

**FY 2015 Annual Audit Plan (Work Plan)**  
**Presentation to City Council**  
**August 26, 2014**

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Presented by  
John Sanderlin, City Auditor

# AGENDA

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- Purpose
- Development of the FY 2015 Annual Work Plan
- FY 2015 Plan Overview
- FY 2015 Plan Details
- Questions



# PLAN PURPOSE

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- Establishes the framework for audits and reviews
- Guides activities and workflow
- Outlines areas of audit focus
- Allows flexibility

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

# DEVELOPING THE PLAN

AUDIT LEADS	INTERNAL	EXTERNAL
Prior Audits	City Auditor Staff	Currents Events
Inquiries/Investigations	Internal Controls	Trends
Complaints		Other Localities
Quarterly Review of Revenue/Expenses		State/Federal Government
City Financial Audit		
External Reviews		

Continued...**DEVELOPING THE PLAN**

<b>MANAGEMENT CONCERNS</b>	<b>CITY COUNCIL CONCERNS/PRIORITIES</b>
City Administration	
City Departments	



# OVERVIEW OF THE PLAN

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AUDIT PROJECTS CONSIDERED	15
AUDIT PROJECTS RECOMMENDED	7

# AUDIT PROJECTS CONSIDERED

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- Citywide Maintenance Process
- Review of Fixed Assets and Property Control
- Facility Maintenance Operational Review
- Review of AFMS Controls-AFMS Management Service Agreement
- Review of PeopleSoft Controls-The moving of the PeopleSoft mainframe application to a PC Oracle server database application (web-base)
- Budget Controls
- Assessment of the Effectiveness of the ERC (Employee Relations Committee) Process



## Continued...AUDIT PROJECTS CONSIDERED

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- Management Controls – Fire-Rescue
- Effectiveness of Citywide Inventory Equipment Controls
- Effectiveness of the Building Access Card Control System
- Cost Saving Initiatives (The effects/outcome of outsourcing)
- The Effect of Centralization
- The Use of Consultants
- Review of Street and Bridges Operations (Department of Public Works)
- Management Controls – Human Resources



# NEW AUDIT PROJECTS FOR FY 2015

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- Assessment of Sub-recipients of the Community Development Block Grant Program Compliance with Established Regulations
- Evaluation of Property and Evidence Controls
- Assessment of the Administrative Hurdles for the Norfolk Interagency Consortium
- Evaluation of the Effectiveness of Controls for the Safety Program - Challenges to the City Safety Program

## Continued....NEW AUDIT PROJECTS FOR FY 2015

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- Semi-Annual Review of Disbursements
- Evaluation of the Effectiveness of Controls for Citywide Contract Administration
- Evaluation of the Effectiveness of Management Controls of the Department of General Services - Citywide Maintenance Process



# OTHER PROJECTS FOR FY 2015

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- Administration of Fraud, Waste and Abuse Program
- Administration of Annual Audit Control of External Auditors (KPMG) – City, Schools, and Economic Development Authority
- Participation on City Manager’s Strategic Workforce Analysis Team (SWAT)
- Ethics Training
- Fraud, Waste and Abuse Hotline Awareness Presentations
- Risk Management Training
- Missing, Lost, Stolen Property Database



# AUDIT PROJECTS CARRIED FORWARD FROM FY 2014 WORK PLAN (In Progress)

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- Management Controls of Third Party Billings (Norfolk Community Services Board)
- Effectiveness of Management Controls of City Leases
- Effectiveness of Management Controls of the Planning Department (Focus on Permits-Final Inspection Process-Challenges-Hurdles of the Permit Process)
- Effectiveness of Management Controls over the Scope Promotion Account - An Understanding of the Scope Promotion Accounts (Cultural Facilities, Arts and Entertainment)

Continued....AUDIT PROJECTS CARRIED FORWARD  
FROM FY 2014 WORK PLAN (In Progress)

