

Audit Schedule
July 1, 2017 through June 30, 2018



Office of the City Auditor
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"Promoting Accountability and Integrity in City Operations"

**Office of the City Auditor
FY 2018 Audit Schedule**

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Office of the City Auditor FY 2018 Audit Schedule

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 services provided by the Office of the City Auditor 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 2018 Audit Committee are:

Council Member Jim Wood
Council Member John Uhrin
JoAnn Augone, CPA, Chairperson
Sharon Brown, CPA, CIA, CFE
Karen Hill, CPA, CIA, CISA, CCSA

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 of the City Auditor has developed an enterprise audit risk model, similar to the Institute of Internal Auditors (IIA) Risk Assessment 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 interviews, 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 FY 2018.

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Audit Resources

The Office of the City Auditor is comprised of the City Auditor, five professional audit positions, and three support positions. A list of the current members and their respective positions is provided below.

Name	Title
Lyndon Remias, CPA, CIA, CRMA, CGAP	City Auditor
Chris Ford, CPA	Deputy City Auditor
Gretchen Hudome, CIA, CRMA	Deputy City Auditor
Sharon Hayes, CFE	Forensic Audit Manager
Tim Bell, CICA	Senior Auditor
Antonio Gonzalez, CPA, MBA	Senior Auditor
Jody Davis	Administrative Specialist
Daniel Rinehart	Auditor's Assistant
Bobbie Beddow	Office Assistant

Available audit resources are defined as the total number of auditor staff hours available to provide direct audit services to City businesses, programs, and functions. The hours available are determined by calculating the total auditor staff hours and adjusting for estimated indirect hours (i.e., holidays, anticipated leave, mandated training, administrative activities, etc.) for the period. Based on our current auditor staffing there are 12,480 total hours available (6 auditors x 2,080 hours) for FY 2018.

The Audit Plan allocates **8,320** hours to direct audit time for planned audits, attestations, and investigations. See **Table 1** below for determination of direct audit time hours:

Table 1

	Available Hours	Direct Time	Direct Hours
City Auditor	2,080	0.50	1,040
Deputy City Auditor	2,080	0.70	1,456
Deputy City Auditor	2,080	0.70	1,456
Forensic Audit Manager	2,080	0.70	1,456
Senior Auditor	2,080	0.70	1,456
Senior Auditor	2,080	0.70	1,456
Total	12,480		8,320

The remaining 4,160 hours are allocated to indirect time for leave, holidays, continuing professional education, and audit administration.

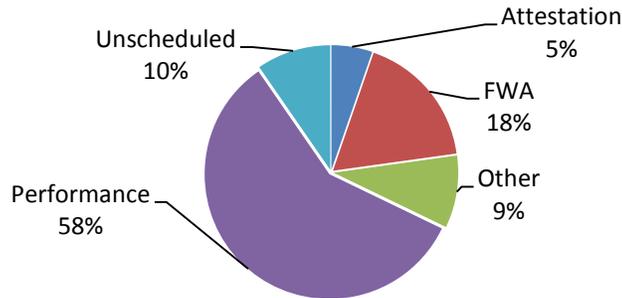
Allocation of Audit Resources

The Office of the City Auditor conducts financial, attestation, and performance audits, with an emphasis on the performance of City businesses, programs, and functions. An overall look at the types of audit projects and the percentage of time allocated for each is depicted in **Exhibit 1** on the next page.

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Exhibit 1

Allocation of Hours



Planned Audits

The following provides an overview of the allocation of audit resources planned for the fiscal year ending June 30, 2018. The planned scope of these projects is subject to change based on the results of the audit planning phase.

Performance Auditing

Performance audits are intended to assess the quality of performance by City agencies and functions in carrying out their assigned responsibilities. The scope of the audit may include the entire department or some portion thereof, such as a specific program or function. The specific scope of the audit will be determined during the planning phase of the audit but can include a review of operational and financial controls; compliance with federal, state, and city regulations; and effectiveness of performing assigned responsibilities.

1. **Agriculture Reserve Program**..... 400 hours
2. **Building Security Review Assessment** 400 hours
3. **City Clerk’s Office – Operational / Financial Controls**..... 400 hours
4. **Citywide Cybersecurity** 400 hours
5. **Human Services Community Services Performance Contract** 400 hours
6. **Joint Use Library Contract**..... 240 hours
7. **Lynnhaven River NOW Grant Agreement / Oyster Collection** 240 hours
8. **Sale / Marketing of City Property** 400 hours
9. **Carry Forward of FY17 Audits in Progress**..... 1,364 hours

Performance Audits

4,244 hours

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APPENDIX I: List of Auditable Entities

