Edmonton

**OFFICE OF
THE CITY AUDITOR**

REPORT
RECOMMENDATION
FOLLOW-UP

Administration closed 22 recommendations.

There are 34 outstanding recommendations: 29 are not yet due and 5 are overdue.

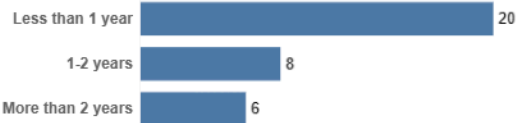**FEBRUARY 6, 2026**

Recommendation Dashboard

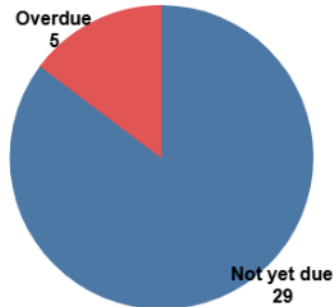## Office of the City Auditor - Recommendations Summary

34
recommendations currently outstanding

Years since recommendation was made

Less than 1 year	20
1-2 years	8
More than 2 years	6

Outstanding Recommendation Distribution

Overdue 5

Not yet due 29

Outstanding Recommendations by Department

Financial and Corporate Services 13	Community Services 5
	Integrated Infrastructure Services 4
Office of the City Manager 7	Urban Planning and Economy 3
	City Operations 2

12
recommendations due in the next 6 months

3
recommendations closed in the last 30 days

22
recommendations closed since last follow-up report to audit committee

37
recommendations closed to date in 2025

82%
of recommendations due to date in 2025 closed on time

Closed Recommendations

Since our last report (August 14, 2025) Administration has **closed 22 recommendations.**

Project Name	Department	Recommendation	Due Date	Closed Date
1. [Affordable Housing Funding Decisions](#)	Community Services	Rec 1 - Improve guidance and supporting documentation	March 1, 2026	November 12, 2025

On April 11, 2025 we recommended that the Social Development Branch improve the Affordable Housing Investment Program (AHIP) grant application review and scoring process guidance and supporting documentation retention. This should include: guidance on when internal subject matter expert input is required and what information they should be commenting on, retaining documentation to support scoring decisions, and retaining the documentation for how the percentage funded was decided.

The Social Development Branch made the following improvements to the AHIP grant application review and scoring guidance and supporting documentation:

- Created a Terms of Reference document that outlines the personnel make-up of a Technical Review Committee, what area of subject matter expertise the members provide, and whether they only provide comment or if they also provide scoring for an application.
- Created Terms of Reference for all subject matter experts that are part of the Technical Review Committee for AHIP grant application scoring. The Terms outline the Branch's expectations and the scope of the experts review.
- Implemented a software solution for AHIP grant scoring, which retains all documentation used to determine a grant score.
- Created a meeting minute template to document meetings held to determine which grants are recommended for funding. The template includes a section for documenting the rationale for decisions, and the notes are retained by the Branch

2. [Affordable Housing Funding Decisions](#)	Community Services	Rec 2 - Review individual application scores	December 31, 2025	November 12, 2025

On April 11, 2025 we recommended that the Social Development Branch review individual Affordable Housing Investment Program (AHIP) grant application scores to prevent errors.

The Social Development Branch implemented a software solution that it uses for the scoring of AHIP grant applications that automates a portion of the previously manual scoring process. They also compile the total score in a separate spreadsheet that verifies the total score. Between the two tools, they have greatly reduced the potential for scoring errors in grant applications.

| 3. | [Affordable Housing Funding Decisions](#) | Community Services | Rec 5 - Improve below market sales agreement monitoring | December 31, 2025 | January 15, 2026 |

On April 11, 2025 we recommended that the Social Development Branch develop and use methodology to monitor and track below market land sales affordable housing agreement obligations to consistently confirm that recipients are fulfilling their responsibilities.

