



Audit and Finance Committee

**Thursday, September 24, 2026
4:00 PM**

Henry Baker Hall, Main Floor, City Hall



OFFICE OF THE CITY CLERK

**Public Agenda
Audit and Finance Committee
Thursday, September 24, 2026**

Approval of Public Agenda

Adoption of Minutes

Minutes of the public meeting held on August 27, 2026

Administration Reports

AFC26-22 Internal Audit Work Plan

Recommendation

That Audit and Finance Committee:

1. Approve the 2026 - 2027 Internal Audit Work Plan; and
2. Recommend that City Council receive and file this report at its October 14, 2026, meeting.

Resolution for Private Session

AT REGINA, SASKATCHEWAN, THURSDAY, AUGUST 27, 2026

AT A MEETING OF AUDIT AND FINANCE COMMITTEE
HELD IN PUBLIC SESSION

AT 4:00 PM

These are considered a draft rendering of the official minutes. Official minutes can be obtained through the Office of the City Clerk once approved.

Present: Councillor George Tsiklis, in the Chair
Mayor Chad Bachynski
Councillor Clark Bezo
Joe Carson
Jamie Eng
Jim Fallows

Regrets: Councillor Jason Mancinelli

Also in Attendance: Council Officer, Janice Hudson
Acting CFO/Deputy City Manager, Jeff May
Internal Auditor, Dhinakar Viswanathan
Corporate Controller, Kim Krywulak
Manager, Financial Analysis & Support, Sheena Carrick

APPROVAL OF PUBLIC AGENDA

Councillor Clark Bezo moved, AND IT WAS RESOLVED, that the agenda for this meeting be approved at the call of the Chair.

ADOPTION OF MINUTES

Mayor Chad Bachynski moved, AND IT WAS RESOLVED, that the minutes for the meeting held on June 25, 2026 be adopted, as circulated.

ADMINISTRATION REPORTS

AFC26-18 2026 Second Quarter General & Utility Operating Forecast

Recommendation

The Audit and Finance Committee recommends that City Council:

1. Approve increasing the Customer Relationship Management Solution capital project by \$114,400 with funding to come from the 2026 Operating Budget of the Sustainability, Performance & Service Improvement Department and the Deputy City Manager, Communications, Service Regina & Tourism; and

2. Approve these recommendations at its September 9, 2026 meeting.

Councillor Clark Bezo moved that the recommendations contained in the report be concurred in.

The motion was put and declared CARRIED.

RESULT:	CARRIED [Unanimous]
MOVER:	Councillor Bezo
IN FAVOUR:	Councillors: Tsiklis, Bezo, and Mayor Bachynski; Jamie Eng, Joe Carson, and Jim Fallows

AFC26-19 2026 Second Quarter General & Utility Capital Forecast

Recommendation

The Audit and Finance Committee recommends that City Council:

1. Approve the Election Management Software Updates project at a budgeted cost of \$55,000 with funding to come from the Elections Reserve (\$27,500) and the Public and Separate School Boards (\$27,500); and
2. Approve this report at its September 9, 2026 meeting.

Mayor Chad Bachynski moved that the recommendations contained in the report be concurred in.

The motion was put and declared CARRIED.

RESULT:	CARRIED [Unanimous]
MOVER:	Mayor Bachynski
IN FAVOUR:	Councillors: Tsiklis, Bezo, and Mayor Bachynski; Jamie Eng, Joe Carson, and Jim Fallows

AFC26-20 2025 Annual Debt Report

Recommendation

The Audit and Finance Committee recommends that City Council receive and file this report at its September 9, 2026 meeting.

Councillor Clark Bezo moved that the recommendation contained in the report be concurred in.

Councillor Clark Bezo withdrew the motion.

Jamie Eng moved that the Audit and Finance Committee recommend that City Council:

- 1. Direct Administration to report back to the September 24, 2026 Audit and Finance Committee meeting with three options to dedicate a percentage of the budget to pay off debt; and**
- 2. Approve this recommendation at its September 9, 2026 meeting.**

Jamie Eng withdrew the motion.

Councillor Clark Bezo moved that the recommendation contained in the report be concurred in.

Councillor Clark Bezo withdrew the motion.

