



January 4, 2013

City of Saskatoon – City Clerk’s Office  
Attention: Secretary – Audit Committee  
222-3<sup>rd</sup> Avenue North  
Saskatoon, Saskatchewan S7K 0J5

### **Audit Report – Grants Administration**

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The 2011-2012 Corporate Audit Plan included provision to conduct a financial system audit of Grants Administration. This area had not been subject to internal audit in the past.

The City of Saskatoon provides financial assistance in the form of cash grants and tax abatements to a variety of sport, culture and social-serving community groups for the delivery and coordination of programs meeting the expressed needs of residents. Outside organizations can also receive certain civic services, at no cost, to facilitate their event or activity. In addition, the City provides cash grant support and incentives for cultural and heritage facilities, the stewardship of the natural and heritage resources along the river edges, tourism and economic development in Saskatoon.

Over the past three years, the budgeted dollars for the City’s grant programs have increased over 9%, with the 2012 operating budget exceeding \$7.9 million. The audit focused largely on those grants administered by the Community Services Department that follow an application-based grant process (e.g., cultural grants, community grants, sport participation grants, youth sports subsidy, special events, etc.). The audit also included an examination of the process surrounding specific stand-alone grant agreements (e.g., Downtown Youth Centre (EGADZ), Saskatoon Crisis Intervention Service, Detoxification Centre, etc.), the Leisure Access Program and Provision of Civic Services program.

The overall objective of the audit was to determine whether adequate systems, practices and controls are in place to ensure grants are effectively managed during all stages of the grant life-cycle (i.e., program design, selection and approval, monitoring, and measuring and reporting results).

Management is currently working on implementation of the recommendations.

Respectfully submitted,

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