MBM
09/10/15
Item #20

AN ORDINANCE 2015-09-10-0777

APPROVING THE FISCAL YEAR 2016 ANNUAL AUDIT PLAN

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WHEREAS, in accordance with the provisions of Article V.A. of the City Charter, the City is required to have a Department of Internal Audit which is charged with conducting audits of all city departments, offices, agencies and programs; and

WHEREAS, the City Auditor is required to evaluate the adequacy and effectiveness of controls encompassing the City's operations and information systems, which should include reliability and integrity of financial and operational information; effectiveness and efficiency of operations; safeguarding of assets; and compliance with laws, regulations and contracts; and

WHEREAS, in accordance with those duties, the City Auditor has prepared an Audit Plan for Fiscal Year 2016, which has been presented to and approved by the Audit Committee; and

WHEREAS, it is now necessary to present the Audit Plan to City Council for their consideration and approval; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The Audit Plan for Fiscal Year 2016, as prepared by the City Auditor and approved by the Audit Committee, is hereby approved. A copy of the Plan is attached hereto and incorporated herein for all purposes as Exhibit I.

SECTION 2. The Fiscal Year 2016 Audit Plan may be amended by the City Auditor if he notifies and obtains the concurrence of the Audit Committee. In the event City Council or City Management has a special request for assistance from the Audit Department, the request may be subject to approval by either the Audit Committee or the Audit Committee Chair, depending upon the urgency of the issue.

SECTION 3. This Ordinance is effective immediately if passed by eight affirmative votes; otherwise, this Ordinance shall take effect ten days from the date of passage hereof.

PASSED and APPROVED this 10th day of September, 2015.

Ivy R. Taylor

M A Y O R
Ivy R. Taylor

ATTEST:

Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:

Martha G. Sepeda, Acting City Attorney

Agenda Item:	**20 (in consent vote: 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 16A, 16B, 18, 19, 20)**
Date:	09/10/2015
Time:	11:25:20 AM
Vote Type:	Motion to Approve
Description:	An Ordinance approving the Fiscal Year 2016 Annual Audit Plan. [Kevin W. Barthold, City Auditor]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Treviño	District 1		x				
Alan Warrick	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				x
Michael Gallagher	District 10		x			x	

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EXHIBIT I

CITY OF SAN ANTONIO

P. O. BOX 839966
SAN ANTONIO TEXAS 78283-3966

September 10, 2015

Mayor and City Council:

Enclosed is the proposed Fiscal Year 2016 Audit Plan for the Office of the City Auditor. The plan includes 28 performance and IT audits, 8 follow-up audits, 5 contract compliance audits for high profile contracts, and 1 attestation project for a total of 42 projects. As in years past, the plan includes time allocated for potential City Council and Management requested projects.

In developing the plan, my Office sought input from the Mayor, City Council Members, the City Manager, Executive Leadership Team and select Department Directors. We added additional input based on local government audit industry trends. This effort resulted in an extensive list of potential areas for audit within the City. We then prioritized these potential areas based on a high-level risk assessment considering factors such as financial impact, compliance and prior issues, and developed the enclosed proposed FY2016 Audit Plan.

I believe this plan provides adequate audit coverage across City departments and recognizes concerns of City Council and Management.

This proposed plan was discussed and approved at the August 18 City Council Audit Committee meeting. As required, I am now requesting approval of the proposed plan by the full Council.

I welcome discussion and am available at your convenience.

Respectfully,

Kevin W. Barthold, CPA, CIA, CISA, CRMA
City Auditor

FY2016 Proposed Audit Plan
Office of the City Auditor

Project #	Department	Program/Process	Objective	Hours
AU16-001	Animal Care Service	ACS Metrics	Determine if ACS metrics are accurate and properly supported.	500
AU16-002	City Center Development Office	Downtown Public Improvement District	Determine if the Downtown Public Improvement District is managed effectively and in accordance with the contract between the City and Centro San Antonio.	1,000
AU16-003	City Center Development Office	Parking Operations	Determine if downtown parking operations are managed in accordance with ordinances and policies, and operations are accurately reported and accounted for.	900
AU16-004	City Center Development Office	HPARC	Determine if controls are in place for the monitoring and operations of the Hemisfair Park Area Redevelopment Corporation (HPARC).	1,000
AU16-005	City Center Development Office and Culture & Creative Development	Property Management	Determine if leases at Market Square and LaVillita are properly managed.	500
AU16-006	City Clerk	Elections	Determine if COSA and Bexar County are in compliance with contract terms for election services and reporting.	250
AU16-007	City Council	Council Expenses	Determine if Council district office expenses are managed appropriately to include reasonableness, authorization, and support.	400
AU16-008	Human Services	Senior Service Centers	Determine if Senior Service Centers are efficiently and effectively managed in accordance with policies, procedures, and guidelines. Includes program management and fiscal aspects.	750
AU16-009	Human Services	Delegate Agency Monitoring	Determine if DHS monitoring efforts of delegate agencies are timely, inclusive of key contract terms and sufficiently documented.	750
AU16-010	EastPoint	EastPoint Funding	Determine if City funding commitments for Eastpoint are being met and are appropriately managed.	750
AU16-011	Economic Development	SBEDA Goal Setting	Determine if the SBEDA goal setting process is inclusive of relevant data and accurately documented.	250
AU16-012	Finance	Citywide Inventory Management	Determine if COSA capital assets and property inventories are tracked in compliance with AD 8.7.	750
AU16-013	Health	PII and PHI Data Security	Determine if the Health Department effectively manages Personal Health Information (PHI) and Personally Identifiable Information (PII) in accordance with regulations and policies.	750
AU16-014	ITSD	Traffic Signal System Security	Determine if IT general and application controls over traffic signals are adequate and monitored.	750
AU16-015	ITSD	IT Resources	Determine if the current processes for procurement of hardware and software for general office use throughout the city are being managed appropriately and meeting the needs of City staff.	750
AU16-016	ITSD	Security	Determine if mobile computing security policies and procedures are effectively protecting City resources.	600
AU16-017	ITSD	Security	Determine if wireless access security, policies, and procedures are effectively protecting City resources.	600
AU16-018	ITSD	Security	Evaluate IT infrastructure exposure to vulnerabilities and validate the efficacy of incident management controls.	600
AU16-019	ITSD	IT Licensing	Determine if the City is in compliance with software licensing agreements and that licensing is not excessive.	950
AU16-020	Municipal Courts	Caseload Management	Determine if Municipal Courts caseload management is effective, efficient and in accordance with applicable regulations.	750
AU16-021	SAFD	Public Safety Deployment	Determine if SAFD is receiving reimbursement for Deployment Services timely and in accordance with interagency agreements.	750
AU16-022	SAFD/ SAPD	Application Controls and Operations	Determine if application controls over the 911 system are adequate and the system is managed effectively.	1,000

