

The Corporation of the City of Windsor Internal Audit Quarterly Summary Report

FINAL

*Prepared as of
April 12, 2019*

January 1 to March 31, 2019

pwc

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1. Executive Summary

1.1 2018-19 IA Plan Completion Overview

| | | | | | | | | | |
|------------|---|----------|--------------------------------|-----------|----------------------------|------------|--|----------|--|
| 88% | % of Plan Complete | 3 | Deliverables Issued In Period | 5 | Findings Raised in Quarter | 2 | Advisory Findings Raised in Quarter | 5 | 2019 Projects/Deliverables Outstanding |
| 5 | Subject Matter Specialists Involved YTD | 1 | CCEP Calls Under Investigation | 19 | Findings Raised YTD | 8.5 | Average Satisfaction Score YTD out of 10 (7 responses YTD) | 9 | 2019 Projects/Deliverables Completed |

1.2 Performance Dashboard 2018-19

| Planned projects | Percent complete | Report issued |
|--|---|---|
| • Risk Assessment and Annual Plan Development |  100% |  |
| • IA Attendance at City Meetings a) Quarterly Status & Reporting b) Year in Review (2018/19) |  80% 0% |  |
| • Management Action Plan Validation (Annual) |  100% |  |
| • Inbound Call Investigation |  90% | n/a |
| • Facilities Operations |  100% |  |
| • WECHC Asset Management - Housing Portfolio |  85% |  |
| • Legislative Emergency Management/Planning |  100% |  |
| • Life Cycle Costing & Asset Planning Methodology |  5% |  |
| • Pursuit of Grant Funding |  100% |  |
| • Social Media Strategy Assessment |  100% |  |
| • CoW Hotline Complaint Analysis |  70% |  |
| • Unallocated |  100% | n/a |

Internal audit activities - January 2019 - March 2019

- one internal audit for the 2018-19 IA plan
- development of the three year risk based internal audit plan
- 2018-19 IA plan “Management Action Plan Validation”
- annual meeting with external auditors
- fieldwork for CHC Asset Management Housing Portfolio.

(Additional details provided in ‘Appendix A - Unallocated Effort’ and ‘Appendix B - Concerned Citizen and Employee Hotline Status’)

| Audit quality survey score | | | | |
|----------------------------|-----|-----|----|-----------|
| Q1 | Q2 | Q3 | Q4 | Avg Score |
| 7 | 7 | 7 | 7 | 7 |
| - | 8.7 | 8.4 | - | 8.5 |

| Delivery Target Times (Days Elapsed) | | | | | |
|--------------------------------------|--------------|-------|--------------|--------------|-------|
| | Notification | Start | Draft report | Mgt comments | Final |
| Targets | 20 | +/- 2 | 5 | 15 | 5 |
| Actuals | 21 | -2 | 3 | 10 | 3 |

2. Quarterly Report

2.1 During the quarter (January - March 2019)

We completed:

- one internal audit for the 2018-19 IA plan: Legislative and Emergency Management/Planning.
- the development of the three year risk based internal audit plan.
- the 2018-19 IA plan “Management Action Plan Validation”.
- the annual meeting with external auditors.
- fieldwork for CHC Asset Management Housing Portfolio.

We administered:

- the Concerned Citizen/Employee Hotline (call/email) where we processed one hang-up call (five last quarter), routed another eight messages to management for consideration (12 last quarter) with one complaint under analysis.
- the overall internal audit function.
- a proposed change to the 2018/19 IA plan.

We commenced:

- fieldwork for hotline complaint investigation.
- the planning of last 2018-19 internal audit project: Life Cycle Costing and Asset Planning Methodology.

2.2 In the coming quarter (April - June 2019)

We expect to continue:

- administering the Concerned Citizen/Employee Hotline.

We expect to complete:

- meetings/introductions with new members of Council.
- fieldwork and reporting of one internal audit project for 2018-19 Internal Audit Plan: Life Cycle Costing & Asset Planning Methodology.
- reporting for one internal audit project - CHC Asset Management Housing Portfolio, and hotline complaint investigation.

We expect to commence:

- Planning of three internal audit projects for 2019-20 Internal Audit Plan.



2.3 Concerned Citizen and Employee Hotline Summary

| | Voicemail box checked daily | # of notifications received | # of hang ups | # of handoffs to management | # of items under analysis | # of items under investigation | # of items investigated |
|----------------|-----------------------------|-----------------------------|---------------|-----------------------------|---------------------------|--------------------------------|-------------------------|
| In the quarter | Yes | 11 | 1 | 10 | 0 | 1 | 0 |

(Additional details provided in 'Appendix B - Concerned Citizen and Employee Hotline Status')

2.4 Internal Audit Summary

2.4.1 Legislative Emergency Preparedness and Response Planning

| Scope and Objectives | Report Classification | | | |
|---|---|---|--------------------------|---------------------------------------|
| <p>For the scope period December 1, 2017 through November 30, 2018, Internal Audit evaluated the processes and controls management had designed and placed into operations to attain the following objectives:</p> <ul style="list-style-type: none"> An Emergency Response Plan (ERP) is in place for deploying the Emergency Operations Centre (EOC) is implemented and coordination with relevant response teams monitored by the EOC. City's leadership reviews the nature of planned/unplanned disruptions experienced within the organization and updates to the ERP are approved. Monitoring of the timely execution of response strategies, during an emergency incident/event for compliance with legislation, reporting requirements and alignment with the ERP is performed. Drills and or emergency management exercises and inter-departmental coordination for review of lessons learned/outcomes is performed. Leadership reviews the results of simulated emergencies/incidents and compares test results to predetermined estimates and criteria for practicality of assumptions required in the ERP. The City maintains and updates a formal training and awareness program. The City's preparedness culture has been extended to key external parties and the public. | Limited Scope for Improvement | No Major Concerns | Cause for Concern | Considerable Cause for Concern |
| | Control Design Assessment |  | | |
| | Control Operating Effectiveness Assessment |  | | |

Summary of Findings: We noted a total of five findings and two considerations for improvement.

| # | Topic | Rating | Management Action | Action Owner | Due Date |
|---|--|--------------------|---|----------------------------|----------|
| 1 | Update the Emergency response plan and document process for performing annual update (Design Effectiveness) | Low | The process is already underway and will be finalized after council approves the 2019 edition of the City of Windsor's ERP. | Emergency Planning Officer | Q3 2019 |
| 2 | Document EMPC meeting minutes as evidence of review for emergency management documentation (Operating effectiveness) | Low | Management has already implemented the recommendations including reference to the findings for Emergency Management Program Committee (EMPC) noted. | | Complete |
| 3 | Implement incident notification and briefing documentation/logging (Design Effectiveness) | Low | Management has created an internal document reflecting the recommendation noted. | | Complete |
| 4 | Develop process guidelines for continuous improvement exercises, documentation and reporting (Design Effectiveness) | Moderate | Debrief will be conducted immediately after each exercise. Will create a document that catalogues the relevant exercise design element in 2019. | | Q4 2019 |
| 5 | Review completeness of annual ERP training provided to the staff (Operating effectiveness) | Significant | Process to ensure and document training will be implemented immediately. Additional training to all WFRS clerical staff will be provided. | | Q4 2019 |

(Additional details provided in 'Appendix C - Legislative Emergency Management/Planning Internal Audit Report')

2.4.2 Internal Audit Validation of Management Action Plans Summary

Approach: For the *Validation of Management Action Plans*, the activities undertaken by internal audit included:

- notifying management of the intent to follow up;
- requesting status updates and contact information from management;
- preparing a listing of findings and status of resolution at the commencement and completion of each project;
- testing/validating evidence of management's resolution/disposition of the original finding for items expected to be closed and/or indicated as closed by management; and
- preparing a report on the outcome of the management action plan validation internal audit activity.

The findings from any internal audits presented and approved to the Corporate Services Standing Committee on or subsequent to February 4, 2019 will be included in the next report (as of December 31, 2019) as findings added during the period.

| Rating | Opening Balance (May 31) | Additions in the Period | Expected Closed by Dec 31 | Closed by IA | Accepted Risk (No Validation) | Open at Dec 31, 2018 | Open – On track | Open & Delayed | Retargeted in the Period |
|--------------------|--------------------------|-------------------------|---------------------------|--------------|-------------------------------|----------------------|-----------------|----------------|--------------------------|
| | (A) | (B) | (C) | (D) | (E) | (F) | (G) | (H) | |
| Significant | 11 | 9 | 12 | 7 | 0 | 13 | 7 | 6 | 5 |
| Moderate | 11 | 15 | 11 | 10 | 0 | 16 | 14 | 2 | 2 |
| Low | 6 | 15 | 12 | 12 | 0 | 9 | 8 | 1 | 0 |
| No Rating | 2 | 1 | 1 | 3 | 0 | 0 | 0 | 0 | 0 |
| Total | 30 | 40 | 36 | 32 | 0 | 38 | 29 | 9 | 7 |

Conclusion: In the quarter, in total, 81% of findings that were expected to close in the period were closed.

- *Closed as planned:* There were 36 management action plans due to be implemented by December 31, 2018, or from prior periods, of which 29 were closed. *Closed in advance:* There were three management action plans closed ahead of schedule.
- *Additions:* 40 management action plans were added during the period.
- *Retargeted Items:* In the period, there were seven action plans retargeted.

(Additional details provided in 'Appendix D - Report on Validation of Management Action Plans')

Appendix A - Unallocated Effort

| Unallocated Effort | | | |
|---|--------------|----------------------|--|
| Activity | Requested by | 2018-19 effort hours | Result |
| An allegation was lodged on March 13, 2018 through the Concerned Citizen and Employee Hotline regarding transparency and conduct related to the tendering process and resulting awarding of contracts. | Complainant | 51.1* | Reporting issued in accordance with protocols and was presented to the Council on Aug 27, 2018 Council Meeting. The Hotline Complaint Investigation Report was presented as part of the Internal Audit Quarterly Summary Report. |
| PwC performed an on site action plan validation exercise to close the finding that was raised during the Memorandum - EFT Review in 2013. This finding was regarding manual approval of high-dollar payments. | Management | 7.5 | <p>Internal Audit reviewed the following evidence of samples of High Dollar EFT payments processed from Nov 1 ,2018 to Feb 11, 2019 provided by the management:</p> <ul style="list-style-type: none"> • High Dollar AP Trial Payment register with City Treasurer/Deputy Treasurer approval (date and time) • Supporting invoices • Accounts Payable voucher form with AP approval (date and time) • AP signing authorities document • Bank Statement capturing date, time and amount disbursed to the relevant vendor <p>IA noted that valid manual approval of the Treasurer/Deputy Treasurer was timely provided along with the requisite supporting documents post which the payments were processed from the City bank account by finance manager for release to the vendors.</p> |
| *Total | | 58.6 | |

* The above complaint pertains to the period 2017-18 audit period, therefore 40.5 unallocated hours were used from the IA plan 17-18 budget and 51.1 hours were used from the 18-19 IA plan.

Appendix B - Concerned Citizen and Employee Hotline Status

| Inbound notices | | | | | | | |
|-----------------|-----------------------------|-----------------------------|---------------|-----------------------------|---------------------------|--------------------------------|-------------------------|
| | Voicemail box checked daily | # of notifications received | # of hang ups | # of handoffs to management | # of items under analysis | # of items under investigation | # of items investigated |
| In the Qtr | Yes | 11 | 1 | 10 | 0 | 1 | 0 |
| YTD | Yes | 38 | 7 | 30 | 1 | 0 | 0 |

| Item under investigation | | |
|--|--|---|
| Description of item | Activities to date | Results |
| This complaint includes three specific concerns including design of RFP, unaccounted City inventory, and bonding of contractors. | <p>IA performed the following activities:</p> <ul style="list-style-type: none"> Chief Internal Auditor met with the Complainant on November 15, 2018 to understand the concerns. Requested additional specific information via email. Conducted initial meeting with management to discuss and understand the process and nature of complaint. Proposed modification to the 2018-19 Internal Audit plan. Initiated the fieldwork and met with individuals from various departments. Transactions have been sampled for review. Closing meeting is scheduled for May 2019. Reporting to CSSC in June 2019. | The Hotline Complaint Investigation is in progress. Initial meetings with respect to process understanding have been completed. Fieldwork is in progress. |

Appendix C - Legislative Emergency Management/Planning Internal Audit Report

The Corporation of the City of Windsor - Emergency Response Planning & Preparedness

*FINAL Internal
Audit Report*

*Prepared as of
March 22, 2019*

Distribution List

For action

Shelby Askin Hager, Corporate Leader, City Solicitor
Stephen Laforet, Fire Chief, Windsor Fire and Rescue Service
Emily Bertram, Emergency Planning Officer, Windsor Fire and Rescue Service

For information

Onorio Colucci, Chief Administrative Officer
Joe Mancina, Chief Financial Officer and City Treasurer
Marco Aquino, Executive Initiatives Coordinator

Limitations & Responsibilities

This Report was developed in accordance with our engagement letter dated June 2016 and is subject to the terms and conditions included therein. Our work was limited to the specific procedures and analysis described herein and was based only on the information made available at the time we prepared the report. Accordingly, changes in circumstances after the date of this Report could affect the findings outlined herein. We are providing no opinion, attestation or other form of assurance with respect to our work and we did not verify or audit any information provided to us. This information has been prepared solely for the use and benefit of and pursuant to a client relationship exclusively with the Corporation of the City of Windsor. PwC disclaims any responsibility to others based on its use and accordingly this information may not be relied upon by anyone other than the Corporation of the City of Windsor.



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Internal audit context

Background information

The Legislative Emergency Management: Response Planning & Preparedness Review is part of the risk-based 2018-2019 City of Windsor (CoW) Internal Audit Risk Assessment and Plan approved by the Executive Committee of Council on June 4, 2018. Please refer to Appendix A for details regarding the overall Municipal Emergency Management Program for City of Windsor highlighting areas and processes that were considered in-scope during our review.

The Emergency Management and Civil Protection Act R.S.O 2000 requires municipalities to have an emergency management program in place, including an emergency response plan.

The City's Emergency Management Program Committee's (EMPC) main responsibility is to oversee the development, implementation, and maintenance of the municipal emergency management program, including the Municipal Emergency Response Plan, public education program, training, and exercises. The committee is also accountable for the annual review of the municipality's emergency management program whilst the executive authority for the management and mitigation of a potential or declared emergency lies with the Community Control Group (CCG). Although in general the Municipal EMPC does not play a formal role during emergencies, some of the program committee members are also members of the Community Control Group.

The EMPC approved the City of Windsor Emergency Response Plan (ERP) in April 2015. The plan has 17 annexed documents including subordinate plans such as key contacts, community risk profile, Hazard Identification and Risk Assessment (HIRA), evacuation plan, checklist for consideration of an emergency.