The Social Development Branch created a methodology document that outlines how they monitor agreements and the key compliance areas of agreements that should be reviewed. They have also implemented a software solution that lists all current active agreements they are monitoring. The software tracks when annual reporting for each agreement is due and sends out automatic reminders to the agreement holder.

| 4. | [City's Response to Homelessness](#) | Community Services | Rec 3 - Develop performance measures and evaluate the homelessness plan | December 31, 2023

1st Revised due date:

December 31, 2024

2nd Revised due date:

December 31, 2025 | December 22, 2025 |

On May 27, 2022 we recommended that the City Manager develop performance measures and evaluate whether the corporate-wide homelessness plan is achieving the desired results.

In response to an additional recommendation from this audit, the Social Development Branch developed a corporate-wide homelessness plan to define the strategy and to integrate and coordinate the City's internal response to homelessness. The Branch then used this plan as the basis to develop a performance measure framework, which includes performance measure and targets. The Branch is using these to evaluate achievement of the plan's goals and to inform potential changes to City-led strategies.

| 5. | [Employee Business Expenses Data Analytics](#) | Financial and Corporate Services | Rec 1 - Clear unapproved transactions and monitor future ones | December 31, 2025 | December 22, 2025 |

On June 9, 2025, we recommended that the Financial Services Branch review and clear all previously unapproved credit card transactions in the accounting system and monitor that future transactions are approved in a timely manner to enhance compliance with the administrative procedure.

The Financial Services Branch and the Open City and Technology Branch met to discuss clearing unapproved transactions that were posted in the accounting system. They concluded that retroactively changing the unchangeable "posted" field would be a major and inefficient undertaking, especially given the City's preparation for the transition to Enterprise Commons. To mitigate the risk of unapproved transactions being posted, the Financial Services Branch took several actions:

- Communication and Emphasis: They communicated with all Branch Managers, Directors, corporate credit card holders, and approvers, stressing the critical need for prompt submission and approval of transactions within CentreSuite.
- Monitoring: An employee has been assigned to regularly monitor timely approvals using the audit-developed dashboard.

These mitigating controls effectively address the intent of the recommendation, reducing the risk of unapproved credit card transactions being posted to the accounting system. These transactions are still reviewed and approved in CentreSuite. The new measures focus on ensuring timely processing of credit card transactions.

| 6. | [Dedicated Accessible Transit Services (DATS)](#) | City Operations | Rec 2 - Update password requirements and destroy sensitive information | December 31, 2025 | December 22, 2025 |

On January 30, 2025, we recommended that the Dedicated Accessible Transit Service (DATS) team update password requirements and destroy sensitive information in accordance with City rules to better safeguard it against unauthorized use.

The DATS team updated passwords for all staff with access to client personal information. Updated passwords are unique and not easily guessable.

The DATS team also purged over 24,000 records for deceased riders and those that have not taken a trip in over seven years. In line with City policy, they will perform this review and purge of records annually.

7.	[Dedicated Accessible Transit Services (DATS)](#)	City Operations	Rec 4 - Have a second individual review and approve contractor assessments and invoices	December 31, 2025	September 17, 2025

On January 30, 2025, we recommended that the Dedicated Accessible Transit Service (DATS) team have a second individual review and approve contractor assessments and invoices to reduce errors.

The DATS team updated their payment approval process. Monthly payment reports are now prepared by an analyst and reviewed by the Paratransit Contract Coordinator. This signoff is documented. When the contractors upload invoices for payment, the Paratransit Manager reviews invoices against the monthly payment reports to make sure they match. Invoices are only paid after they are approved by both the Paratransit Contract Coordinator and the Paratransit Manager, and this signoff is documented within the City's vendor management system.

For contractor assessments, the DATS team previously amended their contracts to make charging service assessments discretionary. Since then, they have not felt the need to charge them, so there was nothing to review.

8.	[Dedicated Accessible Transit Services (DATS)](#)	City Operations	Rec 5 - Improve strategic planning	September 30, 2025	October 1, 2025

On January 30, 2025, we recommended that the Dedicated Accessible Transit Service (DATS) team improve its strategic planning by enhancing its performance measurement framework to include clearly defined goals, measures, and targets, and to conduct regular risk assessments at the paratransit level.

The DATS team created the DATS Strategic Reporting Framework. It defines four service objectives that align with DATS' mission and vision. Each objective is supported by performance measures and targets.

