

FORT WORTH®



CITY OF FORT WORTH DEPARTMENT OF INTERNAL AUDIT

Proposed FY2021 Annual Audit Plan



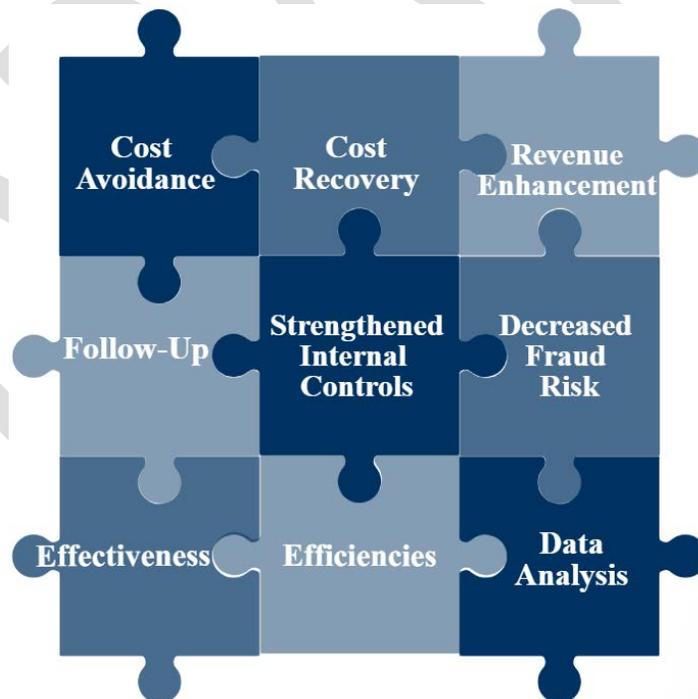
Purpose

The purpose of the FY2021 Annual Audit Plan is to outline audits and other activities the Department of Internal Audit proposes to conduct during the fiscal year. The Plan is developed to satisfy applicable auditing standards and responsibilities established by Section 2-134 (b) of the Fort Worth City Code.

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 Audit Committee will be notified of any significant additions, deletions, or other changes.

Audit Coverage

Audits included in the FY2021 Annual Audit Plan were identified through a general risk assessment. Sources used to identify the audit population primarily consisted of a review of City budgetary, financial and organizational documents, prior internal and external audits, internal audit staff's knowledge of City of Fort Worth and local government operations, and feedback from the Mayor and City Council and management. Risk factors taken into consideration included: 1) liquidity of assets; 2) potential for negative publicity; 3) organizational, operational and/or technological changes; 4) extent of laws and regulations; and 5) time since last audit/prior audit results. The Audit Plan includes audits related to operational effectiveness and efficiency, internal controls, compliance with applicable laws, policies and procedures and regulations, follow-up to prior internal and external audits, and on-going data analysis.



Audits included in the FY2021 Annual Audit Plan are based on estimated available audit staff hours, and staff expertise. The Audit Plan also includes a total of 1,200 unassigned hours that have been set aside to perform special audits, investigations, projects, etc. as directed by the Mayor, City Council, Audit Committee and/or as requested by the City Manager.

Internal Audit Process



Audit Objectives

Audits for FY2021 are listed, alphabetically, on the following pages. While general audit objectives are noted, these objectives may change once staff has established more familiarity with the department and/or function. At that time, potential issues will be identified and the specific audit objectives and methodology will be developed as deemed necessary.

Audits

ActiveNet Software	Revenue Estimates
Construction	Special Requests
Delegation of Financial Signing Authority	Street Light Repairs and Maintenance
Donations	Transportation Impact Fees
Facility Maintenance Costs	Volunteer and Intern Recruitment Program
Payroll Adjustments and Corrections	Data Analysis (On-Going)
Police Response Time	Follow-Up Audits (On-Going)
Remote Access Security	

Carry-Over Audits

Criminal Warrant Process

Healthspace (Health Inspections) Software

PeopleSoft Procurement Software (Requisitioning and Purchase Order Process)

Follow-Up Audits

Accounts Payable	Police Unclaimed Funds
Construction	Responsible Authority Revenue Audit
Cybersecurity	Sales Tax Paid by the City of Fort Worth
Facility Rentals – Park and Recreation	Service Center Operations
Gas Utility Expense	Treasury Operations
Employer Healthcare Expenses	Vendor Access Controls
Late Fees Paid by the City of Fort Worth	Water Field Operations Inventory
On-Line Payment Reconciliations	

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Audit/Project	Preliminary Audit Objective(s)	MAYOR AND COUNCIL STRATEGIC GOALS				
		Clean, Attractive City	Strong Economic Base/Future Workforce Dev./Job Opportunities	Mobility & Air Quality	Safest Major City	Orderly & Sustainable Development
ActiveNet Software	To evaluate internal controls within the recreation management software; To determine whether existing controls ensure accountability for facility rental revenue		X			
Construction	To determine whether construction projects are being completed in accordance with contract terms; To ensure compliance with applicable legislation	X	X	X	X	X
Criminal Warrant Process	To evaluate the City's processing of criminal warrants		X		X	
Delegation of Financial Signing Authority	To determine whether delegated authority for specific transactions (e.g., type and dollar thresholds) is explicit in reference to who has been granted the specified authority and at which specific dollar threshold; To determine whether delegated authority is appropriate; To evaluate configuration of automated forms used to grant approval authority; To ensure retention of authorizing records; To determine whether transactions were approved as authorized		X			
Donations	To ensure that monetary donations are expended for the specified intent (e.g., homebound and isolated seniors and water assistance program)		X			
Facility Maintenance Costs	To determine maintenance costs associated with recently built and/or renovated buildings	X		X	X	X

