

Toronto Community Housing



## State of Good Repair Program Internal Audit Management Action

Item 15D

September 11, 2025

Building Investment, Finance and Audit Committee

**Report: BIFAC:C2025-81**
**To:** Building Investment, Finance and Audit Committee  
("BIFAC")

**From:** Vice President, Facilities Management and Chief Financial Officer

**Date:** August 5, 2025

### PURPOSE:

This report provides the Building Investment, Finance and Audit Committee ("BIFAC") and the Board of Directors (the "Board") with an update on the implementation progress of Toronto Community Housing Corporation's ("TCHC") State of Good Repair ("SOGR") program internal audit recommendations

### RECOMMENDATION:

It is recommended that the Building Investment, Finance and Audit Committee receive this report for information and forward it to the Board of Directors for information.

### FINANCIAL IMPACT STATEMENT:

There are no financial impacts resulting from the recommendation in this report.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the financial impact section.

## REASONS FOR RECOMMENDATIONS:

### Background

At its March 18, 2024 meeting, BIFAC received the Internal Audit Report *Capital Projects Planning and Monitoring Process Review (State of Good Repair)* ([BIFAC:C2024-23](#)), which outlined eight improvement recommendations for TCHC Management. This update specifically addresses Recommendation #1b: *the documentation of procedures related to capital projects—including planning, prioritization, monitoring, and reporting—to support efficient project delivery.*

In response, Facilities Management (FM) and Capital Planning engaged Ameresco Inc. to develop standard operating procedures (SOPs) for the State of Good Repair (SOGR) capital program. The SOPs outline key elements of capital project delivery cycle including planning, prioritization, monitoring, and reporting—to promote consistent and efficient project execution and delivery.

### Ameresco Inc.'s Approach

Between August 2024 and January 2025, Ameresco Inc. undertook a comprehensive review process to assess and document existing capital planning activities. This effort included more than 45 stakeholder engagement sessions and 20 structured workshops involving representatives from Facilities Management, Operations, Finance, Policy, and Capital Planning. The objective was to capture “as-is” processes and identify opportunities for standardization and improvement.

### Key Findings & Recommendations

A summary of the review process, including the project’s methodology, key findings, and recommended actions, is included in Attachment 1.

### Key Findings

1. Capital planning and prioritization process is inclusive and occurring but is not yet systematic, transparent, measurable, and defensible.
2. There are three (3) different administrative processes taking place in varying data repositories leading to manual processes which are labor intensive and time consuming.
3. Risk of buildings impacting the Quality of Resident Life if the 10-year capital plan and KPI’s aren’t extended beyond 2027.

## Key Recommendations

1. Develop a custom workflow to automate processes, document decisions and review junctures, and allow for real-time sharing of information to all budget stakeholders.
2. Explore a process that consolidates all asset and facility management data within one system of record to enable organizational decision making.
3. Continue to preserve the Quality of Resident Life by utilizing FCI as a key performance indicator beyond 2027.

Seven Standard Operating Procedures (SOPs) were developed to support capital planning activities (Attachments 2-8).

**Table 1: Summary of Standard Operating Procedures (SOPs)**

SOP	Title
SOP-01	Capital Budget 10-Year Plan
SOP-02	Planned Capital Prioritization
SOP-03	Planned Capital Monitoring and Reporting
SOP-04	Planned Capital Cost Estimation
SOP-05	Capital Program Facility Condition Index (FCI) Key Performance Indicator
SOP-06	Building Condition Assessments Selection and Prioritization
SOP-07	Capital Project Development

## NEXT STEPS:

To address the remaining components of Internal Audit Recommendation 1 (items a and c), TCHC will develop a formal SOGR Capital Planning policy to guide the planning and monitoring of capital projects. The policy will establish a standardized framework that promotes accountability, ensures consistency, and enhances efficiency, while offering staff clear and actionable guidance.

Finance and FM teams have commenced working with Information Technology Services (ITS) to explore feasible technology solutions including Yardi to address the key recommendations noted above.

Following adoption of the policy and standard operating procedures, TCHC will deliver targeted training to FM, Finance and Operations staff, equipping them with the tools and understanding needed to apply the framework effectively and fulfill their responsibilities with confidence and clarity.

**IMPLICATIONS & RISKS:**

The successful implementation of the SOPs and broader SOGR program enhancements is contingent on several organizational and operational factors. The following implications and risks have been identified:

**Change Management and Organizational Culture**

Implementing standardized procedures and updated workflows represents a cultural shift for TCHC. Achieving sustained buy-in across departments will require targeted change management strategies, clear communication and leadership support. These efforts are essential to foster adoption and embed the new practices into day-to-day operations.

