

TTC AUDIT COMMITTEE REPORT NO.

MEETING DATE: July 8, 2011

SUBJECT: INTERNAL AUDIT REPORT (JANUARY – JUNE 2011)

INFORMATION ITEM

RECOMMENDATION

It is recommended that the Audit Committee receive for information the attached Internal Audit Report covering the period January – June 2011.

BACKGROUND

Internal Audit provides the Toronto Transit Commission (TTC) with independent evaluations of the efficiency and effectiveness of control systems, and operations. Internal Audit is also required to provide recommendations for improvement.

DISCUSSION

The report discusses recent Internal Audit activities. The actual reports for completed audits, including Management responses, are presented as individual agenda items.

On a semi-annual basis outstanding recommendations are reviewed with the appropriate management representative. All actions taken to implement a recommendation are verified through standard audit procedures. Attached is our Internal Audit Report which includes all Implemented and Underway recommendations for the period of January – June 2011.

July 8, 2011

01-23

Attachments – Internal Audit Reports

INTERNAL AUDIT REPORT

Covering Period:

JANUARY – JUNE 2011

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FOREWORD

The Internal Audit Department provides the Toronto Transit Commission (TTC) with independent evaluations of risk, and assessments on the effectiveness of control systems, quality of performance, and efficiency of operations.

SCOPE OF ACTIVITY

Audits are planned based on the application of risk factors such as: assets at risk, prior audit results, formality and compliance, handling of cash, impact on operations, information system indicators including the complexity of computerization involved, and the systems' contribution to decision-making. The results are documented in the Audit Plan which is approved annually by the Audit Committee.

The Internal Audit Department carries out the following activities in accordance with its mandate:

- Comprehensive Audits – to assess control systems and the achievement of value-for-money in operational areas.
- Capital Audits – to review project expenditures to verify the accuracy of amounts claimed for work completed.
- Special Requests – to address areas of immediate concern or exposure as identified by Management's request.
- System Development Reviews – to provide input to system development and other technology projects.

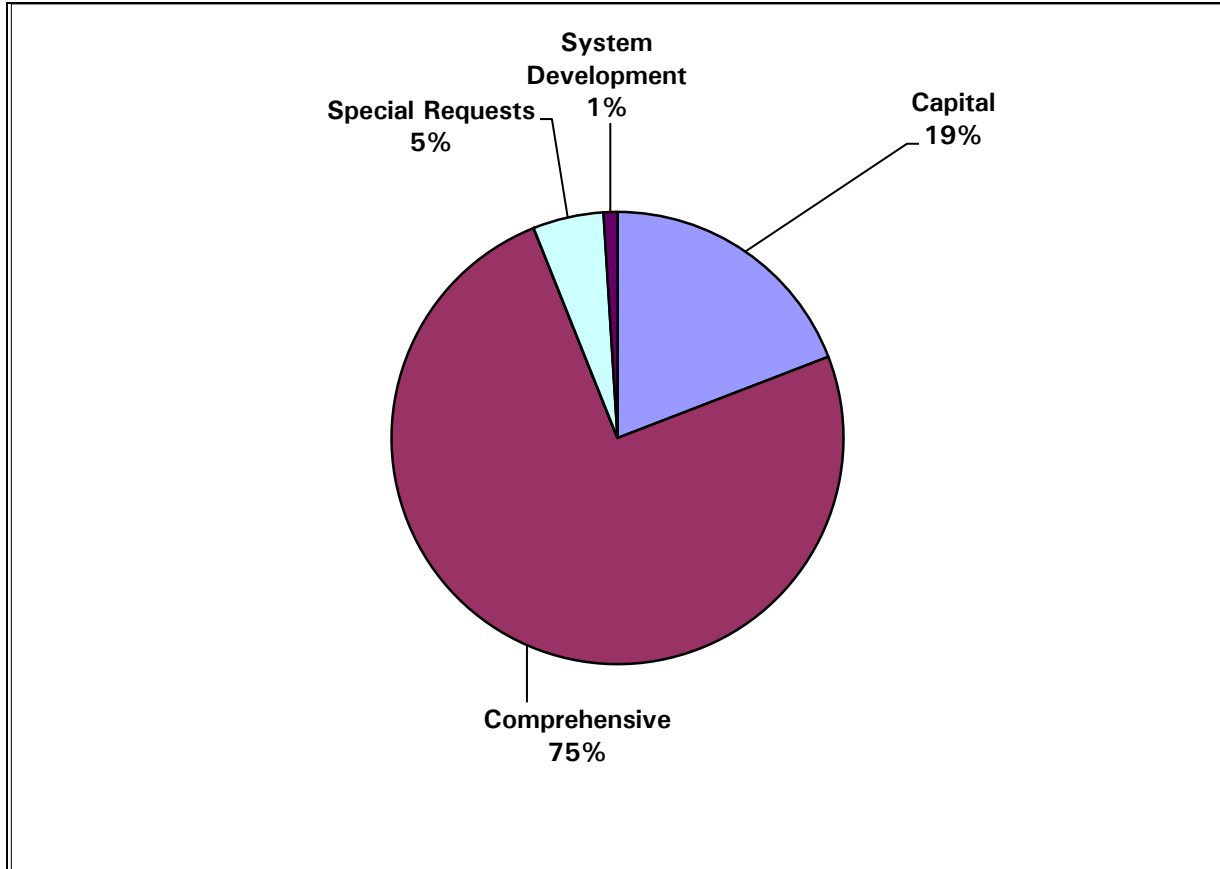
This report covers the main audit activities from January - June 2011.

In this period, the following audits were completed and are included as Audit Committee Agenda Items:

- Comprehensive Audits:**
- **Human Resources – Employment Services and Planning and Development Sections**
 - **General Secretary's Office**

AUDIT RESOURCES

The distribution of audit resources for the current reporting period (January – June 2011) is portrayed in the chart below:



STATUS OF COMPREHENSIVE AUDITS

	PLANNED	IN PROGRESS	COMPLETED
2009 AUDIT PLAN			
Employment Services/Administration Planning & Development	√	√	√
Station/Tunnel/Building Equipment/Plant Maintenance Engineering	√	√	
Duncan Shop/Fleet Management	√	√	
2010 AUDIT PLAN			
Greenwood Shop/Equipment Control Desk/Maintenance Engineering	√	√	
Finance: Capital Accounting	√	√	
General Secretary's Office	√	√	√
ITS - Client Services	√		
E&C - Construction	√	√	
Safety - Fire Safety & Emergency Planning/Occupational Hygiene & Environment	√	√	
Rail Transportation - Station Operations/Collectors (Carry-Forward 2011)	√		
S/E/C - Communications/Communications Engineering (Carry-Forward 2011)	√	√	
ITS - Technical Services (Carry-Forward 2011)	√	√	
E&C - Engineering (Carry-Forward 2011)	√		
2011 AUDIT PLAN			
TTC/GTA Farecard Project	√		
Subway Carhouses	√		
Station Operations and Collectors	√		
Streetcar Divisions	√	√	
Maintenance Engineering/Subway/SRT Track Section/Streetcar Way	√		
Transportation Maintenance	√		
Payrolls and Costs	√		
Purchasing and Sales	√	√	
Elevators and Escalators (Carry-Forward to 2012)	√		

STATUS OF CAPITAL AUDITS

CONSTRUCTION/CONSULTANT ASSIGNMENTS	PLANNED	IN PROGRESS	COMPLETED
2009 AUDIT PLAN			
Sheppard East LRT - Transit City	√	√	
Toronto-York Spadina - Construction	√	√	√
2010 AUDIT PLAN			
Eglinton LRT - Transit City	√	√	
Finch West LRT - Transit City	√	√	
Underground Storage Tank Replacements	√	√	
Union Station New Platform	√	√	
YUS ATC Resignalling (Carry-Forward 2011)	√	√	
Birchmount Repair Bay Modifications (Carry-Forward 2011)	√	√	
LRT Replacement Maintenance & Storage Facility (Carry-Forward 2011)	√		
2011 AUDIT PLAN			
<i>Capital Audits</i>			
Fire Ventilation	√	√	
Purchase of Subway Cars (Carry-Forward to 2112)	√		
<i>Toronto-York Spadina Subway Extension</i>			
TTC Costs (Management and Engineering)	√	√	
Consultant Contracts	√	√	
Vehicles/Tunnel Boring Costs	√	√	
Municipality/Utility/Property Costs	√		
Construction Contracts (Carry-Forward to 2012)	√		
<i>Transit City</i>			
Finch West LRT (Carry-Over from 2010)			
Eglinton LRT (Carry-Over from 2010)			
LRT Maintenance & Storage Facility - Sheppard			
Sheppard East LRT (Carry-Forward to 2012)			
Scarborough Rapid Transit LRT (Carry-Forward to 2012)			