The ERP has been prepared to provide key officials, agencies and departments of the City of Windsor with important emergency response information related to:

- arrangements, services and equipment; and
- roles and responsibilities during an emergency.

Copies of the City of Windsor ERP may be viewed at City Hall, fire service headquarters, city libraries, and the CoW website.

Recently, the EMPC has been assigned to formulate and update the current processes for the ERP preparedness and management. Updates included revisions to the ERP document, annual ERP training guidelines and content, and coordination of regular program committee meetings.

The Mayor is responsible for declaring an emergency as guided by a checklist developed for this purpose. This decision is usually made in consultation with other members of the CCG. The CCG members report to the Municipal Emergency Operations Center (EOC) located at 1587 Provincial Road, Windsor.

The key EOC responsibilities include:

- Policy and Strategic Direction.
- Site Support & Consequence Management.
- Information Collection, Evaluation & Display.
- Coordination of Agencies & Operations.
- Resource Management.
- Internal & External Communications.

In addition, there is a five-step process available in the Quick Reference Guide in regards to the Action Planning process which is as follows::

- Step 1: Understanding the current situation - Building situational awareness.
- Step 2: Identify the objectives/priorities for the next operational period.
- Step 3: Meeting - Develop an EOC Action plan for the next operational period.
- Step 4: Obtain approval and distribute the EOC action plan.
- Step 5: Implement EOC action plan and monitor progress.

The City of Windsor 211/311 Manager or alternate is responsible to respond to citizen inquiries under the supervision of the Chief Administrative Officer and in consultation with the Emergency Information Officer (Senior Manager of Communications at City of Windsor) in ensuring timely and accurate information is available to citizens in the interest of public safety.

In addition, Emergency Preparedness Week is conducted by the City to guide the public on emergency response and preparedness. The City also has an agreement with third parties and external utilities provider (such as Enwin) as to help provide the support needed to carry out the emergency operations.

A Recovery Committee is assigned to develop a post emergency recovery strategy including goals and a timeline for the recovery process. This strategy, which will be used to guide the work of The Recovery Committee, incorporates any specific community needs and tasks which have been identified through a review of the Committee's responsibilities.

To achieve consistency with recommended practice, the EMPC also reviews and evaluates municipal activities, such as exercises, actual emergencies, and provides support and resources to the Community Emergency Management Coordinator (CEMC/Fire Chief), based on the current goals and objectives of the emergency management program.

An annual emergency planning training is conducted by the Fire Chief (CEMC) and Emergency Planning Officer for the CCG members as per the provincial legislative requirements 380/04 covering details on notification procedures, roles and responsibilities, notes on declaration of emergency, community risk profile and the process around municipal disaster recovery assistance. For the period under review, a tabletop simulation exercise for an ice storm emergency was also conducted for better emergency response preparedness of CCG members and other external providers in line with their defined roles and responsibilities.

Scope

The scope of this internal audit included an assessment of the controls in effect for the period December 1, 2017 to November 30, 2018. Emergencies in the last one-two years (2017 to 2018) were also considered in-scope.

Internal audit objectives

Overall purpose of this internal audit project was to provide a current state assessment of the design effectiveness of controls management has implemented to achieve the following objectives related to Municipal Emergency Management Program.

1. Municipal Emergency Response Planning

- a. An Emergency Response Plan (ERP) based upon specific risks and applicable hazards is in place for life/health safety, infrastructure and service disruptions, financial loss, reputation and triggers/criteria for deploying the Emergency Operations Centre (EOC) is implemented and coordination with relevant response teams monitored by the EOC.

- b. City's leadership reviews, on a periodic basis, the nature of planned/unplanned disruptions experienced within the organization and updates to the ERP and/or composition of the EOC is approved. Leadership communicates roles, responsibilities and changes of recovery teams to appropriate personnel in a timely basis.
- c. Monitoring of the timely execution of response strategies, during an emergency incident/event for compliance with legislation, reporting requirements and alignment with the ERP is performed.

2. Emergency Management Training, Awareness and Continuous Monitoring

- a. Drills and or emergency management exercises and inter-departmental coordination for review of lessons learned/outcomes is performed.
- b. On an ad hoc basis, leadership reviews the results of simulated emergencies/incidents and compares test results to predetermined estimates and criteria for practicality of assumptions required in the ERP.
- c. The City maintains and updates a formal training and awareness program (including development of guidelines for City employees/staff), which is reviewed for appropriateness and/or compliance on a periodic basis.
- d. The City's preparedness culture has been extended to key external parties and the public encouraging them to understand the importance of preparedness with guides/toolkits.

Specific scope exclusions

Given the nature of the work, risk considerations and budgeted effort, the following elements are explicitly excluded from the scope of the internal audit (refer to Appendix A for further details):

- The design, implementation and operation of the Information and Technology (IT) environment and IT general controls.
- Recovery Plans, Municipal Evacuation Plan, Hazard Prevention and Mitigation.

Scope limitations

- Timely communication of ERP updates could not be validated since version control over ERP documentation is not maintained or current.

Summary of Internal Audit results

Report classification

During the course of the internal audit, specific controls were identified which generally address the control objectives of the internal audit, specifically the attainment of legislated emergency management requirements as per the Emergency Management and Civil Protection Act (EMCPA).

Some of the key categories which the City demonstrated compliance with applicable legislation include, but may not be limited to:

- training requirements for alternate CEMCs;
- documentation of Hazard Identification and Risk Assessment;
- identification of critical infrastructure with respect to emergencies;
- formulation of the ERP and municipal emergency control;
- establishment of an EOC; and
- providing emergency management public education.

As per the compliance letter received from the Office of the Fire Marshal and Emergency Management (OFMEM) dated November 6, 2018, the City of Windsor was compliant with the EMCPA in 2017 on review of the documentation submitted by the Community Emergency Management Coordinator (CEMC).









The Emergency Planning Officer (EPO) has been hired since July 2018 who reports directly to the CEMC/Fire Chief. The EPO is responsible for various items including preparing and conducting drills/exercises and annual trainings. Review and update the ERP, HIRA and other related documents. Complete and submit the Municipal Compliance Report as well as coordinating with internal and external stakeholders and building relationships.







Though legislation requirements set out the minimum requirements for municipalities, the City and the EM program team have expressed their desire to implement good practices aligned with the Incident Management System Doctrine, where feasible. These guidelines are provided by the Provincial Emergency Management Office and include specific templates, guidelines and tool kits for municipalities in implementing IMS.

As it pertains to ongoing improvement of City's preparedness, training and emergency simulation processes could be improved. While there is a designated EPO role to manage compliance and training needs, more formal documentation should be implemented to demonstrate compliance with EMCPA and the City's policies/procedures. For example, documentation could be improved to achieve stated objectives in the following areas:

- The process of updating and reviewing the ERP and related response and recovery plans should be documented for clarity and knowledge transfer purposes.
- The documentation associated with notification and initiation of response plans or routine monitoring and documentation of incident analysis/decisions.
- Documented guidelines to design and perform drills/exercises and utilizing outcomes from past exercises or incidents should be developed which should at least cover type and frequency of exercises, pros and cons of each exercise type as well as potential goals regarding hazard coverage.
- Use the currently available "verification of municipal emergency control group training form" to document training when participants cannot attend the in-person training.
- Document minutes of meetings of the EMPC.

Based on the controls identified and assessed for design as part of the internal audit of the Legislative Emergency Management Planning/Preparedness, we have determined that there is reasonable evidence to indicate that:

| | No or limited scope improvement | No major concerns noted | Cause for concern | Cause for considerable concern |
|---|---|---|-------------------|--------------------------------|
| For the objectives related to the process of developing the Emergency Response Plan (ERP) and monitoring its execution during planned/unplanned disruptions, including maintaining ERP roles and structures. | | | | |
| Controls over the process are designed in such a manner that there are: | |  | | |
| Sample tests indicated that process controls were operating such that there are: |  | | | |
| For the objectives related to the reviews, on a periodic basis, updates to the ERP and/or composition of the EOC is approved. Communication of roles, responsibilities and changes of recovery teams to appropriate personnel in a timely basis. | | | | |
| Controls over the process are designed in such a manner that there are: |  | | | |
| Sample tests indicated that process controls were operating such that there are: | |  | | |
| For the objectives related to monitoring of the timely execution of response strategies during an emergency incident/event for compliance with legislation and documentation standards. | | | | |
| Controls over the process are designed in such a manner that there are: | |  | | |
| Sample tests indicated that process controls were operating such that there are: |  | | | |
| For the objectives related to drills and or emergency management exercises and review of lessons learned/outcomes is performed | | | | |
| Controls over the process are designed in such a manner that there are: | |  | | |
| Sample tests indicated that process controls were operating such that there are: |  | | | |

| | No or limited scope improvement | No major concerns noted | Cause for concern | Cause for considerable concern |
|---|---|---|---|--------------------------------|
| For the objectives related to the review of simulated emergencies/incidents results and comparison of test results to predetermined estimates and criteria | | | | |
| Controls over the process are designed in such a manner that there are: | |  | | |
| Sample tests indicated that process controls were operating such that there are: | |  | | |
| For the objectives related to maintaining and updating a formal training and awareness programs | | | | |
| Controls over the process are designed in such a manner that there are: |  | | | |
| Sample tests indicated that process controls were operating such that there are: | | |  | |
| For the objectives related to overall encouragement of public preparedness and maintenance of guides/toolkits and best practices. | | | | |
| Controls over the process are designed in such a manner that there are: |  | | | |
| Sample tests indicated that process controls were operating such that there are: |  | | | |

Management has provided comprehensive action plans, which we believe will address the deficiencies noted.

Summary of positive themes

Based on the discussion with management and documentation reviewed to date and conducted by Internal Audit, the following positive themes were noted:

Municipal Emergency Response Planning

The Emergency Response Plan has been documented with consideration of past example case studies and emergencies faced by the City. It defines emergency and response procedures as per the Emergency Management and Civil Protection Act. The ERP defines the roles and responsibilities of the CCG members responsible for incident management and actions and protocols for escalating and evoking emergency response strategies.

The City has an agreement with the Canadian Red Cross Society for protecting the health, safety and security of citizens, and for basic financial assistance in terms of providing basic needs, shelter and disaster relief. The Emergency Resource Handbook (annexure to ERP) provides details on important resources which can be used by the CCG members in case of operational constraints faced by the City.

The Emergency Operations Center (EOC) located at the Provincial Road location is technically sound and has the necessary telecommunication systems installed. To access the EOC, City staff use their City access cards; members of CCG (City staff) have special access to enter EOC. For non-City staff or non-CCG members, the clerk at the EOC is responsible to check ID and allow entry into the EOC.

The Emergency Information Officer and team is accommodated in the EOC during emergency; they are responsible for informing internal and external stakeholders through various media channels. This team creates media releases on an ongoing basis via news releases, press conferences, and updates via social media which is then used by other departments to spread the same information.

A Mobile Operating Unit is available on site, which operates as a mini EOC. This unit is helpful at times of emergency and can operate near the emergency/incident location to provide first hand information to the EOC.

The Incident Management System (IMS) forms are printed and maintained in the EOC. Further, the forms/documentation during emergency/drills are stored electronically within the City's shared network drive which is accessible to authorized staff only.

On EOC activation, an incident debrief is prepared and shared with the CCG, and an Incident Commander (IC) is appointed. Details pertaining to the incident are captured on IMS 1001 (Consolidated Incident Action Plan) which includes information on the current situation, operations to be undertaken by the respective departments, and objectives for the operational period. IMS 211-B (EOC check -in List) and IMS 207 (Incident Organization Chart), are also completed by the fire clerk as per the instructions/guidance of the IC. These forms are further reviewed and approved by the IC.

Emergency Management Training, Awareness and Continuous Monitoring

Annually, the City submits a Municipal Compliance Report which is prepared by the Emergency Planning Officer and reviewed by the Fire Chief/CEMC. The compliance report is completed online and uploaded on the provincial web portal. The report is submitted with information satisfying the provincial legislative requirements for Emergency Management within the applicable due date. A compliance letter from the Provincial Emergency Management office is received once the Provincial Emergency Management Field Officer reviews and evaluates the information provided in the report.

The Emergency Planning Officer prepares the annual training material, which is in accordance with the Ontario regulation 380/04, covering details on notification procedures, roles and responsibilities of the CCG members and EMPC, declaration of emergency, HIRA document, and the processes around municipal disaster recovery assistance.

Annually, a simulation exercise/drill is conducted for the CCG members. The most recent exercise/drill that was conducted was for ice storms. This exercise was facilitated by the Emergency Planning Officer in conjunction with the Fire Chief/CEMC. The CCG members and external parties responsible for the management of operations during an incident participated in this exercise. This exercise is a half day event which include events from response to recovery being exercised. During this exercise, IMS forms completed were IMS 1001 and IMS 211-B. A standard debrief template has been formulated by the Emergency Planning Officer to capture the debrief responses from the respective participants of the drill which captures feedback on the process of drill performed, lessons learned and improvement ideas. An after action report was prepared, which was based on summary of responses received by the participants.

Annually, the Mayor announces the proclamation at Council regarding Emergency Preparedness (EP) week, which is televised live. Information regarding EP is posted via intranet as well as seasonal messaging/email are sent to City staff. An EP guide is circulated across the city through various events such as an Earth Day event, EOC Tour, etc. Information about the EP week is made available and helps people prepare during contingency situations.

Summary of findings

| Finding # | Topic | Rating ¹ | | | Management Action Plan |
|--|---|---------------------|----------|----------|---|
| | | Significant | Moderate | Low | |
| Emergency Response Planning and Compliance Monitoring | | | | | |
| 1 | Update the Emergency response plan and document process for performing annual update (<i>Design Effectiveness</i>) | - | - | X | The process is already underway and will be finalized after council approves the 2019 edition of the City of Windsor's ERP. |
| 2 | Document EMPC meeting minutes as evidence of review for emergency management documentation (<i>Operating effectiveness</i>) | - | - | X | Management has already implemented the recommendations including reference to the findings for Emergency Management Program Committee (EMPC) noted. |
| Emergency Response Execution & Reporting | | | | | |
| 3 | Implement incident notification and briefing documentation/logging (<i>Design Effectiveness</i>) | - | - | X | Management has created an internal document reflecting the recommendation noted. |
| Emergency Management Exercises | | | | | |
| 4 | Develop process guidelines for continuous improvement exercises, documentation and reporting (<i>Design effectiveness</i>) | - | X | - | Debrief will be conducted immediately after each exercise. Will create a document that catalogues the relevant exercise design element in 2019. |
| Emergency response trainings | | | | | |
| 5 | Review completeness of annual ERP training provided to the staff (<i>Operating effectiveness</i>) | X | - | - | Process to ensure and document training will be implemented immediately. Additional training to all WFRS clerical staff will be provided. |
| Emergency Preparedness | | | | | |
| - | No Findings - refer to Consideration for improvement #2: “Implementation of Public Notifications Procedures and Alert Systems” | | | | |
| Total | | 1 | 1 | 3 | |

¹ See Appendix A for Basis of Finding Rating and Report Classification

Summary of significant findings

Internal audit identified one (1) significant finding related to the operating effectiveness of controls, specifically:

- a) ***Review completeness of annual ERP training provided to the staff:*** Steps to comply with Ontario Regulation 380/04 Training Requirements should be taken by reviewing a complete list of members which require the training against the sign-in sheet for training facilitated annually. Materials should be shared with participants and acknowledgement of “verification of municipal emergency control group training form” should be completed by members specifically who are not able to physically attend the training.

