

The Corporation of the City of Windsor

Windsor Utilities Commission

Final Internal Audit Report

18 August 2016

Distribution List

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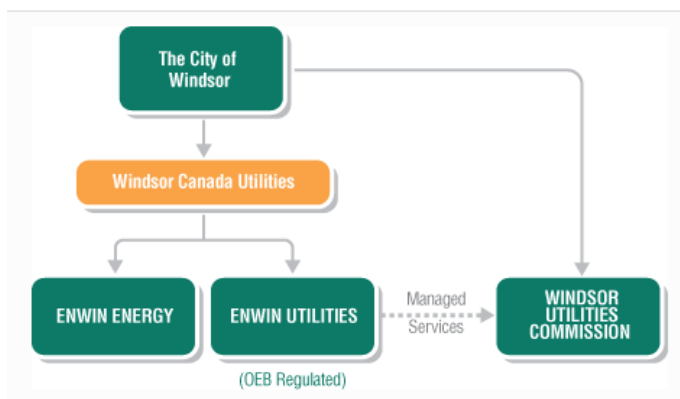
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Summary of Internal Audit Results

Background Information

The City of Windsor is the sole shareholder of Windsor Canada Utilities Ltd. (“WCU”), a holding company which owns both Enwin Energy Ltd. (“Enwin Energy”), as well as Enwin Utilities Ltd. (“Enwin Utilities”). Windsor Utilities Commission (“WUC”) is a local board of the Corporation of the City of Windsor, which receives managed services from Enwin Utilities (all three collectively, “Enwin”).

The chart below describes the operating structure as of March 29, 2016.



WCU provides strategic direction and financing to the operations of Enwin Utilities as well as Enwin Energy.

WUC provides water treatment and the distribution system for the City of Windsor and supplies bulk water to two neighbouring municipalities. WUC also operates District Energy, which supplies heating and cooling services to multiple buildings using a closed hot and cold water system. On November 6, 2012, WUC and Enwin Utilities entered into a Water System Operating Agreement (“WSOA”), whereby Enwin Utilities agreed to provide services to WUC with respect to operating the water treatment and distribution system and District Energy. The services include: management, administrative services, construction operations, and maintenance services. Enwin Utilities is responsible for providing all personnel required to operate the water system and District Energy. Pursuant to the terms of the WSOA and the associated Employee Arrangement Agreement, also dated November 6, 2012, WUC transferred all non-unionized employees and all unionized employees of WUC to Enwin Utilities.

WUC has appointed multiple elected City officials on their Board of Commissioners, including the Mayor as well as independent Commissioners.

As WUC is a local board of the Corporation of the City of Windsor, it is accounted for on a modified equity basis, consistent with the generally accepted accounting treatment for a Government Business Enterprise (“GBE”). Under the modified equity basis, the business enterprise’s accounting principles are not adjusted to conform to those of the City, and inter-organizational transactions and balances are not eliminated.

Overview of the business/process to be reviewed

As part of internal audit of the business processes and controls in effect for managing infrastructure, Internal Audit considered:

1. Work Planning
2. Work Scheduling and Assigning
3. Work Execution and Close Out
4. Unplanned Work
5. Work Management Performance Measures

Key work management processes that were considered as part of this engagement include:

- Work Planning
 - Identifying and specifying work to be performed;
 - Work prioritization and approval; and
 - Identifying resources required and arranging for resources to be available.
- Work Scheduling and Assigning
 - Schedule funnel, and application of priorities and other criteria used in scheduling; and
 - Work assignment.
- Work Execution and Close Out
 - Feedback provided for analysis and performance improvement.
- Unplanned Work
 - Emergency and other unplanned work performed.
- Work Management Performance Measures
 - Measures used and what decisions do they drive.

As part of this engagement, two conclusions were formed. The first pertains to the attainment of the objectives set out in the Scope Memo dated November 11, 2015. Also provided are risk & control conclusions involving the design and operating effectiveness of controls surrounding the objectives set out.

Our scope period covered November 1, 2014 – October 31, 2015.

