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

AUDITOR GENERAL 2026 Q2 STATUS REPORT

Issued: June 10, 2026
Council Tabling: June 29, 2026

CONTENTS

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.

Individual Auditor General audit and investigation reports are presented to City Council 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 tables summarize completed Audit and Assurance Reports and Investigations. All reports listed below are complete and have been issued in accordance with professional standards. Council scheduling reflects agenda sequencing and does not impact report completion status.

2.1 Audit and Assurance Reports

Report Title	Recommended Council Action	Current Status
Auditor General 2026 Q2 Status Report	Receive	Scheduled for June 29, 2026
Required Communication – 2026 Auditor General Operational Implementation Update	Receive	Scheduled for June 29, 2026
Auditor General Report Regarding Administration's Alignment with IIA Essential Conditions	Receive and direct	Previously deferred and now scheduled for June 29, 2026

2.2. Investigations

Report Title	Recommended Council Action	Current Status
Investigation - Hiring Practices	Receive	Previously deferred and now scheduled for June 29, 2026
Investigation – City Employee Operational Conduct - Transit Windsor	Receive	Scheduled for June 29, 2026
Investigation – Administration of Right-of-Way Sewer Permits	Receive and direct	Scheduled for June 29, 2026
Investigation - Safety Concerns and Responsibility Dispute Over Municipal Road Closure	Receive and direct	Previously deferred and now scheduled for June 29, 2026
Investigation – Treatment of Citizen – Exclusionary Communication	Receive and direct	Scheduled for June 29, 2026
Investigation - Parking Ticket Administration and System	Receive, acknowledge and accept	Scheduled for June 29, 2026

2.3 Report Summaries

The summaries below provide contextual highlights of completed Audit and Assurance Reports and Investigations referenced in this Status Report. Where applicable, detailed findings, analysis, and recommendations are contained in the individual reports issued or included for Council consideration.

2.3.1 2026 Q2 Auditor General Status Report

The Auditor General 2026 Q2 Status Report provides Council with a consolidated overview of Auditor General activities, investigations, governance communications, and ongoing work during the reporting period. This status report summarizes reports included in this agenda package, outlines investigations and projects currently in progress, provides visibility into the status of Fraud and Waste Hotline administration and queued allegations, and highlights key governance, resource, and professional standards considerations affecting the execution of the Auditor General mandate. The report is intended to support Council oversight, transparency, and the coordinated consideration of matters before Council, without duplicating the detailed content of individual Auditor General reports.

2.3.2 Required Communication – 2026 Auditor General Operational Implementation Update

The Auditor General issued a required communication to Council regarding the operational impacts arising from the implementation of Council Resolution CR144/2026. The communication was prepared in accordance with governance and professional standards expectations requiring timely communication to the governing body regarding significant operational constraints affecting the execution of the Auditor General mandate.

The review assessed the practical implications of implementing Council's direction to substantially concentrate all remaining discretionary effort on the Transit Windsor review within the approved 2026 resource envelope. The assessment considered impacts on the approved Work Plan, governance and reporting activities, investigations, responsiveness of the Fraud and Waste Hotline, execution of professional standards, and other responsibilities established by the Auditor General By-law, Charter, and applicable professional standards.

The communication concluded that implementation of CR144/2026 resulted in a material operational reprioritization of Auditor General activities for the balance of 2026. While core functions such as Fraud and Waste Hotline intake, selected investigations already in progress, governance reporting, and the Transit Windsor review continue, several governance, quality assurance, planning, reporting, and responsiveness activities have been reduced, deferred, or constrained in execution. The communication also identified resulting impacts on investigation responsiveness, emerging risk response capacity, standards conformance, and execution of certain governance obligations.

The memorandum was provided to support transparency, governance awareness, and informed Council consideration of the practical effects of implementing CR144/2026 within the remaining approved resource envelope. Appendix schedules were included to summarize the revised operational work plan, governance impacts, and professional standards considerations associated with the revised implementation state.

2.3.3 Auditor General's Report on Administration's Alignment with Essential Conditions

The Auditor General completed an assessment of Administration's alignment with the Institute of Internal Auditors' (IIA) Essential Conditions contained within the Global Internal Audit Standards. The review examined the governance and management supports necessary to enable an effective, independent, and professionally compliant Auditor General function, including matters relating to authority, organizational independence, access, oversight, and resource sufficiency.

The assessment concluded that Administration was aligned with the majority of the Essential Conditions reviewed. Administration demonstrated support for the Auditor General function through unrestricted access to information, recognition of the Auditor General's reporting relationship to Council, operational cooperation, and participation in governance processes supporting the function's mandate and independence.