Management comments

Management has reviewed the findings and recommendations found within this report. Specific details regarding each finding can be found later in the document under each respective heading.

The report correctly identifies the City has maintained compliance with the Emergency Management and Civil Protection Act (EMCPA). It has also identified during the audit process that emergency management activities can vary as the EMCPA is not prescriptive in every aspect of Municipal Emergency Management; meaning there are options available in achieving compliance and not all requirements are clearly defined within the Act.

Most importantly, this report captures the underlying attitude of WFRS and the City regarding Emergency Preparedness in that mere compliance is not the goal of the program; there is a desire to achieve a level of performance greater than the minimum requirements. The majority of the findings and subsequent recommendations in this report are items that bring the City and Emergency Preparedness to a level that exceeds the minimum requirements set out in the act. WFRS is committed to providing the highest level of service to the public and will utilize the management action plans to achieve the highest level of preparedness possible.

Management would like to thank PwC for their professionalism during this audit.

Name: Stephen Laforet

Title: Fire Chief / CEMC

Date: March 18, 2019

Detailed observations

| | | | |
|--|-----|--------------------|-------------------------------|
| 1. Update the Emergency response plan and document process for performing annual update (<i>Design Effectiveness</i>) | | | Overall Rating: Low |
| Impact: | Low | Likelihood: | Likely |
| <p>Observation: The Emergency Response Plan (ERP) was approved by the Council in April 2015. The plan provides guidelines for key officials, agencies and City departments regarding important emergency response information. Management makes regular updates to the annexures associated to ERP regarding response planning and preparedness strategies, and to CCG members details and their roles. The ERP does not address the following:</p> <ul style="list-style-type: none"> • explicit reference to the agreements with third parties in annexures; • reference list to the associated annexures; • explicit roles for the ERP review and approval processes/procedures (e.g. role of EMPC or CLT); • description requirements for maintaining version control or the last update date; • updated address information for one of the three EOC sites; and <p>Evidence of annual review of ERP and associated annexures, and timely communication of updates to stakeholders, is not maintained. As per management, the Emergency Response Plan update is in progress and will be presented to the Council for approval by Q2 2019.</p> | | | |
| <p>Implication: Information may not be referenced in a central document for a ready access leading to potential inconsistent application or untimely use.</p> | | | |
| <p>Possible root cause: Clear standards to structure the ERP have not been formally defined and approved.</p> | | | |
| <p>Recommendation: The current control for maintaining and updating key emergency management documents noted above should be updated/enhanced as follows:</p> <ul style="list-style-type: none"> • Maintain or create separate repository of key documents (City dashboard or shared server). • Continue to use the central EOC email inbox for staff (e.g. CCG members or department leads) to inform EMPC/delegate of changes required to annexures. • Log of changes requested/proposed is prepared and reviewed/monitored periodically. • As updates are made to documents, prior versions should be decommissioned/removed from central repository. • Documents should be updated with the latest date or version reference. • A process for timely communication should be agreed to with stakeholders and EMPC. • Communication via email should be sent reminding relevant stakeholders to review updates to the documents/repository (based on the last update date). <p>Prior to the upcoming updates and subsequent annual review of the ERP, management should formally document a process/procedure around steps and roles in annual ERP review and communication to relevant stakeholders and include reference to annexures.</p> <p><i>Also, refer to finding #2 recommendations</i></p> | | | |

| | | |
|--|---------------------------|-------------------------------|
| 1. Update the Emergency response plan and document process for performing annual update (<i>Design Effectiveness</i>), continued | | Overall Rating: Low |
| <i>Management Action Plan</i> | | |
| Action Plan: Management agrees with the findings and recommendations. An improvement to the annual update process will be beneficial. The process is already underway and will be finalized after council receives and approves the 2019 edition of the City of Windsor’s Emergency Response Plan. | Responsible Party: | Emergency Planning Officer |
| | Due Date: | Q3 2019 |

| | | | |
|---|-----|-------------------------------|----------------------------|
| 2. Documentation of EMPC meeting minutes and retention of annual review of emergency management documentation (<i>Operating effectiveness</i>) | | Overall Rating: Low | |
| Impact: | Low | Likelihood: | Likely |
| <p>Observation: The Emergency Program Committee (EMPC) annually reviews the ERP to assess if any change/update is required. As per the terms of reference document, one of the objectives of the EMPC is to review and make recommendations on the City’s ERP and after action reports for exercises and emergency responses. The EMPC is also required to make recommendations on emergency management enhancements and corrective actions based on lessons learned, and conduct an annual emergency management program review to verify that the program is operating in compliance with the Act and Regulations. Review of the Terms of Reference is required to be performed as needed or when a new member has been appointed.</p> <p>Evidence of EMPC’s annual review of the ERP, annexures or the After Action Report from the simulated exercises, as well as involvement in reviewing the compliance reports or relevant training materials or outcomes for the period under review, is not maintained (e.g. meeting minutes).</p> | | | |
| <p>Implication: Updates to documents or key decisions subsequent to the EPMP review may not be complete, timely or accurate.</p> | | | |
| <p>Possible root cause: Evidence of key functions of performing oversight activities by the EMPC is not retained.</p> | | | |
| <p>Recommendation: Review of key oversight activities in the form of EMPC meeting minutes should be documented. Standing agenda the annual EMPC meeting should be developed. The TORs should be updated by adding an objective to review updates to annexures. <i>Also refer to finding #4 recommendations.</i></p> | | | |
| Management Action Plan | | | |
| <p>Action Plan: Management agrees with the findings and recommendations. Management has already implemented the recommendations including reference to the EMPC noted in finding #4.</p> | | Responsible Party: | Emergency Planning Officer |
| | | Due Date: | Complete |

| | | | |
|---|-----|-------------|-------------------------------|
| 3. Implement incident notification and briefing documentation/logging (Design Effectiveness) | | | Overall Rating: Low |
| Impact: | Low | Likelihood: | Likely |
| <p>Observation: Response triggers including Daily Situation Report, and Media Notification System Activation from members of Community Control Group exists to help Emergency program members in evaluating risks and executing appropriate response protocols/plans. In addition, analysis/review of incident details prior to evoking the EOC is performed. On review of the Emergency Response processes at the City, we noted the following:</p> <ul style="list-style-type: none"> Monitoring and tracking notifications: A standard process to log notifications received from various stakeholders in event of a threat, hazard, potential incident which results in analysis is not documented at the point of notification. The current process is to document (via IMS 201) the analysis/consultation if EOC activation/emergency declaration is to occur. <p>The process to archive the specific daily situation reports and/or other response triggers/notifications that were used to perform the initial analysis of the possible threat/emergency/EOC activation/public preparedness messaging and communication is not documented.</p> | | | |
| <p>Implication: Key decisions or risk analysis will not be retained from initial notification to response approval or initiation.</p> | | | |
| <p>Possible root cause: No specific guidelines are available from the province in terms of defining emergency levels and the logging of notifications that lead to potential threats/incidents. Comparative review of the ERP considering similar size municipalities to support completeness is not performed.</p> | | | |
| <p>Recommendation: Process to log initial analysis of (and subsequently monitor and track decisions) the notifications received from various stakeholders in the event of a threat/hazard/potential incident which can lead to EOC activation/emergency declaration should be established. The information captured within this log should include, but may not be limited to the following:</p> <ul style="list-style-type: none"> Notification source (daily situation report, rail notification, city staff etc.). Incident/notification name. Incident/notification date and time. Medium of information received i.e. verbal, email, report etc. Level of incident at time of notification for monitoring purposes. Summary of discussion (people involved in discussion). Decision(s) made (routine monitoring, EOC activation etc.) with reference to public preparedness messages. Notes or comments describing risks to life safety, capacity to respond, property and customer service. <p>This document can be further used to complete the IMS 201 form “Incident Briefing” at the time of EOC activation.</p> <p>Process to archive specific daily situation reports and/or other response triggers that are used to perform the initial analysis of the possible threat/emergency/EOC activation/public preparedness messaging and communication should be documented.</p> <p><i>Also refer to Consideration for Improvement# 1.</i></p> | | | |

| Management Action Plan | | |
|---|--------------------|----------------------------|
| <p>Action Plan: Management agrees with the findings and recommendations. Management recognizes and agrees that the implementation of a tracking form may be useful. Historically the information regarding the genesis of an incident is captured in the Incident Briefing section of the IMS forms, however; not all of the specific details identified in the recommendation are included. Management has created an internal document reflecting the recommendation noted above to be used in future events.</p> | Responsible Party: | Emergency Planning Officer |
| | Due Date: | Complete |

| | | | |
|--|--------|-------------|------------------------------------|
| 4. Develop process guidelines for continuous improvement exercises, documentation and reporting (<i>Design effectiveness</i>) | | | Overall Rating: Moderate |
| Impact: | Medium | Likelihood: | Likely |
| <p>Observation: To annually conduct the drill/exercise for CCG members, the Emergency Planning Officer prepares the drills/exercises module by taking consideration of past incidents and past drills/exercise experience/results.</p> <p>Subsequent to the incident/drill, a debrief template is sent to participants via email to collect responses in terms of lessons learned/improvement ideas. On review, noted the following across two control improvements categories:</p> <p>Drills and/or emergency management exercises and review of lessons learned/outcomes:</p> <ul style="list-style-type: none"> • Protocols/guidelines to design and perform such exercise/drill and outcomes from exercises or real emergency scenarios are not defined/documented. For example, protocols/process to document/track timely communication of the lessons learned with the stakeholders prior to incorporating it in the future drills/exercises has not been established. • On review of debrief responses for the September 20, 2018 ice storm drill exercise for five (5) sampled participants, management had not received responses as of the date of our fieldwork. <p>Leadership review and documentation of results and comparison of test results to predetermined estimates and criteria:</p> <ul style="list-style-type: none"> • Absence of process wherein leadership reviews the results of simulated emergencies/incidents and compares test results to predetermined estimates. • Absence of debrief exercise being conducted for the flood incident 2017. • The debrief summary/after action report was not shared with EMPC and participants for review. • Absence of process to track and periodically report on the progress made in implementing the after action report recommendations, to the EMPC and participants. <p>Implication: Risk of issues not being addressed in a timely manner and these issues are likely to be repeated during the next exercise or live event. Untimely approval if any extra funds are needed or the change requires updates to existing policies. Unidentified opportunities to retest any significant changes to ensure that the desired results are achieved.</p> <p>Possible root cause: Common planning procedures, frequency, roles, outcomes, reporting and communication for emergency drills/exercises, with minimum standards of adherence, have not been defined. Feedback from participants is not mandatory and after action reports are not mandatory for undeclared emergencies.</p> <p>Recommendation: Developing/Conducting Exercises: A documented guideline to design and perform drills/exercises and utilizing outcomes from past exercises or incidents should be developed. The guideline should include, but may not be limited to:</p> <ul style="list-style-type: none"> • type of exercises (seminar, table top, workshop, games, drills, functional, full scale). | | | |

Recommendation, *continued*

- use of case studies and past emergencies/incidents for preparing simulation facts (from notification source to recovery planning).
- frequency of the exercises (and or exceptions in circumstances of lessons learned from real incidents).
- pros and Cons of each exercise type.
- location of drills (depending on characteristics of the simulated scenario).
- incident notification source.
- reference to multiple modes of communication techniques or approaches during an incident (including unplanned disruptions to communications).
- incidents occurring during planned/scheduled City events vs. unplanned disruptions.
- coverage across several existing recovery plans, response plans or third party agreements.
- requirements for obtaining feedback (including from third parties).
- criteria or expectations across various emergency levels (and increases or decreases to the assessed threat level during an incident).
- potential goals regarding hazard coverage.
- whether after action reports are required for un-declared emergencies (Simulated or real-life).
- scheduling, cost sharing and other exercise planning activities.

Collecting feedback: Management should establish protocols to collect the debrief responses after the conclusion or within a week of the drills/exercise so that improvement ideas/lessons learned are captured timely. A short debrief meeting should be conducted with participants to discuss the lessons learned summary based on the responses received.

Post-exercise report: The results of the debriefing should be used to prepare a post-exercise report including recommendations for improvement. To support lessons identified (if any) are accepted and addressed by the organization, the post-exercise report should be distributed to all exercise participants, other relevant personnel and interested parties. If significant issues have been identified in an exercise, the organization should consider repeating the exercise, after corrective actions have been put in place.

Leadership review/commitment: Formulate a process wherein leadership reviews the results of simulated emergencies/incidents and compares test results to predetermined estimates and criteria for practicality of assumptions required in the ERP. As an alternative to this control, where key roles have a designated alternate, on a rotational basis the primary and alternate should participate as observers document communication, interactions and the environment of the primary individual and/or broader EOC. For example the alternate CEMC can observe the primary CEMC and EOC operations to document and capture lessons learned and compare expected results to actual results.

