



Providing independent civilian oversight
and governance of the Calgary Police Service
to ensure a safe community



CALGARY POLICE COMMISSION

REPORT TO

CITY AUDIT COMMITTEE

SEPTEMBER 6, 2019

Overview

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Highlights include:

- Commission governance structure
- Succession planning
- CPS financial highlights
- Commission priorities + 2019 initiatives
- CPS operating and strategic risks
- Internal controls
- Financial report summary
- Finance & Audit Committee workplan + composition
- Changes to CPS leadership
- Regulatory changes impacting business approach
- Initiatives to improve efficiencies
- Risk management assessments
- Initiatives to improve efficiency of processes

Commission Responsibilities

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We uphold the core principles of police oversight in Alberta:

- The participation of the public in determining priorities is essential
- The police service must be accountable to the public
- The police service must operate in the absence of political influence

The Alberta Police Act outlines Commission responsibilities:

- Allocate funds provided by City Council
- Establish policies for efficient and effective policing
- Appoint a Chief of police and evaluate their performance
- Issue instructions to the Chief of police regarding policies
- Ensure the police service has employed enough people to carry out the functions of the police service
- Monitor and oversee the public complaint process

Governance Structure – Commission Committee Responsibilities

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Finance & Audit Committee

- Reviews CPS budget, proposed adjustments, and any urgent funding needs, and submits to City Council
- Monitors allocation of funds provided by City Council
- Provides independent oversight of external audit reports, the development of internal operational audits, and information technology governance
- Monitors Commission budget

Governance Committee

- Monitors strategic direction for the Commission
- Provides leadership to Commission and CPS in development of policies to ensure efficient and effective policing.

Complaint Oversight Committee

- Monitors the process for complaints against officers and CPS policies

Succession Planning + Recruitment

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Calgary Police Service

- Commission conducted thorough search and selection process to hire Chief Constable Mark Neufeld

Calgary Police Commission

- Recruitment and selection of Commission members is conducted by City of Calgary
- Commission outlines for the City the desired skills and qualifications necessary to help the Commission perform its duties effectively
 - Chair invited to participate in shortlist and interview process
- Succession plan in place to prepare for transition to new Chair
 - Commission members will select new Chair in November 2019 when current Chair steps down

CPS Financial Highlights

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- An external audit concluded that no recommendations for improvement in internal controls were required.
- There were no audit adjustments or recommendations for improvement to the 2018 audit.

Commission Priorities + Key Initiatives 2019

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- Onboarding of new Chief Constable + revising performance management plan
- Responding to mid-year and end-of-year budget adjustments to the approved 2019-2022 service plan and budget to ensure CPS has the resources it needs to keep Calgary safe
- Monitoring staffing levels at CPS to ensure CPS has the number of officers/staff needed to address crime now and into the future
- Overseeing the ongoing ‘service optimization review’ (“ZBR”)
- Overseeing implementation of the Commission’s 7-point plan to achieve gender equity, diversity, and inclusion at CPS
- Monitoring implementation of recommendations from Justice Wittmann’s use of force review
- Conducting community and employee engagement to understand perceptions, expectations and performance of CPS

