



Administration Policy

Policy Title:	Tangible Capital Asset (TCA) Reporting
Adopted by:	Executive Leadership Team (ELT)
Effective Date:	January 1, 2001
Last Updated:	March 1, 2024
Responsible Service(s):	Financial Support

1. PURPOSE

- 1.1. The purpose of this administration policy is to establish governance over the corporate financial reporting of Tangible Capital Assets (TCAs) and define the high-level roles and responsibilities for managing TCA data, in compliance with Public Sector Accounting Standards (PSAS).

2. POLICY STATEMENT

- 2.1. The City of Calgary (The City) is the owner of all TCAs within The Corporation.
- 2.2. The City will record and report TCAs in The City's Annual Financial Report for those assets that meet the criteria established by Public Sector Accounting Standard 3150.

3. DEFINITIONS

3.1. *In this Administration policy:*

- a) "**Consolidated Related Entities**" means organizations accountable for the administration of their financial affairs and resources to The City who are controlled by The City and consolidated in The City's annual financial statements, excluding ENMAX Corporation which is reported as a Government Business Enterprise;
- b) "**Employee**" means any person employed by The City and reporting to a City of Calgary business unit, department, the Chief Administrative Office, the City Auditor's office, the Calgary Housing Company, and the Calgary Police Service, including those working under an employment contract with The City;
- c) "**Public Sector Accounting Standards (PSAS)**" represents the accounting framework established by the Public Sector Accounting Standards Board (PSAB);

- d) **“Tangible Capital Asset (TCA)”** means any asset that has physical substance or is software, that is controlled by The City (including assets under capital lease from a third party) and that meets all of the following criteria:
- i. Provides future service potential to The City;
 - ii. Has a useful life longer than one year;
 - iii. Is intended for use on a continuous basis and not in long-term storage; and
 - iv. Is not held for sale in the ordinary course of operations or considered inventory.

4. APPLICABILITY

- 4.1 This policy applies to all City Employees and Employees of Consolidated Related Entities that report on The City’s annual financial statements.

5. LEGISLATIVE AUTHORITY

- 5.1. The Corporation of The City of Calgary (The City) is required to prepare its annual financial statements in accordance with Section 276 of the Municipal Government Act (MGA); and
- 5.2. The City is required to present its annual financial statements in accordance with the Public Section Accounting Standards (PSAS) as established in the Chartered Professional Accountants (CPA) Handbook. Fulfilling this requirement includes accounting for and reporting for TCAs.

6. ROLES & RESPONSIBILITIES

All in-scope parties must comply with the Supporting Procedures for TCA Reporting Policy FA-054 and fulfil the duties, actions and tasks listed therein.

- 6.1. The Executive Leadership Team (ELT) is responsible for the oversight, governance of, and adherence to, this policy. The ELT may delegate, in whole or in part, this responsibility to any individual or group.
- 6.2. The Chief Financial Officer or their delegate(s) is responsible for:
- a) All matters related to the corporate financial accounting and reporting of TCAs;
 - b) Interpreting this policy, resolving TCA disputes, determining appropriate corporate financial reporting practices for TCAs; and
 - c) Measuring the success of this policy according to compliance with the TCA standard PS 3150.

6.3. Business Unit Managers, Project Managers, and Asset Management related

positions are responsible for providing required information and supporting documents to Finance for TCA reporting.

6.4. Finance Leads, TCA Reporting Leads, TCA Finance Coordinators, and Capital Accountants are responsible for:

- a) Recording all TCAs managed by Business Units in the corporate TCA register;
- b) Reporting TCAs in The City’s financial reports using information provided by Business Units and consolidated related entities; and
- c) Overseeing The City’s compliance with PSAS, including this policy.

6.5. Consolidated Related Entities are responsible for:

- a) Developing and following internal policies and procedures for standalone financial statements; and
- b) Providing TCA financial information and supporting documents to Finance, annually, that is consistent with The City’s accounting policies and asset hierarchy.

7. CONSEQUENCES OF NON-COMPLIANCE

7.1. Failure to adhere to this Administration policy and its associated standards and procedures may result in disciplinary action in accordance with either the Labour Relations or Exempt Employee policies.

8. REVISION HISTORY

Policy Action	Date	Report Number	Description
Minor Amendment	March 1, 2024	n/a	Update titles and apply new policy template
Minor Amendment	June 1, 2023	n/a	Reformat & remove links.
Minor Amendment	Jan. 19, 2023	n/a	Updated links
Minor Amendment	Sept. 7, 2022	n/a	Changed ALT to ELT where appropriate
Minor Amendment	Nov 19, 2019	n/a	Update TCA background information; Update TCA Roles and Responsibilities; Update Reference Links
Minor Amendment	Nov, 21, 2016	n/a	Updates made to change business unit name.
Minor Amendment	Nov. 13, 2015	n/a	Policy changes made to account for policy changes that were approved by the TCA Steering

			Committee, which include the following elements: to remove reference to integration between TCA and Asset Management, as well as clarify the related entities' compliance requirements.
New Policy	Nov. 15, 2011	ALT2011-071	New, consolidated policy replaces the four policies below.
New Policy	Jan. 01, 2009	n/a	New policies replace Chapters 21 and 25: <ul style="list-style-type: none"> • FA-001 Tangible Capital Assets Roles and Responsibilities • FA-002 TCA Identification and Capitalization • FA-003 TCA Administration • FA-004 TCA Financial Reporting
Policy	Aug. 18,1993	n/a	Chapter 21: Accounting (in the hard-copy-based editions of the Administration Manual)
Policy	Dec. 11,1991	n/a	Chapter 25: Property Inventory (in the hard-copy-based editions of the Administration Manual)