

CALGARY PUBLIC LIBRARY AUDIT AND FINANCE COMMITTEE ANNUAL REPORT

EXECUTIVE SUMMARY

This is the Calgary Public Library's annual audit governance status report to The City's Audit Committee.

ADMINISTRATION RECOMMENDATION(S)

That Audit Committee receives this Report for Information

PREVIOUS COUNCIL DIRECTION / POLICY

The Audit Committee Bylaw states that Audit Committee is responsible for:

"overseeing its governance responsibility with audit committees of The City's major autonomous civic entities."

Section 4(1)(i)

BACKGROUND

A letter, dated 2017 March 30, was provided to the Audit and Finance Committee Chair of the Calgary Public Library from the Audit Committee Chair requesting a report and presentation on the Library's 2016 Annual Report, risk management processes and the Audit and Finance Committee's terms of reference.

The following items were requested to be provided in the Library's annual report to the City's Audit Committee:

1. Brief summary on governance structure, succession planning and recruitment process, recent financial highlights and key 2017 initiatives/strategy;
2. Report on the Library's key operating and strategic risk including trends and risk management plans and processes;
3. Analysis of the top three risks that in our opinion would impact the City of Calgary and/or be of concern to the City's Audit Committee;
4. Report on internal controls including information technology and systems; and
5. Most recent financial report including management responses as appropriate

In addition the following questions will also be addressed:

1. What is the frequency of review and are there any recent changes to the Audit Committee Charter or Terms of Reference?
2. What is the current composition of the Audit Committee and what is their relevant financial experience?
3. Have there been any significant changes to organizational leadership?
4. Are there any regulatory or market changes that may impact the current business approach and would be relevant to share publicly with the Audit Committee?

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5. Are there any results of any regulatory or internal/external business assessments that provide assurance on the effective management of risks as addressed in your presentation?

INVESTIGATION: ALTERNATIVES AND ANALYSIS

This report responds to The City Audit Committee's reporting requirements of the CPL Board.

In 2005, The City's Audit Committee initiated a review of The City's governance structures pertaining to its main subsidiary organizations, and autonomous civic entities that represent significant assets to The City of Calgary and/or have significant operating budgets.

This annual report from the CPL Board is one of the changes that were implemented as a part of the governance review. As such, this twelfth annual report is intended to be an ongoing dialogue between The City of Calgary and the CPL Board. It is anticipated the annual report from the CPL Board will continue to evolve over time to meet The City Audit Committee's information requirements in discharging its governance responsibilities.

The Attachments update the information provided in previous years.

Stakeholder Engagement, Research and Communication

Not applicable.

Strategic Alignment

Not applicable.

Social, Environmental, Economic (External)

Financial Capacity

Current and Future Operating Budget:

There are no budget implications for this Report.

Current and Future Capital Budget:

There are no budget implications for this Report.

Risk Assessment

Although reporting on risk is a major component of this report, the report itself contains no significant risks.

REASON(S) FOR RECOMMENDATION(S):

This Report is for information only.

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ATTACHMENT(S)

1. The Calgary Public Library Board – Audit Governance Status
2. Deloitte Report to the Calgary Public Library Board of Directors for the year ended December 31, 2016
3. The Calgary Public Library Board Financial Statements For the Year Ended December 31, 2016
4. Annual Risk report dated March 2017
5. A) Quarterly Risk Report dated April 2017
B) Quarterly Risk Report (Part 2)
6. 2017 Audit and Finance Committee Work Plan
7. The Calgary Public Library PowerPoint Presentation to Audit Committee