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## **CITY OF SASKATOON Animal Services Program**

The Animal Services Program applies to both cats and dogs. It is designed to ensure citizens, with and without pets, have the opportunity to enjoy Saskatoon's beautiful neighbourhoods.

**July 2009**

# Report Highlights

## City of Saskatoon Animal Services Program

### **Purpose of the Audit**

The objectives of this audit were to:

- Assess the financial position and performance of the SPCA.
- Determine if adequate internal controls are in place to minimize the likelihood and/or impact of risk events inherent in the program.
- Determine if adequate systems, practices and controls are in place to ensure outside service providers comply with the terms and conditions of the applicable Agreements.
- Determine if adequate internal controls are in place to safeguard license and fine revenues.

### **What Internal Audit Recommends**

- Clarification and monitoring of enforcement agency response times.
- Online license renewals.
- Documentation of key business activities.
- A contingency plan for program services.
- Strengthened controls to ensure contract compliance.

### **What Internal Audit Found**

Overall, the Saskatoon SPCA's financial position and performance have improved greatly since 2003.

- cash and short-term investments have been completely restored;
- inventory has decreased 84%;
- accounts payable and accrued liabilities have decreased significantly (92%);
- the unrestricted fund balance (i.e. shareholder equity) has been replenished from its 2003 deficit position of almost \$240,000;
- long-term investments have increased 328% from \$91,781 at the end of 2003 to almost \$400,000 at the end of 2008;
- donations have tripled;
- program fees (i.e., adoption revenue) have increased 30%; and
- The Saskatoon SPCA has had a positive cash flow from operations, before taking into account transfers from restricted funds, since 2005.

There are several systems, practices and controls in place to manage risks inherent in the program and ensure business objectives are achieved. However, we believe additional actions are required in several areas.

Additional controls are required to ensure outside service providers comply with the terms and conditions of the applicable Agreements.

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# Table of Contents

<b>Chapter 1 – Introduction and Background .....</b>	<b>1</b>
Introduction.....	1
Background.....	1
Audit Objective & Scope.....	2
Acknowledgements.....	2
<b>Chapter 2 – SPCA Financial Position and Performance.....</b>	<b>3</b>
The SPCA’s financial position has become much stronger since 2003.....	3
The SPCA’s financial performance has greatly improved since 2003 .....	4
The SPCA’s cash flow from operations has recovered since 2003 .....	5
Financial ratio analysis demonstrates the SPCA’s improvement .....	5
Recommendation .....	9
<b>Chapter 3 – Risk Management.....</b>	<b>10</b>
Clarity regarding response time expectations would allow for an assessment of performance	10
Access to license tag distribution information and online license renewals would improve the efficiency of the “direct return home” process .....	10
Prioritized installation of perimeter fencing at off leash recreational areas would minimize safety risks .....	10
Documentation of key business activities would ensure continuity and consistency in business processes .....	11
The effectiveness of the renewal enforcement program could be improved .....	11
Debriefing sessions with the enforcement agency could improve the City’s success in Court.	11
A contingency plan would help ensure continuity of program services in an emergency .....	11
Recommendations.....	12
Management Response .....	13
<b>Chapter 4 – Contract Compliance .....</b>	<b>14</b>
Additional controls are required to ensure SACA complies with the terms and conditions of its Agreement.....	14
Additional controls are required to ensure the SPCA complies with the terms and conditions of its Agreements .....	15
Recommendation .....	16
Management Response .....	16
<b>Chapter 5 – Implementation Plan.....</b>	<b>17</b>
<b>Appendix A – Risk Matrix.....</b>	<b>18</b>

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# Chapter 1 – Introduction and Background

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## Introduction

The corporate audit plan included provision to conduct an operational and financial systems audit of the Animal Services Program.

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## Background

The Animal Services Program offers a broad range of services – from education to enforcement to amenities – to the citizens of Saskatoon. The ultimate goal of Animal Services is a financially self-sustaining program that brings about an environment where pets, pet owners and citizens can enjoy the community in harmony.

Key components of the Program include:

- Services provided by the Saskatoon Animal Control Agency (SACA) under Agreement with the City:
  - Apprehending cats and dogs at large and returning them to their owners or delivering them to the pound;
  - Responding to complaints regarding dangerous animals; and
  - Enforcing Bylaw requirements for exotic species and non-domestic animals;
- Services provided by the Saskatoon Society for the Prevention of Cruelty to Animals Inc. (SPCA) under Agreement with the City:
  - Poundkeeping services and collection of running-at-large and pound fees;
  - Lost and found animal services;
  - Pet redemption services;
  - Sustenance, shelter and medical care and, if necessary, euthanasia during the holding period, of animals received from SACA; and
  - Animal protection and cruelty investigations;
- Services provided by SACA and the SPCA under Agreement with the City:
  - Pet licensing and collection of licensing fees;
  - Providing cat traps and education on their use;
  - Issuing Violation Notices under bylaws; and
  - Complaint handling about enforcement and poundkeeping services.

## *Introduction and Background, cont'd*

- Community liaison and education;
- Reviewing and recommending off-leash recreational areas;
- Providing incentives for spaying or neutering;
- Prosecuting for Bylaw violations.

**Table 1: Operating Funding - 2005 - 2009**

<b>Operating Expenditures</b>	<b>2005 (actual)</b>	<b>2006 (actual)</b>	<b>2007 (actual)</b>	<b>2008 (actual)</b>	<b>2009 (budget)</b>
Animal licenses	\$ 402,800	\$ 446,000	\$ 439,200	\$ 459,200	\$ 537,000
Animal pound fees	14,000	22,700	24,100	23,900	24,000
Lease revenue	600	600	600	600	1,000
<b>Total Revenue</b>	<b>\$ 417,400</b>	<b>\$ 469,300</b>	<b>\$ 463,900</b>	<b>\$ 483,700</b>	<b>\$ 562,000</b>
Staff compensation	\$ 71,100	\$ 69,100	\$ 71,100	\$ 73,100	\$78,500
Transfers to funds/reserves	45,400	35,400	6,000	37,000	6,000
Grants/subsidies	120,000	121,800	124,500	128,200	135,000
Operating costs (net of cost recoveries)	90,300	140,700	142,200	146,700	191,500
Animal services	340,000	340,000	340,000	338,300	350,200
Poundkeeping	316,000	320,100	324,300	326,900	350,000
<b>Total Expenses</b>	<b>\$ 982,800</b>	<b>\$ 1,027,100</b>	<b>\$ 1,008,100</b>	<b>\$ 1,050,200</b>	<b>\$ 1,111,200</b>
<b>Net Operating Requirement</b>	<b>\$ 565,400</b>	<b>\$ 557,800</b>	<b>\$ 544,200</b>	<b>\$ 566,500</b>	<b>\$ 549,200</b>
<b>Full Time Equivalents</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

### **Audit Objective & Scope**

The objectives of the audit included:

- Assessing the financial position and performance of the SPCA.
- Determining if adequate internal controls are in place to minimize the likelihood and/or impact of risk events inherent in the program.
- Determining if adequate systems, practices and controls are in place to ensure outside service providers comply with the terms and conditions of the applicable Agreements.