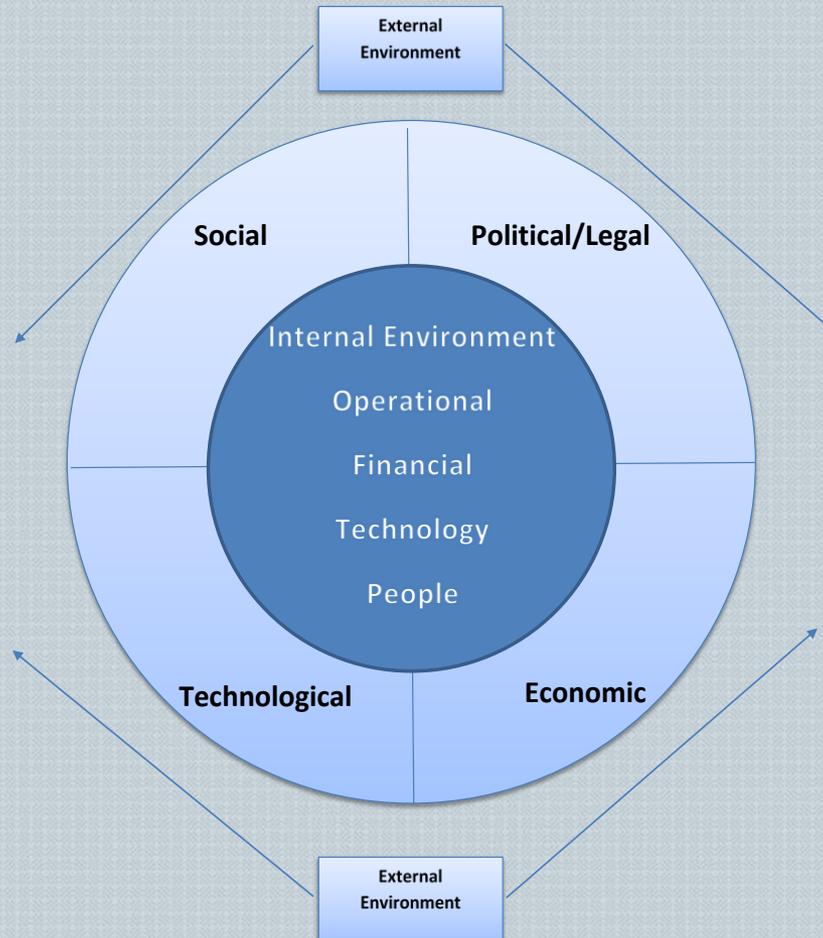
Commission Key Initiatives 2019 – cont'd

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- Overseeing activities by CPS leadership to improve employee morale
- Engaging municipal and provincial decision makers on topics important for public safety and oversight, such as police funding and review of the Police Act
- Hosting 2019 Canadian Association of Police Governance conference
- Optimizing Commission operations by reviewing structures/systems to identify efficiencies
- Reviewing CPS risk management strategies
- Overseeing CPS information and IT systems and technologies
- Monitoring CPS performance using available data
- Observing the development of annual CPS internal audit plan and review results/progress reports

Key Operating and Strategic Risks for CPS

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Top 3 Risks - CPS

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1. Funding for police

- CPS took an unexpected \$7m cut in 2019, with additional cuts expected in 2020.
- The provincial policing grants are also under review and CPS has only received half the anticipated amount for this fiscal year. These grants are used to fund more than 300 CPS officers.
- CPS has not received any funding for costs incurred related to cannabis legislation and is still waiting for the funding that was expected to flow from the Province to the City for this purpose.

Any additional cuts to the CPS budget will result in significant and lasting changes to the services currently provided to citizens.

Top 3 Risks - CPS

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2. Crime and disorder

- Increase in volume and complexity of crime such as domestic violence, gang crime, and cybercrime that requires sophisticated and specialized equipment and skills to bring charges.
- Increase in addictive and deadly drugs (meth, opioids) and the resulting disorder and crime, and concern about safety of inner city communities. Requires increase in human and technological resources for prevention, detection, and enforcement.

3. Public Trust

- Citizens have high standards for CPS transparency and engagement. They value prevention programs, quick responses, and community engagement – including through social media and attendance at events.
- This means a greater expectation to invest resources in these areas to continue to meet these expectations, at a time when budget pressures puts these very areas at risk.

