

2016 AUDIT COMMITTEE YEAR-END ANNUAL STATUS REPORT

I. STATUS OF AUDIT COMMITTEE 2016 WORK PLAN

This Report provides the original 2016 Work Plan as approved by Audit Committee in December 2015, the items added in 2016 and the status of each item. The items are arranged by Audit Committee meeting date.

AUDIT COMMITTEE 2016 WORK PLAN		
Meeting Date	Report	Accountability
JAN. 21, 2016	1. External Auditor 2014 Management Letter Update 2. Audit Committee Monthly 2016 Status Report 3. 2015 Corporate Risk Report 4. Calgary Parking Authority Engagement of Deloitte LPP 5. City Auditor Compensation – In Camera 6. Audit Forum – verbal report – In Camera 7. External Auditor – verbal report – In Camera 8. City Auditor – verbal report – In Camera 9. Chief Financial Officer – verbal report – In Camera 10. Chair of Audit Committee – verbal report - In Camera	AC2016-0057 AC2016-0058 AC2016-0009 AC2016-0043 - added AC2016-0079 - added AC2016-0032 AC2016-0052 AC2016-0054 AC2016-0055 AC2016-0056
	City Auditor's Office Reports ----- When available	----- City Auditor
FEB. 18, 2016	1. City Auditor's Office 2015 Annual Report } 2. 2015 Whistleblower Office Annual Report } 3. Audit Committee 2015 Annual Status Report 4. Audit Committee Monthly 2016 Status Report 5. Selection of Special Studies and Performance Audits for 2016 – In Camera 6. Civic Entities Presentation Update 7. External Auditor 2015 Service Plan Update 8. Audit Forum – verbal report – In Camera 9. External Auditor – verbal report – In Camera 10. City Auditor – verbal report – In Camera 11. Chief Financial Officer - verbal report – In Camera 12. Chair of Audit Cmttee – verbal report – In Camera	AC2016-0084 AC2016-0121 AC2016-0122 Deferred to September AC2016-0133 - added AC2016-0173 - added AC2016-0116 AC2016-0117 AC2016-0118 AC2016-0119 AC2016-0120
	City Auditor's Office Reports ----- 13. Rocky Ridge Recreation Facility Audit	----- AC2016-0108
MAR. 17, 2016	1. Audit Committee Narrative for The City's 2015 Annual Report	AC2016-0207

	<ol style="list-style-type: none"> 2. Audit Committee Monthly 2016 Status Report 3. Calgary Municipal Land Corporation Follow-up Report on Risk 4. Audit Bylaw and Terms of Reference Review 5. City Auditor Terms of Reference and Charter Review 6. Annual Request Document for Civic Entities – In Camera 7. Audit Committee Self-Assessment Q1 Update 8. 2016 Law Department Legal Compliance, Claims and Risk Management Annual Report – In Camera 9. External Auditor Services Annual Renewal 2016-2017 – In Camera 10. Audit Forum – verbal report – In Camera 11. External Auditor – verbal report – In Camera 12. City Auditor – verbal report – In Camera 13. Chief Financial Officer – verbal report – In Camera 14. Chair of Audit Cmttee – verbal report – In Camera <hr/> <p>City Auditor's Office Reports</p> <p>When available</p>	<p>AC2016-0206 Deferred to April 2016</p> <p>AC2016-0205 AC2016-0247</p> <p>No longer required (see March 2016) AC2016-0208 Deferred to April 2016</p> <p>AC2016-0209</p> <p>AC2016-0210 AC2016-0211 AC2016-0212 AC2016-0213 AC2016-0214</p> <hr/> <p>City Auditor</p>
APR. 14, 2016	<p>*NOTE: All Agenda items from 2016 March 17 Meeting were moved into the 2016 April 14 Meeting to be dealt with due to loss of quorum at the March Meeting.</p> <ol style="list-style-type: none"> 1. Control Environment Assessment and Management Representations 2. City of Calgary 2015 Annual Report 3. External Auditor's 2015 Report 4. 2015 Annual Investment Report 5. Calgary Municipal Land Corporation Follow-up Report on Risk 6. Audit Committee 1st Quarter 2016 Status Report 7. City Auditor's 1st Quarter 2016 Status Report 8. 2016 Law Department Legal Compliance, Claims and Risk Management Annual Report – In Camera 9. Audit Forum – verbal report – In Camera 10. External Auditor – verbal report – In Camera 11. City Auditor – verbal report – In Camera 12. Chief Financial Officer – verbal report – In Camera 13. Chair of Audit Committee – verbal report – In Camera <hr/> <p>City Auditor's Office Reports</p> <p>14. Attainable Homes Acquisition and Development Cycle Audit</p>	<p>AC2016-0311</p> <p>AC2016-0310 AC2016-0289 AC2016-0327 AC2016-0288</p> <p>Deferred to May 2016 Deferred to May 2016</p> <p>City Solicitor AC2016-0143</p> <p>No longer required No longer required No longer required No longer required No longer required</p> <hr/> <p>AC2016-0278</p>