Specific Scope Considerations & Exclusions

While our engagement involved the analysis of financial information and accounting records, it does not constitute an audit or an audit related service in accordance with Canadian generally accepted accounting standards, and accordingly no such assurance is provided in our report.

Consistent with commonly accepted practices, our work was dependent on the following management activities which were excluded from the scope of this review:

1. The effective design, implementation and operation of the Information and Technology (IT) environment and IT general controls.
2. The effective design, implementation and operation of business system and application controls related to the capture, processing, storage, reporting/presentation and exporting of information and data.
3. Controls over the completeness, accuracy, reliability and validity of the evidence, information and data provided by management during the course of this review due to funding and resource constraints.

Linkage to the internal audit plan

As part of the Council approved revised 2015/16 Internal Audit Plan, Internal Audit performed a Performance-Based audit involving areas of asset management at WUC, and the associated processes and controls involved in those areas.

Report Classification

In general, controls are properly designed and are operating effectively for the purpose envisaged. Overall, WUC has prioritized the assets in need of attention and have been following through on plans to address these. Cost tracking is in place with a strong emphasis on meeting the established budget for the year and for the respective projects.

Internal Audit Classification

Given the nature of this internal audit project we are providing an overall assessment using our traditional internal controls model as well as performance auditing measures.

Internal Controls Assessment

One significant observation was noted in regards to WUC not performing a variance analysis for projects which have gone over its internal operational estimate. This limits their ability to learn from mistakes made or inefficiencies. WUC has been following its plan to maintain its assets and track the costs involved in this process.

Based on the controls identified and tested, 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
Controls over the process are designed in such a manner that there is:				
Sample tests indicated that process controls were operating such that there is:				

Performance-Based Audit Results

These results are based solely on Water Distribution work orders and accounts. The scope of our review considered the period of November 1, 2014 through October 31, 2015. In this period, we considered project estimates applied for individual projects subsequent to the approval of the WUC budget. These project estimates are based on the original WUC budget, as well as information that has been gathered about the project such as previously unknown conditions of the area of the work to be performed, foreign exchange fluctuations, or in the case of outsourced projects, the value of the agreed tender value.

Performance objective 1: Overall projects are delivered within dollar values, effort hours and materials within 10% (over or under).

Assessment: Performance measure of +/- 10% **is met**. Actual results had an overall favourable variance of 0.84% to internal operational estimates.

Projects associated with operations and maintenance **met** the performance objective having a favourable variance of 3.10% to internal operational estimates in the scope period, or \$130,240.36.

Capital projects **met** the performance objective having an unfavourable variance of 0.05% to internal operating estimates in the scope period, or \$5,696.50. However, upon review of the data provided from SAP, some estimated amounts were not recorded on the work order in the system. The most common causes noted were (1) as noted in Finding 7 below, the planned and estimated costs fields were not used

consistently, resulting in work order estimated amounts not being entered in the system; and (2) capital projects included emergency work for which work order-level estimated costs are not estimated as repairing the assets are an immediate priority.

Several projects pertained to assumed assets in newly developed subdivisions. The costs of these assets were fully paid for by developers but assumed by WUC upon completion of the subdivision. Costs are included in SAP for the purposes of tracking the capital cost and related amortization of the assets. However, as the internal operational estimate for these “projects” is required to be nil as no costs were incurred by WUC, these were excluded from the internal audit analysis.

Performance objective 2: Individual projects are delivered within dollar values, effort hours and materials within 10% (over or under)

Assessment: On an annual basis, WUC develops both a capital and operating budget. During our review, we noted that capital projects are given an estimate at the project level; however, this is not done for operating expenses. Rather, budgeting is handled at a “general ledger” level, whereby the costs are classified based on the account types as opposed to by work order. Therefore, we are unable to assess this performance objective for operating expenses. However, as noted below, this assessment can still be carried out for capital projects.

Capital projects did **not meet** the performance objective given that 56% of the projects in the period met the performance variance expectation. There were 32 capital projects noted. The projects outside the performance measure targets were comprised of 36% had no estimated amount, 21% exceeded the threshold and 43% came in below the threshold. It was noted that savings from projects whose estimates were not fully spent are applied to those that exceeded estimates.