We also evaluated the system of internal controls to safeguard license and fine revenues and have issued our findings under separate report (in camera).

### **Acknowledgements**

Robert Prosser & Associates Inc. wishes to extend special thanks to the General Manager of Corporate Services, City Treasurer, Animal Services Coordinator, staff of the Office of the City Treasurer, Saskatoon SPCA and Saskatoon Animal Control Agency for accommodating our requests for interviews, information and documents, and reviewing our audit findings.

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## Chapter 2 – SPCA Financial Position and Performance

One of the objectives of the audit was to assess the financial position and performance of the Saskatoon SPCA. Our analysis focused on the figures presented in the audited financial statements as of December 31, 2003 through December 31, 2008, excluding the year ended December 31, 2004 – the Saskatoon SPCA’s financial statement auditors were unable to issue an opinion on those financial statements due to deficiencies in the accounting records and system of internal controls.

Overall, the Saskatoon SPCA’s financial position and performance have improved greatly since 2003. We note, for example, that cash and short-term investments have been completely restored; inventory has decreased 84%; accounts payable and accrued liabilities have decreased significantly (92%); and the unrestricted fund balance (i.e. shareholder equity) has been replenished from its 2003 deficit position of almost \$240,000. Long-term investments have increased 328% from \$91,781 at the end of 2003 to almost \$400,000 at the end of 2008.

The Saskatoon SPCA’s financial performance has also improved since 2003. Donations have tripled and program fees (i.e., adoption revenue) have increased 30%. The Saskatoon SPCA has had a positive cash flow from operations, before taking into account transfers from restricted funds, since 2005.

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### **The SPCA’s financial position has become much stronger since 2003**

#### Unrestricted Assets and Liabilities<sup>1</sup>

- Cash and short term investments have been completely restored, with the balance improving from an overdraft of \$23,587 at December 31, 2003 to a positive balance of \$270,928 at December 31, 2008.
- Accounts receivable have decreased 18% from \$95,889 at December 31, 2003 to \$78,369 at December 31, 2008.
- Investments in inventory have decreased 84% from \$79,625 at December 31, 2003 to \$13,054 at December 31, 2008.
- Accounts payable and accrued liabilities have decreased 92% from \$194,143 at December 31, 2003 to \$14,663 at December 31, 2008.
- Accrued vacation pay has decreased 95% from \$28,745 at December 31, 2003 to \$1,413 at December 31, 2008.
- The Spay/Neuter deposit liability has decreased 65% from \$44,326 at December 31, 2003 to \$15,494 at December 31, 2008.
- The unrestricted fund balance (i.e., shareholders equity) has recovered from a deficit of \$236,973 at December 31, 2003 to a positive balance of \$278,620 at December 31, 2008.

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<sup>1</sup> Unrestricted items are related to the Saskatoon SPCA’s program delivery and administrative activities. Neither internal nor external restrictions have been placed on the use of these funds.

## *SPCA Financial Position and Performance, cont'd*

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### Restricted Assets and Liabilities<sup>2</sup>

- The restricted fund balance has increased 125% from \$261,769 at December 31, 2003 to \$589,722 at December 31, 2008.
- All restricted funds that had been borrowed to finance regular operations (\$125,148 as of December 31, 2003) have been repaid to the Ray Duerr fund.
- Long term investments have increased 328% from \$91,781 at December 31, 2003 to \$393,270 at December 31, 2008.

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### **The SPCA's financial performance has greatly improved since 2003**

#### Operating Fund

- Operating revenue has decreased by almost \$135,000 (11%) from \$1,261,041 in 2003 to \$1,126,244 in 2008.
  - Although the SPCA no longer provides animal control services under contract to the City of Saskatoon (2003: \$350,400), much of the lost revenue has been recouped from other sources (see below).
  - The City of Saskatoon's grant for animal protection services has increased \$58,222 (83%) from \$70,000 in 2003 to \$128,222 in 2008.
  - Donations have tripled since 2003 from \$114,884 to \$346,923 in 2008
  - Program fees (i.e., adoption revenue) have increased 30% since 2003.
  - Gaming revenue has decreased by 24% since 2003.
- Operating expenses have decreased by 20% from \$1,277,951 in 2003 to \$1,023,929 in 2008.
- Net operations have improved from a net operating deficiency in 2003 of \$83,257 to a net surplus of \$127,391 in 2008.
  - Each of the years 2000 through 2003 had shown a net deficiency from operations; each of the years 2005 through 2008 has shown a net surplus from operations.

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<sup>2</sup> Restricted funds are comprised of the Ray Duerr fund (i.e., an accumulation of funds from legacies, bequests, memorials and special donations) and the Raffle and Lottery Fund (i.e., the accumulation and disbursement of the revenue from raffle and lottery activities as governed by the Saskatchewan Liquor and Gaming Commission).

## *SPCA Financial Position and Performance, cont'd*

### **The SPCA's cash flow from operations has recovered since 2003**

#### Operating Fund

- Cash flow from operations has improved since 2003, from a negative net cash flow of \$34,438 to a positive net cash flow from operations of \$63,433 in 2008.
- In 2003, over \$90,000 was transferred from restricted funds to finance ongoing operations, and a negative net cash flow still resulted.
- In each year since then, the amount transferred to operations has decreased, and in 2008, less than \$19,000 was transferred from restricted funds to operations.

