



# **Detroit Water & Sewerage Department Compliance Management Services July 2018 Update**

**July 18, 2018**



Candor. Insight. Results.

- > Compliance management overview & timeline
- > Compliance management status
  - > Task 1: Risk & gap assessment
  - > Task 2: Set reporting objectives
  - > Task 3: Develop SOPs & process flow maps
  - > Task 4: Implement monitoring plan
- > Open discussion

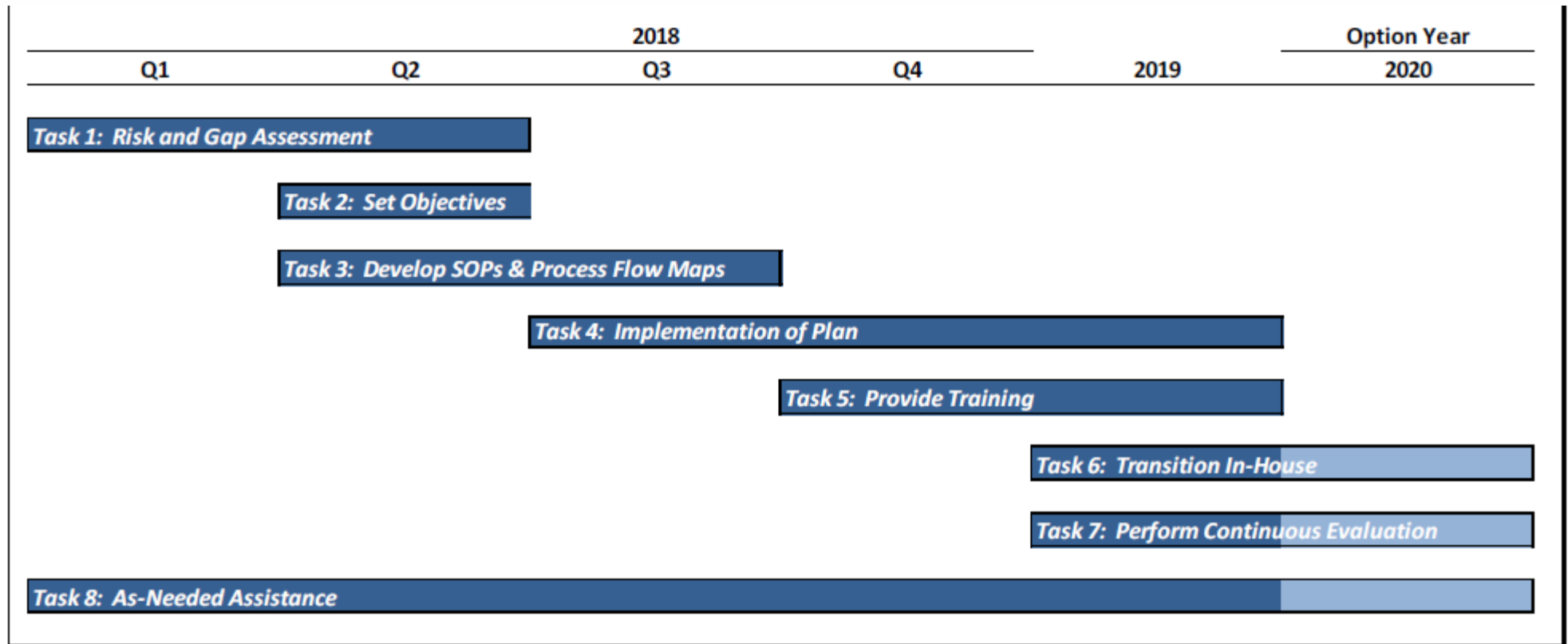
# Compliance Management Overview & Timeline

- > CMS tasks
  - > **Task 1: Risk & gap assessment**
  - > **Task 2: Set reporting objectives**
  - > **Task 3: Develop SOPs & process flow maps**
  - > Task 4: Implement monitoring plan
  - > Task 5: Provide training
  - > Task 6: Transition CMS function in-house
  - > Task 7: Perform continuous evaluation
  - > Task 8: As-needed assistance

# Compliance management timeline



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*NOTE: The timeline is depicted by calendar year (vs. fiscal)*

# Task 1: Risk & Gap Assessment

# Task 1: Risk & gap assessment



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## > Scope

- > Identify risks and controls across the organization
- > Quantify the magnitude and potential impact of each risk and create a risk profile
- > Perform a gap assessment of existing controls throughout the organization and identify weaknesses and deficiencies