Performance objective 3: Projects that exceed 10% variance threshold (over or under) have a variance analysis performed.

Assessment: This performance measure was **not met**. Please refer to Finding 1.

Performance objective 4: Preventable asset breakdowns represent less than or equal to 10% of all breakdowns.

Assessment: This performance measure was **not met**. Please refer to Finding 2.

Summary of Positive Themes

A log of desired projects is maintained which includes prepared tender documents in case they have more capacity than expected to carry out the work or if the City is going to do further work in areas not originally planned. By timing their work with the City, they are able to gain efficiencies in terms of removing the concrete of the road and replacing it to get to the water infrastructure.

Following the completion of projects, these are noted in the log books of supervisors to provide a record of work performed and the details of what was carried out in order to meet Ministry of the Environment regulations.

WUC has been focused on the capital side of the business and shown commitment in identifying its assets in need of repair or upgrade and carrying that out. With a focus on prioritizing these assets, WUC has been able to deploy crews throughout the year in order to extend the useful life of its assets and provide continued service to its customers.

In terms of finding synergies and efficiencies between Enwin Utilities and WUC, there has been success in aligning processes and sharing of resources across the two business functions, specifically in relation to back office support, for example on work order generation, trouble calls and work order close outs.

Summary of Findings

Finding #	Topic	Rating ¹			Management Action
		Significant	Moderate	Low	
1	Variance Reporting not Standardized	X			The internal checklist will be updated to include the requirement for a variance report if the threshold exceeds 10%. Due: July 2016
2	Asset Failure Recordings		X		Cost/benefit analysis will be completed and analysed to determine next steps. Due: October 2016
3	Duplication of Work Type Statuses		X		Cost/benefit analysis will be completed and analysed to determine next steps. Due: October 2016
4	Lack of Description in Work Order Details		X		Cost/benefit analysis will be completed and analysed to determine next steps. Currently moving to more detailed planning within SAP. Due: October 2016
5	Work Order Results Review			X	Cost/benefit analysis will be completed and analysed to determine next steps. Due: October 2016
6	Root Cause Analysis Methodology		X		Management will review various root cause analysis methodologies and select one for the organization. Due: September 2016
7	Incomplete Work Order Forms			X	Management will provide training to ensure proper use of planned/estimated costs for all capital projects. Management will review the cost/benefit of utilizing the Investment Module within SAP. Due: September 2016
Total Audit Findings		1	4	2	

Summary of Significant Findings

As noted above in the Summary of Audit Findings, Internal Audit has classified a total of one (1) finding as “significant” which requires management action. Here is a brief summary of the significant area:

Variance Reporting not Standardized (WUC)

It was noted that when a project is completed, variance reports are not drafted when total costs exceed internal operational estimated cost by 10% (either in excess or below the planned amount), or at any other threshold.

This prevents WUC from having documented support for what caused the variance and limits management's ability to learn from past performance or to identify one-off situations which impacted the variance.

Management Comments

Name: Victoria Zuber
Title: Vice President Finance and CFO
Date: April 25, 2016

It is important to note that PwC has indicated that only one of the findings is regarded as significant. That issue will be addressed as per the detailed plan submitted. Many of the other findings' recommendations will provide greater efficiency and better leveraging of our work management systems rather than address any major control deficiencies. Overall management is in agreement with the findings and for the most part was already aware of the noted issues. Current funding and limited resources have resulted in a focus on the higher risk areas and ensuring they are adequately addressed.

SAP is our Enterprise Resource Planning ("ERP") system. It went live in 2010. We have since installed a new Customer Information System ("CIS") in 2014, and have just completed the installation of our Outage Management System ("OMS"). We embarked on a five year strategy to implement mobile field devices in 2013. Many of the recommendations in this report are recommendations to optimize our use of our systems. We will be evaluating those from a cost/benefit perspective as well as prioritizing any recommended enhancements.