Further, management should track and periodically report on the progress made in implementing it to the EMPC and the participants. This can be done via creating a spreadsheet with the action, who it is assigned to, priority, date for completion and indicate if it needs to be included in the next exercise.

| Management Action Plan | | |
|--|---------------------------|-----------------------------------|
| <p>Action Plan: While management acknowledges the finding and recommendations put forth by Internal Audit regarding this matter, management disagrees with various elements of the recommendation and Internal Audit’s assessment of risk related thereto. As noted under possible root causes, a debrief is not a requirement of the EMCPA. Historically, a debrief is conducted after a declared emergency as was the case for the 2016 tornado incident. In any case where significant concerns exist, a debrief would be conducted. The absence of a debrief does not create any operational deficiencies.</p> <p>Management agrees with some of the recommendations. The recommendations associated with this finding are not required under the act and although not specifically documented, the process and considerations surrounding exercise design and selection are consistent with what is identified in the recommendations.</p> <p>Exercises: The determination of the type of exercise is currently conducted using the criteria identified in the recommendation. Exercise determination is consistent with good emergency management practices. The addition of a process to document exercise selection/determination would aid in keeping an account of the rationale behind decisions, however is not required under the EMCPA.</p> <p>Management will create a document that catalogues the relevant exercise design elements and will begin this process for the 2019 exercise.</p> <p>Collecting Feedback: Due to the historically low response rates of participant feedback, a debrief will be conducted immediately after each exercise while participants are present. This will begin in 2019.</p> <p>Post-exercise report: The 2018 exercise was followed up with a post exercise report; however, completion of the report fell outside of the timelines associated with the audit.</p> <p>Leadership review / commitment: Due to training requirements, it would not be feasible or recommended for roles to be focused on review rather than the training role. Emergency Management Windsor has invited the EMO Field Officer to its annual exercise for the purpose of review and expert feedback. Due to scheduling, this is not always possible however at a minimum, management endeavors for the exercise to be reviewed and for consultation to occur between the EMO Field Officer, Emergency Planning Officer, and the CEMC. The EMO Field Officer will be attending the 2019 exercise planning meeting and will be extended an invitation to be present at the 2019 exercise to observe and provide feedback.</p> | <p>Responsible Party:</p> | <p>Emergency Planning Officer</p> |
| | <p>Due Date:</p> | <p>Q4 2019</p> |

| | | | |
|---|------|---------------------------|---|
| <p>5. Review completeness of annual ERP training provided to the staff (Operating effectiveness)</p> | | | <p>Overall Rating: Significant</p> |
| Impact: | High | Likelihood: | Likely |
| <p>Observation: As per the Ontario Guidance Note 2018-01-01 (supplement to the Ontario Regulation 380/04 Training Requirements) dated February 6, 2018, it is the responsibility of every municipal EMPC and municipal emergency management control group to annually demonstrate an adequate level of training. On review of the annual ERP training records, training records for one out of five sampled participants (note that 62 participants attended) was not found.</p> <p>The Ontario Incident Management System (IMS) forms are used to assist with incident management processes and procedures, as well as to represent a record of decisions and actions. Currently only verbal instructions are provided to those responsible for preparing IMS forms.</p> <p>In addition, the attributes on training covering the training type, participants and staff responsible to deliver the training has not been documented in the ERP.</p> | | | |
| <p>Implication: Risk of non-compliance with legislative requirement due to an inability to demonstrate completeness in terms of acknowledgement and awareness of required mandatory training. Key members responsible for managing emergencies may not receive required training.</p> | | | |
| <p>Possible root cause: Complete list of staff members requiring mandatory training is not maintained or compared to attendance sign-in sheets. Training records for trainings provided on filling of IMS forms to clerks not retained.</p> | | | |
| <p>Recommendation: Management should take steps to comply with the above documented legislative requirements by maintaining a complete list of staff members which require the training. The sign-in sheet should be compared to identify staff which did not attend training. Training deck should be shared with participants and acknowledgement of “verification of municipal emergency control group training form” should be completed by members specifically who are not able to physically attend the training. This form already exists however it should be used consistently.</p> <p>Formal documented training to clerks completing the IMS forms should be provided.</p> <p>The ERP should be updated with attributes on training covering the training topics including: IMS forms completion, drills/exercises, HIRA etc.), participants, acknowledgement process/form and staff responsible to deliver the training.</p> | | | |
| <p>Management Action Plan</p> | | | |
| <p>Action Plan: While management acknowledges the finding and recommendations put forth by Internal Audit regarding this matter, management disagrees with various elements of the recommendation and Internal Audit’s assessment of risk related thereto. Consultation with the EMO Field Officer occurs regularly throughout the year and more so during the time when annual compliance reports are being</p> | | <p>Responsible Party:</p> | <p>Emergency Planning Officer</p> |
| | | <p>Due Date:</p> | <p>Q4 2019</p> |

| | | |
|--|--|--|
| <p>completed. A good working relationship has been established which helps identify any impediments to achieving compliance. Remedial measures can be identified and agreed upon to ensure the City achieves compliance but more importantly remains prepared. As stated above, management does acknowledge this finding as important and will take measures to reduce the possibility of clerical or record keeping errors in the future.</p> <p>Management agrees with some of the recommendations, which will be outlined below:</p> <ul style="list-style-type: none"> • Where personnel cannot attend training, a process to ensure and document training will be implemented and in place immediately for the 2019 training sessions. • Track for members of the Community Control Group that have received training. • Continue to utilize the “verification of municipal emergency control group training form”. <p>There is a significant amount of latitude afforded to the municipality when it comes to the use of IMS forms. IMS is scalable and as such, a municipality determines which forms are required for each event. Within each form there are areas which completion is optional.</p> <p>While this may be the case, management appreciates the potential confusion that can result from inconsistent practices and therefore agrees to provide additional training to all WFRS clerical staff so that IMS forms are consistently completed in their entirety as applicable, not just during a single event but from incident to incident.</p> | | |
|--|--|--|

Considerations for improvement

1. Implementation of Public Notification Procedures and Alerts System

Observation

The City of Windsor 211/311 Manager or Alternate is responsible to respond to citizen inquiries under the supervision of the CAO and in consultation with the EIO to facilitate timely and accurate information available to citizens in the interest of public safety. The Senior Electronics Technician has the prime responsibility for emergency radio tele-communications during a declared emergency at various locations including evacuation centres, hospitals, and other key responding agencies.

Status updates are posted via Facebook and Twitter.

The City is also able to use the Federal/Provincial Notification System (Alert Ready) to issue alerts to specific geographical areas.

On review, it was noted that currently the City does not have its own public notification system to issue alerts directly on people's preferred devices, including email, home phone, cell phone, and fax machine.

Considerations

Cost benefit analysis for implementing or subscribing to the third party public notification system should be performed which can support the benefits associated with added features i.e. focus on those benefits that are available with provincial notification alert program.

The system should facilitate disseminating of information quickly and efficiently in case of an emergency directly on people's preferred devices, including email, home phone, cell phone, and fax machine.

City could also circulates preparedness guide 72 hour emergency kit and other evacuation procedures to be followed in case of an emergency.

2. Documentation and Completion of IMS forms and IMS Training

Observation:

- a) The Ontario Incident Management System (IMS) forms are used to assist with incident management processes and procedures, as well as to represent a record of decisions and actions. In addition, details within these forms are a source of information for communication and messaging to the public during an incident, and such messaging is retained for future reference. The IMS doctrine suggests that IMS forms that are deemed as applicable should be used. Based on our review of documentation standards/processes we noted:
- Currently, IMS forms including 1001 (Consolidated Incident Action Plan), 207 (Org Chart) and 211-B (EOC Check-In List) are being used to document the incident processes manually. In addition to these, there are 19 other IMS forms that are currently not used. 13 out of the 19 IMS forms are a part of IMS 1001 and appear as sections to the 1001 form. The other six have not been needed by City.
 - Details and sign-off for preparer and approver were not captured.
 - Certain optional sections within the IMS forms were left blank without documenting rationale (e.g. “section is not required or applicable”).
 - In regards to training documentation, a list of members requiring recommended IMS training is not maintained.
- b) We noted that a central document management system has not been implemented to collect or retain information regarding emergency management. Emergency management information systems provide timely, accurate and complete information to assist with emergency management and performance measurement and public reporting.

Considerations

- a) IMS forms package should be evaluated and applicability of forms that are currently not used should be considered based on applicability/requirement. Where IMS training is not a legislated requirement, the City should develop a procedure/guidelines to address training needs for those staff members where IMS training is recommended. This internal requirement can be integrated into learning management system maintained by Human Resources.
- b) Management should consider deploying a document management system for submission and recording of IMS forms to facilitate completeness. Such a system could be developed or procured in collaboration with the County of Essex. The key details to consider include but are not limited to:
- managing training content to facilitate awareness of staff on what to do, who to call and what information is available to them when they need it most with access to relevant plans, procedures and documentation.
 - maintaining up to date plans and version control.
 - accurately reporting all incidents throughout the year.
 - recording drills/exercises carried out throughout the year.
 - completing forms using online forms accessible from mobile devices.
 - managing consistency communication messages with templates and pre-approved forms
 - Completion of Command Post Inspection Sheet by accountable party (pre-populate relevant forms name/title of responsible person).

Appendix A: Overview of Emergency Management Internal Audit Scope

The following diagram provides an overall view of the Municipal Emergency Management Program for City of Windsor highlighting areas and processes that were considered in-scope (checked marks/bolded font) during our review.



FOOTNOTE the details/description and source is Ontario Ministry website.

Source: The Five Components of Emergency Management in Ontario as prepared by the Office of the Auditor General of Ontario using data from the Ministry of Community Safety and Correctional Services.

Appendix B: Basis of findings rating and report classification

Findings rating matrix

| Audit Findings Rating | | Impact | | |
|-----------------------|---------------|----------|-------------|-------------|
| | | Low | Medium | High |
| Likelihood | Highly Likely | Moderate | Significant | Significant |
| | Likely | Low | Moderate | Significant |
| | Unlikely | Low | Low | Moderate |

Likelihood consideration

| Rating | Description |
|---------------|--|
| Highly Likely | <ul style="list-style-type: none"> · History of regular occurrence of the event. · The event is expected to occur in most circumstances. |
| Likely | <ul style="list-style-type: none"> · History of occasional occurrence of the event. · The event could occur at some time. |
| Unlikely | <ul style="list-style-type: none"> · History of no or seldom occurrence of the event. · The event may occur only in exceptional circumstances. |

Impact consideration

| Rating | Basis | Description |
|--------|---------------------------|--|
| HIGH | Dollar Value ² | Financial impact likely to exceed \$250,000 in terms of direct loss or opportunity cost. |
| | Judgemental Assessment | <p>Internal Control Significant control weaknesses, which would lead to financial or fraud loss.</p> <p>An issue that requires a significant amount of senior management/Board effort to manage such as:</p> <ul style="list-style-type: none"> · Failure to meet key strategic objectives/major impact on strategy and objectives. · Loss of ability to sustain ongoing operations: <ul style="list-style-type: none"> - Loss of key competitive advantage/opportunity - Loss of supply of key process inputs · A major reputational sensitivity e.g., Market share, earnings per share, credibility with stakeholders and brand name/reputation building. <p>Legal/Regulatory Large scale action, major breach of legislation with very significant financial or reputational consequences.</p> |
| MEDIUM | Dollar Value | Financial impact likely to be between \$75,000 to \$250,000 in terms of direct loss or opportunity cost. |
| | Judgemental Assessment | <p>Internal Control Control weaknesses, which could result in potential loss resulting from inefficiencies, wastage, and cumbersome workflow procedures.</p> <p>An issue that requires some amount of senior management/Board effort to manage such as:</p> <ul style="list-style-type: none"> · No material or moderate impact on strategy and objectives. · Disruption to normal operation with a limited effect on achievement of corporate strategy and objectives · Moderate reputational sensitivity. <p>Legal/Regulatory Regulatory breach with material financial consequences including fines.</p> |
| LOW | Dollar Value | Financial impact likely to be less than \$75,000 in terms of direct loss or opportunity cost. |
| | Judgemental Assessment | <p>Internal Control Control weaknesses, which could result in potential insignificant loss resulting from workflow and operational inefficiencies.</p> <p>An issue that requires no or minimal amount of senior management/Board effort to manage such as:</p> <ul style="list-style-type: none"> · Minimal impact on strategy · Disruption to normal operations with no effect on achievement of corporate strategy and objectives · Minimal reputational sensitivity. <p>Legal/Regulatory Regulatory breach with minimal consequences.</p> |

² Dollar value amounts are agreed with the client prior to execution of fieldwork.

Audit report classification

| Report Classification | The internal audit identified one or more of the following: |
|--|---|
| Cause for considerable concern | <ul style="list-style-type: none"> • Significant control design improvements identified to ensure that risk of material loss is minimized and functional objectives are met. • An unacceptable number of controls (including a selection of both significant and minor) identified as not operating for which sufficient mitigating back-up controls could not be identified. • Material losses have occurred as a result of control environment deficiencies. • Instances of fraud or significant contravention of corporate policy detected. • No action taken on previous significant audit findings to resolve the item on a timely basis. |
| Cause for concern | <ul style="list-style-type: none"> • Control design improvements identified to ensure that risk of material loss is minimized and functional objectives are met. • A number of significant controls identified as not operating for which sufficient mitigating backup controls could not be identified. • Losses have occurred as a result of control environment deficiencies. • Little action taken on previous significant audit findings to resolve the item on a timely basis. |
| No major concerns noted | <ul style="list-style-type: none"> • Control design improvements identified, however, the risk of loss is immaterial. • Isolated or “one-off” significant controls identified as not operating for which sufficient mitigating back-up controls could not be identified. • Numerous instances of minor controls not operating for which sufficient mitigating back-up controls could not be identified. • Some previous significant audit action items have not been resolved on a timely basis. |
| No or limited scope for improvement | <ul style="list-style-type: none"> • No control design improvements identified. • Only minor instances of controls identified as not operating which have mitigating back-up controls, or the risk of loss is immaterial. • All previous significant audit action items have been closed. |

Appendix C: Limitations and responsibilities

Limitations inherent to the Internal Auditor's work

Internal control

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Future periods

Our assessment of controls is for the period specified only. Historic evaluation of effectiveness is not relevant to future periods due to the risk that:

- the design of controls may become inadequate because of changes in operating environment, law, regulation or other; or
- the degree of compliance with policies and procedures may deteriorate.

Responsibilities of management and Internal Auditors

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

We endeavour to plan our work so that we have a reasonable expectation of detecting significant control weaknesses and, if detected, we shall carry out additional work directed towards identification of consequent fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected.

Accordingly, our examinations as internal auditors should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist.



This document has been prepared only for The Corporation of the City of Windsor and solely for the purpose and on the terms agreed with The Corporation of the City of Windsor in our agreement dated June 9, 2016. We accept no liability (including for negligence) to anyone else in connection with this document, and it may not be provided to anyone else.

