

City of Tallahassee
Office of the City Auditor
Audit Work Plan
2012

**City of Tallahassee
Office of the City Auditor
2012 Work Plan**

	<u>Hours</u>	<u>Total</u>
A. Audit Projects Carried Forward from 2011 Work Plan		
Smart Metering Project ^(a)	280	
Police Secondary Employment (Extra Duty) Phase II ^(a)	220	
Advanced Water Treatment Improvements ^(a)	370	
Parking Contracts/Lot Revenues	480	
Information Security of City Computing Network	110	
Citywide Leave and Attendance	620	
Citywide Accounts Receivable	120	
Treasurer-Clerk Revenue Collections	300	
Fleet Reserve Fund	240	
MBE Program Compliance – Selected Contractors	160	
ISS Backup and Recovery Process	510	
Fleet Billing	220	
Citywide Travel*	530	
Aviation Capital Projects	740	
<i>PS Financials (Accounts Payable focus) ^(b)</i>		
<i>Growth Management-PETS Replacement ^(c)</i>		
Total Hours for Audit Projects Carried Forward from 2011 Work Plan		4900
B. New Audit Projects for 2011-2012		
Local Business Certification Program	530	
SEA Reporting (City Indices)	80	
Citizen Centric Report	80	
Gaines Street Improvements-Progress Report*	25	
Leases & Concessions/Facility Rental Revenues	450	
Health Care Benefits & Claims	470	
Stormwater	710	
Red Light Cameras	380	
Segregation of Duties between Human Resources, Payroll, Retirement*	350	
Total Hours for New Audit Projects for 2011-2012		3075

**Project will be started but not completed during this fiscal year.*

(a) A report will be issued in 2012, but project will carry over into multiple years.

(b) Deleted from plan due to limited resources and assessed level of risk. It will be considered in future audit plans.

(c) Deleted from plan due to the project being delayed by City Management. It will be considered in future audit plans.

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C. Follow-up Projects for 2011-2012	<u>Hours</u>	<u>Total</u>
Citywide Disbursements 2009 (Fall)	40	
Water Infrastructure (Spring)	50	
Water Infrastructure (Fall)	70	
Take-home Vehicles – Final (Spring)	170	
Non-Pension Investments (Fall)	55	
MBE and Vendor Preference Programs (Spring)	80	
Citywide Accounts Receivable (Spring)	80	
Parking Contracts/Lot Revenues (Spring)	80	
Electric Utility Reserves (Spring)	50	
Gaines Street (Fall)	50	
Police Property & Evidence (Fall)	75	
Police Property & Evidence (Spring)	75	
Total Hours for Follow-up Projects for 2011-2012		875
D. Audit Management and Administration		
Other City Auditor Duties	455	
Office Management/Support	2353	
Quality Control Reviews (Internal and External)	300	
Staff Development	540	
Approved Employee Leave	1502	
Approved Holidays	560	
Total Audit Management and Administration		5710
Total Hours		14560

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A. Audit Projects Carried Forward from 2011 Work Plan (In progress)

1. Smart Metering Project Phase II

This audit will address the planning and implementation of the City's smart meters. The City Auditor issued its first report of the Smart Metering Program Phase I in FY 2011. Periodic progress reports likely will be issued as the project progresses.

2. Police Secondary Employment (Extra Duty) Phase II

The City Auditor issued its first report of the Police Secondary Employment Program project in FY 2010. Since then, the project has not progressed as originally scheduled. We are planning to perform the second audit over the process to revise the Secondary Employment program during 2012. Our audit will review the internal controls and identification of costs borne by the City associated with TPD officers performing secondary employment services as they revise their program policies and procedures.

3. Advanced Wastewater Treatment Improvements Phase II

The City Auditor issued its first report on the process of the major renovations of the wastewater treatment facilities within Underground Utilities. The project is expected to be completed in 2015. The anticipated scope of this audit will be to continue our review the associated construction/renovation projects and related management processes. We anticipate producing additional project progress reports in FYs 2012 and subsequently as needed.

4. Parking Contracts/Lot Revenues

The City contracts with outside companies to manage the parking facilities owned by the City. The proposed scope of this audit will be to review those contracts for management services, the City's oversight of those contracts, and the collection/recording of the applicable revenues.

5. Information Security of City Computing Network

This audit will be a review of general and application controls over the City computing environment with emphasis on policies, procedures, and controls within the Information Systems Security Office.

6. Citywide Leave and Attendance

This is an audit of selected departments' processes for maintaining, reporting, and monitoring leave and attendance and includes policy compliance and adequacy of policy to address the disparate methods employed throughout the City. Special attention would be focused on internal controls.

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7. Citywide Accounts Receivable

The scope of the audit is to review the internal controls related to the City's accounts receivable processes (normal collections vs. write-offs, collection rate of external collectors, business practices of external collectors).

8. Treasurer-Clerk – Revenue Collections

The anticipated scope of the audit would be to review the internal controls related to collections received and processed through the Revenue Division.

9. Fleet Reserve Fund

This audit will address the policies related to the funding methodology of the Fleet Reserve Fund.

10. MBE Program Compliance – Selected Contractors

This audit, added during 2011 in response to a request from the City Manager, was to assess compliance of the City's MBE program on selected capital projects.

11. ISS – Backup and Recovery Process

The anticipated scope of the audit will be to review the selected Information Systems Services (ISS) internal controls related to the backup and recovery processes of the City's critical information systems and data and the ability to restore previously backed up data.

12. Fleet Billing

The anticipated scope of this audit would be to review the processes and internal controls related to the billing of departments for services provided by Fleet Services.

13. Citywide Travel

The anticipated scope of this audit would be to review compliance with the City's travel policies and procedures.

