

Date: November 9, 2017  
To: Members of York Region Rapid Transit Corporation Board of Directors  
Copy: Bruce Macgregor, Christopher Raynor, Carol Clark  
From: Mary-Frances Turner, President of York Region Rapid Transit Corporation  
**Subject: Metrolinx Master Agreement & Key Protocols, Quality Compliance Audits**  
Ref: Edocs #7902490

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The purpose of this memorandum is to inform the YRRTC Board that the 2017 Internal Controls and Audit Work Program for YRRTC is nearing completion (see Attachment A). The Quality Compliance Audits are being conducted by the Metrolinx Capital Projects Group.

### **Background**

On March 27, 2017, Metrolinx notified YRRTC that Quality Compliance Audits were to be conducted on three key protocols of the Metrolinx Master Agreement:

1. Procurement Protocol on April 18, 2017
2. Administrative and Financial Protocol on September 12, 2017
3. Real Estate Protocol on November 15, 2017

### **Progress to Date – Administrative and Financial Protocol**

The Quality Compliance Audit for the Metrolinx Master Agreement, Administrative and Financial Protocol was completed on September 12, 2017. The scope of the audit focused on:

- YRRTC's compliance with the procedures and processes as outlined in the protocol
- YRRTC's compliance with record keeping, audit, reporting, budget/financial management and invoicing/reimbursements requirements, and roles & responsibilities of YRRTC versus Metrolinx as outlined in the protocol
- YRRTC's compliance with the financial signing authorities as outlined in the protocol - Contract Changes and Financial Approvals

For your reference, the Metrolinx Quality Compliance Audit report for the Metrolinx Master Agreement, Administrative and Financial Protocol is attached (Attachment B). It has been signed off by Metrolinx Senior Staff and the final copy has been provided to YRRTC for its records and information management.

### **Results – Administrative and Financial Protocol**

The Quality Compliance Audit was carried out without any findings in auditing areas as per the audit scope, observations and samples:

- 0 Major Corrective Action and Preventive Action (CAPA) issues for non-conformance
- 0 Minor Corrective Action and Preventive Action (CAPA) issues for non-conformance
- 0 Opportunities for improvements



**Additional Comments**

- Audit schedule and plan was well received and coordinated
- YRRTC team was very open and accommodating during the audit
- There was a comprehensive implementation of the Administrative and Financial Protocol as well as document control management system

The attached Metrolinx Quality Compliance Audit report for the Metrolinx Master Agreement, Administrative and Financial Protocol (Attachment B)

The next Quality Compliance Audit will be for the Metrolinx Master Agreement, Real Estate Protocol (Schedule B), and is scheduled to proceed on November 15, 2017.

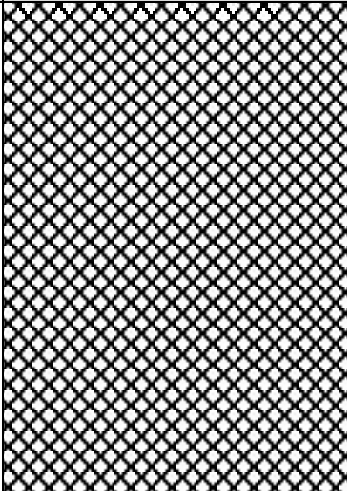
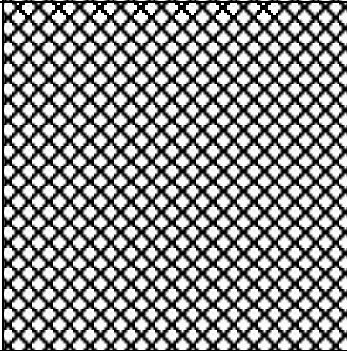
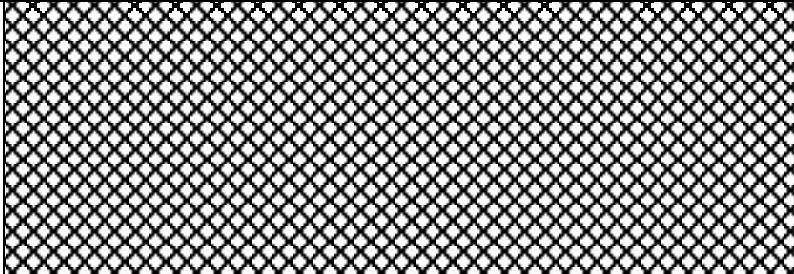
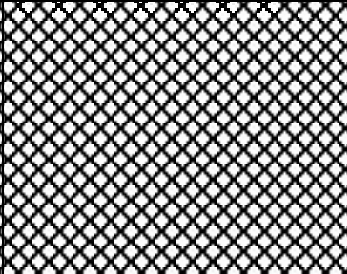
For more information on this memo and related attachments, please contact Michael Cheong, Chief Financial Officer, York Region Rapid Transit Corporation at 905-886-6767, Ext. 71015.

