

History of the Audit Office

In the Canadian public sector the position of Auditor General or City Auditor was established at all levels of government in response to a growing demand for impartial assessment of the performance of the public service. The City of Edmonton took a lead in addressing this need by establishing the Office of the Auditor General in 1977. The Auditor General was responsible for performing operational audits, financial opinion audits, special investigations, follow-up audits and any other audit, investigation or study that City Council directed.

Prior to the establishment of the Office of the Auditor General in 1977, an internal audit function was in place that dealt primarily with financial audits. This function reported to senior management in the Finance Department. Between 1978 and 1996, the Office of the Auditor General was a separate entity reporting directly to City Council.

In response to recommendations made by the Office of the Auditor General and the City's external auditors, an internal audit group was established in 1988 that reported to senior management in the Finance Department. This group conducted cash audits, ensured cash handling procedures were updated and performed audits of corporate and departmental systems.

As part of a major organizational change, the internal audit group was integrated with the Office of the Auditor General in 1997. The reporting relationship of the Office of the Auditor General changed from reporting to City Council to reporting to the City Manager.

During Spring 2000, the Office of the Auditor General was subject of a best practice review conducted jointly by KPMG and Ernst & Young. As a result of this review and subsequent decision-making, City Council approved:

- a name change from Auditor General to City Auditor,
- a City Auditor Bylaw that established the City Auditor as the second employee of City Council and that governs the operations and relationships of the City Auditor, and
- changes to the Procedures and Committees Bylaw that established the Audit Committee.

The Office of the City Auditor now reports to City Council and is required to submit quarterly and annual reports through the Audit Committee.