

TTC AUDIT COMMITTEE REPORT NO.

MEETING DATE: November 18, 2009

SUBJECT: STATUS UPDATE – STREETCAR WAY PROCESS

INFORMATION ITEM

RECOMMENDATION

It is recommended that the Audit Committee receive for information the attached status update for the Streetcar Way Process Audit.

BACKGROUND

Internal Audit provides the Commission with independent evaluations of the efficiency and effectiveness of control systems and operations. Internal Audit is also required to provide recommendations for improvement.

October 8, 2009
6-356

Attachment - Management's Responses
Original Audit Report

Status Update – Streetcar Way Process

Audit Recommendation:

Finding #1- Maintenance and Repair: Management should ensure that the inspection and the track defect management process are efficient and effective.

Management Response:

Agree with all recommendations and committed to:

- Review/revise applicable procedures with respect to recent changes to the switch cleaning inspection process.
Revise procedure for track patrol to include the QA process.
- Complete the draft procedure to formalise control work order types by groups other than Streetcar Way.

Status

- Complete: new and revised procedures are in place. The QA process for track patrol is in place and being conducted.

Audit Recommendation:

Finding #2 - Management Information Systems: Management should review the data in the Maximo database to identify errors or incomplete data and take the necessary steps to maintain data.

Management Response:

Agree with all recommendations and committed to:

- The creation of a procedure to control and assist staff with the creation, prioritization and coding of Maximo work orders.
- A reconciliation of the asset data base equipment/preventative maintenance tables.
Work order creation for switch cleaning/inspection by "fleet" assignment.

Status

- Complete: a procedure has been established to control the creation of work orders. The equipment/preventive maintenance tables have been reviewed and adjusted. The switch cleaning/inspection work orders are route driven rather than equipment specific.

Audit Recommendation:

Finding #3 – Operational Control Reporting: Management should implement process to ensure that goals and objectives and performance indicators are established for all key activities and to review the system reports to determine which reports provide the sufficient detail to indicate that established maintenance plans and targets are being achieved.

Management Response:

Agree with all recommendations and committed to:

- The creation and establishment of metrics to guide and control preventative maintenance activities.

Status:

- Complete: Making use of operational data through Maximo database for all activities, including preventive maintenance cycles for the month of August 2009. These metrics will be available quarterly and use to direct activities and control objectives as determined through the findings of ongoing analyses.

Audit Recommendation:

Finding #4 – Administration: Management should implement process to ensure that;

- Supervisory personnel discuss the risk and hazards related to the employees work at every pre-shift meeting.
Employees receive the recertification training as required.
A record management process is put in place.

Management Response:

Agree with all recommendations and committed to:

- Procedures are and have been in place to guide Supervisory/Front line staff in the conduct of pre-start/tailboard job briefings. Audits guided by the CGM's 7- point action plan are now in place to ensure the compliance with procedures.
- Training records will be coordinated with OTC.
- A records retention schedule will be developed inline with the Corporate Policy.

Status:

- Job briefing addressed previously.
Complete: Training records are being coordinated with OTC.
- A record retention process has been established and files have been appropriately processed.