

Transfer Station Operating Controls: Strengthen management practices to reduce risks

Why this audit is important

Metro's Waste Prevention and Environmental Services (WPES) department manages two publicly-owned solid waste transfer stations in the region. Together these facilities process about 39% of the waste generated in the region.

The purpose of this audit was to determine whether Metro had effective policies and procedures to manage safety, financial, and environmental risks. Garbage and recycling services do not draw a lot of attention when working well, but if they are unable to meet the public's needs it can have a profound effect on their trust in government.

Metro's transfer station operations are at a critical moment in time. Intense weather events like snow and ice storms, poor air quality, and extreme heat have closed the stations on several occasions in recent years. Long-serving employees have retired, or will retire, in the coming years. Buildings, equipment, and the point-of-sale system all require substantial investments.



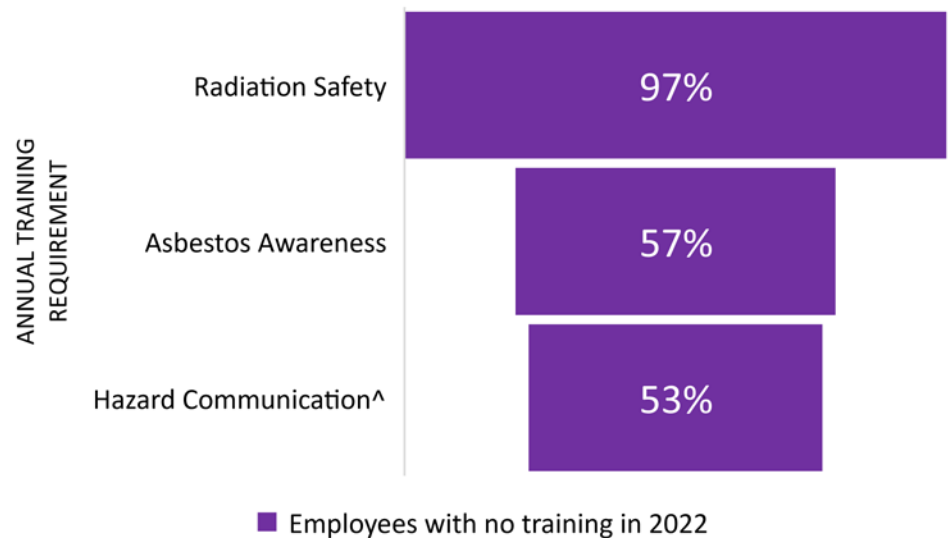
Source: Metro South, 2030 Regional Waste Plan, March 2019

What we found

The audit found there were gaps in roles and responsibilities for transfer station operations that increased health and safety, and financial risks. Procedures to manage some risks were underdeveloped or not assigned. Ad hoc management practices reduced transparency and accountability for transfer station operations.

The effectiveness of the health and safety program was reduced by shared responsibilities among and within Metro departments and external contractors. Policies and procedures were not kept up to date, required training was not offered or completed, and oversight of program effectiveness was not done.

Lack of training can increase risk



Source: Auditor's Office analysis of training records

^It is possible that up to 63% of employees did not complete this training. Management stated that six employees took the course who were not included in the training records we received.

The audit also found risk management tools were not used consistently. Insufficient risk assessment and contract administration planning increased the chance of WPES not getting what it paid for or paying more than it should have.

The weaknesses identified in this report indicate a lack of basic management practices and commitment to a long-term vision for Metro's part of the regional solid waste system. It will take sustained attention at the highest levels of the organization to overcome these challenges.

What we recommend

The audit included 20 recommendations. Twelve were designed to strengthen internal controls and contract risk management practices. Two focused on ensuring compliance with internal processes. The final six recommendations were related to reducing gaps and overlaps in WPES oversight.