MAY 19, 2016	<ol style="list-style-type: none"> 1. Calgary Public Library Audit and Finance Committee Annual Report 2. Calgary Parking Authority Annual Report to Audit Committee 3. IT Risk Management Annual Update 4. Audit Committee Monthly 2016 Status Report 5. 2016 External Auditor Annual Independence Letter 6. Audit Committee 1st Quarter 2016 Status Report 7. City Auditor's 1st Quarter 2016 Status Report 8. Audit Committee Bylaw 48M2012 Review Update 9. Requirement for External Assessment Review 10. Audit Forum – verbal report – In Camera 11. External Auditor – verbal report – In Camera 12. The City Auditor – verbal report – In Camera 13. Chief Financial Officer – verbal report – In Camera 14. Chair, Audit Committee - verbal report- In Camera <hr/> <p>City Auditor's Office Reports</p> <p>When available</p>	<p>AC2016-0343</p> <p>AC2016-0403</p> <p>AC2016-0222</p> <p>No longer required</p> <p>AC2016-0431</p> <p>AC2016-0400</p> <p>AC2016-0430</p> <p>AC2016-0401 - added</p> <p>AC2016-0328 – added</p> <p>AC2016-0447</p> <p>AC2016-0448</p> <p>AC2016-0449</p> <p>AC2016-0450</p> <p>AC2016-0451</p> <hr/> <p>City Auditor</p>
JUNE 16, 2016	<p><u>Tabled Items from 2016 May 19 Meeting:</u></p> <p><u>Audit Committee 1st Quarter 2016 Status Report</u></p> <p><u>City Auditor's 1st Quarter 2016 Status Report</u></p> <p><u>Audit Committee Bylaw 48M2012 Review Update</u></p> <ol style="list-style-type: none"> 1. Calgary Police Commission Finance and Audit Committee Annual Report 2. Calgary Housing Company Audit and Risk Management Committee Annual Report 3. City Employee Code of Conduct Annual Report 4. Audit Committee Monthly 2016 Status Report 5. External Auditor 2015 Management Letter 6. Audit Committee Self-Assessment Q2 Update 7. Audit Forum – verbal report – In Camera 8. External Auditor – verbal report – In Camera 9. City Auditor – verbal report – In Camera 10. Chief Financial Officer – verbal report – In Camera 11. Chair of Audit Committee – verbal report – In Camera <hr/> <p>City Auditor's Office Reports</p> <p>When available</p>	<p>AC2016-0400</p> <p>AC2016-0430</p> <p>AC2016-0401 - added</p> <p>AC2016-0492</p> <p>Deferred to September</p> <p>AC2016-0332</p> <p>No longer required</p> <p>AC2016-0499</p> <p>AC2016-0500</p> <p>AC2016-0032</p> <p>AC2016-0052</p> <p>AC2016-0054</p> <p>AC2016-0055</p> <p>AC2016-0056</p> <hr/> <p>City Auditor</p>
JULY 21, 2016	<p><u>Tabled item from 2016 June 16 Meeting:</u></p> <p><u>Audit Committee Bylaw 48M2012 Review Update</u></p> <ol style="list-style-type: none"> 1. ENMAX Audit and Finance Committee Annual Report 2. Attainable Homes Calgary Corporation Audit and 	<p>AC2016-0401 - added</p> <p>Deferred to October</p> <p>AC2016-0574</p>