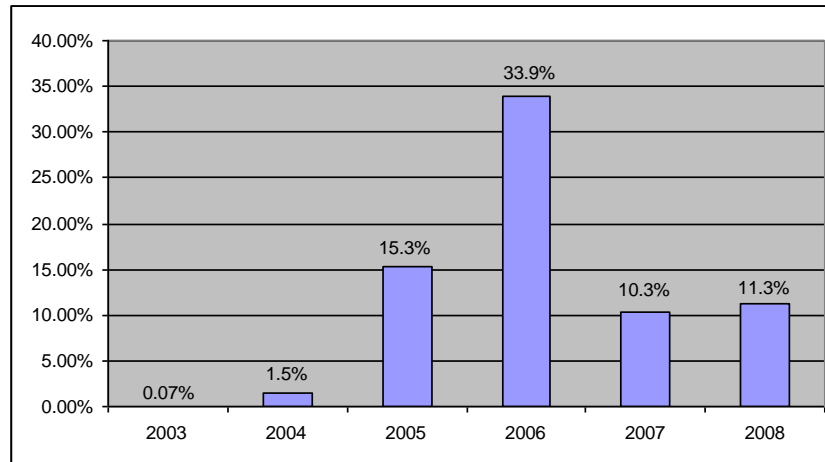
### **Financial ratio analysis demonstrates the SPCA's improvement**

An understanding of organizational performance can be obtained, in part, through an examination of relationships among items on the financial statements, and trends in these relationships. A useful starting point in developing this information is the application of ratio analysis. A ratio expresses a relationship among selected financial statement items. Analysis of such relationships can then be used to gain an understanding of the strengths and weaknesses in an organization's financial and managerial performance.

#### Profit Margin

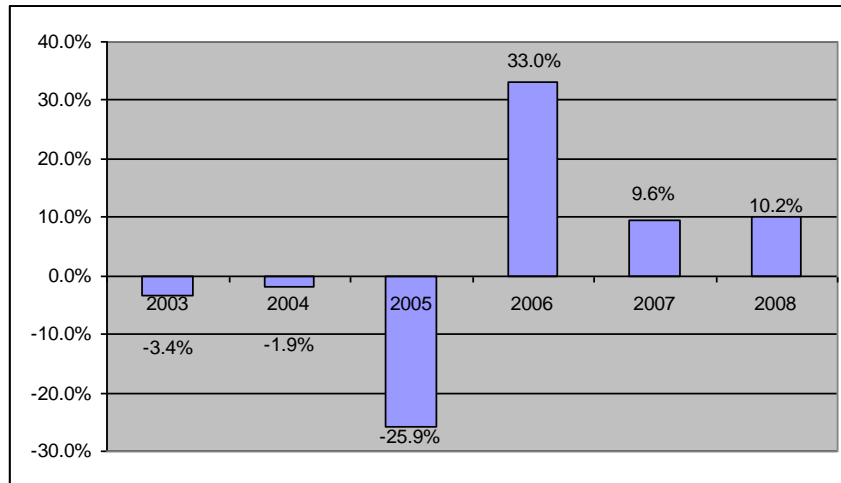
Profitability ratios measure the degree of success or failure of a given activity or organization for a given time period. The profit margin indicates how much is left over from each revenue dollar after all expenses are covered. The greater the percentage of revenue that is profit, the better off the company should be. Since the Saskatoon SPCA is a non-profit organization, however, it must find a balance between profit margin and its mandate.

**Figure 1: Saskatoon SPCA Profit Margin Before Non-Cash Transactions 2003 - 2008**



## SPCA Financial Position and Performance, cont'd

Figure 2: Saskatoon SPCA Profit Margin After Non-Cash Transactions 2003 - 2008



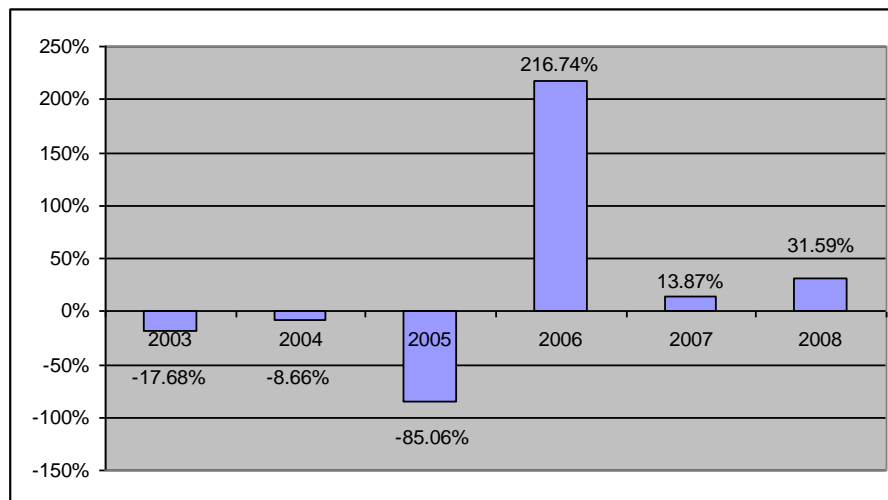
Even though negative profit margins are to be expected in non-profit organizations from time to time (since they are expected to break even over the long term), the SPCA has been working diligently on achieving profitability and replenishing the unrestricted fund balance (i.e., shareholder's equity).

The large loss after non-cash transactions in 2005 is due to a large accounting loss that was incurred on the sale of the building.

### Return on Assets

Return on assets measures how much income management has generated from each dollar's worth of investment in assets. The higher the ratio, the more effectively the assets are being managed.

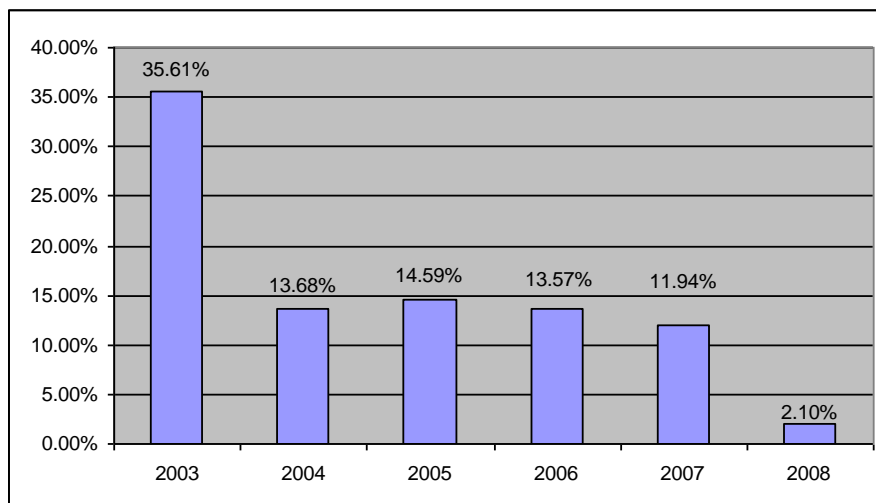
Figure 3: Saskatoon SPCA Return on Unrestricted and Capital Assets 2003 - 2008



## *SPCA Financial Position and Performance, cont'd*

For the past three years, the rate of return has been positive, suggesting that these assets are being managed effectively. Of note, the negative rate of return in 2005 is due to the loss on the sale of the building, and the extremely high rate of return in 2006 is as a result of several very large donations.

