



Office of the
Auditor General
City of Ottawa



OC Transpo Recruitment and Staffing Investigation

March 2026



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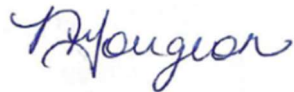
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Acknowledgement

The team responsible for this investigation was comprised of Sarah Parr from the Office of the Auditor General, under the supervision of Joanne Gorenstein, Deputy Auditor General and my direction. My colleagues and I would like to thank those individuals who contributed to this project, and particularly, those who provided insights and comments as part of this investigation.

Respectfully,



Nathalie Gougeon, CPA, CA, CIA, CRMA, B.Comm

Auditor General

Introduction

The Office of the Auditor General (OAG) has received several reports through the City of Ottawa's (the City) Fraud and Waste Hotline (FWHL) concerning specific recruitment and staffing actions for Management and Professional Exempt (MPE) positions within OC Transpo. The reports were shared with management for investigation. While management's investigations were in progress, the OAG received several additional FWHL reports containing similar allegations. The OAG reviewed the results of management's investigations and decided to undertake additional investigative procedures on the work performed by management, as well as the additional allegations received.

Background and context

OC Transpo is the public transit provider for the City, operating a multi-modal service that includes light rail (O-Train), conventional bus, and Para Transpo services. Operating 24 hours a day, 7 days a week, OC Transpo connects urban and suburban communities across Ottawa and extending into downtown Gatineau.

The vast majority of OC Transpo positions are unionized, belonging to either the Amalgamated Transit Union (ATU) or the Canadian Union of Public Employees (CUPE). A small number of OC Transpo positions, generally management roles, are classified as MPE, as noted in **Table 1** below.

Table 1: Percentage of OC Transpo MPE Positions

Year	Number of OC Transpo Positions	Number of OC Transpo MPE Positions	MPE Positions as a Percentage of OC Transpo Positions
2021	3,457	183	5.29%
2022	3,505	214	6.11%
2023	3,627	232	6.40%
2024	3,570	224	6.27%
2025	3,676	234	6.37%

Recruitment and Staffing

Recruitment and staffing refer to the processes involved in acquiring talent to fill either permanent or temporary vacancies. Vacancies may be filled through **appointment** or **competition**. Appointments involve the direct selection of an individual to fill a role, while a competition involves posting the role, receiving applications, and evaluating and interviewing potential candidates before selection occurs.

There are several governance documents that support recruitment and staffing activities at the City.

- The Recruitment and Staffing Policy establishes guiding principles for recruitment and staffing practices. The Policy states: “The City is committed to recruiting and maintaining a highly competent, qualified and diverse workforce through fair, transparent and equitable staffing practices. Internal appointments shall be based on merit or in accordance with the collective agreement pertaining to the position being staffed. External appointments shall be based on merit.”¹
- The Education and Experience Equivalency Guidelines for Recruitment and Staffing Purposes (“Equivalency Guidelines”) allow for some flexibility in hiring decisions as it relates to the education and experience requirements identified in job descriptions.
- For MPE positions, which were the focus of this investigation, the MPE Terms and Conditions of Employment indicate the circumstances in which positions should be posted for competition.

Investigation objective and scope

The objective of this investigation was to review the FWHL allegations related to specific recruitment and staffing actions for MPE positions within OC Transpo, including:

- bypassing formal hiring processes (i.e., competitions) and appointing personally selected individuals; and
- appointing individuals lacking the necessary qualifications.

The scope of our investigation was limited to assessing whether the allegations had merit, and if so, determining the appropriate course of action for each of the issues. To the extent that during the investigation, other control issues were identified and validated, they have been presented in this report. The investigation focused on specific recruitment and staffing actions undertaken by OC Transpo primarily from 2021 to 2025, involving

¹ City of Ottawa Recruitment and Staffing Policy (September 2024).

