

AN ORDINANCE 2014 - 09 - 18 - 0706

APPROVING THE FISCAL YEAR 2015 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 2015, 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 2015, 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 2015 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 18<sup>th</sup> day of September, 2014.



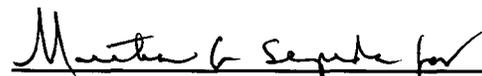
M A Y O R  
Ivy R. Taylor

**ATTEST:**



Leticia M. Vacek, City Clerk

**APPROVED AS TO FORM:**



Robert F. Greenblum, City Attorney

<b>Agenda Item:</b>	17 ( in consent vote: 5, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18, 19, 21, 22, 23, 24 )						
<b>Date:</b>	09/18/2014						
<b>Time:</b>	10:37:52 AM						
<b>Vote Type:</b>	Motion to Approve						
<b>Description:</b>	An Ordinance approving the Fiscal Year 2015 Annual Audit Plan. [Kevin Barthold, City Auditor]						
<b>Result:</b>	Passed						
<b>Voter</b>	<b>Group</b>	<b>Not Present</b>	<b>Yea</b>	<b>Nay</b>	<b>Abstain</b>	<b>Motion</b>	<b>Second</b>
Ivy R. Taylor	Mayor		x				
Diego Bernal	District 1		x				
Keith Toney	District 2		x				x
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Mari Aguirre-Rodriguez	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x			x	

MBM  
09/18/14  
Item No. 17.

# **EXHIBIT I**



# CITY OF SAN ANTONIO

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

September 18, 2014

Mayor and City Council:

Enclosed is the proposed Fiscal Year 2015 Audit Plan of the Office of the City Auditor. The Audit Plan includes 27 performance, compliance and IT audits and 5 follow-up audits. Also, as in years past, the plan includes time allocated for other requests from the City Council and Management.

In developing the Audit 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 Audit Plan for FY2015.

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 September 16 Audit Committee meeting, and is now being presented to City Council for approval.

I welcome any discussion on the proposed FY2015 Audit Plan and request your approval.

Respectfully,

A handwritten signature in black ink, appearing to read 'Kevin W. Barthold'.

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

# FY2015 Proposed Annual Audit Plan

## Audits

Project #	Department	Process	Objectives	Estimated Hours
AU15-001	Aviation	Concessions	Determine if aviation concessions are properly managed in accordance with contract terms.	1,000
AU15-002	Aviation	Parking Revenues	Determine if internal controls over Aviation parking operation collections and revenue recognition are adequate.	1,000
AU15-003	City Center Development and Operations	Parking Enforcement	Determine if parking enforcement operations are managed in accordance with City ordinances and policies.	1,000
AU15-004	City Council	CCPF Funds	Determine if Council CCPF Funds are used in accordance with policies and procedures.	800
AU15-005	Convention and Sports Facilities	CVB Hosting Obligations for events	Determine if CSF hosting obligation credits are properly supported.	800
AU15-006	Convention and Sports Facilities / Finance	Contract Compliance	Determine if COSA and Kone, Inc. are in compliance with key terms of the contract and COSA monitoring of the contract is effective. (CSF elevator and escalator service and repair)	800
AU15-007	Department of Human Services	Contract Compliance	Determine if City and San Antonio Education Partnership are in compliance with key terms of the contract and COSA monitoring of the contract is effective.	600
AU15-008	Development Services / Finance	Contract Compliance	Determine if COSA and JR Ramon and Sons are in compliance with key terms of the contract and COSA monitoring of the contract is effective.	750
AU15-009	Finance	Right of Way charges to Telecomm companies	Determine if right of way fees paid by telecomm companies are accurate and properly supported.	1,000
AU15-010	Finance	TWC Cable Franchise Fees	Determine if franchise fees received from Time Warner Cable are calculated in accordance with State statutes and remitted to the City.	1,000
AU15-011	Finance	Utility reporting requirements compliance	Determine if required reporting and payments from City owned utilities are received, monitored, and accurate.	1,000
AU15-012	Finance	SAWS Impact Fee waivers	Determine if SAWS Impact Fee waivers are in compliance with the fee waiver program and adequately supported.	800
AU15-013	Finance/Human Resources	Workers' Comp Fund	Determine if the Workers' Comp Fund and program is managed appropriately and in compliance with regulatory requirements.	1,000
AU15-014	Human Resources	Hiring practices/processes	Determine if COSA hiring practices are consistent with internal policies and metrics are accurately reported.	1,200
AU15-015	Human Resources	Health Insurance Management	Determine if HR is properly managing and monitoring its third-party health insurance providers.	1,000
AU15-016	Human Resources/ITSD	IT User Application Controls	Determine if controls over application user account management are adequate?	800
AU15-017	ITSD	Citrix Security	Determine if security controls over the Citrix system application are adequate.	500
AU15-018	ITSD	IT Network Access Controls	Determine if network security controls are adequate.	1,000
AU15-019	Metro Health	Immunization Division - processes, efficiencies, workloads, and monitoring accountability	Determine if processes within the Immunization Division are effective, efficient, and adequately controlled.	1,000

## FY2015 Proposed Annual Audit Plan

Project #	Department	Process	Objectives	Estimated Hours
AU15-020	Office of Sustainability	B-Cycle program	Determine if key components of the City B-Cycle program are accurately monitored, supported, and reported.	1,000
AU15-021	Parks and Recreation	Contracts with non-profits	Determine if contracts with users of City recreation facilities are properly managed.	800
AU15-022	SA Fire Department	Hazmat Inspections/Permitting	Determine if control's over SAFD's HAZMAT inspection program are adequate to ensure appropriate and timely inspections.	800
AU15-023	SA Fire Department / ITSD	Payroll	Determine if general and application controls within the SAFD Payroll application are adequate and in compliance with policies and directives.	1,200
AU15-024	SA Police Department	Alarm Permits	Determine if Alarm Permit issuance, monitoring, and revenues are appropriately managed.	500
AU15-025	Solid Waste Management Department	Recycling Contract	Determine if City and ReCommunity are in compliance with key terms of the contract and COSA monitoring of the contract is effective. (SWMD Recycling contract)	600
AU15-026	Solid Waste Management Department	Organics and recycling program	Determine if key components of the City organic and recycling program are accurately monitored, supported, and reported.	800
AU15-027	SA Police Department	Asset Seizure and Forfeiture	Attestation of SAPD state filing of asset forfeiture and seizure report.	300
		Special Request	Allocated hours reserved for Continuous Monitoring and management or Council requests.	1,250

Audit sub-total 24,300

### Follow-up Audits

AU15-F01	CCDO	Downtown Operations Parking Revenue	Determine if action plans resulting from the initial audit have been effectively implemented.	1,000
AU15-F02	Finance	P-Card	Determine if action plans resulting from the initial audit have been effectively implemented.	750
AU15-F03	SAFD	New Building Fire Inspections	Determine if action plans resulting from the initial audit have been effectively implemented.	400
AU15-F04	SAFD	SAFD Drug Inventory Management	Determine if action plans resulting from the initial audit have been effectively implemented.	300
AU15-F05	TCI	Audit of TCI Right of Way Fees	Determine if action plans resulting from the initial audit have been effectively implemented.	250

Follow-up Audit sub-total 2,700

Total Plan Hours 27,000