



# INTERNAL AUDIT REPORT

## **Recreation Services Audit – Phase 1**

**May 2025**

# INTERNAL AUDIT REPORT

## RECREATION SERVICES AUDIT PHASE 1

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### CONCLUSION AND SUMMARY

With swimming, fitness, sports, arts, science and technology, sports fields, arenas and gymnasiums rentals, Recreation Services strives to provide accessible and engaging leisure activities that make it easy for individuals of all ages and abilities to incorporate physical activity into their daily life. However, improvements are required to ensure risks related to Recreation Services are efficiently and effectively mitigated. They include:

- Improving Recreation Services administrative processes including on-boarding, training, scheduling, time and attendance and payroll processing.
- Ensuring the Active Together Master Plan Review (ATMP) considers challenges, service levels and potential opportunities in the City's intensification areas.
- Maximizing space utilization of the City's community centres.
- Ensuring the community centre reinvestment funding requirements is approved as outlined in the corporate asset management plan.
- Ensuring only authorized members can access fitness and pool areas.

Effective onboarding, scheduling, time, and attendance management is a crucial aspect of running a successful organization. The current time, attendance and qualification systems that are used by the Department are not fully integrated, require significant manual effort to reconcile and are prone to error. The Department should consider leveraging the work being done by VFRS by evaluating various options to address time, labour, and scheduling requirements in Recreation Services.

The 2018 ATMP<sup>1</sup> did not fully consider an approach when assessing provision levels in areas of intensification and recommendations tend to be suburban in nature. The City is currently in the process of updating the ATMP and it should fully consider the intensification areas that are a significant source of growth in the City.

Recreation Services has made important strides in developing KPI dashboards and reports, however, there is still an opportunity to optimize space utilization rates and performance. Effective space utilization ensures that every square foot is used to its maximum potential, often incorporating elements of design, technology, and organizational behavior to achieve this goal. This includes having a comprehensive inventory of usable space, calculating the current space utilization rate and establishing accountability for meeting utilization targets. This should also be a crucial part of any business case when assessing the feasibility of building new Community Centres or renovating/retrofitting existing centres.

The Facilities Service Capital Asset Management Plan 20-year average forecast calls for a funding need of \$26.2M (over \$11M of that is for Community Centres). In comparison, the average annual funding over the next 10 years is estimated to be \$10.4M, representing a funding

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<sup>1</sup> Now known as the Community Spaces Plan.

## **INTERNAL AUDIT REPORT**

### **RECREATION SERVICES AUDIT PHASE 1**

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coverage of only 40%. We recommend that Facility Management develop a plan to ensure that capital funding is secured to meet the reinvestment needs outlined in the Asset Management Plan.

Recreation members who pay fees for services are provided with a pass card that is scanned at the Community Centre, providing authorized access to the facility. Our testing found that individuals can access recreation facilities without necessarily using a pass card. We recommend that management improve the process for verification of access authorization.

During the audit, management has already taken steps to address some of these issues. Internal Audit will follow up on the status of outstanding management action plans related to this audit and will report the status to a future Audit Committee meeting.

# **INTERNAL AUDIT REPORT**

## **RECREATION SERVICES AUDIT PHASE 1**

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### **BACKGROUND**

Over the last year, Recreation Services delivered approximately 4,000 registered programs and welcomed 4.2 million visitors to the Community Centres, including over 86,000 facility bookings and 34,662 fitness memberships. The Department also manages permits, rentals, and bookings for many of Vaughan's facilities and outdoor amenities, such as City Playhouse Theatre, the Thornhill Outdoor Pool, skating rinks, baseball diamonds, soccer fields and park gazebos. The City is proud to provide residents with free, fun, family friendly events with its award-winning Vaughan Celebrates Program that includes Winterfest, Concerts in the Park and Canada Day, as well as many cultural and festive celebrations throughout the year.

Maintaining recreation centers is crucial for fostering healthy and vibrant communities. These facilities provide spaces for physical activity, social interaction, and cultural enrichment, contributing to the overall well-being and development of residents. A well-maintained centre offers a safe, functional, and welcoming environment, encouraging community engagement and promoting a positive lifestyle. The City has completed renovations and fully opened Garnet A. Williams Community Centre; continued with the plan to revitalize the Maple Community Centre and Al Palladini Community Centre; and initiated the development of the Vaughan Community Spaces Plan. The City is also in the final construction phase of the new Carrville Community Centre with the opening anticipated in 2025.

Through the delivery of diverse and inclusive recreation programs, services and events, Recreation Services enhances the quality of life and leisure time of the community by supporting the physical, mental, and social well-being of Vaughan's citizens. Vaughan's acceptance into the World Health Organization's Global Network for Age-Friendly Cities and Communities reflects the commitment to fostering an inclusive and supportive environment.

