



**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, City Manager, or department directors.
- Statutory mandates and/or volume of regulations (highly regulated vs. unregulated).
- Prior audit history or lack thereof.
- Activities commonly susceptible to fraud.
- Complexity or significant changes in operations.
- 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 Planned for FY 2023/2024**

<b>Audit Subject Area</b>	<b>Initial Objectives</b>
*Citywide – Intergovernmental Agreements Cost Recovery	Determine whether effective controls are in place for select City of Mesa intergovernmental agreements to ensure costs are recovered in accordance with the applicable agreement and any other applicable policies, statutes, and other requirements.
*Human Resources – Hiring & Recruitment Practices	Determine whether Human Resource’s hiring and recruiting practices are consistent with industry standards and are sufficient to comply with applicable policies, statutes, and other requirements.
Financial Services/Engineering – Community Facilities Districts	Determine whether issued bonds for the City’s Community Facilities Districts were used to only reimburse projects in compliance with applicable policies, statutes, and other requirements.
Engineering – ASU Facilities at Mesa City Center Post-Construction	Determine the City’s total cost incurred, and funding sources used, for design, construction, and any related capital improvements for the Arizona State University Facilities at Mesa City Center.
Arts & Culture – Mesa Art Center Revenues	Determine whether effective controls are in place to ensure all due fees and charges are accurately calculated, recorded, and collected. The audit may also include other operational and contract performance objectives.
City Attorney – VOCA Program	Determine whether effective controls are in place to properly administer the Victims of Crime Act Crime Victim Assistance Program

	in accordance with applicable policies, statutes, and other requirements.
City Clerk – Public Records Requests	Evaluate the effectiveness of the public records request process administered by the City Clerk’s office to comply with applicable policies, statutes, and other requirements.
Police Department – Mental Health Services Team	Evaluate the internal controls of the Mental Health Services Team and determine whether they are operating effectively in accordance with applicable policies, statutes, and other requirements.
Water Resources – Annual Ordering and Reporting	Review the processes and procedures in place for the Water Resources department’s annual water ordering and reporting process to ensure compliance with applicable polices, statutes, other requirements; and identify any potential efficiencies with the ordering and reporting process.

\* These audits were not completed during the previous audit period and will be carried forward to this year’s audit plan.

**FY 2022/2023 Work in Progress (as of 6/30/2023)**

<ul style="list-style-type: none"> <li>• Police Department – Criminal Investigations Case Management</li> <li>• DoIT – Cybersecurity</li> <li>• DoIT – Remote Access</li> <li>• Citywide – Take Home Vehicles</li> <li>• Citywide – Special Pay Programs</li> </ul>
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**Follow-up Reviews Due in FY 2023/2024**

<ul style="list-style-type: none"> <li>• DoIT – Software/Application Management</li> <li>• PRCF – Mesa Tennis &amp; Pickleball Center Revenues</li> <li>• Police – Badging/Security Access</li> <li>• Police – Property &amp; Evidence</li> <li>• Transportation – Street Maintenance</li> </ul>	The objective of each follow-up review is to verify that corrective actions agreed to in response to the audit were: 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. Issue a report every 2 years.
Annual Credit Card Security 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.