
2025 Auditor General Work Plan

Report

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Office of the Municipal Auditor General,
The Corporation of the City of Windsor

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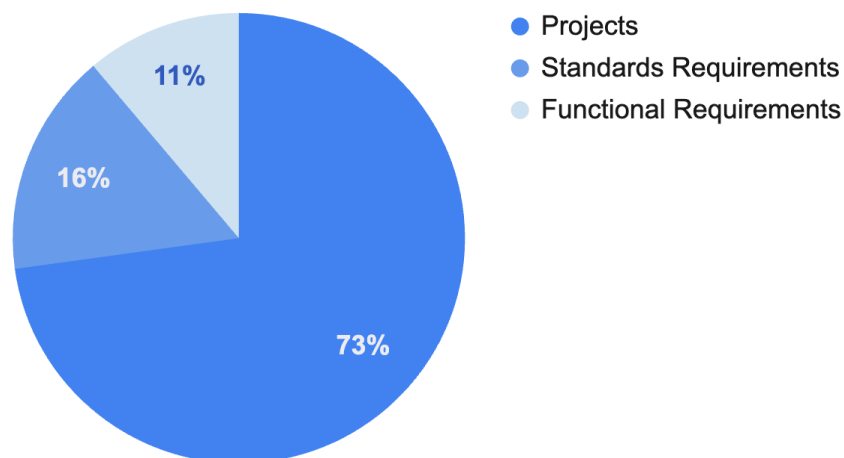
2025 Work Plan

Planned Projects	Plan Allocation
Project Initiatives	73%
Close Multi-Year BIA Reviews (under revised approach)	3%
Complete 2025 Professional Standards Alignment	6%
Administer and Oversee Concerned Citizen and Employee Hotline	13%
Conduct Management Action Plan Validation Review	0.0%
Continue Investigations of Inbound Qualified Complaints*	51%
Standards Requirement	16%
Stakeholder Engagement, Risk Assessment and Performance Reporting	10%
Conduct Quality Assurance Review (Self-Assessment)	6%
Undertake and Report on Executive Development of the Auditor General**	
Standards Requirement	11%
Execute the Auditor General Function	9%
Unallocated	2%

* An external professional services firm has been engaged to assist with investigations to bring them to a close. This accounts for 60% of the investigation's effort.

** Required reporting per the new standards will occur; however, the compliance efforts will not be part of the overall annual budget but will be provided by the Auditor General.

Break Out of Overall Efforts



N.B. Depending on inbound allegations, once Unallocated Efforts are used, any further allegations will require a plan revision and will result in a recommendation to either:

- Defer allegation investigation until 2026,
- Request City Council allocate additional funds to conduct the investigation, or
- Cancel a 2025 planned initiative and report non-compliance with professional standards.

Impacts to Work Plan

The work plan outlines the Office of the Auditor General's activities and projected efforts for 2025. It comprises more than 1,990 effort hours. The allocation is significantly influenced by the completion of compliance reviews of the various Business Improvement Areas across the City, the investigation of received allegations, and the updated recurring efforts to comply with current professional standards.

As part of this revised work plan, critical factors have an impact on the plan (each will be expanded upon below):

1. There has been no change in the departmental budget since 2013
2. BIA reviews
3. Sustained increase in Concerned Citizen and Employee Hotline inbound communications, complexity, and resultant investigations
4. Alignment to new professional standards as of January 9, 2025

Such impacts have resulted in a plan which will not be risk-based for 2025 but will focus on executing the necessary components to complete BIA work, administer and investigate qualified allegations, execute the function and comply with the new professional standards.