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Mary-Frances Turner, President

Attachments: (2)

YORK REGION RAPID TRANSIT CORPORATION – 2017 INTERNAL CONTROLS & AUDIT WORK PROGRAM

	INTERNAL CONTROLS & RISK MANAGEMENT AUDITS	ATTEST AUDITS	QUALITY COMPLIANCE AUDITS	VALUE FOR MONEY AUDITS
<p><b>YRRTC METROLINX CAPITAL PROGRAM</b></p>	<p><b>Monthly Program Management and Change Management Controls Board Meetings</b> ✓</p> <ul style="list-style-type: none"> <li>Highway 7 and Davis Drive</li> <li>Yonge Street</li> </ul> <p><b>Quarterly Program Risk Management</b> ✓</p> <p><i>(Performed by YRRTC Finance-Budgets &amp; Capital Projects and reported to Metrolinx Capital Projects Group-Program Management Controls &amp; Metrolinx Audit-Risk Management)</i></p>	<p><b>Metrolinx Master Agreement:</b></p> <ul style="list-style-type: none"> <li>Q1 2017 Capital Expenditures ✓</li> <li>Q2 2017 Capital Expenditures ✓</li> <li>Q3 2017 Capital Expenditures</li> <li>Q4 2017 Capital Expenditures</li> </ul> <p><i>(Performed by CH2M Hill on behalf of Metrolinx Capital Projects Group-Program Management Controls)</i></p>	<p><b>Annual Health and Safety Compliance Audits of Construction Contractors and Owner’s Engineer</b> ✓</p> <p><i>(Performed by Resource Environmental Associates Limited on behalf of YRRTC Finance – Governance and Compliance &amp; Metrolinx Capital Projects Group – Rapid Transit, Bus Program)</i></p> <p><b>Quality Compliance Audits:</b></p> <ul style="list-style-type: none"> <li>Procurement Protocol ✓</li> <li><b>Administrative and Finance Protocol</b> ✓</li> <li>Real Estate Protocol</li> </ul> <p><i>(Performed by CH2M Hill on behalf of Metrolinx Capital Projects Group-Audits and Quality Compliance)</i></p>	
<p><b>YRRTC REGIONAL CAPITAL PROGRAM</b></p>	<p><b>Monthly Program Management and Change Management Controls Board Meetings</b> ✓</p> <ul style="list-style-type: none"> <li>Facilities &amp; Terminals</li> </ul> <p><b>Quarterly Program Risk Management</b> ✓</p> <p><i>(Performed by YRRTC Finance-Budgets &amp; Capital Projects and reported to Feds-Transport Canada)</i></p>	<p><b>CSIF Contribution Agreement – Expenditures Audit, FY 2016</b> ✓</p> <p><i>(Performed by York Region’s External Auditor-KPMG)</i></p>	<p><b>QuickWins Agreement Funding Close-off</b></p> <p><i>(Performed by Ministry of Transportation Ontario)</i></p> <p><b>CSIF Contribution Agreement – Expenditures Audit Report and Annual Report, FY 2016</b> ✓</p> <p><i>(Performed by Feds-Transport Canada)</i></p>	
<p><b>YRRTC CORPORATE</b></p>	<p><b>Updates to YRRTC Signing Authorities</b> ✓</p> <ul style="list-style-type: none"> <li>Procurement</li> <li>Financial</li> <li>Corporate</li> </ul> <p><i>(Performed by YRRTC Finance-Governance and Compliance)</i></p>	<p><b>Operating Expenditures, FY 2016</b> ✓</p> <p><b>Financial Statements, FY 2016</b> ✓</p> <p><i>(Performed by York Region’s External Auditor-KPMG)</i></p>		

