



Annual Control Environment Assessment

AC2024-1031

2024 October 17

**Calgary**

Previous Council Direction

On 2020 January 24, Audit Committee approved (AC2020-0023) that Administration cease the current Annual Control Environment Assessment and develop and implement a project plan to identify, document, and test key internal controls over financial reporting at a demonstrable level with annual updates to the Audit Committee.



Recommendation(s)

That the Audit Committee:

Direct that Attachment 4 be discussed in closed meeting and remain confidential under Sections 24 (Advice from officials) and 25 (Disclosure harmful to economic and other interests of a public body) of the *Freedom of Information and Protection of Privacy Act (Alberta)*, to be reviewed by 2026 January 01.



Highlights

Program Overview

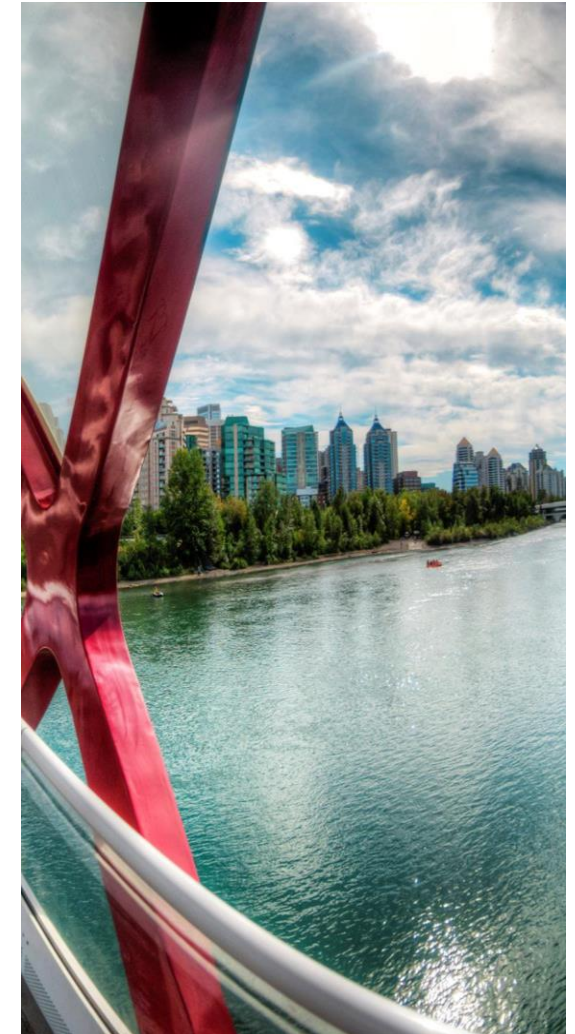
- Program has progressed on schedule
- Continues to provide benefits to the corporation and to citizens

2023 Internal Control Testing Results

- 168 (97%) of the 174 key internal controls tested were found to be operating effectively
- No significant deficiencies or material weaknesses identified
- Six minor deficiencies identified

COSO Control Environment Principles

- From the self-assessment, Administration has concluded that structures and policies exist to address the COSO control environment principles
- From the one area of focused testing, Administration has concluded that the control is designed and operating effectively





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