### **OBJECTIVES AND SCOPE**

The objective of the audit was to evaluate the adequacy and effectiveness of the internal controls, processes and procedures in place to mitigate the business risks associated with providing recreational services at the City of Vaughan.

The audit scope included assessing that:

- Policies and procedures exist, are regularly reviewed, updated and applied consistently.
- Service levels have been developed, reviewed, approved and updated appropriately.
- Assets are adequately safeguarded.
- Adequate oversight and monitoring of staff is being performed.
- A comprehensive health and safety, and training program exists and is being appropriately administered.
- Roles and responsibilities have been clearly defined.
- Interactions between internal and external stakeholders and key City departments occur and required information is exchanged in a timely manner to support management objectives.
- A formal contract management process has been established and consistently applied and controlled.

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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- Information Technology systems are being leveraged to meet departmental objectives.

The Recreation Services Audit will be conducted in three phases. The scope of this phase of the audit encompassed the activities involved in Community Centre Management. Phase 2 of the audit will include Client Services, and Phase 3 will include the Business Planning and Creative Services.

The scope of the audit covered Recreation Services activities for the period of January 2024 to March 2025. The Sports Village, City Playhouse Theatre, Vaughan Studios and Event Space, and Event Management are out of scope.

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**Director: Kevin Shapiro CIA, CFE, CRMA**

# INTERNAL AUDIT REPORT

## RECREATION SERVICES AUDIT PHASE 1

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### DETAILED REPORT

#### **1. *Improve Recreation Services Administrative Processes Including On-Boarding, Training, Scheduling, Time and Attendance and Payroll Processing***

Onboarding, scheduling and time and attendance is a complicated process in Recreation Services. There are approximately one thousand part-time employees, with varying hours and schedules, potentially working at multiple Community Centres in various roles. The Recreation payroll budget is over seven million dollars annually.

Given the complicated nature of the Recreation Services time and attendance demands, efforts to implement the City's JD Edwards Time and Labour solution in Recreation Services have resulted in significant delays and doubt regarding its feasibility. The Finance Modernization Project had originally projected the Time and Labour module for Recreation Services and Vaughan Fire and Rescue Service (VFRS) to be released in September of 2023. However, VFRS is currently evaluating various options to address their complex time, labour, and scheduling requirements. The business requirements and fit-gap analysis have been completed, and efforts are underway to assess additional alternatives.

Further, the Finance Modernization Project is in transition and in the process of developing a 5-year Road Map. A draft four-year roadmap has been established for the period 2025–2029. As part of this initiative, the Finance Modernization program will undergo rebranding and renaming at the conclusion of the current council term in 2026. However, the rebranded program will retain its commitment to the original program's objectives and continue advancing its outcomes.

In the interim, the current time, attendance and qualification systems that are used by the Department, such as Qual Express<sup>2</sup>, Homebase<sup>3</sup> and PayExpress, are not fully integrated, require significant manual effort to reconcile and are prone to error. Adding to the difficulty is a lack of end-to-end flowchart and process documentation of the current onboarding, training, scheduling, time and attendance and payroll processes. These systems were implemented years ago as a stopgap until a proper time and attendance system was implemented. PayExpress<sup>4</sup>, developed in-house to generate the hours for payroll, is no longer supported by the Office of the Chief Information Officer (OCIO).

The Department estimates that the current scheduling to payroll process costs approximately \$317K per year to execute and due to the manual nature of the effort, is prone to errors, complaints, and reports of staff frustrated with the convoluted process. Cognizant of this, the Department undertook its own audit of payroll. The audit had the objective of ensuring that all staff were paid accurately. The scope of the audit covered a 2-week period of March 22-April 4, 2024. The audit took multiple Recreation Services staff over 172 hours to complete, which itself is a testament to the difficulty in obtaining and reviewing the data and the

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<sup>2</sup> Tracks staff qualifications and training.

<sup>3</sup> <https://www.joinhomebase.com/> Homebase is a highly affordable and user-friendly workforce management platform designed specifically for small businesses.

<sup>4</sup> In 2012 the electronic PayExpress system replaced the paper time sheets and automated the payroll process in Recreation Services.

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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nonintegrated nature of the systems that are being used. The audit found several issues, including:

- Total of 376 discrepancies.
- Overall accuracy rate of 83% (combined results General Programs and Aquatics).
- Homebase accounted for 4% of the errors, PayExpress accounted for 19% of the errors and manual entry accounted for 77% of the errors.

There are a number of comprehensive administration systems available on the market that would help automate the back-office administration of the Department. Often these systems are linked to enterprise systems like SAP. Our discussions with Recreation staff that worked at other municipalities also indicated that some neighbouring municipalities were using applications like Teams Scheduling (Brampton) and ADP (Markham). The staff that used these systems and processes felt that they were more effective and efficient than the systems being used in Vaughan.

