City of Winnipeg – Audit Department

Implementation of Audit Recommendations Quarterly Report 2025 Quarter 2

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Winnipeg.ca/audit

Implementation of Audit Recommendations Report - Summary

Audit recommendations

Once an Audit is complete, the next step is the implementation of the audit recommendations. The Audit Department provides a list of the audit recommendations to the Public Service Director of the department that was audited. The Public Service prepares an action plan and target date for implementation of the recommendation, this is included in the Audit report. The implementation of the audit recommendations is the responsibility of the Public Service.

On a quarterly basis the Public Service provides status updates for all audit recommendations. Documentation supporting progress is reviewed by the Audit Department for confirmation. If the Public Service indicates that a recommendation will not be implemented, residual risk is identified and discussed with the Department Director.

After presentation to the Audit Committee these reports are posted at: Implementation of Audit Recommendations Reports

This report summarizes the status of Implementation of Audit Recommendations for the period ending June 30, 2025:

- the number of recommendations implemented to date
- the number of recommendations that will not be implemented
- the number of recommendations currently in progress and the target date for implementation
- the recommendations confirmed as implemented in the current quarter
- the number of recommendations targeted for implementation in current quarter with revised target dates

Implementation of recommendation status at June 30, 2025

Audit reports are posted at: winnipeg.ca/audit

	Number of Recommendations				
Report	**Total**	**Recommendations implemented**	**Recommendations in progress**	**Not to be implemented**	**Percent complete**
Automatic Vehicle Locator Investigation - June 2021	6	5	1		83%
By-Law Amalgamation Audit – June 2018	11	1	10		9%
Fleet Management Agency Audit - June 2022	10	6	4		60%
Intersection Signal Infrastructure Investigation – September 2022	3	2	1		67%
North End Sewage Treatment Plant Upgrade Project Audit ` December 2024	44	10	34		23%
Stores Audit – October 2022	3	0	3		0%
Traffic Signals - Procurement & Contracting Audit – September 2024	6	5	1		83 %
Urban Forestry Branch Investigation – September 2022	8	7	1		88%
Final report Water and Waste Dept. - Brady Road Resource Management Facility - September 2022	4	4	0		100%
Workforce Management Audit – June 2024	13	10	3		76%
Total	108	50	58		46%

Target dates for implementation of recommendations in progress

	Number of Recommendations			
Report	**2025 Qtr 3**	**2025 Qtr 4**	**2026 Qtr 1**	**2026 Qtr 2 & beyond**
Automatic Vehicle Locator Investigation - June 2021			1	
By-Law Amalgamation Audit – June 2018	7	3		
Fleet Management Agency Audit - June 2022	4			
Intersection Signal Infrastructure Investigation – September 2022	1			
North End Sewage Treatment Plant Upgrade Project Audit - December 2024 (Water and Waste Department)	10	2	1	21
Stores Audit – October 2022				3
Traffic Signals - Procurement & Contracting Audit – September 2024		1		
Urban Forestry Branch Investigation – September 2022	1			
Water and Waste Dept. - Brady Road Resource Management Facility - September 2022 All recommendations implemented by 2025 Qtr 2				
Workforce Management Audit – June 2024		2		1
Total	24	7	2	25

Recommendations Implemented and Confirmed in 2025 Quarter 2

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Fleet Management Audit (June 2022)	
Recommendation 8: The CAO or their designate, in consultation with the fleet oversight committee, develop standardized minimum and maximum parameters for fuel transactions, and develop and implement a process to ensure exceptions are identified and corrected, at minimum, on a monthly basis. The process should require WFMA to provide complete, accurate, timely reporting with sufficient detail to enable departments to identify the root cause of the exception and take corrective action.	The Winnipeg Fleet Management Agency developed standardized minimum and maximum parameters for fuel transactions, established fuel standards and a monthly reporting system for exceptions.

North End Sewage Treatment Plant Upgrade Project Audit (December 2024)	
Recommendation 7: Assess the NEWPCC project objectives across all key areas of the project and add objectives as needed to address gaps including safety and reputation.	The Water & Waste Department has updated all of the project charters to include safety and reputation objectives.

North End Sewage Treatment Plant Upgrade Project Audit (December 2024)	
Recommendation 15: Update the Projects governing documents and organization charts to include the following: • Illustrating reporting lines to show unambiguous reporting lines of authority and communication. • Layouts should reflect the organization structure. • Updating administrative details in the documents including titles, legends, and dates/revision control. • Consider including key contractor interfaces (e.g., Headworks Project Manager with a dotted reporting line to the AECOM Project Manager)	Water and Waste has updated the Projects governing documents and organization charts.