**Figure 4: Saskatoon SPCA Return on Restricted Assets 2003 - 2008**



Although the rate of return on restricted capital assets has been variable over the past four years, it is positive in each year, suggesting that restricted assets are being managed effectively. Of note, the low rate of return in 2008 is as a result of losses on several investments.

### Liquidity Ratios

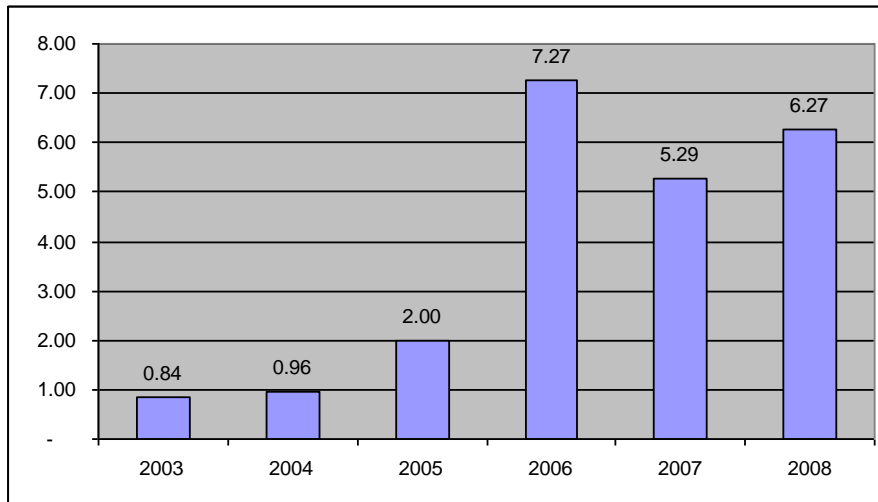
Liquidity ratios measure the organization's short-term ability to pay its maturing obligations. There are three commonly used liquidity ratios – the current ratio, the quick ratio and the debt coverage ratio.

#### *Current Ratio*

The current ratio indicates whether an organization is able to meet its current obligations by measuring if it has enough current assets to cover its current liabilities. The current ratio is a standard measure of any organizations' financial health, with a ratio of two (i.e., twice as many current assets as current liabilities) being a commonly accepted current ratio for a healthy business, although a ratio of one is considered to be good.

## SPCA Financial Position and Performance, cont'd

Figure 5: Saskatoon SPCA Current Ratio 2003 - 2008



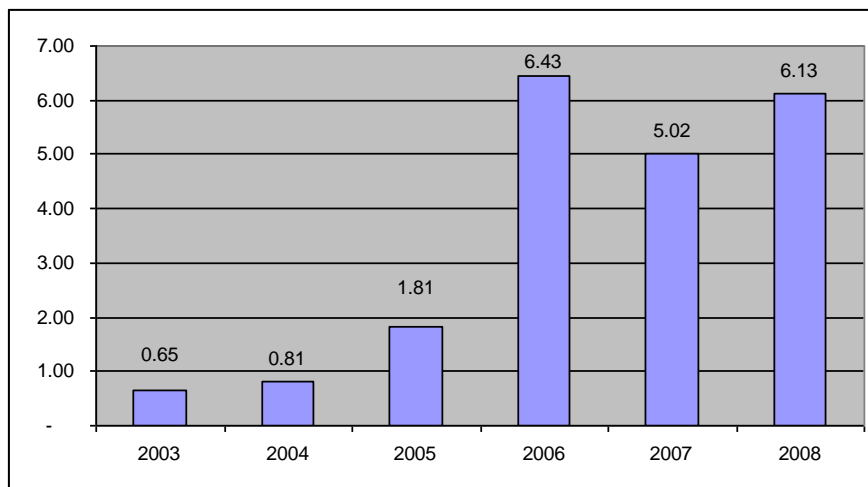
We included restricted current assets and current liabilities in our calculation due to the fact that restricted funds can be used to cover current liabilities.

Over the past several years, the current ratio of the Saskatoon SPCA has improved, with exceptional results being achieved in 2006 through 2008.

### *Quick Ratio*

The quick ratio measures short-term liquidity and is similar to the current ratio, only in a shorter time frame using more liquid assets (i.e., assets that can be more easily converted to cash).

Figure 6: Saskatoon SPCA Quick Ratio 2003 - 2008



## *SPCA Financial Position and Performance, cont'd*

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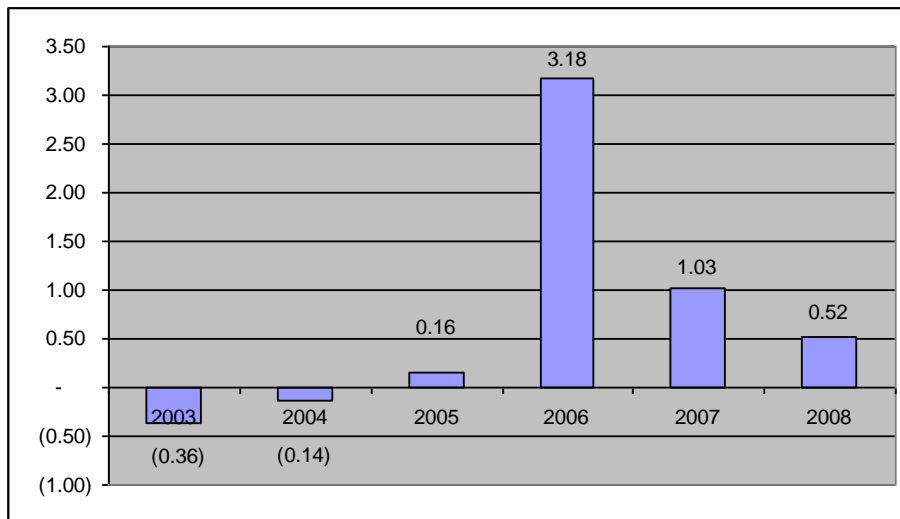
Once again, we included restricted current assets and current liabilities in our calculation.