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EXECUTIVE:

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STATUS OF AUDIT RECOMMENDATIONS

Total number of recommendations "Underway" at the beginning of the period.	35
Plus – Number of recommendations "Added" since beginning of period	+ 0
Minus – Number of recommendations verified as "Implemented"	– 7
Total number of recommendations currently "Underway"	28

The following table summarizes the status of the recommendations by Department:

	BEGINNING OF PERIOD	ADDED	IMPLEMENTED	UNDERWAY
<i>OPERATIONS BRANCH</i>				
Bus Operations (July 2009)	2			2
Special Constable Services Department (November 2005)	1			1
S/E/C – Communications and Communications Engineering (May 2006)	1			1
S/E/C – Signals and Signals Engineering (July 2006)	1			1
Wheel-Trans - Customer Service and Planning (November 2007)	1			1
Track & Structure (May 2008)	6			6
Transit Control/Analysis and Procedures (June 2008)	6			6
Bus Operations (July 2009)	2		1	1
Rail Transportation - YUS/BD/Subway Divisions (October 2009)	2		1	1
Track and Structure Department - Signals Section (September 2010)	2			2
Station Operations & Collectors (November 2010)	2		2	0
Rail Cars & Shops - Harvey Shops	2		1	1
<i>EXECUTIVE BRANCH</i>				
Marketing and Customer Service (October 2007)	2		2	0
Property Development (February 2010)	1			1
Revenue Operations (July 2008)	5			5
ITS - Project Management & Quality Assurance (December 2008)	1			1
TOTAL	35	0	7	28

AUDIT RECOMMENDATIONS

IMPLEMENTED

BRANCH: OPERATIONS
DEPARTMENT: BUS TRANSPORTATION DEPARTMENT
REPORT: BUS OPERATIONS – File No.: 08-40021
DATE: JULY 2009

DESCRIPTION: The Bus Transportation Department is comprised of seven Bus divisions. These divisions are responsible for the operation of buses as a mode of public transport in Toronto. This involves operating a fleet of buses, managing divisional operating facilities, and supervising a workforce of Operators, Route Supervisors and Clerical Staff.

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #1: OPERATOR COMMUNICATIONS</p> <p>Management should ensure that:</p> <ul style="list-style-type: none"> - All processes and controls relating to Operator communications are standardized and documented; and - Adherence to these standards is monitored 	<p>Bus Transportation concurs with the recommendation of the audit.</p> <p>Although procedures are in place at each division, steps are currently being taken from a departmental perspective to ensure a consistent standard for all Operator communication issues. Divisional management across the department are reviewing best practices with a view to establishing a standardized tracking and documentation process. Greater attention will be focused on prioritizing interviews not only to ensure they are addressed in a timely manner but also to ensure more effective time management. This will be realized through the expanded use of tracking methods which will include the following information:</p> <p>Standard tracking documentation for all divisions Date posted, date interviewed Maintain list for historical reference Track average response times Purpose of interviews (i.e. absence, CSC, etc.) Number of interviews conducted Discipline/non discipline</p> <p>The tracking & distribution of Operator Occurrence Reports will also be coordinated electronically with regular audits to ensure accuracy and accountability. Consideration should also be given to the feasibility of filing these reports electronically with a cross reference to the registered report numbers.</p>	<p><u>December 2010</u> Divisions are currently tracking all Operator communications with regards to identified parameters. To date, no monitoring/auditing has been conducted from a departmental perspective. A formal audit process is to be introduced by June 2011.</p> <p><u>June 2011</u> Operator profile database created to track all activities, documentation associated with operator interaction, counseling and discipline at all levels of the process. Currently in use at all Bus Transportation Divisions. Overall process currently being tracked from a departmental perspective for auditing consistency and efficiency of resolution.</p>	<p>Implemented</p> <p>Implemented</p>	<p>June 2011</p> <p>June 2011</p>

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
	<p>A review of the divisional file management processes will be conducted with a view to creating standard guidelines and procedures in order to ensure consistency and accuracy of information filed and accessed.</p> <p>It is anticipated that the required standards for all identified areas of concern will be developed and implemented by December 2010.</p>	<p>Process ongoing in conjunction with the current Record Retention Bylaw Update.</p>	<p>Implemented</p>	<p>June 2011</p>

DEPARTMENT: RAIL TRANSPORTATION DEPARTMENT
REPORT: RAIL TRANSPORTATION DEPARTMENT – YONGE-UNIVERSITY-SPADINA-SHEPPARD LINE/BLOOR-DANFORTH/SRT LINE – File No.: 09-30031
DATE: OCTOBER 2009

DESCRIPTION: The Yonge-University-Spadina/Sheppard (YUSS) Subway Line and the Bloor-Danforth (BD) Subway/Scarborough Rapid Transit (SRT) Line are two of six responsibility sections within the Rail Transportation Department. The sections are responsible for providing train crews (i.e., Operators and Guards) for each of the respective subway and SRT lines to meet service requirements that is cost-effective while ensuring courteous, safe and reliable rail service.

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #3: ASSET CONTROL AND SECURITY</p> <p>Management should ensure that the verification and update of the keys inventory is reviewed with the Special Constable Services Department on a regular basis to protect TTC property and equipment from unauthorized access.</p>	<p>While waiting for SCS' key audit Rail Transportation has committed to conduct checks on specific elements of our current key holdings. The checks will primarily be focused on ensuring that employees who have left the Commission have turned in their keys and for any variances within specific group such as operators, supervisors, etc. This check will be carried out once a year.</p>	<p><u>June 2010</u> Progressing towards completion.</p> <p><u>December 2010</u> While a check for all departing employees is currently in place, the first global check will be completed in January 2011.</p>	<p>Implemented</p>	<p>September 2010 February 2011</p>

DEPARTMENT: TRACK AND STRUCTURE DEPARTMENT
REPORT: SIGNALS SECTION – File No.: 09-30050
DATE: SEPTMEBER 2010

DESCRIPTION: The Signals is responsible for the maintenance, repair and overhaul of signals and relays for the entire subway system. Formerly part of the Signals/Electrical/Communications (S/E/C) Department, the section is now one of the seven sections of the Track & Structure Department as a result of a recent reorganization. Working with Signals & Train Control Engineering, it is also responsible for the replacement of signals, relays and systems as part of the Capital Program.

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #1: PREVIOUS AUDIT ISSUES</p> <p>Management should implement previously promised corrective actions and establish a process that monitors and ensures implementation of audit recommendations.</p>	<p>We are presently working on moving this primary supervisor for cross training purposes to the SEC Business Systems Analyst position. Once the vacancy occurs in the Signals Section and a replacement supervisor is appointed, the goal is to spread and share the administrative responsibilities amongst all four Signal supervisors.</p> <p>Responsibility: Shared by Signals Superintendent, Dept Manager SEC and Dept. Manager Track & Structures</p>		Implemented	June 2011
<p>FINDING #2: OPERATING MAINTENANCE</p> <p>Management should ensure that the maintenance processes on the Signal equipment are efficient and effective in that:</p> <ul style="list-style-type: none"> - The required maintenance work is completed in accordance with approved procedures and within the established timeframes - Documentation and records of maintenance activities are reviewed for completeness, accuracy and timeliness. 	<p>We changed the MAXIMO database to make better use of each maintenance crews' time by grouping a number of preventative maintenance tasks at the same location. This is expected to increase efficiencies with the crews' production and thus adhere to the schedule more effectively.</p> <p>The maintenance records have been reviewed and the database clean up continues with both preventative and corrective maintenance records in arrears. The supervisors continue to improve this situation and are making every effort to bring the work status to a current state. As some of the arrears is extensive, this work will continue through 2010.</p>		Implemented	December 2010

DEPARTMENT: RAIL CARS & SHOPS DEPARTMENT
REPORT: HARVEY SHOP – File No.: 09-30023
DATE: FEBRUARY 2011

DESCRIPTION: The Shop performs vehicle overhaul on streetcar and bus vehicles and component overhaul for streetcar and subway vehicles. The Shop also fabricates various parts and assemblies for other departments and provides maintenance services for garages and carhouses.