✓ - completed



**Capital Projects Group  
Quality Compliance Audit Report - YRRTC  
- vivaNext BRT - Metrolinx Master  
Agreement Administrative and Financial  
Protocol**

Revision 0  
Approval Date: 03/10/2017

# Authorization

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Prepared by:

  
Maha Ibrahim  
Quality Compliance Professional

Reviewed by:

   
Mona Attout  
Quality Compliance Manager

Approved by:

  
Alexandra Felix  
Quality and Procedures Manager, Program Management, CPG

Revision	Purpose of Submittal	Date (DD/MM/YYYY)	Comments
0	Approved	03/10/2017	

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# References

TABLE 0-1 REFERENCES

Reference	Title
Metrolinx Master Agreement	Administrative and Financial Protocol schedule “D” dated April 2011
CPG-QAT-FRM-092	Compliance Audit Report Template
CPG-QAT-FRM-095	Evidence Form
CPG-QAT-FRM-099	Attendance Form
CPG-QAT-PRO-005	Continual Improvement Procedure
ISO 19011:2011	Guidelines for Auditing Management Systems
ISO 9001:2015	Quality Management Systems Standard – Requirements

# Acronyms and Abbreviations

TABLE 0-2 ACRONYMS AND ABBREVIATIONS

Acronym or Abbreviation	Definition
AFP	Alternative Financing and Procurement
BOD	Board of Directors
BRT	Bus Rapid Transit
CAPA	Corrective Action and Preventive Action issues for NCRs and/or OFIs
CICA	Canadian Institute of Chartered Accounting
CPA Canada	Chartered Professional Accountants of Canada
GMP	Guaranteed Maximum Price
H2VMC	H2 Vaughan Metropolitan Centre
IO	Infrastructure Ontario
IP	Intellectual Property
KED	Kiewit-EllisDon
KPMG	Klynveld Peat Marwick Goerdeler.
PR	Program Reserve
YRRTC	York Region Rapid Transit Corporation

# 1. Report Purpose

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## 1.1 Purpose

- 1.1.1 The purpose of this report is to communicate the results and the findings of the quality compliance audit, carried out at the York Region Rapid Transit Corporation (YRRTC) vivaNext BRT project office located at 3601 Highway 7, Markham, Ontario, on September 12, 2017.
- 1.1.2 The Metrolinx quality compliance team (Lead Auditor, Auditor) conducted the quality audit and the YRRTC Director of BRT, YRRTC Chief Financial Officer, YRRTC Finance - Governance and Compliance Manager, YRRTC Budget and Capital Project Delivery Manager, and YRRTC Analyst, Financial Controls Compliance, attended from the auditee side.

# 2. Audit Purpose and Scope

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## 2.1 Audit Purpose

- 2.1.1 This quality compliance audit is carried out to determine the conformity of the vivaNext Bus Rapid Transit project records and evidences with the Master Agreement, Administrative and Financial Protocol schedule "D" dated April 2011 and its relevant supporting documents.

## 2.2 Audit Scope

- 2.2.1 The audit scope as per references covered Metrolinx Master Agreement, Administrative and Financial Protocol and its directive.

# 3. Audit Summary Findings

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## 3.1 Summary

- 3.1.1 This quality compliance audit was carried out without any findings in auditing areas as per the audit scope, observations, and samples.

## 3.2 Detailed Report

- 3.2.1 The quality audit is a sampling of activities and not a 100% inspection or verification. Therefore, issues may exist which have not been identified during this audit.
- 3.2.2 The detailed quality audit report is in the following Appendix A – Compliance Audit Report.



