City Auditor

Presentation to the Audit, Finance and Enterprise Committee
April 4, 2024
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Reports Issued Dec 2023 – Mar 2024

PRCF – Mesa Tennis and Pickleball Center Revenues Follow-up Review

Police – Property and Evidence Follow-up Review

Citywide – Annual Credit Card Security Review

PRCF – Mesa Tennis and Pickleball Center Revenues Follow-up Review

Report Date: 12/5/2023

A follow-up review to ensure action plans were successfully implemented.

PRCF – Mesa Tennis and Pickleball Center Revenues Follow-up Review

What did we find?

Status of recommendation from September 2022 report:

✓ Develop and implement the following policies and procedures:

- Require a supervisory review of all activity codes created.

- Provide guidance on the proper tax rates to apply to services provided.

- Review tax withholding amounts for reasonableness and ensure rates were properly applied.

✓ Implemented

Police – Property and Evidence Follow-up Review

Report Date: 3/5/2024

A follow-up review to ensure action plans were successfully implemented.

Police – Property and Evidence Follow-up Review

What did we find?

Status of recommendation from March 2023 report:

◆ Revise existing policies and procedures to address the timely disposal of property and evidence, such as:

- Defining specific time periods and/or quantity thresholds to initiate the disposal process, including items authorized but not yet removed and those that have been removed but not yet verified.

- Establish a transport/drug burn schedule that is conducive to the number of items authorized for destruction.

◆ Partially Implemented

Citywide – Annual Credit Card Security Review

Report Date: 1/17/2024

A citywide review of operational compliance with Payment Card Industry Data Security Standards (PCI DSS).

Citywide – Annual Credit Card Security Review

What is PCI DSS?

Why do we review this every year?

- Payment Card Industry Data Security Standard: A comprehensive system of operational and technological controls designed to protect cardholder data.

- Applies to any organization that accepts, transmits, or stores any cardholder data.

- Annual assessments are required.

- Compliance is a constant challenge due to staff turnover and evolving requirements.

Citywide – Annual Credit Card Security Review

What did
we review?

Compliance with <u>operational</u> requirements:

- Screening and training all employees and volunteers who handle cardholder data.

- Maintaining and enforcing PCI DSS compliant policies and procedures at all acceptance sites.

- Mitigating risks related to contracted third-party payment processing service providers.

- Remediating non-compliance when found.

Citywide – Annual Credit Card Security Review

Follow-up:
What did
we find?

Last year's recommendation was successfully implemented:

- ✓ Complete credit card handling training within required timeframes. (PRCF)

✓ Implemented

Citywide – Annual Credit Card Security Review

This year:
What did
we find and
recommend?

This year's review found:

- Minimal issues related to credit card training.

- Overall, effective processes in place to comply with PCI DSS requirements.

Questions?