

City of Santa Fe, New Mexico

memo

DATE: April 9, 2014

TO: Finance Committee

VIA: Brian Snyder, City Manager

FROM: Liza Kerr, Internal Auditor

BKS
Liza Kerr

ITEM AND ISSUE:

Update on implementation of the Fraud, Waste, and Abuse Hotline per Resolution 2013-112. As directed by the resolution, the Internal Audit Department has requested an increase in the 2014/2015 budget for the Hotline. The actual implementation will be dependent on whether or not funding is available.

SUMMARY/BACKGROUND:

Resolution 2013-112 states the following (excerpts):

“AUTHORIZING STAFF, DURING THE 2014/2015 BUDGET PROCESS, TO ESTABLISH A BUDGET FOR THE DESIGN, IMPLEMENTATION AND ADMINISTRATION OF A FRAUD, WASTE AND ABUSE HOTLINE FOR CITY EMPLOYEES TO REPORT ALLEGED FRAUD, WASTE AND ABUSE BEING COMMITTED BY EMPLOYEES AND/OR OFFICERS OF THE CITY.”

“WHEREAS, the Internal Audit Department should take an active role in requesting proposals for a third-party contractor to design, implement and administer a confidential, fraud, waste and abuse hotline for City employees.”

“NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF SANTA FE that in accordance with Ordinance No. 2013-37, staff is authorized, during the 2014/2015 budget process, to establish a budget for the design, implementation and administration of a fraud, waste and abuse hotline for city employees to report alleged fraud, waste and abuse being committed by employees and/or officers of the city.”

Funding will be from Business Unit/line Item 12015.51010 upon final approval of the City of Santa Fe’s budget for 2014/2015.

ACTION RECOMMENDED:

No action is required; this update is for informational purposes only.

INTERNAL AUDIT DEPARTMENT ANNUAL AUDIT PLAN

2014 / 2015

INTERNAL AUDIT
DEPARTMENT

CITY OF SANTA FE

*Santa Fe. The
City Different.
The City
Prepared.*



The Internal Audit Department and the role of Internal Auditor were created by City Ordinance No. 2012-32 and amended by City Ordinance No. 2013-34, Section 2-22 Santa Fe City Code (SFCC) 1987. A primary purpose of the Internal Auditor is to share a duty with the members of the governing body to insure that the actions of public officials, employees and contractors of the city are carried out in the most responsible manner possible and that city policies, budgets, goals and objectives are fully implemented. The Internal Auditor is also the City of Santa Fe's liaison to the Audit Committee.

The Audit Committee was created by City Ordinance No. 2013-35, Section 6-5 SFCC 1987. This committee is an advisory committee and consists of five members of the community. Of the five members, one member shall be a certified public accountant, one member shall be a lawyer or have a law enforcement background and one member shall be a management consultant.

The Internal Auditor and the audit committee are structured in a manner to provide independent oversight of the City operations, thereby enhancing citizen confidence and avoiding any appearance of a conflict of interest.

AUDIT COMMITTEE

Randy Randall, Chair

Hazeldine Romero-Gonzales, Vice Chair, Retired CIA, CPA, CGFM

Clark de Schweinitz, Esq.

Marc Tupler

Cheryl Pick Sommer

INTERNAL AUDITOR

Liza Kerr, CPA, CISA, CIA, MBA

Mission Statement

The mission of the City of Santa Fe Internal Audit Department is to provide independent, objective assurance and review services designed to promote transparency, accountability, efficiency, and effectiveness of City government for the citizens of the City of Santa Fe.



City of Santa Fe – Internal Audit

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Liza A. Kerr, Internal Auditor

Date: April 10, 2014

To: Brian Snyder, City Manager

From: Liza Kerr, Internal Auditor 

RE: 2014/2015 Audit Plan

Attached is the Internal Audit Department's 2014/2015 Annual Audit Plan.