Mayor Chad Bachynski moved that the Audit and Finance Committee recommend that City Council:

- 1. Direct the Mayor to send a letter of support on behalf of Regina City Council to the Saskatchewan Municipal Board (SMB) respecting the following:**
 - a) Offsetting sinking fund balances with respect to the debt limit; and**
 - b) Requesting information on how the SMB evaluates the City's ability to service debt when setting its debt limit; and**
- 2. Approve this recommendation at its September 9, 2026 meeting.**

The motion was put and declared CARRIED.

RESULT:	CARRIED [Unanimous]
MOVER:	Mayor Bachynski
IN FAVOUR:	Councillors: Tsiklis, Bezo, and Mayor Bachynski; Jamie Eng, Joe Carson, and Jim Fallows

AFC26-21 Materials Yard - Granular Inventory Audit

Recommendation

That the Audit and Finance Committee receive and file this report.

Joe Carson moved that the recommendation contained in the report be concurred in.

RECESS

Pursuant to the provisions of Section 33(2.1) of City Council's *Procedure Bylaw No. 9004*, a 15 minute recess was called.

The Committee recessed at 5:37 p.m.

The Committee reconvened at 5:53 p.m.

The main motion was put and declared CARRIED.

RESULT:	CARRIED [Unanimous]
MOVER:	Joe Carson
IN FAVOUR:	Councillors: Tsiklis, Bezo, and Mayor Bachynski; Jamie Eng, Joe Carson, and Jim Fallows

ADJOURNMENT

Jamie Eng moved, AND IT WAS RESOLVED, that the meeting adjourn.

The meeting adjourned at 6:24 p.m.

Chairperson

Secretary



Internal Audit Work Plan

Date	September 24, 2026
To	Audit and Finance Committee
From	Financial Strategy & Sustainability
Service Area	Financial Strategy & Sustainability
Item No.	AFC26-22

RECOMMENDATION

That Audit and Finance Committee:

1. Approve the 2026 - 2027 Internal Audit Work Plan; and
2. Recommend that City Council receive and file this report at its October 14, 2026, meeting.

ISSUE

The Internal Audit Charter requires the City Internal Auditor to prepare an annual audit plan for approval by the Audit and Finance Committee. This report presents the Internal Audit Annual Work Plan which outlines the projects planned for 2026 - 2027.

IMPACTS

Strategic Priority Impact

Audit reports support accountability in the stewardship of public funds and resources, strengthening internal controls and improving the effectiveness and efficiency of the City of Regina's (City) operations and Governance processes. This report aligns with the Financial Perspective and Stewardship & Operations section of the City's 2026-29 Strategic Plan.

There are no financial, legal, policy, labour, environmental, Indigenous or Inclusion, Diversity, Equity

& Accessibility (IDEA) impacts respecting this report.

OTHER OPTIONS

None with respect to this report.

COMMUNICATIONS & ENGAGEMENT

None with respect to this report.

DISCUSSION

Internal Audit assists the City in accomplishing its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of governance, risk management and internal control processes. Internal Audit provides independent and objective assurance and advisory services designed to add value, strengthen accountability and support continuous improvement across the organization.

The 2026 - 2027 Internal Audit Work Plan (Appendix A) provides an overview of the work planned between October 2026 and December 2027. The Work Plan has been developed based on the approved budget and staff complement and reflects Internal Audit's mandate to provide risk-based assurance, advisory services and follow-up activities.

Projects included in the Work Plan were selected through an independent risk assessment process that considered financial significance, operational complexity, enterprise risks, emerging issues in other municipalities, themes identified through external reviews and investigations, municipal audit trends and input received from the Executive Leadership Team, members of City Council and the City's external auditor. The specific scope of each engagement will be finalized during the planning phase.

The proposed Work Plan includes a combination of operational audits, compliance reviews, advisory services and governance related initiatives. In addition to assessing compliance with policies and procedures, many audits include elements of efficiency, effectiveness, economy and value for money to help determine whether public resources are being utilized prudently and in a manner that maximizes value to residents. These reviews support City Council's oversight responsibilities by identifying opportunities to strengthen governance, reduce risk, improve service delivery and enhance operational performance.

