



Condominium Management
Regulatory Authority of Ontario

October 13, 2021

Christopher Tyrell,
Clerk of the Committee – Standing Committee on Public Accounts
Legislative Assembly of Ontario
99 Wellesley Street West
Room 1405, Whitney Block
Toronto, ON M7A 1A2

Dear Mr. Tyrell,

We are pleased to respond to your September 28, 2021 letter confirming that the Standing Committee on Public Accounts will be reviewing the Value-for-Money Audit: Condominium Oversight in Ontario from the 2020 Annual Report of the Office of the Auditor General of Ontario on October 27, 2021.

As requested, please find attached the completed Summary Status Table that outlines the progress to date for the Auditor General's recommendations that were directed to the Condominium Management Regulatory Authority of Ontario (CMRAO).

To support the Committee's work, I will be attending along with:

- Ali Arlani, CEO/Registrar
- Sandy Vizely, Deputy Registrar

The Condominium Management Regulatory Authority of Ontario will continue to work with the Condominium Authority of Ontario and the Ministry of Government and Consumer Services to address each of the recommendations identified by the Auditor General of Ontario.

Should you have any additional questions or require further information, please contact Ali Arlani, CEO/Registrar of the Condominium Manager Regulatory Authority
ali.arlani@cmrao.ca 647.327.5095

Sincerely,

A handwritten signature in black ink, appearing to read 'Aubrey LeBlanc'.

Aubrey LeBlanc
Chair of the Board
Condominium Management Regulatory Authority of Ontario



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Cc: Taras Natyshak, MPP, Chair of the Committee
Bonnie Lysyk, Auditor General of Ontario
Renu Kulendran, Deputy Minister, Ministry of Government and Consumer Services
Michèle Sanborn, Assistant Deputy Minister, Policy, Planning, and Oversight Division

Enclosure: Summary Status Table in Response to the Report of the Auditor General of Ontario
(Value-for-Money Audit: Condominium Oversight in Ontario)

Summary Status Table in Response to the Report of the Auditor General of Ontario

*Condominium Oversight in Ontario
2020*

Condominium Management Regulatory Authority of Ontario

Auditor's Recommendation	Completed undertaking	Outstanding undertaking (including timeline)
Recommendation 5 As required under the Condominium Management Services Act, 2015 (CMSA), to enforce that only valid licence holders perform condo management services, we recommend that the Condominium Management Regulatory Authority of Ontario work with the Condominium Authority of Ontario (CAO) to: - regularly share the data on property managers and management companies collected by both authorities; - reconcile and confirm the completeness and accuracy of the data; - identify the names of property managers and management companies that are not licensed; and - follow up with the condo boards that employ the unlicensed managers and companies, find out whether they are providing unlicensed services and receiving compensation, and take appropriate enforcement actions under the CMSA.	The CMRAO has implemented a system and a process that permits reconciliation of CMRAO and CAO condominium management information and enable proactive identification of unlicensed practice. CMRAO and CAO have signed a data sharing protocol that would permit the two organizations to cooperate efficiently in sharing data while protecting client privacy. CMRAO is also addressing all the cases identified by the Auditor General in their report and has already investigated a significant percentage of these cases. The CMRAO undertook the categorization and data analysis of discrepancies identified in the data held by the CMRAO and the CAO about potential unlicensed condominium managers and management provider businesses.	By the end of 2021 CMRAO will completed the investigation of all individuals and businesses that have identified themselves as condominium managers or management provider businesses in the CAO corporation returns filings and take the appropriate compliance actions and then publish the results of investigations. CMRAO will monitor the 2021 and future CAO filings to identify any non-compliance This recommendation will be fully implemented in 2021.

**Summary Status Table in Response to the
Report of the Auditor General of Ontario**
Condominium Oversight in Ontario
2020