If you have questions, please contact Liza Kerr, Internal Auditor, at (505) 955-5728.

cc: Javier Gonzales, Mayor
Kelly Brennan, Interim City Attorney
Members of the Audit Committee
Members of the Governing Body

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Overview

The Internal Audit Department of the City of Santa Fe adheres to an overall audit strategy that a high quality and transparent annual audit plan is critical for meeting the goals, objectives, and mission of the department. Internal Audit utilizes professional standards and guidelines developed by the Institute of Internal Auditors for the development of the annual audit plan. These guidelines recognize that an annual audit plan and work schedule benefit the organization by:

- Establishing which agencies, programs, contracts, or other areas will be prioritized for audits on an annual basis;
- Permitting an efficient allocation of limited audit resources;
- Providing a flexible basis for managing audit personnel;
- Projecting an estimated timetable for initiating and completing audits for the year;
- Eliminating the potential for overlapping audits with other audit organizations; and
- Providing an identifiable basis for the role of Internal Audit and justification for obtaining budgetary funds.

The following describes our planning process used to prepare the 2014 -2015 Audit Plan. The 2014-2015 Audit Plan is found as **Attachment 1**. The Audit Objectives for the planned audits are found as **Attachment 2**.

Preparing the Annual Audit Plan

Audits included in the annual audit plan are selected and prioritized using a risk-based approach. Risk assessment is a process used to identify and prioritize audits based upon specific risk factors related to the quality of internal controls and the estimated liability and level of exposure to the City of Santa Fe related to various City departments, programs, activities, and contracts. The risk factors used were:

- **Governance 15%** - The risk that City Ordinances, policies and procedures, and internal controls are not adequate.
- **Perception of Risk 10%** – is the subjective judgment that the stakeholder makes about the characteristics and severity of a risk.
- **Reputation Risk 15%** - The risk that the City’s public image will be tarnished due to improper actions on the part of officials, management, or staff.

- **Economic Factors 15%** – The risk that a significant financial impact may result in the event of a breakdown in the internal control structure.
- **Environmental Factors 15%** – The risk that a highly regulated department or division will lose funding if compliance conditions are not met.
- **Organizational Changes 5%** – The risk that new management being assigned to a department or division do not have the skills to perform the job function – or alternately, the risk that no change has occurred when it needs to occur leaving the City vulnerable.
- **Time Last Audited 20%** - The risk that certain high risk areas within the City are not audited on a periodic basis.

The 2014-2015 Risk Assessment is found as **Attachment 3**. The risk assessment is used as a tool to facilitate planning of a series of interviews with senior management. The determination of the audits to be performed was made after the interviews were conducted. For example, the City Attorney’s Office had a weighted total of 323 on the risk assessment. After conducting an interview with the Interim City Attorney it was determined that the majority of the risk dealt with in the legal department is inherent risk which is flowing through from various City departments and outside sources. As a result of this interview, it was determined that the overall risk of the City Attorney’s office does not constitute an immediate need for an audit. Another factor taken into consideration in developing the audit plan is whether or not a department is already being audited by the external financial auditor, a state or federal auditor, or a contract auditor. If the department is already being audited, the need to do an internal audit is decreased. See a summary of all audits in **Attachment 6**.

Audit Horizon Methodology

The audit plan is based on developing a realistic audit horizon of planned high-risk audits covering a three-year period. Internal Audit bases its annual audit plan on the development of such an audit horizon rather than developing a subjective, overly complex, and incomplete “audit universe.” Historically, many audit organizations have attempted to develop a comprehensive “audit universe” from which to identify and prioritize audits. However, this process is cumbersome, time consuming, and generally reveals that there are literally thousands of possible audits that would require tens of thousands of audit hours and other resources. Additionally, the inclusion of such a “universe” could potentially mislead City officials and citizens to believe that all of the audits included on the listing will be performed and, perhaps more significantly, that any departments, programs, activities, or contracts not included in the universe are not subject to audit.

As a result, instead of developing an “audit universe,” Internal Audit utilizes a realistic audit horizon strategy and approach to identify, prioritize, and manage audits deemed to be critical to City operations. Specifically, using the risk-based methodology described throughout the audit plan, Internal Audit identifies and prioritizes a select number of audits for inclusion into the annual audit plan as well as listing potential audits for the ensuing two years.

The audits included in the horizon are based on available audit hours each year to ensure that realistic expectations are established and stated goals are met. The approach also builds ample hours into the plan for specially requested audits not originally captured on the plan, and for urgent audit issues that arise throughout the year. This approach provides the Auditor with a great deal of flexibility to address emerging issues in a timely manner and for providing high quality and responsive customer service to elected officials and operational management.