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #1: PROJECT ESTIMATES Management should review the current backlog of work, determine if the estimates are reasonable and develop a plan to address the outstanding work.</p>	<p>In order to deal with the backlog, Harvey Shop has requested three additional resources through the 2011 budget process.</p>		<p>Implemented</p>	<p>June 2011</p>

BRANCH: EXECUTIVE
DEPARTMENT: MARKETING & CUSTOMER SERVICE
MEMO: MARKETING & CUSTOMER SERVICE – File No. 07-60100
DATE: OCTOBER 2007

DESCRIPTION: The Marketing & Customer Service Department is one of ten departments within the Executive Branch and is made up of four sections: Marketing, Public Affairs, Customer Information/Service, and Marketing Research. The Department is responsible for planning, development, implementation and evaluation of marketing programs designed to maximize TTC awareness and encourage ridership; expanding and improving communications with the general public, government, employees, residents, transit industry and media; ensuring effective customer information by maximizing customers’ ability to access information; and providing Senior Management with ridership economic and statistical data and policy analysis relating to fare, financial and social issues and its effect on TTC.

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #1: ADMINISTRATION CONTROLS</p> <p>Management should:</p> <ul style="list-style-type: none"> - Develop a project file for each project and a file/change management system to assist in tracking changes to electronic files. 	<p>Agreed. Current working processes and control mechanisms will be reviewed and a maintenance process will be established with the development of a project worksheet to ensure that customer information project files are maintained. We will consult with Graphic Services who have such a control document for their work requests. To be completed by August 2008</p> <p>Assistance from ITS has been requested to determine the requirements, recommendation and cost of a file management system to assist with finding and identifying the most current file changes and updates. To be completed by December 2008.</p> <p>Responsibility: Supervisor - Prints Electronics Information/Marketing Director/ Chief Marketing Officer</p>	<p><u>December 2008</u> Consulting with ITS and Graphics Services.</p> <p><u>June 2009</u> IT is pursuing a corporate wide electronic file management system, (SharePoint).</p> <p><u>December 2009</u> No change in status.</p> <p><u>June 2010</u> No change in status.</p> <p><u>December 2010</u> The corporate rollout for Sharepoint – Document Management is in development by ITS, with an update expected in Feb. 2011. M&CS has requested to be a priority in the rollout.</p> <p><u>June 2010</u> ITS is leading the rollout of Sharepoint as a corporate initiative. M&CS is a priority department when rolled out.</p>	<p>Implemented</p>	<p>December 2008 March 2009 June 2011</p>

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #1: ADMINISTRATION CONTROLS (Cont'd.)</p> <ul style="list-style-type: none"> - Review the Ridership/Revenue models still running on Lotus, which is an application no longer supported by the ITS Department. 	<p>Agreed. We will work with ITS to review this issue and determine next steps for an appropriate resolution. We will reach agreement with ITS on the approach to be taken by December 2008. Implementation dates to be finalized at that time..</p> <p>Responsibility: Market Research Director</p>	<p><u>December 2008</u> Working with ITS to convert files from Lotus to Excel.</p> <p><u>June 2009</u> Progressing toward completion.</p> <p><u>December 2009</u> File conversion is 85-90% complete. The remaining files will be converted in 2010 through the completion of a full budget cycle.</p> <p><u>June 2010</u> File conversion is approximately 95% complete. The remaining files will be converted in 2010 through the completion of a full budget cycle.</p> <p><u>December 2010</u> File conversion is approximately 98% complete. The cycle is not complete due to City of Toronto employment data still on NT (XP version not loaded yet).</p> <p><u>June 2010</u> File conversation from Lotus to Excel is 100% complete. Software bugs re: City of Toronto employment data are being addressed with ITS. Once resolved, Lotus & the NT operating system will be removed from desktop computers.</p>	<p>Implemented</p>	<p>December 2008 March 2009 December 2009 December 2010 April 2011</p>

AUDIT RECOMMENDATIONS

UNDERWAY

BRANCH: OPERATIONS
DEPARTMENT: TRANSIT ENFORCEMENT & SECURITY SERVICES
REPORT: SPECIAL CONSTABLE SERVICES DEPARTMENT – File No.: 05-15010
DATE: NOVEMBER 2005

DESCRIPTION: Special Constable Services Department was moved to Operations Branch as a result of a re-organization following the elimination of the Corporate Branch. The Department provides transit, industrial and protective security services, and conducts special investigations to ensure a safe and secure environment for passengers, employees, and protection of Commission’s assets, facilities and vehicles. The department has since been renamed Transit Enforcement and Security Services.

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING # 3: PARKING PROGRAM</p> <p>Management should review the parking program to ensure that:</p> <ul style="list-style-type: none"> - The program is enforceable; - The Parking Violation Reporting policy is consistently applied throughout the TTC to all employees; - Property security is increased by having vehicles that do not have authority to park on TTC property tagged by a city parking enforcement officer and or towed. 	<p>Special Constable Services will review the parking program as it applies to controlled access properties (Hillcrest, Davisville, Greenwood, Wilson, McCowan) to address the identified deficiencies and make policy and program change recommendations to Senior Managers.</p> <p>Responsibility: Superintendent - System Security</p>	<p><u>June 2006</u> The review of the Parking Program is ongoing and we now anticipate completion by February 2007.</p> <p><u>June 2007</u> The review of the Parking Program has been completed and a presentation to the Commission has been deferred until later in the year to allow for input from the new Chief General Manager.</p> <p><u>December 2007</u> Special Constable Services initiated a review of the Parking Program for the five TTC controlled access properties. Hillcrest parking issues were prioritized and a plan to have Department Managers audit departmental parking allocations was anticipated. However, Parking Program review activities were postponed pending the completion of the Hillcrest Yard Traffic Audit by the Safety Department to be completed in 2008. Subsequent to the completion of the Safety audit, the General Manager of Operations will determine status of Parking Program review activities.</p> <p><u>June 2008</u> Management has revised the completion date to December 2008.</p>	<p>Underway</p>	<p>February 2006 February 2007 December 2007 June 2008 December 2008 December 2009 December 2010 June 2010 December 2010 March 2011 September 2011</p>

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING # 3: PARKING PROGRAM (Cont'd.)</p>		<p><u>December 2008</u> The Hillcrest Yard Traffic Audit was recently completed. Results will be reviewed by Senior Managers. The General Manager of Operations will assign a senior manager to determine departmental parking allocations at Hillcrest and Davisville/Chaplin/1900 basement. Management has revised the completion date to December 2009.</p> <p><u>June 2009</u> Having reviewed our corporate priorities, we have determined that no action will be taken until the Fall of 2010.</p> <p><u>December 2009</u> Special Constable Services is currently working with the Deputy General Manager – Rail to conduct a review of employees who are presently authorized to park at Hillcrest to determine if they meet the current criteria for parking as prescribed in the policy (employees who must regularly use their personal automobile to perform their duties and employees who must be at their workplace prior to the availability of regular transit service). It will be determined as a result of this review if changes to the current allocation of parking and the parking policy will be required. Plans to commence enforcement of the municipal No Parking Bylaw at the Hillcrest Complex to address vehicles parked without an authorization are under review.</p>		