The DATS team also worked with the ETS Branch to update the Branch risk register to include paratransit-specific risks. There are eight paratransit-specific risks, each of which has been scored for impact and likelihood, with controls and mitigations identified. This risk register is updated regularly as part of the City's Enterprise Risk Management program.

9.	[Dedicated Accessible Transit Services (DATS)](#)	City Operations	Rec 6 - Regularly review service model	December 31, 2025	January 9, 2026

On January 30, 2025, we recommended that the Dedicated Accessible Transit Service (DATS) team regularly review its service model to optimize value for money and service quality.

The DATS team developed a Service Delivery Model Review Framework which identified the inputs, criteria, and weightings to be used to score different delivery options. The framework also specifies that the review will happen every four years prior to the budget cycle. The DATS team evaluated their service delivery options, scoring each one in alignment with the framework. They summarized these results in a summary document which also included additional context, demand analysis, and selected the preferred service delivery model going forward.

10.	[Dedicated Accessible Transit Services (DATS)](#)	City Operations	Rec 7 - Implement data validation controls and data quality assurance	September 30, 2025	October 1, 2025

On January 30, 2025, we recommended that the Dedicated Accessible Transit Service (DATS) team implement data validation controls and a data quality assurance process to regularly review data accuracy and completeness to help make evidence-informed decisions.

The DATS team prioritized the data errors found in the audit by materiality. Data validation controls could not be implemented due to the high cost required to do so. Instead, for the monthly strategic report, the team implemented a review process and signoff by the preparer and reviewer. Two individuals also check formulas and algorithms that feed data into the monthly strategic report. For complaints data, the DATS team implemented a Complaints Data Integrity Process whereby a DATS analyst reviews all complaints data to identify and correct missing information.

11.	[Dedicated Accessible Transit Services (DATS)](#)	City Operations	Rec 8 - Update training materials and track training completion	December 31, 2025	January 9, 2026

On January 30, 2025, we recommended that the Dedicated Accessible Transit Service (DATS) team update training material and formally track training completion to equip staff with the necessary skills and knowledge to provide excellent service.

The DATS team updated their training manuals and developed and implemented training tracking sheets to record training completion.

12. [Environmental and Climate Governance](#)	Urban Planning and Economy	Rec 1 - Formalize roles and responsibilities	December 31, 2025	January 8, 2026

On March 28, 2024, we recommended that the Planning and Environment Services Branch formally assign and communicate roles and responsibilities for clear accountability and integration of the climate strategies throughout the organization.

The Planning and Environment Services Branch developed a Climate Governance Framework which utilizes a formal matrix to assign roles and responsibilities across the organization. The Framework was approved by the Executive Leadership Team on December 18, 2025. To support the Framework, the Executive Leadership Team also approved the transition from the temporary Climate Task Force to a permanent Climate Committee. The Framework was communicated organization-wide in January 2026.

13. [Environmental and Climate Governance](#)	Urban Planning and Economy	Rec 2 - Build climate competencies	December 31, 2025	January 16, 2026

On March 28, 2024, we recommended that the Planning and Environment Services Branch identify climate-related training needs, and develop a program to provide staff with that training to build climate competencies throughout the organization.

The Planning and Environment Services Branch conducted a survey to identify climate-related training needs. A training program was developed including mandatory orientation, general awareness, and targeted job-specific training. New climate courses have been made available via the City's Learning Management System and were communicated organization-wide in January 2026. The Branch also established processes for training reassessments, content reviews, and ongoing monitoring to track completion.

14. [Facility Maintenance Services](#)	City Operations	Rec 2 - Document and complete work orders	January 31, 2026	February 6, 2026

On November 7, 2024 we recommended that the Fleet and Facility Services Branch provide staff with clear guidelines on how to document work performed and close work orders and monitor whether staff are complying with this guidance.

The Fleet and Facility Services Branch has updated their Standard Operating Procedures for their core maintenance services including service requests, preventive maintenance, and corrective work. The Standard Operating Procedures provide guidance and examples on how to document the work completed as well as the use of statuses to signify completion of a work order. They have also developed dashboards to monitor work order statuses and completed training of forepersons and contract inspectors.

