

# FY 2024

## PRIMARY AUDIT PLAN

DEPARTMENT / PROJECT TITLE	PRELIMINARY SCOPE
<b>Aviation</b>	
Aviation Capital Asset Management	Determine that Aviation has a complete list of capital assets and ensure that assets are properly maintained.
Aviation Cash Handling - Badging and Security Division	Ensure controls safeguarding cash are in place and are effective.
Aviation Contract Insurance Monitoring	Validate that the City's vendor (Exigis) monitors and tracks certificate of insurance requirements adequately and that Aviation monitors the contract effectively.
Aviation Fleet Maintenance	Validate that controls are in place to ensure vehicles receive regular maintenance and that warranties are used for eligible repairs.
Car Sharing Companies	Ensure Turo, Inc. (car sharing company) is in compliance with City Code 4-68 (commercial ground transportation permitting).
CIP Contract Audit - Alstom Transport	Evaluate compliance with contract terms and adequacy of contract monitoring for this Capital Improvement Plan (CIP) contract.
Communications Center Training Program Review	Evaluate Aviation's in-house training program and compare it to best practices.

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**DEPARTMENT / PROJECT TITLE****PRELIMINARY SCOPE**

Contract Audit - Lamar Advertising

Evaluate compliance with contract terms and adequacy of contract monitoring.

CPI Adjustment Process

Review the process for monitoring Consumer Price Index (CPI) adjustments in contracts to ensure proper fees are calculated.

Direct Charges from ITS

Verify that direct charges made by Information Technology Services (ITS) to the Aviation Fund comply with Federal Aviation Administration (FAA) requirements.

Part 139 Training Analysis FY24

Review training records for Fixed Base Operator (FBO) fuel handlers, fire fighters, and Aviation staff to ensure files are current, accurate, and ready for the annual FAA inspection.

Rental Car Contract - Avis

Evaluate compliance with contract terms and adequacy of contract monitoring.

T4 - Retail Concessions - Stellar Partners

Evaluate compliance with contract terms and adequacy of contract monitoring.

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***City Auditor***

Audit Planning for FY25

Assist in creating the audit plan for the next fiscal year.

City Auditor Department Workorder Rates for FY25

Develop the workorder rates that the City Auditor will charge enterprise fund departments for the upcoming fiscal year.

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**DEPARTMENT / PROJECT TITLE****PRELIMINARY SCOPE**

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Quality Control Review

Verify the City Auditor Department's compliance with Generally Accepted Government Auditing Standards (Yellow Book).

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***City Manager***

Annual User Fee Review

Conduct a high-level analytical review of user fees for reasonableness and projected recovery rates.

Integrity Line Administration

Perform Integrity Line administrative tasks and provide reports and updates to the Integrity Line Committee.

Integrity Line Investigations

Perform investigations assigned to the City Auditor Department by the Integrity Line Committee.

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***Citywide***

ACH Compliance Requirements

Evaluate the City's compliance with National Automated Clearinghouse Association (NACHA) Automated Clearinghouse (ACH) requirements.

Contract Audit - Emergency Shelter Services

Evaluate compliance with contract terms and adequacy of contract monitoring.

Continuous Review of Cash

Perform ongoing testing of Citywide cash accounts based on fluctuation analysis and other analytical methods.

Continuous Review of City Manager's Dashboard Data

Review metrics and data provided by departments to the City Manager's Office (CMO) dashboard to ensure assumptions and data are accurate.

DEPARTMENT / PROJECT TITLE	PRELIMINARY SCOPE
Continuous Review of Cybersecurity Events	Identify and evaluate high-risk information technology security events to determine that access and/or change was authorized.
Continuous Review of Expenditures	Perform ongoing testing of expenditure transactions Citywide based on fluctuation analysis and other analytical methods.
Continuous Review of Payroll	Perform ongoing testing of payroll transactions Citywide, based on fluctuation analysis and other analytical methods.
Continuous Review of Revenue	Conduct continuous testing for controls over revenue collection.
External Federal Single Audit - FORVIS	Manage the external auditor contract to conduct the annual Federal Single Audit of grant funds.
External Financial Audits - FORVIS	Manage the external auditor contract to conduct annual financial audits.
Follow-Up on Medium Audit Recommendations FY24	Follow up on audit recommendations that the City Auditor Department designated as Medium Priority to confirm that the implementation was effective.
Internet Circuits	Evaluate that subscription rates for Internet circuits are in line with cooperative rates negotiated with various telecommunication providers.
myPHX311 Services Delivery	Evaluate the effectiveness of the myPHX311 program in connecting the public to services and tracking issues.

