

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 25, 2013

Item 5, Report No. 8, of the Finance and Administration Committee, which was adopted without amendment by the Council of the City of Vaughan on June 25, 2013.

5 INTERNAL AUDIT REPORT – WATER, WASTEWATER AND DRAINAGE

The Finance and Administration Committee recommends approval of the recommendation contained in the following report of the Director of Internal Audit, dated June 10, 2013:

Recommendation

The Director of Internal Audit recommends that:

1. The Internal Audit Report on Water, Wastewater and Drainage be received and approved.

Contribution to Sustainability

Internal Audit activities and subsequent reports contribute to the sustainability of the City by providing advice and assurance that controls supporting the effective delivery of services and programs are effective. Longer term sustainability needs the support of good, efficient risk mitigation strategies. Internal Audit can provide support for that sustainability by providing independent advice and assurance.

Economic Impact

There are no direct economic impacts associated with this report.

Communications Plan

Not applicable.

Purpose

To present to the Finance and Administration Committee the Internal Audit Report on Water, Wastewater and Drainage and to provide an evaluation of operational controls, as well as opportunities for improvement to help mitigate potential risks.

Background - Analysis and Options

This audit was done to evaluate the effectiveness of controls, processes and procedures in place to mitigate risks that could affect the Water, Wastewater and Drainage Division in the Public Works Department from meeting its and the City's business objectives.

The audit was requested by the Commissioner of Engineering and Public Works and the Director, Public Works.

Relationship to Vaughan Vision 2020/Strategic Plan

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

Regional Implications

Not applicable.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 25, 2013

Item 5, Finance Report No. 8 – Page 2

Conclusion

The report concluded that the controls, processes and procedures are effective in mitigating risks that could prevent the Division from meeting its stated business objectives. The City is in compliance with the Safe Drinking Water Act 2002. Administrative controls over contract acquisition and monitoring need to be improved.

Management has agreed to review and improve contract acquisition and monitoring processes. More analysis will be done to expand the bidding pool for required services and further assessment will be done to determine if existing staff capabilities can be used to reduce the reliance on services done by external contractors.

Attachment

Internal Audit Report – Water, Wastewater and Drainage

Report prepared by:

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Operational and Compliance Auditor

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)