	<p>Accountability Committee Annual Report</p> <p>3. Integrated Risk Management Model Update</p> <p>4. External Auditor 2015 / 2016 Performance Assessment – In Camera</p> <p>5. Audit Committee 2nd Quarter 2016 Status Report</p> <p>6. City Auditor's 2nd Quarter 2016 Status Report</p> <p>7. External Auditor 2016 Fiscal Year Audit Plan and Fees Report</p> <p>8. Civic Partner Audit Report – In Camera</p> <p>9. City Auditor's Office External Assessment Update</p> <p>10. Audit Forum – verbal report – In Camera</p> <p>11. External Auditor – verbal report – In Camera</p> <p>12. City Auditor – verbal report – In Camera</p> <p>13. Chief Financial Officer – verbal report – In Camera</p> <p>14. Chair of Audit Committee – verbal report – In Camera</p> <p>-----</p> <p>City Auditor's Office Reports</p> <p>15. Parks Urban Forestry Audit</p> <p>16. Hedging Audit (Foreign Exchange and Fuel)</p>	<p>AC2016-0503</p> <p>AC2016-0568</p> <p>AC2016-0620</p> <p>AC2016-0575</p> <p>AC2016-0576</p> <p>AC2016-0527</p> <p>AC2016-0811 - added</p> <p>AC2016-0569</p> <p>AC2016-0570</p> <p>AC2016-0571</p> <p>AC2016-0572</p> <p>AC2016-0573</p> <p>-----</p> <p>AC2016-0590</p> <p>AC2016-0606</p>
AUG. 2016	NO MEETING	
SEPT. 22, 2016	<p>1. Calgary Convention Centre Authority – Audit Committee Annual Report</p> <p>2. Calgary Municipal Land Corporation - Audit Committee Annual Report</p> <p>3. Calgary Housing Company Audit and Risk Management Committee Annual Report</p> <p>4. City Auditor's Office Budget 2017</p> <p>5. Audit Committee Monthly 2016 Status Report</p> <p>6. Audit Committee Bylaw Amendments</p> <p>7. Audit Committee Self-Assessment Q3 Update</p> <p>8. Audit Forum – verbal report – In Camera</p> <p>9. External Auditor – verbal report – In Camera</p> <p>10. City Auditor – verbal report – In Camera</p> <p>11. Chief Financial Officer – verbal report – In Camera</p> <p>12. Chair, Audit Committee – verbal report – In Camera</p> <p>13. Selection of Special Studies and Performance Audits for 2016 – In Camera</p> <p>-----</p> <p>City Auditor's Office Reports</p> <p>Environmental & Safety Management EnviroSystem Oversight Audit</p>	<p>AC2016-0675</p> <p>AC2016-0676</p> <p>AC2016-0674</p> <p>Deferred to October</p> <p>No longer required</p> <p>AC2016-0683 - added</p> <p>No longer required</p> <p>AC2016-0678</p> <p>AC2016-0679</p> <p>AC2016-0680</p> <p>AC2016-0681</p> <p>AC2016-0682</p> <p>AC2016-0677</p> <p>-----</p> <p>AC2016-0754</p>
OCT. 20, 2016	<p>1. Audit Committee 3rd Quarter 2016 Status Report</p> <p>2. City Auditor's 3rd Quarter 2016 Status Report</p> <p>3. ENMAX Audit and Finance Committee Annual</p>	<p>AC2016-0818</p> <p>AC2016-0804</p> <p>AC2016-0811</p>