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Appendix D - Report on Validation of Management Action Plans

Internal Audit Report - City of Windsor

Report on Validation of Management Action Plans

FINAL

*As of December 31,
2018*



1. Executive Summary

| Rating | Opening Balance (May 31) | Additions in the Period | Expected Closed by Dec 31 | Closed by IA | Accepted Risk (No Validation) | Open at Dec 31, 2018 | Open – On track | Open & Delayed | Retargeted in the Period |
|--------------------|--------------------------|-------------------------|---------------------------|--------------|-------------------------------|----------------------|-----------------|----------------|--------------------------|
| | (A) | (B) | (C) | (D) | (E) | (F) | (G) | (H) | |
| Significant | 11 | 9 | 12 | 7 | 0 | 13 | 7 | 6 | 5 |
| Moderate | 11 | 15 | 11 | 10 | 0 | 16 | 14 | 2 | 2 |
| Low | 6 | 15 | 12 | 12 | 0 | 9 | 8 | 1 | 0 |
| No Rating | 2 | 1 | 1 | 3 | 0 | 0 | 0 | 0 | 0 |
| Total | 30 | 40 | 36 | 32 | 0 | 38 | 29 | 9 | 7 |

Approach: For the *Validation of Management Action Plans*, the activities undertaken by internal audit included:

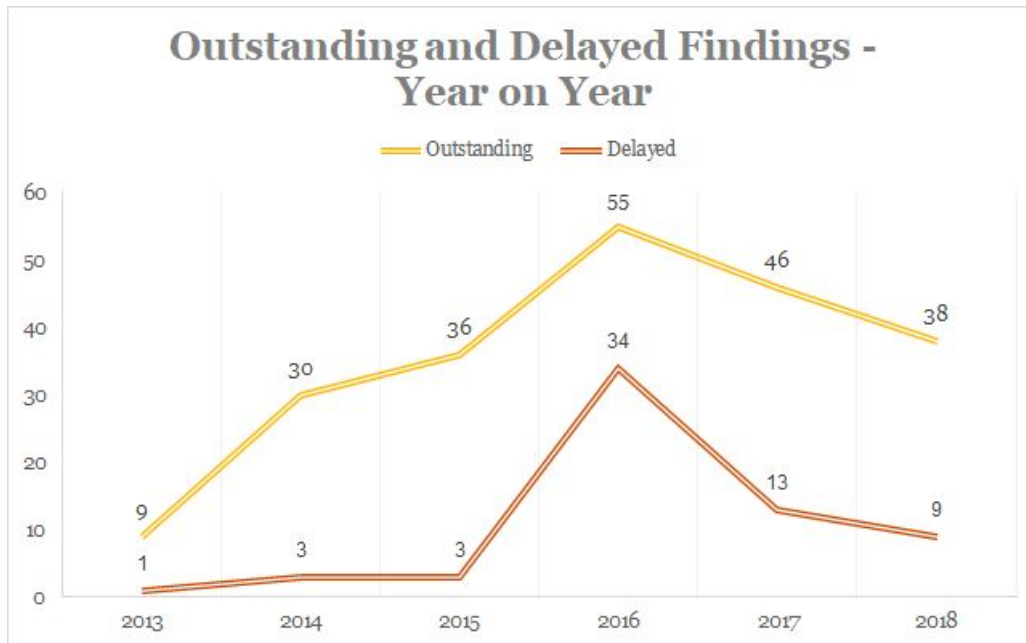
- notifying management of the intent to follow up;
- requesting status updates and contact information from management;
- preparing a listing of findings and status of resolution at the commencement and completion of each project;
- testing/validating evidence of management’s resolution/disposition of the original finding for items expected to be closed and/or indicated as closed by management; and
- preparing a report on the outcome of the management action plan validation internal audit activity.

The findings from any internal audits presented and approved to the Corporate Services Standing Committee on or subsequent to February 4, 2019 will be included in the next report (as of December 31, 2019) as findings added during the period.

Conclusion: In the quarter, in total, 81% of findings that were expected to close in the period were closed.

- *Closed as planned:* There were 36 management action plans due to be implemented by December 31, 2018, or from prior periods, of which 29 were closed.
- *Closed in advance:* There were three management action plans closed ahead of schedule.
- *Additions:* 40 management action plans were added during the period.
- *Retargeted Items:* In the period, there were seven action plans retargeted.

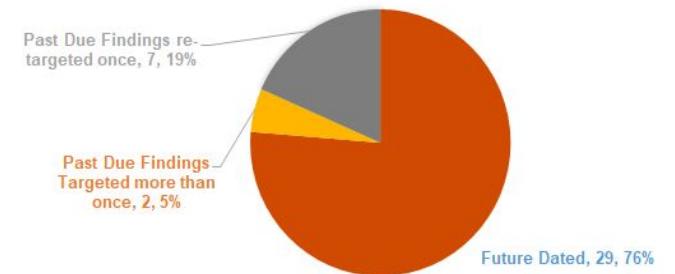
2. Open & Delayed Trends



DELAYED FINDINGS AGE (FROM ORIGINAL TARGET DATE)



FUTURE AND DELAYED FINDINGS



3. Action Plan Status by Internal Audit

| Internal Audit | Opening (May 31) | Additions in the Period | Expected Closed | Closed by IA | Accepted Risk | Open at Dec 31, 2018 | Open – On track | Open & Delayed |
|---|------------------|-------------------------|-----------------|--------------|---------------|----------------------|-----------------|----------------|
| | (A) | (B) | (C) | (D) | (E) | (F) = A+B-D-E | (G) | (H) |
| City-Based Audits | | | | | | | | |
| Inherited from Predecessor | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| EFT Review | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Hotline COI | 0 | 1 | 1 | 1 | 0 | 0 | 0 | 0 |
| Subtotal | 2 | 1 | 1 | 3 | 0 | 0 | 0 | 0 |
| Enterprise Governance | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Infrastructure | 1 | 0 | 1 | 1 | 0 | 0 | 0 | 0 |
| User Fees | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 1 |
| Fraud Risk Management | 2 | 0 | 2 | 2 | 0 | 0 | 0 | 0 |
| Manage Service Delivery | 2 | 0 | 2 | 2 | 0 | 0 | 0 | 0 |
| Service Provider | 1 | 0 | 1 | 1 | 0 | 0 | 0 | 0 |
| Inventory Control | 5 | 0 | 5 | 4 | 0 | 1 | 0 | 1 |
| Preventive Maintenance Pollution Control | 0 | 5 | 2 | 2 | 0 | 3 | 3 | 0 |
| Preventive Maintenance - Fleet | 0 | 4 | 2 | 2 | 0 | 2 | 2 | 0 |
| Fire Rescue Compliance (FRC) | 0 | 6 | 2 | 2 | 0 | 4 | 4 | 0 |
| Managing Transition of Projects into Operations | 0 | 4 | 0 | 0 | 0 | 4 | 4 | 0 |
| Property tax billing and payment processing | 0 | 1 | 0 | 0 | 0 | 1 | 1 | 0 |
| Facilities Operations | 0 | 6 | 0 | 0 | 0 | 6 | 6 | 0 |
| Social Media Strategy Assessment | 0 | 6 | 0 | 0 | 0 | 6 | 6 | 0 |
| Pursuit of Grant Funding | 0 | 2 | 1 | 1 | 0 | 1 | 1 | 0 |
| Subtotal | 13 | 34 | 18 | 18 | 0 | 29 | 27 | 2 |

| Internal Audit | Opening (May 31) | Additions in the Period | Expected Closed | Closed by IA | Accepted Risk | Open at Dec 31, 2018 | Open – On track | Open & Delayed |
|--------------------------|------------------|-------------------------|-----------------|--------------|---------------|----------------------|-----------------|----------------|
| ABC-Based Audits | | | | | | | | |
| WDTC | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 1 |
| Solid Waste | 1 | 0 | 1 | 0 | 0 | 1 | 0 | 1 |
| Roseland | 4 | 0 | 4 | 1 | 0 | 3 | 0 | 3 |
| TWEPI | 3 | 0 | 3 | 3 | 0 | 0 | 0 | 0 |
| Review of nine BIAs | 2 | 0 | 2 | 2 | 0 | 0 | 0 | 0 |
| WPS | 4 | 0 | 4 | 4 | 0 | 0 | 0 | 0 |
| Your Quick Gateway (YQG) | 0 | 5 | 3 | 1 | 0 | 4 | 2 | 2 |
| Subtotal | 15 | 5 | 17 | 11 | 0 | 9 | 2 | 7 |
| Total | 30 | 40 | 36 | 32 | 0 | 38 | 29 | 9 |

4. Retargeted Management Action Plans

The following findings were re-targeted by management this quarter during the management action plan validation process. Management had intended to carry out the action plan by the original due date; however, they were unable to do so for reasons included in the “Rationale” column below for each individual finding. Internal Audit has requested that management provide a retargeted due date in order for us to follow up with them when we next perform findings follow up.

| # | Audit Report | Observation # & Name | Retargets | | Executive Approval From | Rationale |
|---|--------------|---|--------------------------|-----------|--|---|
| 1 | Solid Waste | 101 - Agreement Between the City of Windsor and EWSWA | Original Due Date | 6/30/2016 | City of Windsor Chief Administrative Officer | <p>On review of the agreement between the County of Essex and the City of Windsor, Internal Audit noted that there is no standard set for frequency of Operations, there is no formal agreement between the two parties outlining responsibility, ownership and cost allocations, etc.</p> <p>Management has agreed to contact their joint venture partner, the County of Essex, to see if they are willing to undertake a review of the agreement.</p> <p>City of Windsor Administration has proceeded with review meetings with the County and most of the clauses appear to have been agreed to; however, there are some contentious clauses that need to be accepted and finalised. Meetings were planned in January 2019 with the County for finalise the agreement that can go to the respective councils for approval. However the meetings are still pending and approvals from both County and Windsor City Council are yet to be received.</p> <p>Internal Audit would require the approved revised agreement between the City of Windsor and the County of Essex to validate this finding.</p> |
| | | | Retarget Date | 9/30/2019 | | |
| | | | # of Retargets | 3 | | |

| # | Audit Report | Observation # & Name | Retargets | | Executive Approval From | Rationale |
|---|------------------------------|---|--------------------------|------------|--|---|
| 2 | Roseland Golf & Curling Club | 165 - Document a reporting and services agreement between the City & RGCC | Original Due Date | 6/30/2018 | CFO/City Treasured City of Windsor | <p>Internal Audit notes that there is no documented reporting agreement between Roseland Golf & Curling Club and the City of Windsor.</p> <p>Roseland Management will develop a comprehensive list of services provided to Roseland from the City of Windsor, develop a comprehensive procedure for reporting, prepare a document outlining reporting procedure.</p> <p>Roseland Board of Directors have approved the initial reporting and service agreement between City and Roseland on September 18, 2018, however these are subject to revisions that will be completed and approved by the Board.</p> <p>Internal Audit would require the approved service agreement between Roseland and City of Windsor to close this finding.</p> |
| | | | Retarget Date | 12/31/2019 | | |
| | | | # of Retargets | 1 | | |
| 3 | Roseland Golf & Curling Club | 166 - Define and document strategic plan | Original Due Date | 12/31/2018 | Roseland General Manager, Roseland Board of Directors | <p>Internal Audit noted that there was no strategic plan document that was presented to the Roseland Board. Further the Board does not endorse significant strategic decisions such as golf rates, approval of significant capital expenditures, approval of cheque register and staffing reports.</p> <p>Roseland Management has presented elements of a strategic plan for consideration by the Board mainly relating to Clubhouse and Golf Operations. Management will reach out to Roseland Board and the City of Windsor for further plan development including engaging a qualified consultant to develop a 5-10 year strategic plan.</p> <p>The initial discussion on developing a Strategic Plan was carried out in the Roseland Board Meeting on September 18, 2018. The appointment of a qualified consultant and development of a long term plan is still pending.</p> <p>Internal Audit would require the approved Strategic Plan documentation and evidence of appointment of a qualified consultant who would develop the plan.</p> |
| | | | Retarget Date | 12/31/2019 | | |
| | | | # of Retargets | 1 | | |

| # | Audit Report | Observation # & Name | Retargets | | Executive Approval From | Rationale |
|---|------------------------------|---|--------------------------|-----------|--|---|
| 4 | Roseland Golf & Curling Club | 167 - Update policy manual to address organization specific needs | Original Due Date | 9/30/2018 | Acting Manager, Roseland Golf & Curling Club | <p>Internal Audit noted that the Roseland Golf and Curling Club policy has not been updated since 2008, the policy manual does not address Roseland Golf and Curling Club specific needs and lacks key policy elements. There was no evidence of staff training on policies and procedures and the process for periodic review of policies was not defined.</p> <p>Management will carry out the following:</p> <ul style="list-style-type: none"> Review 2008 Policy Manual. Incorporate adopted and implemented City policies. Incorporate policies specific for golf operations, employee code of conduct. Incorporate an Organization Chart in identifying reporting structure and roles and responsibilities. Present to Roseland Board of Directors for adoption. Implement document control with a procedure for a master copy, identified by colour, location and possession. Approval of all Roseland specific and City adopted policies by the Roseland Board of Directors Include policies manual with employee enrollment package for review and sign off. Organize a policies manual review session for current employees. Make a copy of the Policies Manual centrally available in three locations, Little River Pro Shop, Roseland Pro Shop and Roseland Clubhouse Servery. <p>Roseland Board is yet to finalise on the Policy Manual to address Organization Specific Needs.</p> <p>Internal Audit would require the approved Policy Manual including all of the action plan items management has agreed to include.</p> |
| | Retarget Date | 12/31/2019 | | | | |
| | # of Retargets | 1 | | | | |

| # | Audit Report | Observation # & Name | Retargets | | Executive Approval From | Rationale |
|---|--|--|--------------------------|------------|---|---|
| 5 | Inventory Control & Lifecycle Management | 173 - Define Overarching Policies for Inventory Controls | Original Due Date | 12/31/2018 | Deputy Treasurer – Financial Accounting | <p>Internal Audit noted that the City of Windsor does not have an overarching inventory policy including specific criteria used to define inventory, defined categories of inventory, minimum desired common controls to be implemented across operational areas, criteria for assessing common controls and level of risk associated with each inventory category and assigning of ownership of controls implementation and monitoring.</p> <p>Management plans to begin consolidating departmental information on existing inventory procedures and activities, as well as researching best practices of other municipalities in 2017 and would have a draft policy developed in 2018.</p> <p>The inventory policies are being developed and will be presented to City Council in late spring/early summer timeframe. Internal Audit would require the approved Inventory Policy document to validate this finding.</p> |
| | | | Retarget Date | 6/30/2019 | | |
| | | | # of Retargets | 1 | | |
| 6 | Your Quick Gateway (YQG) - Managing Inventory, Repairs and Maintenance | 207 - Enhance key vendor management controls | Original Due Date | 12/31/2018 | Chief Executive Officer YQG & WDTC | As per management, YQG has revised their purchasing policy that includes the suggested recommendation to enhance key vendor management controls. This action is pending Internal Audit Validation. |
| | | | Retarget Date | 6/30/2019 | | |
| | | | # of Retargets | 1 | | |
| 7 | Your Quick Gateway (YQG) - Managing Inventory, Repairs and Maintenance | 209 - Enhance compensating controls to address potential segregation of duties | Original Due Date | 12/31/2018 | Chief Executive Officer YQG & WDTC | As per management, YQG has revised their purchasing policy that includes the suggested recommendation regarding segregation of duties. This action is pending Internal Audit Validation. |
| | | | Retarget Date | 6/30/2019 | | |
| | | | # of Retargets | 1 | | |

Previously Retargeted Management Plans

The following findings were re-targeted by management in past periods during the findings follow up process. Management had intended to carry out the action plan by the original due date, however were unable to do so for reasons included in the “Rationale” column below for each individual finding. Internal Audit has requested that management provide a retargeted due date in order for us to follow up with them when we next perform findings follow up.

