



AUDITOR GENERAL FOR LOCAL GOVERNMENT

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NEWS RELEASE

District of Mackenzie Audit Released by AGLG

SURREY – A performance audit of the District of Mackenzie’s capital project management practices found that the District was successful in delivering the audited project, including some items added to its scope once the project was underway, although it was completed later than originally expected and there were some gaps in practices, Acting Auditor General for Local Government (A/AGLG) Mike Furey said today.

“Capital projects are essential to the delivery of important local government services, such as water supply and sewers, roads, recreation facilities and many more,” said Mr. Furey. “The District of Mackenzie implemented many good practices during the audited project, although some of these were not continued once the contracted project manager’s contract ended.”

The audit reviewed the Mackenzie Recreation Centre Energy Retrofit and Community Hall Upgrades Project, Phase 2. The audit’s goal was to determine whether the District effectively managed the planning and delivery of the project to meet its objectives. The conclusion of the audit was that the District was partially successful in meeting the office of the AGLG’s expectations.

Mr. Furey said, “It’s my hope that the District of Mackenzie will carefully review our recommendations, which are aimed at helping it to enhance its capital project management and identify the best way of implementing these recommendations depending on how it sees its role in future capital projects. I am encouraged by the District’s initial response to our recommendations.”

The audit report examines how the District carried out the Phase 2 project and recommends that the District strengthen its practices, whether future capital projects are managed internally or by contracted project managers, as was the audited project.

The report’s 17 recommendations range from the development of an asset management program to establishing a consistent approach to capital project management to risk management including project governance, risk management, budgeting, procurement, monitoring and reporting, as well as other areas of capital project management. The report acknowledges the significant differences in capacity between larger local governments and smaller ones such as the

District of Mackenzie and provides options on how the District could approach improvements in its capital project management.

The office has previously carried out audits of local government performance in capital project management as it relates to a drinking water system, capital procurement and asset management.

The office has also recently released a new AGLG Perspectives Series booklet on capital project management.

The District of Mackenzie's performance audit report is available on the AGLG's website at www.aglg.ca.

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CONTACT:

Mike Furey
Acting Auditor General for Local Government
Mike.Furey@aglg.ca
604-930-7100
www.aglg.ca