# Appendix A – Quality Compliance Audit Report

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# Compliance Audit Report

<b>Audit Number:</b>	MX-RT-VNBRT-YRRTC-2017-024		
<b>Process or Service Audited:</b>	Metrolinx Master Agreement, Administrative and Financial Protocol schedule "D"		
<b>Audit Date(s):</b>	12/9/2017		
<b>Report Date:</b>	01/10/2017		
<b>Audited Org(s):</b>	York Region Rapid Transit Corporation (YRRTC)		
<b>Project Number:</b>	vivaNext Bus Rapid Transit – Contract #095703		
<b>Project Start:</b>	01/10/2009	<b>Project Completion:</b>	31/03/2022
<b>Audit Report Distribution as Indicated Below:</b>			
<input checked="" type="checkbox"/> YRRTC Director, Bus Rapid Transit Program:	Liza Sheppard		
<input checked="" type="checkbox"/> YRRTC Chief Financial Officer:	Michael Cheong		
<input checked="" type="checkbox"/> YRRTC Manager, Finance – Governance and Compliance:	Narendra Shah		
<input checked="" type="checkbox"/> YRRTC Manager, Budget and Capital Project Delivery:	Noeline Chipun		
<input checked="" type="checkbox"/> YRRTC Analyst, Financial Controls, Compliance:	Zahra Dossa		
<input checked="" type="checkbox"/> Metrolinx Quality and Procedures Manager:	Alexandra Felix		
<input checked="" type="checkbox"/> Acting Program Manager:	Leah Russell		
<input checked="" type="checkbox"/> Compliance Manager:	Edmund Gralton		
<input checked="" type="checkbox"/> Quality Compliance Manager:	Mona Attout		
<input checked="" type="checkbox"/> Quality Compliance Professional:	Maha Ibrahim		
<input checked="" type="checkbox"/> Quality Compliance Professional:	Bardia Kiani		
<b>Audit Scope:</b>			
Metrolinx Master Agreement – Administrative and Financial Protocol, Schedule "D"			
<b>Audit Team Leader:</b>		<b>Audit Team:</b>	
Maha Ibrahim		Bardia Kiani	
<b>Key Audit Contacts:</b>		<b>Relevant Manager:</b>	
Michael Cheong		Narendra Shah	
<b>Total CAPAs:</b>	<input type="checkbox"/> Major – 0	<input type="checkbox"/> Minor – 0	<input type="checkbox"/> Opportunity for Improvement – 0
<b>Assigned CAPA Number(s):</b>			
No CAPA identified during this audit			

**Summary/Comments:**

- Audit schedule and plan were well received and coordinated
- YRRTC team was very open and accommodating during the audit
- Comprehensive implementation of the Administrative and Financial protocol as well as document control management system

**Audit Checklist Observations:**

**1.0 Administrative and Financial Protocol**

**Clause 1.3: Preparing the regular reporting of the information mentioned in this clause and accordance with the section (3.4c) of the Agreement**

- YRRTC provided Metrolinx with a regular report on the projects including current status of each project on design, procurement, construction, and approval; also information regarding schedule, budget/cost, physical percent completed, and risk area
- Regular meetings also have been held to discuss the financial status
- Schedule A – Cash View and Accounting View and vivaNext Program Financials Report were witnessed (refer to item No. 1 – Appendix B)

**Clause 1.3: YRRTC update the information contained in schedule “A” of the Agreement to incorporate forecasted expenditures to the end of the current fiscal year and remainder of the Program by year and project on an annual basis**

- YRRTC annual budget has been prepared with elaboration of internal and external incoming information
- Cash flow information exists in schedule A; other information in accounting report depends on each project
- Regular meetings have been held with Metrolinx to review schedule “A” and monthly meetings for Program Management and Financial Review
- Meeting agendas, emails, and presentations for Budgets (Property & Property Related Matters, Management Discussion, Capital 2018), Environmental Due Diligence, and Risk Management were witnessed (refer to item No. 2 – Appendix B)

**Clause 1.3: YRRTC prepare and submit to Metrolinx a quarterly cash flow forecast by project for the next four quarters and identify/explain any projected variances against Schedule “A” to the Agreement**

- YRRTC plan and projected variances against Schedule “A” to the Agreement were prepared and presented to Metrolinx as per Metrolinx calendar year
- Working Capital Advance Package including correspondences and tables for December 2014, and Monthly and Quarterly Program Financials Tables as of May 2017 were witnessed (refer to item No. 3 – Appendix B)

