



Calgary

City Auditor's Office

**3rd Quarter 2020 Report
July 1, 2020 – September 30, 2020**

October 22, 2020

**Katharine Palmer
City Auditor**

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1. Status Update

Key Performance Indicators				
Measure Area	Performance Indicator	Target	Q2 2020	Q3 2020
Efficiency	On Track to Annual Plan	Q1-26% Q2-59% Q3-82%	46%	60%
Effectiveness	Timely Implementation of Audit Rec.	65%	29%	50%
Quality	Client Satisfaction	85%	N/A*	98%
Staff	Training Plan Achieved	90%	73%	86%

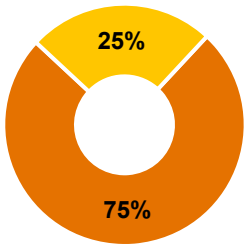
*No survey responses received in this quarter.

Budget (\$'000's)				
Category	2020 Annual Budget	Q3 Cumulative Budget	Actual to Date	Variance
Salary	2,764	2,059	1,856	(203)
Tools & Technology	130	104	131	27
Training	56	42	17	(25)
Professional Memberships	18	14	16	2
Contracted Services	4	4	0	(4)
Employee Recognition	3	2	0	(2)
Office Operating Costs	49	40	42	2
Total	3,024	2,265	2,062	(203)

Whistle-blower Program Activity

New Reports (Q3 – 2020)

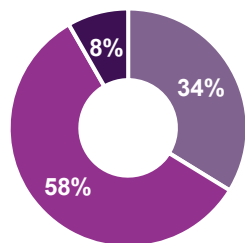
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- 15 Employee
- 5 Non-employee

In-Progress Investigations (Q3 – 2020)

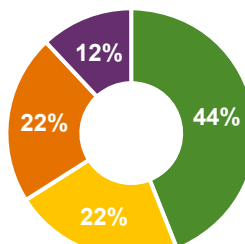
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- 4 City Auditor's Office
- 7 WBP Triage Partners
- 1 Management

Closed Investigations (Q3 – 2020)

9

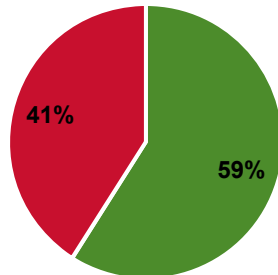


Recommendation Categories*

- 4 Business Integrity
- 2 Misuse, Misappropriation of Assets
- 2 HR, Diversity and Respectful Workplace
- 1 Accounting and Financial Reporting

Recommendation Follow-up

Results of 17 Recommendations Due in Q3 (Q2 - 12)



- 10 Implemented (Q2 - 33%)
- 7 Required Additional Time (Q2 - 59%)

Outstanding Recommendations # of Revised Date Requests

AC2020-0764 Other - Separate Entities	0	
AC2020-0297 City Manager's Office	1	
AC2019-1240 Utilities & Environmental Protection	1	
AC2019-1027 Deputy City Manager's Office	1	
AC2019-0678 Community Services	1	
AC2018-1008 Chief Financial Officer's	1	

- 2nd revised date
- 1st revised date

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

2. Initiative Briefing - TeamMate+ Conversion

The City Auditor's Office (CAO) has been using the audit software, TeamMate, since 2005 to plan, conduct and store the results of audits. Teammate supports the CAO and our four guiding principles (4 R's) of **Resiliency, Reliability, Responsiveness** and **Risk Reduction**. It also dependably enhances our office productivity, reporting and monitoring capabilities. However, the TeamMate version we utilize is being phased out making it necessary to transition to TeamMate+, an upgrade of the software, which features a cloud-based format. This transition will be complete in early 2021.

The CAO is working collaboratively, with The City's IT group and Wolters Kluwer as owner of the software. Although the implementation process will require the focused support of less than 25% of CAO staff resources, all audit staff will be required to participate in a series of training sessions facilitated by Wolters Kluwer during Q4 2020. We believe the benefits to be gained from the new software in sustaining our 4 R's far outweighs the short-term interruption to our audit work.



Once implemented, TeamMate+, via a cloud-based web portal, will be fully utilized by the CAO to provide continued efficiency benefits specific to the operation and delivery of audit assurance service including:

- Audit planning, test documentation and results reporting;
- Audit risk universe, scoring and trending management;
- Audit observation and recommendation tracking; and
- Additional reporting tools and surveys.

Upgrading to TeamMate+ also provides associated storage cost savings and performance benefits to the CAO including:

- Improved accessibility through the internet and City-owned mobile devices;
- Improved scalability of storage space; and
- Upgraded security patches.

