

COUNCIL REPORT – OFFICE OF THE CITY AUDITOR

Edmonton

CITY OF EDMONTON AUDIT COMMITTEE WORKSHOP

RECOMMENDATION

That the City of Edmonton Audit Committee Workshop as outlined in the June 17, 2022, Office of the City Auditor report OCA01301, be approved.

Report Purpose

Audit Committee decision required.

Executive Summary

This report presents the proposal for a City of Edmonton Audit Committee Workshop in August 2022 to support audit committee members in carrying out their audit oversight responsibilities.

REPORT

Background

Accountability and stewardship of public resources are essential features in our democratic system of government. Elected officials provide authority to, and approve spending by, public sector departments and managers, who in turn deliver public programs and services. After governments spend the money entrusted to them, they have an obligation to report back on how the money was spent and what results were achieved. This obligation forms the basis of an accountability relationship between public sector managers and the elected governing bodies that oversee them.

Canadian Audit and Accountability Foundation (CAAF)

The CAAF has over 40 years of experience in providing capacity-building research and training for auditors and members of oversight bodies. Building on its knowledge and experience in

CITY OF EDMONTON AUDIT COMMITTEE WORKSHOP

strengthening oversight at the provincial and federal levels, CAAF is expanding this support to include municipal elected officials and audit committees.

Guided by its research in this area, the CAAF has learned that: (1) there are certain key practices that can help strengthen audit committees and improve their effectiveness, and (2) audit committee members (and elected councillors generally) can benefit from an enhanced understanding of their oversight responsibilities, the role of audit and how audit can support them in those responsibilities. Based on these observations, the CAAF has developed a program to support municipal councils and their audit committees to effectively carry out their oversight responsibilities with an end goal of improving public administration and audit impact.

CAAF's Municipal Program

The Program consists of a number of resources to support municipal councillors:

1. **Good Practices to Strengthen Municipal Audit Committees.** CAAF has identified 12 good practices that municipal audit committees can strive to implement to support their effectiveness. For each good practice, detailed indicators have also been developed that identify measures audit committees should have in place to achieve those good practices. The good practices underpin the capacity-building support they provide to municipal councils and can be accessed on their website.
2. **Tailored In-Person/Virtual Workshops.** CAAF's in-person workshops provide audit committee members with an opportunity to learn about their role in a collaborative and collegial environment. Workshops can include a general 'orientation' overview of their role and responsibilities, as well as 'good practice workshops' focused on additional topics that address the specific needs of an audit committee. Workshops are tailored to a municipality and its specific needs and are developed in consultation with the audit office, the audit committee and the city clerk's office.
3. **Online Self-paced Course for Municipal Councillors.** Councillors have very busy schedules, and CAAF has developed an online course comprising short modules that councillors can quickly navigate through at their own pace and at the times most convenient to them. Each course module includes videos, as well as case studies, quizzes, and additional resources to supplement the main learning points highlighted in each video. The online course can be offered as a complement to workshops as well as a standalone resource.

CITY OF EDMONTON AUDIT COMMITTEE WORKSHOP

Proposed Workshop for the City of Edmonton's Audit Committee

CAAF has been working in consultation with the Office of the City Auditor and Office of the City Clerk to deliver a workshop to the City of Edmonton's Audit Committee. The objective is to support Audit Committee members in carrying out their audit oversight responsibilities. The proposed date of the workshop is August 31, 2022. The CAAF will facilitate an "improving service delivery to citizens - maximizing effective oversight" workshop focused on the following four topics:

1. What is oversight? There will be a discussion on audit committee's oversight role and tools to support councillors and public members.
2. Performance auditing - enhancing committee members' understanding of performance audits and working collaboratively with the auditor and administration.
3. Follow-up on audit recommendations - evaluating management's responses and effective questioning.
4. Financial audits - leveraging financial reports and management letters.