**Team Engagement and Buy-In**

The effectiveness of the consultant recommendations depends on active engagement and ownership from the FM, Finance and Operations teams. Their commitment to integrating both the SOPs and insights from the SOGR program review will be critical to enhancing capital project delivery. This includes adopting consistent practices in planning, prioritization, monitoring, and reporting that align with the strategic objectives of the SOGR program.

**Governance and Accountability**

To ensure transparency and oversight, TCHC will provide semi-annual progress updates to the BIFAC and Board of Directors. These updates will track implementation milestones, monitor performance against key indicators, and identify any emerging challenges or resource requirements.

**Technology Harmonization and Investment**

Technology investments aligned with the proposed harmonization requirements will be assessed and submitted through the 2026 budget process for consideration and approval.

**SIGNATURES:**

“Lily Chen”

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Lily Chen,  
Chief Financial Officer

and

“Noah Slater”

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Noah Slater,  
Vice President, Facilities Management

**Confidential Attachment 1:** Standard Operating Procedures Summary (Presentation)

**Reason for Confidentiality:** The Confidential Attachment includes information related to a position, plan, procedure, criteria, or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of Toronto Community Housing Corporation, labour relations and/or employee negotiations.

**ATTACHMENTS:**

2. SOP-01: Capital Budget 10-Year Plan
3. SOP-02: Planned Capital Prioritization
4. SOP-03: Planned Capital Monitoring and Reporting
5. SOP-04: Planned Capital Cost Estimation
6. SOP-05: Capital Program Facility Condition Index (FCI) Key Performance Indicator
7. SOP-06: Building Condition Assessments Selection and Prioritization
8. SOP-07: Design and Engineering Capital Project Development

**STAFF CONTACT:**

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**SOP-01: Capital Budget 10-Year Plan Summary - Process Workflow**



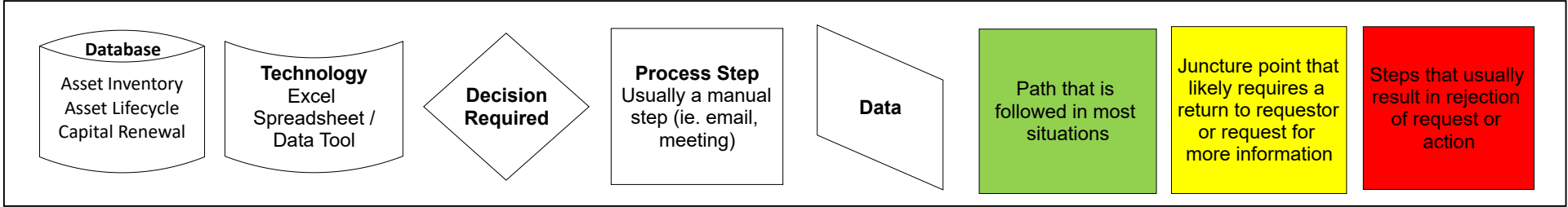
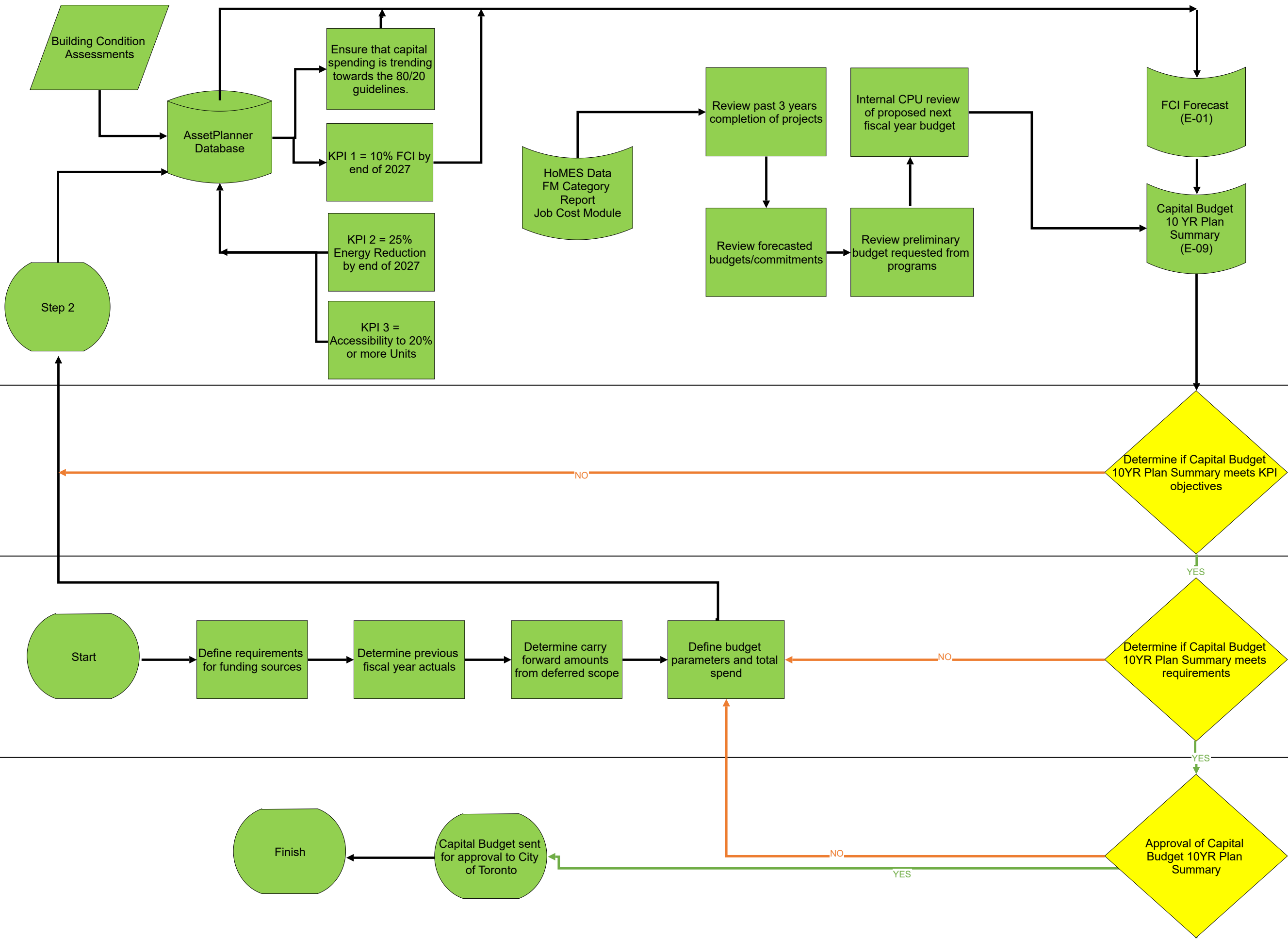
Revised August, 20 2025

