City of Santa Fe – Internal Audit

200 Lincoln Ave, Santa Fe, NM 87504-0909 *(505) 955-5728, cell (505) 490-3372*
Liza A. Kerr, Internal Auditor

Date: May 18, 2015

To: Brian Snyder, City Manager

From: Liza Kerr, Internal Auditor Liza Kerr

RE: 2015/2016 Audit Plan

Attached is the Internal Audit Department's 2015/2016 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

INTERNAL AUDIT DEPARTMENT ANNUAL AUDIT PLAN

2015 / 2016

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

Clark de Schweinitz, Esq., Chair

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

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.

Table of Contents

Overview 1

Preparing the Annual Audit Plan 1

Audit Horizon Methodology 2

Scope of Audits 3

Budget and Staffing 4

Calculation of Audit Hours 5

3 Year Audit Plan 5

Attachments 6

Overview

The Internal Audit Department of the City of Santa Fe hereby referred to as "Internal Audit" 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 2015 -2016 Audit Plan. The 2015-2016 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 2015-2016 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 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 2015-2016, Internal Audit has a staff of one employee, thereby making 2,088 audit hours available for fiscal year 2015-2016. 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 1,082 hours for audits and projects and 673 hours available for general and administrative work. General and Administrative work includes, but is not limited to, the following:

- Acting as staff liaison to the audit committee,
- Conducting the annual risk assessment,
- Developing and modifying the annual audit plan,
- Developing and maintaining policies and procedures,
- Drafting ordinances changes,
- Preparing the annual report,
- Preparing the budget,
- Preparing requests for proposals for various audits, and projects, and paying the vendors (as applicable), and
- Routine tasks such as ordering supplies.

The calculation of Available Audit Hours is divided into five categories. The five categories are:

1. Audits and Project Work	1,082 Hours
2. General Administration/Planning	673 Hours
3. Training and CPE hours	60 Hours*
4. Holidays	88 Hours
5. Vacation and Sick Leave	185 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

City of Santa Fe
Internal Audit Department

2015 / 2016
AUDIT PLAN

ATTACHMENT 1

2015 / 2016	Type of Work	Audit Hours	Admin Hours	Training Hours	Holiday & Leave Hours
FIRST QUARTER					
Public Utilities - (Billing, Debt Forgiveness & Deposits), con't.	Audit	80			
Security (Vendor Audit)	Audit	130			
Cash Handling -(Rec Centers, Golf Course, Cashiers, Parking, Convention Ctr., Muni Court, Police Department)	Audit / Proj	40			
Tracking of Audits and Findings / Audit Alerts	Admin / Aud	24			
Fraud, Waste, and Abuse Hotline	Admin / Aud	20	20		
Set up of TeamMate Software (Electronic Workpapers)	Admin / Proj		40		
Policies and Procedures	Admin / Proj		40		
Status of Audit(s) Report	Admin		8		
Audit Committee Agenda / Special Requests	Admin		20		
Meetings (AC, FC, CC, other)	Admin		34		
Training / CPE / Holiday	CPE & Holiday			8	24
Vacation / Sick	Vac & Leave				40
TOTAL FOR QUARTER	528	294	162	8	64
Hours available / Actual Percentage Allocated	528	55.68%	30.68%		
SECOND QUARTER					
Security (Vendor Audit), con't.	Audit	100			
Family Medical Leave Act - Sick Leave	Audit	96			
Cash Handling -(Rec Centers, Golf Course, Cashiers, Parking, Convention Ctr., Muni Court, Police Department)	Audit / Proj	20			
Tracking of Audits and Findings / Audit Alerts	Admin / Aud	24			
Fraud, Waste, and Abuse Hotline	Admin / Aud	20	20		
Set up TeamMate Software - Electronic Workpapers	Admin / Proj		65		
Status of Audit Report	Admin		8		
Audit Committee Agenda / Special Requests	Admin		20		
Meetings (AC, FC, CC, other)	Admin		34		
Training / CPE / Holiday	CPE & Holiday			16	40
Vacation / Sick	Vac & Leave				65
TOTAL FOR QUARTER	**528**	260	147	16	105
Hours available / Actual Percentage Allocated	528	49.24%	27.84%		

