.1. FOLLOW-UPS TO RECOMMENDATIONS FROM PREVIOUS YEARS**

The percentage of the Auditor General's recommendations that were the subject of concrete corrective measures is an essential indicator for ensuring that departments and boroughs apply these recommendations promptly.

The policy of the Bureau du vérificateur général (BVG) is to begin follow-up to recommendations the year after they appear in the annual report. The cycle of follow-ups to recommendations for a given year generally extends over a period not exceeding three years, except in very specific circumstances when some recommendations are followed up for an additional year or two.

Table 1 below presents results of follow-ups done to the recommendations made from 2005 to 2009 (published in the annual reports of 2006 to 2010 and two special reports in 2009).

Two special reports were published by the BVG in 2009. One concerned the SHDM (April 2009) and the other concerned the Ville de Montréal, in particular water meters in IBIs and the optimization of the entire water network (September 2009). The Faubourg Contrecoeur project was also integrated into the special report on the SHDM in April 2009 even though the recommendations have been addressed to the Ville de Montréal. The details on the status of these recommendations appear in Table 2.

**Table 1—Results of Follow-Ups to Recommendations  
(Regular and Special Audit Reports)**

Status of recommendations	2005	2006	2007	2008	2009		Total
					Regular reports	Special reports	
Completed	181	224	136	50	57	79	727
Under way	1	4	42	20	54	12	133
Postponed	–	–	–	–	43*	–	43
Cancelled	6	–	1	1	–	4	12
Not done	9	13	3	–	–	–	25
No longer valid	3	3	–	–	–	–	6
Other	–	–	–	–	23	1	24
To be confirmed	–	–	–	–	13**	–	13
<b>Total number of recommendations made</b>	<b>200</b>	<b>244</b>	<b>182</b>	<b>71</b>	<b>190</b>	<b>96</b>	<b>983</b>

\* In July 2010, the Executive Committee adopted a resolution mandating the Direction générale to revamp all mobile equipment activities in all of the city's business units. Because the implementation of this new management structure was slated to begin in January 2011, the "postponed" status was assigned to 43 recommendations under "Fleet Management."

\*\* The BVG issued 27 recommendations related to the "Outsourcing Project for Telecommunications Services." As of April 15, 2011, the BVG was unable to confirm the status of 13 of these recommendations.

**Table 2—Results of Follow-Ups to Recommendations (Special Reports)**

Status of recommendations	2009				Total
	SHDM		Ville de Montréal		
	Project management	Disposition of real property	Faubourg Contrecoeur	Water meters	
Completed	25	21	7	26	79
Under way	3	–	4	5	12
Postponed	–	–	–	–	–
Cancelled	3	–	–	1	4
Not done	–	–	–	–	–
No longer valid	–	–	–	–	–
Other	–	–	1	–	1
<b>Total number of recommendations made</b>	<b>31</b>	<b>21</b>	<b>12</b>	<b>32</b>	<b>96</b>

For the recommendations made in 2009, 71% have been "completed" or are "under way" compared with the city administration's annual objective of 80%.

For all the recommendations made since 2005, the follow-up done in March and April 2011 showed that 727 were completed, including 189 during the past 12 months. On a cumulative basis (over the last five

years), therefore, close to 74% of recommendations were completed, whereas 14% are under way. Overall all, these are very good results.

Nevertheless, the results of our follow-up indicate that 25 recommendations have not been implemented (status “not done”) for the years 2005 to 2009. The status “not done” may be justified for different reasons. However, we are concerned by the fact that the Direction générale has not followed through on our recommendation concerning the preparation of a policy on the classification of information mentioned in our audit report *E-Mail at the Ville de Montréal* contained in our 2006 annual report.

In effect, this policy constitutes an essential link in the optimal and efficient management of the security of information in the possession of the city. For example, the absence of such a policy exposes the city with respect to the risk that personal and confidential information may be divulged as a result of the fact that the responsibility for deciding whether or not such information may be communicated rests with each user.