Accurate and timely data provides valuable insights for effective workforce planning and decision-making. An integrated recreation management system is a critical aspect of creating productive, compliant, and well-managed recreation department. By investing in an integrating recreation management system not only saves time and reduces administrative burdens but also contributes to a positive work environment, improved efficiency, and ultimately, the success of the City in providing desired service levels.

#### **Recommendation**

We recommend that management:

- Leverage the work being done by VFRS in evaluating various options to address time, labour, and scheduling requirements in Recreation Services.
- Develop an end-to-end flowchart and process documentation of the current onboarding, training, scheduling, time and attendance and payroll processes.

#### **Management Action Plan**

Management agrees with these recommendations.

A review of the current operational system requirements will be undertaken and benchmarking done with VFRS and other municipal Recreation departments to identify solutions to address time, labour and scheduling needs. Based on the results, a business case will be prepared for Q3 2026.

Process documentation will be reviewed and developed for the current onboarding, annual training plans, scheduling and time entry processes. The review to be concluded by Q2 2026.

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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#### **2. *Active Together Master Plan Review (ATMP) Should Consider Challenges, Service Levels, and Potential Opportunities in Vaughan's Intensification Areas***

The ATMP<sup>5</sup> is a long-range planning study for parks, recreation, and library facilities. The ATMP is undertaken jointly by the City of Vaughan and Vaughan Public Libraries every five years to support the Development Charges Background Study and ongoing planning efforts, including the City's Official Plan and Service Excellence Strategy Map. The 2018 Active Together Master Plan contains 102 recommendations intended to guide municipal and community investment in parks, recreation, and library facilities. 25 of the 102 recommendations are related to indoor recreation. Most recommendations have been completed and/or are being acted on.

Planning and developing recreation facilities within urban contexts (Intensification Areas) presents several new challenges and potential opportunities in comparison to a more traditional suburban context. Recreation policies, including provision, within subdivision and greenfield developments are well established and generally much easier to design and apply.

The ATMP is being updated this year and will be renamed to the Community Spaces Plan. It is expected to be presented to Council in June 2025. The 2018 ATMP did not fully consider an approach when assessing provision levels in areas of intensification and recommendations tended to be "suburban in nature". A long-term strategy document like the ATMP should reflect the intensification areas that are a significant source of growth in the City.

Discussions with City staff also suggested that during the COVID lockdown, some of the ATMP recommendations took a back seat to dealing with the crisis. Therefore, some of the deliverables will likely be carried forward to the upcoming Community Spaces Plan. Additionally, many of the Recreation Services recommendations in the 2018 ATMP were very cross functional. It wasn't clear exactly which City department was ultimately accountable to tracking and dispositioning of the recommendations. This was exasperated by changes in the organization structure at the City over the years. The ATMP should clearly define all accountable stakeholders in their recommendations.

#### **Recommendation**

We recommend that management:

- Continue to act on and implement the remaining recommendations from the 2018 ATMP.
- Ensure that the updated ATMP considers the new challenges, service levels, and potential opportunities in Vaughan's intensification areas and clearly assigned accountability for the cross functional elements of the recommendations.

#### **Management Action Plan**

Management agrees with these recommendations.

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<sup>5</sup> Now known as the Community Spaces Plan.



## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

---

Acknowledging that Recreation Services does not prepare the revised ATMP, renamed the Community Spaces Plan (CSP), Management is working with the CSP consultant to ensure the plan considers intensified areas and assigns accountability to the various elements of the recommendations.

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

---

#### **3. Maximize Space Utilization of the City's Community Centres**

Key Performance Indicators (KPIs) are crucial for all sectors of the City's operations because they provide quantifiable measures of performance, allowing for clear goal setting, progress tracking, and informed decision-making, ultimately leading to better strategic alignment and improved outcomes. The Department has established many KPIs that track performance against cost recovery, fill rates, utilization, retention, satisfaction and budget targets.

The Department has made significant strides in developing KPI dashboards and reports, however, there is still an opportunity to optimize space utilization rates and performance. For these purposes, space utilization refers to the analysis and optimization of using physical space within a Community Centre. It involves assessing how space is allocated and used, aiming to improve efficiency and effectiveness. This concept is particularly important in Community Centres, where optimal space usage can influence safety, and the overall user experience.

During our Community Centre visits we noted varying degrees of space utilization. For example, the Dufferin Clark Community Centre has large, underutilized storage rooms in the basement, including several activity rooms and boccie courts. Ice surfaces at the Al Palladini Community Centre were not being fully utilized during weekday morning hours and some activity rooms were sitting empty.

