



Audit Committee

Addendum

Agenda Published February 20, 2026

Addendum Published February 26, 2026

Revised Addendum published March 3, 2026

Date: March 4, 2026

Time: 3:30 p.m.

Location: Council Chambers, City Hall, second floor

Contact: Committee Clerk, Suzanne.Gillies@burlington.ca, 905-335-7777, x 7862

Pages

5. Delegations

5.1 Jim Thomson regarding Aquatics space allocation audit (AUD-05-26)

5.2 Cody Bradt, Golden Horseshoe Aquatic Club regarding Aquatics space allocation audit (AUD-05-26)

8. Regular Items

8.3 2026 Annual audit plan for office of the city auditor (AUD-03-26)

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Note: this item was published on February 26, 2026

Approve the 2026 audit plan for the office of the city auditor attached in Appendix-A of office of the city auditor report AUD-03-26.

8.4 Aquatics space allocation audit (AUD-05-26)

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Note: this item was published on February 26, 2026

Receive for information office of the city auditor report AUD-05-26 regarding aquatics space allocation audit.

SUBJECT: 2026 Annual audit plan for office of the city auditor

TO: Audit Committee

FROM: Corporate Affairs

City Auditor

Report Number: AUD-03-26

Wards Affected: Not applicable

Date to Committee: March 4, 2026

Date to Council: March 10, 2026

Recommendation

Approve the 2026 audit plan for the office of the city auditor attached in Appendix-A of office of the city auditor report AUD-03-26.

Executive Summary

Purpose of report:

- To request approval of the 2026 Audit Plan for Office of the City Auditor.

Key findings:

- An annual risk-based audit plan with approval by the Audit Committee is a requirement of the *Global Audit Standards*. Additional feedback from Audit Committee to perform value-for-money audits is reflected in the Audit Plan.
- The rationale, associated risks and high-level scope of work is included for each audit project in Appendix-A.

Implications:

- There is no immediate financial impact from approving this annual audit plan however, staff time will be modestly impacted in each affected department.

Recommendation Report

Background

Standard #9.4 of the Global Internal Audit Standards published by the Institute of Internal Auditors (IIA) require:

“The Chief Audit Executive must base the internal audit plan on a documented assessment of the organization’s strategies, objectives, and risks. This assessment must be informed by input from the board and senior management as well as the Chief Audit Executive’s understanding of the organization’s governance, risk management, and control processes. The assessment must be performed at least annually.”

The annual audit plan is effectively a workplan for the Office of the City Auditor and is required to be approved by the Audit Committee. The objectives of the 2026 Audit Plan are to:

1. Provide assurance to Audit Committee and Management that business processes and internal controls are operating effectively, efficiently and in compliance with City’s policies and procedures.
2. Focus internal audit resources and attention on high-risk and priority areas
3. Identify incremental improvements within City operations
4. Provide value through meaningful recommendations to Management and staff

The mandate of the Office of the City Auditor was previously reviewed and approved by Audit Committee in report #[CA-15-24](#). This document (called an Internal Audit Charter) describes the mission, objectives and responsibility of the Office of the City Auditor. The creation of the annual audit plan fulfills the professional obligation for internal auditors and requirements under the Internal Audit Charter.

Analysis

The proposed 2026 Audit Plan was informed by the following sources:

1. A refresh of the corporate-wide inherent risk assessment
2. A jurisdictional scan of internal audit plans in 24 other municipalities
3. Consultation with members of the Audit Committee and Senior Management

Corporate wide-risk assessment

This annual process begins by identifying all City services/business units in all departments and divisions. The outcome of this is called an Audit Universe (see Appendix-B), which identifies all 137 ‘auditable units’ in the City (i.e. any department/division/sub-group that can be audited). In 2024, new City leadership embarked on a corporate re-organization which

necessitated a major refresh of this Audit Universe. Past internal audits are also identified here to demonstrate audit coverage over the years.

A comprehensive risk assessment methodology (identified in Appendix-C) was reviewed from 2023; no changes were proposed for the current year. This methodology applies a quantifiable rationale for measuring various unique and dissimilar City services to arrive at a common risk score. The methodology measures inherent risk, meaning it evaluates the state of risk in the absence of any controls or mitigating factors.

Next, all 137 audit units are individually evaluated against 22 risk criteria from the methodology; resulting in 3014 unique assessments. The outcome of this corporate-wide risk assessment identifies the areas of the organization with a higher risk profile (see Appendix-D). Various sources informed the evaluation of these 3014 unique assessments including:

- 2026 Budget Book
- Organizational Chart
- “Corporate Compass” corporate strategic plan
- Anecdotal evidence collected from regular attendance at management meetings

Jurisdictional Scan

An analysis of 24 Canadian municipalities (which have internal audit functions) revealed common risks, priorities and other themes being undertaken by Directors of Internal Audit (or Auditor Generals) in those organizations. This additional layer of intelligence identifies trending risk areas or ‘hot topics’ in those municipalities (see Appendix-E).

Consultation with Audit Committee and Senior Management

Feedback from members of the Audit Committee was solicited about priority areas in the organization regarding potential audit projects. This feedback included a focus on prioritizing audit hours in City services that address residents’ principle concerns and that a ‘value-for-money’ approach should be prioritized in the annual audit plan. Further consultation was performed with members of the Burlington Executive Leadership Team and other select leaders to obtain feedback about potential audit projects within their respective service areas, as well as 2026 major projects and operational initiatives in their areas. Consultation with the Transformation Office team occurred regarding the corporate-wide risk assessment.

The resulting Audit Plan identified in Appendix-A identifies five projects recommended to be performed by the City Auditor during the year. This detailed appendix also identifies the scope, rationale and inherent risks for each audit project. The table below summarizes the 2026 Audit Plan at a high level:

Audit Project	Project Type	Last Time Audited	Dept	Proposed Time-Frame	Budgeted Time (hrs.)
Development Applications Review (<i>carry-forward</i>)	Performance Audit	Never	Community Planning	Q1 2026	105
Municipal Election Security	Operational & Cyber-Security Audit	Never	Legislative Services; HR; BDS	Q2-Q4 2026	245
Use of External Consultants	Performance Audit	Never	Corporate-wide	Q3 2026	315
Software Licensing	Performance Audit	Never	Burlington Digital Services (BDS)	Q4 2026-Q1 2027	315
Whistleblower Policy & Program implementation	New corporate initiative	N/A	Corporate-wide	Full year 2026	105

In addition to performing the audit projects identified in Appendix-A, the City Auditor also sets time aside for:

1. Advisory services to Management in the areas of: risk management, internal controls, fraud, governance and/or performing investigations (as required)
2. Following-up with Management on past audit findings
3. Reporting quarterly to the Audit Committee
4. 2027 Audit Planning
5. Supporting the recruitment of volunteer Audit Committee members after the 2026 municipal election and delivering orientation to new Audit Committee members
6. Assisting the External Auditor
7. Administrative time / personal Professional Development

The City Auditor will report to the Audit Committee on a quarterly basis with a status update of each approved audit project, completed audit reports and a dashboard of performance measures. Throughout 2026, the City Auditor will be responsive and flexible to accept new assurance or advisory projects identified by the Audit Committee or the Burlington Executive Leadership Team. Audit Committee has the discretion to amend the Annual Audit Plan

through a staff direction voted on by a majority of members. The City Auditor will report back with an updated recommendation to Audit Committee in Q1 2027 for the 2027 Audit Plan.

Recommendation Details

The 2026 Annual Audit Plan comprises four internal audits and the implementation of a whistleblower program. Details of the audit projects are identified in Appendix-A.

Key Dates & Milestones

The key dates for each audit are identified in the table above and detailed in Appendix-A.

Implications

The procurement of third-party consultants with expert skill and knowledge for specific assurance services is required, particularly in small internal audit departments. Third-party experts may be required to support the execution of the Municipal Election Security Audit, in which case the City Auditor will act in accordance with existing policies and the City's Procurement By-Law to facilitate these procurements. The annual budget for audit fees approved by Council through the annual operating budget is \$43,000.

Staff time will be modestly impacted for every audit project approved in this amended Audit Plan. Staff ranging from the Commissioner down to front-line staff typically participate in the audit process, including attending kick-off and closing meetings, retrieving requested documentation, assisting with mapping current state business processes, facilitating on-site fieldwork, etc. As a working estimate, for every hour of internal audit staff time, approximately 10-15 minutes is required from management and staff within the audit unit. For example, if an audit is expected to take 100 hours to complete from the initial planning to the final reporting, then there is a reasonable expectation management and staff time (collectively) will require up to 16-25 hours in total time.

An audit of the Council approved environmental strategies was approved in 2023 Audit Plan and reported to Audit Committee on Dec 6, 2023, as report CA-12-23. There are no further climate-related audits recommended through this Audit Plan. The proposed audits will be performed mostly remotely which will save vehicular trips to City facilities, thereby reducing greenhouse gas emissions. Meeting materials and audit evidence will be entirely sent electronically, thereby reducing the consumption of paper.

References

[AUD-05-25](#) - 2025 Annual Audit Plan for Office of the City Auditor

[CA-15-24](#) - Internal Audit Charter – update

Strategic Alignment

- ☐ Designing and delivering complete communities
 - ☒ Providing the best services and experiences
 - ☐ Protecting and improving the natural environment and taking action on climate change
 - ☒ Driving organizational performance
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Appendices:

- A. AUD-03-26 Appendix A: Detailed 2026 Audit Plan
- B. AUD-03-26 Appendix B: Audit Universe
- C. AUD-03-26 Appendix C: Inherent Risk Assessment Methodology
- D. AUD-03-26 Appendix D: Corporate-wide Risk Assessment Scoring
- E. AUD-03-26 Appendix E: Jurisdictional Scan

Report Approval:

All reports are reviewed and approved by the Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.