A key component of this year's Work Plan is the development of the City's first Enterprise Risk Management (ERM) framework. This initiative represents a significant undertaking and an important

milestone in strengthening the City's governance practices. The proposed framework will establish a structured and consistent approach for identifying, assessing, monitoring and responding to corporate risks across the organization. Once implemented, ERM will support more-informed decision making, improve strategic alignment, enhance accountability for risk ownership and help Administration proactively manage risks that may impact service delivery, financial sustainability, reputation and public trust. As this is the City's first formal ERM initiative, development of the framework will require substantial engagement across the organization and will provide a foundation for future risk-informed planning and decision making.

Internal Audit Activity Update

Internal Audit activities are conducted continuously throughout the year to maximize the efficient use of available resources and provide timely reporting of observations and recommendations. As of September 2026, ten engagements have been completed and presented to the Audit and Finance Committee, with the Budgeting Process Audit and Cybersecurity Audit Phase 2 currently underway. Appendix B provides details regarding the status and results of all completed projects.

The completed audits have generated significant value by identifying opportunities to strengthen governance, improve accountability, enhance internal controls, reduce operational risks and support the effective stewardship of public resources. Audit work completed during 2025 and 2026 addressed a broad range of operational, financial, technology, procurement, inventory management and cash handling risks. Management accepted all recommendations arising from completed audit reports, demonstrating a commitment to continuous improvement and organizational accountability. The status of all outstanding audit recommendations will be reported to the Audit and Finance Committee in Q4 2026 as part of the ongoing recommendation follow-up process.

The 2025 - 2026 Work Plan was developed on the assumption that the department would operate with its full complement of four approved positions. During the year, two audit positions were filled partway through the audit cycle and therefore were not available for the entire reporting period. As a result, additional effort was required to prioritize projects, onboarding, training and departmental development activities while maintaining delivery of the approved audit program. Despite these challenges, Internal Audit successfully completed a substantial number of planned projects and continues to advance the remaining audits currently in progress.

Potential Future Audit Projects

Internal Audit has also developed a list of Potential Audit Projects (Appendix C) for consideration in future annual audit plans. These projects were identified through the same risk assessment process used to develop the current Work Plan and represent areas of potential audit interest based on risk, financial significance, operational complexity, stakeholder input and emerging municipal trends.

The projects included in Appendix C are not currently approved for audit and are provided for planning and transparency purposes only. The list is intended to remain flexible and will be updated periodically to reflect changes in organizational priorities, emerging risks, requests from City Council or Administration, regulatory developments and the results of future risk assessments.

Several of the identified projects relate to broad organizational themes, including infrastructure asset management, facility maintenance, fleet management, work order management, reserves, recruitment and retention, and value-for-money reviews. Given the size and complexity of these areas, future audit work may be divided into multiple phased reviews to provide meaningful assurance and practical recommendations.

The inclusion of these projects does not commit resources or establish future audit priorities. Rather, Appendix C serves as a strategic inventory of potential audits that can support the development of future annual audit plans and assist the Audit and Finance Committee in understanding areas that may warrant future review. Internal Audit will continue to present annual risk-based work plans to the Audit and Finance Committee for approval, at which time the timing and prioritization of individual projects will be reassessed.

Audit Planning Assumptions and Resource Considerations

Internal Audit will be able to independently and objectively execute the projects identified in the Work Plan. The plan is structured around the availability of four audit professionals and reflects a balance between assurance engagements, advisory services, follow-up activities, professional practice requirements, Whistleblower Program administration and departmental development initiatives. Delivery of the Work Plan is dependent on maintaining the approved staffing complement throughout the year. If audit resources are unavailable for part of the year due to vacancies, leaves, staff turnover or other resource constraints, the timing and completion of planned projects may be affected and the Work Plan may require adjustment. Any significant changes to project timing or priorities will be communicated to the Audit and Finance Committee through regular status reporting.

Many of the proposed audit projects involve business processes and operational areas that have not previously been subject to a comprehensive internal audit review. As a result, the effort required to complete individual engagements is based on professional estimates using the best information

currently available. Actual timelines may vary depending on the complexity of issues identified during fieldwork, the quality and availability of supporting information, client participation and responsiveness, emerging organizational priorities, staff availability and unforeseen matters requiring audit attention. The Work Plan is structured to allow Internal Audit to commence all planned audit projects during the planning period. Due to the nature and duration of certain engagements, some projects may extend beyond the calendar year and be carried forward to a subsequent reporting period.