	<p>Report</p> <p>4. Tangible Capital Assets (TCA) Update - added 5. City Auditor's Office Budget 2017</p> <p>6. Status of Community Associations and Social Recreation Organizations on City-Owned Land – In Camera</p> <p>7. Audit Committee Annual (2015/2016) Self Assessment – In Camera</p> <p>8. City Auditor 2016 Performance Review – In Camera</p> <p>9. Audit Forum – verbal report – In Camera</p> <p>10. External Auditor –verbal report – In Camera</p> <p>11. City Auditor – verbal report – In Camera</p> <p>12. Chief Financial Officer – verbal report – In Camera</p> <p>13. Chair of Audit Committee – verbal report – In Camera</p> <p>14. Whistle-blower Policy Update (In Camera)</p> <hr/> <p>City Auditor's Office Reports</p> <p>Vendor Master File Audit (Data Analytics)</p>	<p>AC2016-0769 Deferred to November for inclusion in 2017/2018 City Auditor's Office Work Plan</p> <p>AC2016-0764</p> <p>AC2016-0817</p> <p>Not required at this time</p> <p>AC2016-0812</p> <p>AC2016-0813</p> <p>AC2016-0814</p> <p>AC2016-0815</p> <p>AC2016-0816</p> <p>AC2016-0850 - added</p> <hr/> <p>AC2016-0747</p>
NOV. 10, 2016	<p>1. Election of Chair and Vice-Chair – Committee motion</p> <p>2. Election of Audit Sub-Committee on Personnel Membership (if required) – Committee motion</p> <p>3. Audit Committee Orientation</p> <p>4. Audit Committee Monthly 2016 Status Report</p> <p>5. Audit Committee 2017 Work Plan</p> <p>6. City Auditor's Office 2017 / 2018 Audit Plan</p> <p>7. Audit Committee Self-Assessment Q4 Update</p> <p>8. Selection of Performance Audits, Program Reviews or Special Studies</p> <p>9. Audit Forum – verbal report – In Camera</p> <p>10. External Auditor –verbal report – In Camera</p> <p>11. City Auditor – verbal report – In Camera</p> <p>12. Chief Financial Officer – verbal report – In Camera</p> <p>13. Chair of Audit Committee – verbal report – In Camera</p> <hr/> <p>City Auditor's Office Reports</p> <p>When available</p>	<p>City Clerks</p> <p>Not required</p> <p>2017 January 12</p> <p>No longer required</p> <p>AC2016-0870</p> <p>AC2016-0824</p> <p>No longer required</p> <p>AC2016-0871 - added</p> <p>AC2016-0872</p> <p>AC2016-0873</p> <p>AC2016-0874</p> <p>AC2016-0875</p> <p>AC2016-0876</p> <hr/> <p>City Auditor</p>
DEC. 2016	NO MEETING	

II. AUDIT COMMITTEE TRAINING AND STAFF DEVELOPMENT

Audit Committee Orientation

New members were appointed to the Audit Committee at the 2016 October 24 Organizational Meeting and at the 2016 November 07 Combined Meeting of Council. An Orientation Guide was provided and a workshop held for all members of the Audit Committee on 2017 January 12. Presentations were provided by the Chair of Audit, City Auditor, External Auditor, Chief Financial Officer's Department, Manager of Whistle-Blower Program and the Executive Assistant to the Audit Committee.

Staff Development

The Executive Assistant to the Audit Committee completed coursework within the National Advanced Certificate in Local Authority Administration program (University of Alberta).

III. STATUS OF AUDIT COMMITTEE BUDGET

The Audit Committee Bylaw 48M2012 provides for the Committee to develop a budget and recommend it to Council as part of The City's budget process. The Committee's operating budget for 2016 was approved by Council in November 2014 as part of the four year budget cycle.