2015 / 2016	Type of Work	Audit Hours	Admin Hours	Training Hours	Holiday & Leave
THIRD QUARTER					
FMLA, cont.	Audit	92			
AP Duplicate Payments	Audit	92			
Cash Handling -(Rec Centers, Golf Course, Cashiers, Parking,	Audit / Proj	40			
Fraud, Waste, and Abuse Hotline	Audit / Proj	10	20		
Tracking of Audits and Findings / Audit Alerts	Audit / Proj	24			
Audit Plan / Risk Assessment	Admin / Proj		100		
Status of Audit Report	Admin		8		
Audit Committee Agenda / Special Requests	Admin		20		
Meetings (AC, FC, CC, other)	Admin		34		
Training / CPE / Holiday	CPE & Holiday			16	16
Vacation / Sick	Vac & Leave				40
TOTAL FOR QUARTER	**512**	258	182	16	56
Hours available / Actual Percentage Allocated	**512**	50.39%	35.55%		
FOURTH QUARTER					
Fixed Assets < $5,000	Audit	106			
AP Duplicate Payments, con't	Audit	100			
Other Audit(s) to be considered as time permits:					
Cash Balances / Reserves / Negative Balances, etc.	Audit	TBD			
Cash Handling -(Rec Centers, Golf Course, Cashiers, Parking,	Audit / Proj	20			
Fraud, Waste, and Abuse Hotline	Audit / Proj	20	20		
Tracking of Audits and Findings / Audit Alerts	Audit / Proj	24			
Audit Plan / Risk Assessment	Admin / Proj		100		
Status of Audit Report	Admin		8		
Audit Committee Agenda / Special Requests	Admin		20		
Meetings (AC, FC, CC, other)	Admin		34		
Training / CPE / Holiday	CPE & Holiday			20	8
Vacation / Sick	Vac & Leave				40
TOTAL FOR QUARTER	**520**	270	182	20	48
Hours available / Actual Percentage Allocated	**520**	51.92%	35.00%		
GRAND TOTAL	2088	1082	673	60	273
		51.82%	32.23%		

ROLLING AUDIT UNIVERSE/PLAN FUTURE YEARS

FY 2016 / 2017	Type of Work		Audit Hours	Hours	Percent of Time
DWI Forfeitures	Audit		260		
Accounts Payable / Gross Receipts Tax Overpayment	Audit		120		
Follow up Review of Accounts Payable - Dup Payments	Follow Up		40		
Follow up Review of 2008 Park Bond Audit	Audit		215	875	41.91%
Follow Up Review of Security Vendor Audit	Audit		40		
Follow Up Review of FMLA	Follow Up		40		
Follow Up Review - Public Utilities	Follow Up		40		
Follow Up Review - Fixed Assets < $5,000	Follow Up		40		
Assist Association of Local Government Auditors with a Peer Review in order to waive peer review fee	Audit / Proj		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		880	880	42.15%
Training / CPE	CPE		60	60	
Holiday / Sick	H & L		273	273	
TOTAL FOR FYE 2016 / 2017			2088	2088	
FYE 2017 / 2018	Type of Work		Audit Hours		
Purchasing	Audit		195		
PCI Compliance	Audit		240		
Follow Up Review - AP Gross Receipts Tax Overpayment	Follow Up		120		
Peer Review - (Audit of Internal Audit)	Audit		320	875	41.91%
Admin_Misc (Meetings, policies & procedures, benchmarking, email, memos, risk assessment, audit plan, lodger's tax, park bond audit)	Admin & Projects		880	880	42.15%
Training / CPE	Training		60	60	
Holiday / Sick	H & L		273	273	
TOTAL FOR FYE 2017 / 2018			2088	2088	

2015 / 2016
AUDIT OBJECTIVES

AUDIT	ENTITY	AUDIT OBJECTIVES
2015 / 2016 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.
Vendor Audit - Security	Parks and Recreation	To determine that Chavez Security has complied with the terms of their contract to install security cameras at various locations around the City including Parks and Trailheads. Further objectives include verification of 1) where servers are stored, 2) security controls regarding protecting the servers and tapes from unauthorized access, 3) determination of what kind of information is being stored on the servers, 4) compliance with data retention rules, 5) and IPRA implications. Objectives with other security vendors will be dependent upon duties performed.
Cash Handling	Various Departments	To continue to assess the internal controls around cash handling at various City Departments and to issue recommendations to management as to how to strengthen those controls.
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.
Accounts Payable / Duplicate Payments	Finance (Accounts Payable)	To review electronic payment files and use software to analyze duplicate payments that have been made to vendors.
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.
Cash Balances / Reserves / Negative Balances	Finance	To ensure that the cash balances recorded by the City are properly reserved. To determine that Generally Accepted Accounting Principles, Government Accounting, Auditing, and Financial Reporting practices and other proper standards are being followed.