15.	Facility Maintenance Services	City Operations	Rec 3 - Determine workload capacity	December 31, 2025	December 15, 2025

On November 7, 2024 we recommended that the Fleet and Facility Services Branch develop indicators to track workload capacity and use that information to determine if they can accept demand work.

The Fleet and Facility Services Branch has developed a step-by-step decision making process to determine whether they can accept new service requests. The process includes reviewing the criticality of the work along with key performance indicators of the Branch including completion of outstanding work orders, completion compliance to expected timelines, and timeliness of work initiation. Supervisors have also completed training on the process and the use of the dashboard.

16.	Facility Maintenance Services	City Operations	Rec 4 - Monitor staff	November 30, 2025	November 5, 2025

On November 7, 2024 we recommended that the Fleet and Facility Services Branch improve how it monitors the accountability of forepersons and contract inspectors for the hours worked, compliance with hybrid work arrangements, and consistent use of location monitoring for safety purposes.

The Fleet and Facility Services Branch completed both electronic and in-person communication to clarify hybrid versus flexible work arrangements as well as the importance of the destination application. This communication included emails to staff, frequently asked questions document, virtual and in-person toolbox talks and other in-person sessions led by management. In addition, the Branch enhanced the destination application. The use of the application is now mandatory for all front line staff, forepersons, and contract inspectors. The Branch implemented a dashboard to assist supervisors and people leaders with monitoring. Going forward the application will also be used to support the review of private vehicle reimbursement claims.

17. Facility Maintenance Services	City Operations	Rec 5 - Monitor safety requirements	January 31, 2026	November 7, 2025

On November 7, 2024 we recommended that the Fleet and Facility Services Branch consistently completes the required safety forms and verifies that they are completed to meet safety requirements.

The Fleet and Facility Services Branch communicated with their staff the expectations and requirements for completing the Occupational Health & Safety (OH&S) Inspections and Field Level Hazard Assessments (FLHA). Additionally, supervisors incorporated the results of these inspections into their Employee Performance Plan for all zone forepersons. We reviewed the dashboard reports and concluded that 28 of 30 individuals are completing their OH&S requirements. Also, tradepersons are completing FLHA's on the work orders, and the forepersons are reviewing 98 percent of them.

18. Fraud Risk Management Assessment	Financial and Corporate Services	Rec 4 - Develop fraud risk assessment methodology	September 30, 2025	October 10, 2025

On November 7, 2024 we recommended that the City Manager develop risk assessment methods that include a process to identify risks and controls, and monitor and evaluate those controls.

The Service Innovation and Performance Branch incorporated fraud risk assessments in the Enterprise Risk Management (ERM) Framework. The Branch also enhanced the ERM Risk Rating Guide to specifically consider fraud risks. All ERM risk categories now include sample fraud risks to help branches identify and address fraud risks when completing their annual risk registers. The City's Risk Committee will review fraud risk assessments and mitigations as part of the overall reporting process.

19. Grants and Subsidies	Financial and Corporate Services	Rec 2 - Monitor and Report on Business Area Compliance	March 31, 2024 **1st Revised due date:** September 30, 2024 **2nd Revised due date:**	October 30, 2025

				September 30, 2025

On April 24, 2023 we recommended that the Financial Services Branch monitor and report on business areas' compliance with the grants and subsidies governing documents.

The Financial Services Branch developed and implemented a process to monitor and report on compliance with the Municipal Funding Arrangements Policy A1476A. The Branch established specific compliance monitoring expectations based on principles and specific criteria. These include the presence of a funding agreement, the reasonableness of the funding amount, a clear recipient selection process, alignment with corporate priorities, and the provision of various reports (output, activities, financial, outcome, and business plans). The compliance monitoring also verifies financial processes such as correct coding, proper payment authorization, and adherence to disbursement criteria according to the funding arrangement. The results of the compliance monitoring are shared directly with the respective business areas, and a consolidated summary is provided to the Financial Services Branch Manager and the Chief Financial Officer.

