

Fiscal Year 2024 Annual Audit Plan



Presented by
City Auditor's Office

Susan Edwards, City Auditor
Roshan Jayawardene, Information Technology Auditor
Lee Hagelstein, Internal Auditor
Stephanie Brown, Staff Auditor

Table of Contents

Introduction Page 1

Audit Projects Page 2

- External Audit Assistance
- Airport Audit
- Contract Management/Compliance Audit
- Employee Licensing/Certification Audit
- Planning and Development Permitting Process Audit
- Pension Audit
- Workday Post Implementation Audit – Phase I
- Follow-Up Audits
 - Arlington Housing Finance Corporation
 - Parks Background Check Process Audit
 - Parks Licensing Audit
 - Police Recruiting and Training Audit
- Fraud Hotline Monitoring
- Special Assignments

Introduction

The purpose of the Fiscal Year 2024 Annual Audit Plan is to outline audits and other activities the City Auditor's Office proposes to initiate during the fiscal year. The Plan is developed to satisfy responsibilities established by Section 2.05 H.1. of City Ordinance 05-078, as amended. The Plan is a working document in that the City Auditor may make changes to the Plan, as deemed necessary in professional judgment, to reflect changing risks. However, the City Council will be notified of any significant additions, deletions, or other changes.

Audits included in the Fiscal Year 2024 Annual Audit Plan were primarily identified through our risk assessment. The Audit Plan includes audits related to internal controls and reporting; compliance with policies, contracts, laws and regulations; economic and efficient use of resources; and follow-up of prior audit recommendations. The Fiscal Year 2024 Annual Audit Plan also considers the risk of fraud, waste, and abuse.

Planned audits for Fiscal Year 2024 are listed on the following pages. While general audit objectives are included in the Plan, specific audit objectives will be determined once staff has completed preliminary surveys related to each audit. During the preliminary surveys, staff will establish familiarity with the department and/or function by conducting background interviews and research. At that time, potential issues will be identified, and the specific audit objectives and methodology will be developed.

The Fiscal Year 2024 Annual Audit Plan is based on estimated available audit staff hours, staff expertise, and includes a total of 500 unassigned hours that have been set aside to perform special audits, investigations, and/or projects as directed by the Mayor and City Council. The Annual Audit Plan also considers audits that were started, but not completed, during Fiscal Year 2023.

Audit Projects

External Audit Assistance

Assist the external auditor with the annual financial audit for the fiscal year ended September 30, 2023.

Airport Audit

Review and evaluate current practices and assess compliance with relevant laws, regulations, and best practices.

Contract Management/Compliance Audit

Review contract specifications, provide assurance related to compliance, and evaluate the effectiveness of the contract management process in selected departments.

Employee Licensing/Certification Audit

Review and evaluate employee compliance with licensing/certification requirements in selected departments.

Planning and Development Permitting Process Audit

Review and evaluate the efficiency and effectiveness of current policies, practices and procedures related to the building permitting process.

Pension Audit

Review employee compensation in the years immediately prior to retirement for unusual activity and evaluate the impact to the City's pension plan.

Workday Post Implementation Audit – Phase I

Assess implementation process and IT general controls (to include review of hosting environment, security, access, system testing, backup and recovery, audit trails and error management, project management, and software suitability to meet business objectives).

Follow-Up Audits

Assess the implementation status of prior internal audit recommendations.

Special Assignments

Conduct investigations and audits requested by the Mayor and City Council or City Management.

Fraud Hotline Monitoring

Monitor and review incoming reports to the City's fraud hotline and follow up as appropriate.