

Max Frantz  
Comptroller

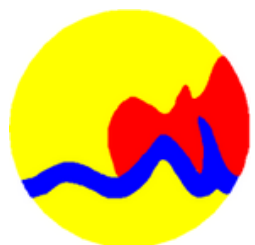
Desiree A.  
Kirkland  
Deputy Comptroller

# OFFICE OF THE CITY COMPTROLLER FISCAL YEAR 2026 AUDIT PLAN



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Ensuring Transparency, Accountability, and Fiscal Integrity in City Government



August 26, 2025  
Erica Bills, CFE, Internal Auditor II



# Internal Auditor

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## What is the role of the Internal Auditor?

- Ensure the integrity of financial data, operational processes, and systems in which the city operates through independent, objective reviews.
  - Financial/Data Analysis
  - Review of financial and operational processes & policies
  - Review of contracts/agreements
  - Provide support and assistance to departments in strengthening controls to mitigate the risk for fraud, waste, and abuse of city resources

# Methodology

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The audit plan was developed based on City-wide risk assessments, City personnel input, and the Internal Auditor's discretion and professional judgement. Key factors considered when developing the plan included, but are not limited to:

- **City's Strategic Priorities**
- **Financial/Economic Factors**
- **Public Implications**
- **Operational Efficiencies**

# Risk Assessments

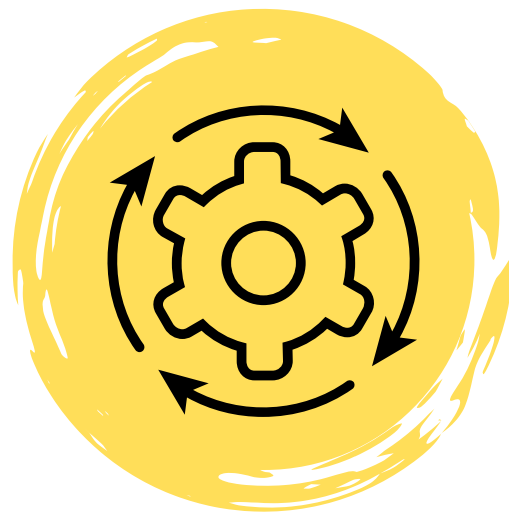
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To identify and develop the internal audit plan, a risk assessment is performed to prioritize the audits. A risk assessment identifies and prioritizes various operational and system-based threats that may create risk for the city. The Internal Auditor has created an initial inventory of potential risks based on experience and best practices identified by various organizations including, but not limited to the Association of Local Governmental Auditors (ALGA), the Institute of Internal Auditors (IIA), the Governmental Financial Officer's Association (GFOA), the Association of Certified Fraud Examiners (ACFE), and other municipalities and organizations. They have been organized into four (4) primary categories:

**Financial Risks**



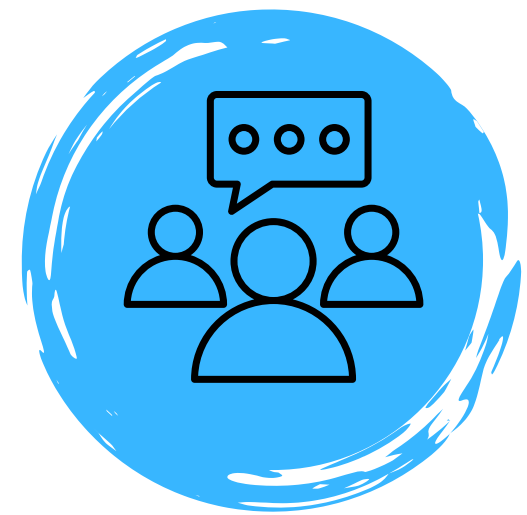
**Operational Risks**



**Ethics &  
Compliance**



**Reputational  
Risks**



# Risk Assessments

Each potential audit is then scored based on the likelihood of a risk occurring as well as the impact it would have on the four categories noted. The higher the score across all categories, the higher priority or focus.

		Likelihood of Risk Occurring			
		Low	Medium	High	
Impact	Low	1	3	5	
	Medium	3	9	15	
	High	5	15	25	

# Audit Plan

Fiscal Year 2026

Audit/Project	Description	Dept.	Anticipated Work (estimated)
P-cards Policy/Usage	Review a sample of P -card transactions across all departments to ensure P-card guidelines are being adhered. Review policy to ensure it is aligned with best practices.	All	400 hours
Travel Policy	Review a sample of travel reimbursements to ensure travel policy is being adhered to. Review policy to ensure it is aligned with best practices.	All	400 hours
Parking Operating Agreements	Review of parking agreements with DDA, CAA, County, etc. to ensure accuracy of revenue share calculations.	Mobile GR	150 -200 hours

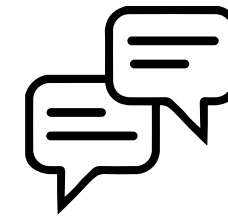
# Audit Plan

## Annual Audits - Current audits performed on an annual basis

Title/Subject	Department(s)	Frequency
Petty Cash Audits	Multiple	2x per year
Inventory Audits	Water/Sewer/Fleet	2x per year
Account Code Audits	Multiple	Quarterly
Payroll Audits	Multiple	Planned Quarterly
Financial System User Audits	Multiple	Planned Quarterly

# Audit Communication

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Upon completion of an audit :

- Findings will be compiled into a formal report. Report will contain:
  - Scope of audit
  - Results of any data/ information analyzed (sensitive information will not be shared)
  - Recommendations to address/ resolve findings
- Meeting with department heads and/ or city leadership to discuss report, findings, and recommendations
  - Management response
- Report will be published on the city's website
- Monitor and follow-up on audit recommendations



**Thank You**