This strategy and accompanying risk assessment methodology will allow the City to execute a less cumbersome annual audit planning process and generate a more realistic, flexible and transparent set of goals and work activities for the upcoming year. The audit horizon approach aligns well with the evolution of the audit profession where, in today’s increasingly complex operational environments, audit functions must stretch beyond traditional risk-assessment processes, generally focused on short-term risks, to identify and address emerging and long-term strategic risks.

Scope of Audits

The auditor is granted the authority through City Ordinance 2013-34 to conduct performance/management and financial audits, attestation engagements or to provide advisory (non-audit) services, including special investigations, to independently and objectively determine whether:

- The city, state or federal law authorizes the implemented activities and programs that are the subject of the audit;
- The objectives intended by city, state or federal law are efficiently and effectively accomplished in the implementation of activities and programs;
- The expenditure of funds was or is in compliance with applicable laws;
- The revenues were or are properly collected, deposited and accounted for;

- The entity, programs, activities, functions, or policies are effective, including the identification of any causes of inefficiencies or uneconomical practices;
- The desired result or benefits are being achieved;
- Resources, including funds, property and personnel, were or are adequately safeguarded, controlled and used in a faithful, effective and efficient manner;
- Financial and other reports fairly and fully disclosed all information as required by law necessary to evaluate and ascertain the nature and scope of programs and activities;
- Management established operating and administrative procedures and practices, accounting internal control systems and internal management controls were and are adequate and functioning as intended;
- City policies, budgets, goals and objectives were and are fully implemented;
- Indications of fraud, waste, abuse or illegal acts are valid and need further investigation.

By evaluating potential audits from a variety of perspectives, we can ensure that there is widespread audit coverage in terms of both the types of audits performed, as defined in Generally Accepted Government Auditing Standards (GAGAS) promulgated by the Comptroller General of the United States, and in terms of the City's vast array of departments, programs, activities, and contracts.

Budget and Staffing

The Available Audit Hours Budget (**See Attachment 4**) for Internal Audit was prepared in accordance with the City's wage and hour guidelines.

For 2014-2015, Internal Audit has a staff of one employee, thereby making 2,088 audit hours available for fiscal year 2014-2015. The Internal Auditor is required by GAGAS to obtain a minimum of 40 hours of continuing professional training per year through such opportunities as offered by the Association of Local Government Auditors (ALGA), the Institute of Internal Auditors (IIA), ISACA formerly known as Information System Audit and Control Association, the New Mexico State Auditor's Office, and the American Institute of Certified Public Accountants. The Internal Auditor is required by GAGAS to have technical competence in all areas audited. The Internal Auditor has the professional designations of Certified Internal Auditor, Certified Information System Auditor, and Certified Public Accountant. The Internal Auditor also holds a Master Degree in Business Administration from The University of New

Mexico. This broad spectrum of certifications asserts to the technical competence of the Internal Auditor for the majority of the types of audits that the City would encounter.

Calculation of Audit Hours

The calculation of Available Audit Hours (See Attachments 4 & 5) indicates 2,088 total hours available with 856 hours for audits and projects and 914 hours available for general and administrative work. The calculation of Available Audit Hours was divided into five categories. The five categories are:

1. Audits and Project Work	856 Hours
2. General Administration/Planning	914 Hours
3. Training and CPE hours	60 Hours*
4. Holidays	72 Hours
5. Vacation and Sick Leave	186 Hours
Total	2,088 Hours

*Note: 40 hours are required as a minimum. However, it is the industry standard to allocate additional hours to the head of Internal Audit as additional time is needed for specialty certifications.

3 Year Audit Plan

A schedule has been prepared to document a 3 Year Audit Plan (See Attachment 6). This schedule lists audits, follow-up audits, and projects completed each fiscal Year. The 3 Year Audit Plan is intended to assist in future planning and scheduling of audits, follow-up audits, and projects.

