

Ontario Energy Board

2016-2017 Business Plan Milestone Achievements

Audit Report

Ron Higgins - Auditor

April 27, 2017

Contents

- 1. Auditor Information 3
- 2. Purpose 3
- 3. Audit Objectives 3
- 4. Scope 3
- 5. Audit Summary 3
- 6. Audit Details 4
- 7. Audit Finding 4
- 8. Conclusion 4

1. Auditor Information

Audit Number	RH1701
Audit Dates	April 17 – April 21 2017
Auditor	Ron Higgins
Address	1520 Austris Road, Ardoch Ontario, K0H 1C0
Contact	Ron Higgins
Phone	613-884-9736
Email	ron.higgins@xplornet.com

2. Purpose:

The purpose of this audit was to conduct an independent assessment to verify and report on the Ontario Energy Board's (OEB) 2016-2019 Business Plan performance success, as evaluated and documented in the OEB 2016-2017 internal Balanced Scorecard.

3. Audit Objectives:

The audit objectives include:

- a. To review and verify the achievements of the 2016-2019 Business Plan as documented in the OEB 2016-2017 Balanced Scorecard using the evidence provided.
- b. Providing confirmation of the Business Plan Scoring.
- c. Produce an audit report.

4. Scope:

The scope of this audit included a review of the evidence provided in relation to the completion of OEB's 2016-2017 Balanced Scorecard initiatives, priority actions and key milestones. The audit also ensures alignment between the Balanced Scorecard and the OEB's 2016-2019 Business Plan. Verification of the Balanced Scorecard scoring is required to ensure the scoring aligns with the achievements as stated.

A link to the 2016-2019 Business Plan, which identifies the initiatives, actions and targets for 2016-2017, is provided below.

https://www.oeb.ca/oeb/Documents/Corporate/OEB_Business_Plan_2016-2019.pdf

5. Audit Summary:

The audit trail, as provided in the evidence binders, continues to improve each year. Due to the complete and accurate evidence provided it has now eliminated the need to conduct management interviews to verify completion of priority actions and related key milestones. This not only makes the audit more efficient but eliminates the need to interview management, resulting in an avoidance of utilizing staff time to verify accomplishments. While going through the evidence I noticed that there continues to be involvement from all staff in relation to the implementation of the Business Plan objectives. The process is effective from an implementation, verification and staff/management commitment perspective. Any queries I made during the audit were promptly and effectively addressed by the administrator assigned to manage the scorecard process.

In summary the audit verified that the 2016-2017 Balanced Scorecard was completed as reported and aligned with the 2016-2019 Business Plan. The audit also verified that the reported score of 97.0% is accurate.

6. Audit Details:

As mentioned above, the evidence binder provided most of the information I required to verify the effective and accurate reporting of the Business Plan initiatives. The following items required further verification during the audit:

- a. The performance metrics which are normally part of the scorecard were removed this year as they were not included in the Business Plan and evidence was provided to justify removal.
- b. One of the key milestones under Stakeholder Engagement Framework initiative has not been completed and was assigned the required score of 0 % by Management.
- c. There were two ministerial requests that were added as new initiatives during the year. These were added after the Balanced Scorecard was approved and implemented. The Management Committee had to realign planned initiatives in order to deliver on those requests in a timely manner.
- d. The Good Governance initiative that was to be completed this year as per the Business Plan was extended for two more years as approved by the Management Committee. Additional evidence was required to ensure that Management Committee approved the amended Balanced Scorecard. The audit verified that this item is now included in the 2017-2020 Business Plan.
- e. Two key milestones achieved a 50% completion level and were approved as such by the Management Committee.

As a result, the evidence provided was reviewed and verified to confirm that the stated success level of the 2016-2017 fiscal year accomplishments were completed as reported. At the completion of the on-site audit, I am able to confirm that OEB has completed all the priority actions and key milestones as required by the 2016-2019 Business Plan and the 2016-2017 Balanced Scorecard as stated.

7. Audit Findings:

None to report

8. Conclusion:

No issues were identified and all evidence related to the Balanced Scorecard initiatives, priority actions and key milestones confirmed compliance to the requirements.

After review of the evidence I can confirm that the overall Business Plan Scoring for OEB is 97.0% and has been verified and determined to be accurate.

Sincerely,

Ron Higgins

Auditor