

Fiscal Year 2008 Audit Plan



Presented by
City Auditor's Office

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Table of Contents

Introduction

Audits

- Criminal Warrant Process
- Property Taxes
- Health Benefits
- Storm Water Fees
- Construction Contracts
- Tiburon
- Follow-Up Audits
- External Audit Assistance

Routine Reviews

- Expenditures
- Vendor Contracts
- Cash Counts
- Asset Verification

Introduction

The purpose of the Fiscal Year 2008 Audit Plan is to outline audits and other activities the City Auditor's Office plans to conduct during the fiscal year. The Plan is developed to satisfy applicable auditing standards and responsibilities established by Section 2.05 H.1. of City Ordinance 05-078, as amended. The Plan is a working document in that the City Auditor may make changes to the Plan, as deemed necessary in professional judgment. However, the City Council will be notified of any significant additions, deletions, or other changes.

The Audit Plan includes audits related to internal controls and reporting; compliance with laws, policies and regulations; economic and efficient use of resources; and follow-up. Audits included in the Plan were primarily identified through our risk assessment, which helped us to identify audits with significant financial, managerial, and compliance risks or significant risks related to the use of information technology. Internal Audit also took into consideration strategic goals outlined by City Council.

Planned audits for Fiscal Year 2008 are listed on the following pages. While general audit objectives are included in the Plan, specific audit objectives will be determined once staff has completed preliminary surveys related to each audit. During the preliminary surveys, staff will establish familiarity with the department and/or function by conducting background interviews and research. At that time, potential issues will be identified and the specific audit objectives and methodology will be developed.

In addition to the planned Fiscal Year 2008 audits, a total of 400 unassigned hours has been set aside to perform special audits, investigations, and/or projects requested by the City Council and/or the City Manager.

Audits

Criminal Warrant Process

To determine whether the criminal warrant process is efficient and promotes public safety

Property Taxes

To ensure the propriety of property tax billings, recording, exemptions, and collections against delinquent accounts

Health Benefits

To evaluate the administration of the City's health benefit plans, including claims processing, service fee calculations, employee deductions, flexible spending programs, etc.

Storm Water Fees

To ensure that the methodology used to calculate storm water fees is reasonable, that fees are properly assessed and used for the purpose intended, and to evaluate the prioritization and reporting of City projects

Construction Contracts

To ensure that contracts were properly bid and awarded, to evaluate the effectiveness of management's contract administration, and to ensure that vendor payments were proper

Tiburon

To review application controls to ensure that the system supports accurate, reliable and timely computer-aided dispatch, report management and jail processing. The review will also ensure that adequate access controls have been established to ensure data security and integrity.

Follow-Up Audits

To assess the status of prior audit recommendations within one year following the release of the initial audit report

External Audit Assistance

To assist the external auditors with the annual audit report for fiscal year ended September 30, 2007

Routine Reviews

In addition to planned audits, the City Auditor's Office may review the following functions or processes on a routine basis.

Expenditures

To ensure that cash disbursements were valid, reasonable and charged to the proper budgetary unit

This activity will include routine reviews of Accounts Payable checks and supporting documents. The results will be communicated via interoffice memorandum.

Vendor Contracts

To determine whether contracts have been properly bid and to ensure that vendors are invoicing in accordance with the related bid and/or contract

This activity will include a review of the City contract(s) and Accounts Payable files. The results will be communicated via interoffice memorandum.

Cash Counts

To determine whether monies collected City-wide are accounted for and adequately safeguarded

This activity will include routine unannounced verifications of petty cash funds, change funds, etc. The results will be communicated via interoffice memorandum.

Asset Verification

To determine whether the City has properly accounted for assets purchased with City funds

This activity will include routine verifications of non-capital equipment. The results will be communicated via interoffice memorandum.