2015 / 2016
AUDIT OBJECTIVES

AUDIT	ENTITY	AUDIT OBJECTIVES
2016 / 2017 Planned Audits		
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.
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.
Follow Up Accounts Payable / Duplicate Payments	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.
Follow up review of 2008 Park Bond Audit	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.
Follow Up Review Vendor Audit - Security	Parks and Recreation	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 - FMLA - Sick Leave	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.
Follow up review of 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 of Fixed Assets <$5,000	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.
2017 / 2018 Planned Audits		
Purchasing		To determine what happens with a contract or purchase order once it is initially approved, 2) who is following through to ensure compliance with the process through close. What are the roles of purchasing, legal, and the individual departments. Further objectives include reviewing the use of state price agreements.
Payment Card Industry Standards Audit (PCI)	Finance / IT	To determine that Finance and IT are complying with payment card industry standards. Specifically, has ITT completed their self-assessment review and submitted their self-review as required for compliance, and is Finance in compliance.
Follow up review of Accounts Payable - Duplicate Payments	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.
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.

RISK ASSESSMENT 2015 - 2016

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	4	32	18	24	27	45	204	300
Municipal Court	23	18	9	53	33	45	30	211	278
City Clerk	19	12	15	31	39	24	30	170	240
City Manager									
Human Resources	15	6	12	22	27	15	6	103	140
Public Defender	45	8	10	5	5	5	10	88	128
Internal Audit	31	20	10	31	33	15	15	155	215
Constituent Services	39	13	10	13	51	39	30	195	262
Asset Development (New FYE 2015)	46	13	10	17	39	6	0	131	184
Community Development									
Economic Development	51	11	24	11	24	27	9	157	208
Affordable Housing	24	15	10	21	75	43	12	200	256
Long Range Planning	74	25	13	31	63	36	50	292	415

RISK ASSESSMENT 2015 - 2016

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 Services									
Children and Youth Commission	21	17	13	43	39	39	42	214	295
Library	21	27	25	15	63	63	39	253	322
Senior Services	36	31	23	51	45	33	27	246	334
Finance									
Accounting	18	15	10	24	27	39	27	160	207
Accounts Payable	43	25	10	39	30	48	27	222	286
Accounts Receivable	67	10	12	25	57	27	41	239	347
Budget Office	47	28	19	39	42	27	27	229	316
Cashiers - Main	44	8	10	52	27	51	27	219	287
Cashiers - PU	29	34	18	61	39	57	9	247	301
Fleet Management	72	41	19	29	39	57	6	263	320
Investments	21	16	10	55	63	27		192	253
Payroll	33	23	15	31	21	15	18	156	217
Purchasing	15	7	22	46	27	27	27	171	240
Risk Management	17	21	10	19	11	5	21	104	151

RISK ASSESSMENT 2015 - 2016

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
Fire Department									
Fire Administration	24	29	42	39	57	27	15	233	316
Fire Operations	19	33	30	15	22	19	25	163	222
ITT	30	39	25	31	27	57	27	236	290
Land Use									
Historic Preservation	55	37	47	17	63	69	60	348	465
Planning	33	28	32	15	60	42	60	270	379
Parks and Recreation									
Parks	56	47	22	24	69	51	15	284	359
Recreation	48	51	45	67	63	60	18	352	452
Police Department	25	28	54	55	63	57	15	297	382
Public Utilities									
Billing	40	44	19	55	57	27	63	305	440
Environmental Services	33	33	21	41	57	69	60	314	416
Wastewater	31	31	20	55	42	42	39	260	352
Water	39	13	22	43	51	15	18	201	289