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- Effectiveness of Management Controls of the Detention Center (Human Services)
- Transition Process for Norfolk Public Schools-Benefits (Shared Services Initiative)
- Management Controls of Before and After School Childcare Program (Department of Recreation, Parks and Open Spaces)
- Review Controls at the National Maritime Center (Nauticus)



# FY15 Audit Work Plan

## 1st Quarter (July, August, September 2014)

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### Audits

- Management Controls of Third Party Billings (Norfolk Community Services Board)
- Management Controls of Before and After School Childcare Program (Department of Recreation, Parks and Open Spaces)
- Effectiveness of Management Controls of City Leases
- Effectiveness of Management Controls of the Planning Department (Focus on Permits-Final Inspection Process-Challenges-Hurdles of the Permit Process)



# FY15 Audit Work Plan

Continued....1st Quarter (July, August, September 2014)

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## Audits

- Effectiveness of Management Controls over the Scope Promotion Account - An Understanding of the Scope Promotion Accounts (Cultural Facilities, Arts and Entertainment)
- Transition Process for Norfolk Public Schools-Benefits (Shared Services Initiative)
- Review Controls at the National Maritime Center (Nauticus)

# FY15 Audit Work Plan

1st Quarter (July, August, September 2014)

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## Other Projects

- Inquiries-Investigations (Fraud, Waste, and Abuse Hotline)
- Administration of External Audit Contract with KPMG
- Missing, Lost, Stolen Property
- Peer Review (External Quality Control Review)
- Participation on City Manager's Strategic Workforce Analysis Team (SWAT)



# FY15 Audit Work Plan

## 2nd Quarter (October, November, December 2014)

### Audits

- Assessment of the Administrative Hurdles for the Norfolk Interagency Consortium
- Transition Process for Norfolk Public Schools-Benefits (Shared Services Initiative)
- Evaluation of the Effectiveness of Controls for Citywide Contract Administration
- Effectiveness of Management Controls of the Detention Center (Human Services)



# FY15 Audit Work Plan

**2nd Quarter (October, November, December 2014)**

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## Other Projects

- Inquiries-Investigations (Fraud, Waste, and Abuse Hotline)
- Administration of External Audit Contract with KPMG
- Missing, Lost, Stolen Property
- Participation on City Manager's Strategic Workforce Analysis Team (SWAT)
- Peer Review (External Quality Control Review)
- Semi-Annual Review of Disbursements

# FY15 Audit Work Plan

## 3rd Quarter (January, February, March 2015)

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### Audits

- Assessment of Sub-recipients of the Community Development Block Grant Program Compliance with Established Regulations
- Evaluation of Property and Evidence Controls
- Evaluation of the Effectiveness of Controls for the Safety Program - Challenges to the City Safety Program
- Evaluation of the Effectiveness of Controls for Citywide Contract Administration
- Effectiveness of Management Controls of the Detention Center (Human Services)



# FY15 Audit Work Plan

3rd Quarter (January, February, March 2015)

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## Other Projects

- Inquiries-Investigations (Fraud, Waste, and Abuse Hotline)
- Administration of External Audit Contract with KPMG
- Missing, Lost, Stolen Property

# FY15 Audit Work Plan

## 4th Quarter (April, May, June 2015)

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### Audits

- Evaluation of the Effectiveness of Management Controls of the Department of General Services - Citywide Maintenance Process
- Assessment of Sub-recipients of the Community Development Block Grant Program Compliance with Established Regulations
- Evaluation of Property and Evidence Controls
- Evaluation of the Effectiveness of Controls for the Safety Program - Challenges to the City Safety Program



# FY15 Audit Work Plan

## 4th Quarter (April, May, June 2015)

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### Other Projects

- Inquiries-Investigations (Fraud, Waste, and Abuse Hotline)
- Administration of External Audit Contract with KPMG
- Missing, Lost, Stolen Property
- Semi-Annual Review of Disbursements

# QUESTIONS

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