Detailed Observations

Finding	Rating ¹	Recommendation & Action Plan
1. Operational Variance Reporting not Standardized		
Observation It was noted that management monitor project variances and react accordingly when WUC capital projects are at risk of exceeding threshold, however, a standardized approach to documenting variances was not noted.	Overall Significant	Recommendation Management should draft guidance that clearly defines what circumstances require the creation of a variance report. This guidance should then be introduced to all relevant stakeholders within the organisation. The focus of variance reports should be to identify opportunities to lessen the risk of significant project variances. The financial performance of projects should be reviewed by an appropriate level of management to determine whether the guidance is being complied with. For capital projects, WUC uses the amount agreed to in the purchase order with its vendor or an engineering estimate if done in-house as the expected amount for the purposes of the analysis.
	Impact High	
	Likelihood Likely	Management Action Plan Management agrees with the finding. Our internal checklist will be updated to include the requirement to create a variance report if the threshold exceeds 10%. Periodic internal reviews will be held to ensure compliance. Enwin will document a standardized formal process for completing internal variance reports for all capital project work for all companies. Periodic internal compliance will be monitored by Engineering and Finance.
Implication The implication of not having a standardised defined approach to operational variance reporting is that there can be discrepancies as to when they are done. This can lead to some overruns or underruns of the internal operational estimate being addressed, and others (even of the same magnitude and having the same affect) will not be addressed with a variance report generating suggestions in a timely manner to improve for the future and react in the near term. Thus there are no documented means to monitor and react to estimate over/under runs for WUC, but also to possibly prevent a future recurrence.		

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

		Responsibility Director Water Engineering Due Date July 2016
Root Cause An approach to variance reporting has not been drafted for WUC.		

Finding	Rating ²	Recommendation & Action Plan
2. Asset Failure Recordings		
Observation When reviewing statistics for all asset failures in the scope period for WUC assets, it was noted that the only information provided was the type of asset which suffered the breakdown, as well as the number of occurrences in a given period and no explanation to the cause of the failure was provided.	Overall Moderate	Recommendation WUC should implement a catalog of failure codes for its assets and apply these to work orders pertaining to the repair of a failed asset. On a regular interval, WUC should consider analyzing the frequency of breakdowns and determine appropriate preventive measures accordingly.
	Impact Medium	
	Likelihood Likely	Management Action Plan Management agrees with the finding. Management has reviewed the ability to record failure codes currently tracked in the break reports in SAP. Cost/benefit analysis will be completed and analyzed to determine next steps.
Implication By not including the cause of asset breakdowns, WUC is limiting their opportunities at identifying regular causes of asset failures, which would hinder their capability to lessen future recurrences.		Responsibility Director Water Operations
Root Cause The reporting of asset breakdowns has not been designed to consider the cause of failures for WUC.		Due Date October 2016

² See Appendix A for Basis of Finding Rating and Report Classification

Finding	Rating ³	Recommendation & Action Plan
3. Duplication of Work Types		
Observation As a result of receiving back office support from Enwin Utilities, WUC uses SAP for its day to day and reporting functions. Work order types are duplicated in SAP to separate Enwin Utilities and WUC from a cost allocation perspective, with costs being allocated to cost centres or project codes, rather than assets or work orders. As a result, Internal Audit was required to manually compile data as a part of its analysis as this information could not be readily prepared.	Overall Moderate	Recommendation Data structures should be reconsidered in addition to being set to the cost center, they also assign cost to work orders and/or assets. By doing so, it will be simpler to review the project's performance against its internal operational estimate at the work order and asset level. This will also enable WUC to create reports which focus on KPI and dashboards that drive the overall business toward their strategic goals. This will enable WUC to enjoy benefits related to automated reporting, allocating costs to individual assets, and to perform deeper analysis into asset classes to aid in decision making.
	Impact Medium	
	Likelihood Likely	Management Action Plan Management agrees with the finding. Cost/benefit analysis will be completed and analyzed to determine next steps.
Implication The current data structure limits the potential reporting of detailed actual vs estimated costs, preventing a system analysis of these figures at the asset or work order level, creating a challenge to determine the effort and true cost involved at these levels.		Responsibility Director Information Technology
Root Cause Implementation data structure definitions possibly lacked detail on how operations should use the data and information derived from the data, for example, to compare actual and planned costs.		Due Date October 2016

