



June 22, 2021

Mayor and City Council:

Enclosed is the proposed Audit Plan covering Fiscal Year 2021-22 for the City's Independent Internal Audit Program (IIAP). The plan includes a total of 14 audits. 6 audits will be conducted using internal resources and 8 audits will be conducted using contracted third-party firms.

In developing this plan, IIAP staff conducted a risk assessment guided by a defined criterion, that included input from department directors, evaluation of control effectiveness as well as local government audit industry trends. This effort resulted in an extensive list of potential areas for audit within the City. We then prioritized these potential areas based on the result of the risk assessment and developed the enclosed proposed audit plan.

IIAP staff believes this plan provides adequate coverage across City departments programs and activities and recognizes concerns of the Council and Management.

This proposed plan was discussed and approved at the June 3, 2021 Council-appointed Audit Committee meeting. As required by the City Code, I am now requesting approval of the proposed plan by the full Council.

Respectfully Submitted,

Khala Stanfield, MBA  
Director, Organizational Performance

**Proposed FY2021-22 Audit Plan**

**City Council**

**June 22, 2021**

<b>Department</b>	<b>General Risk Theme</b>	<b>Audit Area/Possible Audit Objective</b>	<b>Internal Resources or External Firm</b>	<b>Audit Type</b>
Housing - Facilities Management	Housing Management and Maintenance	Facilities management program evaluation (Housing only); review the process, controls in place and performance to determine efficiency and effectiveness including best practice standards. Review Maintenance process and procedures.	External Firm	Performance
Transportation - Intelligent Transportation Systems (ITS)	Intelligent Trans System (ITS)	ITS program evaluation to determine the efficiency and effectiveness of ITS including traffic signal and traffic flow operations including outsourcing counts and studies, reporting and incident management and preventive maintenance. Perform limited compliance review.	External Firm	Performance
HR & Risk Management	Risk Management training program evaluation	Audit of risk management and training program and compliance with City policies and procedures.	External Firm	Performance

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Engineering	Capital Improvement (CIP) Program	CIP Program Evaluation to determine the efficiency and effectiveness of CIP process, including CIP planning, delivery, leveraging leading practices, and reporting process.	External Firm	Performance
Budget & Finance	Contract Compliance and Performance	Review and evaluate effectiveness of contract compliance and performance	External Firm	Performance & Compliance
Innovation & Technology	IT Security	Perform a review of cyber incident management and disaster recovery process. Evaluate compliance with relevant regulations and standards. Assess how IT is leveraging leading practices.	External Firm	Performance & Compliance
Transportation - Transit	City Transit Program	City Transit Program Evaluation - Review the transit process to determine efficiency and effectiveness of the transit process including fare collection, performance and compliance with relevant laws and regulations.	External Firm	Performance & Compliance

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Field Ops - Fleet Management	Fleet Management Program	Fleet Management Program Evaluation - Departments see approx 40% markup for maintenance; are rates appropriate; are there opportunities to co-source certain services; are policies regarding 'take home' vehicles being followed; policy to rent vs. using an assigned vehicle for in state travel may be more costly; appropriate controls regarding 'pool' vehicles (validation employee is eligible to drive); log tracking of pool vehicles to employees who use them (best practice of predicted miles vs. actual miles).	External Firm	Performance

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Budget & Finance	Arizona Sports and Tourism Authority Contract	Annual review of cash management process across the City as part of continuous monitoring.	Internal Resources	Compliance
Budget & Finance	Cash Management	Annual review of cash management process across the City as part of continuous monitoring.	Internal Resources	Compliance
Budget & Finance	Purchasing Cards	Review (including data analytics) of purchase card process and analysis of transactions and controls.	Internal Resources	Performance & Compliance
Budget & Finance - Accounting/Grants	Payroll process	Review (including data analytics) on payroll and timesheets.	Internal Resources	Performance & Compliance
HR & Risk Management	Telecommuting Policy and Compliance	Review Telecommuting process for compliance with City policies and other relevant regulations. Evaluate monitoring of telecommuting process across the city on a sample basis.	Internal Resources	Compliance
Public Facilities, Recreation and Special Events	Park Ranger Program Evaluation	Parks Ranger Program Evaluation - Comparative metrics to other jurisdictions (Park Ranger use and effectiveness)	Internal Resources	Performance