MPE02 to MPE08 positions (e.g., Superintendents, Program Managers, Managers and Directors). This investigation was limited to recruitment and staffing actions raised within FWHL reports. We **did not** review additional recruitment and staffing actions to assess the pervasiveness of the issues raised.

Readers are cautioned about the important distinction between an investigation and an audit. An audit is designed to provide a high level of assurance over its findings and will typically feature rigorous testing and analysis. While this investigation was conducted in a systematic and professional manner, the extent of activities undertaken by the OAG was narrow compared to an audit and focused solely on the concerns raised to our attention. Further elements may be considered as part of the Audit of Human Resources that was approved as part the OAG's [2026-2027 Audit Work Plan](#).

Refer to [Appendix 1](#) for additional details on the objective, approach and methodology for the investigation.

Value of Investigation: This investigation highlighted weaknesses in recruitment and staffing practices within OC Transpo and provided recommendations that aim to strengthen the governance, fairness, and transparency of these processes.

Conclusion

The investigation substantiated the allegations related to the use of appointments by OC Transpo. These allegations included appointments of individuals who did not meet the minimum requirements of the position and the use of appointments to fill permanent vacancies or temporary vacancies of more than 12 months. The investigation also identified individuals selected through competitions who did not meet the minimum requirements of the position, without documentation or rationale on file to support the hiring managers' decisions. Hiring individuals who do not meet the required qualifications creates inequity and unfairness in recruitment and staffing processes, and the absence of the required qualifications could lead to operational issues.

Despite this, management has indicated that they felt they hired experienced individuals who were well suited to these roles. This reinforces the need to complete regular job evaluations to ensure that the education and experience requirements remain aligned with the demands of the position and operational realities.

Each finding in this report has been assigned a rating that prioritizes the associated remediation. Rating definitions are provided in [Appendix 2](#).

Investigation findings and recommendations

1. Appointments were used to fill permanent vacancies and temporary vacancies exceeding 12 months.

Priority Rating:
Moderate

As noted above, appointments involve the direct selection of an individual to fill a role, without undertaking a competition. According to the MPE Terms and Conditions of Employment, “New positions, permanent vacancies and temporary vacancies of more than 12 months should be posted for competition.”² We identified 10 contraventions of this



requirement, involving appointments to permanent vacancies or temporary vacancies exceeding 12 months. At the same time, 7 of the 10 individuals appointed did not meet the education or the experience requirement of the position as outlined in the job description. While there may be circumstances where appointments are the most effective course of action, if used inappropriately or if overused, there may be downsides. Appointments reduce the fairness and transparency of staffing practices and may negatively impact employee retention. Furthermore, in cases where the individuals hired did not meet the requirements of the position, more competent and qualified candidates may have been identified to fill the position if a competition had been held.

Based on our discussions with management, they are aware of the large number of appointments that occurred within certain OC Transpo service areas, concerns regarding appointees lacking the necessary qualifications, and the perception of unfairness created as a result. Management indicated that the former General Manager, Transit Services worked with Human Resources (HR) to reinforce the expectation that competitions be held and directed that an HR representative be included as a member of the hiring panel for MPE competitions.

RECOMMENDATION 1 – COMPLIANCE WITH MPE TERMS & CONDITIONS OF EMPLOYMENT

The GM, Transit Services in collaboration with the Chief Human Resources Officer (CHRO) should ensure that new positions, permanent vacancies and temporary vacancies of more than 12 months within OC Transpo are consistently posted for competition, as per the MPE Terms and Conditions of Employment. Exceptions should be appropriately documented, with clear rationale supporting the decision and escalated to the relevant authority for approval.

² Management and Professional Exempt (MPE) Employees Terms and Conditions of Employment (December 2024).

MANAGEMENT RESPONSE 1

Management agrees with the recommendation.