Attachments

2014 / 2015	Type of Work	Audit Hours	Admin Hours	Training Hours	Holiday & Leave Hours
FIRST QUARTER					
Public Utilities - (Billing, Debt Forgiveness & Deposits)	Audit	180			
Cash Handling -(Rec Centers, Golf Course, Cashiers, Parking, Convention Ctr., Muni Court, Police Department)	Audit / Proj	40			
Park Bond Audit - Determining Scope of Audit and RFP	Admin / Proj		40		
Policies and Procedures	Admin / Proj		47		
Fraud, Waste, and Abuse Hotline	Admin / Proj		40		
Tracking of Audit Findings	Admin		24		
Status of Audit Report	Admin		10		
Audit Committee Agenda / Special Requests	Admin		20		
Meetings (AC, FC, CC, other)	Admin		55		
Training / CPE / Holiday	Training			8	24
Vacation / Sick					40
TOTAL FOR QUARTER		528	220	8	64
Hours available / Actual Percentage Allocated		528	41.67%	44.70%	
SECOND QUARTER					
Public Utilities - (Billing, Debt Forgiveness, Deposits)	Audit	135			
Cash Handling -(Rec Centers, Golf Course, Cashiers, Parking, Convention Ctr., Muni Court, Police Department)	Audit / Proj	40			
Fixed Assets < \$5,000	Audit / Proj	40			
Park Bond Audit Coordinator	Admin / Proj		22		
Other Admin (Set up RFP for Fraud, Waste and Abuse Hotline, P&P, Track Findings)	Admin / Proj		65		
Audit Committee Agenda / Special Requests	Admin		20		
Status of Audit Report	Admin		20		
Meetings (AC, FC, CC, SS, other)	Admin		80		
Training / CPE	Training			16	
Holiday	H & L				40
Vacation / Sick	H & L				50
TOTAL FOR QUARTER		528	215	16	90
Hours available / Actual Percentage Allocated		528	40.72%	39.20%	

2014 / 2015	Type of Work	Audit Hours	Admin Hours	Training Hours	Holiday & Leave Hours
THIRD QUARTER					
Family Medical Leave Act - Sick Leave	Audit	130			
Follow Up Review - False Alarm Monitoring System	Follow Up	40			
Follow up Review of Parking	Follow Up	40			
Audit Plan / Risk Assessment	Admin / Proj		100		
Other Administrative (Park Bond Task Force, P&P, Hotline)	Admin		30		
Tracking of Audit Findings	Admin		10		
Status of Audit Report	Admin		10		
Meetings (AC, FC, CC, SS, other)	Admin		80		
Training / CPE	Training			16	
Holiday	H & L				16
Vacation / Sick	H & L				40
TOTAL FOR QUARTER		512	230	16	56
Hours available / Actual Percentage Allocated		512	41.02%	44.92%	
FOURTH QUARTER					
Family Medical Leave Act - Sick Leave	Audit	130			
Follow Up Review - ITT Data Center Audit	Follow Up	100			
Audit Plan	Admin / Proj		100		
Other Administrative (Ordering Supplies, Driving to City Hall, Making Copies, Scanning Items in at Purchasing)	Admin / Proj		22		
Policies and Procedures	Admin / Proj		10		
Tracking of Audit Findings	Admin		40		
Status of Audit Report	Admin		10		
Meetings (AC, FC, CC, SS, other)	Admin		40		
Training / CPE	Training			20	
Holiday	H & L				8
Vacation / Sick	H & L				40
TOTAL FOR QUARTER		520	222	20	48
Hours available / Actual Percentage Allocated		520	44.23%	42.69%	
GRAND TOTAL		2088	875	895	60

AUDIT PLAN ROLL FUTURE YEARS

FY 2015 / 2016	Type of Work	Audit Hours	Hours	Percent of Time
Accounts Payable / Vendor Review Overpayment of Gross Receipts Tax	Audit	315	790	37.84%
IT Security (User Access)	Audit	315		
Follow Up Reviews - Cash Handling	Follow Up	40		
Follow Up Review of FMLA	Follow Up	40		
Follow Up Review - Public Utilities	Follow Up	80		
Follow Up Review - Fixed Assets < \$5,000	Follow Up	80		
Admin_Misc (Meetings, policies & procedures, benchmarking, email, memos, risk assessment, audit plan, lodger's tax, park bond audit, fraud, waste & abuse coord.)	Admin & Projects	900	900	43.10%
Training	Training	60		
Holiday / Sick	H & L	258		
TOTAL FOR FYE 2014 / 2015		2088		