Additional information:

1. *No change in the departmental budget since 2013* - The departmental budget has not increased since it was set in 2013. Over the past 11 years, the previous service provider's contract reduced effort hours year over year to avoid budget increases - this was done by (1) decreasing the number of good practices applied and focusing on requirements only and (2) by reducing the scale and count of projects as well. Many good practices previously trimmed have become requirements under the new professional standards.
2. *BIA reviews*—The prior BIA review plan proposed a time-phased review of all 9 BIAs, limiting project time for other reviews.
3. *Sustained increase in Concerned Citizen and Employee Hotline inbound communications, complexity, and resultant investigations* - Inbound complaint numbers have continued with the higher numbers experienced last year. Further, the nature of many allegations has increased in complexity, resulting in more time capturing and qualifying/initially assessing inbound complaints. There are currently 12 active investigations, and external assistance from a professional services firm is being negotiated to investigate these open reviews this year.
4. *Alignment to new professional standards as of January 9, 2025* - Through 2024 and early 2025, the project "Professional Standards Assessment and Practice Revisions" was conducted to enable future alignment with the new professional standards. The impact of the new standards accounts for 19.8% of the 2025 and future plans, where the budget is similar. Of the 19.8% increase:
 - 8.8 points relate to re-incorporating the historical good practices previously eliminated to enable budget management.
 - 11 points relate directly to the application of the new standards, with some sample items being ongoing stakeholder engagement, quality assurance reviews and enhanced documentation standards.
5. *Additional Efforts*—The new professional standards also require development, high-level progress reporting, and a multi-year learning development plan for the Auditor General. Rather than using the available budget, the Auditor General will add this time to the annual plan at no additional cost, as it was generally already being incurred outside the budget.

Summary of Work Plan Activities

Wrap-Up Multi-Year BIA Reviews

Compliance reviews of how the nine BIAs comply with the City BIA Governance Bylaw were commenced in 2024 and were expected to span 3-4 years. Given the insights of two inflight reviews and initial conversations with other BIAs, the Auditor General recommends a change in approach to optimize the effort expended on BIAs. The revised approach is to complete the one inflight review which is substantially complete, to summarize key items noted so far in any other BIA work conducted to date and to close out the project files. The results of these reviews will be provided to the BIAs and City Council. Management should consider the findings reported as part of the planned Governance and Conflict of Interest training.

Three to five years after communicating the consolidated themes and completing the City Governance and Conflict of Interest training, a compliance review of two to three randomly selected BIAs is anticipated.

Complete 2025 Professional Standards Alignment

Complete residual activities to finalize the alignment to the new Institute of Internal Auditors International Professional Practice Framework to ensure requirements are executed in the year in conformance with the new standards. The Office of the Auditor General had previously completed the gap assessment and undertaken remedial activities to enable compliance throughout 2025.

Administer and Oversee Concerned Citizen and Employee Hotline

This is an additional non-audit responsibility of the Office of the Auditor General, which does not create conflicts of interest unless a complaint relates to the Office of the Auditor General. This process involves administering, capturing and assessing inbound communications from the City of Windsor' Concerned Citizen and Employee Hotline by the protocol approved by City Council. Inbound communications are captured, assessed and routed:

1. back to the complainant for additional information or for submission through an alternate contact point (where the complaint is not aligned with the Hotline scope)
2. to management for consideration
3. for further investigation.

Further, this project includes a small amount of time to assess, qualify, and interact with the complainants.

Continue Investigations of Inbound Qualified Complaints

Qualified complaints are assigned a portion of the effort to investigate each complaint further. Once a complaint is assessed as qualified, it will generate a report to Council indicating the nature of the complaint, the assessment undertaken, and the conclusions reached. There are currently 13 complaints in the investigation stage.

Stakeholder Engagement, Risk Assessment and Performance Reporting

This work plan activity encompasses three areas:

- **Relationship management**—As part of this activity, the Auditor General is expected to develop and execute an approach to building relationships and trust with key stakeholders. These stakeholders would include the City Council, senior management, operational management, regulators, internal and external assurance providers, and other consultants. Professional standards require the development,

execution, and evidentiary support of such a plan. This will entail a plan for engaging with over 80 specific stakeholders.

- **Risk Assessment and Annual Workplan**—The development of a risk-based work plan is temporarily on hold given the resource requirements for BIA reviews, Concerned Citizen and Employee Hotline administration and investigations, and activities related to functional and professional standards requirements. As a result, these efforts will relate to remaining abreast of current and emerging municipal issues and risks and adapting the plan for any additional investigations that may arise or projects requiring more attention.
- **Performance Reporting**—This work plan activity involves developing performance measurement criteria for the Office of the Auditor General, measuring and reporting on the attainment of those measures to the Council, and implementing those criteria.

