



**Calgary**

City Auditor's Office

**2nd Quarter 2021 Report  
April 1, 2021 – June 30, 2021**

**July 22, 2021**

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# 1. Status Update

Key Performance Indicators				
Measure Area	Performance Indicator	Target	Q1 2021	Q2 2021
Efficiency	On Track to Annual Plan	Q1-17% Q2-36%	17%	32%
Effectiveness	Timely Implementation of Audit Rec.	65%	52%	0%
Quality	Client Satisfaction	85%	N/A*	100%
Staff	Training Plan Achieved	90%	100%	95%

\*No Responses Received in Q1

Budget (\$'000's)				
Category	2021 Annual Budget	Q2 Cumulative Budget	Actual to Date	Variance
Salary	2,802	1,380	1,172	(208)
Tools & Technology	130	47	71	24
Training	56	27	13	(14)
Professional Memberships	18	9	10	1
Contracted Services	7	7	25	18
Employee Recognition	3	2	0	(2)
Operating Costs	47	34	28	(6)
<b>Total</b>	<b>3,063</b>	<b>1,506</b>	<b>1,319</b>	<b>(187)</b>

### Whistle-blower Program Activity

New Reports (Q2 – 2021)  
**41**

Reports by Quarter

Quarter	Reports
Q2 20	24
Q3 20	20
Q4 20	29
Q1 21	35
Q2 21	41

In-Progress Investigations (Q2 – 2021)  
**12**

- 2 City Auditor's Office
- 10 WBP Triage Partners

Closed Investigations (Q2 – 2021)  
**8**

**Recommendation Categories\***

- 6 HR, Diversity & Respectful Workplace
- 2 Misuse, Misappropriation of Assets
- 3 Health, Safety & Environmental

### Recommendation Follow-up

Results of 9 Recommendations Due in Q2 (Q1 2021 - 28)

- 5 Closed - Implemented (Q1 - 57%)
- 0 Closed - Alternative Mitigation (Q1 - 4%)
- 4 Required Additional Time (Q1 - 39%)

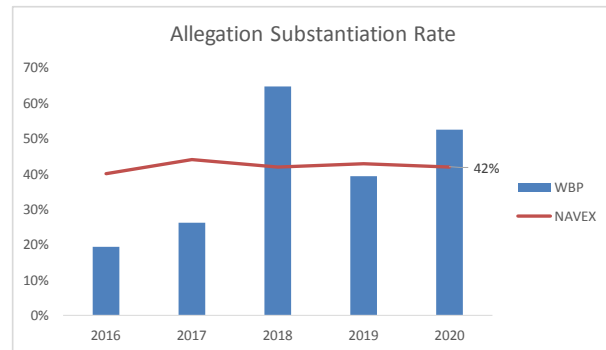
### Outstanding Recommendations # of Revised Date Requests

Recommendation	1st revised date	2nd revised date	4th revised date
AC2019-0010 Calgary Parking Authority	1	1	1
AC2019-0353 Green Line	1	0	0

\*Each investigation could result in any number of recommendations.  
\*Recommendations/Corrective Actions are published at [www.calgary.ca/whistle](http://www.calgary.ca/whistle)

