



City of Arts & Innovation

Governmental Affairs Committee Memorandum

TO: GOVERNMENTAL AFFAIRS COMMITTEE **DATE: OCTOBER 5, 2016**
FROM: INTERNAL AUDIT DIVISION **WARDS: ALL**
SUBJECT: REVISED FISCAL YEAR 2016/17 AND 2017/18 AUDIT WORKPLAN

ISSUE:

Receive, review, provide input on, and recommend to the City Council approval of a revised Internal Audit Division two-year workplan for fiscal years 2016/17 and 2017/18.

RECOMMENDATIONS:

That the Governmental Affairs Committee receive, review, provide input on, and recommend to the City Council approval of a revised Internal Audit Division two-year workplan for FY2016/17 and FY2017/18.

LEGISLATIVE HISTORY:

The Governing Rules require that significant changes to the Internal Audit workplan be approved by the City Council through the Governmental Affairs Committee.

BACKGROUND:

On March 2, 2016 the Governmental Affairs Committee received, reviewed, provided input on and recommended that the City Council adopt a resolution approving the Internal Audit Governing Rules and the fiscal two-year workplan. On April 12, 2016, the City Council item passed unanimously.

DISCUSSION:

The expanded Internal Audit Services include Performance Audits, Advisory/Consulting engagements, and Monitoring of certain administrative functions/activities.

The Performance audits are selected based on an assessment of information pertaining to potential risks to the City from multiple sources (i.e., input from City Council, executive management, analysis of the City Budget, prior audit results and local or national issues). Prioritization is based on a variety of factors, including City Council and executive management priorities, community impact, available resources and timing. Performance audits are identified with preliminary objectives and estimated allocated resources and related hours in the Audit Workplan.

The Advisory/Consulting engagements/projects by their nature are difficult to pre-plan for the two fiscal years. Prioritization is based on input from the City Council and/or executive management and critical need for decision-making. Advisory engagements include the oversight of the annual

External Performance Audits and Financial Expenditure Review program, as well as the newly implemented Performance Measurement & Reporting program.

Monitoring of certain administrative activities has been included in the revised workplan to ensure adequate allocation of resources and related hours.

FISCAL IMPACT:

There is no fiscal impact associated with this report. The resources to accomplish the Internal Audit Workplan are included in the approved two-year operating budget.

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Certified as to
availability of funds: Scott G. Miller, PhD, Chief Financial Officer/City Treasurer
Approved by: Marianna Marysheva, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachment:

1. Revised Internal Audit Workplan for FY2016/17 and FY2017/18
2. Presentation