FYE 2016 / 2017	Type of Work	Audit Hours		
Airport (Phase 1) (Assessments, Walkthroughs)	Audit	160	870	41.67%
DWI Forfeitures	Audit	400		
Follow Up Review - Accounts Payable / Gross Receipts Tax	Follow Up	200		
Follow Up Review - IT Security	Follow Up	110		
Peer Review - (Audit of Internal Audit)	Admin	100		
Admin_Misc (Meetings, policies & procedures, benchmarking, email, memos, risk assessment, audit plan, lodger's tax, park bond audit, fraud, waste & abuse coord.)	Admin & Projects	800	900	38.31%
Training	Training	60		
Holiday / Sick	H & L	258		
TOTAL FOR FYE 2015 / 2016		2088		

AUDIT	ENTITY	AUDIT OBJECTIVES
2014 / 2015 Planned Audits		
Public Utilities (Billing, Debt Forgiveness, Deposits)	Public Utilities	To assess the efficiency and effectiveness of internal controls over the Public Utilities Billing function. Audit objectives may include an assessment of 1) Public Utilities billing and collection processes, 2) the fairness and equity of deposits, 3) internal controls around the deposit process, 4) regulatory compliance, or best practices regarding the processes around debt forgiveness, 5) internal controls around debt forgiveness, and 6) controls around cash handling and posting of entries.
Family Medical Leave Act - Sick Leave	Human Resources	To assess compliance with Federal and other mandated guidelines including the City's policies and procedures. To determine that leave benefits paid are within statutory guidelines.
Fixed Assets < \$5,000	ITT	To assess the newly implemented process of tagging certain fixed assets (computers, and other movable chattel) that cost less than \$5,000 to ensure compliance with the State Auditor's Rule. A walkthrough of the internal controls regarding this process will be done to document and test the current procedures. Recommendations will be made to improve the process, if applicable.
Follow Up Review of Parking	Transit / Parking	To determine that previously identified audit findings have been remediated by management as stated in management's responses, and to test the effectiveness of any remediation's to date.
Follow Up Review of False Alarm Monitoring System	Police Department Finance Licensing Land Use 3rd Party Adm	To determine that previously identified audit findings have been remediated by management as stated in management's responses, and to test the effectiveness of any remediation's to date.
Follow Up Review Data Center	Information Technology and Telecommunications	To determine that previously identified audit findings have been remediated by management as stated in management's responses, and to test the effectiveness of any remediation's to date.
Follow Up Review Cash Handling	Various Departments	To determine that previously identified audit findings have been remediated by management as stated in management's responses, and to test the effectiveness of any remediation's to date.

AUDIT	ENTITY	AUDIT OBJECTIVES
2015 / 2016 Planned Audits		
Accounts Payable - Limited Scope review of Gross Receipts Tax paid when s /h /b inclusive in total	Finance (Accounts Payable)	To assess the internal controls in place regarding the payment of gross receipts tax for a vendor when contract states it is inclusive of gross receipts tax. Audit objectives may include determining if the City is owed money for overbilling and overpayment of gross receipts tax to a sample of vendors.
IT Security User Access	Finance (ITT)	To assess the effectiveness of internal controls used by ITT to manage and monitor system access to City information technology systems. Audi objectives may include assessments of provisioning and de-provisioning process for user accounts.
Follow Up Review - Public Utilities	Public Utilities	To determine that previously identified audit findings have been remediated by management as stated in management's responses, and to test the effectiveness of any remediation's to date.
Follow Up Review - Cost Allocation Methodology	Various Departments	To determine that previously identified audit findings have been remediated by management as stated in management's responses, and to test the effectiveness of any remediation's to date.
2016 / 2017 Planned Audits		
Airport	Transit	To assess leases and administrative processes and practices including an analysis of the internal controls and compliance with federal legal requirements regarding concessionaires and commerce operating at the airport. Audit objectives may include reviewing leases to ensure they are current and in line with Federal objectives.
DWI Forfeitures	Police Department	To assess internal controls around the DWI Forfeiture processes. Audit objectives may include an assessment of record-keeping practices, acquisition and disposal processes, and cash handling and recording processes.
Follow Up Review - IT Security	ITT	To determine that previously identified audit findings have been remediated by management as stated in management's responses, and to test the effectiveness of any remediation's to date.
Follow Up Review - Accounts Payable / Gross Receipts Tax	Finance (Accounts Payable)	To determine that previously identified audit findings have been remediated by management as stated in management's responses, and to test the effectiveness of any remediation's to date.