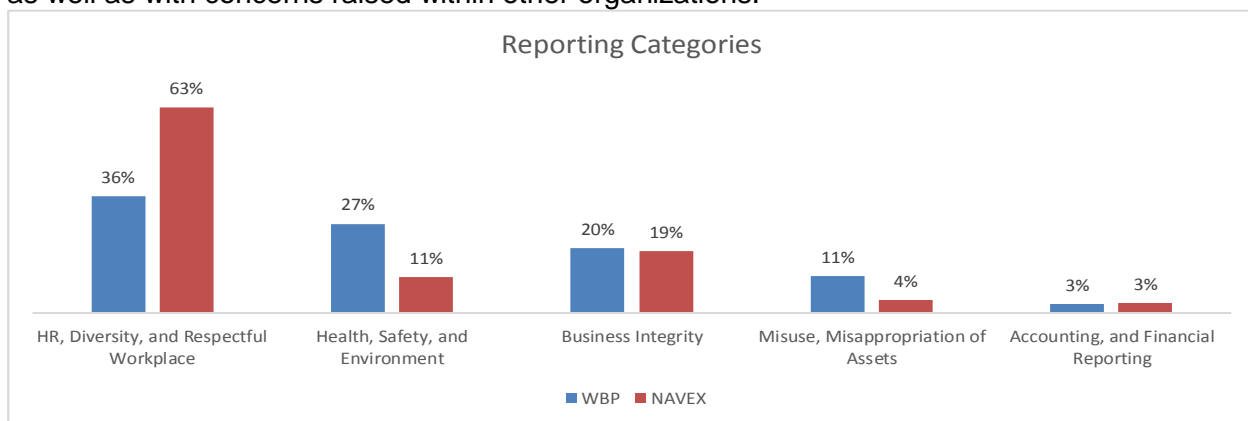
## 2. Initiative Briefing: 2020 Whistle-blower Program Benchmarks

Whistle-blower Program (WBP) data is regularly analyzed and compared annually to external hotline data compiled by NAVEX Global<sup>1</sup> to better gauge the program's performance, effectiveness, and value, and to identify areas for improvement. Three key benchmarks from our analysis are as follows:

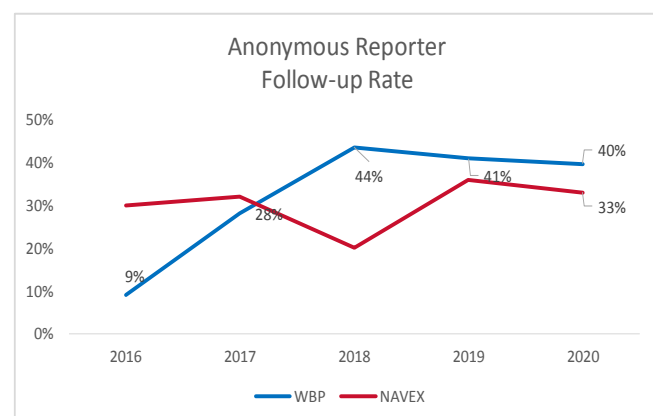


**Substantiation rate remains high** - At least one allegation was substantiated in 53% of all investigations concluded in 2020, above the 5-year WBP average (40%) and above the NAVEX average for 2020 (42%). A high substantiation rate reflects a positive combination of awareness of City policies, timely reporting and investigation of concerns, and effective investigation practices, among other factors.

**Concerns reported align with other organizations** - The categorization of allegations received can provide insight and potential 'hot spots' identified are shared with Administration. In 2020, the nature and frequency of reports submitted to the WBP remained consistent with prior years as well as with concerns raised within other organizations.



**Anonymous reporters remain engaged** – Supporting anonymity and encouraging individuals to remain involved is essential. Sixty-nine percent of reports received in 2020 were from anonymous sources, 40% of whom remained engaged through to the conclusion of their concerns, including following up on the status of their report, and/or responding to investigator requests.



Utilization and operational data suggests that the WBP is operating in general alignment with hotlines from other organizations.

<sup>1</sup> The NAVEX Global 2021 Risk & Compliance Incident Management Benchmark Report comprises data from over 1.3 million individual reports disclosed by 3,027 organizations (with more than 10 reports), representing over 54 million employees globally.

## 2021 Audit Plan – Status as at June 30, 2021

2021 Audit Plan				
#	Title	Description	Report Target	Status
<b>2020 Audit Plan Carry Forward</b>				
1	Cyber Security Incident Response Follow-up	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	Complete/ reported 3/18/2021
2	Integrated Risk Management	An operational audit assessing the effectiveness of the Integrated Risk Management Framework, 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>	Q2	Complete/ reported 5/20/2021
3	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>	Q2	Complete/ reported 6/24/2021
<b>2021 Audit Plan</b>				
1	Green Line Program 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>	Q2	Complete/ reported 6/24/2021
2	Industrial Control Systems Security	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>	Q3	Reporting
3	2021 Municipal Election	An operational audit assessing readiness to deliver the 2021 Municipal Election.  <i>Citizen Priority – A Well-Run City</i>	Q3	Fieldwork