Effective space utilization ensures that every square foot is used to its maximum potential, often incorporating elements of design, technology, and organizational behavior to achieve this goal. It involves strategically assessing needs, designing flexible spaces, implementing smart storage solutions, embracing digital technologies, and actively involving staff in the process.

A community center should be designed to effectively serve the specific needs of its local community. These needs can change and evolve over time. Collecting and analyzing data is the key to determining and improving the usage of space. This includes having a comprehensive inventory of usable space and calculating the current space utilization rate and establishing accountability for meeting utilization targets<sup>6</sup>. This should also be a crucial part of any business case when assessing the feasibility of building new Community Centres or renovating/retrofitting existing centres.

#### **Recommendation**

We recommend that management:

- Complete a comprehensive inventory of available space and assets at Community Centres and determine space utilization and availability.
- Gather detailed utilization data.

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<sup>6</sup> This will be assessed in more detail in future phases of this audit. However, it was apparent that improvements are required based on site visits.

## INTERNAL AUDIT REPORT

### **RECREATION SERVICES AUDIT PHASE 1**

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- Develop a Community Centre utilization strategy with detailed utilization goals and targets by asset (i.e. Activity rooms, gymnasiums, ice surfaces etc.) areas and activities.
- Maximize the utilization of Community Centres through a balanced mix of established programing and leveraging new participation and activity trends.
- Incorporated utilization estimates into business case for new builds or renovations.

#### **Management Action Plan**

Management agrees with this recommendation.

Recreation Services will undertake the development of a utilization strategy aimed at making more efficient use of existing resources. The development process will be executed in three distinct phases.

In the first phase, we will conduct a thorough analysis and examination of data and current trends to gain a comprehensive understanding of the landscape and identify optimization opportunities by Q4 2025. This phase is critical for establishing a solid foundation of insights into the current operational environment.

The second phase involves the formulation of a comprehensive strategy by Q4 2026. This strategy will address the identified needs and leverage potential partnerships to maximize resource utilization.

The final phase is the implementation of the strategy by Q1 2027. This phase will focus on the effective execution of the strategy in achieving the desired outcomes.

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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#### **4. *Ensure the Community Centre Reinvestment Funding Requirements is Approved as Outlined in the Corporate Asset Management Plan***

In 2025, the City conducted a renewal of the City's Asset Management Plans for all its infrastructure assets, including Facilities assets. The Corporate Asset Management Plan estimates the replacement value of the City's Community Centres to be over \$335M. The estimated replacement value is the cost of replacing an existing asset in today's dollars, considering inflation.

The Facility Management department oversees the City of Vaughan properties, facilities and capital projects. Community Centers are 74% through their Estimated Service Life (ESL), however; it should be noted that renovations began at Garnet A. Williams Community Center, Al Palladini Community Centre, and Maple Community Centre in the Fall 2022 to upgrade the buildings, which will extend their remaining service life and elevate the overall remaining service life for Community Centers.

The 2025 Asset Management Plan rated the condition of over 90% of the Community Centres as either Very Good or Good, with the remaining buildings scoring as fair. None of the Community Centres were rated poor. However, all assets are expected to deteriorate over their lifetime. Knowing the useful life of the Community Centres offers a significant advantage when planning for future resource requirements. This knowledge plays a key role in strategic planning, budgeting, and maintaining smooth operational efficiency. It also impacts financial planning, accounting, maintenance optimization, and compliance.

The Facilities Service Capital Asset Management Plan 20-year average forecast calls for a funding need of \$26.2M (over \$11M of that is for Community Centres). In comparison, the average annual funding over the next ten years is estimated to be \$10.4M<sup>7</sup>, representing a funding coverage of only 40%. This significant gap would likely have to be bridged by debentures or non-CCBF grants.

**Table 5-1: Facilities 20-Year Total and Annual Average Reinvestment Need**

Asset Type	Annual Average Need	20-Year Total
Administration Buildings	\$6,040,400	\$120,807,000
Community Centers	\$11,034,700	\$220,693,000
Fire Stations	\$1,540,700	\$30,815,000
Heritage Buildings	\$1,189,600	\$23,792,000
Libraries	\$2,473,200	\$49,464,000
Parks Facilities	\$388,600	\$7,772,000
Senior Clubs	\$142,200	\$2,845,000
Sport Buildings	\$2,727,200	\$54,544,000
Yards	\$367,600	\$7,351,000
Other building facilities	\$190,700	\$3,815,000
Tanks & Generators	\$76,500	\$1,530,000
Total	\$26,171,400	\$523,427,000

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<sup>7</sup> The funding sources in this forecast are limited to annual reserve contributions, capital from taxation and the Canada Community-Building Fund (CCBF is provided from the Federal Government).

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

---

#### **Recommendation**

We recommend that Facility Management Operations develop a plan to ensure that capital funding is secured to meet the reinvestment needs that are outlined in the Asset Management Plan.

