

**City of Carson City
Request for Board Action**

Date Submitted: 09/09/14

Agenda Date Requested: 09/18/14

Time Requested: 20 minutes

To: Mayor and Supervisors

From: Nick Providenti, Finance Director
Michael Bertrand, Audit Committee Chairman

Subject Title: For Possible Action: Discussion and possible action to accept the Audit Committee's recommendation to fund the Employee Efficiency Study being performed by Moss Adams using \$20,000 from the FY 2015 Internal Audit Budget, \$7,000 from the FY 2015 Sheriff's General Fund budget and \$25,000 from the FY 2015 General Fund Contingency account. (Michael Bertrand)

Staff Summary: The Audit Committee met on August 12, 2014 and discussed the funding of the Employee Efficiency Study. The current FY 2015 Audit Plan Budget consists of:

• Basic Internal Auditor Services	\$10,000
• Internal Controls Review	\$40,000
• Strategic Planning (Ph.2)	\$30,000
• FWA Program Coordination	\$10,000
• Project TBD	<u>\$20,000</u>
Total	\$110,000

The Audit Committee is recommending that Moss Adams continue with the projects listed above and use the \$20,000 of "Project to be determined" for the Employee Efficiency Study, along with the other funding sources listed above.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Specify)

Does this action require a Business Impact Statement: () Yes (X) No

Recommended Board Action: I move to accept the Audit Committee's recommendation to fund the Employee Efficiency Study being performed by Moss Adams using \$20,000 from the FY 2015 Internal Audit Budget, \$7,000 from the FY 2015 Sheriff's General Fund budget and \$25,000 from the FY 2015 General Fund Contingency account. (Michael Bertrand)

Explanation of Recommended Board Action: See Staff Summary.

Applicable Statute, Code, Policy, Rule or Regulation: N/A

Fiscal Impact: \$52,000

Explanation of Impact: For FY 2015 the following budgets will be reduced: Internal Auditor Budget by \$45,000 and Sheriff General Fund budget by \$7,000. A budget augmentation will need to be done moving money from the General Fund Contingency account to the Internal Auditor Professional Services account in the amount of \$25,000.

Funding Source: The General Fund Internal Audit Professional Services account will be reduced by \$45,000 and the Sheriff's Office Professional Services account will be reduced by \$7,000. A budget augmentation will also have to be done moving \$25,000 from the Contingency Account to the Internal Audit Professional Services account.

Alternatives: Do not accept the recommendations and have the Audit Committee reprioritize projects for FY 2015 to stay within the \$110,000 budget.

Supporting Material: Memo from Moss Adam

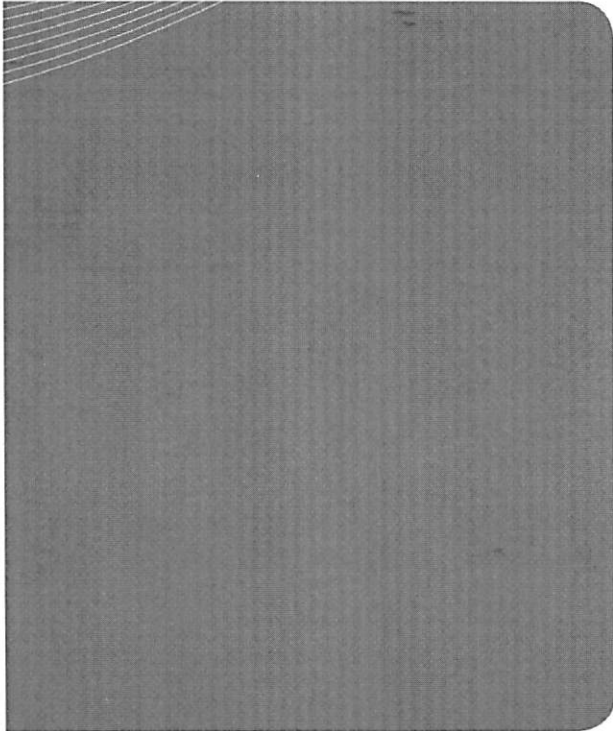
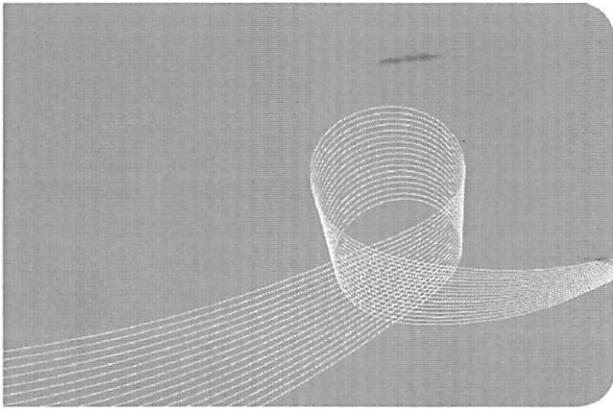
Prepared By: Nick Providenti

Reviewed By: Nancy Paulson Date: 9/9/14
(Department Head)
: Nicholas Mikund Date: 9/9/14
(City Manager)
: [Signature] Date: 9/9/14
(District Attorney)
: Nancy Paulson Date: 9/9/14
(Finance Director)

Board Action Taken:

Motion: _____ 1) _____ Aye/Nay
2) _____

(Vote Recorded By)



A large, prominent abstract graphic of a white wireframe loop on a dark grey background, occupying the right side of the page. The loop is more complex and multi-layered than the smaller versions in the left panels, with many overlapping lines that create a dense, three-dimensional structure.

Carson City

Board of Supervisors Meeting
FY 14-15 Internal Audit Plan Update
September 18, 2014

MOSS ADAMS LLP
Certified Public Accountants | Business Consultants

Acumen. Agility. Answers.



AGENDA

- I. FY 14-15 Audit Plan Budget
- II. Employee Efficiency Study Funding
- III. FY 14-15 Audit Plan Schedule



I. FY 14-15 AUDIT PLAN BUDGET



I. FY 14-15 AUDIT PLAN BUDGET

- Basic Internal Auditor Services: Attend Audit Committee and Board of Supervisors (BOS) meetings; track City responses to audit findings and recommendations (52 weeks, \$10,000)
- Internal Controls Review: Conduct a review of the City's internal controls framework focusing on selected key controls in areas deemed important to protecting the City's assets and resources and processing and reporting timely financial information (12-14 weeks, \$40,000)
- Strategic Planning: Work with the City Manager, Deputy City Manager, and Department Heads to update the City's strategic plan and update KPIs as required to align with priority strategies (14-16 weeks, \$30,000)
- Fraud, Waste, and Abuse (FWA) Program Coordination: Perform duties such as reviewing and investigating hotline calls, overseeing the distribution of response activities, coordinating with staff, and reporting FWA activities to the Audit Committee and BOS (52 weeks, \$10,000)
- Project TBD: Contribution towards the Employee Efficiency Study requested by the BOS (\$20,000)



II. EMPLOYEE EFFICIENCY STUDY FUNDING

