



**Audit Resource Management Report to
Audit Committee
2019 March 22**

**ISC: UNRESTRICTED
AC2019-0290
REVISED**

Audit Committee Bylaw 48M2012 Review

EXECUTIVE SUMMARY

This report seeks approval from the Audit Committee (the Committee) to make appointments to a working group to be established to undertake a review of their terms of reference and mandate contained in Audit Committee Bylaw 48M2012 (the Bylaw).

ADMINISTRATION RECOMMENDATION:

That the Audit Committee:

1. Directs that an Audit Committee Bylaw Review Working Group be established to review the Audit Committee Bylaw 48M2012 (Attachment 1), and report back to the Committee, at the 2019 September meeting, with proposed amendments;
2. Approve the Terms of Reference (Attachment 2) for the Audit Committee Bylaw Review Working Group;
3. Appoint members to the Audit Committee Bylaw Review Working Group; and
4. Request members of the Audit Committee provide the Working Group with their comments with respect to Bylaw amendments for consideration.

PREVIOUS COUNCIL DIRECTION / POLICY

The Audit Committee Bylaw 48M2012 states that Audit Committee:

“must review its terms of reference and mandate as set out in this Bylaw at least every three years and recommend any changes to Council.”

Schedule “A”, Section 1(m)

The Audit Committee 2019 Work Plan includes consideration of a review of the Audit Committee Bylaw 48M2012.

BACKGROUND

The Audit Committee Bylaw 48M2012 came into force on the day of the 2013 Organizational Meeting of Council. The Bylaw was subsequently amended in 2013 (amendments to Schedule ‘D’ pertaining to the role of the Executive Assistant), in 2016 (amendments to quorum and number of meetings per year, as well as housekeeping amendments) and in 2017 (amendments to citizen appointment terms). Audit Committee must review their terms of reference and mandate every three years for compliance with Schedule ‘A’, Section 1(m) of the Bylaw. Regular review of the Audit Committee Bylaw reflects best practice in audit governance.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Audit Committee members have expressed interest in updating their mandate to reflect the Committee's priorities and evolving strategic role at The City. The timing is appropriate for this work as the Audit Committee Bylaw 48M2012 is on the 2019 Work Plan for a review.

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The administration recommendation is to establish an Audit Committee Bylaw Review Working Group to consider proposed amendments to the Bylaw from Members of the Audit Committee. Following their consideration of these proposed amendments the Working Group will make recommendations to the Audit Committee to amend Bylaw 48M2012.

Stakeholder Engagement, Research and Communication

Engagement with Committee membership and resource persons will be undertaken once appointments to the Working Group are complete.

Strategic Alignment

Council Priority: A well-run City: Calgary has a modern and efficient municipal government that is focused on resilience and continuous improvement to make life better every day for Calgarians by learning from citizens, partners, and others.

Social, Environmental, Economic (External)

Not applicable.

Financial Capacity

Current and Future Operating Budget:

There are no operating budget considerations for this report.

Current and Future Capital Budget:

Not applicable.

Risk Assessment

The Audit Committee's compliance with Schedule 'A', Section 1(m) of the Audit Committee Bylaw 48M2012 would be at risk if a review of the Bylaw was not undertaken.

REASON(S) FOR RECOMMENDATION(S):

A review of the terms of reference and mandate contained in Audit Committee Bylaw 48M2012 is required every three years to be compliant with the Bylaw. This review forms part of the 2019 Audit Committee Work Plan.

ATTACHMENT(S)

1. Audit Committee Bylaw 48M2012
2. Audit Committee Bylaw Review Working Group Terms of Reference