



*To provide independent civilian oversight and governance of the
Calgary Police Service to ensure a safe community.*



**CALGARY POLICE COMMISSION
REPORT
FOR
CITY AUDIT COMMITTEE
JUNE 16, 2016**

Presentation Overview



- Police Commission Priorities
- Police Commission Committees
- Finance & Audit Committee Composition
- Work Plan for 2016
- Risk Management
- CPS Internal Control Environment
- 2015 External Auditor Report

Police Commission Priorities



- Active governance and oversight of CPS
- Effective financial internal controls
- Implementation of internal and external audits
- Strategic risk management and risk monitoring
- Defined responsibilities and independence
- Chief, Board, and Chair performance review and succession planning
- Enhanced transparency and public reporting

Police Commission Committees



- The Commission has three standing committees that play a role in governance: **Finance & Audit**, **Governance & Personnel**, **Complaints Oversight**
- Committee terms of reference were revised based on input received from this committee in 2015
 - ToR now include risk management function
 - ToR now include a requirement for the majority of committee members to be independent, whenever possible
 - Clarified decision-making process

Finance & Audit Committee Composition 2016



- **Johnathan Liu, CPA, CA, BComm- Committee Chair**
 - Executive with Westmount Charter School Society, a public school board, corporate director with the Alberta Association of Police Governance, and Supply Chain Management Association - National. Previously served on the board of Brickburn Funds Inc., Norfolk Housing Association, Kincora Residents Association and Kincora Community Association. Holds a Bachelor of Commerce in Accounting and in 2011 received the appellation Chartered Accountant from Chartered Professional Accountants of Alberta.
- **Howie Shikaze, FCA, ICD.D – Commission Chair**
 - Fellow of the Institute of Chartered Accountants of Alberta and Institute of Corporate Directors. Retired in 2014 as a Partner at MNP LLP. Chair of the YMCA Calgary Audit and Investment Committee, Chair of Rotary Club of Calgary Signature Legacy Project Committee. Past President of both the Kiwanis Club and the Calgary Performing Arts Festival.
- **Stephanie Felesky, C.M., ICD.D**
 - Member of the board of Canexus Corporation where she chairs the Human Resource and Compensation Committee. Member of the national board of the Institute of Corporate Directors (ICD) where she chairs the Human Resources and Governance Committee. Vice Chair of the West Campus Development Corporation. A founding director of the Calgary Homeless Foundation. Past director of the Canada Lands Company, Star Choice Communications Ltd, the United Way of Calgary (Chair), Calgary Inc., the Calgary Convention Authority as well as a past member of the Board of Governors of the University of Calgary (Chair of the Investment Committee).
- **Ward Sutherland**
 - Member of Calgary City Council with 25 years of senior leadership and management experience in top-tier companies and was awarded the Queen Elizabeth II Diamond Jubilee medal for significant contribution to the community.

Finance & Audit Committee Composition 2016



- **Tyler Shandro**

- Lawyer practicing municipal law, vice-chair of the municipal law section of the Canadian Bar Association. Previous member of Alberta's Municipal Government Board and the National Parole Board. Former board member of Calgary Parking Authority.

- **Chris Salmon**

- Strategy and organizational performance consultant with senior operations leadership experience as a UK Crown Servant. Post-graduate qualifications in management and criminal intelligence. Experience serving on four boards in Canada, including as vice-chair of the EMS Foundation. Member of Institute of Corporate Directors. Holds Freedom of the City of London.

- **Ferdinand Legaspi**

- 30 years experience developing technology and business solutions in the healthcare sector. Green Belt Six Sigma Certification from UofC.

Work Plan for 2016...



- Oversee CPS budget, business plan, and external financial audit
- Present CPS budget, budget adjustments, and financial audit findings to City Council
- Review CPS risk management strategy
- Observe development of annual CPS internal audit plan and review results/progress reports
- Monitor authorized strength vs actual staffing levels to ensure adequate personnel
- Set performance measures, review performance of the Chief, succession planning