Over the past several years, the current ratio of the Saskatoon SPCA has improved, with exceptional results being achieved in 2006 through 2008.

### *Debt Coverage Ratio*

The current cash debt coverage ratio provides a measure of an organization's short-term debt-paying ability on a cash basis. The ratio measures an organization's ability to pay off its current liabilities in a given year from its operations.

**Figure 7: Saskatoon SPCA Debt Coverage Ratio 2003 - 2008**



In each of the past four years, the Saskatoon SPCA has earned enough cash from its ongoing operations to pay off its current liabilities.

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### **Recommendation**

That the information be received.

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## Chapter 3 – Risk Management

One of the objectives of the audit was to determine if adequate internal controls are in place to minimize the likelihood and/or impact of risk events inherent in the Animal Services Program.

There are several systems, practices and controls in place to manage risks inherent in the program and ensure business objectives are achieved (see Appendix A). However, we believe additional actions are required in several areas.

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### **Clarity regarding response time expectations would allow for an assessment of performance**

If service providers do not respond to calls for service in a timely manner, safety of animals may be at risk, safety of the public may be at risk or the program may gain a reputation as slow and unresponsive.

The Animal Services Coordinator does not receive information regarding the enforcement agency’s response time to calls for service since expectations regarding response time have not been clarified with the enforcement agency.

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### **Access to license tag distribution information and online license renewals would improve the efficiency of the “direct return home” process**

There may be up to a week’s delay between a vendor selling a license and the information being entered into the licensing database and shared with the enforcement agency and pound. This makes it difficult to return an animal to its owner if the animal is displaying a tag but the licensing database does not reflect the issuance of the tag.

Treasurer’s Office staff maintain a database of inventory distribution – which vendor has received which block of dog tags, cat tags, validation stickers, etc. If the enforcement agency and pound were to have read-only access to the details regarding the block of dog and cat license tags issued to each vendor, the efficiency of the process of returning animals directly to their owners would be greatly improved. Online license renewals would also help reduce this delay and improve the process.

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### **Prioritized installation of perimeter fencing at off leash recreational areas would minimize safety risks**

Failure to provide for the safety of animals and individuals utilizing a civic off leash recreational area could result in a negative perception of the program and legal action against the City.

Perimeter fencing is in place at some, but not all, off leash recreational areas to minimize the chances of an animal escaping and injuring itself, other animals or other people. Although the Animal Services Coordinator indicates that funding is currently not adequate to fully fence all areas, due to the fact that safety of the public and animals could be affected, additional actions are required.

**Documentation of key business activities would ensure continuity and consistency in business processes**

Documented procedures help ensure continuity and consistency in the application of business processes in the event of staff absence or turnover. It is our understanding that key business processes have not been documented, which increases the risk of error, inconsistency or omission.

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**The effectiveness of the renewal enforcement program could be improved**

The main goal of the enforcement agency's activities is to ensure compliance with the Animal Control Bylaw. This is achieved through education, promotion, door to door campaigns and specific follow up efforts (i.e., renewal enforcement program).

The Animal Services Coordinator agrees that the effectiveness of the renewal enforcement program could be improved if lapsed license information was provided to the enforcement agency more frequently (i.e., quarterly instead of annually).

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**Debriefing sessions with the enforcement agency could improve the City's success in Court**

If there are errors in the documentation created by the enforcement agency and submitted to the Courts in support of an Animal Control Bylaw violation, the City may have to withdraw the charges. This results in wasted resources by all parties involved and a negative perception of the program.

The Municipal Prosecutor agrees that providing regular debriefing sessions with the enforcement agency regarding charges that had to be withdrawn by the City would be useful to remedy procedural weaknesses and increase the likelihood of successful prosecutions.

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**A contingency plan would help ensure continuity of program services in an emergency**

If one or both of the existing service providers were unable to provide services (e.g., go out of business; lose the facility through flood, fire, etc.) overall program service delivery would be at risk.

A contingency plan to provide for continuity of program services has not been developed.

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**Recommendations**

1. That, in conjunction with the enforcement agency, expectations regarding enforcement agency response times be clarified.
2. That controls be implemented to ensure periodic reports are received regarding actual response times achieved by the enforcement agency.
3. That information regarding the license tags issued to each vendor be shared with the enforcement agency and pound.
4. That, in cooperation with Corporate Information Services, implementation of online license renewals continue to be pursued.
5. That an inventory of all unfenced off leash recreational areas be developed, a prioritized listing for installation of fencing be prepared and additional funding sources be pursued for the fencing, if necessary.
6. That key business activities be documented to ensure all affected parties are involved as required and have adequate time to provide meaningful feedback.
7. That ways to improve the timeliness of information provided to the enforcement agency for the renewal enforcement program be evaluated.
8. That the City Solicitor's Office hold debriefing sessions with the enforcement agency on a regular basis to identify and remedy procedural weaknesses.
9. That a contingency plan be developed for program services.

**Management Response**

1. *Agree.*
2. *Agree.*
3. *Agree.*
4. *Agree.*
5. *Agree.*
6. *Agree.*
7. *Agree.*
8. City Solicitor's Office:  
*Agree.*
9. *Agree.*

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## Chapter 4 – Contract Compliance

One of the objectives of the audit was to determine if adequate systems, practices and controls are in place to ensure outside service providers comply with the terms and conditions of the applicable Agreements. The contract for animal control services was awarded to SACA in 2004 and was recently retendered and again awarded to SACA effective May 1, 2009. The SPCA has two contracts with the City of Saskatoon – Poundkeeping Services Agreement and Lease Agreement. The SPCA has been the City of Saskatoon’s official Poundkeeper since 1971. The contract for poundkeeping services was recently renegotiated and renewed to the SPCA.

Additional controls are required to ensure outside service providers comply with the terms and conditions of the applicable Agreements.

