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CITY AUDITOR'S OFFICE

# **FY24 Strategic Plan and Annual Audit Plan**

**July 26, 2023**

**City Auditor**

Andrea R. Russell, CPA, CFE, CIA, CGMA



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CITY AUDITOR'S OFFICE

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TO: Mayor Gunter and Council Members  
FROM: Andrea R. Russell, City Auditor *arl*  
DATE: July 26, 2023  
SUBJECT: Strategic Plan and FY24 Annual Audit Plan

Ordinance 79-10 and Resolution 46-10 require the submission of an Annual Audit Plan and Strategic Plan to City Council for their acceptance by October 1 of each year. Council acceptance is requested based on the Audit Committee's recommendation. In accordance with these requirements, we have attached the proposed Strategic Plan and FY24 Annual Audit Plan for your review and recommendation to Council.

Previously, we performed a risk assessment for FY22, FY23 and FY24 which was issued July 2021. Since the risk assessment was based on FY20 data, and to provide a timely meaningful audit plan that would address new risk areas, we recently met with City Directors and officials to gain an understanding of current and prospective areas of concern or interest for future audits or reviews. We developed the FY24 Audit Plan using the risk assessment and current topics obtained from these meetings.

At the July 12, 2023 Audit Committee meeting, the committee reviewed and approved the proposed City Auditor's Office Strategic Plan and FY24 Annual Audit Plan. They voted to recommend that ***Council accept the audit plan as presented.***

***Committee Member Stevens moved, seconded by Vice Chair Perez-Zayas, to recommend approval to Council the FY24 Strategic Plan and Annual Audit Plan, as presented. Committee polled as follows: Austin, Hayden, Perez-Zayas, Stevens, and Wolfson voted "aye." Five "ayes." Motion carried 5-0.***

Attachment

C: Michael Ilczyszyn, Interim City Manager  
Brian R. Bartos, Deputy City Attorney  
Kimberly Bruns, City Clerk  
Audit Committee

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# Proposed Strategic Plan FY24



## CITY AUDITOR'S OFFICE Strategic Plan– FY24

### **Vision:**

It is our vision to work in partnership with the City Council, City Management, and the Community without compromising independence, objectivity, or integrity in order to be the City's trusted advisor.

### **Mission:**

Our mission is to enhance and protect organizational value by providing independent, risk-based objective assurance, advice, and insight to the City.

### **Values:**

- Independent
- Fact-based
- Due professional care
- Objective
- Integrity

### **City Auditor's Office FY24 - Goals and Objectives:**

Goals / Objectives	Action plan
1. Effectively manage audit staff time with a goal of 75% spent on direct audit projects and limit administrative hours to no more than 25%.	<ul style="list-style-type: none"><li>• Monitor audit budget hours in comparison to actual time charged to audit</li><li>• Monitor audit plan in comparison to available audit resources</li></ul>
2. Be fluid to accommodate unplanned special projects and audits necessary based on current needs of the City.	<ul style="list-style-type: none"><li>• Monitor the number of additional audits, and special projects to ensure appropriate resource allocation</li><li>• Keep Audit Committee informed of changes</li><li>• Periodically re-assess schedule and audit plan to ensure effective use of staff and availability</li></ul>
3. Hire and retain qualified, competent staff and provide relevant continuing education for the maintenance of certifications and/or license standards.	<ul style="list-style-type: none"><li>• Allocate adequate resources to support staff and office growth</li></ul>
4. Provide timely and meaningful follow up on audit recommendations.	<ul style="list-style-type: none"><li>• Work with audit clients to develop reasonable, achievable completion dates</li><li>• Review implemented recommendations to ensure implementation according to management action plans in a timely manner</li></ul>
5. Develop a balanced multi-year budget.	<ul style="list-style-type: none"><li>• Monitor budget and report budget to City Council throughout the year</li></ul>

## Proposed Audit Plans FY24-FY26

### Proposed Annual Audit Plan FY 24

Area / Focus of Audit	Projected Hours
Development Services- Planning Division	650
Parks and Recreation- Special Population Program	650
Major Project Pre-consent Agenda Procurement Process (Citywide)	750
Utilities/ Information Technology Systems- North Reverse Osmosis Plant Operating Technology	750
Capital Improvement Projects- Utilities Extension Project North 1 West Construction	750
Fire Department- Facility Maintenance/ Renovation	650
Public Works- Stormwater Division Right of Way Inspection and Permitting Process	650
Financial Services- Grants Process	650
Prior Outstanding Recommendations Follow up Audit (Citywide)	750
Parks and Recreation- Operation Sparkle	750
Special projects/ Non-Audit Services/Carry-forward	800
Total hours	7800

### Proposed Annual Audit Plan FY 25

Area / Focus of Audit	Projected Hours
Financial Services- Travel	650
Financial Services- Payroll	650
Capital Improvement Projects- GO Bonds Project Management	650
Utilities/Public Works/Communications- Water Quality	650
Utilities/ Information Technology Systems- Plant IT Security	650
Police Professional Standards- Software Implementation	650
Development Services- Code Compliance	650
Information Technology Systems - Ransomware process	650
Police- Computer Aided Dispatch/ Record Management System Implementation	650
Capital Improvement Projects- Bridge/ Weir Rehab	650
Pre-consent agenda Attestation	350
Contract and Lease Agreements	650
Special Projects/ Non-Audit Services/Carry Forward	300
Total hours	7800

Approved by City Council 7/26/2023

## Proposed Annual Audit Plan FY 2026\*

\*Audits included for FY25 represent audit ideas from other audits or projects conducted and are subject to change because a risk assessment will be performed for FY25, FY26, and FY27 early in calendar year 2024. Also, for this reason there are no audits included for FY26.

<b>Available Audit Hours:</b>	Percentage of time available for audit work	Available Audit Hours
City Auditor	75%	1,560
1 Deputy City Auditor	75%	1,560
1 Senior Auditor	75%	1,560
2 Internal Auditor	75%	3,120
	Total hours	7,800

Available audit hours are calculated based on the standard 2080 annual total available hours per auditor, less time off and hours spent on non-chargeable, non-audit, administrative responsibilities such as meetings, Audit Plan development, budget development, management training, and professional development.

### Special Projects/Non-Audit Services/FY26 Audits

As part of the City Auditor's Office responsibilities, we provide advisory services to management and City Officials. Depending on the scope of the project, we may perform a non-audit service or special project. While conducting the risk assessment meetings, we identified certain areas that we would consider non-audit services or special projects. Due to the performance of the risk assessment for FY25-FY27, we have included potential FY26 audits here as well. Some potential audits and projects include:

- Risk Management software and ADA compliance audit
- Human Resources Employee Development and Leadership Programs audit
- Parks and Recreation Volunteer Program Monitoring audit or project
- Parks and Recreation League Agreements project
- Records Management audit
- 311 Program audit
- Passport Services audit or project
- Human Resources Compensation audit
- Emergency Expenditure Procurement Process audit or project
- Contingency Fee Process Updates Progress project
- City/County Project Permitting Approval Process project
- Fleet Preventative Maintenance Progress from audit project