Internal Controls

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- Monthly operating and capital budget summaries
- In-depth reviews of financials and staffing 3x/year – more frequently throughout budget adjustment process
- The internal risk assessment process helps inform Commission priorities

Internal Controls - IT

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- Governance of CPS IT is accomplished through regular reporting by CPS Chief Information Officer on IT-related risks including:
 - Operating and capital budgets associated with IT requirements
 - Asset management lifecycle for all IT infrastructure, hardware, and software
 - Risk management and key performance indicators for cyber security, critical systems (servers and storage), software development, and staffing
 - Alignment of tasks and projects to CPS business plan

Financial Report Summary

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External Auditor Report (attached)

- Deloitte completed its audit of the 2018 financial statements of CPS and issued an opinion without qualification
 - No audit adjustments related to the 2018 audit
 - No uncorrected or corrected misstatements during the course of the audit
 - No unadjusted disclosure deficiencies to report
 - Auditors issued an unmodified audit report
 - No management recommendations for improvement in internal controls

Finance & Audit Committee 2019

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- Key activities for 2019:
 - Oversee and guide the development of the CPS budget adjustment submissions to ensure CPS has sufficient staff and resources to keep the city safe
 - Oversee CPS ‘service optimization review’ to find efficiencies, increase effectiveness, and further improve the services CPS provides to the community and its members
 - Oversee and inform the development of internal operational audits and monitor implementation of recommendations
 - Receive and understand CPS financial and IT risk management strategies
- Terms of reference are reviewed annually and no significant changes were made this year (*attached*)

F&A Committee Composition

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Roy Goodall – Chair, ICD.D

- 36 year career with the Canadian Forces in national and international defence. Spent 26 years working with capital and operations budgets, security and information technology policy, and risk management.

Kathy Bolton – CA, ICD.D

- Co-founder and Chief Financial Officer for a Calgary-based renewable energy company, responsible for financial and strategic planning, corporate planning, reporting, risk management, insurance, and human resources

Bonita Croft – Q.C., ICD.D

- Lawyer with more than two decades of experience with global energy companies and leader in areas of corporate governance, legal risk management, business ethics, and anti-corruption

F&A Composition cont'd

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Marilyn North Peigan, MA

- Community advocate and outreach worker with Native Counselling Services of Alberta. Specialist in corporate, event and private security with a background in military training and customer service.

Ward Sutherland

- Member of Calgary City Council with 25 years of senior leadership and management in top-tier companies.

TJ Zhang, PhD

- Privacy expert and leader in cybersecurity at PwC. Active community volunteer with positions on the Credit Union Deposit Guarantee Corporation Board and the Council of the College of Alberta Dental Assistants. Senator at the University of Calgary and treasurer of the Calgary Security Professionals Information Exchange Society.

Changes to Organizational Leadership

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- Hired new Chief Constable in March 2019
- New Chief has prioritized hiring a Chief Human Resource Officer
- CPS hired new Chief Information Officer
- Commission is preparing for the transition to a new Chair when the current Chair steps down in November 2019

Improving Efficiencies

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Service Optimization Review (a zero-based review tailored to CPS)

- Using an independent review of areas of the organization to examine where CPS could find efficiencies, effectiveness, and build capacity for service delivery and sustainability.

Patrol Resource Teams

- Established to improve response times to the community and reduce pressure on frontline patrol teams.

Body-Worn Cameras

- Completed service-wide deployment of 1150 cameras

Significant Changes - based on external assessments

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Implementation of independent review of CPS use of force – by former Chief Justice Wittmann

- 65 recommendations for improvements to training, recruitment, equipment and oversight

Ongoing review of findings from Law Enforcement Review Board reports, fatality inquiries, and reviews completed in other police services to inform business process improvement and risk management