<p>Agriculture</p> <ul style="list-style-type: none"> ▪ Administration ▪ Agricultural Reserve Program ▪ Cooperative Extension Program ▪ Farmer's Market <p>Aquarium and Historic Houses</p> <ul style="list-style-type: none"> ▪ Historic Houses ▪ Aquarium Stores ▪ Virginia Aquarium and Marine Science Center <p>Budget and Management Services</p> <p>City Attorney</p> <p>City Auditor</p> <p>City Clerk</p> <p>City Council</p> <p>City Manager</p> <ul style="list-style-type: none"> ▪ Administration ▪ Office of Volunteer Resources <p>City Real Estate Assessor</p> <ul style="list-style-type: none"> ▪ Administration ▪ Board of Equalization <p>City Treasurer</p> <ul style="list-style-type: none"> ▪ Investment Management ▪ Receipts <p>Commissioner of the Revenue</p> <p>Commonwealth's Attorney</p> <p>Communications Convention and Visitors Bureau</p> <ul style="list-style-type: none"> ▪ Administration ▪ Convention Promotion and Facility Management ▪ Tourism and Sports Marketing Promotion ▪ Tourism Promotion and Advertising ▪ Resort Programs and Special Events <p>Courts and Court Support</p> <ul style="list-style-type: none"> ▪ Circuit Court ▪ Clerk of the Circuit Court ▪ Court Services Unit ▪ General District Court ▪ Juvenile and Domestic Relations Court ▪ Magistrate <p>Cultural Affairs</p> <p>Economic Development</p> <ul style="list-style-type: none"> ▪ Administration ▪ Grow Smart 	<p>Emergency Communications and Citizen Services</p> <ul style="list-style-type: none"> ▪ Administration ▪ Citizen Services (311) ▪ Emergency Communications (911) <p>Emergency Medical Services</p> <ul style="list-style-type: none"> ▪ Administration and Support ▪ EMS Operations and Training ▪ Lifeguard Services ▪ Regulation and Enforcement <p>Finance</p> <ul style="list-style-type: none"> ▪ Accounts Payable ▪ Administration ▪ Capital Assets Inventory ▪ Comptroller ▪ Debt Management ▪ Payroll ▪ Petty Cash/Travel Advances ▪ Procurement Cards ▪ Purchasing ▪ Risk Management <p>Fire</p> <ul style="list-style-type: none"> ▪ Administration ▪ Fire Operations ▪ Fire Personnel and Development ▪ Fire Prevention Bureau <p>Health</p> <p>Housing and Neighborhood Preservation</p> <ul style="list-style-type: none"> ▪ Administration ▪ Code Enforcement ▪ Homeless Services ▪ Housing Development ▪ Rental Housing <p>Human Resources</p> <ul style="list-style-type: none"> ▪ Administration ▪ Employee Relations ▪ Human Rights Commission ▪ HR/Police Services ▪ Learning and Development ▪ Member Communications ▪ Occupational Safety and Health Services ▪ Staffing and Compensation
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<p>Human Services</p> <ul style="list-style-type: none"> ▪ Administration ▪ Continuous Quality Improvement ▪ Community Corrections and Pre-Trial ▪ Developmental Services ▪ Juvenile Detention Center ▪ Mental Health and Substance Abuse Services ▪ Social Services <p>Information Technology</p> <ul style="list-style-type: none"> ▪ Application Support ▪ Business Center and Mail Services ▪ Center for GIS ▪ Data and Information Management ▪ IT Security ▪ Strategy and Architechure ▪ Systems Support ▪ Technology Services ▪ Telecommunications <p>Libraries</p> <ul style="list-style-type: none"> ▪ Administration ▪ Early Literacy Outreach (Bookmobile) ▪ Joint Use Library ▪ Libraries ▪ Online Library Services ▪ Records Management ▪ Support Services ▪ Special Services ▪ Wahab Public Law Library <p>Office of Emergency Mangement</p> <p>Parks and Recreation</p> <ul style="list-style-type: none"> ▪ Administration and Business Systems ▪ Landscape Management ▪ Planning, Design and Development ▪ Programming and Operations <p>Planning and Community Development</p> <ul style="list-style-type: none"> ▪ Planning Services ▪ Planning Administration <ul style="list-style-type: none"> ○ Chesapeake Bay Preservation Area Board ○ Historical Preservation Commission ○ Historical Review Board ○ Planning Commission ○ Wetlands Board ▪ Development Services ▪ Permits and Inspections ▪ Strategic Growth Areas <ul style="list-style-type: none"> ○ Comprehensive Planning ○ Parking Management ○ Transportation Planning ▪ Current Planning and Zoning Administration <p>Police</p> <ul style="list-style-type: none"> ▪ Administration ▪ Animal Control 	<p>Police (continued)</p> <ul style="list-style-type: none"> ▪ Crime Prevention ▪ Detective Bureau ▪ Special Investigations ▪ Services and Support ▪ Special Operations ▪ Uniform Patrol <p>Public Utilities</p> <ul style="list-style-type: none"> ▪ Administration ▪ Business Operations ▪ Engineering and Capital Construction ▪ Operations and Maintenance <p>Public Works</p> <ul style="list-style-type: none"> ▪ Administration ▪ Capital Construction and Replacement ▪ Engineering ▪ Facilities Management ▪ Fleet Management ▪ Infrastructure MaintenanceOperations Management ▪ Real Estate ▪ Stormwater Management Utility Enterprise Fund ▪ Waste Management <p>Sheriff's Office</p> <ul style="list-style-type: none"> ▪ Administration ▪ Central Booking ▪ Correctional Operations ▪ Court Support ▪ Inmate Services ▪ Workforce Services ▪ Work Release Program <p>Strategy, Transparency, Innovation and Resiliency Office</p> <p>Voter Registration and Elections</p> <p>Non-Departmental</p> <ul style="list-style-type: none"> ▪ Benefits Administration ▪ Citywide Leases ▪ Computer Replacement Program ▪ Employee Special Benefits ▪ Independent Financial Services ▪ Organization Grants and Community Organization Grants ▪ Revenue Reimbursements ▪ Vehicle Replacements ▪ Virginia Living River Trust <p>Other</p> <ul style="list-style-type: none"> ▪ Capital Projects ▪ Contingencies ▪ Contracts ▪ Debt Service ▪ DEA Seized Assets ▪ Fund Transfers ▪ Grants
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