

**CALGARY HOUSING**

**INTERNAL CONTROLS REPORT 2023**

On September 19, 2016, Calgary Housing received approval from the Board's Audit and Risk Management (ARM) Committee to adopt the *Committee of Sponsoring Organizations (COSO) of the Treadway Commission: Integrated Framework* to guide the organization's future internal control environment assessment and reporting. The COSO model is recognized as the definitive standard against which organizations measure the effectiveness of their internal controls.

The implementation of an internal control framework, as well as the assessment and reporting of overall internal controls effectiveness, provides assurance that Calgary Housing has adequate controls at the entity level, while demonstrating commitment to ongoing continuous improvement.

The approved internal control framework is intended to continuously evolve with the needs of Calgary Housing and any changes in the industry, as well as mirror The City of Calgary (the City's) current framework and assessment. Calgary Housing Administration anticipates continuing to conduct a full internal control self-assessment every four years (next one in 2026) with an interim update on improvement opportunities where the next scheduled update due will be presented in Fall 2024.

Based on the 2022 Controls Environment assessment, Calgary Housing concluded that the overall system of internal controls is present, functioning, and effective. The conclusion is based on the professional experience, judgment, and business knowledge of Calgary Housing's Administration, who continues to actively engage both leaders and executive management in periodically assessing the effectiveness of internal controls within the organization, as well as identifying any improvement opportunities for strengthening these controls.

In 2023, Calgary Housing focused its efforts on opportunities for improvements along the lines of policy updates, Future of Calgary Housing (FCH) implementation, increased professional development support for employees, improving controls around data access and implementation of 2022 Supply and 2023 Financial Audit recommendations.

As part of the annual financial statement audit, the auditors are required to report on any significant deficiencies in internal controls identified in the course of the audit. The auditors have not reported any internal control deficiencies in recent years.