

**Audit Resource Management Report to
Audit Committee
2022 June 16**

**ISC: UNRESTRICTED
AC2022-0670
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External Auditor 2021 Management Letter

RECOMMENDATION(S):

That the Audit Committee:

1. Requests the External Auditor provide an update regarding the implementation status of the recommendations contained in the 2021 Management Letter (Attachment) at the 2023 January Audit Committee meeting; and
2. Recommends that Council receives this Report and Attachment for the Corporate Record.

RECOMMENDATION OF THE AUDIT COMMITTEE, 2022 JUNE 16:

That Council receives this Report and Attachment for the Corporate Record.

HIGHLIGHTS

- This report contains the annual Management Letter received from Deloitte LLP, The City's External Auditor, relating to the audit of The City's 2021 consolidated financial statements.
- What does this mean to Calgarians? Calgarians are provided with assurance that recommendations made by the external auditor are followed up and implemented.
- Why does this matter? This provides citizens with transparency on Administration's efforts to mitigate any potential risk and gives assurance that recommended changes are implemented in a timely manner.
- The 2021 External Auditor's Year-End Report was presented at the 2022 April 21 Audit Committee Meeting (AC2022-0405) and was received for the Corporate Record by Council at their 2022 April 25 Special Meeting.
- The annual Management Letter to The City's Administration reflects the observations the External Auditor had during the 2021 Audit. Deloitte did not identify any matters that would be of interest to Administration resulting from the 2021 audit. However, they have included an update to observations identified during the prior year's audit.
- Audit Committee should ensure that the recommendations made by the External Auditor are implemented after an appropriate interval of time, by directing that the External Auditor prepare a follow-up report for the Audit Committee's 2023 January meeting.
- Strategic Alignment to Council's Citizen Priorities: A well-run city
- Audit Committee Bylaw 33M2020 provides the authority for Audit Committee to review the External Auditor's Management Letters and request updates.

ATTACHMENT

Deloitte LLP 2021 Management Letter

Department Circulation

Councillor Richard Pootmans	Chair of Audit Committee	Approve
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