



Calgary

City Auditor's Office

**1st Quarter 2020 Report
January 1, 2020 – March 31, 2020**

April 20, 2020

**Katharine Palmer
City Auditor**

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1. Status Update

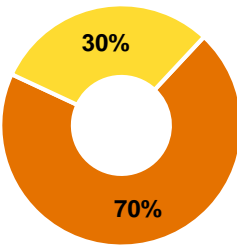
Key Performance Indicators			
Measure Area	Performance Indicator	Target	Q1 2020
Efficiency	On Track to Annual Plan	Q4-95% Q1-26%	26%
Effectiveness	Timely Implementation of Audit Rec.	65%	60%
Quality	Client Satisfaction	85%	100%
Staff	Training Plan Achieved	90%	75%

Budget (\$'000's)				
Category	2020 Annual Budget	Q1 Cumulative Budget	Actual to Date	Variance
Salary	2,651	658	580	(78)
Tools & Technology	126	57	56	(1)
Training	54	13	0	(13)
Professional Memberships	18	4	0	(4)
Contracted Services	4	4	0	(4)
Employee Recognition	3	1	0	(1)
Operating Costs	49	8	4	(4)
Total	2,905	745	640	(105)

Whistle-blower Program Activity

New Reports (Q1-2020)

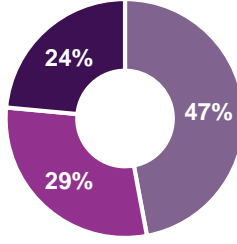
33



- 23 Employee
- 10 Non-employee

In-Progress Investigations (Q1 – 2020)

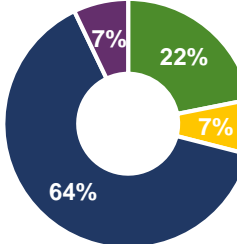
17



- 8 City Auditor's Office
- 5 WBP Triage Partners
- 4 Management

Closed Investigations (Q1 – 2020)

14

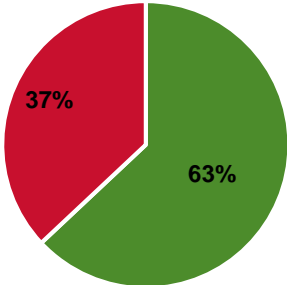


Recommendation Categories*

- 3 Business Integrity
- 1 Health, Safety and Environment
- 9 HR, Diversity and Respectful Workplace
- 1 Misuse, Misappropriation of Assets

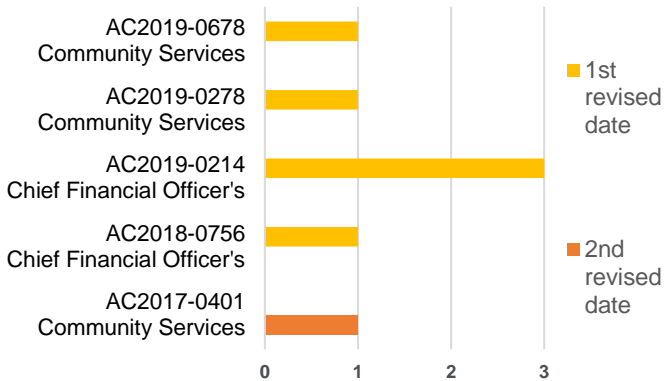
Recommendation Follow-up

Results of 19 Recommendations Due in Q1 (Q4 - 27)



- 12 Implemented (Q4 - 70%)
- 7 Required Additional Time (Q4 - 19%)

Outstanding Recommendations # of Revised Date Requests



- AC2019-0678 Community Services: 1 (1st revised date)
- AC2019-0278 Community Services: 1 (1st revised date)
- AC2019-0214 Chief Financial Officer's: 3 (1st revised date)
- AC2018-0756 Chief Financial Officer's: 1 (1st revised date)
- AC2017-0401 Community Services: 1 (2nd revised date)

