



Calgary

City Auditor's Office

**3rd Quarter 2024 Report
July 1, 2024 – September 30, 2024**

October 17, 2024

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1. Status Update

Key Performance Indicators				
Measure Area	Performance Indicator	Target	Q2 2024	Q3 2024
Efficiency	On Track to Annual Plan	Q1-25% Q2-56% Q3-81% Q4-95%	47%	66%
Effectiveness	Timely Implementation of Audit Rec.	65%	50%	52%
Quality	Client Satisfaction	85%	98%	96%
Staff	Training Plan Achieved	90%	100%	100%

Budget (\$'000's)				
Category	2024 Annual Budget	Q3 Cumulative Budget	Actual to Date	Variance
Salary	3,210	2,397	2,258	139
Tools & Technology	166	125	137	-12
Training	68	51	44	7
Professional Memberships	20	15	17	-2
Contracted Services	150	113	30	83
Employee Recognition	3	2	1	1
Operating Costs	38	37	44	-8
Total	3,655	2,739	2,532	208

Whistle-blower Program Activity

New Reports (Q3 – 2024)

34

Reports by Quarter

Quarter	Reports
Q3 23	24
Q4 23	28
Q1 24	28
Q2 24	46
Q3 24	34

Active Investigations (Q3 – 2024)

11

Ageing of Active Investigations

Ageing Category	Count
< 3 months	5
3 - 6 months	4
6 - 12 months	1
> 12 months	1

Closed Investigations (Q3 – 2024)

4

Classification of Substantiated Allegations*

Allegation Type	Count	Percentage
1 Theft of Time	1	33.3%
1 Conflict of Interest	1	33.3%
1 Recruiting & Employment	1	33.3%

*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 28 Recommendations Due in Q3 (Q2 2024 - 23)

Category	Count	Percentage
16 Closed - Implemented	16	61%
12 Required Additional Time	12	39%

Outstanding Recommendations # of Revised Date Requests

Recommendation ID	Service Area	1st Revised Date	2nd Revised Date
AC2024-0238	Planning & Development Services	1	0
AC2023-0541	Law, Legislative Services & Security	2	0
AC2023-0537	People, Innovation & Collaboration Services	4	0
AC2023-0537	Law, Legislative Services & Security	2	0
AC2022-0079	People, Innovation & Collaboration Services	0	3

2. Initiative Briefing

CITY AUDITOR'S OFFICE TECHNOLOGY ROADMAP

Guiding Principles – Aligns to Institute of Internal Auditors' Global Internal Audit Standards

Annual Evaluations

The City Auditor, along with the Deputy City Auditors and Audit Manager IT, evaluates audit technology needs, risks, and opportunities annually. Results flow into future goals and initiatives.

Communicating Limitations

If technology limitations impact audit delivery, these are communicated to the Audit Committee.
No limitations currently identified.

Procurement & Training

Technology procurement follows City of Calgary policies and processes, and training is provided for new technologies and new auditors.

Audit Roadmap



2025 Initiatives



Data Analytics Roadmap

↑ **TeamMate+** audit software: Growth opportunity: supports current audit efficiency; further opportunity to explore current unused features balanced with time needed to implement.

↑ **Microsoft Copilot and Microsoft Copilot for Office 365:** Microsoft Copilot is The City's AI tools that uses data from the public web to respond. Copilot for Office 365 includes City data such as a users' e-mail to respond to questions and integrates with Office applications. Growth opportunity: supports efficiency in audit/analytcs projects. Opportunity to expand usage, balanced with risks of data leakage, unverified information and subsuming of professional judgement.

➡ **Office 365:** Core technology item: maintain existing usage.

- Negotiate renewal of **TeamMate+** audit software contract, incorporating price increase caps and Agile Addon trial licenses.
- Directly connect business intelligence tools (PowerBI / Excel) to **TeamMate+** for recommendation tracking dashboards.
- Create a team AI framework, and further rollout Copilot for Microsoft 365 if more licenses become available. Entire team already has access to Microsoft Copilot product.
- Negotiate renewal of **Arbutus** data analytics software contract, and demo new functionality.
- Evaluate ongoing usage of Power BI and AI Builder. Track new functionality.
- Continue Python training with a focus on growing data analytics team skillset with the Pandas data manipulation and analysis library.

➡ **Arbutus:** Core data analytics tool: maintain existing usage. Additional opportunities to evaluate new AI functionality for anomaly detection and expand use of workflows to visually document data analysis steps.