³ See Appendix A for Basis of Finding Rating and Report Classification

Finding	Rating ⁴	Recommendation & Action Plan
4. Lack of Description in Work Order Details		
Observation While gaining an understanding of the work orders process, it was noted that the work orders provided a limited amount of detail. While general requirements are provided, the observed work orders do not provide details concerning specific parts required in a job, as well as detailed work steps, resulting in depending on staff having the experience to carry the work out. It was further noted that a variance analysis is not performed for O&M work orders as cost estimates are not provided at a work order level. Rather, these costs are considered at a GL-level.	Overall Moderate	Recommendation Management should consider: - providing training to communicate the need for a greater level of detail in regards to the work order description, including the required parts, as well as detailed steps needed to complete the task. - creating a task force consisting of its more experienced staff members in drafting standard steps for routine work orders. - updating its policies regarding work orders to require this level of detail to be provided. - Management should consider adding estimated costs at a work order level in order to provide a means to carry out a variance analysis for work orders, whether it be for all work orders, or those of a certain size or importance.
	Impact Medium	
Implication By not providing these details in work orders, it increases the probability of inconsistent processes being carried out for similar work, thus preventing the most effective, efficient and economical approach from being carried out. Furthermore, as the current workforce begins to retire, WUC is at risk of knowledge loss and may not be able to call on past experience with the work being carried out. By not tracking variance analysis at an individual work order level, this could prevent an opportunity to learn causes for the variance at a micro level which could be applied to other work orders in a more rapid manner, allowing for earlier efficiency gains.	Likelihood Likely	Management Action Plan Management agrees with the finding. Cost/benefit analysis will be completed and analyzed to determine next steps. Currently moving to more detailed planning within SAP which allows for step by step instructions to be provided on the work order. Standard operating procedure documents currently provide the necessary details to complete the work required.
Root Cause To date, the training provided around this function has not considered the need to provide more detailed work instructions.		Responsibility Director Water Engineering Director Water Operations Due Date October 2016

⁴ See Appendix A for Basis of Finding Rating and Report Classification

Finding	Rating ⁵	Recommendation & Action Plan
5. Work Order Results Review		
Observation Upon closing a work order, there was little evidence of reporting back on what specifically was done, how it was done, why it was done and that information being used to improve upon the work in the future, i.e. for time based repetitive work orders.	Overall Low	Recommendation Following the closure of a work order, a report should be completed within SAP which outlines the work performed, the cause for the work to be carried out, and what can be done in the future to improve on the process to allow WUC to realize potential efficiencies. These efficiencies should be considered to update standard procedures provided in work order details in conjunction with observation #4. Management Action Plan Management agrees with the finding. Costs are typically reviewed compared to budget. For capital work orders, opportunities for improvements will be emphasized in the standardized cost variance procedure (finding #1). Cost/benefit analysis will be completed and analyzed to determine next steps. Responsibility Director Water Operations Due Date October 2016
	Impact Low	
	Likelihood Likely	
Implication When information is not reviewed from the execution of time based maintenance activities, there are lost opportunities to develop more efficient and effective practices when similar work is later planned, preventing the knowledge from being shared with the organization.		
Root Cause Failure codes and improvement processes from failure and reporting are not in place.		