Capital Planning Magmt

FM Leadership

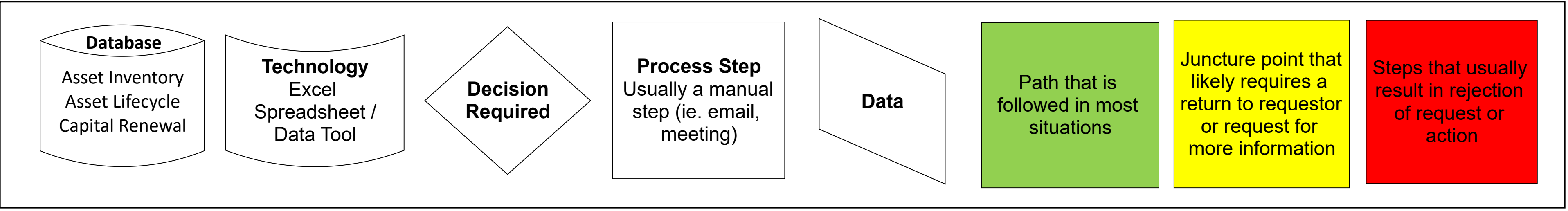
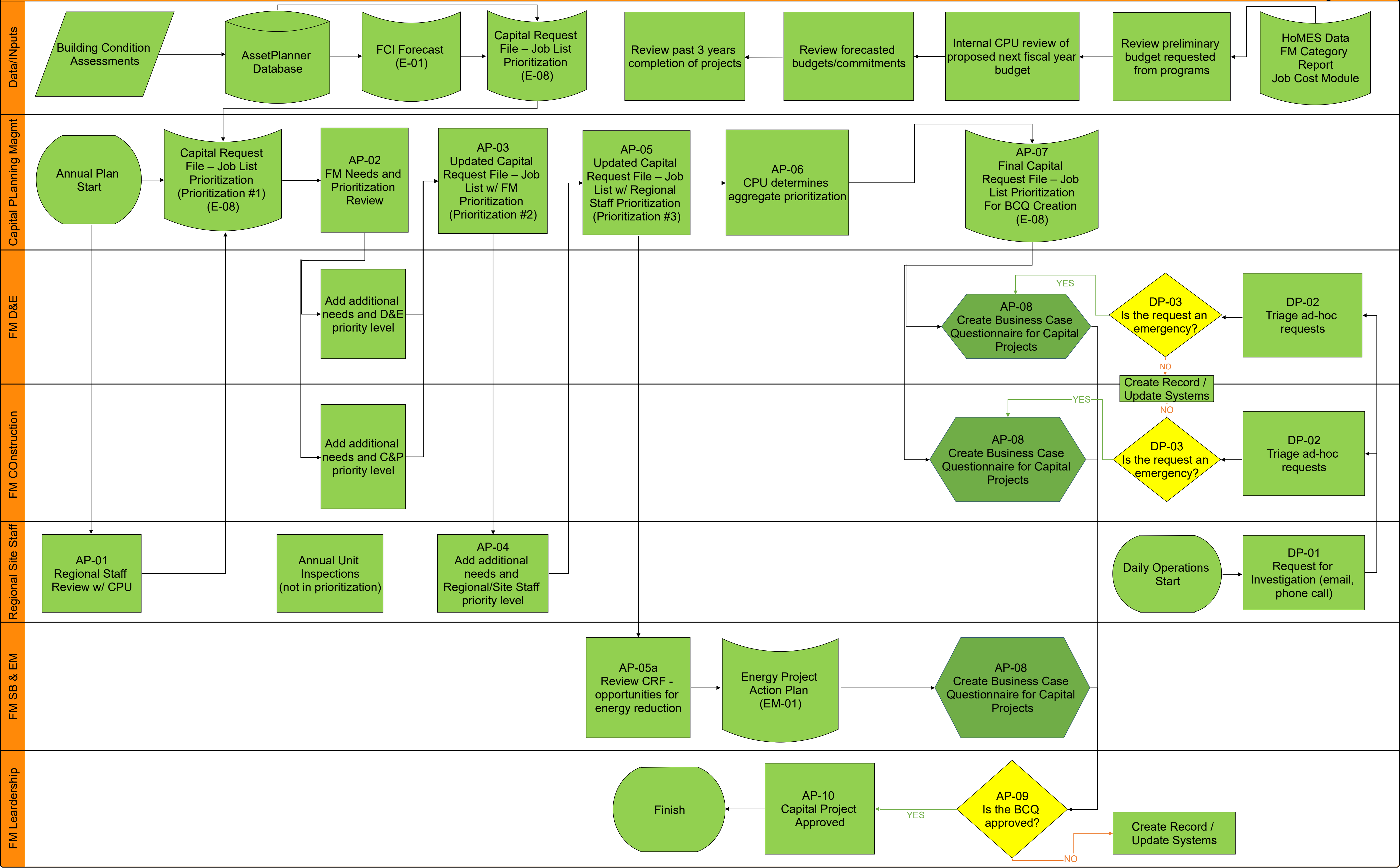
Finance Leadership

