

## Joint Operations Centre audit criticises ?poor management?

By Brock Weir

Aurora's Joint Operations Centre is already \$454,000 over-budget and it will take at least \$1.8 million to finish the build, according to a full audit of the building's construction.

The report, which criticizes ?lack of formal management? in the construction of the Joint Operations Centre (JOC), which brought Aurora's Parks, Recreation and Public Works department under the roof of a \$20 million new facility on Industrial Parkway North, was presented to local lawmakers last week.

?During our work, we did observe that there is a basic lack of a control framework around the Town of Aurora's project management and governance,? said the auditors in their report to Council. ?There are no formal policies or procedures outlining how a project will be scoped, designed, costed, managed or reported. There is no requirement to have a team approach to overseeing a project. A team approach would have an interdisciplinary representation so that there is no single staff member making decisions in isolation. There are no formal project management procedures defined. There is no involvement of Financial Services during a project in tracking and reporting actual costs against budget. There is no standard requirement of how project files are to be maintained. There is no formalized policy of how the changes in scope of a project are to be reported, monitored and approved.?

This last point was of top concern when Council members took in the report at last week's General Committee meeting.

The report was presented by auditors Paul Duggan and Janis Haugh of Brook Laker and Associates. They note in their report that during the course of the process, the Town's former Director of Infrastructure and Environmental Services, who parted ways with the municipality last year, removed a number of items from the JOC project to keep costs down.

Asked by Councillor Tom Mrakas on whether the findings in the audit signalled a ?lack of leadership? in this project, Mr. Duggan said there were clear issues in reporting the true costs and the overall impact the removed items would have on the project as a whole.

?For this project, the reporting that came through from the Financial Management Task Force [a five member of panel which included Mayor Geoff Dawe and Councillor John Abel] and the reporting that came to Council, I don't think was of sufficient information for you to have the information you needed to make your decisions,? said Mr. Duggan of Council as a whole. ?In terms of leadership, the lack of an overall project management methodology in the Town was lacking. Clearly that should have been in place.?

A formal project manager was brought on to oversee the project midstream, he noted. This manager should have been in place well before ground was broken.

?In terms of overall leadership, yes, there are areas of improvement throughout this process,? he continued. ?There was also a real lack of reporting for Council to have really grabbed this by the horns [to say] this is a problem. You didn't have the information in front of you that you really should have had.?

Councillor Mrakas pressed on, turning focus to the items removed from the JOC project. He asked the auditors whether it was a ?fair statement? to say this was done as a ?way to circumvent the budget process? and Mr. Duggan didn't disagree.

?There was a real desire through self-determination and through perceived pressure to keep it within budget, so the project was managed to bring it in at a specific budget,? said Mr. Duggan. ?As items came up that would create additional costs, they would then juggle the project and re-scope it in order to make sure it came within budget.?

The same focus was shared by Councillor John Abel, who questioned not only the lack of project management from the start, but also contingency budgets.

?If people want to say, ?What happened? you can say we weren't employing the formal budget [methodology] and we have learned from that,? said Councillor Abel. ?There was nothing untoward, neglect, but it has been explained that with the pressure that forced a bit of moving of the scope and some of the design features that were sort of juggled and moved around.?

Added Councillor Sandra Humfries: ?I believe it was a lack of communication, lack of project management skills and individuals trying to make us and everyone happy. I saw it near the end of the project, you saw what was happening. A learning for us is definitely have the project management skills and leadership and then a very clear team that will be so closely engaged with the project that they understand every line item and when something is removed there is discussion on it.?

From the perspective of Councillor Wendy Gaertner, however, some of the costs should not have come as a surprise. According to the report, soil problems on the site resulted in a hit of \$843,912.

?It should have come as no surprise to us,? said Councillor Gaertner, asking what due diligence the auditors would recommend on

land remediation on any future projects. ?It sat vacant for 10 years.?

Nevertheless, Council members drove home the point that despite the identified flaws in the process, there was nothing found to point to any, in the words of Councillor Michael Thompson, ?unauthorized spending, wilful misconduct or any other serious anomalies.?

?I found nothing untoward in any of my review and because I am a certified forensic investigator I do look at things differently than most people who would conduct an audit,? said Ms. Haugh. ?I am always looking to see if there is something we call a red flag which would give me concern. If there is any of those, I immediately start to look deeper in that area until I know either it is okay or we should go further. I found none of those. It is just the project was poorly managed. There was nothing untoward.?