20. Grants and Subsidies	Financial and Corporate Services	Rec 3 - Evaluate grant programs and subsidies	March 31, 2024 **Revised due date:** September 30, 2025	September 16, 2025

On April 24, 2023 we recommend the Financial Services Branch develop guidance for evaluation of and reporting on the outcomes of grant programs and subsidy payments, and monitor and report on the evaluations that business areas conduct.

The Financial Services Branch prepared reporting templates that external groups receiving funding are required to complete. The templates are available on the City's website and follow a similar format across funding programs. Content of final reporting templates varies depending on the amount of funding provided and may include reporting requirements for financial, activities, outputs and outcomes as per the funding agreement or funding letter. The Branch presented the first Municipal Funding Arrangements Outcome Report to Council in September 2025.

21. IT Asset Management	Financial and Corporate Services	Rec 2 - Maintain accurate software license data	December 31, 2024 **Revised due date:**	September 12, 2025

| | | | September 30, 2025 | |

On August 31, 2023 we recommended that the Open City and Technology Branch maintain accurate software license data to efficiently manage inventory.

The Open City and Technology Branch prepared a process document outlining the steps to collect, validate, and reconcile software licensing data. The Branch is updating software license data and ensuring accuracy of the information through this process.

| 22. | Safety Codes Permits & Inspection Services | Urban Planning and Economy | Rec 2 - Expand risk-based inspections | September 30, 2023 **1st Revised due date:** December 31, 2024 **2nd Revised due date:** December 31, 2025 | November 14, 2025 |

On October 3, 2022 we recommended that Safety Codes Permits & Inspections (SCPI) expand its use of their risk-based model to determine the actual inspections needed for new single-detached homes.

SCPI expanded their use of the risk-based model by adding four inspections in 2025. The framing first and the insulation & vapour barrier inspections were added in January 2025. The electric wiring rough-in and natural gas was added in November 2025. SCPI also expanded the application of the model to semi-detached homes. Additionally, SCPI adjusted the model's tolerance for two inspection types in October 2024.

Overdue Recommendations

There are five overdue recommendations.

Two recommendations are **more than one year overdue.**

Three recommendations are **less than one year overdue.**

Project Name	Department	Recommendation	Months Overdue	Due date
1. Civic Agencies Governance	Office of the City Manager	Rec 2 - Support Council to regularly review mandate	**14**	December 31, 2024 **Revised due date:** June 30, 2025 **2nd Revised due date:** December 31, 2025 **3rd Revised due date:** March 31, 2026
2. Historic Resource Management Program	Urban Planning and Economy	Rec 1 - Update guiding documents	**14**	December 31, 2024 **Revised due date:** June 30, 2026

3.	Cybersecurity Program	Financial and Corporate Services	Rec 9 - Made in Private	**7**	June 30, 2025 **Revised due date:** March 1, 2026
4.	Cybersecurity Program	Financial and Corporate Services	Rec 2 - Made in Private	**1**	December 31, 2025 **Revised due date:** September 30, 2026
5.	[Fraud Risk Management Assessment](#)	Office of the City Manager	Rec 3 - Enhance fraud awareness education	**1**	December 31, 2025 **Revised due date:** June 30, 2027

Administration provides the Office of the City Auditor with the revised due dates and rationale for the date for each recommendation that is overdue. We have assessed each of the revised dates as reasonable.

Recommendations Not Yet Due

There are 29 recommendations that are **not yet due**.

	Project Name	Department	Recommendation	Months until due	Due date
1.	[Affordable Housing Funding Decisions](#)	Community Services	Rec 3 - Improve Affordable Housing Investment Program grant agreement monitoring	**1**	March 1, 2026
2.	[Affordable Housing Funding Decisions](#)	Community Services	Rec 4 - Develop below market sales guidelines	**1**	March 1, 2026
3.	[Equitable Recreation Programming](#)	Community Services	Rec 2 - Develop an integrated plan	**2**	March 31, 2026
4.	[Enterprise Risk Management Maturity Assessment](#)	Financial and Corporate Services	Rec 3 - Dedicate resources to ERM program	**2**	March 31, 2026
5.	[Procurement System (Ariba) - User Experience](#)	Community Services	Rec 1 - Improve process to review training gaps	**2**	March 31, 2026
6.	[Taxation, Assessment and Collection System](#)	Financial and Corporate Services	Rec 1 - Establish a governing body for the Taxation, Assessment and Collection System application	**2**	March 31, 2026