## > Status

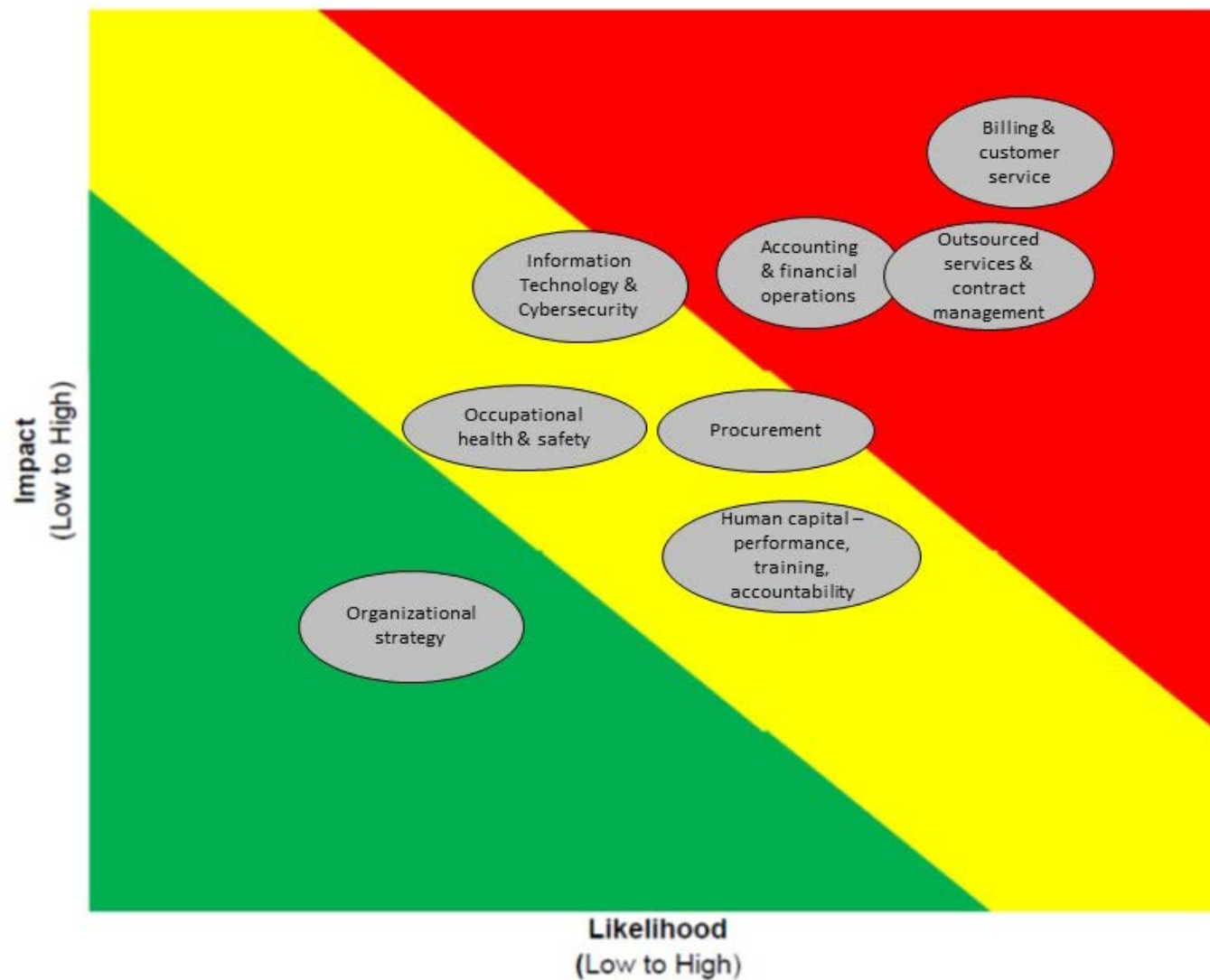
- > Report is complete and will be presented to the BOWC for review

*NOTE: Task 1 results will be used to prioritize subsequent activities.*

# Task 1: Risk & gap assessment



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## Task 2: Set Reporting Objectives

## Task 2: Set reporting objectives



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### > Scope

- > Define reporting objectives and frame controls in accordance with authoritative guidance such as COSO or the Green Book

### > Status

- > Identified internal controls requiring on-going monitoring
- > Beginning to develop reporting objectives related to internal control monitoring
- > Provided potential management KPIs and metrics (as a supplement to control related reporting)

# Task 3: Develop SOPs & Process Flow Maps

## Task 3: Develop SOPs & process flow maps



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### > Scope

- > Prepare policies and procedures and process flow maps
- > Prepare a plan that defines key controls and tasks for compliance as well as the frequency

### > Status:

- > Identified 80+ policies\* to be documented and assigned priority levels, which correspond to delivery dates
  - > 1<sup>st</sup> Priority: July 27<sup>th</sup>
  - > 2<sup>nd</sup> Priority: September 28<sup>th</sup>
  - > 3<sup>rd</sup> Priority: October 26<sup>th</sup>

*\*Estimate; final number dependent on level of consolidation of policies*

## Task 3: 1<sup>st</sup> Priority



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- > 1st priority (July delivery)
  - > Ethics – ethics policy, ethics hotline
  - > Finance – procurement, accounts payable
  - > Billing & collections – customer billing, adjustments & credits, debt to tax rolls, foreclosures
  - > Customer service – account open & close, refunds, adjustments & credits, real estate closing, payment intake, returned mail
  - > Engineering – contract management, asset management (meter operations)

# Questions

# Open discussion



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