↑ **Power BI / Power Platform:** Core data analytics tool used across City of Calgary. Utilizing Power BI supports transition of analytics to Administration. Opportunities to expand use of AI Builder capabilities within Power Platform. Also, new functionality with expected City wide migration from on premise report server to cloud service.

↑ **Python:** Flexible tool with large number of libraries (pre-written code) for different tasks. Growth opportunities for new analysis and improve efficiency by taking advantage of these ready-made solutions.

➡ **City core data sets: PeopleSoft/GIS/Active Directory:** Core technology item: Maintain direct connectivity for core data analysis team members.

2024 Audit Plan – Status as at September 30, 2024

2024 Audit Plan				
#	Title	Description	Report Target	Status
2023 Audit Plan Carry Forward				
1	Downtown Calgary Development Incentive Program	An operational audit of the Downtown Calgary Development Incentive Program's grant administration.	Q1	Complete/ Reported 2/15/2024
2	Financial Reserves	An operational audit of the effectiveness of the management of City of Calgary financial reserves.	Q2	Complete/ Reported 5/23/2024
3	Cloud Vendor and Solution Management	An IT audit to review processes for identifying, assessing, and monitoring cloud software solutions and vendors.	Q1	Complete/ Reported 1/18/2024
4	Safety Management	An operational audit of the effectiveness of the Occupational Health & Safety Business Unit's monitoring and mitigation of safety incidents.	Q2	Complete/ Reported 4/18/2024
5	Streetlights	An operational audit of streetlights maintenance and repair.	Q2	Complete/ Reported 5/23/2024
6	Project and Portfolio Management Tool (P2M)	An operational audit of the Utilities Delivery Business Unit's utilization of P2M.	Q2	Complete/ Reported 6/13/2024
2024 Audit Plan				
1	Climate & Environment - Clean Energy Improvement Program	An operational audit of the Clean Energy Improvement Program. <i>Principal Corporate Risk: Sustainable City</i>	Q3	Complete/ Reported 9/19/2024
2	Water Services - Water Metering	An operational audit of the effectiveness of The City's water metering processes and policies. <i>Principal Corporate Risk: Service Delivery</i>	Q3	Complete/ Reported 9/19/2024

2024 Audit Plan				
#	Title	Description	Report Target	Status
3	Parks & Open Spaces – Contracted Mowing Services	An operational audit to assess the effectiveness and efficiency of Parks & Open Spaces' contracted mowing services. <i>Principal Corporate Risk: Financial Sustainability</i>	Q3	Complete/ Reported 7/25/2024
4	Partnerships - Neighbourhood Partnership	An operational audit of the Neighbourhood Partnership Coordinator Team's Community Association support. <i>Principal Corporate Risk: Service Delivery</i>	Q1 2025	Fieldwork
5	Event Centre	An operational audit of The City's governance of the Event Centre project. <i>Principal Corporate Risk: Capital Infrastructure</i>	Q4	Reporting
6	IT - Disaster Recovery	An IT audit of disaster recovery processes to provide assurance essential systems are identified and appropriate recovery procedures and infrastructure are in place. <i>Principal Corporate Risk: Service Delivery</i>	Q4	Reporting
7	Corporate Security – Cyber Security	An IT audit to assess the effectiveness of activities to detect the occurrence of cyber security events within The City's IT environment. <i>Principal Corporate Risk: Technological Disruption</i>	Q1 2025	Planning
8	Community Planning -Local Area Plan Process	An operational audit to assess the effectiveness of engagement in the Local Area Plan Process. <i>Principal Corporate Risk: Reputation</i>	Q1 2025	Planning

2024 Audit Plan				
#	Title	Description	Report Target	Status
9	Utilities Delivery - Project Management	An operational audit assessing the effectiveness of the project management of the Deer Run Sanitary Lift Station Upgrade project. <i>Principal Corporate Risk: Capital Infrastructure</i>	Q1 2025	Planning
10	Supply Management - Corporate Supply Chain Resilience Strategy	An operational audit of Supply Management's processes that support the Corporate Supply Chain Resilience Strategy. <i>Principal Corporate Risk: Capital Infrastructure</i>	Q2 2025	Not Started