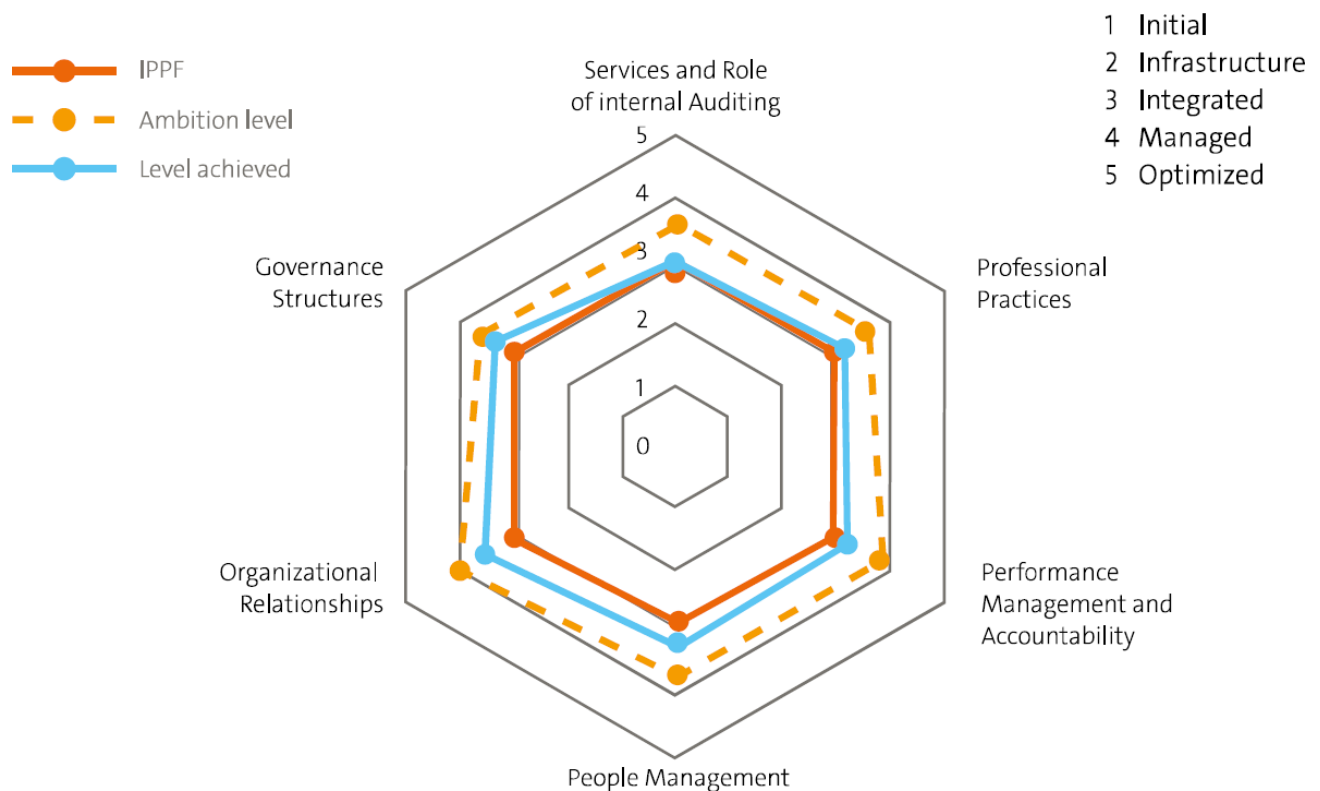
*Recommendations/Corrective Actions are published at www.calgary.ca/whistle

Briefing – External Assessments

The Institute of Internal Auditors Professional Standards (IIA *Standards*) require an external assessment of an audit function to be completed at least once every five years for the function to be able to state that it operates in conformance with professional standards. An assessment team from the Institute of Internal Auditors completed an external assessment in Q2 2017, and concluded that the City Auditor’s Office has achieved the highest rating according to IIA *Standards*. The internal and periodic review activities completed during 2018, 2019 and 2020 have confirmed our ongoing conformance with IIA *Standards*. The next external assessment is in Q1 2022, with preparation starting later in 2020.

External assessments support the efficiency and effectiveness of the audit function by providing an independent, objective analysis of whether audit and advisory services are provided in conformance with IIA Standards, and by providing recommendations to address any non-conformance or partial conformance identified. External assessments also provide an opportunity for an audit function to assess and articulate its ambition levels at a point in time, and compare to current levels of service.

In 2018, the Institute of Internal Auditors Netherlands developed and published their internal audit ambition model, to address the desire of Chief Audit Executives to articulate audit service ambition levels beyond conformance with IIA *Standards*. Their dashboard (pictured below) can be used by Chief Audit Executives to illustrate to their Audit Committee ambition level, compliance, and current state across six themes and five ambition levels. During 2021, as part of preparation for the next external assessment, the City Auditor’s Office plans to assess their ambition levels and current state, and identify strategies and associated actions to close any identified gaps.



