

Bureau du
vérificateur
général

II. Overview of the Bureau du Vérificateur Général



II.1. Workforce Status

II. OVERVIEW OF THE BUREAU DU VÉRIFICATEUR GÉNÉRAL

II.1. WORKFORCE STATUS

Over the past few years, we have witnessed a continuous and very worrisome erosion of staff in the Bureau du vérificateur général (BVG) because of retirement and recruiting difficulties, especially as regards salaries, which are not very competitive in our comparison market.

Table 1—Workforce Growth 2002–2010¹

Year	Total employees
2002	41
2003	36
2004	38
2005	37
2006	35
2007	33
2008	28
2009	26
2010	30

Measures taken to remedy this problem have included creating professional positions in the beginning of 2010 in a salary range superior to the existing one.

After a first recruitment campaign in June 2010, the BVG succeeded in filling five of the nine positions that were vacant at that time. A second recruitment campaign in November 2010 filled the remaining positions, resulting in a BVG with 35 staff members at the beginning of 2011. Since then, two of the newly hired employees have left the BVG.

Attracting competent and experienced staff members to our office and retaining them continues to be a major challenge. The analysis of our recruitment campaigns reveals that the remuneration the BVG is able to offer remains inferior to that in our comparison market.

¹ Workforce figures for 2008 to 2010 do not include two audit professionals who were released full-time for union activities.

II.2. Performance Indicators

II.2. PERFORMANCE INDICATORS

During our audits, we often observe a lack of appropriate performance indicators to allow thorough administrative follow-up and suitable reporting.

We think we should continue to present the indicators that appear most relevant for the reader to form an opinion about the performance of the Ville de Montréal BVG.

These indicators are:

- Number of reports issued
- Recommendation application rate
- Time utilization
- Equal access to employment
- Financial results

NUMBER OF REPORTS ISSUED

Table 1—Number of Reports Issued from 2006 to 2010

Reference year	Financial audit			Value-for-money and IT audit
	Total	Current year	Previous year	
2006	27	11	16	9
2007	15	10	5	10
2008	17	12	5	8
2009	13	11	2	7
2010	16	13	3	9

RECOMMENDATION APPLICATION RATE

Table 2—Rate of Applying Recommendations Stemming from Value-for-Money Audits

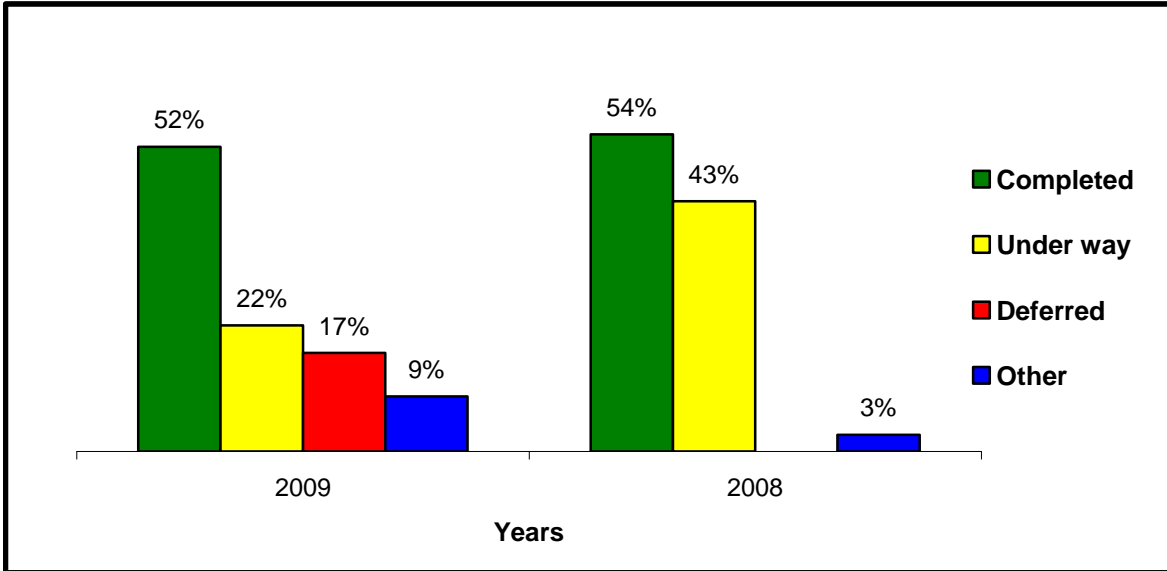
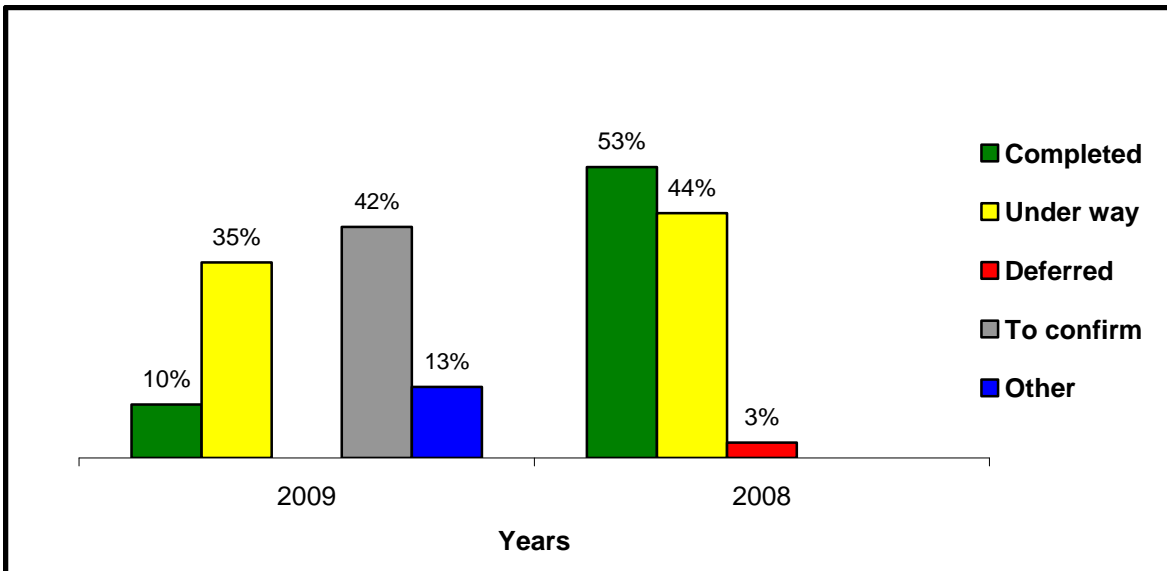