Conduct Quality Assurance Review (Self-Assessment)

Conduct and develop a report for the council based on a process through which the Office of the Auditor General evaluates its conformance with professional standards, including the IIA's International Standards for the Professional Practice of Internal Auditing. This process involves self-reflection on processes, performance, and policy adherence, helping to identify areas for improvement, reinforce strengths, and ensure continuous alignment with best practices.

Execute the Auditor General Function

These efforts include overseeing operations, complying with standards, managing resources and budgets, preparing and presenting reports, coordinating with stakeholders, planning, providing ethical oversight, and engaging with the public.

Undertake and Report on Executive Development of the Auditor General

This work plan activity involves the development of a learning plan for the Auditor General and providing an annual update on its progress to Council.

Unallocated

Time or resources spent on tasks that do not directly contribute to specific audit objectives or engagements. These efforts may include administrative work, training, professional development, or other non-audit activities, which, while important, are not directly linked to the audit plan or deliverables. The AG may allocate time from this budget area to support other projects planned in the year or future investigations.

Planned for 2026

Conduct Management Action Plan Validation Review

To manage the available effort in any given year and comply with professional standards, the Management Action Plan Validation project will change to a bi-annual review. Therefore, the review will occur in 2026 rather than 2025. This project is a regular follow-up and report to City Council on the status and sufficiency of management's resolution of prior findings. The 2026 scope will consider the status of all unresolved findings as of December 31, 2023, and those findings reported to Council up to December 31, 2025.

Other projects on the horizon but not formally planned:

- Diversity, equity and inclusion
- Digital disruption and artificial intelligence in the municipality
- Single sourced procurement
- Emergency procurement
- Climate change adaptation plan
- Active transportation plan progress
- Pre-qualified procurement
- Stormwater management and flood prevention
- Public Service Delivery Performance Audit
- 2-3 randomly selected BIA compliance reviews
- The risk assessment framework used to evaluate potential risks before engaging in procurement activities.
- Grant review process

Appendix A - Wrap-Up Multi-Year BIA Reviews

Compliance reviews of how the nine BIAs comply with the City BIA Governance Bylaw were commenced in 2024 and were expected to span 3-4 years. Given the insights of one report in the management review stage, two inflight reviews and preliminary research on other BIAs the Auditor General recommends a change in approach to optimize the effort expended on BIAs. The revised approach is to complete the one BIA report in management review, which is substantially complete, summarize key items noted so far in any other BIA work conducted to date, and close out the project files. The summary results of the work to date will be provided to the BIAs, Administration and City Council. Management should consider the findings reported as part of the planned Governance and Conflict of Interest training.

Three to five years after communicating the consolidated themes and completing the City Governance and Conflict of Interest training, a compliance review of two to three randomly selected BIAs is anticipated.

This recommendation is based on the findings identified to date and that the City has not yet provided Governance and Conflict of Interest Training to the BIAs. The AG believes that such training will clarify many of the compliance elements, resolve the lack of evidentiary support and provide clarity for the BIAs. Then, once there has been a transition time (which requires at least one full financial year with stable controls implemented), conduct some random reviews in the future.

To provide some perspective, findings to date may be grouped into topics such as:

- Conversations indicate the control practices were conducted; however, evidence to substantiate this was not retained.
- Assessment of prior governance documents/policies as compared to the City Bylaw has not been thoroughly conducted to resolve any conflicts.
- Some requirements were not understood and have not yet been consistently complied with.
- Several instances have occurred where metrics, reporting parameters, and published materials requirements were implemented incompletely or in an unclear manner.

The results of the one substantially completed BIA have been discussed with the BIA. On January 22, 2025, high-level findings were verbally communicated to members of the Executive team. On Feb. 5/25, the initial findings were communicated to a working team from City Administration, where the AG discussed the various recommendations under consideration and to gather management insight on the original intent of some of the Bylaw sections. Based on these conversations, the AG has modified the recommendations and will communicate them back to the BIA. The BIA will then have a closing meeting by the end of February.

At the same time as the one report is issued, the Office of the Auditor General will close out the existing audit files and generate a high-level summary of findings from other BIA work, using the conclusions above from the one BIA report and appending any additional items noted elsewhere.