Work Plan for 2016 cont'd



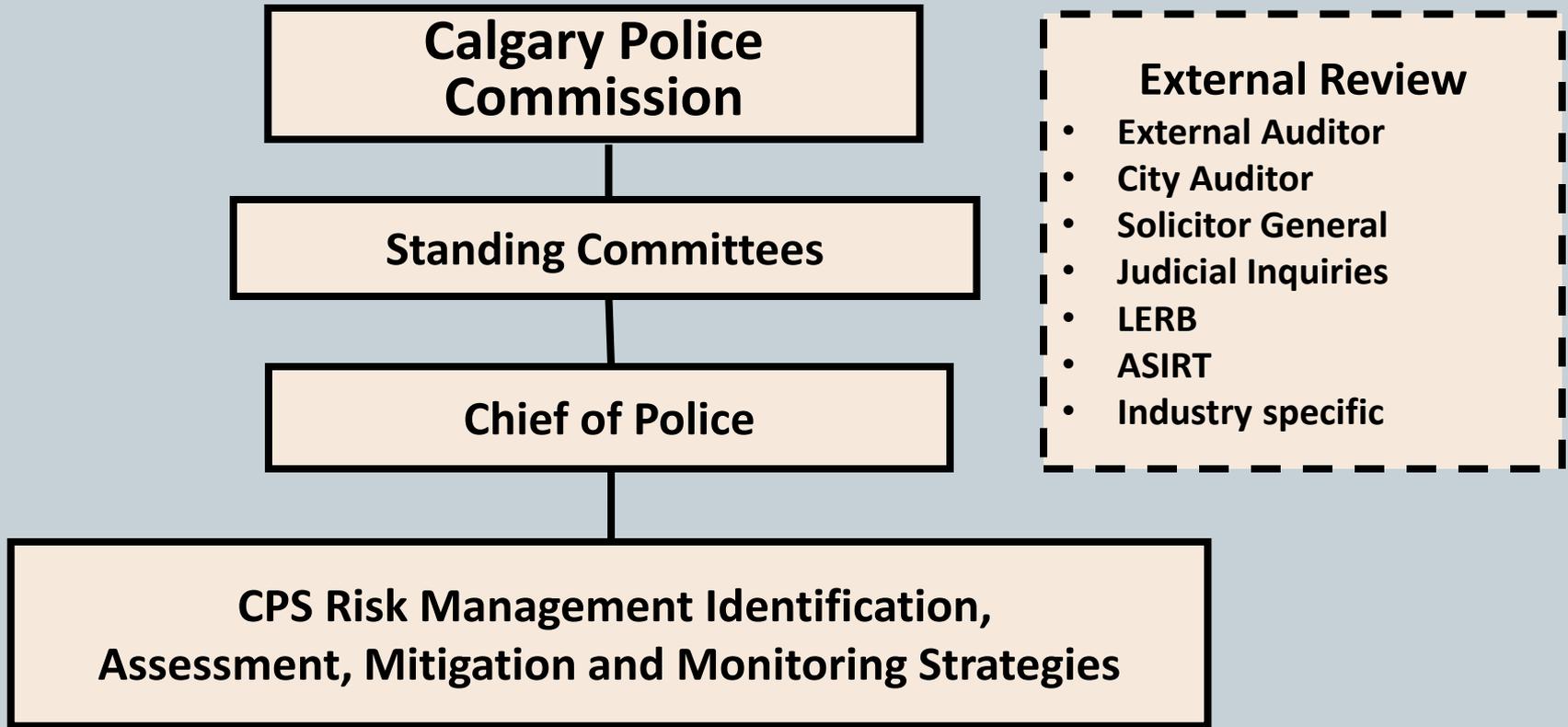
- Oversee CPS information and IT systems and technologies ***new role***
- Monitor CPS performance using available data
- Conduct annual citizen survey
- Conduct annual employee survey
- Conduct self-assessment of the Commission
- Guide Commission risk monitoring and mitigation

CPS Focus on Risk Management



- CPS has developed an integrated risk management model
- Model focuses on strategic risks
- Risk management is viewed as the responsibility of all staff and work areas
- Risk Management Coordinator scans the risk environment and communicates to CPS Executive and CPC the identified risks, mitigation strategies and outcomes