Table 3—Rate of Applying Recommendations Stemming from Information Technology Audits



This indicator is particularly important because it allows the reader to assess how quickly and to what extent the administration takes appropriate measures to resolve the problems that trigger our recommendations. Even though the indicator reveals a 2009 performance that is significantly inferior to that of 2008, this situation must be interpreted carefully. The specific circumstances of 2009—detailed more fully in section A of chapter 1 of this report, “Intrusion into the Auditor General’s electronic communications”—explain this state of affairs.

TIME UTILIZATION

Table 4—Breakdown of Total Hours in %

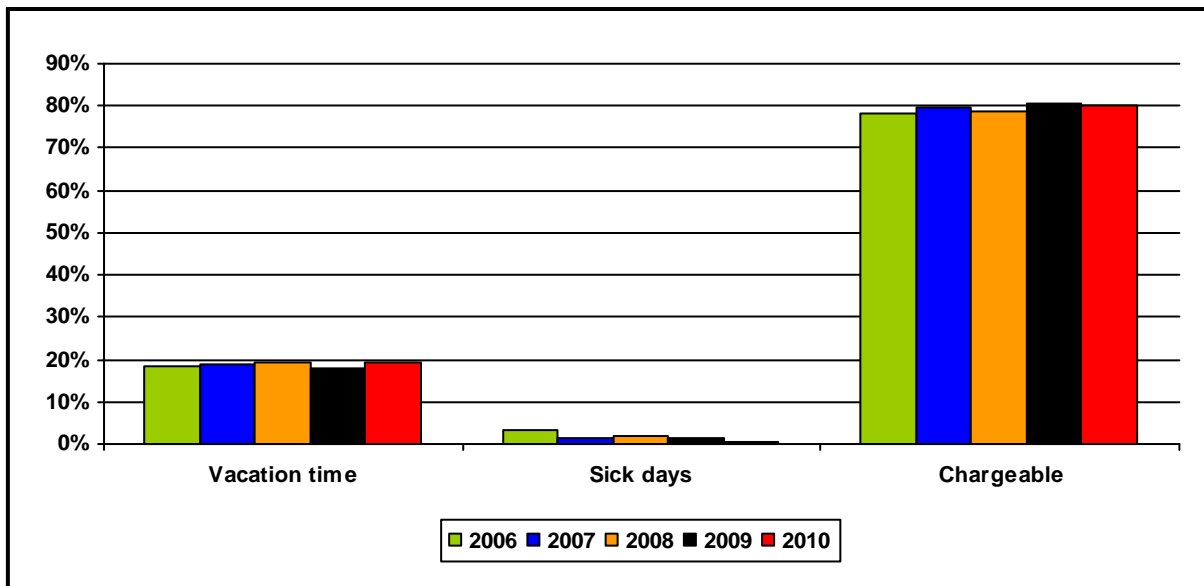
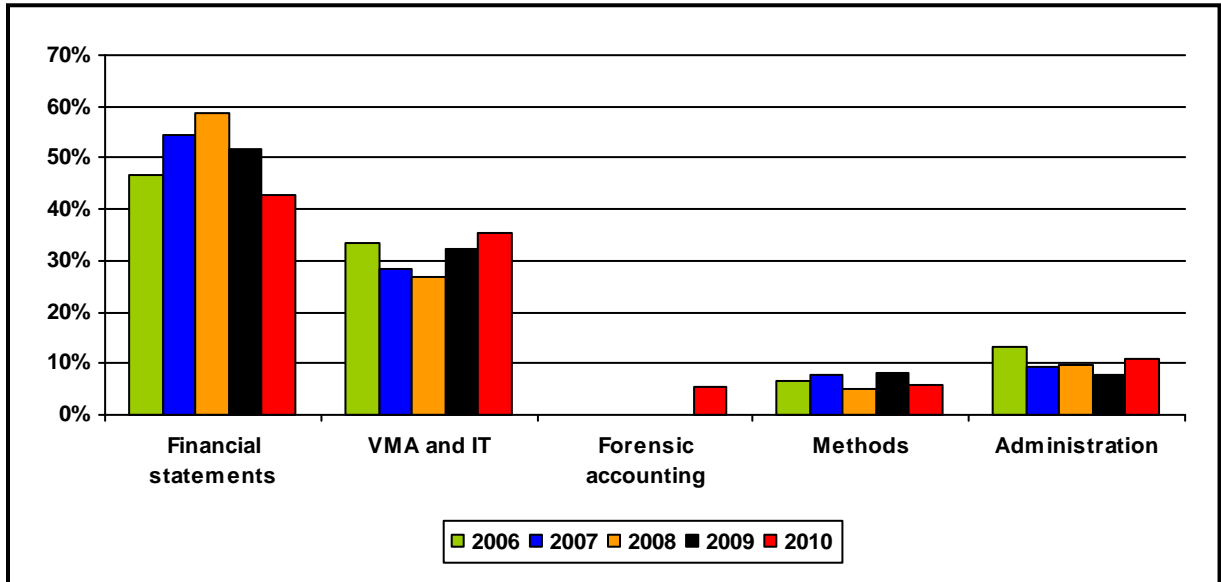


Table 5—Breakdown of Chargeable Hours in %



VMA and IT: Value-for-money and information technology audit.
Methods: Includes accounting research, quality control and training.

The data relating to time use illustrate the steps taken by the BVG over the last two years to review how work on financial audits was shared with the external auditor and to optimize our audit approach in this respect. This has allowed us to devote more time to audit value-for-money and information technology resources.

This data also reflects the establishment and development of the BVG forensic accounting operation in 2010. This new activity stems from the implementation of the Auditor General's ethics hotline in the middle of December 2009, among other reasons. We should emphasize, however, that the forensic accounting operation is not related to the existence