External Quality Control Review

of the
City of Winnipeg Audit Department

Conducted in accordance with guidelines of the
Association of Local Government Auditors
for the period October 1, 2022, - September 30, 2025

Association of Local Government Auditors

June 4, 2026

Mr. Jason Egert
City Auditor
City of Winnipeg Audit Department
5th Floor, 510 Main Street, Susan A. Thompson Building
Winnipeg, MB R3B 1B9

Dear Mr. Egert:

We have completed a peer review of the Audit Department of the City of Winnipeg for the period October 1, 2022, through September 30, 2025. In conducting our review, we followed the standards and guidelines contained in the *Peer Review Guide for Assessing Conformance with Government Auditing Standards* published by the Association of Local Government Auditors (ALGA).

We reviewed the internal quality control system of your audit organization and conducted tests to determine whether your internal quality control system was adequately designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* issued by the Comptroller General of the United States and applicable legal and regulatory requirements. Our procedures included:

- Reviewing the audit organization's written policies and procedures.
- Reviewing internal monitoring procedures.
- Reviewing a sample of engagements and working papers.
- Reviewing documents related to independence, training, and development of auditing staff.
- Interviewing auditing staff and management.

Due to variances in individual performance and judgment, compliance does not imply adherence to standards in every case but does imply adherence in most situations. Organizations can receive a rating of pass, pass with deficiencies, or fail. The City of Winnipeg Audit Department has received a rating of pass.

Based on the results of our review, it is our opinion that the Audit Department of the City of Winnipeg's internal quality control system was adequately designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* and applicable legal and regulatory requirements for engagements during the period October 1, 2022, through September 30, 2025.

We have prepared a separate letter providing a finding and recommendation to further strengthen your internal quality control system.

Trevor L. Williams
Trevor L. Williams, CPA, CIGA
Retired Chief Audit Executive

Stan Sewell, CPA, CGFM, CFE
City of Chattanooga, Tennessee
City Auditor

Association of Local Government Auditors

June 4, 2026

Mr. Jason Egert
City Auditor
City of Winnipeg Audit Department
5th Floor, 510 Main Street, Susan A Thompson Building
Winnipeg, MB R3B 1B9

Dear Mr. Egert:

We have completed a peer review of the Audit Department of the City of Winnipeg for the period October 1, 2022, through September 30, 2025, and issued our report thereon dated June 4, 2026. We are issuing this companion letter to offer certain finding and recommendation stemming from our peer review.

We would like to mention some of the areas in which we believe your office excels:

- The annual monitoring of your office's quality control system is comprehensive and well documented.
- A culture of continuous improvement is facilitated by encouraging participation of all staff in developing new procedures and evaluating results of the quality monitoring process.
- The audit staff have extensive professional credentials and experience.
- The City Auditor is committed to the professional development of the staff.

We offer the following finding and recommendation to enhance your organization's demonstrated adherence to *Government Auditing Standards*:

- Standard 9.03 states that when auditors comply with all applicable GAGAS requirements, they should use the unmodified GAGAS compliance statement in the audit report. Standard 9.05 further provides that, for performance audits, auditors should modify the GAGAS compliance statement to indicate requirements that were not followed or language indicating that the auditors did not follow GAGAS. In reviewing the Stores audit, which was completed by a contracted firm, we found that the Department issued a report citing the unmodified GAGAS compliance statement when a statement that the audit was not performed in compliance with GAGAS should have been used.

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We commend the department for noting the error and appropriately reissuing the report with the proper compliance statement prior to our onsite visit. Notwithstanding this action, we recommend that, going forward, the Department transmit reports as provided by contracted auditors to the end users or include a statement clearly indicating the Department did not complete the audit in compliance with GAGAS.

We extend our thanks to you, your staff, and the other City personnel we met for the hospitality and cooperation extended to us during our review.

Sincerely,

Trevor L. Williams, CPA, CIGA
Retired Chief Audit Executive

Stan Sewell, CPA, CGFM, CFE
City of Chattanooga, Tennessee
City Auditor