FY2016 Proposed Audit Plan
Office of the City Auditor

Project #	Department	Program/Process	Objective	Hours
AU16-023	SAFD/ SAPD	Public Safety Response Times	Determine if SAFD and SAPD response time metrics are calculated and reported accurately, consistently and in accordance with relevant policies and guidelines.	1,000
AU16-024	SAPD	Public Safety Crisis Response	Determine if SAPD Crisis Response Team operations are in compliance with policies and procedures and are effective in meeting the needs of the community.	750
AU16-025	SAPD	Armory Inventory Management	Determine if inventory controls at the SAPD Armory are effective and efficient and in accordance with relevant policies and guidelines.	500
AU16-026	Solid Waste Management	Variable Rate Pricing	Determine if the SWMD variable rate pricing structure is operating effectively and revenues are accurately reported.	900
AU16-027	Transportation and Capital Improvements	Sidewalks Infrastructure	Determine if the TCI Sidewalks program is effectively managed to include oversight of contractors and adequate inspection and QA processes.	750
AU16-028	Transportation and Capital Improvements	Storm Water Fees	Determine if assessed Storm Water Fees are accurately calculated in accordance with current ordinances, and revenues are accurately reported and allocated.	900
			Performance Audit sub-total	20,100

Follow-up Audits

AU16-F01	Planning and Community Development	TIRZ Operations	Determine if the recommendations made in the prior audit of the Tax Increment Reinvestment Zones (TIRZ) Governance Process have been effectively implemented.	500
AU16-F02	Library	Fines and Fees Collections	Determine if the recommendations made in the prior audit of the Library administration of fines and fees have been effectively implemented.	500
AU16-F03	Convention and Sports Facilities	Elevator and Escalator Maintenance	Determine if the recommendations made in the prior audit of the Convention and Sports Facilities contract monitoring for elevator and escalator maintenance have been effectively implemented.	500
AU16-F04	SAPD	Off-Duty Employment	Determine if the recommendations made in the prior audit of the SAPD Off-Duty Employment Program have been effectively implemented.	500
AU16-F05	SAPD	Alarm Permitting	Determine if the recommendations made in the prior audit of the SAPD Alarm Permitting process have been effectively implemented.	400
AU16-F06	Finance	Payroll	Determine if the recommendations made in the prior audit of the Finance Payroll process have been effectively implemented.	500
AU16-F07	Finance	Payment Card Security	Determine if the recommendations made in the prior audit of the Payment Card Industry Data Security Standards (PCI DSS) compliance have been effectively implemented.	500
AU16-F08	ITSD	Security	Determine if the recommendations made in the prior audit of ITSD Citrix Security have been effectively implemented.	500
			Follow-up Audit sub-total	3,900

FY2016 Proposed Audit Plan
Office of the City Auditor

Project #	Department	Program/Process	Objective	Hours
Contract Reviews				
	Determine if parties are in compliance with key terms of the following contracts:			
AU16-C01	ITSD	Contract Compliance	City Wide Security System Installation	500
AU16-C02	ITSD	Contract Compliance	Citywide Structured Cabling	500
AU16-C03	Finance	Contract Compliance	Delinquent Property Tax Collections Services	500
AU16-C04	Convention and Sports Facilities	Contract Compliance	Alamodome Cleaning and Conversion Services	500
AU16-C05	Municipal Courts	Contract Compliance	Municipal Court Fee Collection Contract	500
			Contract Review sub-total	2,500
Attestations				
AU16-A01	SAPD	State Reporting	Attestation of accuracy of State required SAPD Asset Seizure and Forfeiture Reporting.	400
			Attestation sub-total	400
Special Projects			Allocated hours reserved for Continuous Monitoring and Management or Council requests.	750
			Special Projects sub-total	750
			Total Audit Plan Allocated Hours	**27,650**