

Audit Schedule  
July 1, 2020 through June 30, 2021



Office of the City Auditor  
2401 Courthouse Drive, Room 344  
Virginia Beach, Virginia 23456  
757.385.5870

*"Promoting Accountability and Integrity in City Operations"*

**Office of the City Auditor  
FY 2021 Audit Schedule**

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## **Office of the City Auditor FY 2021 Audit Schedule**

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The Office of the City Auditor is an independent appraisal function responsible for financial, attestation engagements and performance audits of City programs, functions and activities. Other responsibilities include: oversight and management of the City's external audit contract; coordination of the City's fraud, waste and abuse prevention and reporting program; and, technical and advisory services. The audit services provided by the Office enhance efficiency and effectiveness of City operations, ensure compliance with federal, state and local laws and regulations, and assist in maintaining an internal control framework which reduces the risk of loss to the City.

### **Mission**

The mission of the Office of the City Auditor is to promote accountability and integrity in City operations by providing quality audit services.

### **Powers and Duties; Scope of Audits (per City Code 2-466)**

The City Auditor shall have authority to conduct financial and performance audits of departments, offices, boards, activities, agencies, programs and systems of the entity to independently and objectively determine, depending on the scope and type of audit, whether:

- (a) Activities and programs being implemented have been authorized by government charter or code, state law or applicable federal law or regulations and are being conducted and funds expended in compliance with applicable laws and regulations;
- (b) The department, office, or agency is acquiring, managing, protecting, and using its resources, including public funds, personnel, property, equipment, technology and space, economically, efficiently, and effectively and in a manner consistent with the objectives intended by the authorizing entity or enabling legislation;
- (c) The entity, programs, activities, functions, or policies are effective, including the identification of any causes of inefficiencies or uneconomical practices;
- (d) The desired result or benefits are being achieved;
- (e) Financial and other reports are being provided that disclose fairly, accurately, and fully all information required by law, to ascertain the nature and scope of programs and activities, and to establish a proper basis for evaluating the programs and activities including the collection of, accounting for, and depositing of, revenues and other resources;
- (f) Management has established adequate operating and administrative procedures and practices, accounting systems or internal control systems and internal management controls; and
- (g) Indications of fraud, waste and abuse are valid and need further investigation.

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**Audit Committee**

To ensure organizational independence, the City Auditor reports to City Council through an Audit Committee. The Audit Committee consists of five (5) members: two (2) non-voting City Council Members and three (3) voting citizen members who are appointed by City Council. The members of the FY 2020 Audit Committee are:

Council Member Jim Wood  
Council Member Louis Jones  
Committee Chair Sharon Brown, CPA, CIA, CFE  
Karen Hill, CPA, CIA, CISA, CCSA  
Emilson Espiritu

**Project Planning and Selection**

Determining which areas to focus limited audit resources is the key to a successful audit function. With this in mind, the Office of the City Auditor uses a multi-faceted approach to project planning and selection. Our process includes (1) assessing audit risk; (2) soliciting input from City leadership; and (3) reviewing departmental requests.

The Office has developed an enterprise audit risk model, which provides an in-depth assessment of audit risk based on our evaluation of indicators in the following business risk areas:

Risk Factors	Weight
1. Complexity of Operations	.10
2. Regulatory Compliance	.10
3. Turnover of Key Personnel	.10
4. Time Expired Since Last Audit	.10
5. Council/Management Concern	.15
6. Public Image	.10
7. Rapid Growth	.15
8. Financial Exposure	.20

We organized our model by auditable units (primarily City programs) within departments. Data was collected for each auditable unit in order to evaluate the program's inherent risk. Inherent risk refers to the business or other risks present in an organization or program due to the nature of the services or activities performed. A list of the auditable units is provided in Appendix I.

Our evaluation included gathering and analyzing data from various sources (i.e., management, employee surveys, budgets, financial reports, and the City programs themselves). We, then, used these results, in conjunction with input from City leadership, departmental requests, and audit staff to develop our audit plan for the FY 2021.