| # | Audit Report | Observation # & Name | Retargets | | Executive Approval From | Rationale |
|---|--------------|------------------------------------|--------------------------|-------------------|------------------------------------|---|
| 1 | WDTC | 51 – Strategic plan not documented | Original Due Date | December 31, 2016 | Chief Executive Officer YQG & WDTC | <p>This observation arose during the review of management’s reporting of its operational and capital budgets to the Board of Directors. It was noted that there was no documentation of a broader Board directed and approved strategic plan. It was also noted that there is no process currently in place for a periodic review of strategic plans.</p> <p>Due to the incorporation of a new organization, Windsor Detroit BorderLink Limited, management requires additional time to draft a strategic plan.</p> <p>There were a total of seven open finding for WDTC out of which one that pertains to the strategic plan has been retargeted to Q2 2019, however remaining six findings have been classified as “Validation Not Required” as those finding pertained to the JoA that has been terminated. The Board has had the initial Strategic Planning Session and approved the termination of the JOA and authorized the formation of WDBL to take over Canadian Operations effective January 1, 2018. The Strategic Plan is drafted and will be approved in the next quarterly Board Meeting.</p> <p>Internal Audit would require the approved Strategic Plan document to validate this finding.</p> |
| | | | Retarget Date | June 30, 2019 | | |
| | | | # of Retargets | 3 | | |

| # | Audit Report | Observation # & Name | Retargets | | Executive Approval From | Rationale |
|---|--------------|--------------------------|--------------------------|----------|---|---|
| 2 | User Fee | 116 - User Fee Framework | Original Due Date | Q2, 2018 | Executive Director, Recreation and Culture Deputy Treasurer – Financial Planning | <p>Internal Audit noted that the User Fee Policy has not been evaluated or updated in the past ten years. Additionally a city wide framework for determining user fees across all departments has not been implemented in the form of a User Fee procedure.</p> <p>The Recreation and Culture Department, with the assistance of the Financial and Communication Departments will undertake public consultations to update the policy.</p> <p>Management will develop a project plan for the development of a new city wide user fee methodology.</p> <p>The Recreation and Culture Department has hired a management consultant to help complete the recreation master plan which will not be possible until Q2 2019 considering the amount of effort required.</p> <p>Internal Audit would require the revised user fee policy documentation including implementation of a city wide user fee methodology to validate this finding.</p> |
| | | | Retarget Date | Q4, 2019 | | |
| | | | # of Retargets | 1 | | |

