

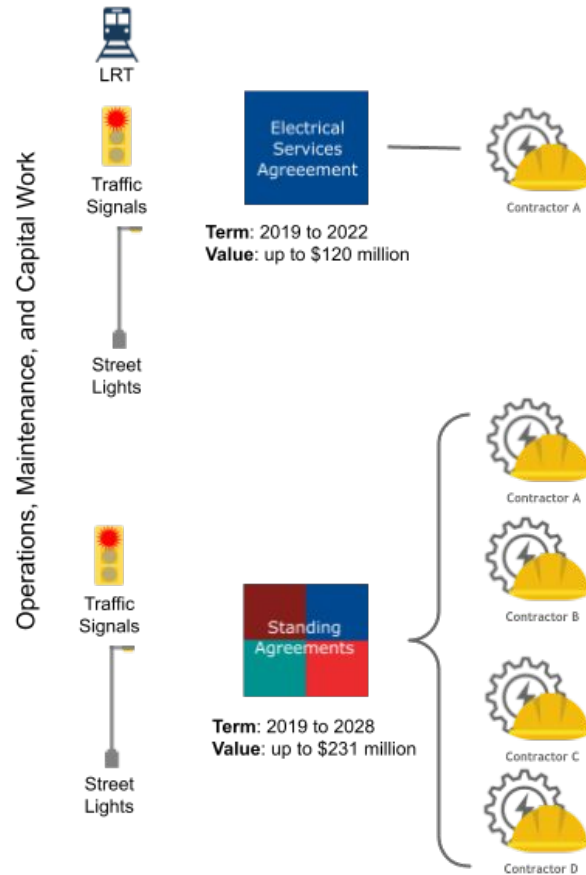
Audit Committee Meeting December 2021

Hoa Quach, City Auditor
Office of the City Auditor

December 3, 2021

Electrical Services Contract Management

Background



Key Findings

- Unclear roles and responsibilities to manage to the contract
- Inconsistent support for invoices
- Lack of benchmarking to support monitoring of contractors
- Not fully exploring options to enforce terms and conditions of contract

Recommendations:

- Clearly define roles and responsibilities
- Consistently obtain supporting documents for invoices
- Formally benchmark and monitor contractor performance
- Apply contract enforcement controls

Reserve Funds

Background

- Reserve funds represent a source of funding of accumulated surplus amounts that the City has restricted for specific requirements or made for emergent financial needs
- The City has 37 reserve funds that have a combined value of \$889 million

Key Findings

- Components of an effective governance framework exists
- Operating areas regularly assessed sufficiency of funds
- Although governing documents exist, some fund documents do not describe allowable and non-allowable uses of funds

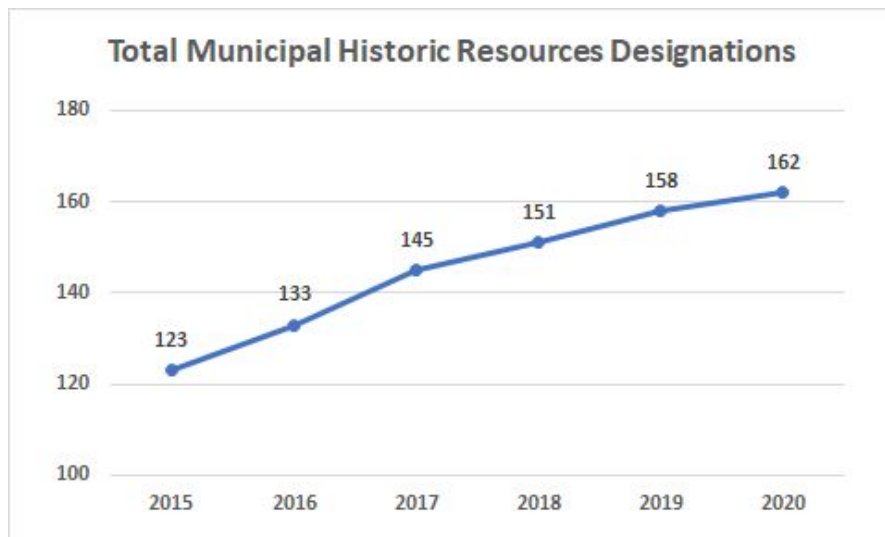
Recommendation:

- Update governing documents

Historical Resource Management Program

Background

	Designated	Inventory
Privately Owned	142	899
City Owned	23	40



Key Findings

- Effective governance, regularly assessed program financial health, good designation and granting practices
- Guidance documents exists, but are not regularly updated
- Inventory of resources is not accurate and complete
- Does not assess the resource conditions after grant disbursement

Recommendations:

- Update guiding documents
- Review and update inventory
- Implement an approach to assess the historical resources

Office of the City Auditor Strategic Plan (2022-2025)

OCA Mission

Enhancing Edmontonians' trust through independent, value-add internal audit and advisory services

Guiding Principles:

- Integrity
- Accountability
- Unbiased
- Collaborative
- Continuous Improvement

OCA Strategic Directions



Audit Work Plan

Value for Money Audits

New 2022 Audits	Audits in Progress
<ol style="list-style-type: none">1. Cybersecurity Program2. Homeless Strategy and Implementation3. Valley Line LRT Public- Private Partnership and Delivery4. Capital Asset Management5. Building Permits and Inspections6. COVID Response -Lessons Learned7. Hybrid Workplace and Supports	<ol style="list-style-type: none">1. Performance Measurement Framework2. Project Management of Transportation Infrastructure3. Enforcement Audit4. Community Granting

Operating Budget



2022 Proposed OCA Budget

	2022 Original Budget	2022 Proposed Budget	2022 Difference
Personnel			
Personnel - Wages	2,082	2,182	100
Personnel - Benefits	388	408	20
Administrative Expenses			
Consulting & Professional Services	50	200	150
Interdepartmental - Internal Settle/Overheads	54	13	(40)
Material & Equipment - Equipment	59	59	0
Travel & Training	34	34	0
General Costs (include utilities, recognition)	31	31	0
Office of the City Auditor Total	2,698	2,927	230

Analysis

- Last budget increase was in 2016
- Budget request is mostly offset by \$216K lease savings
- Proposed budget \$2.9 million is:
 - 0.094% of the City of Edmonton's total budget
 - lower than the industry average of 0.100%

Questions?