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
FINDING # 3: PARKING PROGRAM (Cont'd.)		<p><u>June 2010</u> Special Constable Services is currently working with the Deputy General Manager – Rail to conduct a review of employees who are presently authorized to park at Hillcrest to determine if they meet the current criteria for parking as prescribed in the policy (employees who must regularly use their personal automobile to perform their duties and employees who must be at their workplace prior to the availability of regular transit service). It will be determined as a result of this review if changes to the current allocation of parking and the parking policy will be required.</p> <p>Plans to commence enforcement of the municipal No Parking Bylaw at the Hillcrest Complex to address vehicles parked without an authorization were implemented in March 2010.</p> <p><u>December 2010</u> Parking enforcement by Toronto Police Parking Enforcement Unit has been implemented at problem sites (e.g., Hillcrest and Greenwood).</p> <p>Plans to redesign Hillcrest employee parking are under review. The Corporate Parking policy has been revised to reflect new parking eligibility criteria. Proposed plans and policy revisions will be reviewed with TTC stakeholders on Jan. 6/11.</p> <p><u>June 2011</u> On February 17, TESS staff met with Hillcrest stakeholders to initiate a review of staff parking assignments against new parking criteria. On May 31, a follow-up stakeholder meeting was held to report our results and discuss implementation.</p>		

DEPARTMENT: SIGNALS/ELECTRICAL/COMMUNICATIONS DEPARTMENT
REPORT: COMMUNICATIONS AND COMMUNICATIONS ENGINEERING – File No.: 05-30031
DATE: MAY 2006

DESCRIPTION: The Communications section is one of the four sections within the S/E/C department. The section is responsible for the maintenance and installation of all communication equipment and systems. The section is also responsible for installing and maintaining the cable infrastructure and participates in capital project implementation.

Communications Engineering is one of four areas within the S/E/C Engineering. The area is responsible for the delivery of designs, testing of equipment and circuits. The section also provides supervision/engineering support during installation of all communication systems and equipment.

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #1: MAINTENANCE</p> <p>Management should ensure that maintenance is performed as per schedule, in accordance with the SOP and that all required documentation/forms are completed and retained.</p>	<p>The General Superintendent has assigned a Business Systems Analyst to review all MAXIMO scheduled and unscheduled maintenance procedures. A section by section review within the SEC Department commenced in late 2005.</p> <p>All future implementations of the MAXIMO work flow maintenance processes will be in accordance with the section Standard Operating Procedures. All required documentation and forms will be completed and retained electronically in MAXIMO and manually filed in hard copy format.</p> <p>The MAXIMO implementation schedule for the Communications section is as follows: Radio Shop full implementation year 2006; CIS equipment confirmation and workflow design year 2006, CIS full implementation year 2007; CABLE Shop, SCADA and Transit Control Technicians full implementation year 2007.</p> <p>The cable inspections referenced in this audit are for cable systems associated with tunnel PAX phones and dry drop phones for the fire department. There were insufficient resources available in 2005 to perform these inspections. We will inspect the cable infrastructure by December 2006.</p> <p>Responsibility: Superintendent – Communications</p>	<p><u>December 2006</u> MAXIMO has been revised for the Radio Shop group. Wayside and Subway Security are presently testing MAXIMO with implementation into MAXIMO Production scheduled for January 2007.</p> <p>The Antenna and Hillcrest groups are scheduled for testing in January 2007 and full implementation with 1st quarter of 2007.</p> <p>Initial MAXIMO discussions have begun for the CIS group. The compilation of CIS Business Requirement Specifications will commence in February 2007 with full CIS implementation expected by year-end 2007.</p> <p>MAXIMO requirements for Cable Shop, SCADA, and Transit Control Technicians will be reviewed no later than 3rd quarter 2007.</p>	<p>Underway</p>	<p>December 2007 September 2008 December 2008 December 2009 December 2010 December 2011</p>

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
FINDING #1: MAINTENANCE (Cont'd.)		<p><u>June 2007</u> Wayside and Subway Security implementation of MAXIMO is complete and placed into production January 2007.</p> <p>MAXIMO for the Antenna and Hillcrest groups in the Radio Shop is underway with implementation planned for year-end 2007.</p> <p>MAXIMO implementation for CIS group is initiated, business requirements have been identified and full implementation is expected by year-end 2007.</p> <p>MAXIMO for Cable Shop, SCADA and Transit Control Technicians is in production, a review is still planned for 3rd quarter.</p> <p><u>December 2007</u> Subway Security group to review and if necessary revise camera equipment records for enhanced maintenance reporting. MAXIMO modifications to be completed by June 2008.</p> <p>Antenna group to review and if necessary review Station Line Amplifier (SLA) and Intermediate Line Amplifier (ILA) equipment records by March 2008. Hillcrest group creating Bench Work procedures. Modifications to MAXIMO to create and track maintenance to be completed by April 2008.</p> <p>CIS is reviewing TRUMP and CIS vehicle equipment records and user screens. All other MAXIMO work for the remaining CIS equipment will be implemented on a priority basis. Full implementation scheduled by September 2008.</p> <p>MAXIMO for Cable Shop, SCADA and Transit Control Technicians is progressing. Full implementation scheduled for 2nd quarter 2008.</p> <p><u>June 2008</u> Progressing to completion with revised completion date of December 2008.</p>		

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
FINDING #1: MAINTENANCE (Cont'd.)		<p><u>December 2008</u></p> <ul style="list-style-type: none"> - Hillcrest Group – Complete with all history Paging, Portable and Mobile Equipment to be moved into MAXIMO, from FoxPro, by Year End 2008 - Wayside Group – Complete - Subway Security Group – Complete with Camera Equipment to be reviewed by June 2009 - Antenna Group – Complete with PM and Work Methods to be reviewed with implementation date June 2009 - Transit Control Technicians – Complete with scheduled review to commence January 2009 - CIS Group – Review scheduled January 2009 with implementation June 2009 - SCADA Group and Cable Group – Review scheduled June 2009 with completion date December 2009 <p><u>June 2009</u> In Progress.</p> <p><u>December 2009</u> Five areas remain to be completed.</p> <p><u>June 2010</u> Three areas remain to be completed.</p> <p><u>December 2010</u> Progressing toward 2011 completion.</p> <p><u>June 2011</u> Progressing as planned.</p>		

DEPARTMENT: SIGNALS/ELECTRICAL/COMMUNICATIONS DEPARTMENT
REPORT: SIGNALS AND SIGNALS ENGINEERING – File No.: 06-30033
DATE: JULY 2006

DESCRIPTION: The Signals section is one of four sections within the S/E/C Department. The section is responsible for the maintenance, repair and overhaul of signals and relays for the entire subway system. Signals Engineering is one of five areas within the S/E/C Engineering section. The area is responsible for providing technical and engineering support to signals maintenance staff. Both sections are responsible for the replacement of signals, relays and systems as part of the Capital Program.

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #1: TRACK LEVEL ACCESS Management should:</p> <ul style="list-style-type: none"> - Investigate discrepancies noted between various departmental track level access records to determine whether records are incomplete or incidents of unauthorized access have actually occurred; and - Review procedures and processes surrounding the granting/denying of track level access by Transit Control, and the impact thereof, on maintenance windows, patron/employee safety and productivity. 	<p>Signals management will review the feasibility of having the MAXIMO work order process automatically generate the Signal Maintainers log. This will result in one set of Signals records having to be reconciled against one set of Transit Control records</p> <p>Status: This review will be complete by September 30, 2006. If implementation is feasible it will be complete by March 31, 2007</p> <p>Responsibility: General Superintendent SEC</p>	<p><u>June 2007</u> The feasibility of automatic generation of the Signal Maintainers log has been assessed. While feasible, related labour issues were identified that still need to be addressed.</p> <p><u>December 2007</u> Labour issues will not be addressed until June 2008.</p> <p><u>June 2008</u> Staffing issues have delayed progress.</p> <p><u>December 2008</u> Staffing issues have delayed progress.</p> <p><u>June 2009</u> Automatic generation of Signal Maintainer Logs for the Sheppard Line was test piloted in 2008. Technical difficulties and resource issues rendered the test unsuccessful. Management intends to pilot implement the use of hand-held devices on the Sheppard Line in 2010. If successful, devices will be rolled out in 2011.</p> <p><u>June 2010</u> Progressing as planned.</p>	<p>Underway</p>	<p>March 31, 2007 December 2007 June 2008 December 2008 June 2009 September 2011</p>

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
		<u>December 2010</u> Progressing as planned. <u>June 2011</u> Progressing as planned.		