Risk-based auditing is inherently iterative, and audit scopes may expand or contract as additional information becomes available during the engagement. While every effort will be made to complete the approved projects within the planned timeframe, Internal Audit must retain flexibility to respond to emerging risks, significant control concerns or whistleblower matters.

The Work Plan also contemplates the use of co-sourced expertise, where appropriate, to address highly specialized subject matter areas such as information technology, cybersecurity or other technical reviews. This approach allows the City to access specialized knowledge when required while maintaining the independence and oversight of the Internal Audit function.

DECISION HISTORY & AUTHORITY

Pursuant to *The Committee Bylaw*, Bylaw No. 2009-40, the Audit and Finance Committee Terms of Reference 3(1), the Audit and Finance Committee is delegated authority to approve the City Internal Auditor's work plan and resource plan within the budget approved by Council, with such plans to be forwarded to City Council for information.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'V. Dhyan', with a large, stylized 'V' at the beginning and a long, sweeping horizontal line extending to the right.

Dhinakar Viswanathan
City Internal Auditor

Prepared by: Dhinakar Viswanathan, City Internal Auditor

ATTACHMENTS

Appendix A - 2026 - 2027 Internal Audit Work Plan
Appendix B - 2025 - 2026 Internal Audit Status update
Appendix C - Potential Audit Projects

2026 - 2027 Internal Audit Work Plan**1. Enterprise Risk Management (ERM) (Advisory)**

Municipalities face an increasingly complex landscape of operational, financial, reputational and regulatory risks that, if left unmanaged, can result in significant harm to public services, taxpayer resources and community trust. Without a formal risk management framework, the City of Regina (City) lacks the structured tools needed to proactively identify, assess and respond to threats before they escalate into crises. Establishing an ERM framework will embed a consistent, organization-wide approach to risk oversight, ensuring that decision-makers at all levels are equipped to balance opportunity and risk in the public interest. This initiative aligns with best practices adopted by leading municipalities and is consistent with expectations from oversight bodies. The City Internal Auditor, acting in a consulting capacity, will lead the development of a foundational ERM framework, drawing on municipal best practices, and upon completion, will transition full ownership and accountability to Administration to champion, maintain and mature the program going forward. This approach preserves the independence of the Audit function while ensuring the City benefits from Audit's expertise to fast-track a credible and well-structured risk management foundation. The resulting report will present a proposed ERM framework tailored to the City's structure and risk profile, including a risk appetite statement, a corporate risk register, roles and accountability assignments, and a phased implementation roadmap for Administration to carry forward with City Council's support and approval.

2. Project Management Process Audit

The City is projected to spend more than \$300 million on General and Utility Fund capital projects and programs before the end of 2026. The City undertakes large and complex capital projects, and it is critical that the City has strong project management practices in place. Due to the nature, size and complexity of the projects undertaken by the City, there are financial, operational and reputational risks if the project management best practices are not followed. The audit will assess if the City has strong project management processes in place which would ensure that projects are completed in a timely manner and within budget, and meet project deliverables.

3. Overtime Audit

The City has seen overtime expenditures of approximately \$8 million in 2024 and \$8.5 million in 2025. This audit seeks to determine whether overtime is being authorized, tracked and reported in accordance with City policy and applicable collective agreements. Internal Audit will independently examine payroll records, scheduling practices and controls across City departments. Overtime accumulation may signify underlying staff shortages, creating structural cost pressures that may not be visible in regular budget reporting. Chronic overtime in departments may signal workforce fatigue and consequent safety risks depending on the nature of activity. The audit will assess whether the City has a consistent, well-documented framework for managing overtime.

4. IT Asset Management Audit

IT asset management is the process of ensuring that an organization's IT assets are effectively accounted for, deployed, maintained, upgraded and disposed of throughout their lifecycle. The City is responsible for maintaining an accurate and complete inventory of its IT assets to support effective oversight and control. In 2025, the City's IT asset expenditures totaled over \$9 million, including a significant portion attributable to software licensing. This level of investment, combined

with the complexity of managing assets across multiple business areas, introduces operational and control risks. In particular, software licences represent a significant and growing cost as the City continues to expand its digital infrastructure and automate systems and processes. It is therefore essential that software licences and subscriptions are effectively managed, and deployed in a timely manner to maximize value. The proposed audit will assess whether IT assets are being managed in a manner that optimizes the use of City resources, whether inventory records are accurate and up to date and whether appropriate controls are in place to safeguard assets at each stage of their lifecycle.