**Clause 1.3: YRRTC provide to Metrolinx a copy of the Project Status Report which is submitted to the Board of Directors (BOD) of YRRTC**

- YRRTC prepared the Project Status Report quarterly and submitted to Senior Management of Metrolinx during the meeting after YRRTC presented to the BOD of YRRTC; copy of the report saved in YRRTC website
- Project Status Update Report – Q1 2017 package including agenda and BOD letter, and Project Status Update Report – Q3 & Q4 2016 package including agenda and BOD letter were witnessed (refer to item No. 4 – Appendix B)

**Clause 1.3: YRRTC provide the information mentioned in this clause on a monthly basis**

- a. **Narrative Progress Report**
- b. **To date planned value**
- c. **Summary of Procurement Activities**

**d. Contract Status Report**

**e. Query Report**

**f. Copies of invoices**

**g. Physical percent complete for all active projects**

- YRRTC provided this information on a monthly basis; the information for a, c, and d was provided through monthly Bus Rapidways and Stations Program Management Report which have been submitted on fifteenth of each month to Metrolinx by email; other information (b, e, and g) provided through vivaNext Program Financial Report; and the backup of the invoices provided through emails
- Bus Rapidways and Stations Program Management Report – July 2017 and May 2017, invoices package including correspondence and invoices, and vivaNext Program Financial Report were witnessed (refer to item No. 5 – Appendix B)

**Clause 1.5: YRRTC report to Metrolinx what material containing Intellectual Property (IP) Rights (if any) has been produced under the Agreement**

- There is no material containing IP Rights at this stage; it could be during the engineering drawings and if there is any of this material, it will be reported through CM14, Aconex, or any other tool requested by Metrolinx

**Clause 1.6.1: YRRTC maintain books, accounts, and records of all financial transactions in accordance with generally accepted accounting principles and Canadian Institute of Chartered Accounting (CICA) accounting standards as amended from time to time**

- However the financial statements are not prepared in accordance to CICA accounting standards as mentioned in the protocol, but YRRTC financial statements showed that they have been following part V of the Chartered Professional Accountants of Canada (“CPA Canada”) handbook which is amended to CICA accounting standards
- KPMG Financial Statement Report dated 31/12/2016 was witnessed (refer to item No. 6 – Appendix B)

**Clause 1.6.2: YRRTC to provide the books, accounts, and records for inspection by Metrolinx and the Province of Ontario (upon receiving notice) and permitted them to take extracts from and make copies of the books, account, and records**

- YRRTC implemented the above activity and a copy of the yearly Financial Statement Report was sent to Metrolinx
- Copy of KPMG Financial Statement Report dated 31/12/2016 was sent to Metrolinx and there was no indication of any negative points (refer to item No. 6 – Appendix B)

**Clause 1.6.3: The main financial records for the projects reside within YRRTC/York’s ERP Financial System and general ledger**

- YRRTC using York Region ERP system
- Screenshot of York Region ERP system showing the “Budget Variance Analysis” monthly detail as at December 31, 2016, and York Region ERP Financial System Report dated 31/12/2016 were witnessed (refer to item No. 7 – Appendix B)

**2.0 Contract Change Process and Financial Approvals**

**Clause 2.3: YRRTC engage the Metrolinx Procurement Manager in the process leading up to a YRRTC-generated change order and as soon as possible after receiving a contractor or supplier request for contract change**

- Metrolinx Procurement Manager was involved in the process of Change Order as per the Master Agreement before 2012; after that, it was agreed between Metrolinx and YRRTC to not require involvement from Metrolinx Procurement—a practice that YRRTC has been following since 2012 after

discussion with Al L. and Joe M. to clarify Master Agreement – Procurement Protocol

- As per the agreement between Metrolinx and YRRTC, the Change Orders above \$500k needs Metrolinx Management approval and those less than \$500k will be under YRRTC BOD authorization
- Copy of three 2012 Procurement Authorization Reports with Procurement Manager signature; email regarding Metrolinx meeting August 29, 2016 on follow-ups and action items; and a DB change Management Process Map were witnessed (refer to item No. 8 – Appendix B)