Audit Project	Project Type	Last Time Audited	Dept	Proposed Time period	Budgeted Time (hrs.)	Scope, Rational, Risks
Development Applications Review (carry-forward)	Performance Audit	Never	Community Planning	Q1 2026	105	The objective of this audit is to assess the operational effectiveness of the development application review process. The audit will review the workflow of a sample of development applications through their entire lifecycle from pre-consultation to Council approval (and appeal if required). The focus of the audit will be on the timeliness within each step of the application process and to identify training, technology or process gaps. Benchmarking will be performed for approval timelines against other comparable municipalities in the Sept 2024 BILD Greater Toronto Area Municipal Benchmarking Study (where data is available) .
Municipal Election Security	Operational & Cyber-Security Audit	Never	Legislative Services; HR; BDS	Q2-Q4 2026	245	Scope: The purpose of the audit will be to review the physical security of equipment, facilities and staff/voters to administer the 2026 municipal election. The security of technology systems to administer internet voting will also be evaluated from a cyber-security perspective. For clarity, the design and logistics planning of security controls relevant to the administration of the municipal election in 2026 will be evaluated leading up to the election with recommendations provided to the City Clerk (if required). On-site evaluation of security controls will also occur on the day of the election at multiple locations. Rationale: The execution of a free and fair municipal election forms the basis of trust and credibility for the residents of Burlington experience when they interact with City Council and its administration. Risks: There are risks associated with not being in compliance with the Ontario Municipal Elections Act. A compromise of physical security controls may prevent or dissuade voters from casting their respective ballots. The risk of unauthorized access to the technology infrastructure supporting internet voting may result in data losses, operational downtime, reputational damage, and/or privacy breaches.
Use of External Consultants	Performance Audit	Never	Corporate-wide	Q3 2026	315	Scope: The purpose of the audit will be to review the usage of external consultants from a value-for-money perspective. Municipalities often hire external consultants for a multiple of studies. This audit will review performance management, 'scope creep' and whether the City is actually implementing the advice it pays for. The audit will identify the ten year trend for external consulting expenditures, the utilization of consulting budgets, treatment of consulting expenses for capital projects and the timeliness of the outcome of consulting reports-timing to Council approved initiatives. Rationale: The City utilizes multiple consultants and contracted services to deliver its services to Burlington's residents. Approximately \$18M was budgeted for consulting and contracted services in 2024 and 2025. Risks: There are risks associated with consultants not meeting performance expectations, 'scope creep' leading to project delays or budget variances and consulting reports not leading to Council's desired outcomes.
Software Licensing	Performance Audit	Never	Burlington Digital Services (BDS)	Q4 2026-Q1 2027	315	Scope: The audit will assess the performance of all City departments to manage their inventory of software licenses and ensure that the City is realizing 'value-for-money' with the software licenses it holds. Rationale: The City procures dozens of software systems costing approximately \$6.4M annually to execute multiple essential business processes (i.e. finance, human resources, fire communications etc.). Other municipalities have recently reviewed and or rationalized their software licenses to achieve cost savings. Risks: The risk of under-utilized software may create financial inefficiencies.
Whistleblower Policy & Program implementation	New corporate initiative	N/A	Corporate-wide	Full year 2026	105	The City Auditor is working in conjunction with HR to develop a new Whistleblower Policy and Program for City employees. A new policy has been approved by the Executive Leadership Team in 2025 and implementation is scheduled for June 2026. The next steps including completing the competitive procurement for a third party vendor (in-progress), completing the privacy impact assessment (in-progress) on-boarding the vendor and executing a staff communications plan. After June 2026, this will be an operational program co-managed by the City Auditor and CHRO.

City of Burlington Organizational Structure					
#	Dept/Division	Service	Auditable Unit	Management/Staff Lead	Past Internal Audit Projects
1	Legal & Legislative Services	Council and Citizen Committee	Council and Committee	Director of Legislative Services and City Clerk	
2	Legal & Legislative Services	Council and Citizen Committee	Citizen Advisory Committees	Director of Legislative Services and City Clerk	2014 Committee of Adjustment Audit
3	Legal & Legislative Services	Council and Citizen Committee	Election	Director of Legislative Services and City Clerk	
4	Legal & Legislative Services	Council and Citizen Committee	Records & Information Management	Director of Legislative Services and City Clerk	2011 Records Management 2012 Corporate Delegation of Authority Audit
5	Community Services	Service Burlington	Service Burlington Contact Center	Manager of Customer Experience	2017 Inventory Audit 2017 Corporate Cash Handling Audit 2025 Cash Handling/Revenues Audit
6	Community Services	Service Burlington	CRM System Admin, User community support and CX Design	Manager of Customer Experience	2019 CRM Implementation & On-going Operations
7	Development & Growth Management	Building Code Permits and Inspection	Application Process	Director of Building Services, Chief Building Official	
8	Development & Growth Management	Building Code Permits and Inspection	Plans Review	Director of Building Services, Chief Building Official	2014 Plans Review Audit 2018 Plans Review Follow-up Audit
9	Development & Growth Management	Building Code Permits and Inspection	Building Inspections	Director of Building Services, Chief Building Official	2016 Building Inspections Audit
10	Development & Growth Management	Community Design and Development Review	Planning Policy, Research, Community Initiatives and Official Plan/Zoning Amendments	Director of Community Planning	
11	Development & Growth Management	Community Design and Development Review	Site Plan/Minor Development/Zoning Review and Administration	Director of Community Planning	
12	Development & Growth Management	Community Design and Development Review	Development Applications Review	Director of Community Planning	
13	Development & Growth Management	Community Design and Development Review	Variances, Consent and Other City Tribunals	Director of Community Planning	2014 Committee of Adjustment Audit
14	Development & Growth Management	Community Design and Development Review	Urban Design, Special Projects and Heritage	Director of Community Planning	2024 Community Grants Audit
15	Public Works	Facilities And Buildings - Design and Construction	Facilities And Buildings - Design and Construction	Manager of Facility Assets	
16	Public Works	Parks and Open Space - Design and Development	Parks and Open Space Planning	Director of Engineering Services	
17	Public Works	Parks and Open Space - Design and Development	Parks and Open Space Design and Construction	Director of Engineering Services	
18	Public Works	Parks and Open Space - Design and Development	Parks and Open Space Asset Management	Director of Engineering Services	
19	Public Works	Parks and Open Space - Design and Development	Landscape Architecture	Director of Engineering Services	
20	Public Works	Parks and Open Space - Design and Development	Development Applications Review	Director of Engineering Services	
21	Public Works	Asset Management	Asset Management Oversight	Director of Engineering Services	2014 Roads Infrastructure Asset Management
22	Public Works	Asset Management	Long-Range Financial and Operational Planning	Director of Engineering Services	
23	Legal & Legislative Services	Corporate Legal	Insurance/Risk Management	Commissioner, Legal and Legislative Services/City Solicitor	
24	Legal & Legislative Services	Corporate Legal	Realty Services	Commissioner, Legal and Legislative Services/City Solicitor	2015 Lease Mngt and Administration Audit
25	Legal & Legislative Services	Corporate Legal	Legal Services	Commissioner, Legal and Legislative Services/City Solicitor	2024 Community Grants Audit
26	Transformation Office	Corporate Strategy & Risk Management	Corporate and Strategic Planning	Chief Transformation Officer (CTO)	
27	Transformation Office	Corporate Strategy & Risk Management	Corporate Risk Management	Chief Transformation Officer (CTO)	
28	Transformation Office	Corporate Strategy & Risk Management	Business Performance and Continuous Improvement	Chief Transformation Officer (CTO)	
29	Transformation Office	Corporate Strategy & Risk Management	Major Corporate Projects, Strategic Initiatives	Chief Transformation Officer (CTO)	
30	Office of the Chief Administrative Officer	Corporate Strategy & Risk Management	Board Liaison	Chief Administrative Officer (CAO)	
31	Office of the Chief Administrative Officer	Corporate Strategy & Risk Management	Corporate Culture Leadership	Chief Administrative Officer (CAO)	2012 BCP-DRP-CERP Audit 2014 Corporate-wide Elements of an Ethical Organization Audit
32	Finance	Financial Management	Procurement	Chief Financial Officer (CFO)	2013 Procure to Pay (under \$20,000) Audit 2014 Procurement Transactions >\$25,000 Audit 2019 Accounts Payable & P-Card Audit 2024 Procurement Audit (<\$50,000 transactions)
33	Finance	Financial Management	Financial Transactional Processing: Accounts Payable, Accounts Receivable, General Accounting	Chief Financial Officer (CFO)	2010 Accounts Payable 2011 Grant Application Management 2011 Charitable Donations Mgmt. & Admin Audit 2013 SAP Controls Audit 2015 Follow Up Audit for Charitable Donations Management & Administration 2015 Phase III: Financial Accounts 2015 Phase I: Manage General Ledger 2016 Phase II: General Ledger Account Reconciliation Audit 2017 Corporate Cash Handling Audit 2019 Accounts Payable & P-Card Audit 2025 Cash Handling/Revenues Audit
34	Finance	Financial Management	Financial Planning & Budgets	Chief Financial Officer (CFO)	
35	Finance	Financial Management	Financial Investments & Treasury Services	Chief Financial Officer (CFO)	2010 Investments 2013 Investments Audit 2017 Investments Audit
36	Finance	Financial Management	Payroll	Chief Financial Officer (CFO)	2016 Corporate Payroll Audit
37	Finance	Financial Management	Financial Reporting and Business Planning	Chief Financial Officer (CFO)	2019 Accounts Payable & P-Card Audit
38	Finance	Financial Management	Collection and Payment Processing	Chief Financial Officer (CFO)	
39	Finance	Financial Management	Property Tax Billing	Chief Financial Officer (CFO)	
40	Corporate Affairs	Corporate Communications and Engagement	Strategic Communications	Head of Corporate Affairs	
41	Corporate Affairs	Corporate Communications and Engagement	Community Engagement & Volunteer Management	Head of Corporate Affairs	
42	Corporate Affairs	Corporate Communications and Engagement	Creative & Digital Services	Head of Corporate Affairs	
43	Corporate Affairs	Government Relations	Government Relations	Head of Corporate Affairs	
44	Corporate Affairs	Internal Audit	Internal Audit	City Auditor	2018 External Quality Assessment
45	Human Resources	Human Resources	Compensation and Benefits	Chief Human Resources Officer (CHRO)	
46	Human Resources	Human Resources	Organizational Development & Training	Chief Human Resources Officer (CHRO)	
47	Human Resources	Human Resources	Talent Acquisition	Chief Human Resources Officer (CHRO)	
48	Human Resources	Human Resources	Health, Safety and Wellness	Chief Human Resources Officer (CHRO)	2018 Health Safety & Wellness Audit 2022 Health & Safety Audit (Pandemic Controls)
49	Human Resources	Human Resources	Employee & Labour Relations	Chief Human Resources Officer (CHRO)	2012 Corporate Employee Performance Management Program Audit 2025 Whistleblower Policy
50	Burlington Digital Services	Burlington Digital Services	IT Support Service	Chief Information Officer (CIO)	2012 2012 BCP-DRP-CERP Audit 2013 SAP Controls Audit 2016 Enterprise Mobility Consulting Project 2019 Corporate Cloud Computing Mngt
51	Burlington Digital Services	Burlington Digital Services	Digital Experience & Design	Chief Information Officer (CIO)	
52	Burlington Digital Services	Burlington Digital Services	IT Solution Delivery & Project Management	Chief Information Officer (CIO)	2022 ERP Project Audit - Phase 1 2022 ERP Project Audit - Phase 2
53	Burlington Digital Services	Burlington Digital Services	IT Data Analytics & Visualizations	Chief Information Officer (CIO)	
54	Burlington Digital Services	Burlington Digital Services	Information Security	Chief Information Officer (CIO)	2022 Cyber-Security Audit (CIS CSS Identify controls) 2023 Cyber-Security Audit (CIS CSS Protect controls) 2024 Cyber-Security Audit (CIS CSS Detect & Respond controls)
55	Community Services	Facilities And Buildings - Operations	Facility Operations	Director of Recreation, Community and Culture	2014 Facility Operations Audit
56	Community Services	Arts and Culture	Festivals and Events	Director of Recreation, Community and Culture	
57	Community Services	Arts and Culture	Public Art Collection Management	Director of Recreation, Community and Culture	
58	Community Services	Arts and Culture	Arts & Cultural Programs & Services	Director of Recreation, Community and Culture	
59	Community Services	Arts and Culture	Cultural Mapping and Community Liaison	Director of Recreation, Community and Culture	
60	Community Services	Arts and Culture	Relationship Liaison with Arts & Culture Boards	Director of Recreation, Community and Culture	2022 Advisory Services for Aldershot Village BIA
61	Community Services	Organized Sport Support	Sport Organization Relationships, Granting, Allocation of Space & Joint Ventures	Director of Recreation, Community and Culture	2024 Community Grants Audit
62	Community Services	Organized Sport Support	Sport Venue Operations & Renovations	Director of Recreation, Community and Culture	