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**Planned Projects**

The following provides an overview of the planned projects for the fiscal year ending June 30, 2021. The planned scope of these projects is subject to change based on the results of the audit planning phase.

<b>Projects</b>	<b>Type</b>
<b>1 COVID 19 City Economic Support (Business) – EDIP Part E Grants</b> Review of the selection and approval process of these grants. <i>[Economic Development]</i>	Attestation
<b>2 COVID 19 City Economic Support (Individuals) – Utilities</b> Review of the management and application of funds related to this program. <i>[Various]</i>	Attestation
<b>3 Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020</b> Review of the management and accountability of revenues / expenses. <i>[Various]</i>	Attestation
<b>4 Public Health Emergency Operations and Leave Policy</b> Review of compliance and effectiveness / efficiency of the program. <i>[Various]</i>	Attestation
<b>5 Surface Water Regulatory Compliance Program</b> Review of compliance and effectiveness/ efficiency of the program. <i>[Public Works]</i>	Performance Audit
<b>6 Police Body Worn Camera Program</b> Review of the implementation and effectiveness of the Police body worn camera program. <i>[Police]</i>	Performance Audit
<b>7 Police Property Evidence</b> Review of cash and evidence handling processes in the Police Property and Evidence Unit to ensure cash/evidence seized and/or found is appropriately recorded and inventoried. <i>[Police]</i>	Performance Audit
<b>8 Police Investigation Review Panel (IRP)</b> Follow-up review of the City’s compliance with the IRP program. <i>[Police]</i>	Attestation
<b>9 Striving for Excellence and Volunteer Resources Reports</b> Review of the widely distributed Striving for Excellence Report and the Volunteer Resources Report to ensure the reasonableness of data reported in the respective reports. <i>[City Manager / Volunteer Resource Office]</i>	Attestation
<b>10 Healthcare Claims Contingency Audit</b> Coordinate the annual audit of Optima Healthcare Claims by Healthcare Horizons. <i>[Consolidated Benefits Office]</i>	Other
<b>11 Information Technology General Controls Review</b> Review of IT general and application controls in coordination with the external auditors. <i>[Information Technology]</i>	Other
<b>12 ERP Oracle Implementation</b> Provide advisory services and assistance as needed with implementation of new ERP scheduled to roll out on July 1, 2020. <i>[Finance and Information Technology]</i>	Other
<b>13 KRONOS Time and Attendance Time Management Implementation</b> Provide advisory services and assistance as needed with implementation of new system. <i>[Finance and Information Technology]</i>	Other
<b>14 Expenditure Analytics</b> Analytical review of City expenditures to identify possible trends and issues to assist in evaluation of risk and development of future audit plans. <i>[Various]</i>	Other
<b>15 Follow-up on Prior Year Audit Recommendations</b> <i>[Various]</i>	Other
<b>16 External Audit Contract Administration /RFP Renewal</b>	Other
<b>17 Fraud, Waste, and Abuse Prevention and Reporting Hotline</b>	FWA
<b>18 FY 2020 Carryforward Audits</b>	Audit / Attestations

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**Audit Resources**

The Office of the City Auditor is comprised of the City Auditor, six professional audit positions and one administrative position. A list of the current members and their respective positions is provided below.

<b>Name</b>	<b>Title</b>
Lyndon Remias, CPA, CRMA, CGAP	City Auditor
Gretchen Hudome, CIA, CRMA	Deputy City Auditor
Sharon Hayes, CFE	Forensic Audit Manager
Antonio Gonzalez, CPA, CIA	Senior Auditor
Stephen Volgyi	Senior Auditor
Daniel Rinehart, CIA	Auditor
Vacant	Auditor
Rosana Clark	Administrative Specialist

## List of Auditable Entities

### Agriculture

- Administration
- Agricultural Reserve Program
- Cooperative Extension Program
- Farmer's Market