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### **Additional controls are required to ensure SACA complies with the terms and conditions of its Agreement**

We reviewed the systems, practices and controls that are currently in place to ensure compliance with fifteen of the most significant terms and conditions of the Agreement with SACA. Overall, we found that:

- There are adequate systems, practices and controls in place to ensure:
  - 24 hour a day, 7 day a week, telephone service is available to the public (section 5(2)),
  - Licenses are sold and the necessary documentation is provided to the City each week (section 7(8)),
  - License fees are remitted to the City each week (section 13(2)), and
  - Summary operational reports are remitted to the City each month (section 13(4)).
- Additional controls are required to ensure:
  - Suitable office, receiving and storage space is provided (section 4(1)),
  - At least two safe, air conditioned, clean and sanitary vehicles, each equipped with microchip scanners, are available for transporting animals (section 4(2)),
  - Proof of vehicle registration and annual vehicle safety inspections are provided to the City each year (section 4(3)),
  - Suitable communication equipment is provided (section 4(5)),
  - Specified office hours are maintained (section 5(1)),
  - Staff are, and remain, properly trained, qualified and competent (section 6(2)),
  - Specified levels of staff coverage are provided (section 7(2)),

- Complaint forms are available to the public and all complaints are handled consistently and reported to the City (section 12(1)),
- Audited financial statements are received in a timely manner each year (section 13(5)),
- Performance reviews are conducted annually (section 14), and
- Evidence of the required level of insurance coverage is obtained annually (section 17).

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**Additional controls are required to ensure the SPCA complies with the terms and conditions of its Agreements**

We reviewed the systems, practices and controls that are currently in place to ensure compliance with eighteen of the most significant terms and conditions of the Agreements with the SPCA. Overall, we found that:

- There are adequate systems, practices and controls in place to ensure:
  - Licenses are sold and the necessary documentation is provided to the City each week (section 8(5)),
  - A lost and found animal service is operated 24 hours a day to assist both SACA and the SPCA in identifying the owners of licensed animals (section 8(12)),
  - License fees are remitted to the City each month (section 14(3)),
  - Summary operational reports are remitted to the City each month (section 14(4)),
  - Annual rent is paid by the specified deadline (section 4 of the lease), and
  - The premises leased by the SPCA are kept in a reasonable state of repair (section 7 of the lease).
- Additional controls are required to ensure:
  - Reasonable efforts are undertaken to seek alternate funding for Animal Protection services and an annual report outlining those efforts is submitted to the City (section 4(3)),
  - Animals are properly housed, fed and cared for; regularly maintained and properly equipped vehicles are available to transport animals; and suitable communication equipment is provided (section 5(2) through (4)),

## *Contract Compliance, cont'd*

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- Specified office hours are maintained; and 24 hour a day, 7 day a week, telephone service for the Pound is available to the public (section 6(1) and (2)),
- Staff are, and remain, properly trained, qualified and competent (section 7(2) and (4)),
- Animals are redeemed only after the appropriate license, pound, and care and sustenance fees are paid (section 8(3)),
- Intake procedures are being carried out that include a health examination and vaccination (section 8(6)),
- Adopted animals are spayed or neutered (section 8(11)),
- Animals are not disposed of during the holding period (section 9(1)),
- Complaint forms are available to the public and all complaints are handled consistently and reported to the City (section 13(1)),
- Quarterly unaudited financial statements and annual audited financial statements are received in a timely manner (section 14(5)),
- Performance reviews are conducted on a periodic basis (section 15), and
- Evidence of the required level of insurance coverage is obtained annually (section 19 and section 12 of the lease).

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**Recommendation**

10. That controls be strengthened to ensure outside service providers comply with the terms and conditions of the applicable agreements.

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**Management Response**

10. *Agree.*

## Chapter 5 – Implementation Plan

	<b>Recommendations</b>	<b>Implementation Date</b>
1.	That, in conjunction with the enforcement agency, expectations regarding enforcement agency response times be clarified.	June 30, 2010
2.	That controls be implemented to ensure periodic reports are received regarding actual response times achieved by the enforcement agency.	June 30, 2010
3.	That information regarding the license tags issued to each vendor be shared with the enforcement agency and pound.	Implemented
4.	That, in cooperation with Corporate Information Services, implementation of online license renewals continue to be pursued.	Pending implementation of new animal management software system.
5.	That an inventory of all unfenced off leash recreational areas be developed, a prioritized listing for installation of fencing be prepared and additional funding sources be pursued for the fencing, if necessary.	November 30, 2009
6.	That key business activities be documented to ensure all affected parties are involved as required and have adequate time to provide meaningful feedback.	March 31, 2010
7.	That ways to improve the timeliness of information provided to the enforcement agency for the renewal enforcement program be evaluated.	Implemented
8.	That the City Solicitor’s Office hold debriefing sessions with the enforcement agency on a regular basis to identify and remedy procedural weaknesses.	Implemented
9.	That a contingency plan be developed for program services.	November 30, 2010
10.	That controls be strengthened to ensure outside service providers comply with the terms and conditions of the applicable agreements.	Implemented

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## **Appendix A – Risk Matrix**

