# Resource Recovery Performance Audit Procedures

Phase One Consultation Questions
Provided by BDO Canada LLP
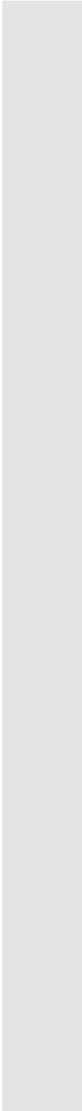
# Procedure development process



**Initial Interviews**
March 6th – April 14th

**Procedure Drafting**
April 14th – June 2nd

**Consultation on Draft Procedure**
September - October

**Final Procedure**
November – December 31st

Jan  Feb  Mar  Apr  May  Jun  Jul  Aug  Sep  Oct  Nov  Dec
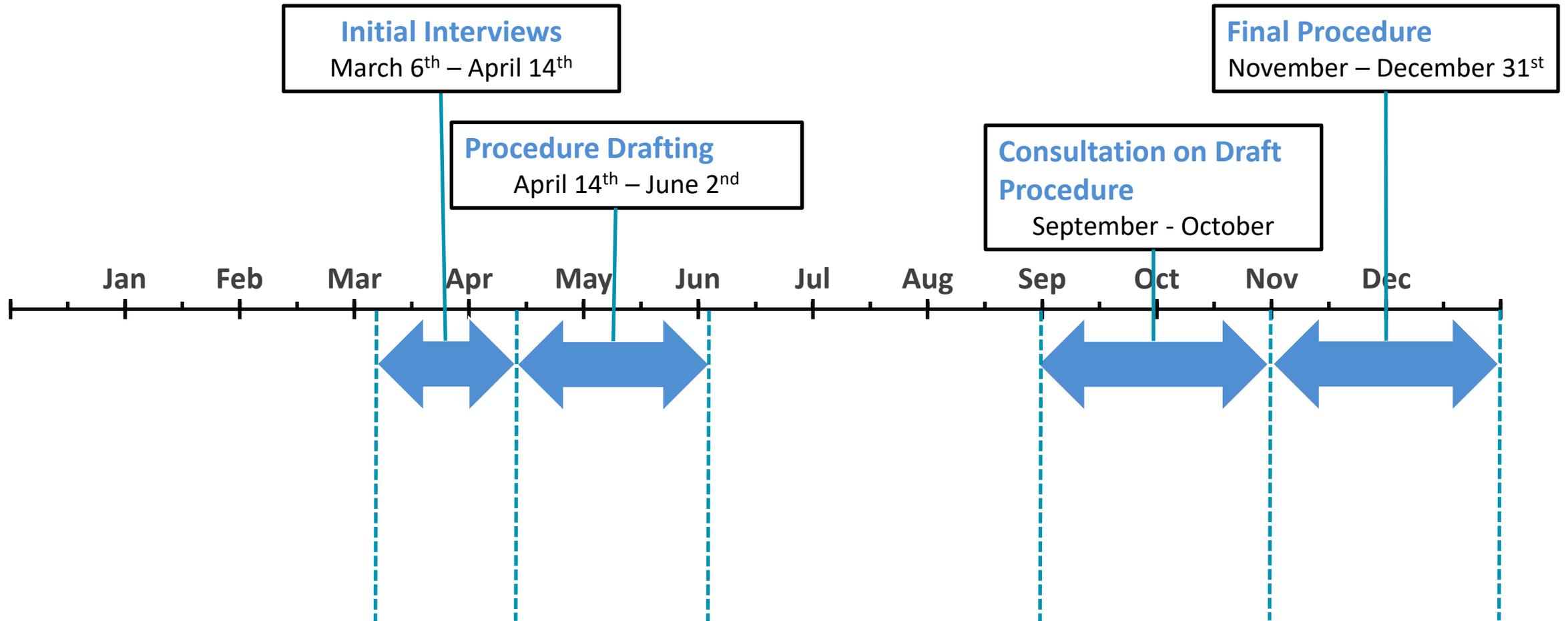
# Principles

Resource Recovery Performance Audits should be:

- In accordance with existing audit standards and professional obligations

**Do you agree with this principle?**

# Procedure elements

Resource Recovery Performance Audit Procedure

## Material-specific guidance

- Identifying suitable available evidence to support collection, hauling, and delivery transactions
- Methodologies to determine validity of collected material (e.g., Ontario, in-scope)
- Methodologies to approaching exclusion of non-valid material (e.g., outside Ontario, out of scope)
- Available industry data and reporting systems

## Verification

- Elements to include in the audit procedures
- Type of audit
- Auditor credentials
- Step-by-step approach for auditors to review and assess the accuracy, completeness and validity of the recovery of material, including:
  - Collection
  - Delivery
  - Application of processor RER

# Collection, Hauling, Processor Relationships

- Describe your collection, hauling and processor network:
  - What contractual relationships do you have?
  - Who is responsible for managing the network?
  - Who is responsible for documentation; collector, hauler, processor, PRO?
  - Who is responsible for reporting; collector, hauler, processor, PRO?
  - What system(s) do you use to record transaction data (collection, hauling, delivery)?
  - How do you obtain documentation and reporting from collectors, haulers, processors?

# Collection, Hauling, PRO Relationships

- Describe your collection, hauling and PRO network:
  - What contractual relationships do you have?
  - Who is responsible for managing the network?
  - Who is responsible for documentation; collector, hauler, processor, PRO?
  - Who is responsible for reporting; collector, hauler, processor, PRO?
  - What system(s) do you use to record transaction data (collection, hauling, delivery)?
  - How do you obtain documentation and reporting from collectors and haulers?
  - How do you provide documentation and reporting to PROs?

# Documentation Reporting

- What documents do you use to record material transactions:
  - Collection at collection sites
  - Transfers from collection sites to haulers
  - Transfer from haulers to processing facilities
  - Transfer from processing facility to downstream procesers
- Processor:
  - How do you report transactions to PROs?
- PRO:
  - How do you receive transaction reporting from collectors, haulers, processors?

# Collection and Recovery Credit Transfers

- Do you intend to recovery a surplus of material which could be sold as credits?
- In order to validate the purchase / sale of credits do you agree that a separate agreed-upon procedures report would be appropriate? If not, why not?
- What evidence would you be able to provide to support sales/ purchase transactions (e.g., agreements, contracts, purchase orders, invoices)?
- What evidence would you be able to provide to support payments for sales/purchase transactions (e.g., cheques, bank statements, online banking)?

# Submit your feedback

Stakeholders are encouraged to submit their feedback up until April 14, 2023, to consultations@rpra.ca.

These insights will be taken into consideration during the development of the initial draft of the procedures.