



Calgary

City Auditor's Office

**2nd Quarter 2022 Report
April 1, 2022 – June 30, 2022**

July 21, 2022

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1. Status Update

Key Performance Indicators				
Measure Area	Performance Indicator	Target	Q1 2022	Q2 2022
Efficiency	On Track to Annual Plan	Q1-22% Q2-56% Q3-84% Q4-95%	13%	54%
Effectiveness	Timely Implementation of Audit Rec.	65%	46%	75%
Quality	Client Satisfaction	85%	NA*	84%
Staff	Training Plan Achieved	90%	100%	80%

*No responses received during Q1

Budget (\$'000's)				
Category	2022 Annual Budget	Q2 Cumulative Budget	Actual to Date	Variance
Salary	2,815	1,391	1,057	334
Tools & Technology	130	65	105	(40)
Training	56	28	17	11
Professional Memberships	17	9	8	1
Contracted Services	7	3	19	(16)
Employee Recognition	3	1	0	1
Operating Costs	48	24	12	12
Total	3,076	1,521	1,218	303

Whistle-blower Program Activity

New Reports (Q2 – 2022)

18

Active Investigations (Q2 – 2022)

4

Closed Investigations (Q2 – 2022)

4

Reports by Quarter

Quarter	Reports
Q2 21	41
Q3 21	42
Q4 21	36
Q1 22	28
Q2 22	18

Reports Received

Quarter	Reports Received
Q2 21	12
Q3 21	13
Q4 21	7
Q1 22	2
Q2 22	5

Classification of Substantiated Allegations*

1 Environmental Policy

*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

Recommendation Follow-up

Results of 7 Recommendations Due in Q1 (Q1 2022 - 23)

Category	Count	Percentage
5 Closed - Implemented	5	48%
0 Closed - Alternative Mitigation	0	4%
2 Required Additional Time	2	48%

Outstanding Recommendations # of Revised Date Requests

AC2021-0313 City Manager's Office

Request Type	Count
1st revised date	1
2nd revised date	1

2. Initiative Briefing: City Auditor’s Office 2023-2026 Service Plan and Budget

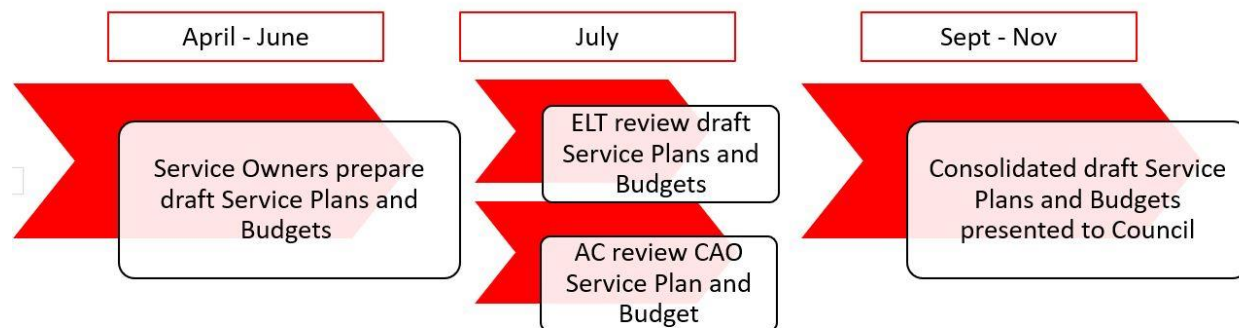
Schedule C of Bylaw 33M2020 states that regarding the City Auditor, Audit Committee “reviews the City Auditor’s Office audit plan and budget with the *City Auditor* and discusses the scheduling, resourcing, risk areas, coverage and overall audit strategy;”

The City of Calgary (The City) follows a four-year Service Plan and Budget cycle, which provides the roadmap for how The City will deliver services to citizens and the financial plan to support its actions. In November 2022, Council will review and approve the 2023-2026 Service Plans and Budgets for all City services. While independent of City Administration, the City Auditor’s Office (CAO) completes the same service submissions as other City services, which ensures the CAO Service Plan and Budget is presented to Council for approval in a consistent manner, consolidated with all City services.

The 2023-2026 Service Plans and Budgets support and align to Council’s Strategic Direction, and include:

- Description of services delivered with associated service levels and KPIs;
- Alignment of services to Council’s Strategic Direction;
- Proposed service reductions and/or service investments;
- Additional budget requests to support maintaining existing service levels (e.g. address service gaps due to inflation) and/or new services;
- Service results, articulating key initiatives and associated performance measures; and
- Risks and opportunities associated with service reductions/investments.

Proposed City Administration Service Plans and Budgets are prepared by Service Owners, and reviewed by the Executive Leadership Team (ELT) prior to consolidation and presentation to Council for approval. The City Auditor presents the CAO Service Plan and Budget, including any proposed adjustments, to Audit Committee (AC) for their endorsement in parallel to ELT’s review.



The activities of the CAO support Council’s Strategic Direction and, dependent on audit, advisory project, and investigation topic, may provide independent insight into unmitigated risks and opportunities for improvement that relate to any one of Council’s seven Focus Areas. All work completed supports the Focus Area of Modernizing Government through enhancing transparency and focusing on service improvement.

2022 Audit Plan – Status as at June 30, 2022

2022 Audit Plan				
#	Title	Description	Report Target	Status
2021 Audit Plan Carry Forward				
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	Complete/ reported 4/21/2022
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	Complete/ reported 6/16/2022
2022 Audit Plan				
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	Reporting
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 ¹	Complete/ reported to APS 6/20/2022
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	Reporting

¹ Report to Alberta Pensions Services by 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	Reporting
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	Fieldwork
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

Q2 2022 Recommendation Follow-up– In-Progress Action Plan

Report # & Title	# of Revisions	Revised Date	Recommendation ²
AC2021- 0313 Cyber Security Incident Response Follow-up	2	September 30, 2022	#5- Details of this recommendation are confidential.
AC2021- 0313 Cyber Security Incident Response Follow-up	1	December 31, 2022	#6b)- Details of this recommendation are confidential.

² 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.”