

Mission

The City Auditor's office provides audit, consulting, and investigative services to identify and minimize risks, maximize efficiencies, improve internal controls, and strengthen accountability to Mesa's citizens.

Audit Plan Purpose and Considerations

The Audit Plan is a Council-approved document which outlines the planned activities of the City Auditor's office for the year. Factors considered when selecting audits may include:

- Requests or suggestions received from the City Council or City Manager.
- Statutory mandates and/or volume of regulations (highly regulated vs. unregulated).
- Prior audit history or lack thereof.
- Activities commonly susceptible to fraud.
- Complexity of operations, significant changes in operations, or high turnover.
- Cash handling volume and number of locations.
- Impact and likelihood of potential adverse events (risk management/control failures).

The Audit Plan intentionally exceeds our capacity by approximately 20%, to provide flexibility to adjust the timing of a project to accommodate the needs of the client, while also managing our resources most efficiently. Audits which are not completed in the current year may be carried forward to the next year, as is the case with three of this year's audits*.

Audits Planned for FY 2020/2021

Audit Subject Area	Initial Objectives
* Business Services/ Purchasing Division – Procurement Processes	Determine whether effective controls are in place to prevent or detect errors, fraud, waste, or abuse, and ensure compliance with policies, statutes, and other applicable requirements.
* DoIT– Software/ Application Management	Determine whether effective controls are in place to ensure all applications used to conduct City business are licensed, inventoried, and meet City IT security standards.
*Engineering – Job Order Contracting (JOC)	Determine whether JOC projects are administered in accordance with established criteria; and whether there are effective internal controls to prevent or detect errors, fraud, waste, or abuse.
Police Department – Badging/Security Access	Determine whether effective controls are in place to ensure that building/suite access is managed appropriately to prevent unauthorized access to City facilities.
Falcon Field – Leases	Determine whether effective controls are in place to ensure revenues are accurately calculated, recorded, and collected; to prevent or detect errors, fraud, waste, or abuse, and ensure compliance with policies, statutes, and other applicable requirements.
Fleet – Parts Management	Determine whether effective controls are in place over parts management to prevent or detect errors, fraud, waste, or abuse and ensure compliance with policies and other applicable requirements.

FY 2019/2020 Work in Progress (as of 6/30/2020)

- MFMD – Transport Services & Billing
- Engineering – CMAR Projects
- Engineering – CIP Mesa
- Police – Photo Safety Program

Follow-up Reviews Due in FY 2019/2020

<ul style="list-style-type: none"> • Police – Jail Services Contract • PRCF – Convention Center Revenues • HR/Employee Benefits – Claims Admin. Contract • Transient Lodging Tax 	<p>The objective of each follow-up review is to verify that corrective actions agreed to in response to the audit were:</p> <ol style="list-style-type: none"> 1) Implemented as agreed; and 2) Effective in resolving the underlying audit findings.
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Other Activities

Citywide Cash Audits	Unannounced audits of cash handling sites citywide throughout the year.
Payment Card Industry Data Security Standards (PCI DSS) Operational Review	Annual review of payment card acceptance sites for PCI DSS compliance.
Fraud & Ethics Hotline Investigations	Monitor the City's Fraud & Ethics Hotline and conduct investigations when necessary.
Consulting Services	Provide independent consulting/advisory services; data collection, validation, or analysis; internal control reviews; risk analyses; financial statement reviews; etc. as needed.
Unscheduled Audits	As directed by the City Council or City Manager, conduct unscheduled audits, which may arise due to unforeseen circumstances.