The General Manager of Transit Services will collaborate with the Chief Human Resources Officer (CHRO) to strengthen existing staffing processes to ensure that new positions, permanent vacancies and temporary vacancies of more than 12 months within OC Transpo are consistently posted for competition, as per the MPE Terms and Conditions of Employment. Building on our current foundational practices, the General Manager will work with the Transit Services Departmental Management team to clarify expectations for hiring managers and improve existing processes by leveraging the expertise of the recruitment team within Transit Services; with clearer guidelines to ensure that any exceptions follow a structured approval process and are consistently documented with a transparent rationale.

Since the receipt of the draft audit report, the General Manager has reinforced these expectations with the Transit Services departmental leadership team, who in turn have communicated them to all management staff across their respective service areas.

The General Manager will also continue to use existing management forums, leadership meetings, and other departmental touchpoints to reinforce best practices and emphasize the importance of adhering to City hiring policies, procedures, and equivalency rules. These sessions will also be used to address questions, share case studies, and ensure alignment across all management teams.

These enhanced procedures are expected to be completed by Q3 2026.

2. Individuals were screened into competitions without evidence of meeting job requirements.

Priority Rating:
Moderate

Competitions involve posting a role, receiving applications, and evaluating and interviewing potential candidates before selecting the successful candidate(s). In the context of evaluating potential candidates, the Equivalency Guidelines describe how “equivalencies, or alternative combinations of education and experience [...] may be considered in conjunction with the qualifications defined in the job description, to expand the candidate pool.”³ Per the Guidelines “as a general rule, an equivalent combination of education and



³ Education and Experience Equivalency Guidelines for Recruitment and Staffing Purposes (November 2018).

experience is a reduction of one year of education or experience, and a corresponding increase of one year or more of the other factor, either education or experience.”⁴

We observed 4 instances where candidates were screened into a competition and selected to fill a position without meeting the minimum requirements identified in the job description. To be clear, an equivalency could not be established in these scenarios as neither the education nor the experience levels of the position were met, or the reduction in education or experience was not offset by a corresponding increase in the other factor. Based on the documentation reviewed during the investigation, the hiring manager’s rationale to support these decisions was not available.

Based on our discussions with management, one service area in scope recently faced major leadership gaps. In the interest of stabilizing the area, management committed to promoting from within wherever possible and selecting candidates that combined leadership capability, technical expertise and cultural fit. In another service area, management cited an established practice of selecting the “next best fit” candidates where there are no candidates that strictly meet the education and experience requirements (unless a professional accreditation is required).

These practices undermine the job evaluation process as the minimum education and experience levels identified in job descriptions and required to competently perform the work are not being upheld. It raises questions as to the appropriateness of the minimum education and experience levels identified, and the need for these positions to undergo a job evaluation. Furthermore, it creates unfairness and inequity within staffing processes, as individuals with the same qualifications are not being treated the same way. For example, individuals with lesser qualifications than required per the job description may not have applied to the position, assuming they would not be screened in.

When asked about reviewing and updating job descriptions to better reflect operational realities, management indicated that a recent backlog for job evaluations forced them to use existing job descriptions. The Periodic Review of MPE Jobs Procedure (the Procedure) “aims to ensure that job documentation is kept up-to-date and reviewed every 5 to 10 years”.⁵ We confirmed that 2 of the applicable job descriptions had not been rated or revised since 2013. This timeframe exceeds the frequency prescribed in the Procedure and suggests that the education and experience requirements within these job descriptions should be reviewed.

⁴ *Ibid*

⁵ Management and Professional Exempt (MPE) Job Evaluation Program – Periodic Review of MPE Jobs (April 2023).

RECOMMENDATION 2 – DOCUMENTATION OF RECRUITMENT AND STAFFING RATIONALE

The GM, Transit Services in collaboration with the CHRO should ensure that rationale supporting recruitment and staffing decisions (e.g., establishing equivalencies, screening candidates into competitions etc.) is appropriately documented and retained, for both appointments and competitions.

MANAGEMENT RESPONSE 2

Management agrees with the recommendation.