2020 Audit Plan – Status as at March 31, 2020

2020 Audit Plan				
#	Title	Description	Report Target	Status
2019 Carry Forward				
1	Elections Follow-up	A follow-up audit to review action plans implemented in response to the 2017 Municipal Election Review (AC2018-0852). Citizen Priority – A Well-Run City	Q1, 2020	Complete Reported 2/13/2020
2	Budget Management	An operational audit of processes and reporting tools available to DeptID owners to support effective management of their operating budget. (AC2020-0343). Citizen Priority – A Well-Run City	Q1, 2020	Complete Reported 3/12/2020
3	Corporate Issue Management Program	An operational audit on the maturity of The City's Corporate Issue Management Program. (AC2020-0297) Citizen Priority – A Well-Run City	Q1, 2020	Complete Reported 3/12/2020
4	Calgary Fire - Inspections	An operational audit of the efficiency and effectiveness of Calgary Fire's inspection activities. Citizen Priority – A City of Safe and Inspiring Neighbourhoods	Q2, 2020	Reporting
5	Roads – Pothole Remediation	An operational audit of the efficiency and effectiveness of pothole remediation. Citizen Priority – A City that Moves	Q2, 2020	Reporting
2020 Audits				
1	Opportunity Calgary Investment Fund	An operational audit of Opportunity Calgary Investment Fund's grant administration. Citizen Priority – A Prosperous City	Q2, 2020	Reporting

2020 Audit Plan				
#	Title	Description	Report Target	Status
2	Green Line Project Governance Follow-up	A follow-up audit to review action plans implemented in response to the 2019 Green Line – Governance Audit (AC2019-0353) Citizen Priority – A City that Moves	TBD	<i>Deferred for consideration in 2021 Audit Plan</i>
3	Assessment Complaints	An operational audit of the processes utilized by The City to efficiently prepare for, and improvement incorporated in response to, the assessment complaints process. Citizen Priority – A Prosperous City	Q3, 2020	Planning
4	IT SCADA System Security	An IT security audit of the complex supervisory control and data acquisition (SCADA) systems that support critical City infrastructure. Citizen Priority – A Well-Run City	TBD	<i>Testing on hold until Covid-19 state of emergency is lifted</i>
5	Integrated Risk Management	A follow-up audit on Integrated Risk Management (AC2014-0295). Citizen Priority – A Well-Run City	Q4, 2020	Not Started
6	Safety Management	An operational audit of the effectiveness of the Environmental & Safety Management Business Unit's monitoring and mitigation of safety incidents. Citizen Priority – A Well-Run City	Q1, 2021	Not Started
7	311 Response	A City-wide operational audit of the service area responses to citizen concerns received through 311. Citizen Priority – A Well-Run City	Q1, 2021	Not Started

2020 Audit Plan				
#	Title	Description	Report Target	Status
8	Expenses of Councillors and Mayor	<i>New add to plan:</i> An audit of Councillors and Mayor expenses at the request of Council in response to Notice of Motion C2020-0263.	Q3, 2020	Planning

Q1 2020 Recommendation Follow-up – In Progress Action Plans

Q1 2020 ACTION PLANS REQUIRING ADDITIONAL TIME TO IMPLEMENT			
Report # & Title	# of Revisions	New Revised Date	Recommendation
AC2019-0678- Emergency Management	1	June 30, 2020	The Leader, Continuity and Risk Reduction, CEMA to document the review process for the Corporate Business Continuity Plan and, if needed, update the document.
AC2019-0278- Livery Transport Services	1	June 30, 2020	The Chief Livery Inspector: Work with industry participants to implement messaging for customer facing communications, such as websites, ride receipts and software applications to contact 311 to report a complaint.
AC2019-0214- Annual Control Environment Assessment	1	September 30, 2022	The Director of Finance/City Treasurer define and communicate the type and level of control included within the Assessment.
AC2019-0214- Annual Control Environment Assessment	1	September 30, 2022	The Director of Finance/City Treasurer establish a control oversight system including control ownership, and associated Director level control sign off confirming that controls are present and functioning.
AC2019-0214- Annual Control Environment Assessment	1	September 30, 2022	The Director of Finance/City Treasurer to: <ul style="list-style-type: none"> Establish and communicate Finance – Internal Control & Policy Coordination’s responsibility for ensuring that Internal Control Descriptions supporting each Control Principle are worded as demonstrable controls; and Develop and issue guidance to control contributors to support the initial draft of Internal Control Descriptions as demonstrable controls.
AC2018-0756- Employee Expense	1	December 31, 2020	The Chief Human Resources Officer review current reimbursement practices for employee development and develop consistent City of Calgary guidelines to support consistent practices.
AC2017-0401- CN ¹ Support of Community Associations	2	November 20, 2020	The Director of CN revise the Annual Status Report format to highlight: <ul style="list-style-type: none"> CAs with a concern or sustainability issue; and Ratios or measures that monitor overall CA health and service to the community.

¹ CN- Calgary Neighbourhoods