*Appendix A, cont'd*

BUSINESS OBJECTIVE	SYSTEMS, PRACTICES AND CONTROLS	CONCLUSION
<p><b>Timely response to calls for service from the public.</b></p>	<ul style="list-style-type: none"> <li>○ If service providers do not respond to calls for service in a timely manner, safety of animals may be at risk (e.g., running at large in traffic), safety of the public may be at risk (e.g., an aggressive animal that may bite) or the program may gain a reputation as slow and unresponsive.</li> <li>○ The following systems, practices and controls are in place to help ensure timely response to calls for service from the public:               <ul style="list-style-type: none"> <li>○ Phone numbers for the various agencies involved in providing services are available in all program literature, the phone book and on the civic website.</li> <li>○ The public has 24 hour a day, 7 day a week, telephone access to the enforcement agency.</li> <li>○ Both enforcement and pound staff are on call after hours to respond to emergency situations.</li> <li>○ Contracts require vehicles to be maintained in good working condition.</li> </ul> </li> <li>○ The Animal Services Coordinator does not receive information regarding the enforcement agency's response time to calls for service since expectations regarding response time have not been clarified with the enforcement agency.</li> </ul>	<p><b>Additional actions are required.</b></p> <p>Expectations regarding enforcement agency response times should be clarified and periodic reports on actual response times should be received.</p>
<p><b>Return animals to their owners.</b></p>	<ul style="list-style-type: none"> <li>○ Animals that can not be returned directly to their owners must be impounded, which is stressful for both the owner and the animal. Animals that are not redeemed by their owner after being impounded may not be adopted and may have to be euthanized.</li> <li>○ The following systems, practices and controls are in place to help ensure animals are returned to their owners:               <ul style="list-style-type: none"> <li>○ The licensing database is updated daily for licenses sold at City Hall and weekly for licenses sold by vendors.</li> <li>○ The City provides a download of the licensing database to the enforcement agency and the pound twice per week.</li> <li>○ The pound and each enforcement vehicle are equipped with microchip readers that allow for identification of animals that have been implanted with a microchip.                   <ul style="list-style-type: none"> <li>▪ If the animal is licensed and the owner has provided it, the microchip number will be in the licensing database. Owner contact information is contained in the licensing database.</li> <li>▪ If the animal is not licensed, enforcement agency or pound staff can contact the microchip company to obtain owner contact information.</li> </ul> </li> <li>○ The SPCA operates a lost and found service where owners can register their animals as lost for 72 hours at no charge and for one year for a small fee.                   <ul style="list-style-type: none"> <li>▪ Lost animals are compared to impounded animals in order to identify matches.</li> </ul> </li> <li>○ The Animal Services Coordinator is in the process of purchasing microchip scanners for distribution to Public</li> </ul> </li> </ul>	<p><b>Additional actions are required.</b></p> <p>Information regarding the license tags issued to each vendor should be shared with the enforcement agency and pound.</p> <p>Online license renewals should be implemented, in cooperation with CIS.</p>

*Appendix A, cont'd*

BUSINESS OBJECTIVE	SYSTEMS, PRACTICES AND CONTROLS	CONCLUSION
	<p>Works Branch staff so that they can scan dead animals before disposal and perhaps bring closure to owners if their animal has been found dead.</p> <ul style="list-style-type: none"> <li>○ Owners must show identification when they redeem their animal from the pound. For licensed animals, the address on the identification must match the address in the licensing database.</li> <li>○ There may be up to a week's delay between a vendor selling a license and the information being entered into the licensing database and shared with the enforcement agency and pound. <ul style="list-style-type: none"> <li>○ This makes it difficult to return an animal to its owner if the animal is displaying a tag but the licensing database does not reflect the issuance of the tag. <ul style="list-style-type: none"> <li>▪ Enforcement agency staff will invest significant time phoning the various vendors throughout the city in order to identify the vendor who sold the license, verify the sale and obtain the owner's contact information.</li> <li>▪ This process would be much more efficient if details regarding the block of license tags issued to each vendor were shared with the enforcement agency and pound.</li> </ul> </li> <li>○ Another option that the Animal Services Coordinator is pursuing in order to help alleviate this delay is online license renewals. <ul style="list-style-type: none"> <li>▪ People are becoming more accustomed to online payment services and have often come to expect this convenient payment option.</li> <li>▪ Online license renewals would also reduce the need for vendors to process renewals and could result in cost savings (i.e., a commission would no longer be payable on these transactions).</li> </ul> </li> </ul> </li> </ul>	
<p><b>Safety of animals.</b></p>	<ul style="list-style-type: none"> <li>○ Failure to provide for the safety of animals in the enforcement agency's or pound's care, or while utilizing a civic off leash recreational area, could result in a negative perception of the program and legal action against the City.</li> <li>○ The following systems, practices and controls are in place to help ensure the safety of animals: <ul style="list-style-type: none"> <li>○ Contracts require staff to be adequately trained, qualified and competent in the proper care and handling of animals.</li> <li>○ Animals are secured by leash and/or cage when being transported to the pound by the enforcement agency.</li> <li>○ Animals are vaccinated upon arriving at the pound in order to avoid transmission of disease.</li> <li>○ Animals are housed in clean, segregated cages at the pound. Cages are cleaned at least once per day.</li> <li>○ Animals that appear to be ill are quarantined at the pound.</li> <li>○ The decision to euthanize an animal during the 96 hour</li> </ul> </li> </ul>	<p><b>Additional actions are required.</b></p> <p>An inventory all unfenced off leash recreational areas should be developed, a prioritized listing for installation of fencing should be prepared and additional funding sources should be</p>

*Appendix A, cont'd*

BUSINESS OBJECTIVE	SYSTEMS, PRACTICES AND CONTROLS	CONCLUSION
	<p>holding period (e.g., an animal arrives injured and its condition deteriorates) is only to be made by a qualified veterinarian.</p> <ul style="list-style-type: none"> <li>○ Rules of conduct, animal owner responsibilities and bylaw requirements are posted at each off leash recreational area.</li> <li>○ Perimeter fencing is in place at some off leash recreational areas to minimize the chances of an animal escaping and injuring itself, other animals or other people. However, it is our understanding that funding is currently not adequate to fully fence all areas.</li> </ul>	<p>pursued for the fencing, if necessary.</p>
<p><b>Public safety.</b></p>	<ul style="list-style-type: none"> <li>○ The program is responsible for enforcing the dangerous dog bylaw and providing safe, accessible off leash recreational areas. Incidents, accidents and injuries directly related to these responsibilities could result in a negative perception of the program and legal action against the City.</li> <li>○ The following systems, practices and controls are in place to help ensure the safety of the public: <ul style="list-style-type: none"> <li>○ Enforcement agency staff follow up at least annually on all dangerous dog court orders in order to ensure all conditions are being adhered to.</li> <li>○ Educational literature has been distributed regarding dog bite prevention, rabies and dangerous animals.</li> <li>○ Rules of conduct, animal owner responsibilities and bylaw requirements are posted at each off leash recreational area.</li> <li>○ Each off leash recreational area has a volunteer user group. The user group can bring issues of concern to the Animal Control Advisory Committee (e.g., vehicles in off leash recreational areas was a safety hazard for users that lead to a bylaw amendment).</li> </ul> </li> <li>○ Perimeter fencing is in place at some off leash recreational areas to minimize the chances of an animal escaping and injuring itself, other animals or other people. However, it is our understanding that funding is currently not adequate to fully fence all areas.</li> </ul>	<p><b>Additional actions are required.</b></p> <p>See above re: off leash recreational area fencing.</p>
<p><b>Positive public relationship and reputation.</b></p>	<ul style="list-style-type: none"> <li>○ A negative public relationship and reputation makes it more difficult to achieve voluntary compliance with bylaw requirements, which necessitates more enforcement efforts, resulting in more tickets being issued which can perpetuate the negative perception of the program.</li> <li>○ The following systems, practices and controls are in place to help ensure a positive public relationship and reputation: <ul style="list-style-type: none"> <li>○ There are several opportunities animal owners and general citizens have to affect change – Dog Owner Input Group, Cat Owner Input Group, Off Leash Recreational Area User Groups (six groups for the six areas) and the Advisory Committee on Animal Control.</li> <li>○ Educational literature has been designed to focus on the positive aspects of the program (e.g., benefits of licensing, responsible pet ownership).</li> <li>○ The Animal Services Coordinator takes advantage of</li> </ul> </li> </ul>	<p><b>Additional actions are required.</b></p> <p>Key business activities should be documented to ensure all affected parties are involved as required and have adequate time to provide meaningful feedback.</p>