63	Community Services	Recreation	Aquatic Programs	Director of Recreation, Community and Culture	
64	Community Services	Recreation	Ice Programs	Director of Recreation, Community and Culture	
65	Community Services	Recreation	General Recreation Programs	Director of Recreation, Community and Culture	2025 Cash Handling/Revenues Audit
66	Community Services	Recreation	Parks and Trails	Director of Recreation, Community and Culture	
67	Community Services	Recreation	Golf Course and Program	Director of Recreation, Community and Culture	2017 Inventory Audit
68	Community Services	Recreation	Community Garden Program	Director of Recreation, Community and Culture	
69	Public Works	Sign Production	Sign Production	Director of Roads, Parks & Forestry	
70	Public Works	Sign Production	Sign Installation	Director of Roads, Parks & Forestry	
71	Public Works	Sign Production	Sign Design	Director of Roads, Parks & Forestry	
72	Public Works	Cemetery	Customer Service and Sales	Director of Roads, Parks & Forestry	2012 Parks & Rec Customer Service Audit
73	Public Works	Cemetery	Interment Services	Director of Roads, Parks & Forestry	
74	Public Works	Cemetery	Grounds Maintenance	Director of Roads, Parks & Forestry	2017 Inventory Audit
75	Public Works	Fleet Management	Vehicle and Equipment Maintenance	Director of Roads, Parks & Forestry	2011 Fleet Management Audit 2017 Inventory Audit 2025 AVL Implementation Audit
76	Public Works	Fleet Management	Vehicle Procurement	Director of Roads, Parks & Forestry	2011 Fleet Management Audit
77	Public Works	Fleet Management	Vehicle and Equipment Operator Training	Director of Roads, Parks & Forestry	2025 AVL Implementation Audit
78	Public Works	Geographic Information and Mapping	Property/Land Information Service, Advocacy, Map production & Open Data	Director of Engineering Services	
79	Public Works	Geographic Information and Mapping	Spatial Data Management and Analysis	Director of Engineering Services	
80	Public Works	Environment and Energy	Energy Management	Manager of Sustainability	2023 Environmental Stewardship Strategies Audit
81	Public Works	Environment and Energy	Sustainability Initiatives	Manager of Sustainability	2023 Environmental Stewardship Strategies Audit
82	Public Works	Parks and Open Space Maintenance	Parks and Open Space Maintenance	Director of Roads, Parks & Forestry	2017 Inventory Audit
83	Public Works	Parks and Open Space Maintenance	Horticulture	Director of Roads, Parks & Forestry	2011 Roadside Horticulture Program Audit
84	Public Works	Parks and Open Space Maintenance	Technical Services	Director of Roads, Parks & Forestry	
85	Public Works	Roadway and Sidewalk Maintenance	Road and Sidewalk Inspection	Director of Roads, Parks & Forestry	
86	Public Works	Roadway and Sidewalk Maintenance	Roadway & Routine Maintenance	Director of Roads, Parks & Forestry	
87	Public Works	Roadway and Sidewalk Maintenance	Sidewalk and Walkway Maintenance	Director of Roads, Parks & Forestry	
88	Public Works	Roadway and Sidewalk Maintenance	Leaf Pick Up Program	Director of Roads, Parks & Forestry	
89	Public Works	Roadway and Sidewalk Maintenance	Winter Maintenance	Director of Roads, Parks & Forestry	2017 Winter Maintenance Audit
90	Public Works	Surface Water Drainage	Surface Water Drainage Project Management	Director of Engineering Services	
91	Public Works	Surface Water Drainage	Surface Water Drainage Maintenance & Storm Sewer Discharge	Director of Engineering Services	
92	Public Works	Surface Water Drainage	Resident Drainage Customer Service	Director of Engineering Services	
93	Public Works	Surface Water Drainage	Storm Water Management Design and Review	Director of Engineering Services	
94	Public Works	Surface Water Drainage	Site Alteration Permitting and Administration	Director of Engineering Services	
95	Public Works	Urban Forestry	Tree Maintenance	Director of Roads, Parks & Forestry	
96	Public Works	Urban Forestry	Tree Planting	Director of Roads, Parks & Forestry	
97	Public Works	Urban Forestry	Urban Forest Health and Pest Management	Director of Roads, Parks & Forestry	
98	Public Works	Urban Forestry	Public Tree Bylaw Administration, Education, Enforcement	Director of Roads, Parks & Forestry	
99	Public Works	Urban Forestry	Private Tree By-law	Director of Roads, Parks & Forestry	
100	Development & Growth Management	Animal Control	Animal Licensing	Director, By-Law Compliance	2011 Animal Control Audit 2013 Animal Control Follow Up Audit 2025 Cash Handling/Revenues Audit
101	Development & Growth Management	Animal Control	Adoption and Care	Director, By-Law Compliance	2011 Animal Control Audit 2013 Animal Control Follow Up Audit
102	Development & Growth Management	Animal Control	Animal By-law Enforcement & Education	Director, By-Law Compliance	2011 Animal Control Audit 2013 Animal Control Follow Up Audit
103	Development & Growth Management	By-law Enforcement	By-law Enforcement, Education, & Inspections	Director, By-Law Compliance	
104	Development & Growth Management	By-law Enforcement	By-law Licensing	Director, By-Law Compliance	2013 Building Administration & Licensing Audit
105	Development & Growth Management	By-law Enforcement	By-Law Permits	Director, By-Law Compliance	2013 Building Administration & Licensing Audit
106	Development & Growth Management	By-law Enforcement	By-law Lottery Licensing and Liquor Licensing	Director, By-Law Compliance	2013 Building Administration & Licensing Audit
107	Community Services	Emergency Management	Whole of Government emergency management program	Specialist, Community Emergency Management	2012 BCP-DRP-CERP Audit
108	Community Services	Emergency Management	Business Continuity	Specialist, Community Emergency Management	
109	Community Services	Fire Communications	Fire 911 Communications Dispatch	Fire Chief	2010 Communications Supervisory Organizational Structure Audit 2019 Fire Emergency Comms Audit
110	Community Services	Fire Prevention & Public Education	Fire Safety Education and Prevention	Fire Chief	
111	Community Services	Fire Emergency Response	Fire Training & Emergency Response	Fire Chief	2016 Fire Emergency Response Training Audit
112	Community Services	Fire Emergency Response	Fire Fleet and Station Operations	Fire Chief	2011 Fire Vehicle Equipment Maintenance Audit 2013 Fire Vehicle Equip Maintenance Audit 2014 DCP Benchmark Compliance Audit 2017 Inventory Audit
113	Community Services	Fire Emergency Response	Fire Administration	Fire Chief	
114	Legal & Legislative Services	Halton Court Service	Halton Court Services Prosecution	Deputy City Solicitor	
115	Legal & Legislative Services	Halton Court Service	Halton Court Services Administration	Manager of Halton Court Services	2011 Halton Court Services Finance & Accounting Audit 2017 Corporate Cash Handling 2025 Cash Handling/Revenues Audit
116	Legal & Legislative Services	Halton Court Service	Halton Court Services Courtroom Support	Manager of Halton Court Services	
117	Legal & Legislative Services	Halton Court Service	Halton Court Services Financial Management	Manager of Halton Court Services	2025 Cash Handling/Revenues Audit
118	Public Works	Roads and Structures - Design and Construction	Survey	Director of Engineering Services	
119	Public Works	Roads and Structures - Design and Construction	Design	Director of Engineering Services	
120	Public Works	Roads and Structures - Design and Construction	Construction Administration	Director of Engineering Services	2012 Contingency Payments Management - Design & Construction Audit
121	Public Works	Roads and Structures - Design and Construction	Construction Inspection	Director of Engineering Services	2018 Construction Field Inspections Audit
122	Public Works	Roads and Structures - Design and Construction	Municipal Consent	Director of Engineering Services	
123	Public Works	Parking Management	Parking Space Management	Director of Transportation	
124	Public Works	Parking Management	Parking Revenue Management	Director of Transportation	2017 Corporate Cash Handling Audit 2025 Cash Handling/Revenues Audit
125	Public Works	Parking Management	Parking By-law Enforcement	Director of Transportation	2018 Parking By-Law Enforcement VFM Audit
126	Public Works	Traffic Operations Management	Traffic Operations	Manager, Transportation Operations	
127	Public Works	Traffic Operations Management	Traffic Signals	Manager, Transportation Operations	
128	Public Works	Traffic Operations Management	Crossing Guard Program	Manager, Transportation Operations	
129	Public Works	Traffic Operations Management	Streetlighting	Manager, Transportation Operations	
130	Public Works	Transportation Planning	Long Range Transportation Planning	Manager, Integrated Mobility	
131	Public Works	Transportation Planning	Development Applications Review	Manager, Integrated Mobility	
132	Public Works	Transportation Planning	Active Transportation	Manager, Integrated Mobility	
133	Community Services	Transit	Transit Operations	Director of Transit	2012 Transit Business Services 2014 Transit Business Services Follow-up Audit 2014 DCP Benchmark Compliance Audit 2015 PRESTO User Entity Controls Audit 2025 Cash Handling/Revenues Audit
134	Community Services	Transit	Transit Maintenance	Director of Transit	2011 Transit Inventory Physical Count 2012 Transit Physical Inventory Count Limited Scope Audit 2017 Inventory Audit
135	Community Services	Transit	Transit Planning & Service Development	Director of Transit	
136	Community Services	Transit	Transit Rider Experience & Education	Director of Transit	
137	Community Services	Specialized Transit	Specialized Transit	Director of Transit	

Inherent Risk Assessment Methodology for City of Burlington

Current as of Oct 2024

Risk Factors and Associated Criteria

The City Auditor's Annual Audit Plan is established based on the assessment of risks and exposures in City services. The assessed risk is "inherent risk"; that is, the total risk without controls or raw risk. The level of inherent risk (as determined through risk factors) is used to ensure significant risks are addressed and there is effective use of audit resources.