5. Training, Conferences and Travel Expense Audit

The City invests in employee training, conferences and business travel to support professional development, regulatory compliance and organizational effectiveness. This audit will assess whether adequate controls, policies and oversight mechanisms are in place to ensure training, conference and related travel expenses are reasonable, properly authorized and aligned with corporate objectives and business needs. While expenditures related to employee training, conferences and travel are not considered financially material compared to the City's overall budget, they are an area of significant public interest and are subject to heightened scrutiny regarding the stewardship of public funds. The audit will provide City Council with assurance that public funds are being used responsibly and transparently, while identifying opportunities to strengthen controls.

6. Fraud Awareness Training

Internal Audit will support the City's fraud risk management efforts by delivering fraud awareness training and promoting fraud prevention best practices across the organization. Training will help employees identify fraud indicators, strengthen awareness of control risks and encourage timely reporting of concerns. Sessions will also reinforce the City's whistleblower program and hotline, including available reporting channels and protections against retaliation. This initiative is expected to enhance the early detection of potential fraud and foster a culture of accountability and ethical conduct.

Professional Practice, Governance and Departmental Initiatives

7. Internal Audit Development Initiatives

A. Development of Internal Audit Department KPIs

As part of this year's Annual Audit Plan, the Internal Audit Department will develop a set of Key Performance Indicators (KPIs) to measure and report on the effectiveness, efficiency and value delivered by the audit function. This initiative is intended to strengthen accountability and provide the Audit and Finance Committee with greater visibility into departmental performance. Subject to approval of this Work Plan, a separate report presenting the proposed KPIs and associated performance targets will be brought forward to the Committee for review and endorsement.

B. Internal Audit Charter Renewal

The Internal Audit Charter will require renewal as part of this year's Work Plan to ensure it remains current and continues to reflect the Internal Audit Department's mandate, authority and reporting relationships. This work will involve reviewing the Charter against standards and current departmental practices before bringing the updated Charter forward for Committee approval.

C. Quality Assurance and Improvement Program (QAIP)

The Annual Audit Plan will also include the development of a formal Quality Assurance and Improvement Program (QAIP) for the Internal Audit Department, aligned with the Institute of Internal Auditors' (IIA) International Standards for the Professional Practice of Internal Auditing. This work will focus on developing a standardized audit methodology, along with supporting tools and templates including the potential implementation of an Audit Management System, subject to City Council approval, to ensure consistency and quality across engagements. Should City Council approval for the system implementation not be obtained, the Department will continue to advance methodology standardization through manual processes and existing tools. This work will also include establishing internal assessment processes to monitor ongoing conformance with professional standards, as well as developing a roadmap toward an External Quality Assessment (EQA).

8. General Internal Audit Follow-up Program

As part of the Internal Audit reporting process, Internal Audit and management agree on action plans to address issues identified in the reports. Internal Audit will provide an update to the Audit and Finance Committee twice a year on the status of management's implementation of recommendations agreed upon by staff.

9. Quarterly Status Updates

Beginning in Q4 2026, Internal Audit will provide quarterly updates to the Audit and Finance Committee through a one-page dashboard summarizing progress against the approved Annual Audit Plan.

10. Whistleblower Program Administration

The City's Whistleblower Program was implemented as an additional mechanism for employees to report suspected fraud, theft and any wrongdoing confidentially and anonymously. Currently the Triage Team, consisting of the Internal Auditor, Chief Human Resources Officer, People & Organizational Culture (or designate) and the City Solicitor (or designate), conduct initial reviews of complaints and manage the process for investigating complaints received under the policy. Depending on the nature of the issue, Internal Audit may be required to perform an investigation. The Whistleblower Policy requires the Internal Auditor to report annually on outcomes of complaints received under the policy, including a non-identifying summary and program usage statistics for complaints made using the whistleblower hotline.

2025 - 2026 Internal Audit Status Update**1. Vendor Master File Audit (Reported out in August 2025)**

The Vendor Master File Audit was undertaken to assess whether controls over vendor setup, maintenance and payment processing adequately mitigate risks such as unauthorized payments, duplicate transactions and data inaccuracies. The audit found opportunities to strengthen the control environment through formalized policies and procedures, enhanced documentation requirements, improved validation and approval processes, and periodic vendor reviews. In addition, segregation of duties needs to be strengthened to ensure vendor management responsibilities are appropriately separated from invoice processing and payment functions. Aligning system access with employee roles will further improve accountability and reduce operational risk.