2020 Audit Plan – Status as at September 30, 2020

2019-2020 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). <i>Citizen Priority – A Well-Run City</i>	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. <i>Citizen Priority – A Well-Run City</i>	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. <i>Citizen Priority – A Well-Run City</i>	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. <i>Citizen Priority – A City of Safe and Inspiring Neighbourhoods</i>	Q2, 2020	Complete/ reported 7/23/2020
5	Roads – Pothole Remediation	An operational audit of the efficiency and effectiveness of pothole remediation. <i>Citizen Priority – A City that Moves</i>	Q2, 2020	Complete/ reported 6/11/2020
2020 Audits				
1	Opportunity Calgary Investment Fund	An operational audit of Opportunity Calgary Investment Fund's grant administration. <i>Citizen Priority – A Prosperous City</i>	Q2, 2020	Complete/ reported 7/23/2020

2019-2020 Audit Plan				
#	Title	Description	Report Target	Status
2020 Audits				
2	Green Line Project Governance Follow-up	A follow-up audit to assess the effectiveness of actions implemented in response to the 2019 Green Line Project Governance Audit (AC2019-0353). <i>Citizen Priority – A City that Moves</i>	Deferred	Proposed 2021 Audit Plan
3	Assessment Complaints	An operational audit to assess the effectiveness of the processes Assessment have implemented to minimize the risk of complaints increasing in volume. <i>Citizen Priority – A Prosperous City</i>	Q3	Reporting
4	Industrial Control Systems Security Audit	A technology and governance audit of the complex industrial control systems that support critical infrastructure in the Water and Transit business units. <i>Citizen Priority – A Well-Run City</i>	Deferred	Proposed 2021 Audit Plan
5	Integrated Risk Management	An operational audit assessing the effectiveness of the Integrated Risk Management Program, which is a recurring audit (AC2014-0295) required under The Institute of Internal Auditor's International Standards for the Professional Practice of Internal Auditing. <i>Citizen Priority – A Well-Run City</i>	Q1 2021	Planning

2019-2020 Audit Plan				
#	Title	Description	Report Target	Status
2020 Audits				
6	Safety Management	An operational audit assessing Administration's effective utilization of the Occupational Health and Safety Management Systems and related tools that support The City's objectives of a safe and healthy workplace for City employees. <i>Citizen Priority – A Well-Run City</i>	Deferred	Proposed 2021 Audit Plan
7	311 Response	A City-wide operational audit assessing the effectiveness of processes to respond to citizen concerns received through 311. <i>Citizen Priority – A Well-Run City</i>	Q1 2021	Fieldwork
8	Councillor Expenses	An audit of Councillor expenses at the request of Council in response to Notice of Motion C2020-0263. <i>Citizen Priority – A Well-Run City</i>	Q3	Complete/ reported 7/27/2020
9	Cyber Security Incident Response Follow-up Audit	A follow-up audit to review action plans implemented in response to the 2018 Cyber Security Incident Response Audit (AC2018-0410). <i>Citizen Priority – A Well-Run City</i>	Q1 2021	Fieldwork

Q3 2020 Recommendation Follow-up – In Progress Action Plans

Q3 2020 ACTION PLANS REQUIRING ADDITIONAL TIME TO IMPLEMENT			
Report # & Title	# of Revisions	New Revised Date	Recommendation
AC2018-1008 Open Data Program	2	12/31/21	#6-The Chief Information Technology Officer in consultation with the Information Management and Security Governance Committee to define, document and communicate roles and responsibilities for data stewards taking into consideration the Open Data initiative.
AC2019-0678 Emergency Management	1	01/15/21	#1d)- The Leader, Continuity & Risk Reduction, CEMA to define a process to support escalation of non-compliance to ALT, which could include a periodic report to ALT on the completion of continuity strategies that support essential services by the BUs and the documentation of BCP exercises by the BUs.
AC2019-0678 Emergency Management	2	01/15/21	#3- The Leader, Continuity and Risk Reduction, CEMA to document the review process for the Corporate Business Continuity Plan and, if needed, update the document.
AC2019-1027 Supply Management Warehouse and Inventory Control	2	10/30/20	#1b)- Manager, Warehouse and Inventory, to work with IT to investigate and resolve the operation of the FSCM embedded approval process to ensure that write-offs greater than tolerance levels are validated and approved by an authorized employee who did not complete the inventory count.
AC2019-1240 Waste and Recycling - Blue Cart Contamination Prevention	1	12/31/20	#2- The Manager of Infrastructure and Program Management develop and document an enforcement approach, which includes processes for escalating: <ul style="list-style-type: none"> • Hazardous waste identified for resolution/removal prior to the next collection; and • Serious persistent contamination to Bylaw Services, including consideration of issuance of fines.
AC2020-0297 Corporate Issue Management Program	1	11/30/21	#1- The City Manager, in conjunction with the City Solicitor, to consider alternative approaches, as described in Table 1 in this report, for the effective and efficient prevention and management of significant issues.
AC2020-0764 Opportunity Calgary Investment Fund Administration	1	09/30/20	#3- The OCIF Chief Financial Officer implement a process to record the Sub-Committee's advice and SMT's responses and follow-up actions.