6. Findings Closed in the Period

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
|---|--|-----------------------------------|---|--|
| 1 | Reported in report by the Auditor General to Council dated December 2009 | 1 - 400 City Hall Square | Management has implemented a life cycle costing strategy and the same has been incorporated into the Corporate Asset Plan currently being developed by the Asset Planning Division. | <p>Internal Audit reviewed the evidence received and ascertained that tools like Triple Bottom Line Plus (TBL+), Whole Life-Cycle (WLC) and Business Case Evaluation (BCE) developed the Leadership Asset Management Program (LAMP) have been incorporated into the Corporate Asset Plan.</p> <p>Internal Audit obtained and reviewed the Council approval for the use of the above mentioned tools. Additionally, we inspected evidence of Council delegating authority to the Asset Planning Steering Committee for oversight on implementation of the framework.</p> |
| 2 | EFT Review | 8- Automate EFT Review / Approval | <p>Management agrees with the finding however most processes implemented by the Corporation of the City of Windsor are manual.</p> <p>This recommended control already has a compensating control of valid manual approvals by the City Treasurer/Deputy Treasurer as per the authority matrix in place to mitigate the risks identified. Further, given the vast amount of resources required to automate, it is being considered a consideration for improvement as part of broader PeopleSoft process.</p> | <p>As per the current process, High Dollar EFT payments (greater than CA\$250k) are approved by the Treasurer/Deputy Treasurer manually on an ongoing basis as per the Delegation of Authority Matrix mentioned in the vendor payment standardised operating procedure (CS.B5.05). These payments are also initially approved by an authorised Accounts Payable (AP) personnel as per the defined accounts payable signing authorities document.</p> <p>Internal Audit reviewed the following evidence of samples of High Dollar EFT payments processed from November 1, 2018 to February 11, 2019 provided by the management:</p> <ul style="list-style-type: none"> • High Dollar AP Trial Payment register with City. • Treasurer/Deputy Treasurer approval (date and time). • Supporting invoices. • Accounts Payable voucher form with AP approval (date and time). • AP signing authorities document. • Bank Statement capturing date, time and amount disbursed to the relevant vendor. <p>It was noted that valid manual approval of the Treasurer/Deputy Treasurer was timely provided along with the requisite supporting documents post which the payments were processed from the City bank account by finance manager for release to the vendors.</p> |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
|---|-----------------------|--|---|--|
| 3 | Enterprise Governance | 17 – Council Self-Assessment Mechanism | The Council did not have a forum for periodically self-assessing their performance to maintain and enhance the mechanisms that enable them to govern. Management has agreed to implement a Council Self-Assessment mechanism. | <p>Internal Audit reviewed the evidence received and noted the following:</p> <ul style="list-style-type: none"> • The Council Self Assessment sample checklist was presented to the Council for review. • The Self Assessment checklist (mechanism) was approved by the Council and the same has been circulated to all Councillors so they can provide feedback and raise any concerns post completing the entire survey which is scheduled to be completed by 2020. |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
|---|-----------------------|------------------------------|---|--|
| 4 | Manage Infrastructure | 87 - Sewer Condition Ratings | <p>The Operations Department has consulted with IT and the corporate Business Process Centre of Excellence (IT) conducted a business process assessment (BPA) of the sewer inspection process in 2015.</p> <p>The BPA concluded that the root causes for the data issues & untimely CCTV data were related to a WinCan software version that created data management & accessibility barriers and did not adequately support the sewer inspection process.</p> <p>The BPA included discussions of centralizing a solution for sewer inspection data into Hansen. Initial discussions lead to the understanding that migrating the WinCan solution into Hansen would involve a significant effort and additional funding that would outweigh the benefits. Therefore, the focus of the BPA shifted to the WinCan upgrade. The BPA recommendations include upgrading the WinCan solution to a network solution within IT's controlled environment and establishing a self-service data model to address these root causes. Should the WinCan upgrade not satisfactorily address the data flow process from WinCan to Hansen, the data flow process would be the subject of a future business process assessment. In addition, 2181 sewer inspections performed between 2012 and 2014 were provided by Field Services to Technical Support in the summer of 2015 and to-date approximately 56% of these records have been processed into Hansen.</p> <p>To improve data integrity, Field Services is in the process of correcting invalid data in the WinCan system by reloading data from original source files, and forwarding data sets to Technical Support for review and input into Hansen. Field Services plans to commit additional resources to review, analyze, and input data in a timely manner in order to keep CCTV inspection data current in WinCan and to make it available for input into Hansen.</p> <p>As such, Management will undertake the following action plan to address this Finding:</p> | <p>Internal Audit reviewed the evidence received and noted the following:</p> <ul style="list-style-type: none"> • The CCTV Sewer Inspection Plan is developed by a team from Field Services and Technical Support to update WinCan and Hansen with relevant CCTV Sewer inspection data including reloading of data into WinCan, Processing WinCan records into Hansen and verifying consistency. • Data entered into Hansen is reviewed and verified by Technical Support. • The number of records and year(s) of inspection in each database is reviewed. • The CCTV database is inclusive of details such as date of entry, number of records and year of inspection, colour coding for processing status and additional notes. • CCTV Record Audit Trail Records are generated on entry of the WinCan database to Hansen. The audit trails includes each entry processed into Hansen, the matching work order in Hansen and also identifies any record that is not processed into Hansen. |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
|---|--------------|----------------------|--|-----------------|
| | | | <ol style="list-style-type: none"> 1. Business Process Assessment & Recommendations Implementation <ol style="list-style-type: none"> a. IT to finalize report and obtain final sign off on report recommendations by the Executive Director of Operations. b. Operations Department and IT to develop an implementation plan for the BPA recommendations. c. Upgrade the current WinCan version 8 software to a networked WinCan Analyst version housed on the Corporate network fully supported within IT's controlled environment/network to improve data security, management & accessibility of sewer inspection data and to facilitate the implementation of a self-service model for sewer inspection data requests. Timelines are contingent on resourcing and the BPA implementation plan referenced in Item #1(b). 2. A team from Field Services and Technical Support will develop and implement a plan to update WinCan and Hansen with relevant historical and current CCTV sewer inspections records and condition ratings in order for the two systems to be consistent. 3. Field Services and Technical Support to meet on a quarterly basis to discuss record keeping of CCTV sewer inspections and condition ratings (issues, progress, upcoming contracts, etc.) in their systems. <p>Responsibility</p> <ol style="list-style-type: none"> 1.a. Manager of Business Process Centre of Excellence, and Executive Director of Operations 1.b. Manager of Business Process Centre of Excellence, and Manager of Contracts, Field Services, & Maintenance 1.c. Deputy CIO/Manager of Project Management & Applications, and Manager of Contracts, Field Services, & Maintenance 2. Manager of Contracts, Field Services, & Maintenance, and Technical Support Manager 3. Manager of Contracts, Field Services, & Maintenance, and Technical Support Manager. | |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
|---|-----------------------|---|--|--|
| 5 | Fraud Risk Management | 129 - Due Diligence & Contractor Screening Procedures | <p>Management agrees that a background check procedure should be created and implemented which is reflective of the wide range of goods and services procured by the City and the varying degrees of scrutiny that should be applied. It is our view that such an endeavour would require appropriate dedicated resources to develop and manage such a program.</p> <p>It is noted that a tailored review of each potential service provider is a de facto element of each Request for Proposals process, as well as each Request for Prequalification process accompanying many tenders. This process reaches a relatively high proportion of vendors for which there are material transactions. It is also noted that a component of vendor centralization requires expressed adherence to the Corporate Code of Ethics and Conflict of Interest Policy.</p> <p>Given the various competing priorities and limited resources which the corporation currently faces, Administration will endeavour to address this recommendation in the medium-term subject to available resources and with due consideration to other competing corporate priorities.</p> | <p>Internal Audit inspected the updated Vendor Relationship Management Summary (VRM) and noted the following:</p> <ul style="list-style-type: none"> • The Vendor Relationship Management Summary includes standard operating procedures and governance structures to manage vendor relationships, evaluation of vendor performance and also cost reduction and maximization of efficiency. • Additionally noted that there is only one individual at the Corporation of the City of Windsor (Vendor Specialist) who can modify or create a new vendor for payment in the City's Financial System. • Internal Audit inspected a sample vendor that passed through the Vendor Management System, including the Vendor Performance evaluation and vendor scoring system that monitors compliance with regulations and internal standards. • The policy is designed with guidance from the Purchasing by-law (93-2012) • Vendor performance and evaluation is included in the revised policy document • The revised document is inclusive of a Contract Appraisal process <p>Additionally noted that the Purchasing by-Law 146-2018 is amended to include more guidance on employee conflict of interest. Any employee who has a conflict of interest is required to disclose the actual or perceived conflict to the City Solicitor based on guidance.</p> |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
|---|-------------------------|--|---|--|
| 6 | Fraud Risk Management | 130 - Promotion, Departure & Transfers | Management concurs that continuous training of employees who progress within the corporation regarding Code of Ethics and Fraud Policy is a good practice. Given management’s intent (under item 1) to provide ongoing and recurring training, it is anticipated that such individuals would receive the necessary information during such training sessions. In addition, management will consider the implementation of an automated voter email acknowledgement of Conflict of Interest and Fraud Policies on a regular basis with all applicable staff to ensure that these requirements are communicated on a regular basis and there is documented evidence of employees having read and understood these requirements. | Internal Audit reviewed the documentation received and ascertained that a Code of Ethics and Conflict of Interest, Fraud and Concerned Employee Policy learning course is implemented. Internal Audit noted that this new course is circulated to all the employee groups in City of Windsor and the course completion is tracked through the e-learns portal. |
| 7 | Manage Service Delivery | 149 - Enhanced data analytics | <p>Currently the City collects both operational and financial performance data through MBNCanada. These KPIs are reviewed by management on an annual basis for both internal trends and are compared for performance against our peers.</p> <p>Opportunities for review of performance indicators and discussions with other municipal service providers with respect to best practices and operational efficiencies are occurring. These KPIs are reviewed annually to ensure they are providing value to their users. It was determined that the corporation’s main focus would continue to be MBNC given its robust peer review, established criteria, and comparative data. The annual budget process also provides another opportunity for performance to be reviewed and for efficiencies to be identified. KPIs are used within the budget documents where applicable. The budget, in conjunction with regular variance reports to Council, requires management review of operational targets and discussion with respect to areas where performance is different than expected. Management commits to the continued focus and enhancement of our current processes on an ongoing basis.</p> | <p>Internal Audit reviewed the documentation received and noted the following:</p> <ol style="list-style-type: none"> 1. Collection of operational and financial performance data by City through MBNCanada is an ongoing activity and management review of data, results and trends is a regular and routine part of the annual reporting cycle to Council, which culminates with the analysis and presentation of the MBNCanada Annual Performance Report. Additionally, all City of Windsor panel members are engaged throughout the year as part of their expert panels, to review the data, analyze trends and share best practices with their peers in other municipalities. 2. Opportunities for review of performance indicators and discussions with other municipal service providers is performed annually with both the City of Windsor's municipal lead and expert panel members being engaged at various levels and various capacities to ensure that all KPIs are both useful to the internal user and provide information that is relevant to how the City is performing against its peers for both internal and external evaluation. More recently, work to identify value propositions and to realign the current roster of KPIs is underway. KPI evaluation is an ongoing and iterative process, that is a central part of the MBNCanada program. |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
|---|--------------|----------------------|---|---|
| | | | <p>Planned enhancements are being considered for the annual MBNC Performance Report to Council. Administration will review and may consider the establishment of targets that may identify links to the 20-year vision where applicable. We will continue to explore ways in which we can streamline the collection, review and use of KPIs in our reporting plan. The development of an automated, central repository for all KPIs that are collected across the Corporation would be a positive step in achieving this and would assist in the ability to regularly assess data gaps and performance results on a more regular basis. We will consider possible enhancements to the current process as new technological opportunities and resourcing become available.</p> | <ol style="list-style-type: none"> 3. Corporation's main focus is still MBNC. The use of Performance Data is formally integrated into the budget process. The Performance Data links operational information to budget requests in order to support management recommendations. Additionally, the Financial Planning Division continues to explore opportunities for leveraging the current budget and accounting software (Questica and PeopleSoft) with Performance Reporting add-ons in order to further integrate and align performance with budget requests, they regularly meet with other software vendors to explore industry trends in budgeting and performance measurement/reporting. 4. Management commits to the continued focus and enhancement of our current processes on an ongoing basis. A comparison of the City's results against the MBMCanada median is being reviewed and reported to the Council annually. The reporting process is now enhanced to include a trend line highlighting the City's year-over-year trend for each reported measure. This enhancement allows for increased analysis and reporting for not only the City's performance as compared to our peers, but also for further review internally, year-over-year results. As part of the enhanced reporting, a comparison of the MBNCanada KPIs against the City's 20-year vision is undertaken. 5. Management continues to explore ways in which they can streamline collection, review and use of KPIs in the reporting plan. |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
|---|-------------------------|-------------------------|--|---|
| 8 | Manage Service Delivery | 151 - Proactive Surveys | <p>Management will help take surveying to the next level in our efforts to use surveying as a tool for resident feedback. Since January 2016, ten proactive surveys have been created with a focus on customer satisfaction from various departments in the corporation. It is agreed that future surveys will look to trends and their resolutions. Management will update the guidelines as indicated, as the program has evolved from an optional tool to enhance departmental data collection to a regularly employed method of public engagement and data support. Included in the guidelines will be instructions on survey creation and issuance with a look to accountability by highlighting resulting trends.</p> <p>311 Customer Service Satisfaction surveys were undertaken in 2014 and 2016 but at this time, the corporation does not have the technology to support an automated survey following every 311 call. Steps are underway to create a process to define trends and resolution plans, consistent with user needs and requirements. Management will further research the possibility of surveying the public with a group of core questions that can be used across all corporate departments. Research will look to low cost approaches (using the Corporate Survey Monkey tool) as well as fee for service options.</p> | <p>Internal Audit reviewed the evidence received and noted the following:</p> <ol style="list-style-type: none"> 1. Management has updated survey guidelines each survey needs to be vetted by the Customer Service Coordinator. Management has also defined the procedure to in the guidelines to vet the surveys from CS Coordinator. Guidelines are updated to draw attention towards the questions which assist in setting out clear objectives of the survey before its designed so that survey is developed in a way to align with objectives. Every survey requires a summary report to be completed following survey closure to ensure accountability by summarizing/highlighting resulting trends. 2. For Proactive customer survey option Call Centre is currently in the process of a Request for Proposals for a new phone system. Ideally it will allow for an automated phone-in survey option (pressing buttons to answer questions). City of Windsor currently uses Survey Monkey and such is offered to public via variety of media/multiple points of contact. City recommends this option to be used as it is reliable and cost effective. City also mentions that the survey question is to be geared in such a strategic manner to address the needs of vision 2020. 3. On review of the Division Survey Status report, we noted that surveys are ongoing and 60% of divisions have at least one internal or external survey completed. |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
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| 9 | Service Provider and Outsourced Services Governance and Management | 159 - Monitoring of Supplier Issues and Risks | <p>Management will develop a procedure around the use of the VMS in accordance with the Purchasing By-Law 93-2012. Increased compliance to the use of the VMS will enable the departments to identify and track performance.</p> <p>While resolving this finding, management may concurrently consider incorporating in the above procedure directions on how to reduce operational costs, increase revenues, and gain efficiencies in supplier management performance.</p> | <p>Internal audit reviewed the evidence received and noted the following:</p> <ol style="list-style-type: none"> 1. The Vendor Relationship Management Summary (VRM) is designed to establish a formal standard operating procedures and governance structures to manage Vendor Relationships, to support the City Departments in managing their Vendors, to ensure Vendor collaboration that promotes innovation, cost reduction and maximization of efficiency, to evaluate Vendor performance in accordance with value based goals and objectives along with Contract specific criteria intended to drive compliance with project requisites, etc. 2. The Vendor Relationship Management Framework is built to comprise of Vendor Segmentation, Vendor Governance, Vendor Performance Management and Continuous Improvement. 3. The Vendor Management Policy is designed keeping the Purchasing by-law in mind (By-law 93-2012). 4. The policy document includes Vendor performance ratings and evaluation based on the guidelines. 5. The policy document includes a Contract Appraisal process for selection of Vendors in accordance with established guidelines. 6. The Vendor Relationship Management Policy is being approved by Council in an upcoming meeting to be held in April/May 2019. |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
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| 10 | Roseland Golf & Curling Club | 169 - Document fraud management policy and protocol | Roseland Management will adopt fraud management policy and protocol from City of Windsor for Roseland and incorporate into Policies Manual. The same will be presented to the Board for approval and also be included to the employee enrollment package for sign off. Management will also organize a policy review session for current employees so they are aware of the changes being made. | <p>Internal Audit reviewed the documentation received and noted the following:</p> <ol style="list-style-type: none"> 1. Roseland has developed a fraud policy to provide a work environment in which controls and training are put in place to reduce and eliminate the risk of fraud and further develop a culture of non-fraudulent behavior in the workplace. 2. Roseland will adopt all appropriate fraud policies and procedures developed by the City of Windsor. 3. Acts of Fraud have been defined as not limited to theft of money, theft of property, theft of inventory, falsifying documents which relate to inventory, financial accounting, payments or payouts and falsifying record which relate to legislative requirements, workplace liabilities. 4. Employees are encouraged to report any incidents of fraud to the appropriate person as specified in the policy. 5. Management will investigate and deal with all complaints or incidents of workplace fraud in a timely manner. 6. Manager, supervisors and employees are expected to adhere to the policy, and will be held responsible by the employer for not following the same. Workers cannot be penalized for reporting an incident or participating in an investigation involving workplace fraud. 7. If an incident of fraud is suspected involving management or an official, employees will be trained and directed by way of the Roseland Fraud Reporting Procedure. 8. Additionally noted that employees sign off on the Fraud Policy and the same has been included with the employee enrollment package for signoff. <p>Also noted that a policy review session was conducted for employees on August 5, 2018.</p> |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
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| 11 | Review of Nine BIAs | 170 - Update Constitutional ByLaw Documentation | <p>BIA management will share bylaws to facilitate a comparison and update where necessary.</p> <p>Per Matt Johnson email Feb 15, 2018: Matt Johnson to work with PwC to identify template considerations such that each BIA can propose to Board specific updates/improvements. Develop a template for by-laws and a standard process for Bank Reconciliations for BIAs for consideration that will allow PwC to report back.</p> | Internal Audit reviewed the documentation received and notes that the Windsor BIA Advisory Committee approved the Universal Constitutional By-Law template that is used to promote information sharing among the BIAs. |
| 12 | Review of Nine BIAs | 172 - Prepare and Review Standard Financial Reports | BIA management supports standardized reporting and review controls over key financial reports and reconciliations. | Internal Audit reviewed the documentation received and notes that the Windsor BIA Advisory Committee approved the Universal Constitutional By-Law template that is used to promote information sharing among the BIAs. Templates will be updated by BIAs and they will choose the sections that are relevant to their operations. |
| 13 | Inventory Control & Lifecycle Management | 174 - Define Physical Security Requirement around Inventory Storage Locations - Parks and Facilities | <p>Concurrent with the development of a policy for inventory control, Administration will consider a review of which areas and inventory categories require formal security in addition to other physical and logical controls.</p> <p>Parks Department: Facilities will submit requests for the provision for and installation of security cameras in appropriate worksites for Council consideration under the 2018 Capital Budget Process.</p> | <p>Internal Audit reviewed the documents received and noted the following:</p> <ol style="list-style-type: none"> 1. The Tool inventory procedure includes guidance on new tool purchases and change/disposal of tools. 2. Facilities has submitted requests for the provision for and installation of security cameras in appropriate worksites for Council. On review of the Project Summary document, there are 41 facilities identified as the priority to change locks and regulate key assignments. These included administration buildings, community centers, fire halls and other recreation and culture buildings such as Art Gallery, Willstead, Windsor International Aquatics Centre, etc. 3. The project cost for installation of security cameras at various sites is \$75,000 and is included in the project report part of the 2018 budget presented to Council. |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
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| 14 | Inventory Control & Lifecycle Management | 175 - Define Consistent Tracking Protocols for Inventory | <p>Facilities will consider an applicable inventory control procedure in order to track assets including addition/deletion and location.</p> <p>Traffic Signals tracks all inventory from delivery to when it is put into use and removed from inventory. A recruitment for the Sign Writer position will be completed by late 2017. The duty of tracking raw materials, finished products, etc. is included as part of the duties of this position. Formal documentation will be put in place and updated monthly at minimum. Traffic Markings – Paint – inventory spreadsheet to check quantities will be implemented and tracked weekly; Parking – Meters – tracking of the revolving meter maintenance stock will be done through a spreadsheet and monthly counts.</p> | <p>Internal Audit reviewed the documents received and noted the following:</p> <ol style="list-style-type: none"> 1. Facilities has developed a Tool Inventory Procedure, including procedure for new tool purchases, tool location changes and disposal. 2. Traffic department tracks all inventory through spreadsheets. On review of the Traffic Signals Inventory database, noted that the inventory is tracked through spreadsheets and the transaction tab includes details of each purchases/issue of inventory. 3. Parking inventory is also tracked through spreadsheets, noted that the file includes the parking meter count and list of all transactions. 4. On review of the internal job posting #2017-0124 for job position 287, noted that a Sign writer has been hired and duties include reporting to the Supervisor of Signs and Markings and assist in controlling the sign inventory along with maintaining the records of all such information. The signwriter position was filled on 9/25/2017. |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
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| 15 | Inventory Control & Lifecycle Management | 176 - Implement Inventory Monitoring Program across Operational Areas | <ol style="list-style-type: none"> 1. Parks Operations will consider an inventory tracking program on a periodic basis (pre-summer and post-summer and monthly) for inventory of hand tools and other assets used on a general basis. In-out items such as seed, fertilizers and bagged salts which are normally ordered for a specific job or project will not be covered under this program; 2. Facilities will consider an inventory tracking program for a semi-annual inventory of assets, e.g. tools, used on a general basis. Items ordered for specific buildings or jobs such as caretaking equipment and supplies will not be part of this program. 3. The Traffic area will complete a monthly physical count for meters, signs and paint. | <p>Internal Audit reviewed the documents obtained and noted the following:</p> <ol style="list-style-type: none"> 1. Parks has developed an inventory control procedure that includes inventory acquisition, tracking and disposal of equipment. As per the inventory control procedure document, full inventory review will be completed by Parks Fleet twice a year in spring and fall. Divisional Supervisors are responsible for inspections of Division's Inventory throughout the year. 2. For Inventory purchases: <ul style="list-style-type: none"> • A copy of the invoice and all supporting documentation is submitted to Supervisor of Parks Fleet or PW Fleet. • Fleet records all information (purchase price, serial number, model number, date, etc.) in the equipment spreadsheet and assign a unit number to the equipment. 3. For Inventory Disposals: <ul style="list-style-type: none"> • Parks Supervisor is notified of the equipment being disposed off. • Fleet will determine if the equipment can be auctioned, parted out or scrapped. • If the equipment is lost or stolen, Parks Fleet will follow up with police as required. • Fleet updates the equipment sheet and the ID number will be deleted or re-assigned. 4. Facilities maintains a tools inventory spreadsheet in which they include all new equipment details as laid out in the procedure. Details include tool number, type, description, manufacturer, purchase date, cost of equipment, name of supervisor, 360 asset description and also a link to supporting documentation. 5. Obtained and inspected sample new tool purchase forms and noted that they were duly filled out. Matched the equipment number to the tools inventory sheet without exceptions. |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
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| 16 | Inventory Control & Lifecycle Management | 177 - Segregate Incompatible Activities in Inventory Lifecycle phases | The current practices will be reviewed and new protocols and procedures will be developed and implemented to ensure the segregation of functions and requisite pre-approvals/approvals for the purchase, use, and safeguarding of equipment, tools and supplies. | Internal Audit reviewed the documents received and noted the following: <ol style="list-style-type: none"> 1. Parks, Recreations and Culture developed a Tool Inventory Procedure document that was distributed to the Supervisors via email on March 1, 2018. 2. For new tool purchases, a 'Tool Purchase/Change Form' is to be filled out by the employee and signed by the respective Supervisor. Post review and sign off by Supervisor the form is submitted to the Resource Operations Analyst who enters the data into the database. 3. For Tool changes/disposals, the originating employee updates the 'Tool Purchase/Change Form' and the form is reviewed and signed off by the respective Supervisors. Post review and sign off the Supervisor submits the form to Resource Operations Analyst who updates the database accordingly |
| 17 | Tourism Windsor-Essex Pelee Island | 178 - Enhance Policy Framework and Design | <p>Management will begin a process to review all policies and procedures and work within a uniform template to use across the board. The first step will be to add version control and a table of contents to the existing Financial Policies.</p> <p>The next step will be to update the HR and finance policies. The Governance policy was last updated 2015 and would not require updating until 2020. Management would like to align the policy update time frame with the business plan timelines. This way all policies will be reviewed at the same time the business plan is updated every five years.</p> | Internal Audit reviewed the documents received and noted that the Accounting and Financial Policies and Procedure Manual is revised and the latest version in use is version 2 updated in September 2018. |
| 18 | Tourism Windsor-Essex Pelee Island | 179 - Document fraud management policy and protocol | Management will review, amend and adopt a version of the City's fraud policy for implementation at Tourism Windsor Essex Pelee Island. This new policy will be reviewed with staff and directors with a sign-off requirement. The policy will be added to the staff and Board Policy manuals. | Internal Audit reviewed the revised policy document received and noted the revised Accounting and Financial Policies and Procedures Manual includes a Fraud Policy (policy number B-04). The Fraud policy describes fraud considerations, roles and responsibilities and governing rules. Employees are required to sign off on the 'Policy and Procedure Manual Receipt' document to acknowledge receipt of the policy. |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
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| 19 | Tourism Windsor-Essex Pelee Island | 180 - Enhance compensating controls to address potential SOD | Management has begun implementation of additional controls such as new month-end reports checklist, cheque register/log review added to month-end procedure. A segregation of duties procedure will be added to the existing financial policy manual. The allocation of roles and responsibilities related to finance duties will be reviewed each time there is a change in personnel and/or roles and/or annually. | Internal Audit reviewed the revised Accounting and Financial Policy document and noted the following: <ol style="list-style-type: none"> 1. Segregation of duties (SOD) is included in the general policy 2. As part of the Cash and Cash Management policy, all reconciliations are required to be reviewed by the CEO and Vice President and they initial the documents as proof of review. In the absence of the CEO or Vice President, the Board Chair and/or Vice-Chair reviews and approves the reconciliations. 3. Management maintains a cheque register as part of the month end review process for additional security. |
| 20 | Windsor Police Services IA Report | 186 - Acquire Approval for the Draft Business Plan | The Chief of Police has initiated a work plan to implement the above recommendations. External factors drive the Business Plan, a dynamic annual plan would be more appropriate. The WPS Board has resolved to consider the possibility of hiring a facilitator to assist with the development of the next Business Plan. The draft 2017-2019 Business Plan has been approved by the WPS Board and is pending minor amendments. Once the 2017-2019 Business Plan is complete, it will be submitted to Council for final approval. | Internal Audit inspected the In Camera Board Resolution and validated the approval of 2017-2019 WPS Strategic Business Plan. |
| 21 | Windsor Police Services IA Report | 187 - Update Directives past their refresh date | The Superintendent – Admin Support has initiated a work plan which has already implemented the above recommendations. All outstanding Directives have been identified. Each responsible member has been notified to update their respective Directives. The Deputy Chief – Operational Support will receive a quarterly report updating the progress of the review and process to date. The work plan and related reports will be formally documented in WPS police document – Directives/ Memorandums/ Orders” Directive #160- 01. | Internal Audit obtained/inspected the directive 160-01 Directives/Orders/Memorandum that was last reviewed on December 3, 2018. Additionally, Internal Audit also obtained the list of directives manual and noted that 41 of 72 directives are reviewed and updated and the work plan to update the rest is in place. |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
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| 22 | Windsor Police Services IA Report | 188 - Document shared services and accountabilities | The WPS agrees to consider the viability of documenting shared services with the City. The formalization of working relationships would need to be consistent with those of the City and other Agency, Board, or Commission's shared service agreements. | <p>Internal Audit obtained/inspected a copy of the memorandum that was submitted to the Acting Chief of Police including the list of shared services between WPS and City.</p> <p>Internal Audit noted that the memo details, that the Shared Service Agreements have not been established for all the shared services since the resource cost associated with these would exceed benefits created by an additional layer of governance. The memo also details that shared services are governed by applicable WPS Board approvals, City Council approval, WPS Directives, City Policies, Governance Committees and Vendor Contracts.</p> |
| 23 | Windsor Police Services IA Report | 189 - Document action plans to completely address significant findings from network security report in a timely manner | The Director of Technology Services will develop a work plan, addressing the recommendations from each future network security assessment, is created and reported to WPS senior leadership. Subsequent to the initial report, senior leadership will be updated on the progress of each item in the work plan. The work plan and related reports will be formally documented. The next scheduled network security assessment is in Q1 2018. | <p>Internal Audit inspected the Implementation plan prepared against the network security assessment report presented in 2018. Internal Audit noted that the Implementation plan is detailed and includes guidance on timeliness and parties responsible. Also noted that a memorandum was presented along with the implementation plan to the Chief of Police including the Senior Leadership Team.</p> <p>Internal Audit obtained a copy of the memorandum and noted sign off by Chief of Police and Senior Leadership Team.</p> |
| 24 | Pollution Control-Preventative Maintenance Compliance & Accountability Internal Audit | 190 - Formalize PM Policy Framework | As an initial step Pollution Control team will appoint a PM group that represents each department: Operations, Mechanical and Electrical and the group will set up reasonable goals for achieving the targets indicated later in this report. | Internal Audit learned that two cross functional teams were developed. One team serves the Lou Romano Reclamation Plan while the other PM team serves the Little River Pollution Control Plant. These teams meet quarterly to discuss findings and develop goals. A sample of goals were included in the Meeting Agendas that were created before each meeting. |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
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| 25 | Pollution Control- Preventative Maintenance Compliance & Accountability Internal Audit | 191 - Enhance PM Compliance | Arrange quarterly meeting with supervisors and PM clerk to discuss any discrepancies related to work orders that are not properly signed off. PM clerk to make sure that the work orders are reviewed by the respective supervisors. | <p>Internal Audit noted that there was a meeting conducted on October 1, 2018 to determine a solution to the issue with work orders. Management determined that a checklist could be created to replace a significant number of work orders and increase efficiency. Work orders are also now colour coded by priority to determine what orders need to be given higher urgency.</p> <p>There is also a sign off procedure for work orders. They will be given to Mark to sign off on before they are approved and Mark Marshall will serve as the final approval. This will help ensure that there is a final sign off to reduce delinquent work orders and help ensure all work orders are approved.</p> |
| 26 | Fleet - Preventive Maintenance Compliance & Accountability | 195 - Formalize PM Policy Framework | Management has identified the gap in the PM Schedule and the Fleet Focus scheduling. For seasonal units, the scheduling changes from December to April has been made in Fleet Focus itself. Furthermore, the PM Schedule will be reviewed and altered, if necessary, on an annual basis to verify PM Services are performed at appropriate thresholds | <p>Internal Audit reviewed the documents received and noted the following:</p> <ol style="list-style-type: none"> 1. The Preventative Maintenance Schedule has been revised as of January 2019. 2. On review of the Fleet controls inventory, noted that PM Policy review has been included as an annual activity where preventative maintenance services are performed on the corporate fleet at appropriate thresholds. <p>As per the revised policy all gasoline, propane and electric vehicles are scheduled for maintenance every 7000 kilometers. Obtained screenshots of the scheduling changes made in Fleet Focus and noted an example of a PM schedule where the maintenance schedule was set to every 7000 kilometers. Additionally observed that the PM schedule for a 2008 Ford F550 Dump B Truck Super Duty was set to annual, the last maintenance performed on 6/26/2018 and the annual maintenance was due on 6/26/2019.</p> |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
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| 27 | Fleet - Preventive Maintenance Compliance & Accountability | 198 - Refine PM Plan To Reflect Need | <p>Fleet Division has recently revised the PM scheduling of seasonal equipment in all divisions to be more reflective of when preventative maintenance will be performed.</p> <p>Fleet Division will investigate the web-based application to determine if there is new reporting functionality that will assist in monitoring PMs beyond 30 days.</p> | <p>Internal Audit reviewed the documents received and noted the following:</p> <ol style="list-style-type: none"> 1. The Preventative Maintenance Schedule has been revised as of January 2019. 2. On review of the Fleet controls inventory, Internal Audit noted that PM Policy review has been included as an annual activity where preventative maintenance services are performed on the corporate fleet at appropriate thresholds. 3. Fleet Division has investigated the reporting functionality in the existing version of its fleet management software system and developed a report that will assist in monitoring preventive maintenance that are overdue beyond 30 days. This report will be transferred to the web-based application that will be implemented in the future. <p>Internal Audit obtained a sample Seasonal Equipment Overdue report for PM as of March 8, 2019 and noted that the report identifies the PMs that are overdue beyond 30 days.</p> |
| 28 | Fire Rescue Compliance (FRC) | 203 - Clarify expectations for documentation of exceptions pertaining to asset replacement targets | <p>Included in the annual apparatus schedule will be time allocated for the development of vehicle specifications and Request For Proposal (RFP) documents 12-18 months prior to the replacement date. As some projects can be delayed due to circumstances beyond the control of WFRS; deviations will be reported to the Finance Department; particularly the individual responsible for tracking Capital assets. Reasons for the delay will be clearly documented and easily accessible.</p> | <p>Internal Audit reviewed the documents received and noted the following:</p> <ol style="list-style-type: none"> 1. As per the revised Large Vehicle Replacement procedure, the Director of Apparatus identifies and records all future large vehicles (Fire Apparatus) purchases on the Fire-Apparatus Outlook calendar at least 24 months prior to the replacement date approved by Council. 2. The Fire Chief is responsible for establishing a working group comprised of WFRS staff to develop the vehicle specification no later than 24 months prior to the desired delivery date of the vehicle. 3. The working group must complete the specification development within four months of the commencement of the group and the RFP shall be issued no later than 18 months prior to the desired delivery date of the vehicle. 4. The Director of Apparatus monitors the progress of the project and reports regularly to the Fire Chief. 5. In the event of any delays the Director of Apparatus notifies the Fire Chief. |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
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| | | | | 6. On review of the Fire Apparatus Calendar, Internal Audit noted that reminders are in place for the Director of Apparatus to ensure he does not miss out on scheduling EVT exams for technicians as well as annual maintenance schedules for all major equipment and vehicles. |
| 29 | Fire Rescue Compliance (FRC) | 204 - Incorporate practices for selected inspection and firefighter certification into policies and SOPs | WFRS will assume the tracking and scheduling of certifications for each technician. It should be noted that due to the availability of recertification opportunities periods may exist from time to time where an EVT certificate lapses while the employee is waiting to recertify. EVT certifications are not mandatory, however; WFRS sees the value in ensuring that technicians maintain their EVT certification over and above the Provincial requirement to be a licensed Heavy Truck mechanic which all technicians possess. | <p>Internal Audit reviewed the evidence received and noted the following:</p> <ol style="list-style-type: none"> 1. As per the revised Large Vehicle Replacement procedure, the Director of Apparatus identifies and records all future large vehicles (Fire Apparatus) purchases on the Fire-Apparatus Outlook calendar at least 24 months prior to the replacement date approved by Council. 2. The Fire Chief is responsible for establishing a working group comprised of WFRS staff to develop the vehicle specification no later than 24 months prior to the desired delivery date of the vehicle. 3. The Director of Apparatus monitors the progress of the project and reports regularly to the Fire Chief. 4. On review of the Fire Apparatus Calendar, Internal Audit noted that reminders are in place for the Director of Apparatus to ensure he does not miss out on scheduling EVT exams for technicians. Internal Audit noted that reminders were in place on January 8, April 30 and June 4, 2019 for EVT certification checks. |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
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| 30 | Your Quick Gateway (YQG) - Managing Inventory, Repairs and Maintenance | 208 - Strengthen controls over store credit cards and vendor purchase accounts | Management will replace purchase accounts with City P-Cards for select operations staff. Business-purpose of expense to be written on receipt. All expenses to be authorized by a manager (other than the purchaser) who has knowledge of the expense. P-Card payments reconciled by accounting. Payment authorized by CEO and Director of Finance. Accounting will add all new purchases of tools to a perpetual listing, with physical counts at least annually. | <p>Internal Audit reviewed the documents received and noted the following:</p> <ol style="list-style-type: none"> 1. On review of the P-card policy noted that P-cards are designed to streamline the City's purchasing system for small dollar purchases. Payments are approved by the appropriate authority and evidenced in the system (electronic approval) and the approving authority cannot approve his/her own transactions. Additionally noted that Purchasing department ensures compliance with policy and maintains records of all P-card activities including managing and maintaining electronic records of all credit card transactions. 2. Obtained a sample transaction listing for all transaction in December 2018 and noted that the transactions totaled to \$8,790.27. Also noted an email sent from Purchasing Card Administrator to the P-Card user stating that the total expense on the card for December is \$8,790.27. In cases where there are discrepancies, the variance is investigated further. 3. Obtained the email from the Director of Finance, stating that the tool inventory was set up in YQGs accounting records. Also obtained the count sheet as of March 2019 and noted that the total agreed to the ledger amount of \$30,324 mentioned in the email. 4. For a sample of five invoices, noted that the expense was approved by Manager Operations and Director of Operations and the payments were authorized by the Director of Finance and the CEO. |