7.	Taxation, Assessment and Collection System	Financial and Corporate Services	Rec 2 - Implement Taxation, Assessment and Collection System application risk management	**2**	March 31, 2026
8.	Facility Maintenance Services	City Operations	Rec 1 - Update governing documents	**4**	May 31, 2026
9.	Equitable Recreation Programming	Community Services	Rec 3 - Identify and track minimum objectives for each programming type and individual program	**5**	June 30, 2026
10.	Environmental and Climate Governance	Urban Planning and Economy	Rec 3 - Develop a monitoring evaluation framework	**5**	June 30, 2026
11.	Environmental and Climate Governance	Urban Planning and Economy	Rec 4 - Improve climate-informed decision making	**5**	June 30, 2026
12.	Procurement System (Ariba) - User Experience	Community Services	Rec 2 - Monitor and address frequent Ariba tickets	**5**	June 30, 2026
13.	Equitable Recreation Programming	Community Services	Rec 4 - Develop documented guidance	**8**	September 30, 2026
14.	IT Governance - Business Technology Investment	Office of the City Manager	Rec 1 - Clearly communicate process owner and their authority	**8**	September 30, 2026
15.	IT Governance - Business Technology Investment	Office of the City Manager	Rec 2 - Update the IT Investment and Architecture Administrative Directive and Procedure	**8**	September 30, 2026

16. Neighbourhood Renewal	Integrated Infrastructure Services	Rec 1 - Implement Clear Requirements For Supporting Documentation	**9**	October 31, 2026
17. Neighbourhood Renewal	Integrated Infrastructure Services	Rec 2 - Provide Additional Clarity To Residents	**9**	October 31, 2026
18. Neighbourhood Renewal	Integrated Infrastructure Services	Rec 3 - Develop Guidance for Communication and Engagement Tactic Usage	**9**	October 31, 2026
19. Cyber Security Program	Financial and Corporate Services	Rec 5 - Made in private	**11**	December 31, 2026
20. Enterprise Risk Management Maturity Assessment	Office of the City Manager	Rec 4 - Define risk appetite and tolerance thresholds	**11**	December 31, 2026
21. Enterprise Risk Management Maturity Assessment	Office of the City Manager	Rec 5 - Develop consistent, city-wide methodologies for ERM	**11**	December 31, 2026
22. Enterprise Risk Management Maturity Assessment	Office of the City Manager	Rec 6 - Improve ERM's technology infrastructure	**11**	December 31, 2026
23. Waste Collection Services	City Operations	Rec 3 - Assess the division of internal and external service providers for collection services	**11**	December 31, 2026
24. IT Governance - Business Technology Investment	Office of the City Manager	Rec 3 - Provide training to technology investment decision-makers	**12**	January 30, 2027

25.	IT Governance - Business Technology Investment	Office of the City Manager	Rec 4 - Collect and consolidate consistent reporting for all business technology investments into a complete, City-wide portfolio	**12**	January 30, 2027
26.	IT Governance - Business Technology Investment	Office of the City Manager	Rec 5 - Regularly evaluate the Corporate Business Technology Investment Framework's effectiveness	**12**	January 30, 2027
27.	Enterprise Rise Management Maturity Assessment	Financial and Corporate Services	Rec 1 - Enhance Enterprise-Risk Management Program	**17**	June 30, 2027
28.	Enterprise Rise Management Maturity Assessment	Financial and Corporate Services	Rec 2 - Develop and Implement ERM education	**17**	June 30, 2027
29.	Capital Asset Management	Integrated Infrastructure Services	Rec 2 - Guide development of Asset Management Plans	**23**	December 31, 2027