#### **Management Action Plan**

Management agrees with this recommendation.

Facility Management will work with the Asset Management group, and the estimates outlined in the capital management plan to inform our submission for the Capital Expenditure plan. Facility Management will work within the confines of the annual Capital Expenditure Plan, using lifecycle management strategies to maintain current Levels of Service, mitigate associated risks, and optimize costs over the lifecycle of assets.

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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#### **5. *Ensure Only Authorized Members Can Access Fitness and Pool Areas***

Members who pay fees for services are provided with a pass card that is scanned at the Community Centre, providing authorized access to the facility (i.e. fitness center, pool etc.). This ensures that members have paid for the services they are being provided. It also provides confirmation as to who is in the facility and that a membership agreement and liability waiver have been duly signed.

Tailgating (also known as piggybacking) can be described as the passage of an unauthorized person, forced or accidental, behind that of an authorized user. This can happen through various means, including following someone who swipes their membership card, door being held open by someone who doesn't realize they're letting an unauthorized person in, or even by exploiting social engineering tactics like pretending to be a delivery person, contractors, or even new employees to gain access.

Our sample testing at three Community Centres found that 90% of the time<sup>8</sup>, we were able to access the fitness centers without scanning a pass, simply by tailgating another member. Further, we witnessed several members of the public doing the same. In several cases these were students from adjacent schools entering the fitness centers. It is not uncommon to see many students in the fitness centers shortly after school hours or during the lunch hour.

The front desk staff are responsible for ensuring that members have authorized access to the Community Centre. However, the front desk staff are often too occupied with helping residents or physically distant from the entrance door to monitor members scanning their cards. Additionally, fitness staff are often sitting in their offices or on the fitness floor and do not have visibility to members scanning their membership cards.

Tailgating is deceptively simple. It exploits social engineering techniques and human behavior, whereas other security breaches often rely more on technical exploitation or hacking. Unauthorized access can lead to theft, vandalism, physical assaults or other unwanted activities. It can also erode the trust of residents and other users of the facilities.

#### **Recommendation**

We recommend that management deter tailgating by:

- Having Community Centre fitness staff confirm scanning at the door of the fitness centre and pool and not relying on front desk staff.
- Educating residents and staff on the dangers of tailgating and proper security protocols.
- Encouraging residents and staff to report and be vigilant of suspicious activity that can help prevent tailgating.

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<sup>8</sup> Attempted ten entries at three Community Centre fitness facilities, at various times between the dates of February 18th to February 26th, 2025. Of the ten attempts, we were asked to scan one time.

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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#### **Management Action Plan**

Management agrees with these recommendations.

Recreation Services acknowledges the importance of strengthening access controls and will implement solutions using staff and technology to limit tailgating. The usage of fitness centres and pools is not consistent during the day and experiences period of high and low usage. To ensure the effective usage of staff and resources, we will identify periods of peak usage as the focus of tailgating solutions. Staff will develop communication to share with staff, members and the public, providing education in the role they play in controlled access and preventing tailgating. Recreation will implement solutions Q3 2025.

While Recreation agrees with implementing solutions for tailgating, this will be done on a priority basis, ensuring that resources are allocated during peak times.

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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#### **6. *Ensure Compliance with the Cashless Transactions Directive***

In September 2021<sup>9</sup> the office of the City Treasurer and Chief Financial Officer obtained Council approval to eliminate cash transactions at all City run facilities. The report to Council highlighted the fact that alternative forms of payment, such as credit cards, electronic banking, debit cards and on-line payments, were widely used. Although the elimination of cash transactions report was approved, it was not accompanied by a revised policy document.

On an exception basis Recreation Services is still accepting cash and cheque payments at Community Centres. The exception would arise if a member of the public insists on paying by cash or cheque or if they affirm that they have no other means of payment. The Community Centre staff do not provide change for individuals who pay by cash without the exact amount, but they post a credit in PerfectMind for any excess amount of the payment. The member can then use that credit at a later time or request a cheque for the repayment of the balance. The process can also result in credit transactions not being applied correctly to the member's account.

The cash and cheque deposits are held in a safe at the Community Centre, processed by the Community Centre Office Administrator, and collected by armoured car service for deposit at an estimated cost of \$3,596 annually. It is estimated that Recreation Services accepts approximately \$20K of cash annually, with Al Palladini Community Centre accepting approximately 88% of that amount. Recreation Services also accept \$11K in cheque payments, although most of the cheque payments are received at City Hall and the City Playhouse Theatre.