Inherent Risk Factors

Risk factors include quantitative and qualitative criteria and attributes used to identify areas of City operations that would benefit most from an internal audit. Inherent risk is determined by considering all the factors; not just an individual factor. However, not all factors are considered equal. A weighting is applied to each factor to reflect their relative importance (which is a matter for judgment) based on business practices, legislation and regulations, and Council's strategic plan.

There are many risk factors that can be used in assessing inherent risk. For example, quantitative criteria may include: size of the budget and payroll, number of employees, value of capital equipment, the time elapsed since the last audit, client satisfaction, and extent of partnering/alliances. Qualitative criteria may include: areas of concern to management, possibility of adverse publicity, complexity of IT infrastructure, the effect of governmental or other regulations, technological innovation and information integrity.

The inherent risk factors must be tailored to the City and its operating environment.

Calculating the Overall Inherent Risk Ranking

The overall inherent risk ranking is calculated using the following formula:

OVERALL INHERENT RISK RANKING SCORE = INHERENT RISK ATTRIBUTE RANKING SCORE
x FACTOR WEIGHTING

Risk assessed audit entities will be listed from highest to lowest score.

Inherent Risk Assessment for Audit Units

The following table contains the factors and a set of attributes for each criterion to assist in assessing the inherent risk of the service and/or sub-service.

Inherent Risk Factors and Criteria for Services

Factor (Weighting) & Criteria Complexity of Service Delivery (30%)	Inherent Risk Attribute Ranking (Score)				
	Very High (100)	High (75)	Moderate (50)	Low (25)	Very Low (1)
- Nature of technology/equipment used in service delivery (e.g. sophisticated vs. simple) - Degree of customization of process (e.g. customized vs. standardized) - Number of people involved in service delivery - Service delivery sites (e.g. multi-site/counter vs. single site/counter) - Level of exposure to hazardous activity (physical health & safety)	- Requires sophisticated technology/equipment with multiple interfaces - Customized process for each transaction - More than 30 people involved in delivering the service - Multi-site/counter service delivery (>5) sites/counters <u>AND</u> contracted services - Work involves daily exposure to high hazard activity (e.g. use of heavy machinery/small equipment, working at heights, chemical handling, working in traffic, etc.)	- Requires sophisticated technology/equipment with minimal interfaces - Specialized process for majority of transactions; standardized process for less than a quarter of transactions 22 - 29 people involved in delivering the service - Multi-site/counter service delivery (>5) sites/counters <u>OR</u> contracted services - Work involves frequent exposure to high hazard activity (e.g. use of heavy machinery/small equipment, working at heights, chemical handling, working in traffic, etc.)	- Requires standalone sophisticated technology/equipment - Standardized process for half of transactions; remaining transactions to require exceptions to process "rules" 11 - 21 people involved in delivering the service - Multi-site/counter service delivery (from 3 – 4 sites/counters) - Work involves repeated exposure to manual labour (e.g. lifting, pushing, pulling, digging, etc.)	- Requires simple technology/equipment with few interfaces - Standardized process for three quarters of transactions; minimal exceptions to process "rules" required 6 - 10 people involved in delivering the service - Multi-site/counter service delivery (from 2 - 3 sites/counters) - Work involves daily exposure to low hazard activity (e.g. use of computers, desk work, repetitive movement, etc.)	- Requires standalone simple technology/equipment - Standardized process for all transactions (same process each time; no exceptions) 1 - 5 people involved in delivering the service - Single site/counter service delivery (from one site/counter) - Work involves limited exposure to low hazard activity (e.g. use of computers, desk work, etc.) <u>OR</u> remote work environment

Inherent Risk Assessment for Audit Units

Inherent Risk Attribute Ranking (Score)					
Factor (Weighting) & Criteria	Very High (100)	High (75)	Moderate (50)	Low (25)	Very Low (1)
Level of disruption and complexity of business continuity due to pandemic/ other emergencies	Catastrophic disruption to traditional business model impacting a majority of staff including lay-offs or re-deployments; budget variance of >50%; unable to provide service to customers for 4 weeks or longer. Transforming business model requires significant staff involvement, financial resources, Council approval and stakeholder consultation.	Significant disruption to business model. A majority of staff involved in delivering the service are impacted, significant budget variance >25% and customers are unable to receive the service for 2-4 weeks. Recovery to the business process is expected to take weeks, require >\$100,000 new funding and involve a majority of staff to re-engineer the process.	Moderate disruption to business model. Service can be modified/restored within 5-15 business days however will require financial resources (\$10,001-\$99,999) and a majority of staff to execute changes. Most customers are impacted, though some simple service transactions may continue manually through work-arounds.	Modest impact of service delivery. Service model can be quickly modified with limited (i.e. <\$10,000) financial resources and quick turnaround by staff (i.e. 0-5 business days). Modest disruption to customers, although manual workarounds can be easily adopted.	Nominal impact to business model and service delivery. Staff continue to provide services to customers with limited impact to financial budget or customer expectations.

Inherent Risk Assessment for Audit Units

Financial Materiality & Susceptibility to Error/Fraud (25%)					
• Gross revenue (excluding recovery from capital)	– > \$400,000	– Between \$250,001 and \$399,999	– Between \$100,001 and \$250,000	– Between \$25,001 and \$100,000	– < \$25,000
• Gross operating expenditures (including human resource costs and excluding one-time project costs)	– > \$2,000,000	– Between \$1,000,000 and \$1,999,999	– Between \$500,000 and \$999,999	– Between \$250,000 and \$499,999	– < \$250,000
• Transparency/openness to scrutiny	– One person responsible for tracking, reporting and monitoring	– Limited number (1-2) of people involved in tracking, reporting and monitoring	– Small group (3-4) of people involved in tracking, reporting and monitoring	– Group (5-6) of people involved in tracking, reporting and monitoring	– Larger number of people (6+) involved in tracking, reporting and monitoring
• Nature of Assets Used in Service Delivery (i.e. tangible/intangible, convertibility to cash)	– Liquid (e.g. cash includes cheques and debit/credit card, bonds, etc.)	– Easily converted to cash (i.e. < 14 days); readily available market; highly liquid	– Can be converted to cash (i.e. between 15 days and 29 days); market is specialized; somewhat liquid	– Difficult to convert to cash (i.e. 30 days); small market	– No cash value; not liquid
• Involvement in known risk areas of misconduct ¹	– Involved in more than one of procurement/contracting, approvals/permits and licensing, by-law enforcement	–	– Involved in any of procurement/contracting, approvals/permits and licensing, by-law enforcement	–	– Not involved in any of procurement/contracting, approvals/permits and licensing or by-law enforcement
• Dollar value of daily cash deposits	– greater than \$5,001	– between \$2,501 and \$5,000	– between \$1,501 and \$2,500	– between \$251 and \$1,500	– less than \$250

¹ International Centre for Criminal Law Reform and Criminal Justice Policy, *Municipal "Best Practices": Preventing Fraud, Bribery and Corruption* (Vancouver: ICCLR 2013) <<http://icclr.law.ubc.ca/sites/icclr.law.ubc.ca/files/publications/pdfs/Municipal%20Best%20Practices%20-%20Preventing%20Fraud,%20Bribery%20and%20Corruption%20FINAL.pdf>>

Inherent Risk Assessment for Audit Units

Community Trust/Reputation (10%)					
- Degree of public/external customer involvement - Degree of internal customer involvement - History of media attention (e.g. newspapers, blogs, op eds, etc.) - Employee Base Involved	Everyday direct involvement of public/external customers	Frequent direct involvement of public/external customers	Periodic direct involvement of public/external customers	Infrequent direct involvement of public/external customers	Rare direct involvement of public/external customers
	Everyday direct involvement of internal customers	Frequent direct involvement of internal customers	Periodic direct involvement of internal customers	Infrequent direct involvement of internal customers	Rare direct involvement of internal customers
	Subject of regular and sustained media attention	Subject of frequent media attention	Subject of minimal or short-lived media attention	Subject of infrequent media attention	Never been subject of media attention
	Every employee involved	More than three-quarters of employees involved	Half of employees involved	More than one-quarter of employees involved	Less than one-quarter or one group of employees involved
Degree of Change (20%) (over last 12 months and expected within next 6 months)					
- Changes to service and/or processes - Technology/equipment change	Totally new service and/or delivery process(es)	Multiple/major changes to service and/or delivery process(es)	Small number changes to service and/or delivery process(es)	Infrequent/minor changes to service and/or delivery process(es)	No changes to service and/or delivery process(es)
	Implemented new software/hardware/equipment to support service	Major upgrade or update to <u>all</u> software/hardware/equipment to support service	Major upgrade or update to <u>some</u> software/hardware/equipment to support service	Minor upgrade or update to all or some software/hardware/equipment to support service	No changes to software/hardware/equipment to support service

Inherent Risk Assessment for Audit Units

HR/Staffing Factors (15%)					
Staff turnover (due to reasons such as retirement, leaves of absence, job rotations, etc.)	More than 35% of all staff has changed in last year	Between 24% - 34% of all staff have changed in last year	Between 14% - 24% of all staff have changed in last year	Between 5% - 14% of all staff have changed in last year	Less than 5% of all staff has changed in last year
Staff performing "must do" activity(ies)	Only one person knows how "must do" activity(ies) are performed. <u>OR</u> key person dependency	2 people know how "must do" activity(ies) are performed	3 people know how "must do" activity(ies) are performed	4 people know how "must do" activity(ies) are performed	5 or more people know how "must do" activity(ies) are performed
Difficulty in filling positions (beyond normal recruitment timing)	Takes 8 or more months longer	Takes 6 – 7 months longer	Takes 4 – 5 months longer	Takes 2 – 3 months longer	Takes less than 1 month
Difficulty in attracting candidates	Had to go back to market > 2 times after original recruitment <u>OR</u> > 2 offers made and declined	Had to go back to market 2 times after original recruitment <u>OR</u> 2 offers made and declined	Had to go back to market 1 time after original recruitment <u>AND</u> 1 offer made and declined	Had to go back to market 1 time after original recruitment <u>OR</u> 1 offer made and declined	Filled position from original recruitment <u>OR</u> no offers declined