BIFAC / Board

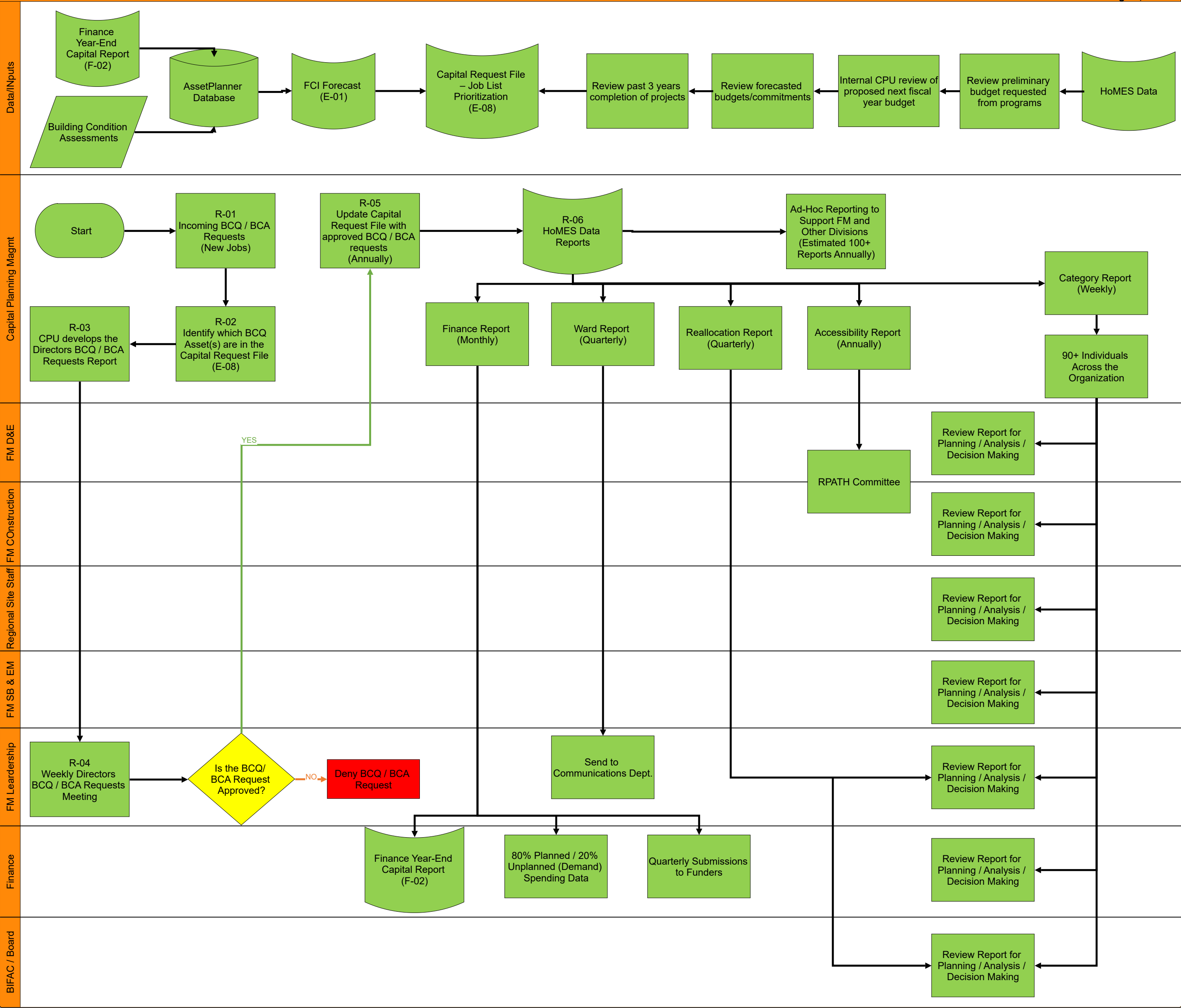


Planned Capital Prioritization - Process Workflow

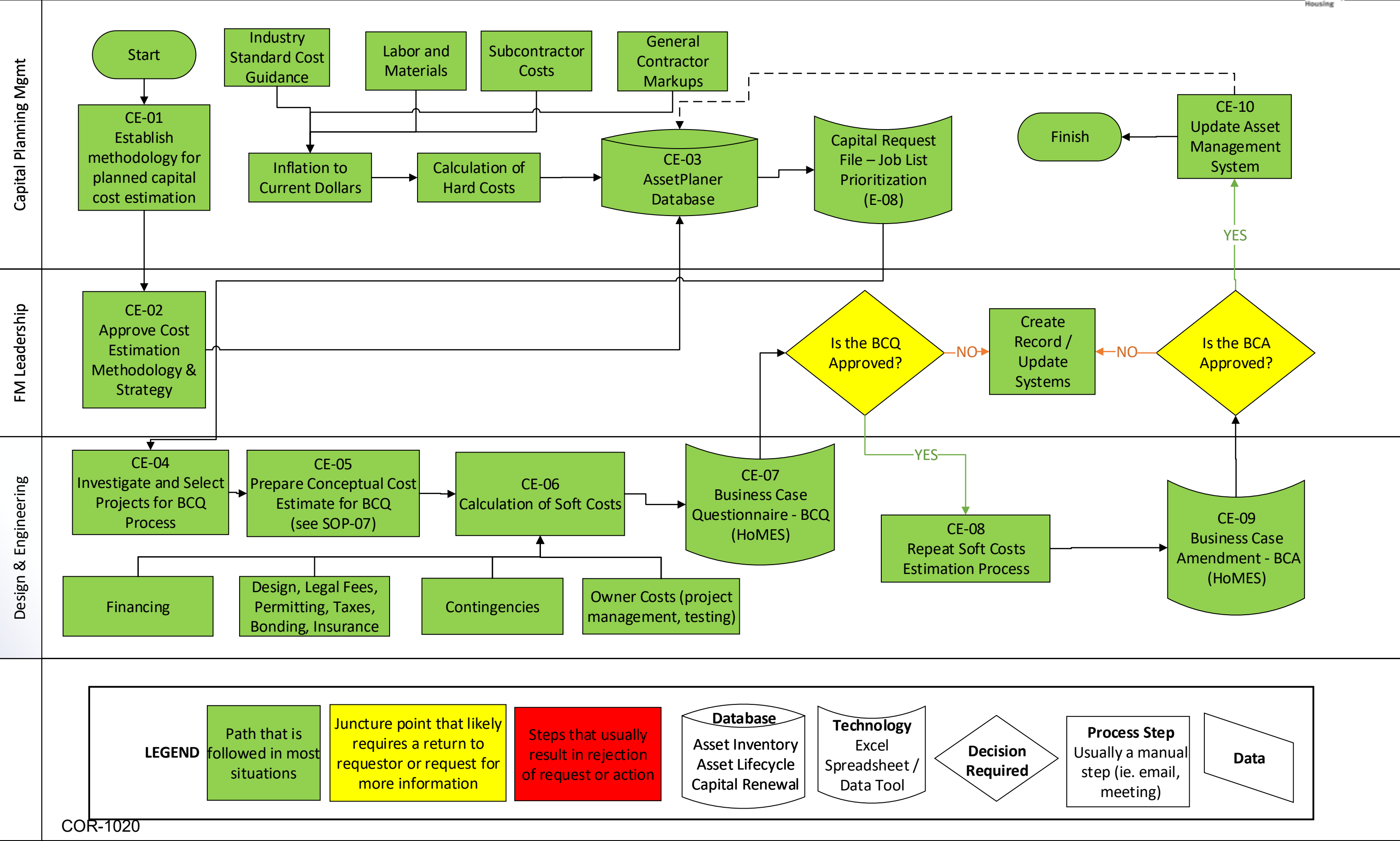