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**DEPARTMENT / PROJECT TITLE****PRELIMINARY SCOPE**

Payment Card Industry (PCI)  
Compliance Support

Provide support as needed as the City uses a Qualified Security Assessor to conduct its annual PCI compliance assessment.

Privacy Program

Evaluate the City's privacy program to validate compliance with City policies and Arizona Revised Statutes, and alignment with industry standards.

Purchasing Cards

Evaluate that the use of non-fuel credit cards complies with A.R. 3.10 - General Procurement Procedures and other City policies.

Real Estate Acquisition

Review the City's acquisition and due diligence process for procuring new real estate assets.

Travel Reimbursement Process

Review the travel reimbursement process to ensure policies are being followed and employees are being properly reimbursed.

Utility Billing

Evaluate the effectiveness of new controls (Energy Cap System) implemented by Public Works/Sustainability Function to ensure the City is accurately billed and paying for electricity charges and managing usage.

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***Equal Opportunity***

Americans with Disabilities Act (ADA)  
Compliance Program

Evaluate the City's compliance with ADA requirements for local governments and the effectiveness of the City ADA Program in resolving accessibility complaints and promoting accessibility.

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**DEPARTMENT / PROJECT TITLE****PRELIMINARY SCOPE**

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***Finance***

Application Risk Assessment - SAP  
(City's Financial System)

Evaluate the current status of SAP (modules, uses, and risks) and create a multi-year audit plan that focuses on highest risks. Use an external consultant with SAP application expertise.

Investment and Cash Management  
Analysis

Validate that investment policies adhere to internal policies and that controls over investments are adequate.

Monthly Financial Report (MFR)  
Attestation

Conduct a monthly review of Finance's MFR. This is an attestation engagement with agreed-upon procedures.

Year-End Review of Monthly Financial  
Report (MFR)

Determine reasons for material changes in financial data presented in the MFR for expenditures / encumbrances; reconcile to the Annual Report.

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***Fire***

Contract Audit - LION First Responder  
PPE

Evaluate compliance with contract terms and adequacy of contract monitoring.

Fire Computer Aided Dispatch (CAD)  
Replacement System Implementation

Ensure that key system controls are: included in business requirements, designed for, tested, and present once the system goes live. This is a multi-year project, with separate projects for each fiscal year.

Firefighter Training Review

Validate that firefighters complete minimum annual training as required by the National Fire Protection Association (NFPA).

Grants Management (Fire)

Review grants for compliance with grant terms and expenditures.

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**DEPARTMENT / PROJECT TITLE****PRELIMINARY SCOPE**

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***Housing***

Contract Audit - Dunlap and Magee

Evaluate compliance with contract terms and adequacy of contract monitoring.

Housing Phoenix Plan

Evaluate the status of the Housing Phoenix Plan and look for areas of risk that might be addressed through future audits.

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***Human Resources***

Application Controls - eCHRIS Identity and Access Management

Evaluate the effectiveness of identity and access management controls for the City's human resource system (eCHRIS), including access rights management, administrative accounts, and user account provisioning, maintenance, and removal.

Contract Audit - Cannon, Cochran Management Services, Inc.

Evaluate compliance with contract terms and adequacy of contract monitoring.

Payroll and Leave Processing (Parks)

Evaluate payroll and leave processing for compliance with City administrative regulations and policies.

Payroll and Leave Processing (Public Works)

Evaluate payroll and leave processing for compliance with City administrative regulations and policies.