Q3 2024 Recommendation Follow-up – In-Progress Action Plans

Report # & Title	# of Revisions	Revised Date	Recommendation ¹
AC2022-0079 Hyperion Systems Governance Audit	2	June 30, 2025	<p>Rec 1. Update Terms of Reference</p> <p>The IT Manager (ESS):</p> <ul style="list-style-type: none"> i. Coordinate updating the ESS Governance Group and ESS Process Owner Group Terms of Reference to incorporate changes in composition, authority, roles, and responsibilities, once the realignment is complete. ii. Obtain approval for the revised documents from the relevant committee. iii. Establish a process to periodically review Terms of Reference every four years to align with The City's budget cycle, and additionally whenever significant organizational changes occur.
AC2022-0079 Hyperion Systems Governance Audit	2	June 30, 2025	<p>Rec 3. Update ESS Governance Group TOR (Project Benefit Realization)</p> <p>The Manager of IT(ESS) work with the ESS Governance Group to:</p> <ul style="list-style-type: none"> i. Update Terms of Reference for the group to include an explicit responsibility for ensuring project benefit realization. ii. Implement a process for project sponsors to report back to the Governance Group on the realization of project benefits.
AC2022-0079 Hyperion Systems Governance Audit	2	June 30, 2025	<p>Rec 4. Reporting on-going KPIs</p> <p>The Manager of IT(ESS) facilitate the ESS Governance Group and Process Owner Group to evaluate if there is a benefit to reporting on-going KPIs to measure system effectiveness in meeting business needs.</p>
AC2023-0537 Code of Conduct Program Audit	1	September 30, 2024	<p>Rec 2a) Review current reporting options</p> <p>Review all the current reporting options that support the Code of Conduct Program and consider streamlining the number of reporting methods available to employees; determine that only those that pertain to Code of Conduct requirements are included.</p> <p>The diverse subject matter of the Code of Conduct policies makes it challenging to have a single method or channel for reporting breaches or violations.</p> <p>The current reporting channels for some violations such as privacy breaches and safety hazards are well established in the organization and are designed for swift action where required.</p>

			Employees are always encouraged to raise concerns and report issues to their leader to ensure escalation to the appropriate channel.
AC2023-0537 Code of Conduct Program Audit	1	September 30, 2024	Rec 2b) Implement a central intake group for violation reporting. Consider the implementation of a central intake group to direct reported violations, depending upon their nature, to the appropriate group within the organization. The revised list of reporting options or central intake information should then be published and communicated in future communication campaigns and training related to the Code of Conduct Program. In addition, develop appropriate training and escalation protocols established for groups who may receive reported violations outside the central intake group so that they know how to transmit reported violations they receive to the central intake group.
AC2023-0537 Code of Conduct Program Audit	1	September 30, 2024	Rec 6a) Process to review and update the Investigation Matrix Establish a process for periodic review and update of the Investigation Matrix to determine that it is aligned with current roles and responsibilities as well as processes for incident triaging, consultation, investigation, and reporting/ documentation of the results of investigations.
AC2023-0537 Code of Conduct Program Audit	1	September 30, 2024	Rec 6c) Appropriate ownership of the Investigation Matrix Consider the appropriate ownership of the Investigation Matrix given its use as a central Code of Conduct triaging tool (e.g., Human Resources or People, Innovation and Collaboration Services). Once determined, communicate the updated ownership and responsibility of the Investigation Matrix to relevant groups within the organization.
AC2023-0537 Code of Conduct Program Audit	1	September 30, 2024	Rec 7a) Review and update Corporate Security Investigative Protocols Review and update the Draft Corporate Security Investigative Protocols to determine inclusion of appropriate consultation processes, alignment with current investigative process, and consistency with other Code of Conduct investigative groups.
AC2023-0537 Code of Conduct Program Audit	1	September 30, 2024	Rec 7b) Publish finalized Investigative Protocols Formally publish finalized Investigative Protocols and determine that all individuals responsible for investigations within the Corporate Security team receive appropriate training on its requirements.
AC2023-0541 Building Access Control Continuous Auditing Project	1	October 1, 2024	Details of this recommendation are confidential.
AC2023-0541	1	October 1, 2024	Details of this recommendation are confidential.

Building Access Control Continuous Auditing Project			
AC2024-0238 Downtown Calgary Development Incentive Program	1	December 31, 2024	Details of this recommendation are confidential.

ⁱ Confidential recommendation details are based on the relevant sections of the Freedom of Information and Protection of Privacy Act, which relates to disclosure that is harmful to business interests of a third party.