RISK ASSESSMENT 2015 - 2016

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
Public Works									
Facilities	50	28	28	55	33	21	51	266	390
Grant Administration	15	34	36	43	57	69	27	281	349
Roadways and Trails Engineering	42	35	23	43	57	51	27	278	362
Streets and Drainage Maintenance	45	33	31	38	33	27	21	228	309
Traffic	71	10	43	21	45	27	18	235	330
Transportation									
Airport	48	34	35	35	51	39	30	272	367
Mass Transit	37	35	30	67	57	39	27	292	395
Parking	30	52	44	57	39	33	45	300	414
Civic Center & Visitors Bureau									
Arts Commission	46	16	10	35	48	27	72	254	382
Civic Visitors Bureau including operations	31	36	13	31	21	36	18	186	233

Note: Highlighting indicates interview with respondent.

2015/2016
AUDIT PLAN
AVAILABLE AUDIT HOURS

	Internal Auditor		
	Hours	**Percent**	
Audit & Project Work	1,082	51.83%	Estimates made based on benchmarking with other internal audit shops.
General Administration/Planning	673	32.24%	
Training & CPE	60	2.87%	Required for professional certifications
Holidays	88	4.22%	
Vacation & Sick Leave	185	8.84%	
	2,088	100.00%	

Leave Entitlement per Employee With 1 to 5 years service	%	Hours
Vacation	5.77%	115
Sick Leave	4.62%	69
Total		**185**

City of Santa Fe
Internal Audit Department

2015-2016
AUDIT PLAN
CALCULATION OF AVAILABLE AUDIT HOURS

ATTACHMENT 5

WORKDAYS

1st Quarter		2nd Quarter		3rd Quarter		4th Quarter		Total Hours/ Employee
July	22 Days	October	21 Days	January	19 Days	April	21 Days	
August	21 Days	November	18 Days	February	21 Days	May	21 Days	
September	20 Days	December	22 Days	March	23 Days	June	21 Days	
Total Qtr.	**63 Days**	**Total Qtr.**	**61 Days**	**Total Qtr.**	**63 Days**	**Total Qtr.**	**63 Days**	
#of Workdays * 8 hrs =	504 Hrs		488 Hrs		504 Hrs		504 Hrs	**2000**

HOLIDAYS

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

Vacation

1 to 5 years	5.77%	115

2015 / 2016
3 Year Audit Plan

Auditible Areas	2014-2015	2015-2016	2016-2017	2017-2018
Municipal Court	E	E, P	E	E
City Clerk				
City Manager				
Human Resources	E	A, E	E, F	E
Internal Audit	E, 10-P's	E, 8-P's	E, 8-P's	A, E, 8-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, P	E, G	E, G
Finance	E, F	E	E	E
Accounts Payable	E	A, E	A, E	E, F, F
Budget Office	E	E	E	E
Cashiers	E, F, P	E, F, P	E	A, E
Fixed Assets	E, P	A, E	E, F	E
Fleet Management	E	E	E	E
Licensing	E, F	E	E	E
Payroll	E	E	E	E
Purchasing	E	E	E	A, E
Fire Department	E, G	E, G	E, G	E, G
Information Technology, and Telecom.	A, E, F	E	E, F, G	E
Land Use	E	E	E	E
Parks and Recreation	E	A, E, P	E, F, F	E
Police Department	E, F, G	E, G	A, E, G	E, G
Public Utilities	E, G	E, G	E, G	E, G
Utility Customer Service	E, G	A, E, G	E, F, G	E, G
Public Works	E, G	E, G	E, G	E, G
Transportation				
Airport	E, G	E, G, P	E, G	E, G
Parking	E, F, G	E, P	E	E
Mass Transit	E, G, P	E, G, P	E, G	E, G

Legend

A =Internal 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			
	2014-2015	**2015-2016**	**2016-2017**	**2017-2018**
Audits	1	5	2	2
Projects	10	14	9	8
Follow-ups	6	1	6	2

Admin projects include: 1) Risk Assm., 2) Audit Plan, 3) Lodger's Tax Audit Coord., 4) Ord. Rev., 5) Policies & Proc., 6) Fraud, Waste & Abuse Hotline, 7) Tracking Findings, and 8) Peer Review, as applicable. In 2014 also include 9) Park Bond Audit Coordinator, 10) Park Bond Committee