Cash payments are susceptible to theft, loss, human error in handling, and lack a digital audit trail, making tracking and auditing challenging. Additionally, cash transactions result in additional costs associated with managing physical currency, such as maintaining secure storage facilities and regular cash pickups. The 2021 Council report did not include the elimination of cheque payments at Community Centres. Cheque payments also come with risks including fraud, potential for insufficient funds, delays in payment processing, and increased administrative costs. The Office of the City Solicitor has confirmed that the City is not obligated by law to accept cash or cheques as a form of payment.

#### **Recommendation**

We recommend that management:

- Ensure that Community Centres comply with the 2021 Council cashless directive without exception.
- Ensure that cheques no longer be accepted as a method of payment at Community Centres.
- Financial Services develop the requisite policy/procedures updates based on the Council approved 2021 report.

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<sup>9</sup> [\*Committee of the Whole Report, September 14, 2021 – ELIMINATION OF CASH TRANSACTIONS\*](#)



## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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#### **Management Action Plan**

Management agrees with these recommendations.

Recreation Services will begin preparation immediately, with the intent of eliminating the receipt of cash and cheques, effective September 31, 2025.

A communication plan has been enacted to prepare staff for the change and ensure the public is aware of the services being provided.

Financial Services is in the process of updating the cash handling policy as part of their 5-year review cycle. It is expected that this will be completed by Q1 2026.

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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#### **7. Reenforce Staff and Community Safety at the Community Centres**

The City of Vaughan is committed to providing city-operated Community Centre facilities that ensure the safety of its users. The Safe Community Centres Policy (RC-007) identifies three classifications of incidents that may occur in city-operated Community Centre facilities. They include:

**Level 1** – e.g. - Smoking in city-operated Community Centre facilities, horseplay causing injury, not following rules and regulations for programs etc.

**Level 2** – Escalation of level one incidents/failure to cease and desist Level 1 incidents, verbal assault, threatening language or gestures, deliberate damage to facility etc.

**Level 3** – Illegal activities governed by criminal code, physical assault causing bodily harm, violent throwing of articles causing injury of property damage etc.

The audit is aware of at least one incident where Community Centre staff were subject to verbal abuse and aggressive behaviour including hostile and threatening remarks (level 2). Ultimately two local students were suspended for 8 months from the Community Centre for this behaviour. However, the process to complete the investigation took 72 days from the time of the incident to the date of suspension. This left the Community Centre staff exposed to any potential retribution by the suspended members.

Membership and access to our Community Centres should be considered a privilege and not a right. In cases where a member of the public has allegedly harassed<sup>10</sup> City of Vaughan staff or a member of the public, their Community Centre membership and access should be revoked immediately pending investigation. This would demonstrate intolerance to such behaviour and ensure the wellbeing of our staff and the public.

Security services are typically required in situations involving the need for property and personnel protection, access control, emergency response, loss prevention, or crime prevention and investigation. These are all viable potential risks with Community Centre operations. The City's Security Services does not have a consistent presence at the Community Centres to act as a deterrent to these types of incidents. Currently, Security Services does not have the staffing levels to support Recreation Services at the required level of need. Community Centres are often overwhelmed by groups of local students, who loiter in the facilities and frequently causing disturbances or damage. It often falls solely on Community Centre staff to control or defuse these situations. An in-depth Security Audit is part of the 2025 Internal Audit Work Plan and will be looking more closely at Citywide security services.

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<sup>10</sup> "...harassment is any improper conduct by an individual, that is directed at and offensive to another person or persons, and that the individual knew or ought reasonably to have known would cause offence or harm. It comprises any objectionable act, comment or display that demeans, belittles, or causes personal humiliation or embarrassment, and any act of intimidation or threat. It includes harassment within the meaning of the Canadian Human Rights Act. Harassment will also be defined as any verbal abuse, bullying or aggressive approaches to an individual or group. It may also include remarks and actions that create a hostile or intimidating environment..." - City's Safe Community Centres Policy: RC007

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

---

#### **Recommendation**

We recommend that management:

- Develop suspension criteria for Community Centre members and the public for the various classifications of incidents related to the City's Safe Community Centres Policy.
- Immediately suspend access to the City facilities to Community Centre members and the public accused of violating the City's Safe Community Centres Policy pending an investigation.
- Increase security services presence at the Community Centres based on a needs risk assessment.

#### **Management Action Plan**

Management agrees with these recommendations.

A comprehensive review and update to the Safe Community Centres Policy, revised as the Safe Recreation Policy, was initiated in 2024. That update will be presented to Council in Q3 2025 and will enhance and clarify the code of conduct and responsibilities of staff in responding to incidents.

Facility Management Operations, Corporate Security Services has implemented a security program that will see an in-person security presence at some community centres during select times.

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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#### **8. *Enhance the Management of Incident Reports***

An incident report is a crucial document that records injuries, near misses, and accidents to ensure accountability and facilitate improvements in safety. It should be completed at the time an incident occurs no matter how minor an injury is.

