Minutes – Executive Policy Committee – September 14, 2022

AUDIT COMMITTEE

Item No. 4 Urban Forestry Branch 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 Urban Forestry Branch Investigation Report be received as information.

DECISION MAKING HISTORY:

Moved by Councillor Allard,

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

Yea:	Bowman, Allard, Chambers, Mayes, Rollins	5
Nay:		0

Carried

ADMINISTRATIVE REPORT

Title: Urban Forestry Branch Investigation

Critical Path: Audit Committee - Council

AUTHORIZATION

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

EXECUTIVE SUMMARY

The Audit Department received several Fraud and Waste Hotline reports for the Urban Forestry Branch. The reports included allegations regarding existing procurement and inventory processes, workplace relationships, and the workplace environment. The review of all contracts related to tree pruning service providers has also been included in this investigation as required by the April 29, 2021 Council motion.

Our investigation focused on assessing contracts against existing City policies and/or procedures and leading industry practices, examining internal procurement and inventory processes, administering a workplace culture survey to provide insight, and reviewing internal and external guidance related to workplace relationships.

A summary of the key observations includes:

- No evidence of favoritism was found regarding a specific vendor, however, processes related to purchase orders and over-expenditures should be enhanced.
- City's policies and/or processes were followed for internal procurement transactions, but communication between the Branch and the Winnipeg Fleet Management Agency could be improved.
- Inventory controls need to be enhanced.
- A workplace culture survey was administered for the Branch and it identified very diverse opinions among personnel. It included areas such as courage, commitment, risk and governance, and workplace violence and harassment.
- Annual performance reviews are not consistently being completed throughout the Branch.
- There is a lack of guidance within City policies related to workplace relationships.
- The tree pruning service contracts were awarded in compliance with existing City policies and procedures based on the information obtained and explanations received from the Public Service.
- Current City of Winnipeg procurement guidance does not allow departments to effectively and efficiently respond in an emergency.

RECOMMENDATIONS

1. That the Urban Forestry Branch 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 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 eight of the recommendations.

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 April 29, 2021 Council motion directed the City Auditor to review all contracts awarded to tree pruning service providers from October 2019 thru December 2021, to ensure the contracts were awarded in accordance with city regulations, and report back to Council with the results.

FINANCIAL IMPACT

Financial Impact Statement

Date: August 18, 2022

Project Name:
Urban Forestry Branch Investigation

COMMENTS:
There are no financial implications associated with the recommendations in this report.

Jason Duke - August 16, 2022
Jason Duke, CPA, CGA
A/ Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

This Report has been prepared in consultation with:

Public Works Department
Legal Services
Corporate Finance

OURWINNIPEG POLICY ALIGNMENT

Leadership and Good Governance

1. Establish and implement priority actions through evidence-informed decision-making processes.

2. Promote trust and government responsiveness through meaningful, inclusive and informed community engagement.

3. Achieve community-responsive service delivery through an aligned, integrated, collaborative and results-oriented organizational culture.

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.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

N/A

SUBMITTED BY

Department: Audit Department
Prepared by: Bryan Mansky, City Auditor
Date: September 2022

Attachments: