

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 16, 2015

Item 1, Report No. 11, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on September 16, 2015.

1 INTERNAL AUDIT REPORT – AUDIT OF ROAD OPERATIONS

The Finance, Administration and Audit Committee recommends:

- 1) That the recommendation contained in the following report of the Director of Internal Audit, dated September 8, 2015, be approved; and**
- 2) That the presentation by the Audit Project Manager and the Director of Transportation Services, Parks and Forestry Operations and C2, presentation material titled “*Road Operations Audit*”, dated September 8, 2015, be received.**

Recommendation

The Director of Internal Audit recommends:

1. That the Internal Audit Report on the Audit of Road Operations be received.

Contribution to Sustainability

Internal Audit activities and 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, Administration and Audit Committee the Internal Audit Report on Road Operations and to provide an evaluation of operational process and controls, as well as opportunities for improvement.

Background - Analysis and Options

This audit was done to evaluate the adequacy and effectiveness of the internal controls, processes and procedures in place to mitigate the business risks associated with the Roads Maintenance division's summer maintenance programs.

The audit was part of the 2012 to 2014 Revised Risk Based Internal Audit Plan previously approved by the Finance, Administration and Audit Committee.

Relationship to Vaughan Vision 2020/Strategic Plan

This report supports the strategic goal of management excellence through financial stability and effective governance.

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Regional Implications

Not applicable.

Conclusion

Improvements are required to ensure risks related to the Road Maintenance division's activities are efficiently and effectively mitigated. The following opportunities were identified:

- Developing and implementing formal department specific operational health and safety training programs.
- Improving monitoring and oversight activities over several processes including road patrols, work order administration, inspections and contract administration.
- Developing a corporate wide strategic policy to govern the purchase, use and distribution of vehicles, machinery, equipment and inventory.
- Leveraging advances in technology to assist with service delivery, data analytics, management reporting and automation of additional processes.

Attachment

1. Internal Audit Report – Audit of Road Operations

Report prepared by

Kevin Shapiro CIA, CFE, CRMA
Audit Project Manager

(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.)