Currently, incident reports are prepared by Community Centre staff, on manual forms and kept at each Community Centre. However, based on discussions with Vaughan's Legal Services, these forms are not always completed in a manner that facilitates an investigation or the litigation of the event. It could take years for an incident to go to litigation. It is important to capture as much information as possible at the time of the incident to assist the City in its defense.

Issues that were identified include:

- The forms are not currently identified as litigation privileged. Litigation privilege protects these documents and in turn the City in preparing for existing or anticipated litigation.
- There is no clear protocol to save video footage (surveillance) of the incident. If this type of evidence is not saved or overwritten, often courts assume that this has been done intentionally by the City and presumes fault by the City.
- On an optional basis, Recreation Supervisors are asked to provide photographs of the incident. This should be mandatory.
- Recreation Supervisors should immediately determine and record staff that were on duty at the time of the incident and interview staff. This should be mandatory. Many times, the individuals are not listed or interviewed. Additionally, because of the number of temporary and seasonal staff within Recreation Services, these individuals may no longer be employed by the City when the matter goes to litigation. By default, the City does not require these employees to consent to release their contact information once they have left the City. Getting this consent after the fact, further delays and adds cost to addressing the litigation.
- Paper and Excel based systems are prone to errors, cumbersome to manage and offer limited visibility of incidents, especially if they occur across locations. Siloed information makes errors and compliance gaps more common, exposing the City to liability. In contrast, digital systems centralize data from various systems and locations, providing real-time insights and streamlining communication.
- There is no documented end to end process (SOP, guidelines) for the handling of incident reports. Guidance is assumed to be provided by the form itself.

#### **Recommendation**

We recommend that management:

- Ensure that the incident forms are identified as litigation privileged.
- Maintain a centrally digitized repository of incident reports, indexed and assessable to accountable staff and management.

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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- Provide training on a regular basis to Recreation Supervisors and staff to ensure that they are aware of the process and the consequences of not providing sufficient or inaccurate information. Additionally, documented end to end process (SOP, guidelines) for the handling of incident reports should be developed.
- Ensure that video footage is saved and stored immediately following the reporting of an incident. In addition, Security Services should also provide direct assistance and participate in investigating some of the more significant issues reported by Recreational staff.
- Undertake a review of camera locations and coverage at all Community Centres.

#### **Management Action Plan**

Management agrees with these recommendations.

Recreation accident/incident forms and witness statements have been updated to reflect litigation privilege. A database and operational procedure will be established for the storage and cataloguing of accident/incident reports. Training will be provided to staff to ensure their understanding and administration of the procedure.

Facility Management Operations Corporate Security Services will continue to support the investigation of incidents and enhance the placement and technology used in the capture and retention of video evidence.

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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#### **9. Ensure Liability Waivers are Completed and Retained on File**

Many activities offered by the City carry an inherent degree of risk. Due to the nature of the sport or activity, injuries can be serious. In cases of injury, the primary avenue taken by plaintiffs in Ontario is based on the duty of care<sup>11</sup>. Liability waivers<sup>12</sup> are an important way to help protect the City from liability. Without a waiver, the City is at higher risk for lawsuits brought on by individuals harmed due to ordinary negligence.

Our sample test found that signed member waivers<sup>13</sup> could not be located for a significant number of active members in our sample who purchased individual passes/visits to our Community Centres. These passes do not expire and can be used years after purchase. Purchasers of the passes are required to sign a waiver at the time of purchase, but due to the age of some of the passes, Recreation staff were unable to locate the signed waivers. This situation was augmented by the fact that many of these passes<sup>14</sup> were purchased before the implementation of PerfectMind<sup>15</sup>.

The City does have comprehensive insurance in place. However, insurance and waivers serve distinct purposes. Insurance and waivers are both risk management tools, but they operate differently. Insurance provides financial protection by transferring the risk of financial loss to an insurer, while waivers are legal agreements that transfer liability for negligence or certain types of harm from one party to another. When properly drafted and executed, waivers are often used in conjunction with insurance to provide a more comprehensive risk management strategy.

#### **Recommendation**

We recommend that management:

- Ensure that liability waivers have been signed.
- Set expiry dates on individual visitor passes, going forward.
- For the passes that have already been sold, mark them as “frozen” in PerfectMind if they are older than a predefined date. Should the holder of the pass attempt to use it, they would have to first resign a waiver form.
- Speak with Legal Services regarding expiring passes that have already been sold (based on a predefined date).

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<sup>11</sup> Outlined in Section 3(1) of the Occupiers' Liability Act.

<sup>12</sup> A liability waiver is a legal document where a person agrees to release a party (e.g., a municipality) from liability for certain injuries or damages that may occur during a specific activity.