2. Cybersecurity Audit (Reported out in September 2025)

The Cybersecurity Audit was conducted to evaluate the City of Regina's (City) preparedness against evolving cyber threats and assess the effectiveness of controls designed to protect critical systems and sensitive information. The review, performed by external specialists, assessed controls against the National Institute of Standards and Technology (NIST) Cybersecurity Framework and included penetration testing. The assessments focused on identifying key security exposures and vulnerabilities that present a risk to the City and allow an attacker to disrupt systems, gain unauthorized access or perform unauthorized changes to applications. A phased remediation approach was recommended, focusing first on high-risk gaps while advancing longer-term governance and security improvements.

3. Non-Standard Procurement (Reported out in March 2026)

This audit assessed compliance with procurement policies governing non-standard procurement methods and evaluated whether appropriate approvals, justification and procurement routes were followed. While the policy framework was found to be generally sound, inconsistencies were identified in documentation, transparency, approval processes and oversight practices. Opportunities exist to strengthen evidence-based justification, improve publication of award notices, enhance segregation of duties and ensure procurement approvals occur before goods or services are obtained. Implementing the recommendations will improve transparency, accountability and value-for-money, while reducing compliance and reputational risks.

4. Cash Control Audit - Landfill (Reported out in April 2026)

The audit examined compliance with cash handling policies and evaluated the effectiveness of controls over cash transactions at the Landfill. While core controls are in place, improvements are needed to strengthen control design and reduce the risk of errors or improper transactions. Key findings included incomplete operating procedures, insufficient documentation supporting edited or voided transactions, and user access concerns within operational systems. The audit also identified opportunities to improve credit account management and oversight processes. Addressing these gaps will enhance accountability, strengthen fraud prevention measures and improve overall cash control effectiveness.

5. Fuel Inventory Audit (Reported out in May 2026)

The Fuel Inventory Audit assessed whether controls over fuel purchasing, storage, distribution and recordkeeping adequately protect City assets and ensure accurate inventory information. The audit identified significant control weaknesses relating to monitoring, oversight, reconciliation processes, fuel usage analysis, security controls and user accountability. Deficiencies were also linked to reduced institutional knowledge resulting from organizational changes and staff turnover. Recommendations focus on strengthening monitoring and reporting, enhancing physical and system controls, formalizing reconciliation procedures, improving security coverage and increasing user training. These improvements will help reduce the risk of fuel misuse and improve inventory accountability.

6. Cash Control Audit – Parking & Transit (Reported out in June 2026)

This audit reviewed the effectiveness of controls over parking and transit cash collection processes to ensure revenues are secure, accurate and properly accounted for. The audit concluded that controls are generally well-designed and effective, with risk further reduced through the transition of on-street parking payments to PayByPhone. Opportunities for improvement include stronger reconciliation of manually-issued parking tickets, enhanced supervisory review processes, greater segregation of duties and improved controls over cash handling. Additional recommendations support compliance with accounting standards and strengthen transit fare eligibility controls. Overall, the audit confirmed a low level of residual cash-handling risk while identifying opportunities for continuous improvement.

7. General Internal Audit Follow-up Program (Reported out in June 2025 & April 2026)

The Internal Audit Follow-up Program monitors management's implementation of agreed-upon audit recommendations and reports progress to the Audit and Finance Committee. Since the previous update, Administration has completed 21 additional recommendations, with over half of all recommendations now implemented. Progress continues on several complex initiatives, particularly those requiring system upgrades, process automation and organization-wide policy development. Some recommendations remain overdue due to resource constraints, staff turnover, competing priorities and dependency on future technology projects. Overall, Administration continues to make meaningful progress toward strengthening internal controls and addressing previously-identified risks.

8. Fraud Awareness Training (Reported out in June 2026)

Fraud Awareness Training supports the City's fraud risk management efforts by helping employees identify, prevent and report potential fraud and misconduct. Internal Audit delivers regular training sessions that provide practical guidance on fraud indicators, reporting obligations and available prevention tools. Participation has been strong across multiple departments, and employee feedback indicates an increased understanding of fraud-related risks and controls. The program also reinforces awareness of the City's Whistleblower Program and reporting channels. Continued training is expected to strengthen ethical awareness, improve early risk detection and encourage timely reporting of concerns.

