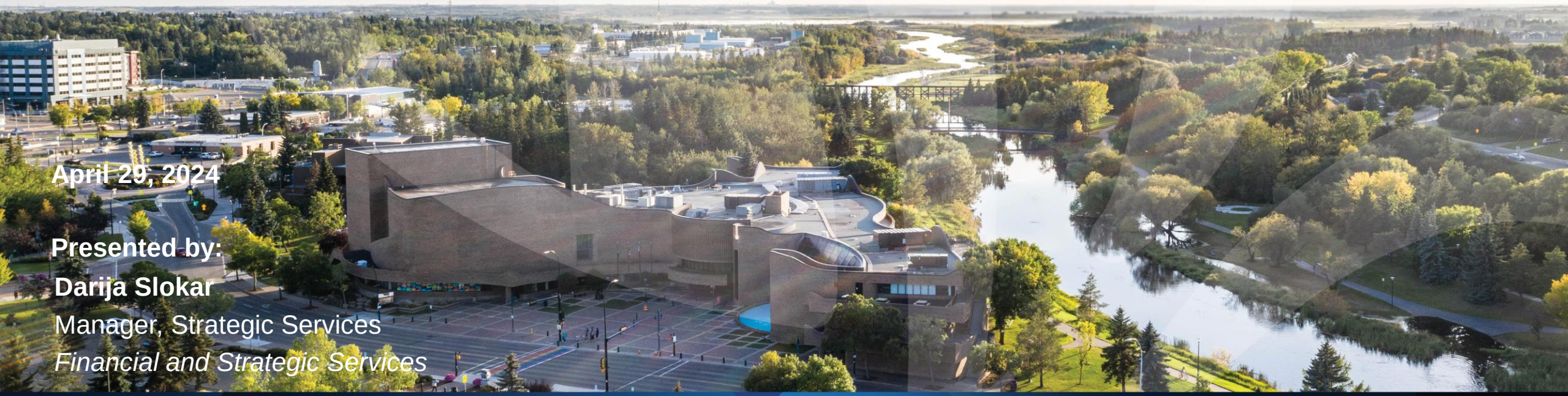
CITY OF ST. ALBERT

Internal Audit Steering Committee

2024-2027 Audit Workplan



April 29, 2024

Presented by:
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Financial and Strategic Services

Role of IASC in Developing/Updating the IA Work Plan

Identify Risks	Collaborate with Administration to identify/confirm the risks faced by the City.
Prioritize	Help prioritize the areas to be audited and ensure that the IA Work Plan aligns with the City's risk profile.
Review	Review the draft IA Work Plan to assess the plan's coverage, risk alignment, resource requirements, and overall adequacy.
Feedback	Provide feedback and request revisions or additions to the IA Work Plan, if necessary, to address any gaps or specific concerns.
Approve	Approve the updated IA Work Plan and ensure that the plan addresses the identified risks.
Recommend	Recommend approval of the IA Work Plan and required resources to complete the plan to Council. Work with Administration to amend the scope as needed to reflect approved resources.
Update	If significant changes occur in the risk landscape or City's strategic objectives during the year, collaborate with Administration to assess the impact on the IA Work Plan. Adjustments may be made as necessary to address emerging risks or shifting priorities.

IA Work Plan 2024-2027

- Prepared using a risk-based approach to align with the City's strategic objectives and help Administration mitigate risk inherent to its operations considering:
  - Strategies and objectives outlined in the Council's Strategic Plan and Corporate Business Plan
  - The enterprise-wide-risk inventory, current and planned mitigation activities
  - Results of previous internal audits
  - Input from Executive and Leadership Team

Prioritizing IA Projects

The City uses the following criteria to prioritize IA projects associated with risks of similar ratings:

- **Significant of the risk exposure** considering both the magnitude of the potential impact if the risks were to materialize (e.g., financial, operational, reputation, etc. impact of each risk) and the likelihood of the risk occurring based on historical data, industry trends and expert judgement
- **Effectiveness of controls** and mitigation strategies for each risk
- **Relevance to the City's strategic goals** and the impact of the risk on achieving strategic success
- **Regulatory and legal requirements** and the impact of non-compliance
- **Dependency and interconnectivity** of risks and risks that could trigger or exacerbate other risks
- **Availability of City resources** for addressing each risk (e.g., if the City does not have the special expertise to address the risk, IA may be able to assist)
- **Reputation and stakeholder concerns** and the impact risks can have on the City's reputation and relationships
- **Innovation and emerging trends** and the associated risks
- **Risk tolerance of Administration** and whether risks will be accepted or tolerated (e.g., if accepted, there may not be a need to undertake an IA; for example, in the case of political risk)

IA Work Plan 2024 to 2027

Audit Name	Proposed Audit Scope	Nature of Audit	Estimated Timing (Year)	Status
Cyber Security Assessment	Evaluate the effectiveness of the City's information security controls and practices to ensure the confidentiality, integrity, and availability of sensitive data and critical systems against potential cyber threats and attacks.	Audit	2024	In-progress
Resource Planning Model	Evaluate the City's resource planning model to assess its effectiveness in aligning human resources with strategic goals, operational requirements, budgetary considerations and City bylaws/policies. The assessment will include models in place for the utilization of permanent and non-permanent employees.	Audit	2025	Approved
Managing Aging Infrastructure	Assess the adequacy, effectiveness and sustainability of the City's strategies and processes to address the challenges posed by aging infrastructure.	Assurance	2026	Awaiting Approval
Review of Digital Transformation Strategy	Review the City's digital transformation strategy/approach and evaluate its effectiveness, efficiency, and alignment of the City's digital transformation initiatives with its strategic objectives and organizational priorities.	Advisory	2027	Awaiting approval

Questions