Winnipeg | Audit

Audit Plan - 2025

November 2024

STRATEGIC OVERVIEW

Our Mandate

The City Auditor reports to Council through the Audit Committee (Executive Policy Committee) and is independent of the City's Public Service. The City Auditor conducts examinations of the operations of the City and its affiliated bodies and submits a report of its findings to assist Council in its governance role of ensuring the accountability of the Public Service for the quality of stewardship over public funds and for the achievement of value for money in City operations.

Our Vision

To be leaders in building public trust in our civic government.

Our Mission

To support Council and the Public Service by providing objective and independent advice and assurance with respect to governance, risk management, performance and accountability.

Our Service Value

The value of an independent audit function to Council is the ability to use credible information to make better decisions and to hold the Public Service accountable. Our principle stakeholder is the Audit Committee. The Audit Committee is chaired by the Mayor and includes the Deputy Mayor and the chairs of the Standing Policy Committees of Council. The Audit Committee's primary role is to ensure that due diligence has been directed towards ensuring that an effective control framework is in place. This framework provides reasonable assurance that the financial, operational and regulatory objectives of the City are achieved and that governance and accountability responsibilities of Council and the Public Service are met.

The Audit Department's stakeholders also include the Public Service and residents. Audit reports are made public once they have been communicated to Council.

Our Standard of Work

The Audit Department performs its audit work in accordance with Government Auditing Standards. These standards provide professional guidance for government-related audits and require us to adhere to other relevant standards where applicable. Government Auditing Standards also require an independent external peer review of our operations to be conducted and published every three years. We believe that this requirement provides transparent accountability for the quality of our work to Council and to the public.

AUDIT PLAN OVERVIEW

Purpose of an Audit Plan

The purpose of a formal audit plan is to provide a disciplined approach to the identification of potential audit projects. Formal planning has several benefits:

- It focuses limited resources on priority or high-risk areas.
- It provides the basis for the involvement of clients and stakeholders.
- It ensures that all business units (and associated risks) are considered.
- It serves as a standard against which to measure the performance of the Audit Department.

Audit Planning Process

The Department undertakes a comprehensive audit planning process every two years. The process comprises of several activities:

- identification and classification of auditable entities;
- evaluation of audit entities against standard criteria and risk factors;
- consultation with Councillors and Senior Administrators;
- updating of Department Service Risk Profiles;
- consideration of resources available and required by project type;
- selection of Audit Projects;
- presentation of our proposed Audit Plan to Audit Committee; and
- communication of our final Audit Plan to Council.

Projects Proposed for 2025

Mandatory Projects		
Investigations	Fraud & Waste Hotline	Conduct investigations arising from new reports submitted to the Fraud and Waste Hotline.
	New Investigations/ Whistleblower Reports	Limited scope investigations will be initiated based upon areas identified as high-risk through investigation of previous Fraud and Waste Hotline reports and/or Whistleblower reports.
Assurance	Collective Agreements Due Diligence Review	Council policy requires that prior to ratification of an agreement, the City Auditor and the external auditor review the full and long-term costs of collective bargaining agreements reported by the Public Service.
	Implementation of Audit Recommendations - Quarterly Reports	Follow-up reports on the implementation status of previous audit recommendations.
	Independent Fairness Commissioner (IFC)	The IFC is required to conduct a compliance review of real estate transactions and management services including sales, acquisitions, land exchanges and leases, prior to presentation to SPC PD and/or Council. The IFC will submit an independent report on each compliance review prior to political approval and concurrently with the related administrative report.
New Projects		
Assurance	Capital Project Estimates	The capital budget estimate documentation supporting a new major capital project is reviewed to confirm it supports the identified estimate class (AACE). This project may be completed at the request of Council.
	City Facility Parking Enforcement	Assess effectiveness and efficiency of parking enforcement process at City facilities.
	City's Response to 311 Requests	Assess the effectiveness and efficiency of the City's processes for responding to and closing 311 requests.
	Peer Review	A Peer Review is required every three years to obtain an industry opinion whether the Audit Department's quality control system is suitably designed and operating effectively and in compliance with Government Auditing Standards and with established policies and procedures.
	Recruitment / Hiring Process	Assess the effectiveness and efficiency of the current recruitment and hiring processes. Carried over from 2024.

