



AUDITOR GENERAL 2026 Q3 STATUS REPORT

Issued: September 11, 2026

Council Tabling: September 28, 2026

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1. Purpose

The purpose of this report is to provide City Council with a consolidated status update on Auditor General activities, including audits, investigations, and follow-up work, and to support Council's oversight responsibilities.

City Council receives individual Auditor General audit and investigation reports as distinct items on the Consent Agenda for receipt and direction, as applicable. This ensures that Council formally receives completed Auditor General reports and that they remain part of the public record.

The Auditor General's Status Report is scheduled as a Presentation/Delegation item and provides a summary of individual reports to support Council discussion, clarification, and direction, as Council deems necessary. Any individual Auditor General report may be removed from the Consent Agenda for discussion at Council's discretion or may be addressed during discussion of the Status Report.

This reporting approach is intended to enhance governance efficiency, focus Council discussion on areas of interest or risk, and preserve Council's full access to Auditor General information while maintaining transparency and procedural flexibility.

2. Reports Included With This Status Report

The following table summarizes Auditor General reports included with this Status Report. All reports listed below are complete and have been issued. Council scheduling reflects agenda sequencing and does not impact report completion status.

2.1 Auditor General Reports

Report Title	Recommended Council Action	Current Status
Auditor General 2026 Q3 Status Report	Receive	Scheduled for September 28, 2026
Required Communication – Auditor General Transition Plan	Receive	Scheduled for September 28, 2026

2.2. Report Summaries

The summaries below provide contextual highlights of the Auditor General reports included with this Status Report. Where applicable, detailed analysis and supporting information are contained in the individual reports issued or included for Council consideration.

2.3.1 2026 Q3 Auditor General Status Report

The Q3 Status Report provides Council with a consolidated update on Auditor General activities, including work completed and in progress, Fraud and Waste Hotline activity, the investigation queue, and the inventory of findings requiring future follow-up. The report also provides an updated view of progress against the 2025 and 2026 Auditor General Work Plans.

The report identifies eight allegations currently in the investigation queue, with approximately 794 hours of estimated investigation effort remaining, and 86 findings being tracked for future follow-up. It also updates Council on ongoing investigations, the Transit Windsor policy and procedure review, transition activities, and other continuing responsibilities of the Auditor General function.

2.3.2 Required Communication – Auditor General Transition Report

The report outlines the planned activities to support an orderly transition of the Auditor General function through the conclusion of the current service-provider engagement on December 31, 2026. The transition activities include preserving and transferring institutional knowledge and records, disposing of outstanding investigations and follow-up matters, ensuring continuity of Fraud and Waste Hotline responsibilities, and addressing other administrative and governance matters requiring consideration beyond December 31, 2026.

The transition approach is intended to support continuity of the function while preserving the independence and discretion of any future Auditor General or other authorized successor in determining how outstanding matters are subsequently addressed.

3. Ongoing/In Process Activities

The following activities reflect ongoing investigative, administrative, and oversight work currently underway within the Auditor General function.

In Process

- **Audit Projects**
 - None
- **Investigations**
 - **Compensation Practices** - issued and being tabled with the relevant Board. Council will receive an update on the outcome in the next Auditor General reporting package.
 - **Procurement Practices** - issued, awaiting management comments.
- **Initiatives**
 - **Council Directed Project - Transit Windsor Alignment - (Selected Policies/Procedures Review)** - in progress - initial analysis provided to Administration
 - **Transition Activities** - in progress

Ongoing

- Fraud & Waste Hotline Administration and Triage
- Auditor General Administration

4. Inventory of Open Matters and Follow-Up Activities

4.1 Fraud and Waste Hotline Administration

For the period August 1, 2025 through August 31, 2026, no additional hours were allocated to investigations beyond the approved resource envelope. Following Council's March 30, 2026 direction, new investigations ceased, and matters meeting the investigation threshold have been queued.

During the 12 month period, the following outline provides an overview of the inbound volumes during that elapsed period:

- There have been 1,422 inbound communications through the hotline;
 - of these, 1,030 have been unique communications;
 - 392 related to follow-up interactions;
- of the 1,030 unique inbound communications, 72 required effort beyond the initial intake assessment; and
- of the 72 allegations assessed and triaged, 7 have progressed to the investigation queue, and the remaining 65 have been rerouted or ceased under the Fraud and Waste Hotline policy.

Given the approved work plan and constraints, the current investigation queue contains eight (8) allegations for investigation anticipated to require 794 hours of effort to address.

4.2 Investigation Queue¹

The following is a list of allegations eligible for investigation, their intake risk assessment rating, and a rough estimate of the hours the investigation may take (before establishing and understanding the Administration's practices and the evidence to be considered). This initial discussion may revise the effort estimate, and additional inbound evidence can further inform the risk assessment.

The following projects are listed in order of their overall Allegation Intake Risk Assessment rating.

¹Consistent with the operational implementation state communicated through the Required Communication – Auditor General 2026 Work Plan Implementation Update, queued investigations are not expected to advance during 2026 absent future Council direction or changes to the current implementation assumptions. Operational capacity constraints also resulted in certain previously commenced investigations being paused pending future capacity availability.