9. Whistleblower Program Administration (Reported out in June 2026)

The Whistleblower Program provides employees with a confidential and anonymous process to report suspected fraud, wrongdoing or unethical conduct. The annual review summarizes program activity, complaint outcomes and trends identified during the reporting period. During 2025, four complaints were received, two of which proceeded to formal investigation, while the remaining submissions did not meet investigation thresholds or lacked sufficient information. None of the complaints investigated were substantiated; however, the information gathered provided valuable insights into organizational risks and control improvement opportunities. The program continues to serve as an important mechanism for identifying concerns and informing future audit planning activities.

10. Materials Yard: Granular Inventory (Reported out in August 2026)

This audit evaluated controls over granular material inventory management, including issuance, approval, reconciliation, physical security and inventory monitoring processes. The review found that the overall control environment is established and functioning, but enhancements are needed to improve inventory accuracy, reliability and accountability. Key opportunities include strengthening inventory count and reconciliation procedures, improving inventory reporting capabilities and formalizing processes for certain inventory categories. Addressing these issues will support more accurate financial reporting and reduce reliance on significant year-end adjustments.

11. Budgeting Process Audit (Underway)

The Budgeting Process Audit is being conducted to assess if the City's budget processes are designed to support effective governance and to identify potential enhancements of the current process structure. The audit will also determine if the process for developing the budget, executing, reviewing and managing performance are functioning effectively. Findings and recommendations are expected to be reported in Q1 2027.

12. Cybersecurity Audit – Phase 2 (Underway)

The second phase of the Cybersecurity Audit focuses on all operational technologies (OT) that support critical City infrastructure and essential services. To effectively secure OT infrastructure, a comprehensive asset inventory and risk assessment are crucial. This review involves identifying all OT infrastructure, evaluating their vulnerabilities and determining the potential impact of threats. The results of the review will be used to develop a risk-based audit plan for OT infrastructures. Findings are expected to be reported in Q2 2027.

Potential Audit Projects

1. Infrastructure Asset Audit

To assess whether the City of Regina's (City) has an effective corporate asset management framework, including policies, asset inventories, condition assessment practices, performance reporting and lifecycle planning.

2. Reserves Audit

To assess the design and operating effectiveness of processes and controls established to mitigate key risks and support the achievement of the City's reserve management objectives.

3. Recruitment & Retention

Perform an operational review of recruiting, hiring and retention processes to assess the effectiveness and efficiency of processes as well as the adherence to policies and procedures.

4. Work Order Management Audit

To assess whether maintenance work orders are accurately initiated, authorized, prioritized, tracked, completed and reported across maintenance operations.

5. Fleet Asset Management Audit

To assess whether fleet assets are effectively managed throughout their lifecycle to optimize utilization, maintenance, replacement decisions and costs.

6. Facility Maintenance Audit

To assess whether City facilities are maintained through effective maintenance planning, work order management and lifecycle strategies.

7. Service Request Audit

To evaluate the adequacy of service request closure definitions, performance monitoring and reporting, assigned roles and responsibilities and communication of service request status to residents.

8. Community Investment Grants Program Audit

To assess whether the City has adequate governance, oversight and administration practices in place to support the effective management of grant programs.

9. Water Meter Upgrade Audit

To assess the effectiveness of the Water Meter Upgrade Project and associated operational practices.

10. Oracle Upgrade – Post Implementation Review

To assess if program objectives established for the Oracle Upgrade Project were achieved and identify potential improvement opportunities.

11. Municipal Election Audit

To assess the City's readiness to deliver a safe and effective election.

12. Value-for-Money Reviews

To assess the economy, effectiveness and efficiency of a departmental unit. The objective of these reviews is to provide an overview of the unit's work and enable City Council to understand and assess the value to the community for the services provided.

Note:

Some of the audits cited such as #1, 4, 6 and 12 are audit themes which have been identified as a significant area of potential audit interest; however, their scope spans multiple departments, asset classes and maintenance functions across the organization. Due to its breadth and complexity, future audit work would need to be scoped into a series of focused audits organized by department, asset class or business process to provide meaningful assurance and actionable results.