



Carson City

FY 15-16 Internal Audit Program
Board of Supervisors Meeting
June 18, 2015

MOSS ADAMS_{LLP}

Certified Public Accountants | Business Consultants

Acumen. Agility. Answers.

AGENDA

- I. Introduction
- II. Internal Audit Program Review
- III. FY 15-16 Internal Audit Plan

I. INTRODUCTION

- The City retained Moss Adams LLP in January 2012 to serve as the designated City Auditor and conduct projects focusing on:
 - Efficiency and effectiveness
 - Management reviews
 - Best practices
 - Compliance
- Work is being completed under the standards from the Institute of Internal Auditors (IIA) and the AICPA's consultancy standards

II. INTERNAL AUDIT PROGRAM REVIEW

<u>Project</u>	<u>Year</u>	<u>Status</u>
• Risk Assessment	2012	Guided future projects
• Public Defender Study	2012	No action taken
• Eagle Valley Golf Study	2012	Resolved revenue issue
• Community Facilities Study	2012	Requires BOS guidance
• Fleet Efficiency Study	2013	13 of 24 findings completed
• Fleet Utilization Study	2013	8 of 12 findings completed
• FWA Program Development	2013	Program implemented
• Performance Metrics	2013	Initial metrics developed
• Employee Efficiency Study	2014	14 of 27 findings completed
• Internal Controls Review	2014	Management developing plan
• Strategic Planning	2014	Plan adopted by BOS

III. FY 15-16 INTERNAL AUDIT PLAN

III. FY 15-16 INTERNAL AUDIT PLAN (CONT.)

- Cash Handling/Revenue Collection Improvement: Sample and test cash handling, assist with policy/procedure update, and provide training (12 weeks, \$25,000)
- Payroll Testing: Sample and test transactions for a three month period and establish ongoing monitoring procedures (6 weeks, \$10,000)
- P-Card Testing: Sample and test transactions for a three month period and establish ongoing monitoring procedures (6 weeks, \$10,000)
- Policies/Procedures Updates: Establish process for ongoing review and update of policies and procedures and initiate priority policy/procedure updates (16 weeks, \$35,000)

III. FY 15-16 INTERNAL AUDIT PLAN (CONT.)

- TBD: Use of budget to be determined, possibilities include additional work on performance metrics, development of policies and procedures, or conducting additional audits (\$15,000)
- Ongoing Internal Auditor Services: Attend Audit Committee and Board of Supervisors (BOS) meetings; track City responses to audit findings and recommendations (52 weeks, \$10,000)
- 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, \$5,000)

III. FY 15-16 INTERNAL AUDIT PLAN (CONT.)

#	Process	Fees	7-9/15	10-12/15	1-3/16	4-6/16
1	Cash/Revenue Collection Improvement	\$25,000				
2	Payroll Testing	\$10,000				
3	P-Card Testing	\$10,000				
4	Policies/Procedures Updates	\$35,000				
5	TBD	\$15,000				
6	Ongoing Internal Auditor Services	\$10,000				
7	FWA Program Coordination	\$5,000				
	Total	\$110,000				