⁵ See Appendix A for Basis of Finding Rating and Report Classification

Finding	Rating ⁶	Recommendation & Action Plan
6. Root Cause Analysis Methodology		
Observation PwC noted that Corrective Preventive Action Forms are in effect to analyze circumstances of significant outages at WUC. While some exploration into actual root causes is carried out, a formalized methodology is not in place. Samples of Corrective Preventive Action Forms were reviewed and hydro does analyse circumstances of significant outages on the hydro side. They do suggest root causes of failures but do not seem to follow a root cause methodology, for example a “5 Why” method, a Fishbone method, TapRoot method, Apollo method or other similar methodologies.	Overall Moderate	Recommendation Management should review various root cause analysis methodologies, such as the “5 Why” method, the Fishbone method, TapRoot, or Apollo method, as examples. Upon deciding which is most appropriate for its business needs, this should be implemented followed by training to appropriate staff members to provide a consistent means to identify potential improvements. Management Action Plan Management agrees with the finding. Management will review various root cause analysis methodologies and will select one to be used throughout the organization. Procedures will be updated and training provided. Responsibility Director Hydro Operations Due Date September 2016
	Impact Medium	
	Likelihood Likely	
Implication Without an approved methodology to uncover the root cause of asset failures, inconsistent approaches may be used, which could ignore industry practice or more current techniques. This, in turn, could lead to inappropriate or incomplete root cause conclusions, preventing WUC from fully learning from past mistakes.		
Root Cause Root cause analysis methodologies have not been reviewed and taught to staff.		

⁶ See Appendix A for Basis of Finding Rating and Report Classification

Finding		Rating ⁷	Recommendation & Action Plan
7. Incomplete Work Order Forms			
Observation During the data analysis of capital project work orders, it was noted that in some cases, the Planned Cost (original budget amount) and Estimated Cost (and revised engineering estimate) fields are used inconsistently in SAP. While these costs are always determined ahead of the execution of work, they are not always stored in a consistent field in SAP.	Overall Low	Recommendation Further training should be provided to stakeholders and work order preparers in regards to the recording of the various Estimated and Planned cost element fields within SAP. A further emphasis should be provided on explaining the importance of recording these values.	
	Impact Low	Upon the creation of any work orders, it should be required that these fields be populated before approval.	
	Likelihood Likely	Management Action Plan Management agrees with the finding. Management will prepare training for appropriate staff to ensure the proper use of planned/estimated costs for all capital projects. Management will review the cost/benefit of utilizing the Investment Module within SAP in conjunction with corporate priorities and projects.	
Implication Standard reporting will not always be correct as standard reports pull from specific fields. This will make the comparison of Planned vs. Actual costs incorrect in some cases and perhaps even generate a variance report without true cause.		Responsibility Director Information Technology	
Root Cause Planned and estimate costs have not always been allocated to the right fields in SAP.		Due Date September 2016	

⁷ See Appendix A for Basis of Finding Rating and Report Classification

Considerations for Improvement

There was one additional considerations for improvement noted as follows:

1. Mobile tablet usage for work execution support.

Mobile tablets are used in a limited way to gather information in the field. These tablets have the potential to lessen the amount of paperwork involved and provide field employees with direct access to various information related to their work. These tablets can also enable data collection for reporting of work, allocation of hours related to the work, selecting the failure codes, getting geographical information, and more.

It is highly recommended that WUC continue with the wider implementation of these mobile tablets as they can increase efficiency and quality of information to the work in the field as well as the reporting of work and data collection.

Appendix A: Basis of Finding 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	- History of regular occurrence of the event. - The event is expected to occur in most circumstances.
Likely	- History of occasional occurrence of the event. - The event could occur at some time.
Unlikely	- 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 ⁸	Financial impact likely to exceed \$250,000 in terms of direct loss or opportunity cost.
	Judgemental Assessment	Internal Control Significant control weaknesses, which would lead to financial or fraud loss. An issue that requires a significant amount of senior management/Board effort to manage such as: • Failure to meet key strategic objectives/major impact on strategy and objectives. • Loss of ability to sustain ongoing operations: - 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. Legal / Regulatory Large scale action, major breach of legislation with very significant financial or reputational consequences.
MEDIUM	Dollar Value	Financial impact likely to be between \$75,000 to \$250,000 in terms of direct loss or opportunity cost.
	Judgemental Assessment	Internal Control Control weaknesses, which could result in potential loss resulting from inefficiencies, wastage, and cumbersome workflow procedures. An issue that requires some amount of senior management/Board effort to manage such as: • 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. Legal / Regulatory Regulatory breach with material financial consequences including fines.
LOW	Dollar Value	Financial impact likely to be less than \$75,000 in terms of direct loss or opportunity cost.
	Judgemental Assessment	Internal Control Control weaknesses, which could result in potential insignificant loss resulting from workflow and operational inefficiencies. An issue that requires no or minimal amount of senior management/Board effort to manage such as: • Minimal impact on strategy • Disruption to normal operations with no effect on achievement of corporate strategy and objectives • Minimal reputational sensitivity. Legal / Regulatory Regulatory breach with minimal consequences.

