



CITY OF ST. ALBERT ADMINISTRATIVE BACKGROUNDER

TITLE: RESCINDING INTERNAL AUDITOR AND INTERNAL AUDIT COMMITTEE BYLAW

On May 10, 2016 Councillor Joly provided notice in accordance with Section 23 of Procedure Bylaw 3/2018 that she intended to bring forward the following motion:

In order for Council to debate the motion, the motion must be formally moved.

PROPOSED MOTION(S):

1. That the Audit Committee Bylaw be rescinded.
2. That \$100,000 from Internal Auditor funding be reallocated to the City Manager to commission third party audits of Procurement Practices and Corporate Risk Management.
3. That the balance of \$262,000 for Internal Auditor funding be reallocated to assessment of current corporate business processes and implementation of resultant recommendations to support planned Corporate Business Plan Activities.

BACKGROUND:

If the first proposed motion is approved, Administration will bring forward a bylaw to rescind the Internal Auditor and Internal Audit Committee Bylaw (Bylaw 25/2016). If the rescinding bylaw is subsequently passed, the Committee established under the Bylaw will cease to act and an internal auditor will not be appointed.

Administration recommends against making the second and third motion until the bylaw to rescind has been considered by Council. To pass those motions beforehand would leave unfunded the internal auditor position established through the yet-to-be rescinded bylaw.

With respect to the re-allocation of funding to specific operations, on occasion Administration undertakes programming reviews alone or in conjunction with third parties. A comprehensive third-party review of either the City's procurement practices or its risk management functions has not been done in the recent past. A detailed third-party audit, facilitated by key members of Administration, would identify process gaps and recommend practical strategies to enhance practices and reduce risk in these operational areas.

Report Date: June 11, 2018
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Committee/Department: Legal and Legislative Services
General Manager: Michelle Bonnici
City Manager: Kevin Scoble