of the ethics hotline, because the hotline is only one way of communicating allegations of wrongdoing to all the appropriate parties. Firstly, employees, suppliers, elected officials and citizens can communicate directly with the BVG to share concerns about the city's business and the organizations under its control within the context of our mandate under the terms in section 107.8 of the *Cities and Towns Act*. Secondly, because of our responsibility for financial, value-for-money and information technology audits, we are in position to notice indicators of irregularities or fraud that justify investigative and forensic accounting operations.

Table 6—Other Indicators Regarding Time Utilization

	Results	
	2010	2009
1. Rate of audit staff turnover	3%	16%
2. Rate of absenteeism (audit professionals)	0.7%	1.5%
3. Number of hours of training	969	1,257
4. Average number of hours of training per employee	38	49
5. Ratio of training costs/payroll expenditures in accordance with Bill 90 (the objective for all city operations is 1%)	2.6%	4.0%

We notice a considerable drop in our staff turnover rate in 2010 because there has only been one retirement. This drop, however, is only temporary, because according to the information available at the time this report goes to press, we can state that this rate will increase to at least 9.4% for 2011. We should also emphasize that the efforts devoted to updating and developing our skills have returned to a level comparable to that of the years prior to 2009. In fact, in 2009 we had devoted specific efforts to developing the skills of staff assigned to financial audits.