⁸ 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	• 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	• 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 back-up 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	• 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	• 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.

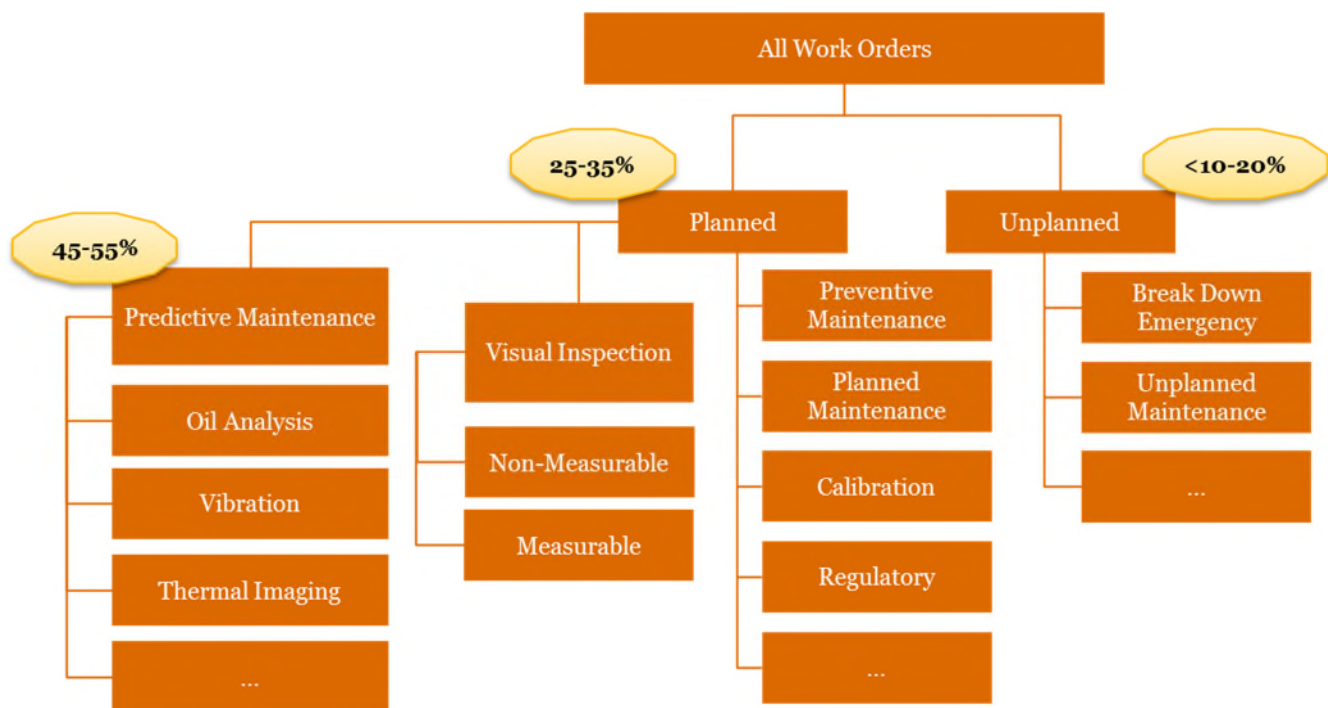
Appendix B: Work Type Analysis

Work type analysis from a cost and count perspective

Below there is a categorization of 1. All work types (hydro and water), 2. Hydro work types, and 3. Water work types.

Work types are typically at the highest level broken down into Planned Work and Un-Planned work. Work types below that are broken down in various ways across different industries but the typical work types are shown here below with the leading benchmark indicators.

Leading Benchmark Indicator



Windsor Utilities Commission

