

Audit Committee Report

DATE: Monday, January 30, 2023

WARD(S): ALL

TITLE: Fleet Management Services Audit Update

FROM:

Zoran Postic, Deputy City Manager, Public Works

ACTION: FOR INFORMATION

Purpose:

Fleet Management Services (FMS) presented an action plan to the Audit Committee on June 13, 2022. The scope of the audit covered the FMS activities for the period from January 2021 to December 2021. Management has developed action plans which will mitigate the identified risks and address the recommendations outlined in the report. A progress update was requested by the Audit Committee for January 2023.

Report Highlights:

- FMS is responsible for administering a pro-active and cost-efficient maintenance program to ensure that vehicles and equipment are operated in a safe and reliable manner, while ensuring that the guidelines of all government legislation and government agencies are met.
- Management has developed action plans which will mitigate the identified risks and address the recommendations outlined in the audit report completed May 2022.
- FMS continues to make progress in crucial areas as highlighted in the management action plans to date.

Recommendations:

1. That the progress update of Fleet Management Services action plan be received.

Background:

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 services provided by Fleet Management Services.

The audit approach included a review of the strategic goals, objectives and oversight of the department, review of relevant policies and procedures, use of technology, and interviews with staff and management.

Previous Reports/Authority:

Fleet Management Services Audit May 2022.

- [FMS Audit Report.docx \(escribemeetings.com\)](#)

Analysis and Options:

The audit identified opportunities for improvement that include the following:

- Developing a Comprehensive Fleet Management Strategy
- Collaborating with Vaughan Fire Rescue Services (VFRS) to acquire a Fit-for-Purpose Fleet Management Information System (FMIS) and Upgrading the Automatic Vehicle Location (AVL) Units
- Improving Compliance to Vehicle Inspection Requirements
- Determining the Future of Fuel Distribution
- Enhance Procurement, Contract Administration, and Inventory Management Processes
- Developing a Progressive Strategic Staffing and Training Plan

Financial Impact:

There are no direct economic impacts associated with this report.

Broader Regional Impacts/Considerations:

Not applicable.

Conclusion:

During the audit, management took initiatives to begin to address issues identified. As per Audit Committee direction, please find attached the progress report to date.

For more information, please contact Peter Pilateris, Director, Transportation and Fleet Management Services, ext. 6141.

Attachments:

1. Progress Report.
2. Presentation Materials.

Prepared by:

Kent Sherman, Manager, Fleet Management Services.

Approved by:

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Zoran Postic, Deputy City Manager, Public Works