**Clause 2.4: YRRTC report the authorized changed order amounts and new total authorized contract amounts as well as the remaining Contract Change Allowance as part of the monthly reporting requirements**

- YRRTC reported the authorized changed order amount and new total authorized contract amounts, as well as the remaining Contract Change Allowance to Metrolinx through the Change Management Control Board (Change Management Log)
- Copy of Change Management Control Board (Change Management Log) dated 27/10/2016 with related email dated 26/10/2016 showing the information for Yonge street contract was witnessed (refer to item No. 9 – Appendix B)

**Clause 2.4: YRRTC provide to Metrolinx, in writing, a summary of change order to date and an estimate on any further changes required, and submitted it to Metrolinx for approval**

- YRRTC reported the summary of Change Order to Metrolinx through Change Management Control Board (Change Management Log)
- Copy of Change Management Control Board (Change Management Log) dated 27/10/2016 with related email dated 26/10/2016 and the summary of change management items over \$500k for Yonge street contract were witnessed (refer to item No. 9 – Appendix B)

**Clause 2.6: YRRTC manage Project Contingency throughout project implementation; report on the utilization of the Project Contingency was in the quarterly reports and Metrolinx was formally notified in writing when 75% of the Project Contingency was utilized, and of the request for supplemental funding from the Program Reserve, when necessary**

- YRRTC reported the utilization of the Project Contingency in the quarterly reports
- YRRTC notified Metrolinx in writing when 75% of the Project Contingency was utilized and request from Metrolinx supplemental funding from the Program Reserve
- Copy of claim #25 for the period between October 1, 2016 and December 31, 2016, and Metrolinx Memorandum dated 9/11/2015 for the approval on project contingency when 75% of the Project Contingency is utilized (refer to item No. 10 – Appendix B)

**Clause 2.6: The Program Reserve (PR) has been established to manage potential budget variances (saving and defects) between project preliminary cost estimates and updated financial forecast for the project**

- The PR established in 2014 for 40,000,000, Schedule A-1 Cash View, updated as of September 2015 was witnessed as evidence
- Copy of Program Reserve Memorandum dated June 26, 2014 sent by Metrolinx was received as evidence (refer to item No. 11 – Appendix B)

**Clause 2.6: YRRTC notify Metrolinx when there was a significant change in the new financial forecast from the established budget or previous financial forecast**

- YRRTC discussed with Metrolinx the significant change in the new financial forecast during the financial meeting and reported any change in the vivaNext Program Financial Report
- Copy of vivaNext Program financial as of May 31, 2017 and copy of Program Reserve Memorandum dated June 26, 2014 sent by Metrolinx as received as evidence (refer to item No. 12 – Appendix B)

**Clause 2.6: YRRTC request a budget reallocation within the Program if any project over-expenditures could be reasonably expected against the budget established in the Project Charter**

- YRRTC followed this process and requested officially from Metrolinx a budget reallocation
- Copy of Metrolinx memorandum dated January 26, 2017 to approve a budget revision for vivaNext Highway 7 Vaughan Metropolitan Center (H2VMC) project, copy of project charter report for H2VMC project dated 02/04/2013, and copy of Metrolinx memorandum dated November 9, 2015 to approve a budget revision for the Highway 7 east (H3) project were witnessed (refer to item No. 13 – Appendix B)

**Clause 2.7: The President of YRRTC approve the contract awards up to a limit of \$500,000 or delegate this authority to Project Managers**

- As per the agreement between Metrolinx and YRRTC, the Change Orders less than \$500k will be under YRRTC BOD authorization; the President of YRRTC approved the contract awards up to a limit of \$500k or delegated this authority to Project Managers
- Copy of YRRTC Signing Authorities – Contract Award Table, change order less than \$500k for Yonge Contract No. 84972 – 22/03/2017, and H2VMC Contract No. B00013887 – 11/02/2015 without Metrolinx signature; also change orders for more than \$500k for H2VMC Contract No. B00013887 – 11/02/2015 with Metrolinx signature were witnessed (refer to item No. 14 – Appendix B)

**Clause 2.8: YRRTC notify Metrolinx as soon as practical when any contract event took place that may have affected the Guaranteed Maximum Price (GMP)**