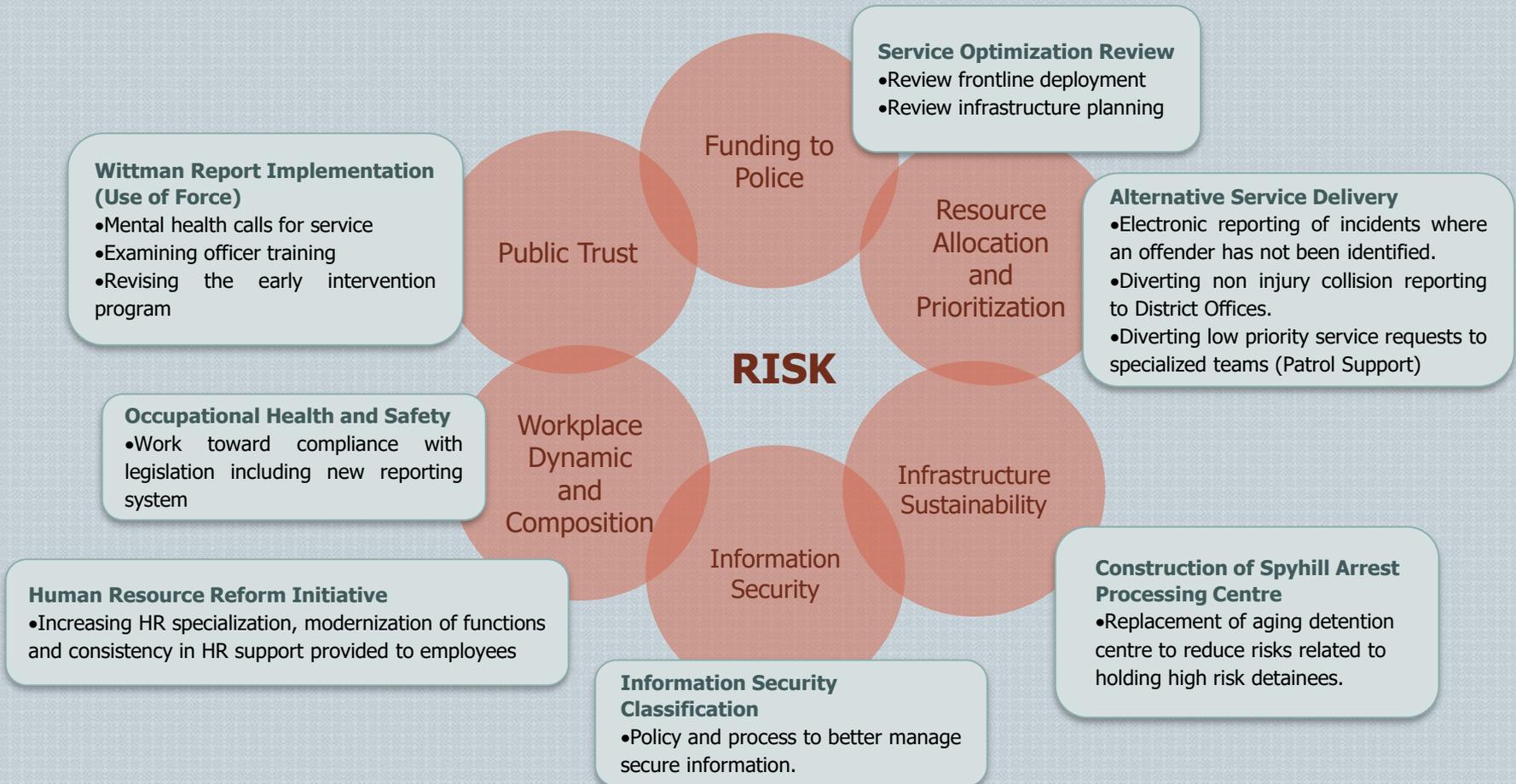
Regulatory Changes

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- Alberta Provincial Policing Standards were updated in 2018 – currently under review by CPS to determine areas that require changes to become compliant
- The Commission participated in the Province’s engagement process to gather input from stakeholders about the Police Act.
- We are hopeful the Province will continue reviewing the Alberta Police Act to deliver an act that is modernized in the areas including public complaints, officer misconduct, and the role of oversight bodies.

Management of Risks - Examples

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Follow-up Questions?

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Contact the Calgary Police Commission

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