



STAFF REPORT

Report To: Board of Supervisors

Meeting Date: 08/16/18

Staff Contact: Sheri Russell , Chief Financial Officer (srussell@carson.org)

Agenda Title: For Possible Action: To direct the City's retained internal auditor Eide Bailly, LLP to proceed with certain audit projects for Fiscal Year 2019 consistent with the discussion of the Audit Committee's last meeting, including a Risk Assessment Evaluation, Fire Overtime Study, Temporary Staffing Study, Cybersecurity, Follow-up on Prior Year Internal Audit Findings, and Fraud Waste and Abuse (FWA) Program Coordination. (Sheri Russell, srussell@carson.org)

Staff Summary: Eide Bailly, LLP made recommendations for future projects to the Audit Committee at their July 31, 2018 meeting. The Committee discussed those recommendations and the members were in agreement that Eide Bailly, LLP should perform internal audit projects including a Risk Assessment Evaluation, Fire Overtime Study, Temporary Staffing Study, Cybersecurity, Follow-up on Prior Year Internal Audit Findings, and Fraud Waste and Abuse (FWA) Program Coordination.

Agenda Action: Formal Action/Motion

Time Requested: 15 minutes

Proposed Motion

I move to direct Eide Bailly, LLP, to proceed with internal audit projects for Fiscal Year 2019 including a Risk Assessment Evaluation, Fire Overtime Study, Temporary Staffing Study, Cybersecurity, Follow-up on Prior Year Internal Audit Findings, and Fraud Waste and Abuse (FWA) Program Coordination.

Board's Strategic Goal

Efficient Government

Previous Action

N/A

Background/Issues & Analysis

Applicable Statute, Code, Policy, Rule or Regulation

N / A

Financial Information

Is there a fiscal impact? Yes No

If yes, account name/number: General Fund, Internal Audit Department, Account #101-0800-415-03-09.

Is it currently budgeted? Yes No

Explanation of Fiscal Impact: \$110,000 budgeted for FY 19.

Risk Assessment Evaluation - \$23,500

Fire Overtime Study - \$23,500

Temporary Staffing Study - \$23,500

Cybersecurity review - \$16,175

Audit Findings Validation - \$9,500

FWA Program Coordination - \$5,000

Contingency - \$8,825

NOTE: Eide Bailly estimated 200 hours on all projects, with the exception of the Cybersecurity project, which they estimated at 150 hours. Project will be billed by hours spent and savings will fall to contingency to be spent on future projects.

Alternatives

Do not accept the recommendations and/or make different recommendations.

Board Action Taken:

Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)



Internal Audit Proposed Schedule for 2018-2019

Internal Audit Proposed Schedule	Budget Amount	Budget Hours
Risk Assessment Evaluation - Interviews with department directors/elected officials to perform update risk assessment to evaluate risks to the City	\$ 23,500	200
Accounts Receivable - Review of operations and internal controls	\$ 23,500	200
Contracts - Review of operations and internal controls	\$ 23,500	200
Fire Overtime Study - Review of operations and internal controls	\$ 23,500	200
Temporary Staffing Study - Review of operations and internal controls	\$ 23,500	200
Grants Review - Review of operations and internal controls surrounding the compliance of grants	\$ 23,500	200
Cybersecurity - Review of operations and internal controls	\$ 16,175	150
Follow-up on Prior Year Internal Audit Findings	\$ 9,500	100
Contingency	\$ 9,500	100