*Appendix A, cont'd*

BUSINESS OBJECTIVE	SYSTEMS, PRACTICES AND CONTROLS	CONCLUSION
	<p>opportunities to promote the program, its activities and its benefits (e.g., newspaper advertisements, attendance at relevant events, presentations to community associations).</p> <ul style="list-style-type: none"> <li>○ Contracts require staff to be adequately trained, qualified and competent and receive training in effective customer service and conflict resolution.</li> <li>○ Complaints can be submitted to the enforcement agency, pound or program coordinator in person, by phone or through email.</li> <li>○ The enforcement agency and pound are required by contract to make complaint forms available to the public and to report all complaints received to the City.</li> <li>○ For seven out of the past nine years, the City of Saskatoon Civic Services Survey indicates that citizens are satisfied with animal licensing and control of dangerous/nuisance animals (i.e., the measure of how well the City is doing in delivering service exceeds the measure of how important the service is).</li> <li>○ Documented procedures help ensure continuity and consistency in the application of business processes in the event of staff absence or turnover. It is our understanding that key business processes have not been documented, which increases the risk of error, inconsistency or omission.</li> </ul>	
<p><b>Compliance with bylaws.</b></p>	<ul style="list-style-type: none"> <li>○ The purpose of the Animal Control Bylaw is to decrease the number of nuisance animals in the city. Nuisance animals impair the ability of individuals to enjoy their yards and neighborhoods. Those who voluntarily comply with the bylaw may become frustrated with those who don't and may believe that the program treats people inequitably.</li> <li>○ The following systems, practices and controls are in place to help ensure compliance with the bylaw: <ul style="list-style-type: none"> <li>○ Educational literature has been circulated to virtually every household in the city through pamphlet insert in utility bills. This occurs 3 or 4 times per year.</li> <li>○ The bylaw requirements and characteristics of responsible pet ownership have been promoted through newspaper advertisements, attendance at relevant events and presentations to community associations.</li> <li>○ The overall philosophy of the program has been communicated to animal owners and the general public (e.g., pamphlets, website, outreach, public service announcements, etc.).</li> <li>○ Door to door licensing campaigns have taken place at various locations throughout the city each year.</li> <li>○ The City Solicitor's Office monitors and reports to the Advisory Committee on Animal Control on a monthly basis the outcome of all prosecutions.</li> </ul> </li> <li>○ Enforcement agency staff are responsible for following up on lapsed animal licenses (i.e., renewal enforcement program). The Animal Services Coordinator agrees that the effectiveness of the renewal</li> </ul>	<p><b>Additional actions are required.</b></p> <p>Ways to improve the timeliness of information provided to the enforcement agency for the renewal enforcement program should be evaluated.</p> <p>Debriefing sessions should be held with the enforcement agency on a regular basis to identify and remedy procedural weaknesses.</p>

*Appendix A, cont'd*

BUSINESS OBJECTIVE	SYSTEMS, PRACTICES AND CONTROLS	CONCLUSION
	<p>enforcement program could be improved if lapsed license information was provided to the enforcement agency more frequently (i.e., quarterly instead of annually).</p> <ul style="list-style-type: none"> <li>○ The Municipal Prosecutor agrees that providing regular debriefing sessions with the enforcement agency regarding charges that had to be withdrawn by the City would be useful to remedy procedural weaknesses and increase the likelihood of successful prosecutions.</li> </ul>	
<p><b>Continuity of services.</b></p>	<ul style="list-style-type: none"> <li>○ If one or both of the existing service providers were unable to provide services (e.g., go out of business; lose the facility through flood, fire, etc.) overall program service delivery would be at risk.</li> <li>○ The following systems, practices and controls are in place to help ensure continuity of services: <ul style="list-style-type: none"> <li>○ On an annual basis, audited financial statements are required under contract to be provided to the City. This allows for an assessment of the financial stability and financial performance of each service provider. <ul style="list-style-type: none"> <li>▪ The SPCA is also required under contract to provide quarterly unaudited financial statements to the City.</li> </ul> </li> <li>○ The Animal Services Coordinator maintains a positive working relationship with each agency that includes discussions and site visits.</li> </ul> </li> <li>○ A contingency plan to provide for continuity of program services has not been prepared. <ul style="list-style-type: none"> <li>○ For enforcement services, only one bid was received when the request for proposals was recently advertised. This suggests that another service provider may not be readily available to serve in an emergency capacity.</li> <li>○ For pound services, while temporary space could likely be found and/or local kennels requested to provide emergency housing for impounded animals, the question would soon arise regarding what to do with the animals once the 96 hour holding period expired.</li> </ul> </li> </ul>	<p><b>Additional actions are required.</b></p> <p>A contingency plan for program services should be developed.</p>
<p><b>Financial self-sufficiency.</b></p>	<ul style="list-style-type: none"> <li>○ Failure to achieve financial self-sufficiency can place undue pressure on the mill rate.</li> <li>○ The following systems, practices and controls are in place to help ensure financial self-sufficiency is achieved: <ul style="list-style-type: none"> <li>○ A draft business plan was prepared, showing that financial self-sufficiency could be achieved within nine years.</li> <li>○ Several initiatives have recently been introduced, in accordance with the draft business plan, including license fee increases for dogs, a subsidized spay/neuter program, enforcement agency bike patrols and the renewal enforcement program.</li> <li>○ Periodic reports to City Council include updates on progress in implementing program initiatives.</li> </ul> </li> </ul>	<p><b>Additional actions are not required.</b></p>