<sup>13</sup> Legal Services is satisfied with the existing wording in the City's waiver declaration.

<sup>14</sup> There are 58,226 active members on the recreation members list. Of these active members 16,614 (29%) have activation dates of December 31, 2015, or earlier (with the earliest date of 01/15/2001 for a member that was 80 years old at that time). Of the 58,226 active members 25,379 (44%) have activation dates of December 31, 2019, or earlier.

<sup>15</sup> <https://www.xplorrecreation.com/company/about>

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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#### **Management Action Plan**

Management agrees with the recommendations.

Recreation Services will establish a 2-year expiry date for fixed visit membership passes (i.e. 10 visit pass). Existing pass holders will be required to complete an updated waiver every 2 years in order to redeem any remaining visits. These changes will be enacted and communicated to impacted membership holders by Q3 2025.

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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#### ***10. Continue to Develop, Review and Enhance Policies, Procedures and Standards***

The City and Recreation Services has developed a comprehensive suite of policies and procedures that govern the delivery of recreation programming. They cover a range of topics, including facility access, program safety, and participant responsibility. These policies are designed to ensure that Recreation Services are safe and accessible to everyone.

The Department also leverages corporate policies such as finance and procurement and general staff policies. Additionally, strategies are in place including the User Fee policy, Multi-Year Accessibility Plan (MYAP), Age-friendly strategy, and Anti-Black Racism strategy. These, coupled with the Community Service Organization Policy, Events Strategy, Safe Community Center Policy, etc., help the Department focus on ensuring programs and services offered that meet these criteria. However, there are opportunities to update and develop standards and processes relating to operating procedures at the Community Centres, including:

- The City's newest Community Centre, Carrville Community Centre, is designed to surpass minimum accessibility regulations. Additional features include, but are not limited to, gender-neutral washrooms throughout the facility, gender-neutral aquatic change facilities in addition to gender-specific change facilities. However, it is unclear how, if or when other existing Community Centres will meet the same design standards established for the Carrville Community Centre.
- There is no formal inventory control system or inventory condition assessment guidelines for the Community Centres. Each Community Centre uses their own manual/excel process to manage their inventory. Inventory replenishment is loosely based on expected need and informal assessment of asset condition.
- Public complaints that go to the Community Centre staff are tracked by email or dispositioned verbally. There is no formal tracking system to monitor complaints or track trends.
- Because of system limitations, some Community Centre staff use contact lists to track expiring staff certifications. While other Community Centres don't use the list at all for this purpose. This should be standardized.
- For volunteer staff, there is no centralized schedule process or formal determination on how they are scheduled. It is essentially done ad hoc at each community center.
- Some Community Centre staff were not clear on how information is filed/indexed on SharePoint. This was particularly true with inexperienced staff members. They sometimes find it difficult to locate documents.

Consistency in policy and process development is crucial for predictability, fairness, and accountability. It ensures clear guidelines for everyone, promotes a level playing field, and reduces ambiguity, ultimately contributing to a more efficient and effective operations.



## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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#### **Recommendation**

We recommend that management continue to develop policies, processes and standards to ensure consistent, efficient and effective operations.

#### **Management Action Plan**

Management agrees with this recommendation.

Recreation Services will continue to review, evaluate and develop policies, procedures and guidelines for the operation of community centres.

## INTERNAL AUDIT REPORT

### RECREATION SERVICES AUDIT PHASE 1

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#### ***11. Develop a Strategic Resourcing Plan***

The Department participates and is aligned with the Human Resource attraction strategy; including Alternative Work Arrangements (AWA) where operationally possible and feasible. The Recreation Management Team is committed to performance management and developing staff as part of succession planning. However, a strategic resource plan is not formally in place.

The Department has dealt with grievances pertaining primarily to responsibilities within positions that were converted, mainly to City Hall from the Community Centres, and the movement of facility services staff under Facility Management. Although job descriptions have been updated and grievances dealt with, a strategic human resource plan would clarify the organizational objectives of the Department, add transparency and potentially circumvent future issues that may lead to employee grievances.

By fostering a culture of open communication regarding organizational objectives, through strategic resource planning, Recreation Services can help ensure employee satisfaction, bolster trust within the team, and create a more harmonious and productive workplace.

Further, it is critical to ensuring that the Department has the workforce complement it requires to meet both current and future business objectives. Strategic staffing ensures that a business unit has the appropriate number of employees, with the skills it needs to achieve objectives efficiently and effectively.

#### **Recommendation**

We recommend that management develop a strategic resource plan with the assistance of the Human Resources Department.

#### **Management Action Plan**

Management agrees with this recommendation.

Recreation Services is undertaking an internal review of the operational structure to ensure we are positioned and resourced for continued success to meet current and future demands. The Department will consult with Human Resources on the development of a strategic resource plan.