DEPARTMENT: WHEEL-TRANS OPERATIONS
REPORT: WHEEL-TRANS – CUSTOMER SERVICE AND PLANNING – File No.: 07-20041
DATE: NOVEMBER 2007

DESCRIPTION: Wheel-Trans Operations provides a specialized public transportation service within the City of Toronto for people with physical functional mobility limitations. Customer Service and Planning is one of three sections within this Department, and is responsible for planning and scheduling dispatch and reservations, and community service liaison.

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #3: OPERATIONAL CONTROL REPORTING Management needs to ensure:</p> <ul style="list-style-type: none"> - The timely implementation of technology and system upgrades to minimize persistent inefficiencies and improve functionality; and - Operational performance measures are meaningful, achievable, and accurately reported in an efficient and timely manner. 	<p>Agree that the delay in the Wheel-Trans Information System State of Good Repair (WTIS SOGR) Project has a significant impact on delivering an efficient service while accommodating the 6-7% increase in demand. Interim actions have been implemented, including: vehicle productivity targets were adjusted; technology options for trip booking, cancellations and confirmations were being promoted to customers; manual daily scheduling processes were developed and put in place to obtain the most efficient trip schedules; and operational reports by shift supervisors were reviewed and modified to improve efficiency.</p> <p>The following longer term actions are underway:</p> <ul style="list-style-type: none"> - In coordination with the Information Technology Services Department we are committing on completing the WTIS SOGR upgrade by December 2008. - To improve On-Time Service, the WTIS upgrade includes replacing the scheduling system with an updated travel time distance matrix with the ability update and re-schedule with timely and with more accurate parameters. Further, AVL and GPS capabilities are being actively pursued with a pilot program in 2008 with full implementation and integration scheduled for end 2009. - Daily Scheduling Procedures related to the new scheduling system and AVL/GPS data that will be available will be prepared. - Enhanced management reports will be available with the WTIS SOGR project using the additional data available. - Touch Tone booking system and telephone management system with one number will be implemented as part of telecommunications upgrade. 	<p><u>December 2008</u> A review of this project has determined that the requirements could not be achieved without upgrading the current scheduling system. Wheel-Trans and IT are currently working with the supplier to upgrade the scheduling system over the next 2 years.</p> <p>All projects associated with WTIS State of Good Repair have been placed on hold and will be incorporated in the upgrade of the system.</p> <p><u>June 2009</u> In progress.</p> <p><u>December 2009</u> Working with the TTC Information Technology Services Department, an electronic Dispatch Communications system was implemented in March 2008, and the internet trip booking, cancellations, and online customer communications system was put in place on June 1, 2008. The WTIS SOGR project to replace the scheduling system will now be completed by the end of 2010 and the AVL/GPS system will be partially implemented in 2010 and fully integrated with the scheduling system by the end of 2011.</p> <p><u>December 2010</u> Continuing to work with the TTC Information Technology Services department to upgrade the WTIS scheduling system. The upgrade will be</p>	<p>Underway</p>	<p>December 2008 December 2010 December 2011 August 2011</p>

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
		<p>completed by the end of this year, but will not be implemented until the summer of 2011. This will allow for integration between the scheduling system and a required upgrade of the telephone booking and information system (Rideline). Obtaining a suitable hosting agreement delayed the implementation of the AVL/GPS system until Spring 2011.</p> <p><u>June 2011</u> Progressing as planned.</p>		

DEPARTMENT: TRACK AND STRUCTURE DEPARTMENT
REPORT: TRACK AND STRUCTURE – File No.: 07-30050
DATE: MAY 2008

DESCRIPTION: As a result of a recent reorganization, the Track & Structure Department now consists of five sections: Subway & SRT Track, Streetcar Way, Structure Inspection, Structure Maintenance and Maintenance Engineering. Since Streetcar Way was audited less than a year ago, it was not included as part of this Track & Structure department audit.

These sections are responsible for the inspection, maintenance, replacement and rehabilitation of subway, streetcar and SRT track and related structures. They also provide technical engineering and construction co-ordination services, survey support, and property development design reviews, as well as, prepare designs and contract documents for both subway and surface track projects.

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #1: SAFETY MANAGEMENT Management needs to develop a comprehensive safety management strategy, and then monitor the impact of its departmental safety initiatives to ensure they are efficiently and effectively achieving desired results. Specifically:</p> <ul style="list-style-type: none"> - A formal operating procedure describing the departmental quality assurance process should be developed, including the planning process, review methodologies, documentation requirements, and progress reporting; 	<p>Agree. A formal operating procedure will be developed to consolidate safety recommendations and to formalize a quality assurance process. Consideration will be given to creation of a Quality Assurance Committee to review procedures, identify common processes and delegate supervisors to perform audits of safety critical processes.</p> <p>Responsibility: General Superintendent – Track & Structure</p>	<p><u>June 2009</u> Management has started to draft a formalized departmental occupational health and safety plan based on the Z1000-06 CSA standard. The plan is based on a plan, do, check model and will guide all departmental safety activities. It is anticipated that the plan will be comprised of seven elements.</p> <p><u>December 2009</u> Progressing as planned.</p> <p><u>June 2010</u> Staff have been approved through budget, but given other urgent staffing needs no hires to date. End date has been revised to June 2011.</p> <p><u>December 2010</u> In conjunction with the Safety Department, work is underway developing the first element of the plan, ie., Work Planning. However, progress is slower than originally anticipated due to a lack of dedicated resources. Time is required to both author and validate each item. The estimated completion date has been extended to January 2014.</p>	<p>Underway</p>	<p>January 2012 January 2014</p>

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>- Controls to ensure adherence to safety critical operating procedures and related documentation requirements need to be strengthened.</p>		<p><u>June 2011</u> Progressing as planned.</p> <p><u>June 2009</u> Management is committed to a comprehensive review of all SOP's, operational procedures and work methods with a view towards culling and simplifying the vast amount of control documentation. Staff resources currently do not exist within the department to undertake this initiative. Management has requested through the 2010 budget process resources to author, validate, train and control the departmental procedures process. Work on this recommendation will begin in 2010 contingent upon approval of sufficient staff resources.</p> <p><u>December 2009</u> Progressing as planned.</p> <p><u>June 2010</u> Staff have been approved through budget, but given other urgent staffing needs no hires to date. End date has been revised to June 2011.</p> <p><u>December 2010</u> Staff resources have been hired and the review of documentation will commence in January 2011. The review is expected to be completed by January 2012.</p> <p><u>June 2011</u> Progressing as planned.</p>		<p>January 2010 January 2011 January 2012</p>

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #2: SUBWAY/SRT TRACK MAINTENANCE Management should review its daily operational risks and business needs to ensure resources are appropriately matched. Areas to consider include:</p> <ul style="list-style-type: none"> - Staff supervision should be active and visible across all shifts; - The administrative workload of front-line supervisors needs to be reviewed. 	<p>Agree. The Subway/SRT Track Section will review and revise the current staff organizational structure with the aim to provide an increase in senior supervisory positions on the off shifts. Consideration will be given to increasing the staff allocation dedicated to the Production Planning office given its importance to the safe and efficient operation of the TTC night shift. Consideration will also be given to minimize administrative work performed by the Forepersons and Assistant Forepersons and allocate some of the record keeping duties to the Production Planning office.</p> <p>Responsibility: Superintendent – Subway/SRT Track Maintenance</p>	<p><u>June 2009</u> A reorganization of the cost-centre is currently underway. The reorganization is aimed at a strengthening of functional responsibilities and establishment of single point accountability for departmental objectives. Supervisory staff and hourly resources will be aligned by task and specific business activities, to ensure specialization and ownership over key outcomes. Senior staff will be provided with written expectations of business outcomes leaving them to choose the management and supervisory model they feel best suited to achieve stated expectations.</p> <p><u>December 2009</u> Progressing as planned.</p> <p><u>June 2010</u> Progressing as planned.</p> <p><u>December 2009</u> Progressing as planned.</p> <p><u>June 2010</u> Progressing as planned.</p> <p><u>December 2010</u> The alignment of crews and supervisory resources against specific tasks has been completed.</p> <p>Written expectations have been developed and provided to front-line Forepersons. Written expectations for Supervisors and Roadmasters will be completed by January 2012.</p> <p><u>June 2011</u> Progressing as planned.</p>	<p>Underway</p>	<p>January 2010 January 2011 January 2012</p>