- YRRTC followed this process; informed Metrolinx when any contract events took place either by emails or meetings
- Copy of Email 13/02/2017 – Yonge St. Project and Program overall as of February 10, 2017, a follow-up email dated 12/03/2017 for the same subject, email on 20/03/2017 with presentation section (Claims Review Process), bi-weekly partnership sessions and presentations for updating (Kiewit EllisDon [KED]– 08/10/2017 and 24/10/2013), and email from Metrolinx on August 31, 2017 for the weekly updates on purchase order documents status were witnessed as evidence.
- Copy of bi-weekly updates/List of Item created by YRRTC to use when following up with Metrolinx was witnessed (refer to item No. 15 – Appendix B)

**Clause 2.10: Any minor administrative amendments/clarifications being made in this protocol are up to date and authorized by Metrolinx Vice President Project Implementation and the YRRTC President**

- Minor amendments occurred on the Master Agreement with Metrolinx on 2015 and YRRTC followed Contract Change Process and Financial Approvals for any amendment
- Copy of the “First Amendment Agreement” dated September 18, 2015 applied for the Alternative Financing and Procurement (AFP) bundle based on Infrastructure Ontario (IO) requirements for adding the insurance on contract change was witnessed (refer to item No. 16 – Appendix B)

**Clause 2.10: The Notice of any change to the composition of the team members – described under this clause – has been provided in writing to the other Parties within one week of the change**

- N/A at this time

**Attachments:**

1. Attendance Form

All records received as evidence are saved on the Metrolinx ProjectWise server.

**Audit Team Leader Sign-off:**

*Maha Ibrahim*

# Appendix B – Evidence Form

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# Evidence Form

<b>Location:</b>	YRRTC vivaNext BRT (3601 Highway 7, Markham, Ontario)	<b>Date:</b>	12-09-2017
<b>Contract Number:</b>	VivaNext Bus Rapid Transit – Contract #095703		
<b>Scope and Objectives:</b>			
This quality compliance audit was carried out to determine the conformity of the YRRTC vivaNext BRT project records and evidences with the Master Agreement, Administrative and Financial Protocol schedule “D” dated April 2011 and its relevant supporting documents.			
<b>Audited Processes:</b>			
<ol style="list-style-type: none"> <li>1. Administrative and Financial Protocol                         <ul style="list-style-type: none"> <li>– Financial and Project Reporting</li> <li>– Records and Audit</li> </ul> </li> <li>2. Contract Change Process and Financial Approvals                         <ul style="list-style-type: none"> <li>– Contract Change Order</li> <li>– Contract Change Allowance</li> <li>– Project Contingency</li> <li>– Program Reserve</li> <li>– Claims and Disputes</li> </ul> </li> </ol>			
<b>Auditee’s Management Representative(s) Involved:</b>			
<ol style="list-style-type: none"> <li>1. Michael Cheong</li> <li>2. Narendra Shah</li> <li>3. Noeline Chipun</li> <li>4. Zahra Dossa</li> </ol>			
<b>List of Reference Documents/Evidences:</b>			
During the audit, some records were requested to be kept as evidence. The items listed below have been received and are filed in the relevant binder:			
(Item 1~5, Clause 1.3):			
<ul style="list-style-type: none"> <li>• Schedule A – Cash View and Accounting View</li> <li>• vivaNext Program Financials Report (as of August 31, 2017 and as of August 31, 2014)</li> </ul>			
(Item 2, Clause 1.3):			
<ul style="list-style-type: none"> <li>• Meeting Agendas and Emails: 01/03/2017 - 16/03/2017 - 28/03/2017 - 11/04/2017 - 09/05/2017 - 14/06/2017 - 17/06/2017 - 25/07/2017 - 22/08/2017 - 31/08/2017</li> <li>• Presentations: Budget (Property &amp; Property related Matters), Budget (Management Discussion), Budget (Capital 2018), Environmental Due Diligence, Risk Management</li> </ul>			
(Item 3, Clause 1.3):			
<ul style="list-style-type: none"> <li>• Working Capital Advance Package including correspondences and tables for December 2014, dated 24/09/2014</li> <li>• Monthly and Quarterly Program Financials Tables as of May 31, 2017</li> </ul>			



(Item 4, Clause 1.3):

- Project Status Update Report – Q1 (January 1 to 31 March 2017) package including agenda and BOD letter
- Project Status Update Report – Q3 & Q4 (July 1 to 31 December 2016) package including agenda and BOD letter

(Item 5, Clause 1.3):

- Bus Rapidways and stations Program Management Report – May 2017 and July 2017
- vivaNext Program Financial report as of May 31, 2017
- Invoices package including correspondence and invoices (Kiewit EllisDon, WSP, etc.)

