Minutes – Executive Policy Committee – September 21, 2021

AUDIT COMMITTEE

Item No. 1 Automatic Vehicle Locator Investigation

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee, in its capacity as the Audit Committee, concurred in the recommendation of the Winnipeg Public Service and recommended to Council:

1. That the Automatic Vehicle Locator Investigation Report be received as information.

DECISION MAKING HISTORY:

Moved by Councillor Browaty,

That the recommendation of the Winnipeg Public Service be concurred in and forwarded to Council.

Yea:	Bowman, Allard, Browaty, Gillingham, Gilroy, Mayes, Rollins	7
Nay:		0

Carried

ADMINISTRATIVE REPORT

Title: Automatic Vehicle Locator Investigation

Critical Path: Audit Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Mansky City Auditor	B. Mansky City Auditor		

EXECUTIVE SUMMARY

The purpose of this investigation was to examine specific allegations of inappropriate use of City vehicles made to the City's Fraud and Waste Hotline. Upon review of the City's automatic vehicle locator (AVL) records, we encountered limitations that impacted the extent of the depth and breadth of the analysis that could be performed. Given these limitations, the scope of the investigation was revised to include AVL program implementation and governance.

A summary of the key observations include:

- The current AVL system was intended to be a standard, citywide application; however, the system that was implemented did not have the functionality to meet the needs of all departments expected to use it. As a result, the City was not able to use the AVL tool to obtain planned benefits, including increased service optimization and decreased expenditures. The current AVL system may be customizable to meet specific needs of various departments, but that had not yet been determined at the time of this investigation.
- The AVL program was implemented without a corporate program 'owner' with authority to provide oversight of AVL use in departments and ensure accountability for outcomes. This contributed to inconsistent use among departments and missed opportunities to achieve expected benefits. WFMA has maintained the citywide AVL program without delegated authority to manage how and when AVL devices are used, and without the benefit of supplemental resources to support their AVL-related activities.
- The City lacked an AVL policy to define roles and responsibilities and set minimum standards for AVL use and day-to-day monitoring. This contributed to a lack of clarity among AVL users, inconsistent monitoring of vehicle activities, and ineffective AVL settings. Inconsistent access and monitoring of AVL performance data was also influenced by perceptions of a lack of clarity stemming from a Letter of Understanding (LOU) between the City and a labour union.

- During the period of this investigation two Administrative Standards were finalized that include some relevant information and guidance for the AVL program. The combination of the LOU and Administrative Standards do not sufficiently clarify acceptable procedures for accessing AVL data for the purpose of monitoring vehicle and equipment performance.
- There has been minimal progress towards the overall AVL program goals of reduced idle time and increased efficiency of vehicle and resource deployment. The City's return of investment made in the program had not yet been realized at the time of this investigation.

RECOMMENDATIONS

That the Automatic Vehicle Locator Investigation Report be received as information.

REASON FOR THE REPORT

The report is being submitted in accordance with the City Organization By-law 7100/97 section 19(d)(iv) that the Audit Committee will "receive and review audit reports, and table such reports with its recommendations at a regular meeting of Executive Policy Committee."

IMPLICATIONS OF THE RECOMMENDATIONS

The most important component of an audit engagement recommendation is its implementation. The Public Service is responsible for providing a management response to the report; their responses have been included in the attached report.

The Public Service has agreed to implement all six recommendations by the end of quarter 4, 2022.

HISTORY/DISCUSSION

The focus of the 2021 Audit Plan includes a number of investigations. The investigations are based on the areas identified as high-priority through preliminary examinations of previous year's Fraud and Waste Hotline reports. The Automatic Vehicle Locator program was one of the investigations identified within the Department's 2021 Audit Plan. That plan was approved by Council on November 26, 2020.

FINANCIAL IMPACT

Financial Impact Statement **Date:** August 17, 2021

Project Name:

Automatic Vehicle Locator Investigation

COMMENTS:

There is no financial impact associated with the recommendation of this report.

"electronically approved by J. Peters"
Jocelyn Peters CPA, CGA
Manager of Finance & Administration (Campus)

CONSULTATION

This Report has been prepared in consultation with:

Winnipeg Fleet Management Agency
Department of Public Works
Office of the Chief Administrative Officer

OURWINNIPEG POLICY ALIGNMENT

01-3 Prosperity - Direction 1 - Provide Efficient and Focused Civic Administration and Governance

This report supports the demonstration of accountability through reporting and to continuously pursue innovative, streamlined service delivery and decision-making processes.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

The City of Winnipeg Audit Department provides assurance on the efficiency, effectiveness and economy of City programs and activities, thus enabling an organizational operating environment that promotes support of the vision and targets of the Winnipeg Climate Action Plan.

SUBMITTED BY

Department: Audit Department
Prepared by: Bryan Mansky
Date: August 13, 2021

Attachments: