INTERNAL
AUDIT TEAM
Toronto and Area Region

Toronto Catholic District School Board
Repairs and Maintenance Follow-up Audit

July 2018

Toronto Catholic District School Board

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EXECUTIVE SUMMARY

Introduction

An internal audit of selected processes and controls related to repairs and maintenance of Toronto Catholic District School Board ("TCDSB" or "Board") schools and facilities was conducted by PricewaterhouseCoopers (PwC) in FY2012/13. The audit covered the period of September 1, 2011 - August 31, 2012 and the final report was issued by PwC in June 2013 ("initial audit report"). The Regional Internal Audit Team (RIAT) performed a follow-up review in FY2017/18 focused on management action plans to address the initial audit report findings and recommendations.

Objectives and Scope

The objective of this engagement was to assess whether controls were designed and operating effectively to mitigate the risks associated with findings identified during the initial audit. The scope was to assess management's actions to address the "high" and "medium" risk findings identified in the initial audit report.

A detailed summary of the findings, recommendations and management action plans from the initial audit, as well as management's description of actions taken to address the initial findings is presented in this report.

Overall Summary of Results

Management has made progress in addressing the findings and recommendations from the initial audit report. Enhanced processes and controls continue to be implemented to mitigate the risks previously identified.

Internal Audit noted the following:
- 6 completed
- 2 in progress

KEY FINDINGS AND RECOMMENDATIONS

Refer to the chart below for a summary of the initial internal audit findings, the RIAT's assessment of current status, and related findings and recommendations:

	INITIAL FINDING (June 2013 PwC Report)	CURRENT STATUS (RIAT assessment at April 2018)	SUMMARY OF KEY FINDINGS (April 2018)
1	No evidence that repair and maintenance work orders are consistently completed in accordance with the established priority timelines	COMPLETE	The SAP work order system allows for the tracking of work order status and assignment of priority timelines.
2	Delegation of authority for authorizing work orders in the system is not consistently documented	COMPLETE	Management has established a work order process procedure and it is communicated to all staff on a periodic basis.
3	No process to monitor trade licenses required by maintenance staff	COMPLETE	Management has established a process to monitor trade licenses of maintenance staff.

4	No tracking of vehicles used by maintenance staff	COMPLETE	Management implemented a GPS tracking system in 2015 for all board vehicles.
5	Lack of a documented process to respond to complaints and concerns related to repair and maintenance activities	IN PROGRESS	Although there is no formalized process to respond to complaints related to repair and maintenance activities, there is an informal process established.
6	Lack of a formal process to review and update repair and maintenance procedures	COMPLETE	Board policies and procedures are updated according to a set timeline. The Facilities Management Policy and Procedures was approved in September 2016.
7	Lack of a formal performance appraisal process	IN PROGRESS	There is no formal performance appraisal process established for repair and maintenance staff. Management, human resources, and unions will continue to work towards formalizing this process.
8	No documented procedures related to vehicle accidents	COMPLETE	Management has established a vehicle accident procedure and it has been communicated to all relevant facilities staff.

For detailed results and recommendations see the "Initial Findings, Recommendations, Management Action Plans (2013) and Current Status (April 2018)" section below.

BACKGROUND

The Facilities Services Department is comprised of Capital Development, Renewal, Operations, and Maintenance and Energy Management services. Within the Maintenance subgroup there are 1 Senior Coordinator, 2 Managers, 2 Supervisors, 4 Service Quality Supervisors and approximately 70 maintenance trade staff. The Maintenance group has over 219 facilities consisting of schools, administrative offices and rental spaces under its care.

The Maintenance group handles daily repair and maintenance service requests, while the renewal area handles planned repair and maintenance projects that are more significant in cost (typically in excess of $10,000 per project). Our follow-up procedures focused on the maintenance services group as the initial audit findings related to processes and controls therein.

To manage the high volume of repair and maintenance requests, Maintenance uses SAP work order system. This work order system module is integrated with the board's primary financial management software.

Total Volume of Work Orders by Year

	2017/18 (as at May 24, 2018)	**2016/17**
Total Work Orders	33,694	40,057

Based on current year data (up to May 24, 2018), the majority of requests are related to plumbing, interior doors and hardware, lighting, locks and HVAC systems (refer to Appendix C for details).

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INITIAL FINDINGS, RECOMMENDATIONS, MANAGEMENT ACTION PLANS (JUNE 2013) AND CURRENT STATUS (APRIL 2018)

The following chart contains the initial findings, recommendations and management action plans from the TCDSB Repairs and Maintenance Audit Report (June 2013) as well as current status as described by management (April 2018).

#	FINDING TITLE	RECOMMENDATION	MANAGEMENT ACTION PLAN (June 2013)	CURRENT STATUS (April 2018)
		Finding 1: Two (2) Parts		Complete
1	No evidence that repair and maintenance work orders are consistently completed in accordance with the established priority timelines	The Senior Coordinators of Maintenance and Operations should require clerical staff to include adequate notes in SAP indicating the status of an open work order, as well as, information explaining why the system completion dates would be beyond the set priority timelines. These notes should be recorded in the SAP system before the entry of actual hours	Priority 5 (Emergency) calls are responded to in accordance with the TCDSB Work Priority Timelines. Immediate response is required, even after hours and on weekends or holidays, in order to mitigate the risk of having to close the school. However, final resolution of the issue may require follow-up repairs, supply	**Status: Complete** <u>RIAT Work Performed:</u> We observed that the SAP work order system allows users to update the status of an open work order and add notes to the work order. Dispatchers and Area Supervisors are responsible to update the

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		worked by a given maintenance staff. Furthermore, the Senior Coordinators of Maintenance and Operations should have clerical staff update the status of work orders in the system on a timely basis.	and installation of new parts and/or additional equipment or systems repairs, which would occur after responding to the emergency. As such, the original work orders may remain "open" in SAP until any follow-up work is completed and/or invoices are received from external contractors or equipment suppliers. This ensures that any follow-up work is tracked back to the original work order.	status of work orders on a timely basis.
		Also, as opportunities for improvement, TCDSB should consider the following in any future system upgrade: • Introduction of hand held devices in the processing of repair and maintenance work orders. For instance, hand held devices could	Management has implemented a new work tracking system through Syclo, with hand-held devices, which is linked to the work order system in	**Status: Complete** RIAT Work Performed: We noted that work order processing on the mobile device was introduced May 2017 and prior to this it was on a tablet. This enables all tradesmen to access work orders in a timely basis, edit and

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		give maintenance staff the capability to electronically close a repair or maintenance work order in 'real time'. Information held in these devices would electronically feed into the SAP system, as well, thus, ensuring that statuses of repair and maintenance work orders are updated in the system on a timely basis. • Explore the ability in the SAP system to differentiate between the main job per the initial work order and any additional required work thereafter.	SAP. This will allow maintenance staff to update work orders and the status of work from the hand-held devices directly into SAP. Four pilot schools have been tagged with a bar code, to facilitate identification of equipment, warranties and repair history. Testing of the Syclo device is in process at these four pilot schools. The Board has a 24-hour monitoring service, and designated on-call facilities staff to respond to building emergencies that occur after hours, weekends and holidays. The monitoring centre receives automated	complete the work order in real time in the work order system. In addition, we noted that work related to initial work orders in SAP can be coupled to enhance tracking details.

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			signals in the event of low heat or no-heat at a building as well as building security status (if an alarm is not set or disconnected). Security vehicles are dispatched to respond to the emergency call and the on-call staff provides direction with regards to calling in an external contractor to deal with an emergency. In all instances proper responses are provided within the set priority timelines.	
2	Delegation of authority for authorizing	We recommend that management develop documented procedures related to the delegation of authority process.	Dispatch staff may only receive verbal approval because management staff is out of the office, at a school for example,	**Status: Complete** RIAT Work Performed: Management has established the Work

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	work orders in the system is not consistently documented	These procedures should include information on when delegation of authority is needed, who can delegate approval authority, and what constitutes adequate documentation (e.g. notes) in SAP to evidence such delegation. Management should ensure that these procedures are communicated to the Dispatchers and Facilities Secretaries accordingly.	dealing with a repair job – however, following the audit; facilities staff have implemented a system of recording the instances of verbal approval on the work notification in SAP. Delegation of authority is being documented within the Notification to ensure that high and urgent repairs are properly authorized prior to commencing the work. Prior to commencement of the work, incoming work orders are reviewed and approved by the Maintenance Officers and Supervisors.	Order Process procedure document that describes the delegation of authority process. In addition, the process is re-communicated to the staff periodically.
3	No process to monitor trade licenses	Management should establish a formal process to track trade licenses. This could be	Management has initiated a Trade license registry, and will undertake annual verification of trade	**Status: Complete** RIAT Work Performed:

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	required by maintenance staff	accomplished through the development of a tracking spreadsheet that includes key information such as the staff member's job classification, Certification/Trade Number, the date of issue and expiration. Maintenance Manager should designate a staff member who is responsible for follow-up on any trade licenses that are coming up for expiration and update the tracking spreadsheet accordingly.	licenses. In cases where the license does not show an expiration or renewal date, Management staff will request a letter of confirmation from licensing body verifying that the license is in good standing. This process will be undertaken annually. Maintenance Officers will also verify that the type of license and the work covered by the license is valid, by annually contacting the Ontario College of Skilled Trades or from the OCST website. (www.collegeoftrades.ca)	Management has established a formal process to track trade licenses. Each Area office is responsible to track the trade licenses and their expiry and notify the relevant staff of expiration dates and renewal. The East and West Supervisors are responsible to maintain the tracking of licenses. We examined the tracking sheet and trades licenses for all staff and noted that all were current and there were no exceptions.
4	No tracking of vehicles used by	We understand that Facilities management has plans to implement GPS	As noted, Management has researched and is in the process of	**Status: Complete**

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	maintenance staff	tracking devices on all maintenance Vehicles this year. We recommend that management move forward with these plans, to include installing a GPS tracking software.	implementing a telematics system for Board owned vehicles. Management staff has met with another GTA school Board that has recently awarded a contract to a vehicle telematics company. Management staff is in the process of developing policy and procedural guidelines for a telematics program, and will meet with the union in the fall to review and consult regarding implementation of the program. Management staff has completed the procurement process for a Fleet Management services, through shared services agreement with	RIAT Work Performed: Management implemented a GPS tracking system in 2015. The system sends notifications to managers in real time for speeding, idling and location. Board policy "Board Vehicles" was established in August 2015 to provide guidance on the safe and proper use and management of board vehicles.

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			Government of Ontario Services. The Fleet Management program contains a Driver Risk assessment program – Management staff is reviewing the costs associated with adding this service to the fleet management package. As well, further consultation with the union would be required to initiate the Driver Risk Assessment program.	
5	Lack of a documented process to respond to complaints and concerns related to	Management should formalize the process to handle complaints and concerns related to repair and maintenance activities. This should include a documented process that defines the	Schools are able to make requests for repairs, make complaints or request alterations through SAP. Work notifications when received in the maintenance department	**Status: In Progress** RIAT Work Performed: Although management has not documented a formal process to handle complaints, an informal

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	repair and maintenance activities	expected response time frame for any received complaints. Management should provide schools with guidelines regarding the mechanism of sending complaints. For example, guidelines may include instructions for a school to open a work order notification for any unsatisfactory services. Such instructions could be included in existing communication that goes out to the schools e.g. brochures, training documentation, email/intranet bulletins etc.	are prioritized according to the nature of the work. Priority 4 and 5's indicate an urgent or immediate response is required. School custodial and administrative staff have received training as to how to send in a work order notification (request) in SAP and can view the notifications listed for their respective school. Custodial staff receives refresher training once a year during March break training, on how to place an SAP work notification. Custodial staff may also phone the Communication Centre (one located in the east	process is understood and communicated periodically to schools. The department has a Service Quality Supervisor for each area and two Service Quality Officers that are responsible for attending to school concerns and complaints. In addition, notifications are sent to the school when each work order is closed. Finally, twice a year, a review of all open work orders is performed in collaboration with each school. We reviewed two recent communications to schools providing

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			and one in the west) to place a request with a Comm. Centre staff person. Renewal requests or work deemed to be Renewal (too large in scope or budget, requires a consultant and/or a building permit) can be identified and re-directed from Maintenance to Renewal in SAP. Management staff is also re-instating an on-line guideline to assist school administrative and custodial staff to place SAP notifications and will include information regarding timeline and	instruction on how to handle complaints for a specific service (i.e., snow removal). **Management Response:** Management is currently working on creating a system of sending complaints for any unsatisfactory completed work orders and being able to track all the action taken to address these complaints. This system will be communicated to the schools with clear instructions on how to use it. We expect to complete this system including the trial period by March 2019.

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			process based on the priority ranking.	
6	Lack of a formal process to review and update repair and maintenance procedures	We understand that at the Board level, a new process was implemented last year to review all policies and that there are plans to also establish a regular policy review cycle. We recommend that all procedures pertaining to the Facilities department be reviewed against a review timeline that would be similar to the one that will be established at the Board level for policy reviews.	TCDSB Management has developed an overall framework and process for Policy and Operational Procedures review over the next two years. Policies and Operational Procedures have been categorized according to the appropriate Standing Committee at which they would be reviewed and prioritized according to their impact and need to be compliant with regulations and statutes of the Education Act or other relevant legislation. Internally, a new Operational Procedure to initiate repairs and	**Status: Complete** RIAT Work Performed: The board reviews all policies and key procedures according to a set schedule, including those related to repairs and maintenance activities. In September 2016 the Board developed a Facilities Management Policy and Procedure and it is due to be reviewed in 2021. Departmental procedures are updated as required

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		Procedures should be reviewed, irrespective of whether there have been changes to the process or not. This will provide TCDSB the opportunity to confirm that the procedures in place are not outdated and are consistent with current practices or new legislation.	maintenance jobs was established with introduction of an integrated Enterprise-wide Financial System (SAP) by TCDSB in 2000. Facilities Department staff execute and document all maintenance activities through SAP in compliance with the Board's Purchasing Policy. Management will continue to review Operational Procedures in order to ensure compliance with legislation and codes enforced by external government agencies. In particular, the Fire Emergency Operational Procedures document is created when a building is	when changes are necessary.