Imported from 2025 Audit Universe			
#	Category	Service	Audit Unit
32	Finance	Financial Management	Procurement
33	Finance	Financial Management	Financial Transactional Processing
34	Finance	Financial Management	Payroll
50	Burlington Digital Services	Burlington Digital Services	IT Support Services
133	Community Services	Transit	Transit Operations
35	Finance	Financial Management	Financial Reporting and Business Planning
54	Burlington Digital Services	Burlington Digital Services	Information Security
66	Community Services	Arts and Culture	Festivals and Events
3	Legal & Legislative Services	Council and Citizen Committee	Election
63	Community Services	Recreation	Aquatic Programs
64	Community Services	Recreation	Ice Programs
65	Community Services	Recreation	Golf Course and Program
12	Development & Growth Management	Community Design and Development Review	Site Plan/Minor Development/Zoning Review and Administration
12	Development & Growth Management	Community Design and Development Review	Development Applications Review
49	Human Resources	Human Resources	Employee & Labour Relations
89	Public Works	Roadway and Sidewalk Maintenance	Winter Maintenance
67	Community Services	Recreation	General Recreation Programs
104	Public Works	Parking Management	Parking Revenue Management
15	Public Works	Facilities And Buildings - Design and Construction	Facilities And Buildings - Design and Construction
103	Development & Growth Management	By-law Enforcement	By-law Enforcement, Education, & Inspections
5	Community Services	Service Burlington	Service Burlington Contact Center
13	Burlington Digital Services	Burlington Digital Services	IT Data Analytics & Visualizations
40	Corporate Affairs	Corporate Communications and Engagement	Strategic Communications
45	Human Resources	Human Resources	Compensation and Benefits
48	Human Resources	Human Resources	Health, Safety and Wellness
68	Community Services	Facilities And Buildings - Operations	Facility Operations
86	Public Works	Roadway and Sidewalk Maintenance	Roadway & Routine Maintenance
87	Public Works	Roadway and Sidewalk Maintenance	Sidewalk and Walkway Maintenance
88	Public Works	Roadway and Sidewalk Maintenance	Leaf Pick Up Program
111	Community Services	Fire Emergency Response	Fire Training & Emergency Response
107	Human Resources	Human Resources	Talent Acquisition
117	Legal & Legislative Services	Hallton Court Service	Hallton Court Services Financial Management
7	Development & Growth Management	Building Code Permits and Inspection	Application Process
8	Development & Growth Management	Building Code Permits and Inspection	Plans Review
10	Development & Growth Management	Building Code Permits and Inspection	Building Inspections
10	Development & Growth Management	Community Design and Development Review	Planning Policy, Research, Community Initiatives and Official Plan/Zoning Amendments
36	Finance	Financial Management	Collection and Payment Processing
41	Corporate Affairs	Corporate Communications and Engagement	Community Engagement & Volunteer Management
82	Public Works	Parks and Open Space Maintenance	Parks and Open Space Maintenance
125	Public Works	Urban Forestry	Tree Maintenance
112	Community Services	Fire Emergency Response	Fire Fleet and Station Operations
123	Public Works	Parking Management	Parking Space Management
124	Public Works	Parking Management	Parking By-law Enforcement
4	Legal & Legislative Services	Council and Citizen Committee	Council and Committee
46	Human Resources	Human Resources	Organizational Development
62	Community Services	Organized Sport Support	Sport Venue Operations & Renovations
42	Corporate Affairs	Corporate Communications and Engagement	Creative & Digital Services
51	Burlington Digital Services	Burlington Digital Services	IT Solution Delivery & Design
51	Burlington Digital Services	Burlington Digital Services	IT Solution Delivery & Project Management
75	Public Works	Fleet Management	Vehicle and Equipment Maintenance
91	Public Works	Surface Water Drainage	Surface Water Drainage Maintenance & Storm Sewer Discharge
105	Development & Growth Management	By-law Enforcement	By-law Permits
6	Community Services	Fire Prevention & Public Education	Fire Safety Education and Prevention
13	Development & Growth Management	Community Design and Development Review	Variances, Consent and Other City Tribunals
61	Community Services	Organized Sport Support	Sport Organization Relationships, Training, Allocation of Space & Joint Ventures
77	Public Works	Fleet Management	Vehicle and Equipment Operator Training
109	Community Services	Fire Communications	Fire 911 Communications Dispatch
115	Legal & Legislative Services	Hallton Court Service	Hallton Court Services Administration
118	Public Works	Roads and Structures - Design and Construction	Survey
119	Public Works	Roads and Structures - Design and Construction	Design
120	Public Works	Roads and Structures - Design and Construction	Construction Administration
126	Public Works	Traffic Operations Management	Traffic Operations
127	Public Works	Traffic Operations Management	Traffic Signals
129	Public Works	Traffic Operations Management	Streetslighting
6	Community Services	Service Burlington	CRM System Admin, User community support and CX Design
123	Public Works	Parks and Open Space Maintenance	Horticulture
84	Public Works	Parks and Open Space Maintenance	Technical Services
85	Public Works	Roadway and Sidewalk Maintenance	Road and Sidewalk Inspection
97	Public Works	Urban Forestry	Urban Forest Health and Pest Management
4	Legal & Legislative Services	Council and Citizen Committee	Records & Information Management
76	Public Works	Fleet Management	Vehicle Procurement
81	Public Works	Environment and Energy	Sustainability Initiatives
98	Public Works	Urban Forestry	Public Tree Bylaw Administration, Education, Enforcement
99	Public Works	Urban Forestry	Private Tree By-law
107	Community Services	Emergency Management	Whole of Government emergency management program
134	Community Services	Transit	Transit Maintenance
133	Community Services	Specialized Transit	Specialized Transit
102	Development & Growth Management	Animal Control	Animal By-law Enforcement & Education
21	Public Works	Asset Management	Asset Management Oversight
24	Legal & Legislative Services	Corporate Legal	Realty Services
74	Public Works	Cemetery	Grounds Maintenance
29	Transformation Office	Corporate Strategy & Risk Management	Major Corporate Projects, Strategic Initiatives
43	Corporate Affairs	Government Relations	Government Relations
50	Public Works	Environment and Energy	Energy Management
104	Development & Growth Management	By-law Enforcement	By-law Licensing
106	Development & Growth Management	By-law Enforcement	By-law Lottery Licensing and Liquor Licensing
100	Development & Growth Management	Animal Control	Animal Licensing
101	Development & Growth Management	Animal Control	Adoption and Care
26	Transformation Office	Corporate Strategy & Risk Management	Corporate and Strategic Planning
58	Community Services	Arts and Culture	Arts & Cultural Programs & Services
60	Community Services	Arts and Culture	Relationship Liaison with Arts & Culture Boards
66	Community Services	Recreation	Parks and Trails
90	Public Works	Surface Water Drainage	Surface Water Drainage Project Management
92	Public Works	Surface Water Drainage	Resident Drainage Customer Service
116	Legal & Legislative Services	Hallton Court Service	Hallton Court Services Courtroom Support
121	Public Works	Roads and Structures - Design and Construction	Construction Inspection
126	Public Works	Roads and Structures - Design and Construction	Municipal Contract
136	Community Services	Transit	Transit Rider Experience & Education
37	Finance	Financial Management	Property Tax Billing
14	Development & Growth Management	Community Design and Development Review	Urban Design, Special Projects and Heritage
16	Development & Growth Management	Parks and Open Space - Design and Development	Parks and Open Space Planning
17	Public Works	Parks and Open Space - Design and Development	Parks and Open Space Design and Construction
18	Public Works	Parks and Open Space - Design and Development	Parks and Open Space Asset Management
22	Public Works	Asset Management	Long-Range Financial and Operational Planning
33	Public Works	Surface Water Drainage	Storm Water Management Design and Review
96	Public Works	Urban Forestry	Tree Planting

RISK SCORING (with factor weighting applied)						RISK SCORE TOTAL
Complexity	Financial	Reputation	Change	HR/People		
22.5	18.75	10	15	3.75	70	
22.5	18.75	7.5	15	3.75	67.5	
22.5	12.5	7.5	15	3.75	61.25	
22.5	12.5	7.5	7.5	10	60	
22.5	18.75	5	10	3.75	60	
22.5	6.25	10	15	3.75	57.5	
15	12.5	7.5	15	7.5	57.5	
22.5	12.5	7.5	10	3.75	56.25	
22.5	12.5	7.5	7.5	5	55	
22.5	18.75	5	5	3.75	55	
22.5	18.75	5	5	3.75	55	
15	12.5	7.5	5	3.75	53.75	
15	12.5	7.5	15	3.75	53.75	
15	12.5	7.5	15	3.75	53.75	
22.5	12.5	5	10	3.75	52.5	
15	18.75	5	10	3.75	52.5	
22.5	12.5	7.5	5	3.75	51.25	
22.5	12.5	2.5	10	3.75	51.25	
15	12.5	7.5	15	0.15	50.15	
15	12.5	5	7.5	10	48.75	
15	12.5	7.5	10	3.75	48.75	
15	6.25	5	15	7.5	48.75	
22.5	6.25	7.5	5	7.5	48.75	
15	12.5	7.5	10	3.75	48.75	
22.5	12.5	5	5	3.75	48.75	
22.5	12.5	5	5	3.75	48.75	
22.5	12.5	5	5	3.75	48.75	
15	6.25	7.5	15	3.75	47.5	
15	18.75	5	5	3.75	47.5	
15	12.5	5	10	3.75	46.25	
15	12.5	5	10	3.75	46.25	
15	12.5	5	10	3.75	46.25	
15	6.25	7.5	10	3.75	46.25	
15	12.5	5	10	3.75	46.25	
15	12.5	5	10	3.75	46.25	
22.5	12.5	2.5	5	3.75	46.25	
22.5	12.5	2.5	5	3.75	46.25	
22.5	12.5	2.5	5	3.75	46.25	
15	12.5	5	10	3.75	46.25	
15	12.5	5	10	3.75	46.25	
15	6.25	10	10	3.75	46.25	
15	6.25	5	15	3.75	45	
15	18.75	2.5	5	3.75	45	
15	12.5	7.5	5	7.5	43.75	
15	6.25	5	7.5	10	43.75	
15	6.25	5	10	7.5	43.75	
15	12.5	7.5	5	3.75	43.75	
15	12.5	2.5	10	3.75	43.75	
22.5	6.25	5	5	3.75	42.5	
15	12.5	5	5	3.75	41.25	
15	12.5	5	5	3.75	41.25	
15	6.25	2.5	10	7.5	41.25	
15	12.5	5	5	3.75	41.25	
15	12.5	5	5	3.75	41.25	
15	12.5	5	5	3.75	41.25	
15	12.5	5	5	3.75	41.25	
15	12.5	5	5	3.75	41.25	
15	12.5	5	5	3.75	41.25	
15	12.5	5	5	3.75	41.25	
15	6.25	2.5	10	3.75	40	
22.5	6.25	2.5	5	3.75	40	
22.5	6.25	2.5	5	3.75	40	
22.5	6.25	2.5	5	3.75	40	
15	6.25	7.5	10	0.15	38.9	
7.5	12.5	5	10	3.75	38.75	
15	12.5	2.5	5	3.75	38.75	
15	12.5	2.5	5	3.75	38.75	
15	6.25	5	7.5	5	38.75	
15	12.5	2.5	5	3.75	38.75	
15	12.5	2.5	5	3.75	38.75	
15	12.5	5	5	0.15	37.65	
15	6.25	2.5	10	3.75	37.5	
7.5	12.5	5	5	7.5	37.5	
15	6.25	2.5	10	3.75	37.5	
7.5	6.25	5	10	7.5	36.25	
7.5	6.25	5	10	7.5	36.25	
7.5	12.5	2.5	10			

AUD-03-26 Appendix E: Jurisdictional Scan of Municipal Internal Audit Depts.