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #3: SUBWAY/SRT TRACK INSPECTIONS Management needs to streamline and improve the coordination and monitoring of its track inspection program to ensure it is comprehensive and consistently adhered to by all staff. This should involve:</p> <ul style="list-style-type: none"> - Reviewing all track inspection operating procedures and clarifying frequency standards, responsibilities and documentation requirements; - Management needs to review its use and control over MOWIS defect information. In particular, the status of security upgrades and implementation of other functionalities needs to be confirmed and completed. A formal operating procedure describing the departmental quality assurance process should be developed, including the planning process, review methodologies, documentation requirements, and progress reporting. 	<p>Agree. To address this concern the Subway/SRT Track Section has a created and filled a new position - Track QA Engineer. The QA Engineer will review all existing standards, safety recommendations, directives, etc. to identify required safety and quality inspections together with a responsibility matrix. Once identified, inspection schedules will be created for distribution, complete with copies of the appropriate standardized inspection documentation.</p> <p>Responsibility: Superintendent – Subway/SRT Track Maintenance</p> <p>Agree. A MOWIS upgrade project is on-going. The software supplier is working under the direction of the Senior Track Inspection Engineer. Some aspects of the work have taken longer than expected but some segments of the updated program are expected by fall, with full roll-out of the upgraded program before the end of 2008.</p> <p>Responsibility: Superintendent – Subway/SRT Track Maintenance</p>	<p><u>June 2009</u> A review of all current inspection procedures is underway by staff to ensure compliance and due diligence, however, a peer review involving experts from academia coupled with industry leading transit experts has also been commissioned. This review will include all facets of inspection including the department’s non-destructive testing regimen, track geometry, and clearance surveys. Our objective is to set the standard for the North American transit industry with a renewed focus and implementation of state-of the art technology in the areas of rail testing and condition based assessments.</p> <p>Given the above peer review, staff will solicit the advice of the peer experts on the continuing use and role of MOWIS within the T&S Department. Much of the rudimentary functionality of a basic Computerized Maintenance Management System does not exist within the current MOWIS architecture, limiting staffs use of this critical tool. Given these seemingly chronic shortfalls of both the software and its supplier, a decision must be made on its future use.</p> <p><u>December 2009</u> Progressing as planned</p> <p><u>June 2010</u> A consultant has been hired to review track standards as the starting point. Early work suggest significant work needs to be completed prior to advancing to other stages of the peer review. New completion date of January 2012.</p> <p><u>December 2010</u> Progressing as planned.</p> <p><u>June 2011</u> Progressing as planned</p>	<p>Underway</p> <p>Underway</p>	<p>December 2010 January 2012</p> <p>December 2010 January 2012</p>

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #4: STRUCTURE MAINTENANCE</p> <p>Management should improve communication processes within the Department, as well as, with other critical parties, and strengthen controls over the planning, scheduling and monitoring of Structure Maintenance activities. Specifically:</p> <ul style="list-style-type: none"> - Operational control measures should be reviewed to ensure they are accurately calculated and meaningful. 		<p>While the cited metrics are an important part of the management control process, the underlying project management and implementation processes must be reviewed to ensure alignment with departmental and corporate objectives. A review of these processes including the cited metrics will be conducted prior to the next budget cycle.</p> <p><u>December 2009</u> Progressing as planned.</p> <p><u>June 2010</u> Several important processes continue to be reviewed. Current work focuses on process with E&C Branch. Work under this item was significantly underestimated in terms of time and effort required.</p> <p><u>December 2010</u> The Structure Maintenance Section has been reorganized so as to streamline and improve communications work flow between inspection, engineering and execution groups. The effectiveness of processes involving third party departments and stakeholders continue to be reviewed. Work with the E&C Branch on the Tunnel Rehabilitation Projection is currently underway, with meaningful metrics now in place.</p> <p><u>June 2011</u> A delay in hiring key staff has slowed progress. Item will be closed off by January 2012.</p>	Underway	<p>January 2010 January 2011 January 2012</p>

DEPARTMENT: SUBWAY TRANSPORTATION DEPARTMENT
REPORT: TRANSIT CONTROL/ANALYSIS AND PROCEDURES – File No.: 08-30042
DATE: JUNE 2008

DESCRIPTION: Transit Control and Analysis/Procedures are two sections within the Subway Transportation Department. Transit Control maintains the optimal level of service to minimize delays and provide emergency response and co-ordinates all incidents on subway, surface requiring emergency services. The Analysis/Procedures Section collects operating data and provides management reports. The section also develops and maintains the standard operating procedures and corporate plans for the department.

RECOMMENDATION	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>PREVIOUS AUDIT ISSUE: MANAGEMENT INFORMATION SYSTEMS</p> <p>Management should ensure that:</p> <ul style="list-style-type: none"> - Service Level Agreements are established with S/E/C; - S/E/C confirms sufficient resources are available and that maintenance and support agreements will be in place when the warranty period expires; - Security over remote access is established by implementing dial back security; - The required network and communication monitoring tools are identified and implemented; - Disaster Recovery and Business Continuity Plans are developed and implemented; and - Consider the creation of a self contained off site backup facility. 	<p>SEC had developed a Maintenance Resource Plan as early as June 2001. This plan established the basis for the maintenance support for the Transit Control Centre (TCC). The plan includes hardware and software maintenance for Central Signal System (CSS), Supervisory Control and Data Administration (SCADA) and Integrated Communication System (ICS). This plan resulted with TCC staffing presently applied for maintenance. The plan requires review, update and an expansion to include maintenance planning following warranty expiry. Then it can be presented to Transportation for agreement. Interim procedures to be provided November 30, 2005. Procedures to be finalized by December 2006 prior to the warranty expiration in June 2007.</p> <p>Responsibility: General Superintendent – Rail Transportation, Superintendent – Transit Control, and General Superintendent - S/E/C</p>	<p><u>June 2006</u> All areas remain underway and are on target for completion as originally indicated.</p> <p><u>June 2007</u> A Maintenance Plan is developed. The resources needed have been identified and interim procedures are in place. The plan and procedures will be formalized into an SOP once an industry standard is identified and adopted.</p> <p><u>December 2007</u> The completion date has been extended to December 2008.</p> <p><u>June 2008</u> - Maintenance Plan SOP is in progress. - CSS service agreement is in place. - SCADA service agreement will be in place before year-end. - Waiting for Backup Control Centre.</p> <p><u>December 2008</u> Maintenance Plan SOP is in progress. Waiting for Backup Control Centre.</p> <p><u>June 2009</u> No change in status.</p>	<p>Underway</p>	<p>December 2006 June 2007 December 2007 December 2008 December 2010 December 2011</p>

RECOMMENDATION	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
	<p>The TCC LANs have network and communications monitoring tools in place such as HP Openview, Router diagnostics, Simple Network Management Protocol (SNMP) monitoring, Alchemy. Additionally, SEC is improving these tools as the systems continue evolving and this will continue during the life of the TCC due to product upgrades, obsolescence and replaced software/hardware. Two (2) Fluke Network Analyzers were procured and training was provided for the Technicians who will use them. Interim procedures to be provided November 30, 2005.</p> <p>Procedures to be finalized by December 2006 prior to the warranty expiration in June 2007.</p> <p>Responsibility: General Superintendent – Rail Transportation, Superintendent – Transit Control, and General Superintendent - S/E/C</p>	<p><u>January 2010</u> New network equipment and basic monitoring tools were installed in 2009. More advanced monitoring tools to be installed and configured in 2010.</p> <p><u>December 2010</u> Maintenance agreements set up for SCADA, ICS, CSS and Network systems. Capital budget for system upgrades established. Plans for individual system upgrades ongoing. Secure remote access provided through SSL VPN. Network monitoring system installed. Waiting for back up TCC.</p> <p><u>June 2011</u> Progressing as planned.</p> <p><u>June 2007</u> The Network Maintenance Plan and Procedures are in place; however they have not been documented into an SOP.</p> <p><u>December 2007</u> The completion date has been extended to December 2008.</p> <p><u>June 2008</u> Progressing towards completion.</p> <p><u>December 2008</u> Network re-design and equipment replacement is in progress. Existing equipment is no longer supported by manufacturer.</p> <p><u>June 2009</u> No change in status.</p> <p><u>December 2009</u> No change in status.</p> <p><u>January 2010</u> New network equipment and basic monitoring tools were installed in 2009. More advanced monitoring tools to be installed and configured in 2010.</p>	Underway	December 2006 June 2007 December 2007 December 2008 December 2009 December 2010 March 2011 December 2011