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			built and changes only when there are physical changes to the building such as re-configuration of interior space. Furthermore, the Fire Emergency Policy is determined by the Municipal Fire Department and can only be changed by the same Fire Department. Review of such Operational Procedure documents will continue to be reviewed and updated as prescribed by TCDSB's established Policy and Operational Procedure Review Framework.	
7	Lack of a formal performance	It is our understanding that the accountability for the implementation of this	Management will investigate the feasibility of developing and	**Status: In Progress** **RIAT Work Performed:**

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	appraisal process	finding lies with the Human Resources Department. We recommend that TCDSB consider establishing a formal appraisal process for its facility staff. We understand that such a process, may not be implemented immediately and as such, we would recommend that Facilities & Maintenance management implement an interim process that is more formalized to document staff performance and identify gaps and remediation steps. This could include documenting the meeting	implementing performance measurement policies, operational procedures, programs and training. The implementation deadline is to be determined. Management recognizes performance measurement as a best practice.	Currently there is no formal performance appraisal process established for facility staff. Human Resources is in the process of evaluating a recruitment tool that will allow for performance appraisals to be maintained. Management working in conjunction with unions will continue to work on formalizing this process. **Management Response**: Human Resources is currently in the process of building a Business

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		held to discuss performance, and follow-up actions such as a recommendation for training.		Leaders Performance Model, expected to be implemented by February 2019. Through the development of system goals, area targets and personal goal setting factors with the Business Leaders, this process will drive the required discussions with our union partners for developing similar performance systems across our unionized employee groups. Human Resources is currently in the process of sourcing an e-Recruitment, On-Boarding and Performance Management software to support these three (3) key HR emerging

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				initiatives. In the interim, we are identifying promising practices in other boards relating to this issue and we plan on meeting with union Executives before June 30, 2019 to plan the cascading of the appraisal process to other groups.
8	No documented procedures related to vehicle accidents	We understand that management has developed a Board vehicle procedure manual, which includes a section on drivers' safety, as part of the new GPS system implementation. As such, we recommend the following: The Board should finalize the vehicle procedure	Management are in the process of implementing a Fleet Management service plan, which will provide a history and documentation of repairs for Board-owned vehicles. Please refer to Management Comments provided in Section 4.	**Status: Complete** RIAT Work Performed: The Board developed the Accident Reporting Procedure in September 2013. This procedure is periodically re-communicated to the facilities staff and they are required to acknowledge through sign-off. The

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		manual including the safety procedures. The Board should communicate the vehicle procedure manual to all Facilities drivers. In addition, the Board should consider obtaining confirmation (e.g. sign-off) from the drivers that they have read and understood the vehicle procedure manual and are aware of their overall responsibility and how they should respond in the event of an accident.		procedure is accessible in each board vehicle. Management requires all drivers to inspect their vehicle for defects and sign the vehicle inspection report prior to using the vehicle. This helps to ensure all vehicle issues are reported to management.

APPENDIX A - ACKNOWLEDGEMENTS

We would like to take this opportunity to thank the management and staff of the TCDSB for their support and assistance during this engagement.

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APPENDIX B – REPORT DISTRIBUTION

This report is intended primarily for the information and use of the individuals on the distribution list and should not be provided to any other individual without the consent of the Senior Manager, Regional Internal Audit Team, Toronto and Area.

This report has been distributed to the following individuals:

- Toronto Catholic District School Board Audit Committee
- Rory McGuckin, Director of Education
- Paul DeCock, Comptroller of Business Services
- Tim Robbins, Acting Associate Director of Planning, Facilities and Stewardship
- Deborah Friesen, Acting Executive Superintendent of Facilities Services
- Khaled Elgharbawy, Senior Coordinator of Maintenance and Energy Management

APPENDIX C – VOLUME OF WORK ORDERS BY WORK TYPE CALL CATEGORY FOR 2017/18 YEAR TO DATE

Job Activity Type	Total Number of Work Orders	% of Work Orders
HVAC/Mechanical	5,087	15%
Plumbing	4,524	13%
Electrical	3,797	11%
Life/Fire/Safety Protection	1,716	5%
Lighting	1,636	5%
Walls	1,612	5%
Hardware	1,517	5%
Security Systems	1,445	4%
Windows/Glazing	1,336	4%
Interior Doors	1,309	4%
Millwork	1,033	3%
Ceilings	1,028	3%
Floors	816	2%
Warehouse	735	2%
Exterior Doors	725	2%
Building Automation/Controls	701	2%
Portables	697	2%
Communications/PA	684	2%
Landscape/Fencing	681	2%
Total	31,079	92%

Source: SAP Work Order System
Note: The remaining 8% is comprised of 19 work type calls, each representing less than 1.2% of the total of all work orders.