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		Clean, Attractive City	Strong Economic Base/Future Workforce Dev./Job Opportunities	Mobility & Air Quality	Safest Major City	Orderly & Sustainable Development
Healthspace (Health Inspections) Software	To evaluate internal controls within the City's public health software; To determine whether existing controls ensure accountability for health inspection revenue	X	X	X	X	X
Payroll Adjustments and Corrections	To determine whether payroll adjustments and corrections were supported and in compliance with City policy; To determine whether payroll adjustments and corrections were timely		X			
PeopleSoft Procurement Software	To evaluate internal controls related to the process for requisitioning and ordering goods and services	X	X	X	X	X
Police Response Time	To evaluate the timeliness in which the Fort Worth Police Department responds to citizens' calls	X	X	X	X	X
Remote Access Security	To determine whether the City has internal controls that ensure risks related to remote working are minimized, and to evaluate the effectiveness and efficiency by which those controls would provide secure connectivity between network and remote computer assets		X		X	
Revenue Estimates	To evaluate the City's process for estimating revenue and to conclude as to whether revenue assumptions seem reasonable		X			
Special Requests	As directed by the Mayor, City Council or Audit Committee, and/or as requested by the City Manager	X	X	X	X	X
Street Light Repairs and Maintenance	To determine whether the City has an up-to-date street lights inventory listing; To ensure that street light repairs and maintenance are completed in a timely manner; To evaluate the process by which street light repairs are prioritized; To determine whether there is a clear line of responsibility regarding light repairs over City versus state-owned roads and highways	X		X	X	X

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Transportation Impact Fees	To evaluate the effectiveness by which impact fees are imposed and collected to mitigate development-related transportation costs	X	X	X	X	X
Volunteer and Intern Recruitment Program	To evaluate the effectiveness by which the City recruits, utilizes and/or compensates volunteers and interns	X	X		X	
Accounts Payable Follow-Up	To determine the implementation status of prior internal audit recommendations		X			
Construction Follow-Up	To determine the implementation status of prior internal audit recommendations	X	X	X	X	X
Cybersecurity Follow-Up	To determine the implementation status of prior internal audit recommendations		X			
Employer Health Expenses Follow-Up	To determine the implementation status of prior internal audit recommendations		X			
Facility Rentals (Park and Recreation) Follow-Up	To determine the implementation status of prior internal audit recommendations	X	X			
Gas Utility Expense Follow-Up	To determine the implementation status of prior internal audit recommendations		X			

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Late Fees Paid by the City of Fort Worth Follow-Up	To determine the implementation status of prior internal audit recommendations		X			
On-Line Payment Reconciliations Follow-Up	To determine the implementation status of prior internal audit recommendations		X			
PeopleSoft Procurement Software (Requisitioning and Purchase Order Process) Follow-Up	To determine the implementation status of prior internal audit recommendations	X	X	X	X	X
Police Unclaimed Funds Follow-Up	To determine the implementation status of prior internal audit recommendations		X		X	
Responsible Authority Revenue Follow-Up	To determine the implementation status of prior internal audit recommendations		X			
Sales Tax Paid by the City of Fort Worth Follow-Up	To determine the implementation status of prior internal audit recommendations		X			
Service Center Operations Follow-Up	To determine the implementation status of prior internal audit recommendations			X	X	
Treasury Operations Follow-Up	To determine the implementation status of prior internal audit recommendations		X			

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Vendor Access Controls Follow-Up	To determine the implementation status of prior internal audit recommendations		X			
Water Field Operations Inventory Follow-Up	To determine the implementation status of prior internal audit recommendations	X	X	X	X	X

On-Going Data Analysis

The FY2021 Annual Audit Plan also includes on-going data analysis to identify anomalies: 1) within City of Fort Worth automated systems and 2) between City and third party (e.g., Texas State Comptroller) data. On-going data analysis also includes tasks such as analyzing general ledger activity, conducting trend analysis, etc. Results that indicate a need for an audit will be presented to the Audit Committee, with a recommendation to amend the Annual Audit Plan.

Audit Cycle

An objective of the Department of Internal Audit is to establish a cycle that ensures each operating department is audited at least once every five (5) years. The following table depicts our plan to accomplish this objective.

Department	FY2017	FY2018	FY2019	FY2020	FY2021
Aviation	X				
Code Compliance	X	X			X
Communications & Public Engagement			X		
Development Services (formerly, Planning and Development)	N/A	N/A	N/A	N/A	X
Diversity & Inclusion	N/A	N/A	N/A	N/A	
Economic Development	X	X	X		
Financial Management Services	X	X	X	X	X
Fire		X	X		
Human Resources		X		X	X
Information Technology			X	X	X
Library	X		X		
Municipal Court		X	X		X
Neighborhood Services					X
Park and Recreation	X			X	X
Performance and Budget			X		N/A
Planning and Data Analytics (formerly, Performance and Budget)	N/A	N/A	N/A	N/A	X
Planning and Development		X			N/A
Police	X		X	X	X
Property Management		X		X	X
Public Events			X	X	
Transportation and Public Works	X	X	X		X
Water				X	X

Based on actual or anticipated audit report release dates

City-Wide Audits

Asset Verifications
Delegation of Financial Signing Authority
Delinquent Account Collections
ERP II Post-System Implementation
Equipment Leases
Fixed Asset Dispositions
Gas Utility Billings
Grants Management
Late Fees Paid by the City of Fort Worth
Overtime Usage and Controls
Revenue Collection Process
Sales Tax Paid by the City of Fort Worth
Telephone Expense
Travel & Training Expense Reporting
Tuition Reimbursements
Vendor Access Control



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