Listing of bench-marked Municipalities	
City of Hamilton	
Region of Halton	
Peel Region	
City of Mississauga	
City of Vaughan	
City of Kitchener	
City of Barrie	
City of Ottawa	
York Region	
City of Brampton	
City of Guelph	
City of Sudbury AG	
City of Toronto AG	
City of Windsor	
Niagara Region	
City of Thunder Bay	
City of Vancouver	
City of Edmonton	
City of Calgary	
City of Halifax AG	
City of Saskatoon	
City of Regina	
City of Winnipeg	
Halton District School Board	
Total # of Municipalities scanned	24

Common Audit Themes - 2026	
Procurement	16
Cyber-security	14
Transit	12
Fraud Risk/Investigations	9
HR Recruiting, Retention, Attraction	8
Public Housing*	8
P-Card	8
Fleet Management	7
Environmental / Climate Change	7
Real Estate / Leases	6
Construction	6
Payroll	5
Employee Health & Safety	5
Inventory	4
Driver Certification Program	4
Roads	3
Grants	3
Cash Handling	3
Homelessness*	3
Diversity, Equity & Inclusion	3
Corporate Security	3
External Consultants	3

* Single/Upper-Tier municipalities only

SUBJECT: Aquatics space allocation audit

TO: Audit Committee

FROM: Corporate Affairs
City Auditor

Report Number: AUD-05-26

Wards Affected: Not applicable

Date to Committee: March 4, 2026

Date to Council: March 10, 2026

Recommendation:

Receive for information office of the city auditor report AUD-05-26 regarding aquatics space allocation audit.

Executive Summary

Purpose of report:

- An audit of the space allocation process in 2025 was directed by Audit Committee on December 5, 2025 through motion memorandum (COW-15-25). This report fulfills the staff direction in the motion memo.

Key findings:

- The RFP submission by Burlington Aquatics Devilrays (BAD) swim group was appropriately disqualified under the terms of the RFP. The RFP included a mandatory requirement of a "certificate of incorporation" which was not submitted by the BAD swim group by the RFP closing time.

Implications:

- There are no immediate implications through this report. The Office of the City Auditor does not have the authority to retroactively reverse a procurement decision or other agreements executed by the City. However, the City Auditor acknowledges the public interest in this procurement and its impact on youth competitive swimmers as well as the reputational risk to the City.

Information Report

Background

On December 5, 2025 Audit Committee approved the following staff direction to the City Auditor through motion memorandum [COW-15-25](#). The objectives of this audit were to “*obtain an independent audit of the documentation, decision making and compliance to the Council approved Procurement By-law*”. Audit Committee’s motion memorandum sought the following items:

1. The chain of events including the timing of when key documents were issued by the City, received by the bidders, evaluated by staff and reported back to bidders.
2. Any differences in approach that were taken between the processes for allocating space in City pools between adults and youth.
3. Definitions and requirements within City procurement documents including whether those definitions and requirements are aligned with the City’s Procurement By-law.

The reason cited for this audit in the motion memorandum was “*community members have voiced their concerns for transparency around the decision making for the space allocation process performed in 2025 to award pool time to competitive swimming programs within City-run pools*”. This matter refers back to the awarding of a Request for Proposal (RFP) for space allocation in the City’s pools for competitive swimming programs in June 2025.

Prior to the meeting of Audit Committee in December, this matter received significant attention from both the Burlington Aquatic Devilrays (BAD) and Golden Horseshoe Aquatic Club (GHAC) organizations, their respective members, other residents, and local media outlets. This matter was discussed at a Committee of the Whole meeting on July 7, Special Council meeting on July 10, and COW on November 3. Three press releases were also issued by the City related to this matter. See Appendix-A for greater details and links.

The City of Burlington conducted a competitive procurement process to select one youth and one adult provider for swimming pool time allocation. Local swimming organizations representing competitive youth and adult swimmers were invited to participate in two ‘Request for Proposal’ (RFP) procurement processes:

RFP-25-202 Competitive Youth Swimming – Program Provider

RFP-25-203 Competitive Adult Swimming – Program Provider

This was the second occasion that this approach was taken after a similar process occurred in 2020, which was set to expire in August 2025.

Why a competitive RFP was selected to allocate pool space:

Interviews with staff from the Recreation, Community & Culture (RCC) Department and Procurement Services determined the following rationale for utilizing this approach to allocate space in the City's pool facilities:

- The City's swimming pools are operated to support broad community access and the development of essential life-saving swimming skills, such as those taught through public lessons and general programming. Historically, several competitive swim groups operated in both the youth and adult categories, so a fair and transparent process was needed to allocate any remaining pool time after community programming needs were met. This is consistent with the City's corporate policy for Recreation Facility Space Allocation, approved by Council on July 11, 2023 (see report [RCC-13-23](#)) and the City's 'Framework for Community Recreation in the City of Burlington', approved by Council on Feb 24, 2020 see report [PR-11-19](#)). In summary, the City's policy framework prioritizes broad community access ensuring for residents of all ages and abilities. With limited pool inventory, significant population growth, and high demand for prime-time hours, only a small portion of remaining pool time is available for allocation to competitive or specialized program providers.
- In recent years, both youth and adult competitive swimming have experienced significant growth, driven in part by the sport's affordability and accessibility. As a result, multiple swim groups continue to seek access to limited pool space. Given the high demand and constrained inventory, staff determined that a competitive procurement process was the most fair and transparent way to allocate the remaining available pool time.
- Staff applied a risk management lens to their approach with a priority of reducing the general risk to the City.
- An RFP approach allows for consideration of additional factors beyond lowest cost to the City (or conversely highest revenues).
- Staff from RCC and Procurement Services deemed that the 2020 RFP processes were successful and there was little rationale to deviate or select an alternative approach.

For further clarity, aquatics differs from other recreation asset categories such as gymnasiums, recreation centres, arenas, and sports fields. These facilities are designed to serve broad, multi-purpose community needs, and the City offers far fewer direct-delivered programs in those spaces. The City also does not directly deliver or compete with the private sector in most organized sports, which means these assets are generally scheduled alongside community groups rather than being driven by City program requirements. While these facilities experience similar pressures related to growth and limited inventory, their allocation processes operate differently from pools and were not included in the scope of the review assigned by Audit Committee.

Details of the RFP process:

Two concurrent RFP procurement processes were conducted for youth swim groups (RFP-25-202) and adult swim groups (RFP-25-203) issued on March 13 and 14, 2025, respectively. See Appendix-A (Chain of Events) for greater details of key timelines and milestones within the RFP process.

The objectives of the RFP-25-202 (Youth) were to enter into an agreement with one organization that would deliver *“Youth Competitive and Development Swimming programs in three of City owned pools: Centennial Pool, Angela Coughlan Pool and Nelson Pool”*. The following conditions were identified in the RFP:

- Maximizing each hour of pool time
- Prioritizing City of Burlington residents, with a target of 85% of Burlington residency
- Not utilizing pool time for other reasons
- Pool User would provide accessible website, marketing materials, information etc.

RFP-25-202 sought to enter into an agreement for the Pool User to purchase 2000 allocated pool hours per year over a three-year term with two one-year extensions. Multiple other requirements were identified in the RFP including lifeguarding, tournaments/meets, financial obligations as well as the City’s standard terms and conditions.

Mandatory requirements in the RFP-25-202 (Youth):

The mandatory requirements to be considered for evaluation included the following:

- *“Bidders must confirm their ability to meet the annual financial commitment outlined on page 19 “Financial Obligation” in order to be considered for further evaluation.”*
- *“Bids must include current and valid certificate of incorporation as a Non-Profit or Not-for-Profit organization.”*
- *“Bidders must be registered with Swim Ontario and the City will refer to the Swim Ontario website to confirm as such before bids are evaluated.”*

The mandatory requirements were described three times within the RFP document:

1. Supplemental Terms and Conditions on page 17
2. Schedule of Prices on Page 57
3. Documents on Page 58

The language in the RFP document appears explicit and clear regarding non-compliance:

- Page 17 – *“Bids not meeting the above mandatory requirements will be rejected.”*
- Page 22 – *“Bids that do not comply strictly with all terms and conditions of the Bid Solicitation document... may be declared informal and/or disqualified and/or rejected”*
- Page 57 – *“Bids not meeting the above mandatory requirements will be rejected.”*
- Page 58 – *“It is your responsibility to make sure the uploaded file(s) is/are not defective or corrupted and are able to be opened and viewed by the City. If the attached file(s) cannot be opened or viewed, your Bid / Proposal may be rejected.”*

For additional clarity, the mandatory requirements were identical in the RFP-25-202 (Youth) and RFP-25-203 (Adult) RFP documents. The only difference between these documents related to Addendum #2 for RFP-25-203 (Adult) which requested clarification for the certificate

of incorporation mandatory requirement. In addition, the mandatory requirement for a certificate of incorporation was consistent with the RFPs for pool space allocation in 2020.

