Capital Construction Project Management Audit

Corporate Services Department
Facilities Planning & Development Division
Capital Design & Construction Section

Airene Cunanan, CIA, CISA
June 9, 2025

MISSISSAUGA

Background

- Capital Design & Construction (CDC) section is responsible for lifecycle maintenance, capital construction and improvement projects

- As of December 2024, CDC was managing approximately 119 projects with $460M budget

Burnhamthorpe Community Centre

Port Credit Library

Mississauga Seniors' Centre

Malton Community Centre

Audit Scope

In Scope:

- Completed or substantially completed projects from January 1, 2023 to September 30, 2024

- Project management of capital construction projects, from delivery through close-out

- Management of warranty agreements

Out of Scope:

- Initiation, planning and design phases of project management

- Processes related to funding, project selection and prioritization

- Procurement activities such as bid tendering and evaluation

Summary of Observations

What worked well

- ✓ Clearly defined objectives, scope, timelines and budgets

- ✓ Solid commitment to safety and compliance

- ✓ Change orders are consistently reviewed, justified and approved

- ✓ Project Management manual guides all project phases

Areas for improvement

- ▪ Strengthen holdback payment release process

- ▪ Enhance monitoring of valid insurance and Workplace Safety & Insurance Board (WSIB) throughout the project and warranty period

- ▪ Ensure documentation is complete and accessible

7

Recommendations

Improve Holdback Payment Release Process

Observations

- Inconsistencies and gaps in documentation required to process holdback release payments
- Lien check process could be enhanced
- Holdback release form needs to be updated for warranty release

Recommendation

- Lien searches be required prior to releasing holdbacks
- Project Management manual, guidelines, holdback release forms and templates be updated

Management Comments

- Staff will develop a process to include additional checks
- Update the Project Management manual, guidelines, forms and templates

Enhance Monitoring of Valid Insurance & WSIB Certificates

Observations

- A few instances of expired insurance and Workplace Safety & Insurance Board (WSIB) certificates
- Insurance & WSIB certificates were not validated prior to start of work for pre-qualified vendors

Recommendation

- Ensure insurance and WSIB certificates are valid for the duration of the project
- Valid insurance and WSIB certificates be required as part of the Roster Assignment Approval Form (RAAF) submission process

Management Comments

Staff will:

- Implement a process to track the validity of insurance and WSIB certificates in the new Enterprise Project Portfolio Management tool
- Include valid consultant insurance and WSIB certificates as part of the RAAF package

Observations

- Project files were stored on the shared drive instead of in ProjectWise
- Missing or incomplete documentation for key project activities

Recommendation

- Provide additional training for staff in file organization standards, documentation requirements and timely upload of project files into ProjectWise

Management Comments

- Additional training will be provided to staff
- A checklist will be developed to monitor filing compliance for the duration of the project

Recommendations By Priority and Target Completion Date

Thank you