



**Calgary**

City Auditor's Office

**1st Quarter 2022 Report  
January 1, 2022 – March 31, 2022**

**April 21, 2022**

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# 1. Status Update

Key Performance Indicators				
Measure Area	Performance Indicator	Target	Q4 2021	Q1 2022
Efficiency	On Track to Annual Plan	Q1-22% Q2-56% Q3-84% Q4-95%	83%	13%
Effectiveness	Timely Implementation of Audit Rec.	65%	50%	46%
Quality	Client Satisfaction	85%	99%	NA*
Staff	Training Plan Achieved	90%	100%	100%

\*No responses received during Q1

Budget (\$'000's)				
Category	2022 Annual Budget	Q1 Cumulative Budget	Actual to Date	Variance
Salary	2,802	691	545	146
Tools & Technology	130	33	26	7
Training	56	14	2	12
Professional Memberships	17	4	2	2
Contracted Services	7	2	19	(17)
Employee Recognition	3	1	0	1
Operating Costs	48	12	4	8
<b>Total</b>	<b>3,063</b>	<b>757</b>	<b>598</b>	<b>159</b>

### Whistle-blower Program Activity

New Reports (Q1 – 2022)

## 28

Active Investigations (Q1 – 2022)

## 2

Closed Investigations (Q1 – 2022)

## 9

#### Reports by Quarter

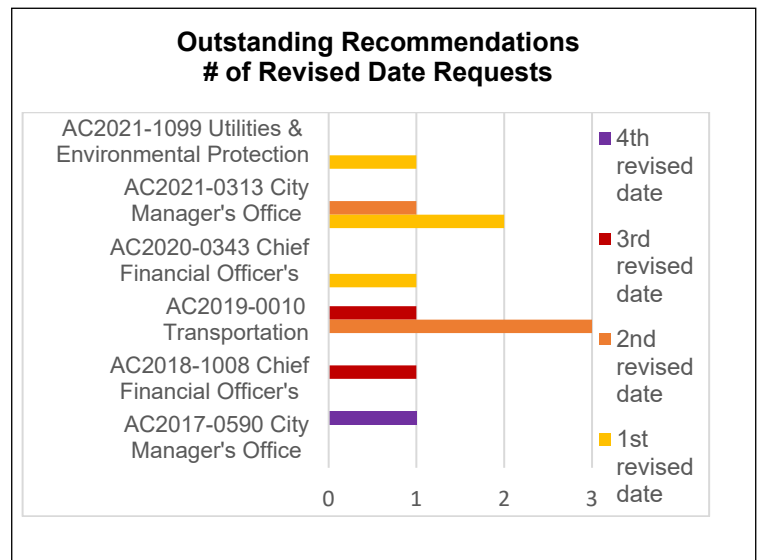
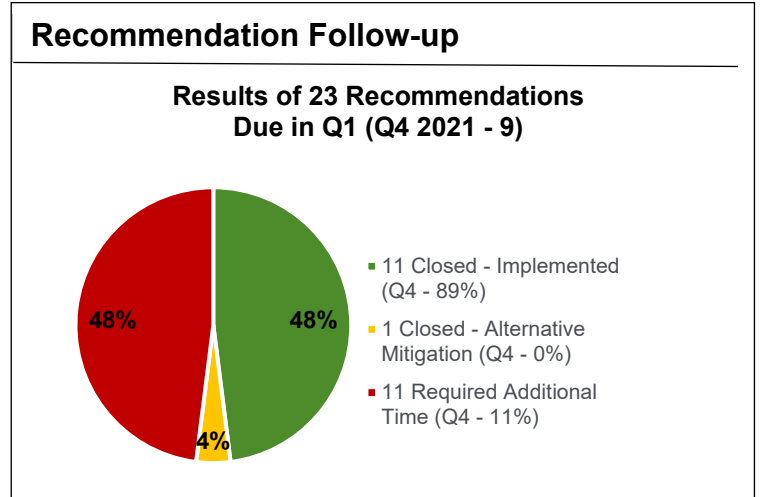
Quarter	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22
Reports	35	41	42	36	28

#### Investigations by Quarter

Quarter	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22
Investigations	13	12	13	7	2

#### Classification of Substantiated Allegations\*

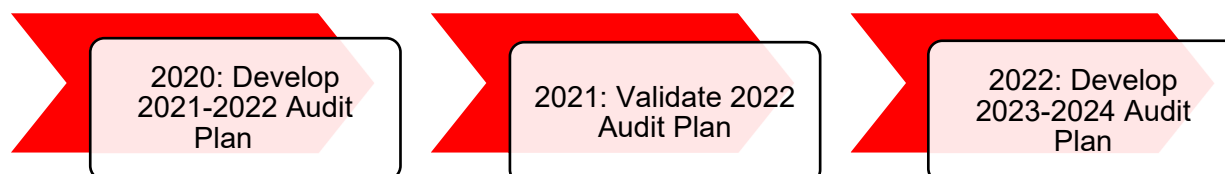
- 4 Abuse of Benefits
- 2 Respectful Workplace
- 1 Social Media Policy
- 1 Safety
- 1 Inefficient Use, Misuse of City Resources