The General Manager of Transit Services will work with the CHRO to strengthen best practices within the department, ensuring that the rationale supporting all recruitment and staffing decisions, including establishing equivalencies, screening candidates, and appointment decisions are appropriately documented and retained in a consistent manner across the department for both appointments and competitions.

For competitions, when a position is posted and filled through the competitive hiring process, all associated hiring decision rationale and record-retention procedures will follow the established Corporate Recruitment Process, including documentation requirements maintained within the official competition file.

Transit Services will leverage its internal recruitment team to promote greater consistency in documentation, the application of equivalency rules, and the overall approach across all staffing positions and processes.

The anticipated completion date for this recommendation is by the end of Q3 2026.

RECOMMENDATION 3 – PERIODIC REVIEW OF MPE JOB DESCRIPTIONS

The GM, Transit Services in collaboration with the CHRO should ensure that minimum education and experience levels for MPE roles are periodically reviewed through the job evaluation process, as per the cycle suggested in the Periodic Review of MPE Jobs Procedure.

MANAGEMENT RESPONSE 3

Management agrees with the recommendation.

The General Manager will work collaboratively with the CHRO to ensure that minimum education and experience requirements for MPE roles are reviewed in accordance with the Periodic Review of MPE Jobs Procedure that is developed and managed by HR.

The anticipated completion date for this recommendation is by the end of Q2 2027.

Appendix 1 – About the Investigation

Investigation objective

The objective of this investigation was to review the FWHL allegations related to specific OC Transpo recruitment and staffing actions.

Scope

The scope of our investigation was limited to assessing whether the allegations had merit, and if so, determining the appropriate course of action for each of the issues.

The investigation focused on select recruitment and staffing actions undertaken by OC Transpo primarily from 2021 to 2025, involving MPE02 to MPE08 positions (e.g., Superintendents, Program Managers, Managers and Directors). This investigation was limited to recruitment and staffing actions raised within FWHL reports. We **did not** review additional recruitment and staffing actions to assess the pervasiveness of the issues raised.

Investigation approach and methodology

To assess the merits of the FWHL allegations, we conducted the following activities:

- **Review of background documentation:** This included the Recruitment and Staffing Policy, the Education and Experience Equivalency Guidelines for Recruitment and Staffing Purposes and the MPE Terms and Conditions of Employment.
- **Interviews, discussions and enquiries:** Interviews, discussions and enquiries were undertaken with OC Transpo management, HR staff supporting OC Transpo, as well as confidential reporters.
- **Detailed testing:** Testing specific recruitment and staffing actions, including review and analysis of candidate resumes, competition records (e.g., screening notes, competition scoring grids), employee HR profiles and job descriptions.

Appendix 2 – Rating Scale for Investigation Findings

The following rating definitions were used to assign priority to the findings associated with this investigation.

Priority Rating	Description
Critical	The finding represents a severe control deficiency, non-compliance or strategic risk and requires an immediate remedy. If left uncorrected, this could have a catastrophic impact on the achievement of the City’s strategic priorities, its ongoing business operations, including the risk of loss, asset misappropriation, data compromise or interruption, fines and penalties, increased regulatory scrutiny, or reputation damage.
High	The finding represents a significant control deficiency, non-compliance or strategic risk and requires prompt attention. If left uncorrected, this could have a significant impact on the achievement of the City’s strategic priorities, its ongoing business operations, including the risk of loss, asset misappropriation, data compromise or interruption, fines and penalties, increased regulatory scrutiny, or reputation damage.
Moderate	The finding represents a moderate internal control deficiency, non-compliance or is a risk to business operations that should be addressed timely. If left uncorrected, this could have a partial impact on business operations, resulting in loss or misappropriation of organizational assets, compromise of data, fines and penalties, or increased regulatory scrutiny. Typically, these issues should be resolved after any high-priority findings.
Low	The finding should be addressed to meet leading practice or efficiency objectives. Remediation should occur as time and resources permit. While it is not considered to represent a significant or immediate risk, repeated oversights without corrective action or compensating controls could lead to increased exposure or scrutiny.

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