The assessment identified one area warranting further consideration regarding Administration's role in providing Council with an organizational assessment of the sufficiency of Auditor General governance structures and resources. While Council had previously approved a Standards-Limiting Framework and received disclosures regarding resource constraints, the report concluded that an Administration-led assessment would provide Council with an additional governance perspective when considering the long-term sustainability of the Auditor General function and alignment with professional standards.

The report included a recommendation that Administration develop and present an action plan for Council's consideration regarding the governance structure and resourcing of the Auditor General function.

2.3.4 Investigation – Hiring Practices

The Auditor General completed an investigation into allegations of bias, favouritism, and unfairness in the City of Windsor's recruitment and hiring practices. The complaint raised concerns about whether qualified external candidates were being fairly considered for employment opportunities and whether internal applicants were receiving inappropriate preferential treatment.

The investigation reviewed the City's end-to-end recruitment and selection process, including job postings, recruitment channels, application materials, interview protocols, scoring methodologies, panel composition, and Human Resources oversight practices. The review also considered the governance, controls, and accountability mechanisms supporting candidate evaluation and selection.

The investigation concluded that the City's hiring processes are structured, consistently applied, and supported by documented controls designed to promote fairness, transparency, and objectivity. No evidence was identified to substantiate allegations of improper bias, favouritism, manipulation of recruitment controls, or inappropriate influence over hiring decisions. The investigation confirmed that internal applicants receive priority consideration for certain positions; however, this practice is required under applicable collective bargaining agreements and was found to be consistently applied within an established control framework.

While the complaint was not substantiated, the investigation identified several opportunities to enhance further transparency, documentation, and applicant understanding of recruitment processes. As the opportunities identified were advisory in nature, no formal recommendations or management action plans were issued.

2.3.5 Investigation – City Employee Operational Conduct - Transit Windsor

The Auditor General completed a review of a complaint received through the Fraud and Waste Hotline regarding the operation of a Transit Windsor vehicle. The complaint alleged that a Transit Windsor bus proceeded through a red traffic signal while turning and entered a through lane without signalling, creating a potential public safety concern.

In accordance with established protocols, the Auditor General referred the matter and supporting video evidence to Administration for internal review and subsequently validated Administration's handling of the complaint. The Auditor General reviewed the video evidence, Administration's response, and documentation confirming that appropriate supervisory review and follow-up actions had been undertaken.

The review found that the video evidence supported the operational conduct described in the complaint. Administration identified the employee involved, completed an internal review, and implemented targeted defensive-driving retraining in accordance with Transit Windsor operational oversight practices. No collision or injury occurred, and no pattern of similar complaints or broader control deficiencies was identified.

The complaint was substantiated with respect to the operational conduct observed; however, the Auditor General concluded that Administration's response was reasonable, proportionate, and consistent with established supervisory and training processes. No recommendations were issued, and no further action is required at this time.

2.3.6 Investigation – Administration of Right-of-Way Sewer Permits

The Auditor General completed an investigation into allegations that the City improperly supported a contractor regarding sewer connection permits and unpaid fees. The complaint raised concerns that City permitting practices and communications created the appearance that the City was enforcing a private debt and had taken sides in a dispute between a contractor and a property owner.

The investigation reviewed permit records, correspondence, lien-related documentation, applicable bylaws, and administrative practices associated with sewer connection and capping permits issued between 2013 and 2016. The review focused on governance, process, and communication considerations rather than the legal interpretation of ownership or lien rights.

The investigation found no evidence of deliberate bias or improper intent by City staff. However, weaknesses in permit documentation, inconsistent communications regarding ownership and responsibility for sewer connections, and references linking permitting actions to private payment disputes reasonably created perceptions of bias and confusion.

Recommendations were issued to strengthen permit integrity and documentation requirements, reinforce the City's neutral regulatory role in matters involving private disputes, and improve staff guidance and training to support consistent, factual, and evidence-based communications. Administration provided action plans which are expected to address the findings and recommendations.

2.3.7 Investigation – Safety Concerns and Responsibility Dispute Over Municipal Road Closure

The Auditor General completed an investigation into public safety concerns related to a municipal road closure during construction on Jefferson Boulevard. The complaint alleged that temporary barriers intended to restrict access to the construction zone were being moved outside normal construction hours, allowing unauthorized vehicle access and creating potential safety risks for residents, pedestrians, and workers.

The investigation reviewed Traffic Control Plans, contractual obligations, inspection records, site monitoring activities, resident communications, and incident-related correspondence. The review also considered compliance with the Ministry of Transportation Ontario traffic control standards, oversight responsibilities, and the allocation of safety-related responsibilities among the City and its contractors.

The investigation confirmed that temporary barriers were moved after hours and that unauthorized vehicle access to the construction zone occurred. However, the review found that approved Traffic Control Plans, required signage, and other traffic control measures were in place, and no injuries or property damage were substantiated. The investigation further concluded that contractual responsibilities for safety compliance were clearly established, although communication gaps contributed to resident uncertainty regarding whom to contact when concerns arose.