2021 Audit Plan				
#	Title	Description	Report Target	Status
4	Acquisition of Goods and Services Under SOLE	A City-wide operational audit on the effectiveness of processes supporting the acquisition of goods and services during the State of Local Emergency (COVID-19 Pandemic).  <i>Citizen Priority – A Well-Run City</i>	Q4	Planning
5	Fleet Services – CFOS	An operational audit of the reliability of Fleet Services' Corporate Fleet Operating System to meet fleet utilization analysis and reporting requirements.  <i>Citizen Priority – A Well-Run City</i>	Q4	Planning
6	Hyperion Systems Governance	An operational audit of the effectiveness of governance related to the Hyperion system.  <i>Citizen Priority – A Well-Run City</i>	Q4	Planning
7	Recreation Infrastructure Investments	An operational audit assessing the effectiveness of processes implemented by Calgary Recreation to support equitable infrastructure investments.  <i>Citizen Priority – A Healthy and Green City</i>	Q1 2022	Not Started
8	Transportation Infrastructure – Construction Project	An operational audit of a project under the Main Streets Program.  <i>Citizen Priority – A City that Moves</i>	Q1 2022	Not Started
9	Recruitment Processes	An operational audit of the effectiveness of the alignment of recruitment processes with The City's diversity objectives.  <i>Citizen Priority – A Well-Run City</i>	Q2 2022	Not Started
10	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>	Q2 2022	Not Started

## Q2 2021 Recommendation Follow-up– In-Progress Action Plans

Q2 2021 ACTION PLANS REQUIRING ADDITIONAL TIME TO IMPLEMENT			
Report # & Title	# of Revisions	New Revised Date	Recommendation
AC2019- 0010 Calgary Parking Authority Asset Management	1	December 31, 2021	#1b)- The General Manager consult with the Parking Committee to clarify and document the purpose of the Replacement Fund including expectation of partial funding, and: <ul style="list-style-type: none"> <li>• Set a target fund balance based on Lifecycle Strategies;</li> <li>• Evaluate fund sufficiency and frequency of the evaluation;</li> <li>• Develop corresponding plans to ensure an appropriate fund balance is achieved; and</li> <li>• Review and update Replacement Fund assumptions to ensure alignment with Lifecycle Strategies.</li> </ul>
AC2019- 0010 Calgary Parking Authority Asset Management	1	December 31, 2021	#5- Once a Lifecycle Strategy is developed, the Operations & Facilities Manager: <ol style="list-style-type: none"> <li>a. Confirm the criteria currently utilized for prioritizing projects on the capital plan and ensure the criteria aligns to the Lifecycle Strategy.</li> <li>b. Revise the long-term capital plan as needed, to support parkade preventative and capital lifecycle maintenance repairs in alignment to the Lifecycle Strategy.</li> </ol>
AC2019- 0010 Calgary Parking Authority Asset Management	2	December 31, 2021	#6- The General Manager: <ol style="list-style-type: none"> <li>a. Ensure Facilities and Finance staff document procedures for key asset management processes and review periodically to ensure they are still appropriate; and</li> <li>b. Establish asset management documentation retention requirements.</li> </ol>
AC2019-0353 Green Line Governance <sup>2</sup>	4	December 31, 2021	#1- The Acting Managing Director of Green Line implement an updated Project governance framework, including defined and communicated roles, responsibilities and accountabilities, accompanying project organization structure, documented decision-making framework, and defined risk and issues management framework that supports achievement of Project objectives.

<sup>2</sup> The City Auditor's Office conducted a Green Line Governance Follow-up Audit in 2021 on the status of Recommendations 1 and 2 from the Green Line Governance Audit. The audit report, which was presented to Audit Committee June 24, 2021, provided further detail on the status of this in-progress recommendation.