

CAO-2023-128

1ST QUARTER AUDIT STATUS REPORT

Summary



Completed:

- ✓ Technology Field Inventory
- ✓ Parking and Mileage Expenses
- ✓ Inventory Audit – Status Update
- ✓ Market Modernization – 3rd Party Report

In progress:

- Underground Locate Service – org structure / capacity
- Training documentation review
- Facility Booking Program Review



TECHNOLOGY FIELD INVENTORY

Audit Objectives

Objectives:

- Count all field hardware assets and compare to asset database



Scope:

- All locations
- Printers, monitors, docking stations, laptops, desktops

Methodology



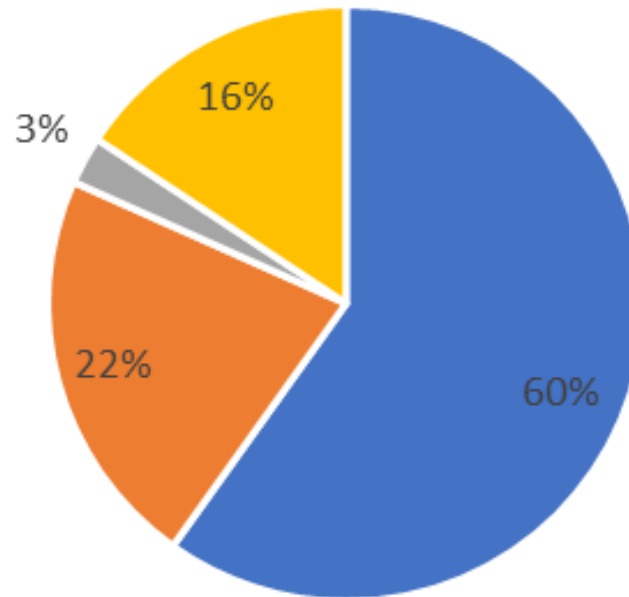
- Audit team physically verified existence of all assets at City Hall, Kitchener Operations Facility, and Fire Headquarters (81% of assets)
- Management verified lists of assets for all other 58 locations
- Compare asset tag, location, owner and related assets to database entry



Findings



Field Asset Database vs. Physical Count



	# of Assets
Correct	2362
Wrong employee or asset	860
Wrong location	103
Not found	620
Total Assets in Database	3945

■ Correct ■ Wrong employee or asset ■ Wrong location ■ Not found

+ 421 found assets (not in database)

Missing Assets

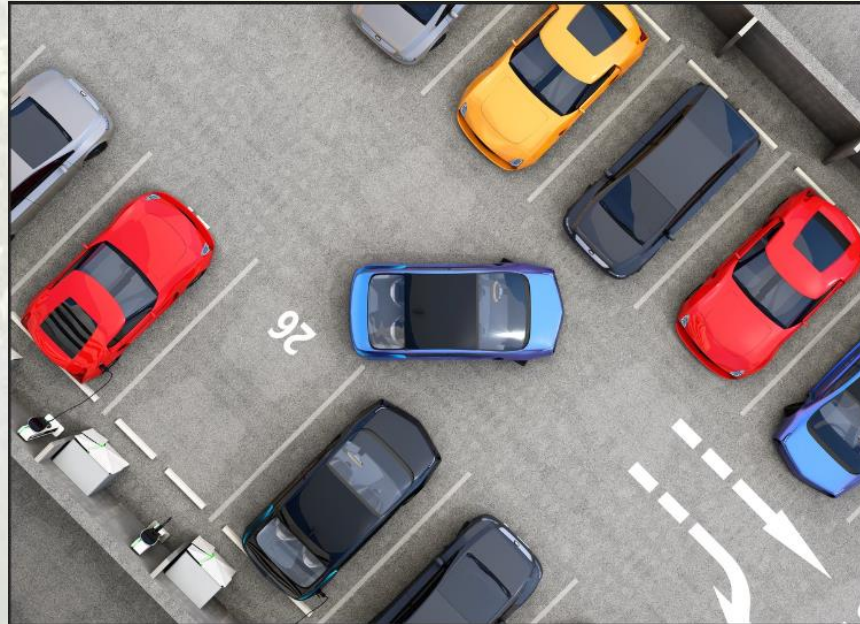


- 16% of assets (620 items) were missing
- Most likely cause – dispositioned and database not updated
- Missing or illegible asset tags
- Theft of laptops and desktops not likely due to security measures which render them unusable

Recommendations



- Process for database maintenance
- Share database & responsibility with divisions
- Use updated list to verify computer reserve charges
- Implement rotating cycle counts via email; full count every 5 years
- Implement bar code scanner for next full count



PARKING & MILEAGE EXPENSES

Audit Objective



Audit Objective:

To test compliance with parking and mileage reimbursement policies.

Methodology - Testing



- 60% parking customers not parking more than 60%
- Parking claims for 60% parking customers not more than 60%
- Parking claims for work from home days
- Correct mileage, sufficient detail
- Claiming mileage from home when site is less
- Parking days exceed mileage days
- Claiming parking on Sundays
- 11 + mileage days reasonable

Findings



- 8 employees parked more than 60% rate allowed
- 0 employees claimed more than the 60% rate
- 0 employees claimed parking on WFH days
- All parking claims correct; no Sunday claims
- 3 incorrect mileage claims
- 2 mileage claims with insufficient detail
- All 11+ day mileage claims were justified

Recommendations & Conclusions



- Reminders to staff and approvers:
 - Sufficient detail to validate the claim
 - Lesser of home or work for mileage
 - Encouraged to use mileage calculator
- No pervasive issues
- Minor errors rectified through education



INVENTORY AUDIT – STATUS UPDATE

Audit Objective



Status Update Objective:

To hold staff accountable for addressing audit findings and identify areas without significant progress.

Original Audit Objective:

To ensure adequate controls are in place to protect Stores assets and ensure operations are as efficient and effective as possible.

Status of Recommendations



Status	Number of Recommendations
Total recommendations	9
Complete	4
In progress	1
Not started	3
Not required	1

- Revisit tool loan program
- Improve online ordering system
- Recalculate unit cost of pickled sand and brine



MARKET MODERNIZATION – LEAN REVIEW

Audit & Accountability Fund



- Funding offered by the Ontario Government
- Intended to conduct service delivery or expenditure reviews
- Funds must be used to hire a 3rd party consultant who will provide recommendations for improvement and savings

Market Modernization



Problem Statement:

- Vendor on-boarding, contracting and event management processes are not optimal
- Result in redundant steps, wasted time for staff and customers, lost opportunities, and mistrust with vendors and partners

3rd Party Lean Review



- Review conducted by Leading Edge Group
- Goal – to streamline and digitize Market processes
- Consultant report available on the City's website

Estimated Benefits



- Quicker turnaround times
- 400-500 hours of staff time saved per year
- 8 week reduction in lead time to on-board new vendors
- Increased staff capacity to focus on delivering key strategic goals
- Easier and more efficient processes
- Transparency for internal partners