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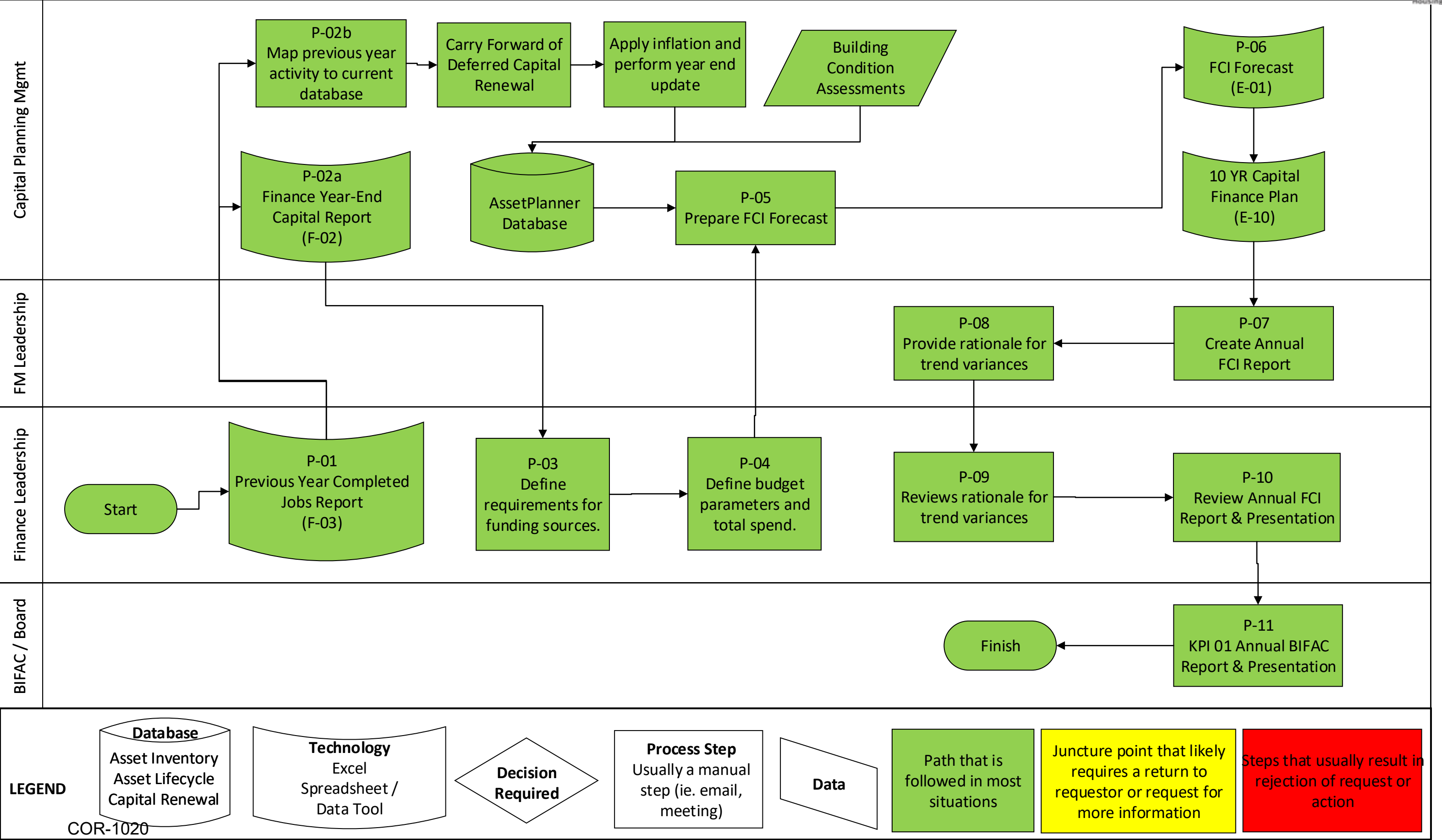