RECOMMENDATION	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
	<p>Although not formally documented, SEC has provided for disaster recovery by means of back-up software and spare hardware, and having existing procedures from TCC contractors and/or subcontractors for reloading, installing and checking it. It remains for these procedures to be documented as Standard Operating Procedures and this is planned to be completed before warranty expiry. Interim procedures to be provided November 30, 2005. Procedures to be finalized by December 2006 prior to the warranty expiration in June 2007.</p> <p>Responsibility: General Superintendent – Rail Transportation, Superintendent – Transit Control, and General Superintendent - S/E/C</p>	<p><u>December 2010</u> Solar Winds network monitoring system installed. Preparation of operating procedures ongoing.</p> <p><u>June 2011</u> Kent Bayley advises the network monitoring system will be commissioned and operating procedures for it will be developed by year end.</p> <p><u>June 2007</u> An interim back-up site has been identified for St. George Station.</p> <p>The final Disaster Recovery Procedure will not be in a proper format until a proper back-up control centre is constructed.</p> <p><u>December 2007</u> There is budget approval at this time. Process to start in 2008.</p> <p><u>June 2008</u> The Transit Backup Control Centre project begins in 2009 but is not planned to be operational until 2011.</p> <p><u>December 2008</u> No change in status.</p> <p><u>June 2009</u> No change in status.</p> <p><u>December 2010</u> No change in status.</p> <p><u>June 2010</u> No change in status.</p> <p><u>December 2010</u> No change in status</p> <p><u>June 2011</u> No change in status.</p>	Underway	<p>December 2006 June 2007 December 2007 July 2008 December 2011</p>

RECOMMENDATION	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #2: SECURITY – TRANSIT CONTROL CENTRE</p> <p>Management should implement procedures and controls to ensure that access to the Transit Control Centre premises is appropriately restricted and the security pod is manned by employees trained and able to handle security-related incidents.</p>	<p>Transitional Work Program employees have been advised to announce visitors to the respective Gunn Building employee being visited. They have also been reminded of a notice posted in the Pod stating that the door must be closed at all times. They are not considered Security Personnel but rather reception personnel who check identification and provide information and directions.</p> <p>A work order has been issued by the S/E/C Department on October 1, 2008 to have a Mag Lock and electronic fob pad installed on the door to the first floor from the north stairwell.</p> <p>Responsibility: Superintendent, Analysis & Procedures</p>	<p><u>June 2009</u> The Rail Transportation Department has investigated the issue and is still ongoing. However, we anticipate the issue will be resolved by the end of 2009.</p> <p><u>December 2009</u> Transit Control Protocol PD-11 has been completed. Procedures are in place with all TWP workers in the security “POD”.</p> <p><u>December 2009</u> Dave Trimble advises that the security system is in need of an update prior to the “MAG” lock installation on the north stairwell door. He anticipates closure on this issue by June of 2010.</p> <p><u>June 2010</u> Dave Trimble advises that Installation is behind schedule due to resource limitations. A work order through M&P has been completed and out for tender; anticipate having the system upgraded by December of 2010</p> <p><u>December 2010</u> Contract awarded for security system upgrade. Expected completion December 2010. Installation of lock on north stairwell door to follow.</p> <p><u>June 2011</u> Kent Bayley advises that some minor design work had to be completed. Next step is to coordinate with the Plant section to make modifications to the door. Carpenters & Electricians will implement & expected completion by the year end.</p>	<p>Underway</p>	<p>March 2009 December 2009 June 2010 December 2010 June 2011 December 2011</p>

RECOMMENDATION	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #3: COMPUTER SOFTWARE AND HARDWARE SECURITY</p> <p>Management should establish appropriate system access procedures that include password rules requiring minimum length, construction, complexity and periodic changes.</p> <p>FINDING #4: OTHERS</p> <p>Management should:</p> <ul style="list-style-type: none"> - Ensure that the requirement for ICS sign-in by subway operators and guards are complied with. 	<p>Transit Control discussed with S/E/C systems employees as to the feasibility of this recommendation for both sides. S/E/C is in the process of implementing the recommendation.</p> <p>Responsibility: Superintendent, Transit Control and Head – Special Projects, Signal & Train Control Engineering</p> <p>Investigation into the Log-On procedures for the Operators by Management and Union has revealed a few inconsistencies that required discussions with S/E/C. Discussions have taken place with Rail Transportation, Rail Cars and Shops and S/E/C and it was decided to wait for arrival of the new trains where a new process and procedure will be developed to address this issue.</p> <p>Responsibility: General Superintendent – Rail Transportation, Superintendent – Transit Control, Divisional Superintendents and S/E/C</p>	<p><u>December 2009</u> Rules to inform minimum password links have been implemented on the SCADA, the CSS and ICS systems. A policy on password administration is being developed.</p> <p><u>June 2010</u> Progressing towards completion.</p> <p><u>December 2010</u> Development of access related policies is ongoing.</p> <p><u>June 2011</u> Progressing as planned.</p> <p><u>June 2010</u> Progressing towards completion.</p> <p><u>December 2010</u> Ongoing programs and follow-ups have been completed. With the implementation of the new Toronto Rocket trains in the spring 2011; all operators must log on correctly and follow up.</p> <p><u>June 2011</u> Progressing as planned.</p>	<p>Underway</p> <p>Underway</p>	<p>September 2009 December 2010 December 2011</p> <p>December 2010 December 2011</p>

DEPARTMENT: BUS TRANSPORTATION DEPARTMENT
REPORT: BUS OPERATIONS – File No.: 08-40021
DATE: JULY 2009

DESCRIPTION: The Bus Transportation Department is comprised of seven Bus divisions. These divisions are responsible for the operation of buses as a mode of public transport in Toronto. This involves operating a fleet of buses, managing divisional operating facilities, and supervising a workforce of Operators, Route Supervisors and Clerical Staff.

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #2: ROUTE MANAGEMENT Management should ensure that:</p> <ul style="list-style-type: none"> - Clear direction and decisive leadership regarding current route management expectations and processes are established and implemented 	<p>Bus Transportation concurs with the analysis and recommendations of the audit in that the initiatives identified in 2004 have not been implemented. However, the process of improving, upgrading route management procedures and functions has been ongoing for a significant period of time and is continuing.</p> <p>Acknowledging that the reliability of current information is less than favourable, steps are being undertaken to improve overall route management, including the introduction of new technology, hardware upgrades, procedural changes and the introduction of increased on street supervision. Clearly defined targets and goals will be further clarified as the Route Management Pilot progresses at Wilson Division, with regards to route performance, schedule adherence and route assessments.</p> <p>We believe that a comprehensive approach to measuring Bus service performance is the most effective way of determining overall impact on our customers. These measures should encompass safety performance as well as cost effectiveness and service quality. In this regard, Bus Transportation efforts during 2009 have targeted the following service measure parameters:</p> <p>1. Complaints By Route - route data will be reported at a more detailed level including issue, sector, time of day, bus type as well as operator service profile to better determine root cause and corrective action.</p>	<p><u>December 2010</u> A multi year program to upgrade hardware, including trumps, communication capability, tracking, etc is ongoing as part of a Capital project. Increases in on street supervision are being proposed as part of the 2011 budget with a 5 year plan outlined.</p> <p><u>June 2011</u> Route Management review currently being conducted within Bus Transportation to identify efficiencies in tracking and reporting service reliability and route performance</p> <p><u>December 2010</u> More accurate and representative route performance measures are being developed.</p> <p><u>June 2011</u> Route Management review currently being conducted within Bus Transportation to identify efficiencies in tracking and reporting service reliability and route performance.</p>	<p>Underway</p>	<p>June 2011 September 2011</p>

