

## **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 one of this year's audits\*.

## **Audits Planned for FY 2021/2022**

<b>Audit Subject Area</b>	<b>Initial Objectives</b>
* 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.
PRCF – Mesa Tennis Center	Determine whether effective controls are in place to ensure all due fees and charges are accurately calculated, recorded, and collected.
Police Department – Property and Evidence	Determine whether effective controls are in place to ensure that property and evidence are properly documented, secure, and available when needed; and ensure compliance with applicable policies, statutes, and other requirements or recommended practices.
Police Department – Criminal Investigations Case Management	Determine whether effective controls are in place to ensure that cases are properly assigned, investigated, and disposed of in accordance with applicable policies, statutes, and other requirements.
DoIT – Remote Access	Determine whether effective controls are in place to ensure risks related to remote access to the City's network are minimized and connectivity between the network and remote users is secure.

## Proposed Audit Plan Fiscal Year 2021/2022

Transportation – Street Maintenance	Determine whether effective controls are in place to ensure proper maintenance of City streets in accordance with applicable policies, statutes, and other requirements.
Community Services/Housing & Community Development – VASH Program	Determine whether effective controls are in place to properly administer the Veteran Affairs Supporting Housing Voucher (VASH) program in accordance with applicable policies, statutes, and other requirements.

### **FY 2020/2021 Work in Progress (as of 6/30/2021)**

- DoIT – Software/Application Management
- Fleet – Parts Management
- Business Services/Purchasing Division – Procurement Processes
- Police Department – Badging/Security Access
- PCI DSS Annual Review

### **Follow-up Reviews Due in FY 2021/2022**

<ul style="list-style-type: none"> <li>• PRCF – Convention Center Revenues</li> <li>• HR/Employee Benefits – Claims Admin. Contract</li> <li>• Transient Lodging Tax</li> <li>• Engineering – CMAR Projects</li> <li>• Engineering – JOC Projects</li> <li>• Police – Photo Safety Program</li> <li>• MFMD – Medical Transportation Services &amp; Billing</li> </ul>	<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"> <li>1) Implemented as agreed; and</li> <li>2) Effective in resolving the underlying audit findings.</li> </ol>
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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.