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#	Investigation Queued	Allegation Intake Risk Assessment (Critical, High, Medium, Low)	Status	Projected Effort (not qualified)
1	Financial Governance and Administrative Practices Of Significance*	Critical	Reverted to Queue	247
2	Contractor Billing and Invoice Controls*	Critical	Queued	75
3	Conflict of Interest Concern (Design, Department and Individual)*	Critical	Reverted to Queue	130
4	Employment Concerns^	High	Queued	114
5	Inappropriate Use of Overtime Protocols Resulting in Unnecessary Costs*	High	Queued	130
6	Investment Policy - Disclosure and Reporting Gap*	High (has a significant dependency on prior investigation working paper file)	Reverted to Queue	55
7	Hourly Compensation for Specified Personnel*	High	Queued	25
8	Sharing Personal Information*	Medium	Queued	18
	Total Expected Investigation Efforts To Be Completed			794 Hours

Notes:

^ Denotes an allegation received and queued before August 1, 2025

* Denotes an allegation received and queued after August 1, 2025

Queued indicates that no active investigation work has begun.

Reverted to Queue indicates that investigation work had commenced; however, operational capacity constraints necessitated pausing the investigation.

4.3 Inventory of Findings Tracked For Future Follow-Up

Category	Count
Active findings expected to require validation/follow-up (having a resolution date on or before Dec. 31, 2026)	34
In-progress items requiring reassessment of closure timelines	5
Current Total of Findings expected for validation in 2027	39
Longer-cycle BIA governance/compliance reassessment items	47 ²
Total tracked follow-up inventory	86

5. Key Themes & Risks

5.1 Fraud, Waste, and Wrongdoing Considerations

During the reporting period, the Auditor General continued to administer the Fraud and Waste Hotline and assess inbound submissions under the approved intake process. The Auditor General also considered fraud, waste, wrongdoing, and other integrity-related risks within audit and investigation activities already in progress and permitted to continue.

Since March 30, 2026, however, the Auditor General's ability to assess fraud, waste and wrongdoing risk beyond initial allegation intake and previously authorized work has been constrained by Council's direction and the resulting operational implementation of the 2026 Work Plan. Accordingly, allegations received during this period have been risk assessed and triaged, but matters meeting the threshold for investigation have been queued and not investigated.

As a result, the Auditor General is not presently in a position to conclude whether allegations in the investigation queue, individually or collectively, indicate systemic or emerging fraud, waste, wrongdoing or control concerns. The nature of certain allegations received includes potential financial, procurement, employment, compensation and integrity-related risks; however, these remain allegations and have not

² Given the significant alignment of the reported Ford BIA findings with the General BIA Governance & Compliance review and resultant actions, consideration may be given to incorporating follow-up of the resolution of these findings into an overall BIA sample-based compliance review, which may be more cost-effective and representative. The original report received by Council included a plan for a follow-up review of BIA Governance By-law compliance between 2028 and 2030.

been investigated or substantiated. As noted above, the current investigation queue includes eight matters with an estimated 794 hours of investigation effort.

The work the Auditor General has been able to complete has not identified any systemic fraud issue requiring immediate escalation to Council. This should not be interpreted as assurance that no such issue exists, given the limitations described above.

Council has previously been advised of the operational constraints affecting investigation responsiveness through the *Required Communication – Auditor General 2026 Work Plan Implementation Update*. Outstanding matters and associated records will also form part of the Auditor General transition process to support their future consideration by an authorized successor.

6. Conclusion

This status report provides City Council with a consolidated overview of Auditor General activities and reporting issued during the period. The report supports transparency, coordinated oversight, and disciplined follow-up without duplicating the content of individual audit and investigation reports.

No additional Council direction is requested beyond that associated with the individual Auditor General reports before Council.

Appendix A - Overall Workplan Progress

Reporting Status reflects the stage of work completion (Completed, Issued, or Tabled). Council Scheduling Status reflects the timing and disposition of formal Council consideration. Bolded items are included in this Status Report submission for the Council Agenda. Bolded titles are reports included in this Status Report for Council.

2025 Auditor General Workplan Related Projects

#	Project	Project Status	Council Action	Reporting Status (Completed / Issued / Tabled)	Council Scheduling Status
1	Auditor General's Report on Administration's Alignment with Essential Conditions	Completed	Submitted for Council receipt and direction	Issued	June 29, 2026
2	2026 Auditor General Charter Amendments (Alignment with Auditor General By-law 172-2025)	Completed	None at this time	Completed	Deferred – Superseded by Governance Changes ³
3	Auditor General Memo - Contract Alignment Arising from Council-Approved Auditor General Governance Instruments	Completed	None at this time	Completed	Deferred - Superseded by Governance Changes ⁴
4	2025 Annual Quality Self-Assessment and Reporting	Completed	Submitted for Council receipt	Tabled	March 30, 2026
5	2025 Performance Report (Year in Review)	Completed	Submitted for Council receipt	Tabled	March 30, 2026
6	Investigation – Administration of Right-of-Way Sewer Permits	Completed	Submitted for Council receipt and direction	Tabled	June 29, 2026

³ Superseded by Administration-led Charter revisions adopted April 27, 2026. The Auditor General subsequently completed a review of the adopted Charter and identified additional governance and professional standards alignment considerations expected to be communicated through future governance reporting.