Recommendations were issued to strengthen communication protocols related to construction delays and project updates, and to enhance procedures governing the transfer of safety and traffic-control responsibilities during multi-party construction activities. Administration provided action plans which are expected to address the findings and recommendations.

2.3.8 Investigation – Treatment of Citizen – Exclusionary Communication

The Auditor General completed an investigation into a complaint regarding the City's handling of communications with a member of the public related to a planned construction project and subsequent interactions with City staff. The complaint raised concerns regarding access to information, responsiveness to inquiries, and the application of communication restrictions that limited available contact channels.

The investigation reviewed construction-notification practices, customer-contact handling procedures, escalation protocols, policies governing labour-intensive and inappropriate interactions, communication-restriction processes, and supporting documentation. The review also considered governance, accountability, and procedural fairness practices associated with managing high-volume or inappropriate contact with City staff.

The investigation concluded that the City's processes for notifying residents of construction activities and managing citizen inquiries were generally in place and functioning as intended. However, the review identified governance and control gaps relating to the administration of communication restrictions, including unclear ownership and accountability, inconsistent documentation, and the absence of clearly defined review periods, expiration criteria, or appeal mechanisms. These weaknesses increased the risk of inconsistent application and potential perceptions of unfairness.

Recommendations were issued to formalize governance and accountability for communication restrictions, establish defined review and reconsideration processes, and implement centralized tracking and standardized documentation to support consistency, oversight, and transparency. Administration provided action plans that are expected to address the findings and recommendations.

2.3.9 Investigation – Parking Ticket Practices

The Auditor General completed an investigation into a complaint regarding the City's mobile parking application and the subsequent issuance of a parking ticket. The complaint raised concerns regarding the clarity of parking restrictions and expiry times presented within the application, alignment between application information and posted parking requirements, the timing of enforcement actions, and whether enforcement practices were consistent and fair.

The investigation included a review of the mobile parking application, field testing of application functionality, examination of applicable by-laws and posted signage, assessment of parking enforcement practices, and analysis of available enforcement data. The review considered the issue from the perspective of a reasonable user relying on the application to understand and comply with parking requirements.

The investigation concluded that the parking application operates in accordance with configured parking rules and that enforcement practices were applied consistently with applicable by-laws and system-recorded expiry times. No evidence was identified to support allegations of improper enforcement, misalignment with parking regulations, or revenue-driven enforcement practices. However, the review identified opportunities to improve how parking restrictions, expiry times, and rate-period transitions are communicated within the application. While parking rules are established through by-laws and posted signage, the investigation found that certain application design features may reasonably contribute to user misunderstanding regarding the duration of valid parking coverage.

Recommendations were issued to improve the clarity of parking-duration information and the communication of rate-period boundaries within the application. Administration advised that existing controls are sufficient and indicated it will continue to monitor user feedback and system performance. Based on the information reviewed, the Auditor General concluded that Administration's acceptance of the residual risk associated with potential user misunderstanding is reasonable.

3. Ongoing/In Process Activities

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

In Process

- Investigation - Compensation Practices
- Investigation - Procurement Practices
- Investigation - WECHC Complaint (Oversight of Ongoing Communications)
- Council Directed Project - Transit Windsor Alignment (Selected Policies/Procedures Review)

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

During the period August 1, 2025, through May 31, 2026[1]:

- There have been 1,100 inbound communications through the hotline;
    - of these 715 have been unique communications;
    - 385 related to follow-up interactions;
- of the 715 unique inbound communications, 51 required effort beyond the initial intake assessment; and
- of the 51 allegations assessed and triaged, 4 have progressed to the investigation queue, and the remaining 47 have been rerouted or ceased under the Fraud and Waste Hotline policy.

[1] The reporting period begins August 1, 2025, consistent with the Council-approved 2026 Auditor General Work Plan. The approved planning assumptions contemplated that investigative demand could exceed available capacity during the August 1, 2025 to December 31, 2026 period. Accordingly, allegations were intended to be risk-assessed and prioritized within the overall resource envelope, with investigations advancing based on risk, timing, and available capacity rather than solely on date of receipt.

4.2 Investigation Queue[2]

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). Such an initial discussion of the investigation may revise the effort, 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.

Investigation Queued	Allegation Intake Risk Assessment (Critical, High, Medium, Low)	Status	Projected Effort (not qualified)
Financial Governance and Administrative Practices Of Significance*	Critical	Paused	247
Conflict of Interest Concern (Design, Department and Individual)*	Critical	Paused	130
Employment Concerns^	High	Queued	114
Inappropriate Use of Overtime Protocols Resulting in Unnecessary Costs*	High	Queued	130
Investment Policy - Disclosure and Reporting Gap*	High (has a significant dependency on prior investigation working paper file)	Paused	55

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.