\*An investigation may be comprised of multiple allegations and may result in multiple recommendations/corrective actions. Substantiated allegations and matters resulting in corrective action are summarized at [www.calgary.ca/whistle](http://www.calgary.ca/whistle)

## 2. Initiative Briefing: 2023 Audit Plan

Bylaw 30M2004 states that “The City Auditor will “utilize a risk-based approach, and communicate audit assurance activities to Audit Committee for approval through the development of an annual audit plan”. The City Auditor has historically developed a two-year Audit Plan for Audit Committee approval, with greater detail provided in the first year of the plan on audit scope and timing. During the first year of the plan, a validation exercise confirms the audits to be included in the second year of the plan and refines scope and timing. The plans are based on a four-year risk-based road map intended to align to The City’s four-year budget cycle.



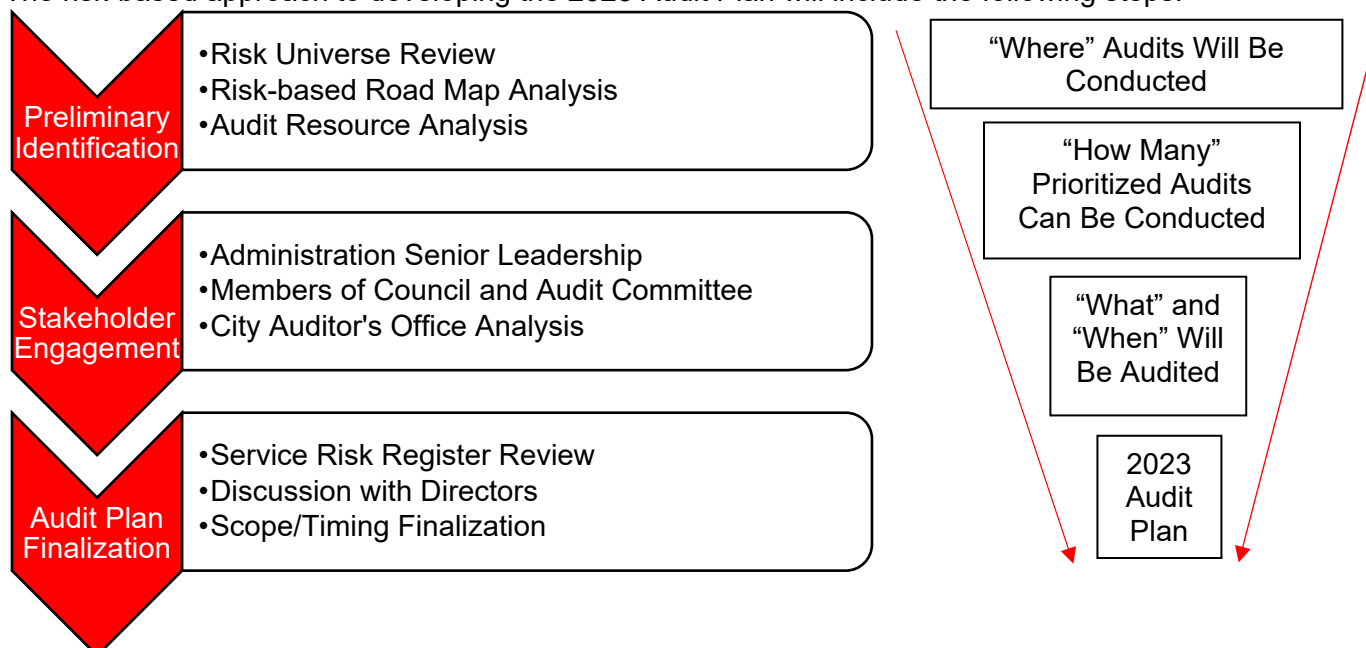
### Decision to Develop a 2023 Audit Plan

The City Auditor’s Office is currently completing the audits included in the 2021-2022 Audit Plan. Rather than developing a 2023-2024 two-year plan in 2022, the City Auditor will develop and present to Audit Committee for approval a 2023 Annual Audit Plan. The decision to develop a one year plan supports:

- The current rapidly changing risk environment and more immediate analysis of risks/potential audit topics;
- The City of Calgary’s on-going Corporate Realignment and transition to the new organizational structure during 2022; and
- Improved alignment with The City’s One Calgary 2023-2026 Service Plans and Budgets cycle, as budgets will be available following Council approval in November 2022 to support the development in 2023 of 2024 and onwards risk-based Audit Plans.