| # | Audit Report | Observation # & Name | Action Plan | Closure Summary |
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| 31 | CoW Hotline Complaint Analysis Memo Conflict of Interest NTS - 003 - March - 2018 | 210 - Conflict of Interest in Awarding of Contracts | Recognizing that the breadth of possible conflicts may make it impossible for an employee to be aware every time a potential conflict arises, Management recommends that ongoing disclosure be required for those employees whose conflicts directly affect or are affected by material terms in the potential contract, and whose daily work would allow them to have any impact on the preparation of the specifications, the procurement process, or the management of the contract itself. Employees who have an ongoing conflict which would generally not have any impact on the procurement or the contract are required to disclose only once, unless circumstances change. The mitigation plan for the disclosed conflict should reflect the obligation to further disclose if needed. Further, Management recommends that changes be made to the Purchasing By-law in this regard. | Internal Audit reviewed the updated Purchasing by-law document and noted that the by-law document includes additional guidance on employee conflict of interest. Noted the following as per the revised document: <ol style="list-style-type: none"> Any city employee who becomes aware of an actual or perceived Conflict of interest, where the conflict could directly affect a material term of the potential Contract, and whose daily work would allow them to have any impact on the preparation of the Specifications, the procurement process, or management of the potential Conflict, shall immediately refer each and every actual or perceived conflict of interest to the City Solicitor for written direction and rationale. Any City Employee who may have an ongoing actual or perceived Conflict of interest, which would generally not have any impact on the procurement process or the potential Contract, shall disclose the actual or perceived Conflict of interest to the City Solicitor only once, unless circumstances change. |
| 32 | Pursuit of Grant Funding - FINAL Internal Audit Report | 216 - Enhance status tracking and update process flow chart | An expanded category for status of a grant has been completed and implemented. Changes have also been applied to the various grants to reflect the appropriate status. Date when we were notified of a grant has also started to be populated as of December 1, 2018. Grants prior to that date are left blank unless the date was already noted. The process of reviewing grant opportunities has also been updated in the flowchart and corresponding documents to reflect that process, including documentation of the results of the review. Confirmation of these changes has been provided to PwC in the form of: updated flowchart; update process document; screenshot of new grant status options and updated download of grant file to see the use of the status as well as date we were made aware of a grant, noting this started December 1, 2018. | Internal Audit reviewed the documents obtained and noted the following: <ol style="list-style-type: none"> The Grants process flowchart and process summary document has been revised as of December 2018 to include additional guidance on the grant opportunities review. Noted that as opposed to the earlier grant status categories of In progress, Submitted, Awarded, Denied of Complete additional status options have been added for grant status in the system including - EOI (Expression of Interest), Research, Did not apply and N/A - forwarded. Noted from the Corporate Grant extract file that there is a column for 'Date Provided to Assets Planning On' and an 'Application due date' column to facilitate the date of being aware of the grant and to facilitate aging analysis. |

Appendix A - Limitations and responsibilities

Limitations inherent to the internal auditor's work

We have undertaken the management action plan validation internal audit for the period June 1, 2018 to Dec 31, 2018 , subject to the limitations outlined below.

Internal control

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Future periods

Our assessment of controls is for the period specified only. Historic evaluation of effectiveness is not relevant to future periods due to the risk that:

- the design of controls may become inadequate because of changes in operating environment, law, regulation or other; or
- the degree of compliance with policies and procedures may deteriorate.

Responsibilities of management and internal auditors

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

We endeavour to plan our work so that we have a reasonable expectation of detecting significant control weaknesses and, if detected, we shall carry out additional work directed towards identification of consequent fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected.

Accordingly, our examinations as internal auditors should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist.



This document has been prepared only for The Corporation of the City of Windsor and solely for the purpose and on the terms agreed with The Corporation of the City of Windsor in our agreement dated June 9, 2016. We accept no liability (including for negligence) to anyone else in connection with this document, and it may not be provided to anyone else.

This report is confidential. The report is intended solely for use by the management of the Corporation of the City of Windsor, and is not intended or authorized for any other use or party. If any unauthorized party obtains this report, such party agrees that any use of the report, in whole or in part, is their sole responsibility and at their sole and exclusive risk; that they may not rely on the report; that they do not acquire any rights as a result of such access and that PricewaterhouseCoopers LLP does not assume any duty, obligation, responsibility or liability to them.

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