14. Aviation Capital Projects

The anticipated scope of the audit will be to review the project management processes over Aviation major construction projects.

Growth Management – PETS Replacement *(Deleted from plan due to the project being delayed by City Management. It will be considered in future audit plans.)*

The anticipated scope of the audit would have been to review the IT project management processes and selected internal controls related to the replacement of the permitting system (PETS).

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PS Financials (Accounts Payable Focus) – *(Deleted from plan due to limited resources. It will be considered in future audit plans.)*

The anticipated scope of the audit would have been focused on the security, functionality, and efficiency of the A/P modules. This application is the module used to procure City goods and services.

B. New Audit Projects for 2011-2012

1. Local Business Certification Program

The anticipated scope of the audit would be to review the progress and status of the newly implemented (in 2011) Local Business Certification Program as requested by the City Commission.

2. SEA Reporting (City Indices)

In 2011, the City issued its first Report to Citizens. This report identified Department mission, organization, goals and objectives, performance measures, revenues and expenditures, and accomplishments and challenges. For 2012, the City will issue its second report. The focus this year will be to add additional measures, incorporate citizen survey responses, and begin the process of using the measures to manage. This report was directed by the City Commission at a previous City Commission retreat and was accomplished with the assistance of all Appointed Officials.

3. Citizen Centric Report

With the assistance of the Appointed Officials, the City will issue its fifth citizen centric report. This four page report summarizes for the public city target issues, accomplishments, revenues and expenses, and challenges moving forward. The report is distributed to the public, other governments, and local elementary and middle schools.

4. Gaines Street Improvements Phase II

The City Auditor issued its first report of the project involving the renovations at Gaines Street in 2011. This is a fairly large project with community wide impact. The anticipated scope of the audit will be to continue our review the associated projects and management processes. We anticipate producing additional project progress reports until the project is completed.

5. Leases & Concessions / Facility Rental Revenues

The anticipated scope of the audit would be to review the processes, operations, and revenue collections, and associated internal controls related to selected leasing, concessions, and facility rental activities in the City.

6. Health Care Benefits & Claims

The anticipated scope of the audit would be to review the eligibility and compliance of health benefits and claims and the related internal controls.

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7. Stormwater

The anticipated scope of the audit would be to analyze collections to determine the sources and amounts collected. The audit will also review disbursements to determine amounts used for maintenance, capital improvements, and other uses. A determination will be made of compliance with applicable policies.

8. Red Light Cameras

The anticipated scope of the audit would be to review the Red Light Camera program for; adequacy of and compliance with applicable policies and procedures, compliance with applicable laws, adequacy of and compliance with internal controls over the program, inclusion of best practices in the program, a review of contract with vendors associated with the program, and a summary of the programs activities (including the number of tickets issued and the amount of fines levied and collected).

9. Segregation of Duties between Human Resources, Payroll, and Retirement

The anticipated scope of the audit would be to review the segregation of duties and other internal controls related to selected activities the processes performed in Human Resources, Payroll, and Retirement Divisions.

C. Follow-up Projects for 2011-2012

1. Citywide Disbursements 2009 (Fall)

This audit will follow up on our review of disbursements for the period July 1, 2008, through June 30, 2009.

2. Water Infrastructure (Spring)

This audit will follow up on our review of the process established to install, maintain, and track the City's water infrastructure.

3. Water Infrastructure (Fall)

This audit will follow up on our review of the process established to install, maintain, and track the City's water infrastructure.

4. Take-home Vehicles – Final (Spring)

This audit will follow up on our review of take-home vehicles.

5. Non-Pension Investments (Fall)

This audit will follow up on our review of activity and performance of the City's non-pension investments.

6. MBE and Vendor Preference Programs (Spring)

This audit will follow up on our review of the program for compliance, accomplishments, and identified benefits of selected programs in the city procurement process.

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7. Citywide Accounts Receivable (Spring)

This audit will follow up on our review of the internal controls related to the City's accounts receivable processes.

8. Parking Contracts/Lot Revenues (Spring)

This audit will follow up on our review of the City contracts with outside companies to manage the parking facilities owned by the City.

9. Electric Utility Reserves (Spring)

This audit will follow up on our review of the Electric Utility Reserves.

10. Gaines Street (Fall)

This audit will follow up on our review of the Gaines Street Revitalization Project.

11. Police Property & Evidence (Fall)

This audit will follow up on our review of the Tallahassee Police Department property and evidence function.

12. Police Property & Evidence (Spring)

This audit will follow up on our review of the Tallahassee Police Department property and evidence function.

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D. Audit Management and Administration

1. Other City Auditor Duties

This category describes the time that the City Auditor spends in attending meetings involving the responsibilities and activities of the Appointed Officials including attending Citizen Advisory Committee meetings, City Commission meetings, and joint meetings of the City and County. Through these meetings, the City Auditor obtains a greater understanding of City operations and the needs of the Commission.

2. Office Management/Support

This category includes the time of the administrative specialist in carrying out the administrative responsibilities of the office, as well as administrative duties of all audit staff. The administrative specialist is directly involved in the quality control processes relating to issuance of audit reports and directly assists in all phases of report production and distribution.

3. Quality Control Reviews (Internal and External)

This category includes the office staff time spent conducting quality control reviews of audit reports and work papers within our office and if we participate in other local government audit organizations (through the Association of Local Government Auditors).

4. Staff Development

Professional staff of the City Auditor's Office is required to obtain continuing professional education each year. In our audits, we follow Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States and the Standards for the Professional Practice of Internal Auditing issued by The Institute of Internal Auditors. In addition, staff must receive training in City systems in order to provide effective assurance and consulting services.

5. Approved Employee Leave

This category describes leave earned and taken each year as personal leave and leave taken for medical purposes.

6. Approved Holidays

This category of leave is for approved holidays for all staff.