North End Sewage Treatment Plant Upgrade Project Audit (December 2024)	
Recommendation 16: Update the NEWPCC Project Responsibilities Matrix to include all projects and all key tasks. Review and balance accountability / responsibility across the project team as appropriate. Refer also to Recommendation #2 related to balancing authority and accountability.	The Water and Waste Department has updated all of the Responsibilities Matrices (RACI charts) to include all projects and key tasks.

North End Sewage Treatment Plant Upgrade Project Audit (December 2024)	
Recommendation 18: Develop an organizational change management strategy and internal stakeholder communication plan to support understanding of the project and the delivery model and getting stakeholders onboard with the project requirements and decisions.	The Water and Waste Department has updated all of the project's Shareholder Plans to include communication plans. The plans outline project objectives, stakeholder lists, contact lists and indicate frequency of communication.

North End Sewage Treatment Plant Upgrade Project Audit (December 2024)	
Recommendation 19: Update and maintain project plans as "live" documents to support delivery and onboarding of new personnel. A training and onboarding plan should be added to the project plans. Regular updates to project documentation to occur as required throughout project delivery.	The Water and Waste Department has updated all project plans to include a training and onboarding plan. They have also documented that these project plans be regularly updated and maintained as living documents, as needed.

North End Sewage Treatment Plant Upgrade Project Audit (December 2024)	
Recommendation 28: Project Manager and Project Director to evaluate and consider guidance be provided to the main DB contractor on Headworks to enhance risk reporting to include: • Top risks, including risk severity and commentary on mitigation status. • Trending risks (new, increasing, reducing). This guidance may be over and above what is contractually required of the contractor and may therefore result in additional cost. Consideration for action is at the discretion of the Project Manager and Project Director. The suggested reporting enhancements may be applied to future contracts not yet awarded to improve the Project's ability to manage risk effectively.	Water and Waste has developed guidance to enhance risk reporting that will be applied to future contracts.

North End Sewage Treatment Plant Upgrade Project Audit (December 2024)	
Recommendation 33: Include schedule impact and date of submittal in the change log. In addition to the monetary impact of the change order, it is leading practice to include a summary of the schedule implications of each change order (if any). Including a clear date of submittal allows for tracking of change approval timelines and helps facilitate active management of change order approval.	The Water & Waste Department updated the change log to include the schedule impact and date of submittal.

Traffic Signals Branch – Procurement and Contracting Audit (September 2024)	
Recommendation 1: We recommend that the Director of Public Works, in collaboration with the Traffic Signals Engineer, work with key stakeholders, specifically the Insurance Branch to establish a process that ensures all required documentation are received and communicated for the Traffic Signals Branch contracts.	A Contractor Requirements Checklist has been established. The checklist includes a list of the required contract documents. Where required contract documents are received by other departments such as Risk Management and Legal Services, the Contract Administrator is to state the name of the receiving department, the form of confirmation of the receipt and acceptance of the document (e.g. email confirmation) and the date documents were received.

Traffic Signals Branch – Procurement and Contracting Audit (September 2024)	
Recommendation 3 (Implemented early)**:** We recommend that the Director of Public Works, in collaboration with the Traffic Signals Engineer, work with the Claims Branch to establish a process that ensures the prompt reporting of damages, the associated costs, and all required documentation supporting the claims are supplied to the Claims Branch in a timely manner. Additionally, the status of the claims should be consistently monitored and reported on.	A Damage Reporting Process was developed by the Traffic Signals Branch in collaboration with the Claims Branch and communicated to the Supervisor, Traffic Signals Ops, Design Constr. Eng. Traffic Signals, Supervisor of Claims & Risk Control Services and the Public Works Clerks.

Traffic Signals Branch – Procurement and Contracting Audit (September 2024)	
Recommendation 5: We recommend that Corporate Finance update the administrative standard to set base guidelines for closing purchase orders, communicating and holding departments accountable to adherence to defined procedures.	The PeopleSoft Purchasing Guidelines were updated with guidelines on closing Purchase Orders. The updated Guidelines were uploaded on the Corporate Finance site and communicated to City Controllers by the Corporate Controller. There will be year-end review and monitoring through weekly status report to the Corporate Controller in ensuring accountability to adherence to the procedure.

