



AUDITOR GENERAL FOR LOCAL GOVERNMENT

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NEWS RELEASE

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OFFICE OF AGLG RELEASES PERFORMANCE AUDIT REPORT ON THE DISTRICT OF WEST VANCOUVER OPERATIONAL PROCUREMENT

SURREY – A performance audit of the District of West Vancouver’s operational procurement activities between 2010 and 2012 has found that West Vancouver followed some good procurement practices and implemented processes to improve its procurement results Acting Auditor General for Local Government Arn van Iersel said today.

“While our review found some policies and procedures in place that were well designed to help minimize procurement risk to the organization, we also found the District needs to update and improve many of its policies and procedures and improve its compliance with those policies,” said Mr. van Iersel.

Operational procurement is the process of purchasing the goods and services local governments need for day-to-day operations.

The audit involved detailed testing of 25 operational procurement transactions entered into by the District between 2010 and 2012. While policy was mostly followed where the purchasing department was involved, the auditors found shortcomings in 11 of the 25 transactions. We also identified some positive points in the use of competitive procurement tools and in the notification of respondents to procurement competitions.

“In addition, we found the District would benefit from enhanced collection and analysis of data, improved monitoring and reporting,” said Mr. van Iersel.

The audit report, released today on the Auditor General for Local Government’s website (www.aglg.ca) says that the AGLG found that West Vancouver was committed to enhancing its operational procurement function in the future.

“We noted that West Vancouver is focused on improving operational procurement and has identified areas it intends to change to enhance procedures and improve compliance with policy.

In addition, the District demonstrated a good practice by completing an internal review of its operational procurement in order to generate improved procurement results through the consolidation of contracts” said Mr. van Iersel.

The audit report makes five recommendations:

- That West Vancouver should improve its purchasing and conflict of interest policies and procedures by updating them, addressing identified gaps and ensuring they align with the District’s expected practices.
- That West Vancouver should monitor and enforce compliance with its purchasing policies and procedures.
- That West Vancouver should improve documentation by developing and implementing guidelines identifying the documentation that must be included in operational procurement files and a monitoring process to ensure compliance with these guidelines.
- That West Vancouver should take advantage of opportunities to achieve better value for money by further advancing its practice of implementing competitive procurement processes for purchases where the District identified potential cost savings.
- That West Vancouver should improve its information, analysis, monitoring and reporting on operational procurement activities and results by:
 - developing and implementing key performance indicators relating to operational procurement and a system to monitor them; and
 - Increased reporting to Council and relevant committees on significant procurement activities and transactions.

“I’m pleased with the District of West Vancouver’s positive response to the audit and its commitment to act on our recommendations,” said Mr. van Iersel. “The District has made progress in strengthening its operational procurement functions during the period of the audit and we encourage it to continue to improve its practices through implementing our recommendations.”

The office plans to publish an AGLG Perspectives booklet on operational procurement aimed at providing helpful advice and information to a wide range of local governments.

The release of the West Vancouver audit report completes the audit process for the District. Prior to being finalized, the report was reviewed by the independent Audit Council, which has the

statutory authority to provide the AGLG with comments to assist with the completion of each performance audit report.

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