EQUAL ACCESS TO EMPLOYMENT

Like the city, the Bureau du vérificateur général pays particular attention to issues of equal access to employment.

As of December 31 of the last three years, the breakdown of the representation of groups targeted by the *Act respecting equal access to employment in public bodies* was as follows:

Table 7—Representation of Targeted Groups

	2010	2009	2008
Men	58.1%	64.3%	63.3%
Women	41.9%	35.7%	36.7%

	2010	2009	2008
First Nations	0.0%	0.0%	0.0%
Visible minorities	3.2%	3.6%	3.3%
Ethnic minorities	0.0%	0.0%	0.0%
Total	3.2%	3.6%	3.3%

As of December 31 of the last three years, the under-representation of targeted groups within the BVG was as follows:

Table 8—Under-Representation of Targeted Groups

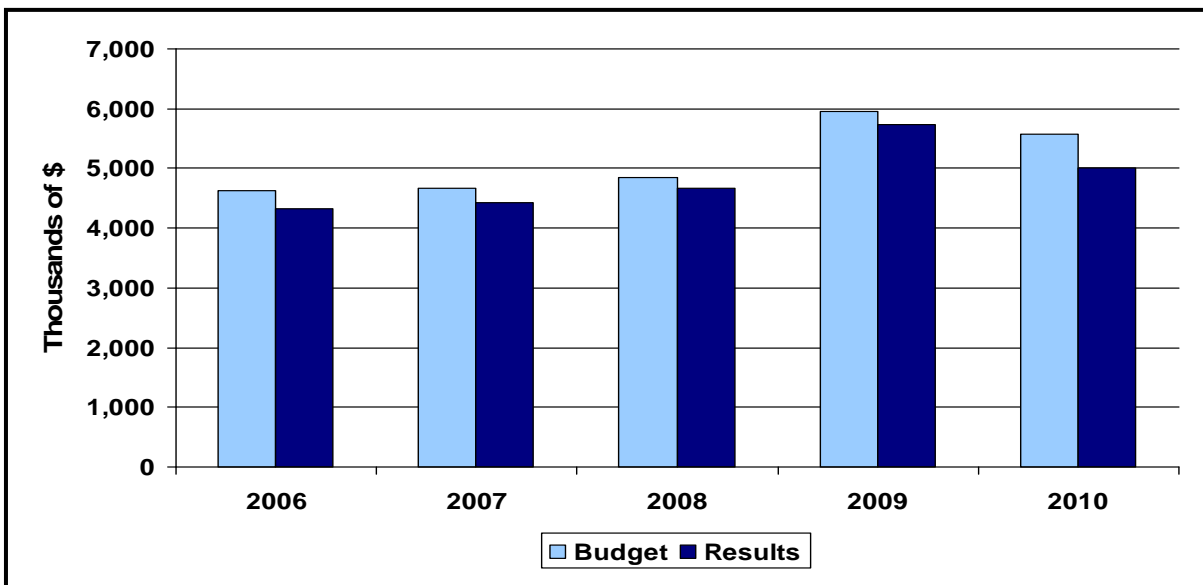
	2010		2009		2008	
	Number	%	Number	%	Number	%
Women	1	3.2%	2	7.1%	2	6.7%
First Nations	0	0.0%	0	0.0%	0	0.0%
Visible minorities	0	0.0%	0	0.0%	1	3.3%
Ethnic minorities	1	3.2%	1	3.6%	2	6.7%

We notice that the results of the recruiting campaigns conducted by the BVG in 2010 have substantially improved the number of women on its staff.

The ability of the BVG to remedy this underrepresentation remains dependent on the challenges of attracting and retaining competent and experienced staff members to carry out its mission.

FINANCIAL RESULTS

Table 9—Budget and Financial Results



The final indicator deals with the Bureau du vérificateur général's financial results. We want to stress that the significant increase in our 2009 budget resulted primarily from audits requested by City Council (for the SHDM and the plan to install water meters in IBIs and optimize the water system). Our budget for 2010

also includes an additional amount of \$650,000 that was allocated by the Executive Committee to cover the operating costs of the Auditor General's ethics hotline. The 2010 budgetary surplus can be explained mainly by the fact that several of the reports received by the ethics hotline were still being dealt with at the end of the year. The next chapter deals more explicitly with this question.