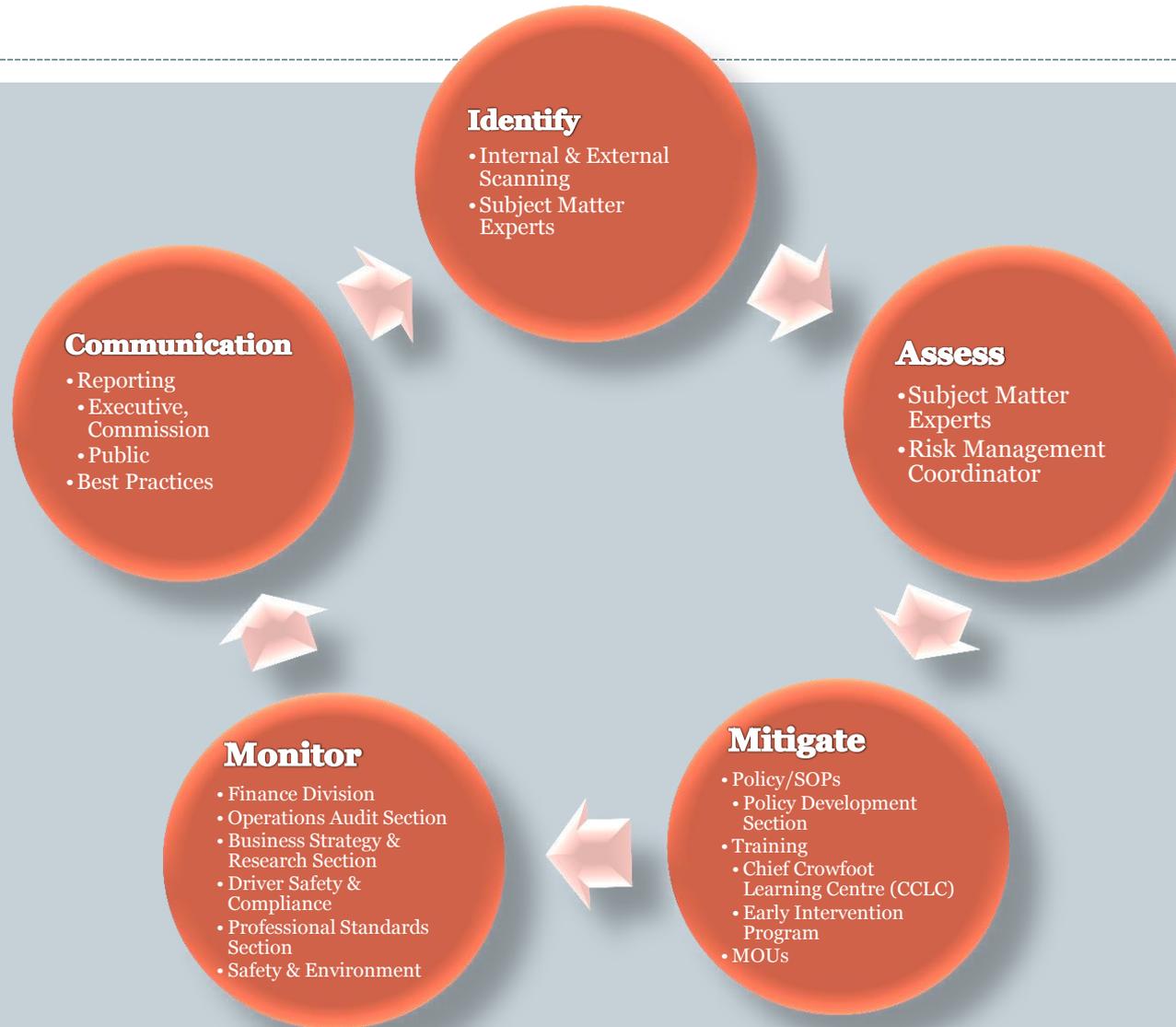
CPS Risk Management



CPS Organizational Risks



CPS Risk Management Process



Commission Role in Risk Management



- Commission- through F&A committee - observes and informs development of CPS operational audit plan
- Receives the annual CPS operational audit plan, and the results of audit findings and progress reports
- Meetings with CPS Operations Audit manager in-camera

CPS Internal Control Environment



- Business unit of the City of Calgary, following City financial policy and procedures for internal control
- Participation on the 'Internal Controls for Financial Reporting' steering committee, as a city business unit
- Organizational structure provides clear definitions of responsibilities
- Up-to-date documentation and regular review of financial processes/internal controls for best practice
- Included in corporate-wide audits by City Auditors Office
- CPS objectively assesses the efficiency and effectiveness of areas of CPS by providing regular review of selected areas

External Auditor Report



- Deloitte & Touche LLP completed its audit of the 2015 financial statements of CPS and issued an opinion without qualification
 - No audit adjustments related to the 2015 audit
 - No uncorrected misstatements during the course of the audit
 - No unadjusted disclosure deficiencies to report
 - Auditors issued an unmodified audit report
 - Two management recommendations for improvement in internal controls
- CPS financial information is included in the City's audited, consolidated financial statements

2015 CPS Expenditures