STATUS OF PREVIOUSLY APPROVED PROJECTS

2024 Project Status

Name	Overview	Status
Affordable Housing Initiatives – Housing Accelerator Fund	Risk and controls/risk management assessment of the Housing Accelerator Fund program to assess if key risks have been identified and are being managed to ensure the City is meeting its obligations under this program and this program achieves its intended outcomes	In progress. Report expected to be submitted to Audit Committee in Q2 - 2025
Affordable Housing Initiatives – Rapid Housing Initiative	Risk and controls/risk management assessment of the Rapid Housing Initiative program to assess if key risks have been identified and are being managed to ensure the City is meeting its obligations under this program and this program achieves its intended outcomes	In progress. Report expected to be submitted to Audit Committee in Q1 - 2025
Capital Project Estimates	The capital budget estimate documentation supporting a new major capital project is reviewed to confirm it supports the identified estimate class (AACE).	No new major capital projects were identified in 2024.
Collective Agreements Due Diligence	Council policy requires that prior to ratification of an agreement, the City Auditor and the external auditor review the projected costs of collective bargaining agreements reported by the Public Service.	Complete. Two reports were submitted in 2024.
Continuous Improvement / Lean Initiative	Audit staff will support the Public Service in evaluating and recommending a program, for Council approval, that incorporates continuous improvement/lean principle tools.	Ongoing. In consultation with the CFO and to maintain independence of the Audit Department, Audit involvement is limited to acting in an advisory capacity.
Enterprise Risk Management	Implementing a proactive, corporate-wide and systematic approach to identifying and managing risks assists an organization in the achievement of objectives. An effective risk management system is a key component of management's internal control framework. This audit will evaluate the status of risk management in the City of Winnipeg.	Postponed. In consultation with the CAO and CFO, this project will be re-evaluated for 2026.
Fraud Risk Management Maturity Assessment	Assess the maturity of the City's fraud risk management.	In progress. Report expected to be submitted to Audit Committee in Q2 - 2025
Implementation of Audit Recommendations - Quarterly Report	Follow-up on the implementation status of previous audit recommendations.	Complete. Four quarterly reports following up on recommendations were submitted to Audit Committee in 2024.

2024 Project Status

Name	Overview	Status
Independent Fairness Commissioner (IFC)	The IFC is required to conduct a compliance review of real estate transactions and management services including sales, acquisitions, land exchanges and leases which require presentation to SPC PD or Council. The IFC submits an independent report prior to political approval and concurrently with the related administrative report.	Ongoing. Eleven real estate transaction compliance review reports were submitted in 2024 to SPC PD as of November 30, 2024.
North End Sewage Treatment Plant (NEWPCC) Upgrades	Limited scope engagement to provide assurance that the City's resources are being used economically and efficiently by evaluating the existence and adequacy of controls over the capital project construction processes.	In progress. Report expected to be submitted to Audit Committee in Q1 2025.
Recruitment / Hiring Process	Assess the effectiveness and efficiency of the current recruitment and hiring processes.	Postponed. In consultation with Corporate Human Resource Services this project has been moved to 2025 Audit Plan.
Traffic Signals Branch - Procurement and Contracting Audit	Council motion directed the Acting City Auditor to conduct a performance audit on the last five years of contracting and procurement activities related to the Traffic Signals Branch.	Complete. Report submitted to Audit Committee on October 16, 2024.
Workforce Management Audit	Evaluation of the City of Winnipeg workforce including organizational structure, management levels, supervision, span of control, training opportunities and performance management.	Complete. Report submitted to Audit Committee on June 18, 2024.