(Item 7 & 8, Clause 1.6.1 & 1.6.2):

- KPMG Financial Statement Report dated 31/12/2016

(Item 9, Clause 1.6.3):

- York Region ERP Financial System Report dated 31/12/2016
- Screenshot of York Region ERP system showing the “Budget Variance Analysis” monthly detail as at December 31, 2016

(Item 10, Clause 2.3):

- Three Procurement Authorization Reports 2012 with Procurement Manager Signature
- Metrolinx letter about the change order
- Change order process

(Item 11&12, Clause 2.4):

- Change Management Control Board (Change Management Log) dated 27/10/2016 with related email dated 26/10/2016

(Item 13, Clause 2.5 & 2.6):

- Metrolinx Memorandum dated 9/11/2015

(Item 14, Clause 2.6):

- Schedule A-1 Cash View, updated as of September 2015
- Program Reserve Memorandum dated June 26, 2014 sent by Metrolinx

(Item 15, Clause 2.6):

- Program financial as of May 31, 2017
- Program Reserve Memorandum dated June 26, 2014 sent by Metrolinx

(Item 16, Clause 2.6):

- Metrolinx Memorandum dated 26/01/2017 for H2VMC project
- Metrolinx Memorandum dated 09/11/2015 for H3 project
- Project charter report for H2 VMC project dated 02/04/2013

(Item 17, Clause 2.7):

- YRRTC Signing Authorities – Contract Award Table
- Change order less than \$500k – Yonge Contract No. 84972 – 22/03/2017 – Without Metrolinx Signature
- Change order less than \$500k – H2 VMC Contract No. B00013887 – 14/08/2013 – Without Metrolinx Signature
- Change order more than \$500k – H2 VMC Contract No. B00013887 – 11/02/2015 – With Metrolinx Signature

(Item 18, Clause 2.8):

- Email 13/02/2017 - Yonge St. project and program overall as of February 10, 2017, a follow-up email dated

12/03/2017 for the same subject

- Email 20/03/2017 with presentation section (Claims Review Process)
- Bi-weekly partnership sessions and presentations for updating (Kiewit EllisDon – 08/10/2017 and 24/10/2013)
- Email from Metrolinx on August 31, 2017 for the weekly updates on purchase Order documents status
- Bi-weekly updates/List of Item created by YRRTC to use when following up with Metrolinx







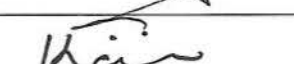
(Item 19, Clause 2.10):

First Amendment Agreement dated September 18, 2015 applied for the AFP bundle based on Infrastructure Ontario requirements for adding the insurance on contract change

**List of Legislation, Regulations, and Standards:**

1. ISO 9001:2015 (Quality Management Systems Standard – Requirements)

# Attendance Form

Subject: Quality Compliance Audit / Administrative and Financial Protocol				
Project: Vivanext - YRRTC			Date: 12/09/2017	
No.	Name	Organization	Designation	Signature
1	NOELINE CHIPUN	YRRTC	CPA MANAGER, FINANCE - BUDGETS CAPITAL PROJECTS	
2	NARENDRA SHAM	YRRTC	MANAGER, FINANCE - GOVERNANCE COMPLIANCE	
3	LIZA SHEPPARD	YRRTC	Director, BKT	
4	MICHAEL CHEONG	YRRTC	CHIEF FINANCIAL OFFICER	
5	Zahra DOSSA	YRRTC	Analyst, Financial controls; compliance	
6	Maha Ibrahim	Metrolinx	Quality Professional	
7	Bardia Kiani	Metrolinx	Quality Compliance	
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