### Aquarium

- Aquarium
- Aquarium Stores

### Budget and Management Services

### City Auditor

### City Attorney

### City Clerk

### City Council

### City Manager

### City Real Estate Assessor

- Administration
- Board of Equalization

### City Treasurer

- Investment Management
- Receipts

### Commissioner of the Revenue

### Commonwealth's Attorney

### Communications

### Convention and Visitors Bureau

- Convention Promotion and Facility Management
- Resort Programs and Special Events
- Tourism and Sports Marketing Promotion
- Tourism Promotion and Advertising

### Courts and Court Support

- Circuit Court
- Clerk of the Circuit Court
- Court Services Unit (Juvenile Probation)
- General District Court
- Juvenile and Domestic Relations Court
- Magistrate's Office

### Cultural Affairs

- Administration
- Sandler Center
- Contemporary Arts Center Grant
- Arts and Humanities Commission
- History Museums

### Economic Development

- Administration
- Workforce Development

### Emergency Communications and Citizen Services

- Administration
- VB 3-1-1 Citizen Services
- VB 9-1-1 Emergency Communications

### Emergency Management

### Emergency Medical Services

- Administration and Support
- EMS Operations and Training
- Lifeguard Services
- Regulation and Enforcement

### Finance

- Accounting and Reporting
- Accounts Payable
- Capital Assets Inventory
- Debt Management
- Financial Services
- Payroll
- Petty Cash/Travel Advances
- Procurement/Travel Cards
- Purchasing
- Risk Management

### Fire

- Administration
- Fire Operations
- Fire Personnel and Development
- Fire Prevention Bureau
- Fire Program Grants

### Housing and Neighborhood Preservation

- Administration
- Code Enforcement
- Housing Development
- Rental Housing
- Homeless Services

### Human Resources

- Administration
- Employee Relations
- Human Rights Commission
- Learning and Development
- HR/Police Services
- Learning and Development
- Member Communications
- Occupational Safety and Health Services
- Staffing and Compensation

### Human Services

- Administration
- Behavioral Health/Mental Health/Developmental Services
- Child Welfare/Adult and Family Services
- Continuous Quality Improvement
- CSA Administration
- Developmental Services
- Financial Assistance Services
- Human Services Grants
- Juvenile Detention Center

## List of Auditable Entities

### Information Technology

- Application Support
- Business Center and Mail Services
- Center for GIS
- Data and Information Management
- IT Security
- Strategy and Architecture
- Systems Support/Infrastructure and Operations
- Technology Services
- Telecommunications

### Library

- Administration
- Libraries
- Online Services
- Records Management
- Support Services
- Youth and Family Services

### Parks and Recreation

- Administration and Business Systems
- Landscape Management
- Planning, Design and Development
- Programing and Operations

### Planning and Community Development

- Administration
- Development Services
- Parking Management
- Permits and Inspections
- Planning Services
- Strategic Growth Areas
- Transportation Planning
- Zoning Administration

### Police

- Administration
- Animal Control
- Community Engagement
- Operations
- Special Investigations
- Support Division

### Public Health

### Public Utilities

- Administration
- Business Operations
- Engineering and Capital Construction
- Operations and Maintenance
- Technical Services

### Public Works

- Administration
- Contracts
- Energy Management
- Engineering and Construction
- Facilities Management
- Fleet Management
- Infrastructure Maintenance, Repairs and Asset Management
- Operations Management
- Real Estate
- Stormwater Utility Enterprise Fund
- Waste Management

### Sheriff

- Administration
- Central Booking
- Correctional Operations
- Court Support
- Inmate Services
- Sheriff's Care Mart
- Workforce Services
- Work Release Program

### Strategy, Transparency, Innovation & Resiliency Office (STiR)

### Volunteer Resources

### Voter Registration and Elections

### Non-Departmental

- Benefits Administration
- Organizational and Community Organization Grants
- Computer Replacement Program
- Employee Special Benefits
- Independent Financial Services
- Leases
- Regional Participation
- Revenue Reimbursements
- Town Center Parking Operations
- Vehicle Replacements
- Virginia Beach Living River Trust

### Other Areas

- Capital Projects
- Contingencies
- Contracts
- DEA Seized Assets
- Debt Service
- Fund Transfers
- Grants
- Special Financing Districts and Funds