According to staff, the “*current and valid certificate of incorporation*” was included as a mandatory requirement for the proponents to demonstrate with evidence that they were a not-for-profit organization. RCC staff noted that the City’s policy framework prioritizes not-for-profit community partners, as municipal recreation assets are built to serve the community and should be used by organizations that deliver inclusive, affordable programs for residents. While this is not explicitly clear in the ‘Recreation Facility Space Allocation’ or the ‘Framework for Community Recreation in the City of Burlington’, the concepts of residents’ socio-economic status and affordability are guiding principles. Staff also emphasized that City-owned facilities/assets are not intended to support private, profit-driven ventures, which have the ability to charge market rates and secure commercial spaces elsewhere. On the balance of available facts, this is a reasonable requirement.

Analysis

Basis of the rejection of the BAD submission:

The closing date for RFP-25-202 (Youth) was April 17, 2025. Under the City of Burlington’s procurement process, all compliant bid submissions are allowed to proceed to an evaluation process whereby the merits of the submission are evaluated against the criteria identified in the RFP. Staff do not review submitted documents to assess their merit or compliance until after the RFP period is closed. However, if a bid is considered to be “irregular” (meaning non-compliant) with the mandatory requirements in the RFP, it is to be rejected and it does not proceed to the evaluation stage.

This is consistent with the City’s Procurement [By-law 04-2022](#) which states in Schedule B (Bid Irregularities) “*Failure to attend a mandatory meeting or meet any other mandatory requirements specified in the Bid Solicitation document*” results in a consequence of “*rejection*”. In the case of the BAD submission to RFP-25-202 (Youth), a ‘Certificate of Status’ was submitted rather than a ‘Certificate of Incorporation’ per the mandatory requirements. Procurement Services staff obtained legal advice from in-house legal counsel which supported the decision to apply the mandatory requirements of the RFP and the Procurement By-law to disqualify BAD. What may have likely been either an oversight or misinterpretation by BAD in submitting the incorrect document resulted in the application by staff of the mandatory provisions of the RFP and the decision to reject the BAD RFP submission. This decision was technically appropriate and correct as per the City’s Procurement Bylaw. As a result, staff only evaluated the bid submission from GHAC.

As written, Section 10(a) of the RFP could support different interpretations by bidders. It states that “*Bids not meeting any of the mandatory requirements included in this Bid Solicitation document will be disqualified,*” which was relied upon as the basis for disqualifying BAD’s submission. However, the same section also notes that “*Bidders may be contacted to clarify their submissions.*” This did not occur in RFP-25-202 (Youth) as staff stated they were

prohibited from allowing any bidders to perform 'bid repair' (explained further below). Staff should consider clarifying this passage in future procurements to prevent bidders from potential misinterpretation.

Through interviews with staff, additional rationale was provided to support the basis of the rejection of the BAD submission:

- Public sector procurement requires treating all bid submissions equally, fairly and with professional integrity. Staff stated their inability to allow a bidder to submit documents after the deadline or make edits "post-bid". Staff stated that allowing one bidder to make edits or re-submit documents would compromise the integrity of the City's procurement process by favouring one bidder over another. This is consistent with page 4 of the Procurement Bylaw to ensure "*fair, objective and equitable treatment of all Vendors.*"
- Staff cited the legal and procurement concept of 'bid repair' which refers to any attempt by a bidder to modify, supplement, or correct their bid after the RFP submission deadline has passed. Under Canadian law, the 'Contract A' framework established by the Supreme Court of Canada governs the competitive bidding process for tenders including a duty to fairness to all bidders and prohibits bid repair in procurement processes.
- Staff repeatedly stated their concern about opening the City to litigation risk if the terms and conditions of the RFP (which included the mandatory requirements cited above) or the broader Procurement By-law were not followed which may have resulted in a 'cause of action' by unsuccessful bidders generally.

After the rejection of the BAD RFP submission which was communicated on June 5, BAD formally requested a bid debrief review on June 7, which is outlined in section 32 of the Procurement By-law. A committee of three staff members (that were not involved with this procurement) were formed and evaluated the RFP documents and bid submission from BAD. The Chair of the Committee provided a letter on June 24, 2025 to BAD upholding the decision of disqualification.

Separately, staff in Legal Services obtained an external legal opinion from its external legal counsel (Blake, Cassels & Graydon LLP) for which it has an ongoing standing retainer for procurement advisory services. Although this legal advice is and remains privileged and confidential, the advice supported the City's decision in proceeding as it had.

Differences between a Certificate of Status vs. Certificate of Incorporation vs. Letters Patent:

A Certificate of Status is an official document issued by the Ontario Ministry of Public and Business Service Delivery which demonstrates whether a corporation is active and identifies its legal name, Ontario corporation number, date of incorporation/amalgamation and whether it was "dissolved" or "in default". For clarity, the document does not explicitly identify the corporation's not-for-profit status.

A Certificate of Incorporation is defined in the [Ontario Not-for-Profit Corporations Act, 2010](#):

"Upon receipt of the articles of incorporation, together with any required documents and information and the required fee, the Director shall issue a certificate of incorporation by

endorsing the articles in accordance with section 201, and the endorsed articles constitute the certificate of incorporation”

“A certificate of incorporation is conclusive proof that the corporation has been incorporated under this Act on the date set out in the certificate, unless the certificate of incorporation is cancelled under section 169 as of the same date.”

A certificate of incorporation explicitly identifies a corporation’s not-for-profit status by stating it is a “*corporation without share capital*” and in some cases explicitly stating its corporate purposes will not provide a gain to its members or provide treatment for its profits.

Letters Patent are historical, legal documents forming not-for-profit corporations. When GHAC (2011) and BAD (1994) were incorporated, they were each issued Letters Patent by the respective ministry of the Province of Ontario at the time. With the *Not-for-Profit Corporations Act, 2010*, new corporations are formed by articles of incorporations, instead of Letters Patent, which in accordance with the references above, endorsed constitute the ‘Certificates of Incorporation’.

RFP documents are written in a precise and technical manner with input from procurement and often legal professionals. Bidders are encouraged to submit questions to Procurement Services when they do not understand requirements during the dedicated question period. A lay-person without legal experience is not likely to know the differences between these documents (for instance, a question of clarification around this requirement was posed by a bidder to RFP-25-203). However, the BAD group did submit the correct document (their officially stamped Letters Patent) in the 2020 RFP process. City staff should consider broadening the types of evidence that bidders could submit for future procurements to demonstrate not-for-profit status.

Differences in approach between RFP-25-202 (Youth) & RFP-25-203 (Adult):

Per interviews with staff, both RFP-25-202 (Youth) & RFP-25-203 (Adult) procurement occurred concurrently because both existing agreements were due to expire at the same time (August 2025). There were minor changes between the content of the two RFPs which did not substantively impact the execution of the process for either procurement. These minor differences included:

- A slightly different RFP schedule (original RFP issue dates were one day apart with award dates two days apart)
- RFP-25-202 (Youth) Required the bidders to describe their “*Program Time Allocation*”, “*Resource Allocation*” and “*Competitions and Events*” while RFP-25-203 (Adult) did not
- Terms of Reference in section 3.0 of each RFP which identified separate scope of services that were distinct for youth and adult swim organizations.

The RFP evaluation criteria, rating scale, weightings and mandatory requirements were identical. For additional clarity, both RFPs required bidders to demonstrate how their “*organization will ensure a minimum of 85% of participants are Burlington residents*” (rather than requiring an immediate 85% local composition of swimmers).

Through interviews with staff and a review of the RFP documentation, correspondence etc. the principle difference between the administration of bidders in the youth vs. adult RFP’s was the

variety of questions received (from bidders). Staff communicated that they received various informal questions of clarification directly from the bidders (rather through the formal Bids & Tenders process). In each of these situations, the questions were referred back to the Procurement Specialist who issued an addendum to the RFP on March 17 with those questions and answers back to all respective RFP bidders. Questions and responses from the adult RFP were not provided to the youth bidders, or vice versa. Another difference in this regard came from a question from a bidder participating in the adult RFP who requested an extension of the RFP timelines/schedule. Staff determined to extend the timelines for both procurements, notwithstanding that neither of the youth RFP bidders formally requested an extension. Staff's explanation for this decision was based on efficient use of staff time (i.e. to concurrently evaluate both procurements). This is further discussed in the section on staff discretion noted below.

Reconciliation of the requirements in the RFP vs. the City's Procurement By-law:

Both RFP-25-202 (Youth) & RFP-25-203 (Adult) referenced mandatory requirements to be met to be evaluated by staff. These mandatory requirements are permitted under the City's Procurement [By-law 04-2022](#) under definitions on page 5 and under bid irregularities on page 26. These mandatory requirements are described under "*Compliant Bid means a Bid received that conforms to all mandatory requirements contained in the Bid Solicitation*" and under "*Non-Compliant Bid means a Bid that does not conform to one or more mandatory requirements contained in the Bid Solicitation document.*" Further, the RFP document's standard terms and conditions in section 4.0 stated: "*All Bids received by the City are governed by its Procurement By-law, which set rules in determining the validity of all Bids.*"

These passages in the By-law mean that staff are permitted to identify distinct mandatory requirements under each procurement in order to streamline or prioritize the requirements of the City.

Based on a review of the form and content of the RFP documents including the terms and conditions included herein, the RFPs are in compliance with the City's Procurement By-law and no deviations were noted.

Use of discretion and the RFP process:

Members of the community publicly discussed the lack of discretion (i.e. flexibility or 'common sense') by staff related to the procurement process. Three areas were identified where discretion may have been perceived as possible:

1. Clarifying the 'Certificate of Incorporation' requirement to bidders in the adult RFP but not the bidders in the youth RFP in the questions period.
 - A bidder in RFP-25-203 (Adult) asked a question of clarification about the mandatory requirement of a 'Certificate of Incorporation', specifically asking if "*Articles of Incorporation, our Certificate of Status and the OBR Not-for-Profit status*" would suffice. City staff responded in Addendum #2 on April 10 that it would be acceptable to all bidders in the adult RFP but did not communicate that with the bidders in the youth RFP.
 - During interviews with staff, they stated that they assumed bidders BAD and GHAC were aware of the requirements since they each submitted the correct documents

in the 2020 RFP process. On the balance of available facts, this appears to be a reasonable response.