[2] Consistent with the operational implementation state commuofThe implementation the nicated 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.

Paused indicates that investigation work has 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)	24
In-progress items requiring reassessment of closure timelines	3
Findings from issued but not yet tabled reports with resolution dates on or before Dec. 31, 2026)	6
Findings from issued but not yet tabled reports with resolution dates beyond 2026	4
Total of Known Findings expected for validation in 2027	**37**
Longer-cycle BIA governance/compliance reassessment items	47[3]
Total tracked follow-up inventory	**84**

5. Key Themes & Risks

5.1 Fraud, Waste, and Wrongdoing Considerations

During the reporting period, the Auditor General continued to administer and assess submissions received through established complaint and reporting mechanisms, including matters alleging fraud, waste, wrongdoing, or other integrity-related concerns. Fraud and integrity risks were also considered during audit and investigation activities completed during the period.

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

No systemic fraud issues requiring immediate escalation to Council were identified during the reporting period. Matters requiring further assessment continue to be addressed through established intake, investigation, reporting, and follow-up processes, as applicable.

Council has separately been advised of operational constraints affecting investigation responsiveness and the progression of certain allegations through the Auditor General's Required Communication – 2026 Work Plan Implementation Update.

The Auditor General will continue to report to Council on matters warranting Council's attention.

6. Conclusion

This status report is intended to provide 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 for Council with this Status Report.

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**	**Deferred – Rescheduled for 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[4]
3	Auditor General Memo - Contract Alignment Arising from Council-Approved Auditor General Governance Instruments	Completed	None at this time	Completed	Deferr - Superseded by Governance Changes[5]
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**	**Issued**	**Scheduled for June 29, 2026**

[4]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.

[5]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.

#	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**	**Issued**	**Deferred – Rescheduled for June 29, 2026**
9	**Investigation – Safety Concerns and Responsibility Dispute Over Municipal Road Closure**	**Completed**	**Submitted for Council receipt and direction**	**Issued**	**Deferred – Rescheduled for 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 - Treatments of Citizen - Exclusionary Communication**	**Completed**	**Submitted for Council receipt and direction**	**Issued**	**Scheduled for 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
7	**Required Communication – Auditor General 2026 Work Plan Implementation Update**	**Completed**	**Submitted for Council receipt**	**Issued**	**Scheduled for June 29, 2026**
5	2026 Annual Quality Self-Assessment and Reporting	Not Progressed	NA	NA	NA
6	Q1 Status Report (Feb 2026) (Amended to March 19, 2026)	Completed	Submitted for Council receipt	Tabled	March 30, 2026
7	**Q2 Status Report**	**Completed**	**Submitted for Council receipt**	**Issued**	**Scheduled for June 29, 2026**
8	Q3 Status Report	Not Yet Started			
9	Q4 Status Report	Not Yet Started			
10	2026 Performance Report (Year in Review)	Not Progressed	NA	NA	NA
11	Auditor General Executive Leadership Development Plan	Not Progressed	NA	NA	NA
12	Risk Assessment	Not Progressed	NA	NA	NA

#	Project	Project Status	Council Action	Reporting Status (Completed / Issued / Tabled)	Council Scheduling Status
13	2027 Work Plan	Not Progressed	NA	NA	NA
Fraud and Waste Hotline Responsibilities & Initiatives					
14	Fraud and Waste Hotline Administration	In Process			
15	Investigation – Compensation Practices	In Process			
16	Investigation – Procurement Practices	In Process			
17	**Investigation – City Employee Operational Conduct - Transit Windsor**	**Completed**	**Submitted for Council receipt**	**Issued**	**Scheduled for June 29, 2026**
18	**Investigation - Parking Ticket Administration and System**	**Completed**	**Submitted for Council receipt, acknowledgement and acceptance**	**Issued**	**Scheduled for June 29, 2026**
19	Investigation - WECHC Complaint (Oversight of Ongoing Communications)	In Process			
20	Investigation – Respectful Workplace	Completed	Submitted for Council receipt and direction	Tabled	March 30, 2026
21	Investigation - Conflict of Interest #3 (Design, Department and Individual)	Reverted to Queue	NA	NA	NA
22	Investigation - Investment Policy - Disclosure and Reporting Gap	Reverted to Queue	NA	NA	NA
23	Investigation – Financial Governance and Administrative Practices Of Significance	Reverted to Queue	NA	NA	NA
24	Investigation – Employment Concerns	Queued	NA	NA	NA

#	Project	Project Status	Council Action	Reporting Status (Completed / Issued / Tabled)	Council Scheduling Status
25	Investigation - Inappropriate Use of Overtime Protocols Resulting in Unnecessary Costs	Queued	NA	NA	NA