⁴ Superseded by subsequent changes to the Auditor General governance framework, including Council Resolution CR144/2026, amendments to the Auditor General By-law and Charter, and resulting operational implementation changes. Any future contract-alignment assessment would need to consider the revised governance framework.

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#	Project	Project Status	Council Action	Reporting Status (Completed / Issued / Tabled)	Council Scheduling Status
7	Investigation – Conflict of Interest – City Department (Governance Review)	Completed	Submitted for Council receipt and direction	Tabled	March 30, 2026
8	Investigation – Hiring Practices	Completed	Submitted for Council receipt	Tabled	June 29, 2026
9	Investigation – Safety Concerns and Responsibility Dispute Over Municipal Road Closure	Completed	Submitted for Council receipt and direction	Tabled	June 29, 2026
10	Investigation – Conflict of Interest – City Department (Governance Review) #2	Completed	Submitted for Council receipt and direction	Tabled	March 30, 2026
11	Investigation – Respectful Workplace	Completed	Submitted for Council receipt and direction	Tabled	March 30, 2026
12	Investigation - Treatment of Citizen - Exclusionary Communication	Completed	Submitted for Council receipt and direction	Tabled	June 29, 2026

2026 Auditor General Workplan Related Projects

#	Project	Project Status	Council Action	Reporting Status (Completed / Issued / Tabled)	Council Scheduling Status
Governance & Framework-Related Initiatives					
1	Auditor General Revised 2026 Work Plan	Completed	Deferred- Not Being Advanced	Completed	No longer applicable
2	Required Communication - Annual AG Charter Update (2027)	Not Progressed	NA	NA	NA
3	Required Communication - 2027 Strategy & Technology	Not Progressed	NA	NA	NA
4	Required Communication – Auditor General 2026 Work Plan Implementation Update	Completed	Submitted for Council receipt	Tabled	June 29, 2026
5	Required Communication – Auditor General Transition Plan <i>(formerly - Auditor General Function – Future Governance and Service Delivery Consideration)</i>	Completed	Submitted for Council receipt	Issued	September 28, 2026
6	2026 Annual Quality Self-Assessment and Reporting	Not Progressed	NA	NA	NA
7	Q1 Status Report (Feb 2026) (Amended to March 19, 2026)	Completed	Submitted for Council receipt	Tabled	March 30, 2026
8	Q2 Status Report	Completed	Submitted for Council receipt	Tabled	June 29, 2026
9	Q3 Status Report	Completed	Submitted for Council receipt	Issued	September 28, 2026
10	Q4 Status Report	Not Yet Started			
11	2026 Performance Report (Year in Review)	Not Progressed	NA	NA	NA
12	Auditor General Executive Leadership Development Plan	Not Progressed	NA	NA	NA
13	Risk Assessment	Not	NA	NA	NA

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#	Project	Project Status	Council Action	Reporting Status (Completed / Issued / Tabled)	Council Scheduling Status
		Progressed			
14	2027 Work Plan	Not Progressed	NA	NA	NA
15	Fraud & Waste Hotline Administration Year End Summary				
16	Transition Report – Transition Constraints, Approach and Documentation Outputs				
Audit and Assurance Projects					
	None				
Fraud and Waste Hotline Responsibilities & Initiatives					
17	Fraud and Waste Hotline Administration	In Process / Ongoing			
18	Investigation – Compensation Practices	Issued / External tabling in process			
19	Investigation – Procurement Practices	Issued / Management comments pending			
20	Investigation – City Employee Operational Conduct - Transit Windsor	Completed	Submitted for Council receipt	Tabled	June 29, 2026
21	Investigation - Parking Ticket Administration and System	Completed	Submitted for Council receipt, acknowledgement and acceptance	Tabled	June 29, 2026
22	Investigation - WECHC Complaint (Oversight of Ongoing Communications)	Completed		Tabled	June 29, 2026

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#	Project	Project Status	Council Action	Reporting Status (Completed / Issued / Tabled)	Council Scheduling Status
23	Investigation – Respectful Workplace	Completed	Submitted for Council receipt and direction	Tabled	March 30, 2026
24	Financial Governance and Administrative Practices Of Significance	Reverted to Queue	NA	NA	NA
25	Contractor Billing and Invoice Controls	Queued	NA	NA	NA
26	Conflict of Interest Concern (Design, Department and Individual)	Reverted to Queue	NA	NA	NA
27	Employment Concerns	Queued	NA	NA	NA
28	Inappropriate Use of Overtime Protocols Resulting in Unnecessary Costs	Queued	NA	NA	NA
29	Investment Policy - Disclosure and Reporting Gap	Reverted to Queue	NA	NA	NA
30	Hourly Compensation for Specified Personnel	Queued	NA	NA	NA
31	Sharing Personal Information	Queued	NA	NA	NA
Council Directed Projects					
32	Transit Windsor Alignment (Selected Policies/Procedures Review)	In Process			