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
	<p>2. On-Time Performance - global positioning system interface with the established service schedule.</p> <p>3. Actual Headway Adherence vs. Scheduled Headway - monitoring system to provide specific schedule information by route and time of day.</p> <p>4. Percent of scheduled service delivered - improved assessment of service provided by time of day.</p> <p>5. Actual running time vs. scheduled running time.</p> <p>Unscheduled short turns - measured to reflect impact on customers.</p> <p>Collisions, onboard, fare disputes and disablements per route – tracked with regards to out of service minutes in order to accurately measure impact on service.</p> <p>Although all of these factors impact our bus service performance from a customer perspective, additional emphasis is being placed on developing an overall Performance Index for reporting purposes. Significant work is necessary to set the stage for improving the way bus service is managed and delivered on the street.</p>			

REPORT: STATION OPERATIONS/COLLECTORS – File No.: 09-30032
DATE: NOVEMBER 2010

DESCRIPTION: Station Operations/Collectors is responsible for the sale of fare media and collection of fares at subway and SRT stations. The section is also responsible for managing the staffing, opening and closing of subway stations, monitoring passenger traffic flow through the stations, performing station inspections and ensuring that station safety and security measures are in place and operating.

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #1: COLLECTORS Management should ensure that the screening process to fill Collector vacancies addresses the skills required to handle cash and fare media.</p> <p>FINDING #3: ADMINISTRATION Management should ensure that</p> <ul style="list-style-type: none"> - The activities of the Supervisors address the higher priority duties, and - The pay for Clerks and Supervisors is compliant with ESA with respect to eating periods. 	<p>Management strongly agrees with the requirement to have a screening program in place to ensure that employees wishing to become collectors have adequate mathematical and customer relation skills to succeed in the position. Divisional management is working with the Training Department to develop these screening criteria.</p> <p>Tracking of how Supervisors are expending their time is ongoing at the Division to ensure that priority issues are being adequately addressed.</p> <p>Divisional clerical staff will be moved to either an unpaid 30 minute lunch break or two 15 minute breaks.</p>	<p><u>June 2011</u> Progressing as planned.</p> <p><u>June 2011</u> Progressing as planned.</p>	<p>Underway</p> <p>Underway</p>	<p>December 2011</p> <p>December 2011</p>

DEPARTMENT: RAIL CARS & SHOPS DEPARTMENT
REPORT: HARVEY SHOP – File No.: 09-30023
DATE: FEBRUARY 2011

DESCRIPTION: The Shop performs vehicle overhaul on streetcar and bus vehicles and component overhaul for streetcar and subway vehicles. The Shop also fabricates various parts and assemblies for other departments and provides maintenance services for garages and carhouses.

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #2: SAFETY TRAINING Management should ensure that all mandatory training should be identified and scheduled to ensure all Forepersons and hourly workers have the required training to fulfill their responsibilities.</p> <ul style="list-style-type: none"> - The Standard Operating Procedure is reviewed and the training needs of the Forepersons updated so that all the safety critical training required by their employees is also identified as part of their training requirements. 	<p>Consequent to the amalgamation of the previously Rail Cars & Shops and Streetcars Department under Rail Cars & Shops, Mandatory Training/Certification & Orientations for Rail Cars & Shops Employees Procedure ROP-SP-26-4 is to be revised and reviewed to include all RC&S locations and identify all safety critical training requirements.</p>	<p><u>June 2011</u> Progressing as planned</p>	<p>Underway</p>	<p>December 2011</p>
<p>FINDING #3: LUNCHROOM Management should review and implement improved controls over the cash handling, financial reporting, purchases and inspections in the lunchroom operations.</p>	<p>There should be a corporate direction in this regard that would apply to all lunchrooms at the TTC. A review is underway by the Safety Department.</p>	<p><u>June 2011</u> Hours of work are appropriately charged and cash float recorded.</p> <p>Purchase order contracts for food are being processed through M&P.</p>	<p>Complete</p> <p>Underway</p>	<p>December 2011</p>
<p>FINDING #4: TECHNICAL SUPPORT Management needs to develop processes to ensure that all work completed by technical staff is documented and reviewed.</p> <ul style="list-style-type: none"> - A system report between PICS and MMS is developed to compare the purchase orders issued to what has been received and acknowledged. Production Control should follow-up with Inventory Management on any variances. 	<p>A system report will be developed by the Superintendent – Rail Cars & Shops six months after the introduction of Industrial & Financial Systems (IFS)</p>	<p><u>June 2011</u> Progressing as planned</p>	<p>Underway</p>	<p>October 2011</p>

BRANCH: EXECUTIVE BRANCH
DEPARTMENT: PROPERTY DEVELOPMENT DEPARTMENT
REPORT: PROPERTY DEVELOPMENT – File No.: 09-50080
DATE: FEBRUARY 2010

DESCRIPTION: The Property Development Department is responsible for the administration and management of the TTC’s property, land development, retail leasing and commuter parking, and manages the operation of the Toronto Coach Terminal Inc.

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #1: COMMUTER PARKING</p> <p>Management should ensure that:</p> <p>All the parking lots are reviewed for profitability and based on this a business plan is developed for each parking lot.</p>	<p>Management will review the profitability of each lot and based on this a ‘business plan’ will be developed for implementation to ensure an operationally effective and cost efficient commuter parking system. This is part of the preparation of the annual operating budget, long-term capital budget, and the reconciling/monitoring of same.</p>	<p><u>December 2010</u> Progressing as planned.</p> <p><u>June 2011</u> Progressing as planned.</p>	<p>Underway</p>	<p>September 2011</p>

DEPARTMENT: INFORMATION TECHNOLOGY SERVICES
REPORT: PROJECT MANAGEMENT & QUALITY ASSURANCE – File No.: 09-50033
DATE: DECEMBER 2006

DESCRIPTION: The Project Management section is responsible for managing, coordinating and controlling the activities in the delivery of IT Services Capital projects. The Quality Assurance section is responsible for ensuring that Quality Reviews are planned, scheduled and performed on the basis of the status and importance of the processes and projects.

RECOMMENDATIONS	INITIAL MANAGEMENT RESPONSE/ACTION	FOLLOW-UP MANAGEMENT RESPONSE	STATUS	COMPLETION DATE
<p>FINDING #1: INCONSISTENCIES</p> <p>Management should ensure:</p> <ul style="list-style-type: none"> - Project plans are developed, reviewed, approved and regularly updated; - Project Change Requests are documented & approved before the changes are implemented; - Project costs are reported timely and accurately. - There is consistency between the various policies and procedures documentation comprising the methodology and that these policies and procedures are regularly reviewed, verified for consistent application and updated accordingly. 	<p>All departmental documentation including the Project Management Methodology is scheduled for regular recurring reviews. In addition, commencing in 2004</p> <p>the department undertook an extensive initiative to consolidate the Project Management Methodology with System Development Life Cycle.</p> <p>This ongoing initiative (ARCI) has resulted in a dramatic reduction in project templates as well as other changes to project delivery methods. The Project Management Methodology was updated to reflect the new template requirements.</p> <p>A further update is scheduled for December 2010 to address the full changes resulting from this project delivery consolidation exercise.</p> <p>Responsibility: Director – Project Management</p>	<p><u>June 2010</u> Progressing on target.</p> <p><u>December 2010</u> Progressing on target.</p> <p><u>June 2011</u> We have essentially completed the ARCI portion of the methodology update. Work on the Requirements; Phase Review & Feasibility portions are also underway. Meter Reading is being used as the conceptual pilot for agile development & will include the outcome in the Methodology update. Current expected completion date for the Project Methodology update is December 2011.</p>	<p>Underway</p>	<p>December 2010 July 2011 December 2011</p>