

CITY OF OLATHE PROPOSED 2020 AUDIT PLAN

Mary Ann Vassar, CPA, CRMA
City Auditor
January 7, 2020



2020 PROPOSED AUDIT WORKPLAN

OVERVIEW AND DEVELOPMENT APPROACH

THE PROPOSED 2020 AUDIT PLAN WAS DEVELOPED THROUGH:

- **Reviewing prior year's 2019 surveyed City management and City Council audit priorities**
- **Completion of a City enterprise-level assessment of risk areas and risk exposure**
- **Discussion of these survey and risk assessment results with the City Council**
- **Developing an audit plan with the City Auditor's available time resources including projects in requested areas *and/or* areas deemed to have relevant risk exposure**

2020 PROPOSED AUDIT WORKPLAN

based on risk assessment and surveyed priorities of the
Council and City Manager Team

| PROPOSED PROJECT | EST HRS | RISK TYPE/AREA | DEPARTMENT/ FUNCTIONAL AREA | 2019 SURVEY AUDIT TOPIC/AREA? |
|---|-------------|---|--------------------------------------|-------------------------------------|
| Audit Projects | | | | |
| Fleet Management (vehicle maintenance and replacement controls and funding) | 500 | INFRASTRUCTURE/EQUIPMENT & PROCESS/CONTROL | Public Works, Fire, Police, Parks | Y - by Council |
| IT Asset Inventory (verification of recent IT asset count) | 300 | INFRASTRUCTURE/EQUIPMENT & PROCESS/CONTROL | IT | Y - by CMO |
| Cybersecurity Review (review of 2 areas of cyber controls) | 600 | TECHNOLOGY/FINANCIAL | IT/City-wide | Y - by CMO |
| Overtime Usage & Controls | 400 | FINANCIAL/HR | City-wide/ Resource Management | Y - Council |
| TOTAL AUDIT PROJECT TIME | 1800 | | | |
| Additional/ongoing work | | | | |
| Ethics hotline testing/review | 20 | | Council | Y - Council |
| Financial results analytics | 40 | FINANCIAL | City-wide | |
| Audit Committee meetings | 45 | | | |
| Audit research/audit knowledge exchange with peer groups | 45 | | | |
| Internal management consulting and audit action plan follow up (includes streetlight conversion and sales tax rebate review projects) | 100 | FINANCIAL/INFRASTRUCTURE & EQUIP | CMO/Council | Y - Council and CMO |
| Data Analytic software knowledge development | 150 | | | |
| TOTAL WORK HOURS | 2200 | | | |

| AVAILABLE CITY AUDITOR HOURS | |
|------------------------------------|--------------|
| CITY AUDITOR | 2080 |
| PROPOSED AUDIT INTERN | 450 |
| TOTAL AUDITOR HOURS | 2530 |
| LESS NON-PROJECT HOURS | |
| VACATION & HOLIDAYS | (215) |
| AUDITOR CPE & INTERN TRAINING | (115) |
| TOTAL NON-PROJECT HOURS | (330) |
| NET AVAILABLE HOURS | 2200 |

2020 AUDIT PLAN ALIGNMENT WITH CITY AUDITOR BUDGET OBJECTIVES

- Report to the City Council a minimum of 4 audits which address areas of risk for the City.
- Identify opportunities for the City to avoid certain costs or to increase revenue.
- Develop a continuous audit program to automate the testing of internal controls associated with key business processes.
- Provide assistance and consultation to the City's process improvement initiatives.

4 projects focusing on costs and revenue are in the 2020 Audit Plan

Initiating development with 2020 Audit Plan

Part of 2020 workplan hours (research already planned for streetlight conversion and tax rebate projects)