



**FY17 Annual Audit Plan (Work Plan)
Presentation to City Council
October 11, 2016**

**Presented by
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AGENDA

- **Overview**
- **Objective**
- **Development of the FY17 Annual Work Plan**
- **FY17 Plan Details and Timeline**

OVERVIEW

We Work Together: Building A Well-Managed Government

The Audit Function plays a key and critical role in the function of government and works together with management in building a well-managed government. The Audit Function (The Office of the City Auditor) is part of Team Norfolk in Building a Well Managed Government through its role of evaluating, appraising, reviewing, inspecting, analyzing, and assessing government services, programs, and operations and providing feedback through recommendations and suggestions. As a group of independent professionals within government, the Audit Function adds value by increasing the level of confidence and trust citizens have in government. Therefore, the Audit Function is of great importance in making Team Norfolk a success in promoting accountability and transparency as the Council's vision and priorities are implemented.



Continued.....OVERVIEW

The Annual Plan presented each year is an instrument to officially document planned work of the Office of the City Auditor. It is impacted by other demand work such as fraud, waste, and abuse investigations, management requests, or other unforeseen needs or priorities. This year's plan is a combination of assessments at the operational level of bureau or divisions and at the program level of specific initiatives or programs. It includes 13 audits of which five are from the prior fiscal year and four are anticipated to go into FY18. Each year the plan builds in a number of surplus audits to offset any possible decreases in the workload as related to investigations or other demand work.



PLAN OBJECTIVE

- **Establishes the framework for audits to be conducted**
- **Guides activities and workflow of the City Auditor's Office**
- **Outlines area of audits focus**
- **Allows flexibility**

*The Plan is subject to change (unanticipated higher risk issues, inquiries-investigations, other priorities)



DEVELOPING THE PLAN

Audit Leads	Prior Audits Inquiries/Investigations Complaints City Financial Audit
Internal	City Auditor Staff Risk Assessment
External	Citizens Current Events Trends Other Localities State and Federal
Hotline Complaints	City Employees Citizens



Continued.....DEVELOPING THE PLAN

Management Concerns	City Administration City Departments City Agencies
City Council	Council Priorities Specific Requests

FY17 Audit Work Plan

1st Quarter (July, August, September 2016)

Audits

- Assessment of the Administrative Hurdles for the Norfolk Interagency Consortium
- Evaluation of the Challenges and Effectiveness of Management Controls for Citywide Contract Administration
- Evaluation of the Challenges and Effectiveness of Management Controls for the Citywide Maintenance Process
- Assessment of the Challenges and Effectiveness of Management Controls of the Detention Center
- Assessment of the Challenges and Effectiveness of Management Controls for Cemetery Operations



1st Quarter – Rollover Audits

1st Quarter FY17
(July - September)

2nd Quarter FY17
(October - December)

Administrative Hurdles: Norfolk
Interagency Consortium

Challenges/Effectiveness of Management
Controls: Citywide Contract Administration

Challenges/Effectiveness of Management Controls: Citywide
Maintenance Process

Challenges/Effectiveness of Management Controls: Detention
Center

Challenges/Effectiveness of Management Controls: Cemetery
Operations



FY17 Audit Work Plan

2nd Quarter (October, November, December 2016)

Audits

- Evaluation of the Challenges and Effectiveness of Management Controls for Citywide Contract Administration
- Evaluation of the Challenges and Effectiveness of Management Controls for the Citywide Maintenance Process
- Assessment of the Challenges and Effectiveness of Management Controls of the Detention Center
- Assessment of the Challenges and Effectiveness of Management Controls for Cemetery Operations
- Assessment of the Challenges and Effectiveness of the Administration of the City's Homeless and Poverty initiatives
- Evaluation of the Challenges and Effectiveness of Management Controls for the Operation of the Department of Development Program and Services



2nd Quarter – Rollover Audits

2nd Quarter FY17
(October - December)

3rd Quarter FY17
(January - March)

Challenges/Effectiveness of
Management Controls:
Citywide Contract
Administration

Challenges/Effectiveness of
Management Controls:
Citywide Maintenance
Process

Challenges/Effectiveness of
Management Controls: Detention
Center

Challenges/Effectiveness of
Management Controls: Cemetery
Operations



2nd Quarter – New Audits

2nd Quarter FY17
(October - December)

3rd Quarter FY17
(January - March)

4th Quarter FY17
(April - June)

Challenges/Effectiveness of
the Administration of the
City's Homeless and Poverty
initiatives

Challenges/Effectiveness of
Management Controls: Department of
Development Program and Services

FY17 Audit Work Plan

3rd Quarter (January, February, March 2017)

Audits

- Assessment of the Challenges and Effectiveness of the Administration of the City's Homeless and Poverty initiatives
- Evaluation of the Challenges and Effectiveness of Management Controls for the Operation of the Department of Development Program and Services
- Assessment of the Challenges and Effectiveness of the Administration of the City's Water Production and Water Distribution Processes
- Assessment of the Challenges and Effectiveness of the City's Procurement and Material Management Process
- Evaluation of the Challenges and Effectiveness of the Administration of the City's energy and green initiatives



3rd Quarter – Rollover Audits

3rd Quarter FY17
(January - March)

4th Quarter FY17
(April - June)

Challenges/Effectiveness of the Administration of the City's Homeless and Poverty initiatives

Challenges/Effectiveness of Management Controls: Department of Development Program and Services

3rd Quarter – New Audits

3rd Quarter FY17
(January - March)

4th Quarter FY17
(April - June)

Challenges/Effectiveness of the Administration of the City's Water Production/Water Distribution Processes

Challenges/Effectiveness of the City's Procurement and Material Management Process

Challenges/Effectiveness of the Administration of the City's energy and green initiatives

FY17 Audit Work Plan

4th Quarter (April, May, June 2017)

Audits

- Evaluation of the Challenges and Effectiveness of Management Controls for the Operation of the Department of Development Program and Services
- Assessment of the Challenges and Effectiveness of the Administration of the City's Water Production and Water Distribution Processes
- Assessment of the Challenges and Effectiveness of the City's Procurement and Material Management Process
- Evaluation of the Challenges and Effectiveness of the Administration of the City's energy and green initiatives
- Assessment of the Challenges and Effectiveness of the Administration of the City's Streets and Bridges Maintenance Program
- Assessment of the Challenges and Effectiveness of the Administration of CDBG Funds
- Assessment of the Challenges and Effectiveness of the Administration of the City's Ground and Urban Forestry Maintenance Service
- Evaluation of the Challenges, Hurdles and Opportunities for the City's Assessment Process



4th Quarter – Rollover Audits

4th Quarter FY17
(April - June)

Challenges/Effectiveness of the Administration of the City's
Water Production/Water Distribution Processes

Challenges/Effectiveness of the City's Procurement and
Material Management Process

Challenges/Effectiveness of the Administration of the City's
energy and green initiatives

4th Quarter – New Audits

4th Quarter FY17
(April - June)

Rollover to FY18
(1st Quarter)

Challenges/Effectiveness of the Administration of the City's Streets and Bridges Maintenance Program

Challenges/Effectiveness of the Administration of CDBG Funds

Challenges/Effectiveness: Administration of the City's Ground and Urban Forestry Maintenance Service

Challenges/Hurdles/Opportunities: City's Assessment Process

OTHER PROJECTS FOR FY17

- Inquiries-Investigations (Fraud, Waste and Abuse Hotline)
- Administration of External Audit Contract with KPMG
- Missing, Lost, Stolen Property Database
- Review of Disbursements/Credit Card Transactions
- Ethics Training
- Management or Council requests
- Other City Agencies request