



City of Arts & Innovation

Governmental Affairs Committee Memorandum

TO: GOVERNMENTAL AFFAIRS COMMITTEE DATE: OCTOBER 3, 2018

FROM: OFFICE OF ORGANIZATIONAL PERFORMANCE AND AUDIT WARDS: ALL

SUBJECT: INTERNAL PERFORMANCE AUDIT WORK PLAN FOR FISCAL YEARS 2019 AND 2020 - DIRECT SUBMITTAL

ISSUES:

Receive, provide input on and recommend City Council approval of the Internal Performance Audit Work Plan for Fiscal Years 2019 and 2020.

RECOMMENDATIONS:

That the Governmental Affairs Committee:

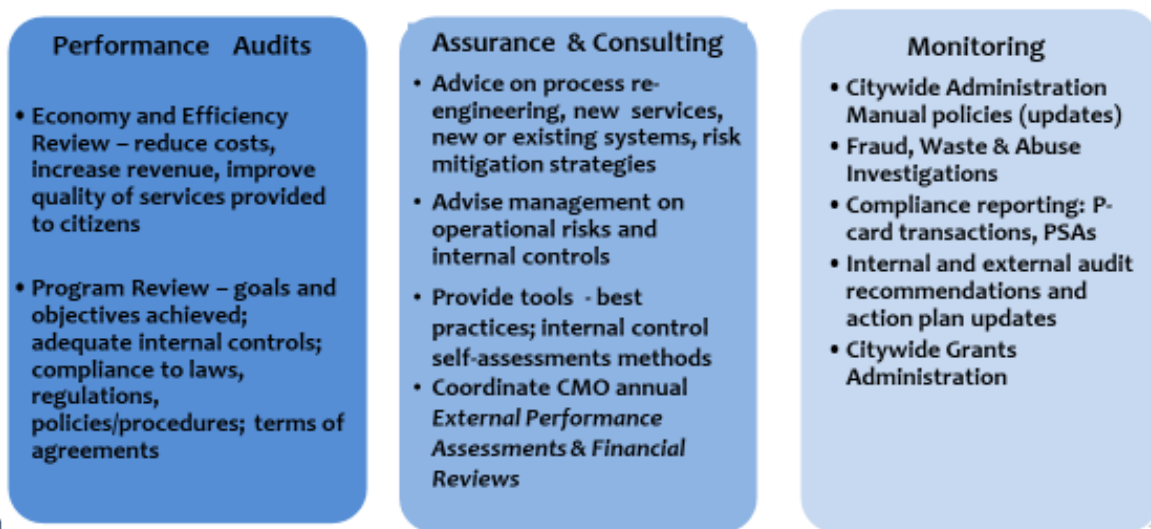
1. Receive the Internal Performance Audit Work Plan for Fiscal Years 2019 and 2020;
2. Provide input; and
3. Recommend that the City Council approve the Internal Performance Audit Work Plan for Fiscal Years 2019 and 2020.

BACKGROUND:

Internal Audit is an independent and objective assurance and consulting activity that is guided by a philosophy of adding value to improve the operations of the City of Riverside. It assists City Government in accomplishing its objectives through a systematic and disciplined evaluation of and improvements to the effectiveness of the organization's governance, risk management and internal controls.

The following chart outlines key activities and services conducted by Internal Audit:

INTERNAL AUDIT SERVICES



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On April 12, 2016, the City Council adopted Resolution 22988, establishing the Internal Audit Governing Rules. The Rules provide the framework for the conduct of the internal audit function as an independent and objective assurance and consulting activity guided by a philosophy of adding value to improve the operations of the City. They also ensure our office has direct access to the City Council.

The Governmental Affairs Committee reviews the two fiscal year performance audit work plan, provides input and recommends approval by the City Council. Upon completion of an internal audit, the final report, with management responses and action plan, is also presented to the City Council through the Governmental Affairs Committee.

DISCUSSION:

The two fiscal year audit work plan is a combination of performance audits in progress, planned audits based on assessment of risk factors, planned audits based on requests from executive management, and follow-up reviews of audits conducted in FY2016.

While assurance and consulting projects by their nature cannot be pre-planned, performance audits are identified with preliminary objectives based on staffing resources. We maintain the flexibility to amend the work plan as needed to address unforeseen or urgent issues in a timely manner.

The following table summarizes the Internal Performance Audit Work Plan for Fiscal Years 2019 and 2020:

Internal Performance Audit	Audit Objective
Asset Management of Mobile Devices - IT	Evaluate mobile device management practices and internal controls.
Software Asset Management - IT	Assess software asset management practices to ensure compliance with vendor

	agreements and license-tracking through the lifecycle.
Temp Agency Services & Compliance with CalPERS – All departments	Assess the overall management of temporary agency employees to ensure compliance with CalPERS; controls to reduce the risk of penalties/fines.
Utilization of City-Owned Commercial Leased Properties – General Services & CEDD	Determine the extent of effective and efficient management of the City's commercially leased vertical properties.
Sewer Laterals & City-Owned Trees Liability Assessment – Public Works	Determine options to reduce sewer lateral repair costs absorbed by the City.
Protecting Personally Identifiable Information (PII) – All departments	Evaluate the oversight and process for protecting PII that is collected and/or stored by the City.
Firefighter Work Schedule Optimization – Fire Department	Assess the firefighter and staffing work schedule based on best practices and NFPA guidelines.
Solid Waste Diversion by 2020 – Public Works	Evaluate progress in complying to the State mandate of 75% diversion by 2020
3-1-1 Call Center Operations – Public Utilities	Determine if the Call Center provides accurate and quality information to City departments; provides quality customer services; provides accurate and relevant performance data to management.
Development Impact Fees - CEDD	Assess overall management process and accounting.
Follow-Up on various FY2016 Audits	Assess the status and quality of implementation for each recommendation.

FISCAL IMPACT:

There is no fiscal impact associated with this report. Resources to accomplish the internal performance audit work plan is included in the two-year operating budget.

Prepared by: Cheryl Johannes, Office of Organizational Performance & Audit Manager
 Certified as to
 availability of funds: Edward Enriquez, Interim Chief Financial Officer/Treasurer
 Approved by: Al Zelinka, FAICP, City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Attachment:
 1. Presentation