Recommendation Follow-Up Process

BACKGROUND

Establishing a follow-up process to monitor and ensure that Administration has effectively implemented audit recommendations is an essential part of an effective audit process. It allows Council, Administration, and the Office of the City Auditor to know that prior recommendations and the risks that led to those recommendations have been addressed.
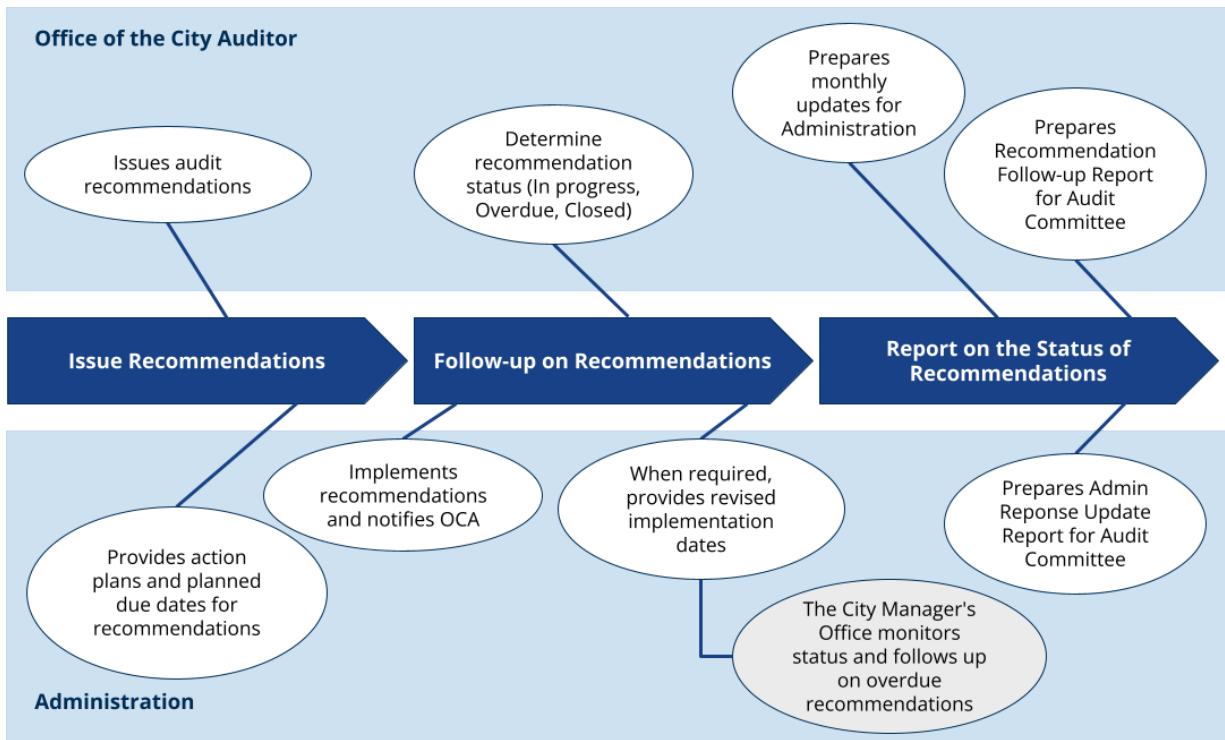
RECOMMENDATION FOLLOW-UP PROCESS

The Office of the City Auditor's follow-up process provides Council and the Administration with timely updates on commitments made in response to audit recommendations.

The recommendation follow-up process consists of three main activities:

1. Issuing recommendations
2. Following-up on recommendations
3. Reporting on the status of recommendations

The chart on the next page depicts the follow-up process and the roles of the Office of the City Auditor and Administration in the process.

REVISING ACTION PLANS AND DUE DATES

Administration sometimes needs to revise action plans and planned due dates as a result of unforeseen circumstances, such as competing priorities, changes in resources, and changes in industry requirements. We continue to track recommendation status based on the original due date, and provide the revised due date in this report.

CLOSING RECOMMENDATIONS

Once administration notifies us that they have implemented the recommendation, we interview appropriate business area staff and review documentation to evaluate administration's actions. We evaluate whether their actions have addressed the risks identified during the audit. We close the recommendation once Administration has met the intent of the recommendation.