Condominium Management Regulatory Authority of Ontario

Auditor's Recommendation	Completed undertaking	Outstanding undertaking (including timeline)
Recommendation 6 To support the appropriate and timely resolution of issues brought forward by condominium owners, we recommend that the Condominium Management Regulatory Authority of Ontario: - track and summarize the types of actions taken and outcomes for all complaints, and produce periodic summaries for review by management; and - establish a formal policy that defines the type of actions that should be taken based on the nature of the complaints and the issues they raise.	CMRAO currently tracks all complaints received and records all interactions that staff have with complainants, condominium managers, and management provider businesses. Furthermore, the CMRAO has refined its business processes and enhanced the collection of data through its case management system. Specific types of complaints and actions taken are now tracked and reports can be generated. The CMRAO has also developed procedures for reviewing complaint submissions and implemented new timelines for moving complaints through the process from submission to resolution. The CMRAO conducted a consultation with its Advisory Committee on the content related to submitting complaints that will be published on the new website and incorporated the feedback received to create a more complete and user-friendly experience for consumers. The CMRAO Board of Directors has been updated on the procedures for handling specific types of complaints.	CMRAO will refine processes and enhance reports generated by the case management system that tracks the types of complaints and the actions taken CMRAO will develop new processes, that will identify the types of actions that should be taken for specific types of complaints. Processes will be in place by December 31, 2021. Implementation will begin on January 1, 2022.

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Condominium Oversight in Ontario
2020

Condominium Management Regulatory Authority of Ontario

Auditor's Recommendation	Completed undertaking	Outstanding undertaking (including timeline)
Recommendation 7 To monitor and confirm that condominium property managers and companies are complying with the key requirements under the Condominium Management Services Act, 2015 and its regulations, we recommend that the Condominium Management Regulatory Authority of Ontario: - develop and use an inspection checklist to carry out full inspections of property managers and companies rather than only addressing the issues within a complaint; - develop a plan to carry out proactive inspections of selected property managers and companies based on a risk-based framework based on inspection results, areas of noncompliance, statistical trends, and other risk factors; and - conduct regular proactive inspections and take appropriate disciplinary actions if required.	CMRAO currently performs inspections based on complaints it receives, and has been conducting inspections to uncover allegations such as fraud and financial mismanagement, failure to turn over condominium records, unlicensed practice, failure to provide services in accordance with the licensee's contract, and other areas of professional misconduct CMRAO has reviewed the risk-based compliance approaches of other regulatory bodies, such as the Technical Standards and Safety Authority, Professional Engineers of Ontario, and the Alcohol and Gaming Commission of Ontario and is in the process of developing options for a risk-based proactive inspections program. The CMRAO has developed standardized checklists for inspections of key areas identified under the CMSA with expected implementation beginning January 2022. The CMRAO is also in the process of developing frequently asked questions that would assist condominium managers in understanding the inspection process.	2021: CMRAO will finalize options for a risk-based proactive inspection program CMRAO will finalize standardized checklists for inspections of key areas identified under the CMSA with expected implementation beginning January 2022 2022: CMRAO will complete consultations, develop implementation plans, and begin a pilot project of inspections based on standardized approaches and checklists 2023: CMRAO will implement a risk-based proactive inspection program This recommendation will be fully implemented within the next two years as a result of the substantive consultation and analysis required.

Summary Status Table in Response to the Report of the Auditor General of Ontario

*Condominium Oversight in Ontario
2020*

Condominium Management Regulatory Authority of Ontario

Auditor's Recommendation	Completed undertaking	Outstanding undertaking (including timeline)
Recommendation 19 To measure its own achievements and to inform the public on the effectiveness of its key activities, we recommend that the Condominium Management Regulatory Authority of Ontario: - establish appropriate targets for performance indicators for its key activities, including time taken to process condo manager licence applications and time taken to resolve complaints against licensed managers; - collect the data relevant to the targets established; - assess its performance against the targets periodically; - provide the Minister of Government and Consumer Services and the public with its performance results; and - take corrective action when actual results do not meet targets.	CMRAO currently collects data related to licensing application and complaint processing timelines. The CMRAO has introduced new service standards for handling complaints. Going forward, CMRAO is committed to resolving 80% of its complaints within the following service standards: -Initial assessment of complaint – 10 business days including initial contact with complainant within 5 business days -Information gathering - 30 business days -Review and decision – 20 business days The CMRAO is also committed to processing licence applications within the following service standards: -95% of Limited Licence applications processed within 5 business days -95% of General Licence applications processed within 10 business days -90% of management provider businesses applications processed within 30 business days CMRAO regularly analyzes and monitors the performance of key activities, such as licence application and renewal application processing times, and complaints resolution	CMRAO will assess and publish the results in the 2021–22 annual report. This recommendation will be fully implemented in 2021, and the results will be reported in the CMRAO's 2021–22 Annual Report.