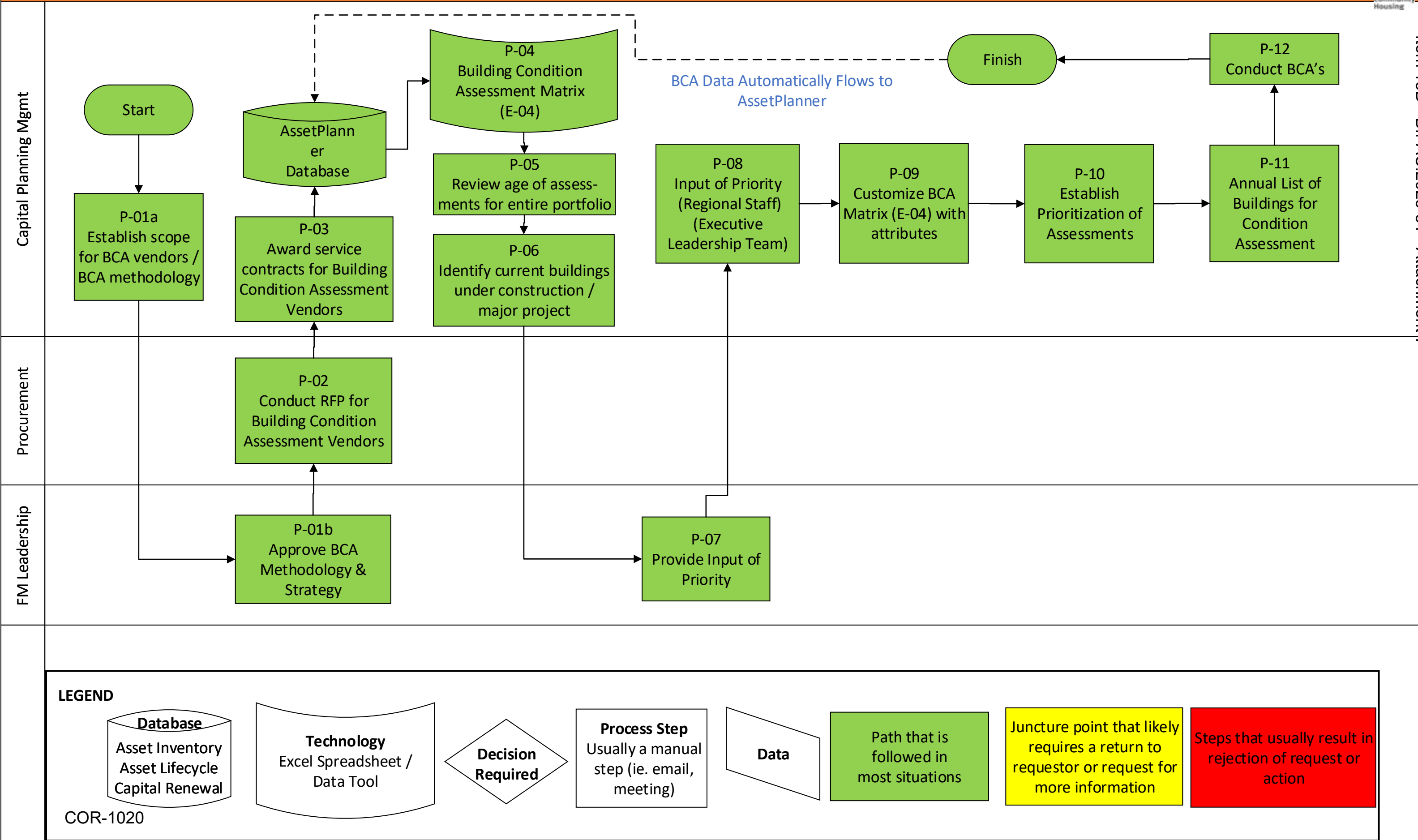






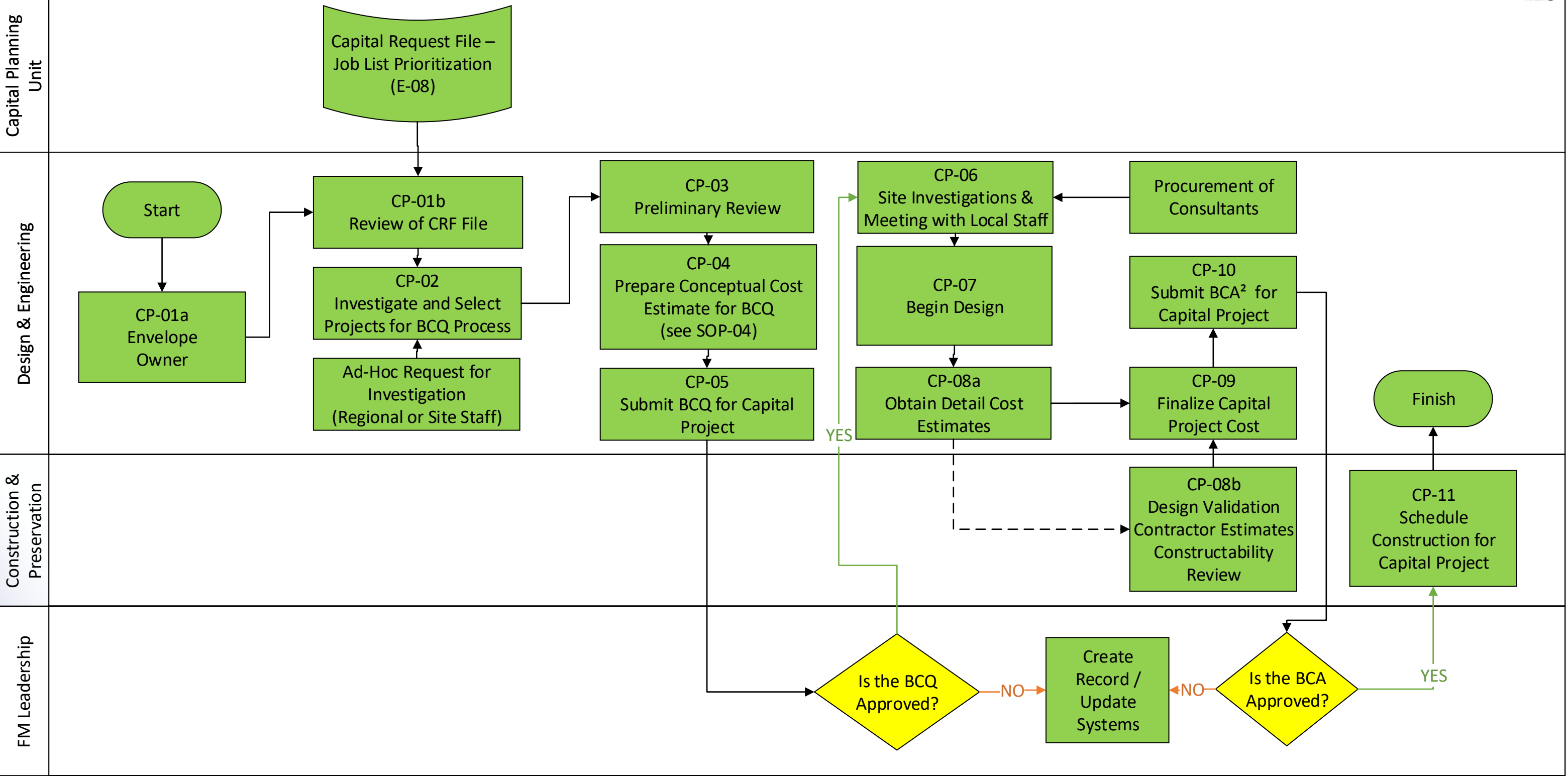






SOP-07: Design and Engineering Unit – Capital Project Development

REV: June 12, 2025



**LEGEND**

**Database**

Asset Inventory  
Asset Lifecycle  
Capital Renewal

COR-1020

**Technology**

Excel  
Spreadsheet /  
Data Tool

**Decision  
Required**

**Process Step**  
Usually a manual  
step (ie. email,  
meeting)

**Data**

Path that is  
followed in most  
situations

Juncture point that likely  
requires a return to  
requestor or request for  
more information

Steps that usually result  
in rejection of request or  
action