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***Human Services***

Grants Management (Human Services)

Review grants for compliance with grant terms and expenditures.

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***Information Technology Services***

Server Configuration &amp; Patch Management Follow-Up

Evaluate the security of server configurations and server patch management practices.

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**DEPARTMENT / PROJECT TITLE****PRELIMINARY SCOPE**

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***Municipal Court***

Municipal Court - Default Fee Cost Model Review

Assist Municipal Court with updating the cost model of its Default fee.

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***Phoenix Convention Center***

Contract Audit - Phoenix Downtown Theater Garage Use Agreement

Evaluate compliance with contract terms and adequacy of contract monitoring.

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***Planning & Development***

Self-Certification Program

Evaluate the self-certification process to ensure it meets its goals and objectives and that the process maintains compliance with building code requirements.

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***Police***

Body Worn Cameras Follow-Up

Evaluate system controls including: asset management, access management, and overall security (data confidentiality, integrity, and availability). Evaluate management controls including cataloging, redaction, and removal of data.

Compliance with Department Professional Standards Bureau Policies and Procedures

Verify that the Professional Standards Bureau conducts case management reviews according to department and/or state procedures.

Disposition of Eligible Evidence

Determine if the Police Department has an effective process to remove evidence as it becomes eligible for disposal.

Grants Management (Police)

Review grants for compliance with grant terms and expenditures.



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**DEPARTMENT / PROJECT TITLE****PRELIMINARY SCOPE**

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Police Fleet Utilization

Evaluate compliance with internal policies and processes for managing vehicle fleet.

Police Procurement Process

Determine if procurements are completed according to City and Department policies.

RMS Replacement System  
Implementation  
(Records Management System)

Ensure that key system controls are: included in business requirements, designed for, tested, and present once the system goes live. This is a multi-year project, with separate projects for each fiscal year.

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***Public Transit***

Bus Scheduling Program

Evaluate the bus scheduling program, goals, and performance metrics.

Contract Audit - First Transit

Evaluate compliance with contract terms and adequacy of contract monitoring.

Information Systems Risk Assessment

Review IT general control risks including organizational management, information security, computer operations, and change management.

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***Public Works***

Contract Audit - Tetra Tech

Evaluate compliance with contract terms and adequacy of contract monitoring.

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***Retirement Systems***Retirement Functions - Investment  
Policy Statement (IPS) Compliance

Determine that the City of Phoenix Employees' Retirement System (COPERS) complies with its Investment Policy Statement (IPS).

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**DEPARTMENT / PROJECT TITLE****PRELIMINARY SCOPE**

Service Credits

Determine that service credits are applied in accordance with Retirement policy.

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***Street Transportation***

Street Maintenance

Verify that controls are in place to ensure maintenance on existing network infrastructure complies with policies.

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***Water Services***

Construction Audit - Northwest Master Plan Package 3

Evaluate compliance with contract terms including payments and service delivery.

Contract Audit - City of Avondale Water Services Agreement

Determine if the required fees are paid by the City of Avondale for wholesale water that is diverted, treated, and transported by the City of Phoenix.

Contract Audit - City of Tolleson Water Services Agreement

Determine if the required fees are paid by the City of Tolleson for wholesale water that is diverted, treated, and transported by the City of Phoenix.

Contract Audit - Ernst & Young US LLP (Customer Care & Billing System)

Evaluate compliance with contract terms and adequacy of contract monitoring.

Ninety-First Avenue Renewable Biogas, LLC

Determine if interest owed to the City from the agreement with Ninety-First Avenue Renewable Biogas, LLC was paid in accordance with contract terms.

Position Cost Allocation

Determine if the process to allocate position costs to another division or department is consistent, accurate, and authorized.

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**DEPARTMENT / PROJECT TITLE****PRELIMINARY SCOPE**

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Water Distribution System  
Maintenance

Evaluate the effectiveness of Water Services' distribution system maintenance and its ability to meet performance goals.

Water Facilities Security

Validate that security protocols are being followed in high-risk areas of Water facilities.