Workforce Management Audit (June 2024)	
Recommendation 6: We recommend that the CAO work with Department Directors to develop a process that establishes Key Performance Indicators (KPIs) and/or performance targets/goals at the employee level that align with the goals and objectives of the department and Corporate Strategic Plan. The KPIs and/or performance targets/goals should be communicated to all leaders and employees within the departments and should be used to evaluate performance towards achievement of the established goals, targets and/or KPIs.	The Director of Human Resources, in consultation with the CAO and Department Directors, developed a new performance management process that requires leaders to establish Key Performance Indicators (KPIs) and/or performance targets/goals at the employee level that align with the goals and objectives of the department and Corporate Strategic Plan. The process is designed to evaluate performance towards achievement of the established goals, targets and/or KPIs.

Water and Waste Dept. - Brady Road Resource Management Facility – (September 2022)	
Recommendation 1: We recommend the Water and Waste Department examine the Brady Road Resource Management Facility's future dozer utilization requirements. The analysis should include at a minimum: - forecast tonnage to be received by hour/day/week. - detailed hourly requirements of expected dozer usage (grading, road repairs, snow removal, etc.). - estimate of the City-owned dozer capacity (accounting for downtime and other key factors), if the dozer is to be retained. - other variables such as daily tasks, equipment versatility, and future landfill demands (as identified in SWANA guidance). This analysis should form the foundation of a business case to identify the type and number of dozers the facility requires.	Water and Waste Department examined the Brady Road Resource Management Facility's future dozer utilization requirements which included the forecast tonnage, detailed hourly requirements of expected dozer usage and estimated dozer size and number in support of issuing a Request For Proposal (RFP) for Hourly Rates for Heavy Equipment at the Brady Resource Management Facility. A formal business case was not prepared; however the analysis ensured the correct size of equipment was included in RFP and the RFP is only for hours worked with no set minimums.

Recommendations targeted for implementation in 2025 Quarter 2 with revised target dates

Implementation target dates are sometimes revised based on a number of factors including unforeseen circumstances, changes in resources, emergent situations and competing priorities, etc.

Report	Recommendation number	Original target date	Revised target date
Automatic Vehicle Locator Investigation - June 2021	6	2025 Qtr 2	2026 Qtr 1
By-Law Amalgamation Audit – June 2018	1	2025 Qtr 2	2025 Qtr 3
By-Law Amalgamation Audit – June 2018	2	2025 Qtr 2	2025 Qtr 3
By-Law Amalgamation Audit – June 2018	3	2025 Qtr 2	2025 Qtr 3
By-Law Amalgamation Audit – June 2018	4	2025 Qtr 2	2025 Qtr 3
By-Law Amalgamation Audit – June 2018	5	2025 Qtr 2	2025 Qtr 3
By-Law Amalgamation Audit – June 2018	6	2025 Qtr 2	2025 Qtr 3
By-Law Amalgamation Audit – June 2018	7	2025 Qtr 2	2025 Qtr 3
By-Law Amalgamation Audit – June 2018	10	2025 Qtr 2	2025 Qtr 4
Intersection Signal Infrastructure Investigation – September 2022	1	2025 Qtr 2	2025 Qtr 3
North End Sewage Treatment Plant Upgrade Project Audit - December 2024	3	2025 Qtr 2	2025 Qtr 3
North End Sewage Treatment Plant Upgrade Project Audit - December 2024	5	2025 Qtr 2	2025 Qtr 3
North End Sewage Treatment Plant Upgrade Project Audit - December 2024	6	2025 Qtr 2	2025 Qtr 3
North End Sewage Treatment Plant Upgrade Project Audit - December 2024	14	2025 Qtr 2	2025 Qtr 3
North End Sewage Treatment Plant Upgrade Project Audit - December 2024	22	2025 Qtr 2	2026 Qtr 2

North End Sewage Treatment Plant Upgrade Project Audit - December 2024	23	2025 Qtr 2	2027 Qtr 1
North End Sewage Treatment Plant Upgrade Project Audit - December 2024	25	2025 Qtr 2	2025 Qtr 3
North End Sewage Treatment Plant Upgrade Project Audit - December 2024	26	2025 Qtr 2	2026 Qtr 2
North End Sewage Treatment Plant Upgrade Project Audit - December 2024	27	2025 Qtr 2	2025 Qtr 3
North End Sewage Treatment Plant Upgrade Project Audit - December 2024	30	2025 Qtr 2	2026 Qtr 2
North End Sewage Treatment Plant Upgrade Project Audit - December 2024	37	2025 Qtr 2	2026 Qtr 4
Traffic Signals – Procurement & Contracting Audit – September 2024	2	2025 Qtr 2	2025 Qtr 4
Urban Forestry Branch Investigation – September 2022	2	2025 Qtr 2	2025 Qtr 3