The Audit Committee's 2016 total operating budget is \$750,917. There is a positive variance of \$167,000 as at the end of 2016 December. The variance mainly relates to the consulting fees in the amount of \$147,000 which were not used by Audit Committee in 2016. Also contributing to the positive variance is the surplus in the areas of salaries, wages, benefits and business expenses.

IV. APPROVAL OF AUDIT AND NON-AUDIT SERVICES

The Audit Committee Bylaw states that the Audit Committee:

"pre-approves all audit and non-audit services performed by the External Auditor. However, the Audit Committee Chair can pre-approve additional audit or non-audit services, performed by the External Auditor, up to \$25,000 total annually. Any approvals by the Chair will be reported to the Audit Committee as part of the Audit Committee Quarterly Status Report."

Schedule "B", section 1(b).

There have been no approvals in this category by the Audit Committee Chair.

IV. OTHER STATUS INFORMATION

A) Autonomous Civic Entities

In accordance with Schedule 'A', Section 1 i) of Bylaw 48M2012, Audit Committee Bylaw, the Audit Committee oversees its governance responsibility with the audit committees of The City's major autonomous bodies. As determined by the Audit Committee, the following entities made their annual presentations to the Audit Committee in 2016:

Calgary Public Library, AC2016-0343
Calgary Parking Authority, AC2016-0403
Calgary Police Commission, AC2016-0492
Calgary Housing Company, AC2016-0674
Calgary Convention Centre Authority, AC2016-0675
Attainable Homes Calgary Corporation, AC2016-0574
Calgary Municipal Land Corporation, AC2016-0676
ENMAX Corporation, AC2016-0811

B) City Auditor's Office Reports

In accordance with Bylaw 30M2004, the City Auditor Bylaw, the Audit Committee oversees and ensures the accountability of the City Auditor on behalf of Council. The Audit Committee received and reviewed the following reports and audits from the City Auditor's Office in 2016:

City Auditor's Office 2015 Annual Report, AC2016-0084
Rocky Ridge Recreation Facility Audit, AC2016-0108
City Auditor's Office Bylaw and Charter, AC2016-0247
City Auditor's Office 1st Quarter 2016 Report, AC2016-0430
Attainable Homes Acquisition and Development Cycle Audit, AC2016-0278
Requirement for External Assessment, AC2016-0328
City Auditor's Office 2nd Quarter 2016 Status Report, AC2016-0575
City Auditor's Office External Assessment Update, AC2016-0811
Parks – Urban Forestry Audit, AC2016-0590
Hedging Audit (Foreign Exchange and Fuel), AC2016-0606
Environmental & Safety Management – EnviroSystem Oversight Audit, AC2016-0754
City Auditor's Office 3rd Quarter 2016 Status Report, AC2016-0818
Whistle-Blower Policy Update, AC2016-0850
Vendor Master File Audit (Data Analytics), AC2016-0747
City Auditor's Office 2017/2018 Annual Audit Plan, AC2016-0824

C) Risk Management

The Audit Committee maintained its focus on corporate risk management in 2016. In accordance with Schedule 'A', the Audit Committee Terms of Reference, Audit Committee Bylaw 48M2012, the following reports pertaining to risk, were reviewed by the Audit Committee:

Annual Principle Risk Report, AC2016-0074
Control Environment Assessment and Management Representations
Update, AC2016-0311
2015 Annual Investment Report, AC2016-0327
Calgary Municipal Land Corporation Report on Risk Management, AC2016-0288
2016 Law Department Annual Report, AC2016-0143
Annual Update – Information Technology Risk Management, AC2016-0222
Code of Conduct Annual Report, AC2016-0332
Integrated Risk Management Model Update, AC2016-0503
Civic Partner Audit Report – In Camera, AC2016-0527
Status of Community Associations and Social Recreation Organizations on City-Owned
Land, AC2016-0764