Weighting	15%	10%	15%	15%	15%	5%	20%	95%		
	R1	R2	R3	R4	R5	R6	R7			
Description	Governance	Perception of Risk	Reputation Risk	Economic Factors	Environmental Factors	Organizational Changes	Time last Audited	Raw Total	Weighted Total	
City Attorney Office	54	6	27	18	39	39	45	228	323	
Municipal Court	30	19	18	46	33	27	30	203	282	
City Clerk	19	12	13	35	39	27	30	175	245	

City Manager

Human Resources	18	4	10	11	33	39	18	133	168	
Public Defender	45	8	10	5	15	15	30	128	188	
Internal Audit	47	43	23	7	51	27	18	216	284	
Constituent Services	37	0	5	5	27	27	15	116	155	

Civic Center & Visitors Bureau

Arts Commission	53	17	12	47	39	39	45	252	353	
Civic Visitors Bureau including operations	57	20	10	55	45	69	15	271	334	

Weighting	15%	10%	15%	15%	15%	5%	20%	95%	
	R1	R2	R3	R4	R5	R6	R7		
Description	Governance	Perception of Risk	Reputation Risk	Economic Factors	Environmental Factors	Organizational Changes	Time last Audited	Raw Total	Weighted Total
Community Development									
Economic Development	53	20	11	43	63	36	24	250	341
Housing and Community Development	53	20	11	43	63	48	24	262	347
Affordable Housing	53	20	11	31	66	54	24	259	337
Long Range Planning	53	20	11	31	63	36	24	238	323
Community Services									
Children and Youth Commission	15	21	5	35	39	27	42	184	260
Library	17	23	23	15	63	63	48	252	328
Senior Services	41	35	19	51	45	33	12	236	310

Weighting	15%	10%	15%	15%	15%	5%	20%	95%		
	R1	R2	R3	R4	R5	R6	R7			
Description	Governance	Perception of Risk	Reputation Risk	Economic Factors	Environmental Factors	Organizational Changes	Time last Audited	Raw Total	Weighted Total	
Finance										
Accounts Payable	43	25	10	39	30	36	27	210	280	
Accounts Receivable	72	35	35	19	19	5	21	206	297	
Budget Office	48	48	26	31	42	27	27	249	336	
Cashiers - Main	47	19	10	67	39	27	27	236	330	
Cashiers - PU	52	15	17	55	51	57	18	265	342	
Fleet Management	58	25	16	37	42	72	18	268	327	
Payroll	38	35	21	63	27	39	18	241	314	
Purchasing	15	35	14	52	33	39	12	200	250	
Risk Management	17	23	10	35	45	27	12	169	221	
Fire Department										
Fire Operations	19	27	42	15	51	39	15	208	267	
Fire Administration	24	29	42	39	57	27	15	233	316	
ITT	30	65	27	30	39	57	27	275	336	
Land Use	31	32	32	25	60	30	60	270	388	

Weighting	15%	10%	15%	15%	15%	5%	20%	95%	
	R1	R2	R3	R4	R5	R6	R7		
Description	Governance	Perception of Risk	Reputation Risk	Economic Factors	Environmental Factors	Organizational Changes	Time last Audited	Raw Total	Weighted Total
Police Department	18	27	35	52	45	48	15	240	306

Public Utilities

Utility Customer Service	26	32	14	63	45	39	75	294	424
Wastewater	26	27	14	35	30	27	39	198	276
Water	39	15	21	39	63	45	18	240	317

Public Works

Facilities	55	38	31	44	39	27	57	291	419
Administration	54	32	20	33	63	18	15	235	325
Parks	56	47	24	36	69	27	18	277	374
Recreation	45	49	50	51	48	39	15	297	390
Roadways and Trails Engineering	36	29	13	47	63	39	42	269	371
Streets and Drainage Maintenance	45	41	25	39	36	57	14	257	315
Traffic	76	10	37	21	36	27	75	282	429

Transportation

Airport	75	41	28	54	75	51	42	366	499
Parking	34	55	40	71	51	39	33	322	433
Mass Transit	50	18	31	67	63	54	18	301	397

Note: Highlighting indicates interview with respondent.

