

Water, Wastewater and Stormwater Operations Audit

FA&A Committee – Wednesday June 5, 2019



Today's Presentation

- Audit Objective, Scope and Methodology
- Audit Conclusion
- Management Action Plans
- Next Steps
- Questions



Audit Objective

- To evaluate the adequacy and effectiveness of the internal controls, processes and procedures in place to mitigate the business risks associated with managing of the water, wastewater and stormwater operations.



Audit Scope & Methodology

- Strategic goals, objectives, and oversight
- Programs, legislation, policies and procedures
- Procurement processes
- Project management and contract administration
- Use of technology
- Staff interviews
- January 2017 to December 2018

Not in Scope: → Water, wastewater and stormwater billings process, water meter replacement program, backflow prevention program, solid waste division



Audit Conclusion

- The audit of Water, Wastewater and Stormwater Operations identified numerous issues that have impacted Environmental Services' ability to deliver on several of their objectives.



Prioritization of Recommendations

- The 14 Key activity areas with recommendations
- All recommendations were prioritized based on the need for immediate action
- Timelines for management action plans developed in consideration of prioritization



Management Action Plans

0-3 Month timeline

- There are 7 management actions considered highest priority
- These will be dealt with in the 0-3 month timeline
- Action has already been taken in all 7 areas to mitigate any immediate issues
- All recommended improvements included in the audit report will be in place by August 30th 2019



Management Action Plans

0-6 Month Timelines

- There are 5 management actions in the 0-6 month timeline
- As stated earlier, immediate actions have been taken to begin to address these audit issues
- All management actions in this category will be implemented by November 30th 2019



Management Action Plans

0-36 Month Timelines

- All remaining management actions are in the 0-36 month category
- The wide range in delivery timeline is based upon the need for:
 - Extensive research
 - Benchmarking
 - Policy review for some of the action plans
- 11 action plans will be delivered within the next 12 months



Next Steps

- Action plans have been developed.
- Implementation is underway.
- Internal Audit will follow up and report on the status of these action plans.



Questions?



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