### 2023 Audit Plan Development

The risk-based approach to developing the 2023 Audit Plan will include the following steps:



## 2022 Audit Plan – Status as at March 31, 2022

2022 Audit Plan				
#	Title	Description	Report Target	Status
<b>2021 Audit Plan Carry Forward</b>				
1	Hyperion Systems Governance	An operational audit of the effectiveness of governance related to the Hyperion system.  <i>Citizen Priority – A Well-Run City</i>	Q1	Complete/ reported 1/20/2022
2	Fleet Services – Operator and Public Safety	An operational audit assessing the design and operating effectiveness of key controls that support Fleet operator and public safety related to City Fleet operations.  <i>Citizen Priority – A Well-Run City</i>	Q1	Complete/ reported 3/10/2022
3	Transportation Infrastructure – Construction Project	An operational audit of a project under the Main Streets Program.  <i>Citizen Priority – A City that Moves</i>	Q1	Reporting
4	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>	Q2	Reporting
<b>2022 Audit Plan</b>				
1	Building Services– Public Protection Site Safety Plans (PPSSP)	An operational audit assessing the effectiveness and efficiency of Public Protection Site Safety Plans and associated inspections.  <i>Citizen Priority– A City of Safe and Inspiring Neighbourhoods</i>	Q2	Fieldwork
2	Pension Compliance	A compliance audit as required by Alberta Pension Services providing independent triennial assurance over three City pension plans (LAPP, LAPP Fire and SFPP).  <i>Citizen Priority– A Well-Run City</i>	Q2 <sup>1</sup>	Planning
3	Green Line Program Schedule	An operational audit assessing the effectiveness of processes to create and monitor the baseline Program schedule.  <i>Citizen Priority– A City that Moves</i>	Q3	Planning

<sup>1</sup> Report to Alberta Pensions Services on June 30, 2022.

2022 Audit Plan				
#	Title	Description	Report Target	Status
4	Facility Management– Asset Management	An operational audit assessing the effectiveness of processes to manage lifecycle costs and investments to mitigate safety risks and support service delivery.  <i>Citizen Priority– A Well-Run City</i>	Q3	Planning
5	Real Estate and Development Services– Land Management	An operational audit assessing the effectiveness of the Enhanced Rationalization Program supporting the management of City-owned land.  <i>Citizen Priority– A Well-Run City</i>	Q3	Planning
6	Calgary Housing Company– Vendor Procurement and Management	An operational audit assessing the effectiveness of processes to procure and manage vendors.  <i>Citizen Priority– A Prosperous City</i>	Q4	Not Started
7	Code of Conduct Program Audit	An operational audit assessing the effectiveness of City Administration’s Code of Conduct Program supporting an ethical workplace.  <i>Citizen Priority– A Well-Run City</i>	Q1 2023	Not Started
8	Calgary Parks– Project Management	An operational audit assessing the effectiveness of capital project management.  <i>Citizen Priority- A Healthy and Green City</i>	Q1 2023	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>	Q1 2023	Not Started

## Q1 2022 Recommendation Follow-up– In-Progress Action Plan

Report # & Title	# of Revisions	Revised Date	Recommendation <sup>2</sup>
AC2017- IT Follow-up	4	December 31, 2024	#3d)- Details of this recommendation are confidential.
AC2018-1008 Open Data Program	3	December 31, 2022	#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- 0010 Calgary Parking Authority	2	December 1, 2022	#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	2	December 1, 2022	#3- The Operations & Facilities Manager develop a Lifecycle Strategy for each parkade that aligns to the Asset Management Strategy. Each Lifecycle Strategy should be reviewed periodically by the General Manager and updated as appropriate.
AC2019- 0010 Calgary Parking Authority	2	December 1, 2022	#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 long-term 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	3	December 1, 2022	#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>

<sup>2</sup> Confidential recommendation details are based on Section 20(1) of the Freedom of Information and Protection of Privacy Act which states: “The head of a public body may refuse to disclose information to an applicant if the disclosure could reasonably be expected to:

(k) facilitate the commission of an unlawful act or hamper the control of crime,  
(m) harm the security of any property or system, including a building, a vehicle, a computer system or a communications system.”

Report # & Title	# of Revisions	Revised Date	Recommendation <sup>3</sup>
AC2020- 0343 Operating Budget Management	1	March 31, 2023	#1- The City Treasurer: a. Clarify roles and expectations of budget monitoring between Finance and DeptID owners, and reduce duplicative tasks where identified. b. Document budget monitoring and management expectations, including assignment of responsibility to DeptID owners, BUs and Finance. c. Develop associated policy, process and related training to support defined budget monitoring and management expectations.
AC2021- 0313 Cyber Security Incident Response Follow-up	1	December 31, 2022	#2- Details of this recommendation are confidential.
AC2021- 0313 Cyber Security Incident Response Follow-up	2	June 30, 2022	#4- Details of this recommendation are confidential.
AC2021- 0313 Cyber Security Incident Response Follow-up	1	December 31, 2022	#6a)- Details of this recommendation are confidential.
AC2021-1099 Industrial Control Systems Security	1	March 31, 2022	#4c)- Details of this recommendation are confidential.

<sup>3</sup> Confidential recommendation details are based on Section 20(1) of the Freedom of Information and Protection of Privacy Act which states: "The head of a public body may refuse to disclose information to an applicant if the disclosure could reasonably be expected to:

(k) facilitate the commission of an unlawful act or hamper the control of crime,  
(m) harm the security of any property or system, including a building, a vehicle, a computer system or a communications system."