- Staff decided to allow an extension of both RFP time schedules, even though it was only requested by one adult RFP bidder. Staff's explanation of extending both to streamline the evaluation process is also reasonable on the balance of available facts.
2. Validating the BAD organization's not-for-profit status by reviewing their documents from the 2020 RFP.
 - The City has possession of the BAD organization's 'Certificate of Incorporation' in the form of officially stamped 'Letters Patent from their successful bid in the 2020 youth RFP. However, staff did not utilize this document in their evaluation of the BAD 2025 RFP submission.
 - Staff stated that the 2020 RFP has no bearing on the 2025 RFP process and they could not use documents provided under a different procurement to assist BAD; further referencing Canadian procurement law. Staff stated that utilizing the 2020 documents may be considered assisting one bidder over another bidder, which would expose the City to legal risk.
 3. Validating the BAD organization's not-for-profit status by independently searching the online [Ontario Business Registry](#) (OBR).
 - A brief online search of the OBR utilizing the Ontario Corporation Number from the 'Certificate of Status' submitted by the BAD group would identify their status as not-for-profit.
 - BAD submitted a screenshot from the OBR identifying their not-for-profit status in a subsequent document which was not accepted by staff.
 - Staff stated once a bidder does not meet the mandatory requirements, they perform a 'full stop' in the procurement process (meaning they do not proceed to the evaluation phase of the RFP). Staff were also concerned that other bidders might argue that the City was not following the mandatory requirements of the RFP and therefore expose the City to litigation risk.

In some circumstances, the exercise of discretion in one or more of the scenarios above may have reduced the likelihood of BAD misunderstanding the mandatory requirements. However, when viewed from a risk management perspective, City staff exercising discretion or flexibility to assist one vendor over another does indeed expose the City to:

- Risk of litigation by an unsuccessful bidder or other parties including financial losses if unsuccessful bidders litigate against the City for contract losses etc.
- Reputational risk including loss of public trust by residents if corporate policies and bylaws are not transparently followed
- Operational risks if unsuccessful procurements lead to project/contract delays (i.e. delays to the implementation of new swimming programs in City pools)
- Fraud and corruption risks in other procurements (such as bid-rigging, kickbacks and conflicts of interest) may be increased if it is known that the City favours some vendors over others

Only the first scenario described above presents an instance where staff discretion, specifically carrying forward clarifications from one active procurement to another would not necessarily disadvantage bidders or compromise the integrity of the procurement process. In that scenario, staff could have exercised judgment to provide youth RFP bidders with the same

clarifications issued during the adult RFP. That said, staff's approach was also reasonable, given that both GHAC and BAD already possessed the relevant documents and had correctly interpreted the mandatory requirements during the 2020 RFP.

The disqualification of the BAD RFP bid submission was based on submitting the incorrect form into the procurement competition, which resulted in material impacts according to BAD. From a procurement, legal, and risk management perspective, staff's decision to disqualify the bid was consistent with the requirements of the RFP process, which is governed by the City's Procurement By-law.

Key Dates & Milestones

The audit was initiated in December after the Audit Committee approved the motion memorandum cited above. Audit work was performed in December and January with reporting back to staff in February 2026.

Key dates and milestones related to the RFP for competitive swimming organizations are detailed in Appendix-A (Chain of Events).

Implications

There was no cost to perform this audit except for the City Auditor's time. A total of 68 hours were incurred to perform this audit.

Multiple City staff from other departments were involved in this audit including RCC, Procurement Services, Legal Services and Corporate Communications & Engagement. Management and staff's efforts included meetings, interviews, preparing and sharing documentation/evidence and reviewing the draft audit report. This amount of time was not tracked by the City Auditor.

There are no immediate impacts from this report. The City Auditor's audit process was conducted mostly remotely which saved vehicular trips to City facilities, thereby reducing greenhouse gas emissions. Meeting materials and audit evidence were entirely sent electronically, thereby reducing the consumption of paper.

The City Auditor recognizes the public relations and reputational implications of this audit report given the strong interest from residents. Best efforts were made to report objectively and factually on the subject matter at hand.

References

[COW-15-25](#) - Report back on Audit of space allocation for competitive youth swimming programs

LLS-42-25 Confidential legal report regarding potential litigation for aquatics procurement

[Media Release](#) – June 30, 2025: City of Burlington Statement on Ensuring High Quality Aquatics Services and Fair Use of Facilities

[Media Release](#) – July 16, 2025: Updated statement - City of Burlington has a path forward to support all Burlington youth swimmers

[Media Release](#) – August 1, 2025: A solution for competitive youth swimming

[RCC-13-23](#) - Recreation Facility Space Allocation Policy

[PR-11-19](#) - A Framework for Community Recreation in the City of Burlington

[By-law 04-2022](#) - A by-law to Adopt and Maintain a Procurement Policy for the City of Burlington

Strategic Alignment

- ☐ Designing and delivering complete communities
 - ☒ Providing the best services and experiences
 - ☐ Protecting and improving the natural environment and taking action on climate change
 - ☒ Driving organizational performance
-

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Respectfully submitted,
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Appendices:

- A. Appendix-A: Chain of Events

Report Approval:

All reports are reviewed and approved by the Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor

AUD-05-26 Appendix-A: Chain of Events re: RFP for Aquatics Space Allocation

Date	Summary of Event re: Procurement			Detailed notes
Sep-24	Internal planning begins			Staff begin internal planning for space allocation of pool facilities.
13-Mar-25	RFP-25-202 Issue Date	14-Mar-25	RFP-25-203 Issue Date	
21-Mar-25	RFP-25-202 Deadline to receive questions	24-Mar-25	RFP-25-203 Deadline to receive questions	Note: these are original dates posted in the RFP prior to the extension
28-Mar-25	RFP-25-202 Closing Date	31-Mar-25	RFP-25-203 Closing Date	Note: these are original dates posted in the RFP prior to the extension
Mar 31-April 9	RFP-25-202 Review and Evaluation of Bids	Mar 31-April 11	RFP-25-203 Review and Evaluation of Bids	Note: these are original dates posted in the RFP prior to the extension
9-Apr-25	RFP-25-202 Intent to Award	1-Apr-25	RFP-25-203 Intent to Award	Note: these are original dates posted in the RFP prior to the extension
23-Apr-25	RFP-25-202 Award / Agreement Execution	25-Apr-25	RFP-25-203 Award / Agreement Execution	Note: these are original dates posted in the RFP prior to the extension
16-Mar-25	Staff receive questions from adult RFP bidder			
17-Mar-25	RFP-25-202 Addendum #1	17-Mar-25	RFP-25-203 Addendum #1	Revised schedule communicated to bidders (RFP deadlines extended)
8-Apr-25	RFP-25-202 Addendum #2	10-Apr-25	RFP-25-203 Addendum #2	Two and three questions and responses provided, respectively
10-Apr-25	RFP-25-202 Deadline to receive questions	10-Apr-25	RFP-25-202 Deadline to receive questions	Revised date per Addendum #1
17-Apr-25	RFP-25-202 Closing Date	17-Apr-25	RFP-25-203 Closing Date	Revised date per Addendum #1
April 22-28	RFP-25-202 Review and Evaluation of Bids	April 22-28	RFP-25-203 Review and Evaluation of Bids	Revised dates per Addendum #1

28-Apr-25	RFP-25-202 Intent to Award	28-Apr-25	RFP-25-203 Intent to Award	Revised date per Addendum #1
12-May-25	RFP-25-202 Award / Agreement Execution	12-May-25	RFP-25-203 Award / Agreement Execution	Revised date per Addendum #1
5-Jun-25	Virtual meeting with BAD re: rejection of RFP bid submission			Phone call by staff to BAD to communicate rejection of their RFP submission.
5-Jun-25	Email Correspondence re: expressing concern and re-consideration			Email from BAD President to Staff and Council members requesting written reasons for the decision to reject their RFP submission.
6-Jun-25	Further email correspondence			Multiple emails between COB staff, Mayor, Councillors and BAD
7-Jun-25	Email Correspondence re: Bid Dispute Committee			Email from BAD to Staff formally requesting bid review under Section 32 of the City of Burlington's Procurement By-law.
9-Jun-25	Request to external legal counsel			Legal Services requests and receives external legal advice regarding RFP procurement process.
24-Jun-25	Final Decision issued by Bid Dispute Committee			Email correspondence from Bid review Committee to BAD upholding decision to reject BAD submission related to RFP-25-202.

Date	Event Summary re: Public Engagement	Agenda #	Links	Detailed notes
30-Jun-25	Media Release	-	Link to media release	Public statement by City of Burlington Communications re: "City of Burlington Statement on Ensuring High Quality Aquatics Services and Fair Use of Facilities"
7-Jul-25	Committee of the Whole (COW) meeting	6.2	Link to delegation	Delegation by Kimberly Calderbank, Burlington Aquatic Devilrays re: LLS-42-25
7-Jul-25	Committee of the Whole (COW) meeting	6.3	Link to delegation	Delegation by Katie Lebel, Burlington Aquatic Devilrays re: LLS-42-25
7-Jul-25	Committee of the Whole (COW) meeting	6.4	Link to delegation	Delegation by Piers Allington, Burlington Aquatic Devilrays re: LLS-42-25
7-Jul-25	Committee of the Whole (COW) meeting	6.5	Link to delegation	Delegation by Colleen Bent, Golden Horseshoe Aquatic Club re: LLS-42-25
7-Jul-25	Committee of the Whole (COW) meeting	6.5	Link to materials	Delegation materials from Colleen Bent, Golden Horseshoe Aquatic Club re: LLS-42-25
7-Jul-25	Committee of the Whole (COW) meeting	9.3	-	Confidential legal report regarding potential litigation for aquatics procurement (LLS-42-25)
7-Jul-25	Committee of the Whole (COW) meeting	14.1	Link to correspondence	Correspondence from representatives of the Burlington Aquatic Devilrays (BAD) regarding confidential legal report on potential litigation for aquatics procurement (LLS-42-25)
10-Jul-25	Special Council meeting	8.1	Link to delegation	Delegation by Cody Bradt, GHAC re: ADM-09-25
10-Jul-25	Special Council meeting	8.1	Link to materials	Delegation materials received from Cody Bradt, GHAC re: ADM-09-25
10-Jul-25	Special Council meeting	12.1	Link to correspondence	Correspondence from representatives of the Golden Horseshoe Aquatic Club
16-Jul-25	Media Release	-	Link to media release	Updated public statement "City of Burlington has a path forward to support all Burlington youth swimmers"

1-Aug-25	Media Release	-	Link to media release	Updated public statement "A Solution for Competitive Youth Swimming"
3-Nov-25	COW Meeting	8.5	Link to minutes	COW-15-25 referred to Audit Committee
3-Nov-25	COW Meeting	6.2	Link to delegation	Delegation by Zohair Khan, Burlington Aquatic Devilrays re: COW-15-25
3-Nov-25	COW Meeting	6.3	Link to delegation	Delegation by Cody Bradt, Golden Horseshoe Aquatic Club re: COW-15-25
3-Dec-25	Audit Committee	8.3	Link to minutes	COW-15-25 Motion memorandum approved by Audit Committee
3-Dec-25	Audit Committee	5.1	Link to delegation	Delegation by Zohair Khan, Burlington Aquatic Devilrays re: COW-15-25