2014/2015
AUDIT PLAN
AVAILABLE AUDIT HOURS

	Internal Auditor		
	Hours	Percent	
Audit & Project Work	856	41.00%	Estimates made based on benchmarking with other internal audit shops.
General Administration/Planning	914	43.77%	
Training & CPE	60	2.87%	Required for professional certifications
Holidays	72	3.45%	
Vacation & Sick Leave	186	8.91%	
	<u>2,088</u>	100.00%	

Leave Entitlement per Staff Member With 1 to 5 years service	%	Hours
Vacation	5.77%	116
Sick Leave	4.62%	70
Total		<u>186</u>

2014-2015
AUDIT PLAN
CALCULATION OF AVAILABLE AUDIT HOURS

WORKDAYS

1st Quarter		2nd Quarter		3rd Quarter		4th Quarter		Total Hours/ Employee
July	22 Days	October	22 Days	January	20 Days	April	22 Days	
August	21 Days	November	17 Days	February	20 Days	May	20 Days	
September	20 Days	December	22 Days	March	22 Days	June	22 Days	
Total Qtr.	63 Days	Total Qtr.	61 Days	Total Qtr.	62 Days	Total Qtr.	64 Days	2000
#of Workdays * 8 hrs =	504 Hrs		488 Hrs		496 Hrs		512 Hrs	

HOLIDAYS

1st Quarter		2nd Quarter		3rd Quarter		4th Quarter		Total Hours/Holidays
July	1 Days	October	1 Days	January	2 Days	April	0 Days	1
August	Days	November	3 Days	February	0 Days	May	1 Days	
September	2 Days	December	1 Days	March	0 Days	June	0 Days	
Total Qtr.	3 Days	Total Qtr.	5 Days	Total Qtr.	2 Days	Total Qtr.	1 Days	88
	24 Hrs		40 Hrs		16 Hrs		8 Hrs	
	528 Total		528 Total		512 Total		520 Total	2088
							Total Hours Available	

Vacation

1 to 5 years 5.77% 115

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Auditable Areas	2013-2014	2014-2015	2015-2016	2016-2017
Municipal Court	E	E	E	E
City Clerk				
City Manager				
Human Resources	E	A, E	E, F	E
Internal Audit	E, 7-P's	E, 7-P's	E, 6-P's	E, 7-P's
Civic Center & Visitors Bureau	E	E	E	E
Housing and Community Development	E, G	E, G	E, G	E, G
Community Services	E, G	E, G	E, G	E, G
Senior Services	E, G	E, G	E, G	E, G
Finance	E, A	E, F	E, F	E
Accounts Payable	E	E	A, E	E, F
Budget Office	E	E	E	E
Cashiers	E, P	E, F, P	E, F	E
Fixed Assets	E	E, P	E, F	E
Fleet Management	E	E	E	E
Licensing	A, E	E, F	E	E
Payroll	E	E	E	A, E
Purchasing	E	E	E	E
Fire Department	E, G	E, G	E, G	E, G
Information Technology, and Telecom.	E	E, F	A, E	E, F
Land Use	A, E	E	E	E
Police Department	A, E, G	E, F, G	E, G	A, E, G
Public Utilities	E, G	E, G	E, G	E, G
Utility Customer Service	A, E, G	E, G	E, F, G	E, G
Public Works	E, G	E, G	E, G	E, G
Transportation				
Airport	E, G	E, G	E, G	A, E, G
Parking	E	E, F, G	E	E
Mass Transit	E, G	E, G	E, G	E, G

Legend

- A = Audit completed that Fiscal Year
- C = Contract Audit
- E = Audits conducted by external audit as part of financial audit
- F = Follow Up Audit Completed that Fiscal Year
- G = Audits conducted by other government agencies
- P = Project completed that fiscal year

Number of Audits Completed by IA Per Fiscal Year				
	2013 - 2014	2014-2015	2015-2016	2016-2017
Audits	3	3	2	3
Projects	7	9	6	7
Follow-ups	1	2	4	2

Admin projects include: 1) Risk Assm., 2) Audit Plan, 3) Lodger's Tax Audit Coord., 4) Park Bond Audit Coord., 5) Ord. Rev., 6) Policies & Proc., 7) Fraud, Waste & Abuse Hotline, and 8) Peer Review, as applicable.