

FY2023 CITY AUDITOR Proposed Budget

Presentation to
Richmond City Council
January 3, 2022
5:00 PM

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FY2023 Additional Budget Request

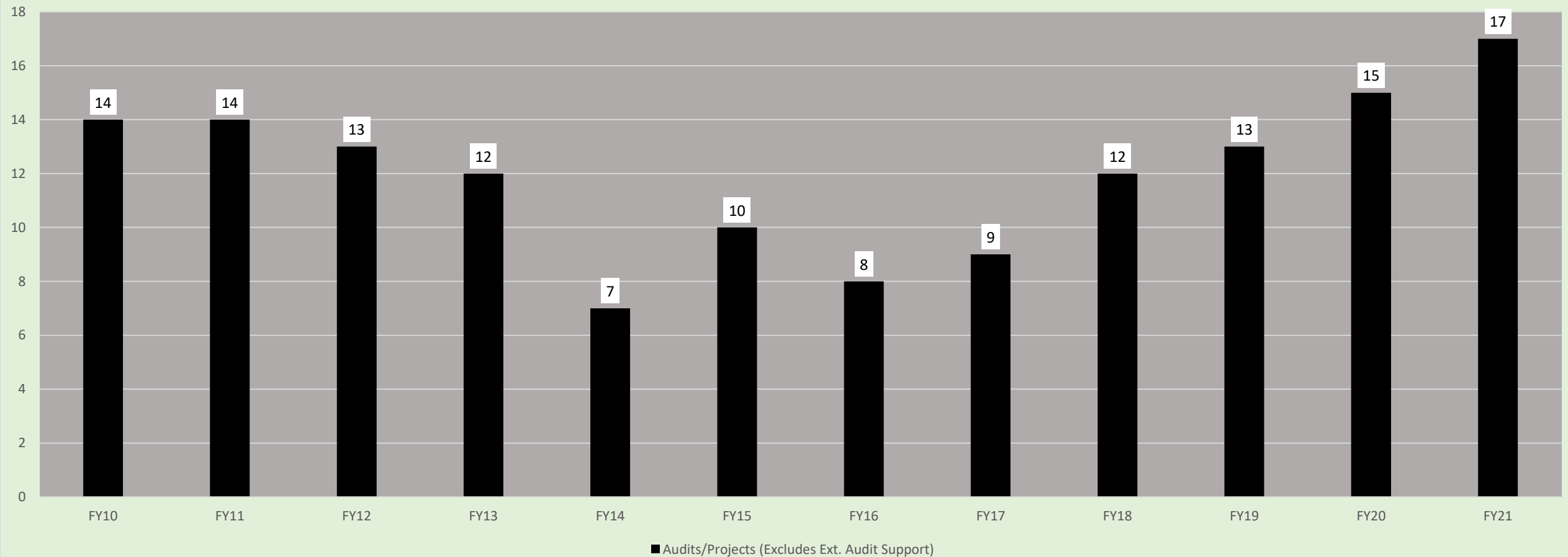
Request for \$75,000 to assist in anticipated contracted cost increase for External Audit Services.

1. Current contract with vendor expires in FY2022.
2. RFP has been advertised. We will not know who the selected vendor will be or the final cost until early Spring of 2022.
3. New federal compliance issues related to Federal Single Audit due to the American Rescue Plan may drive cost increase.

Key Performance Indicators

FY2021 Audit Results – Reports Issued

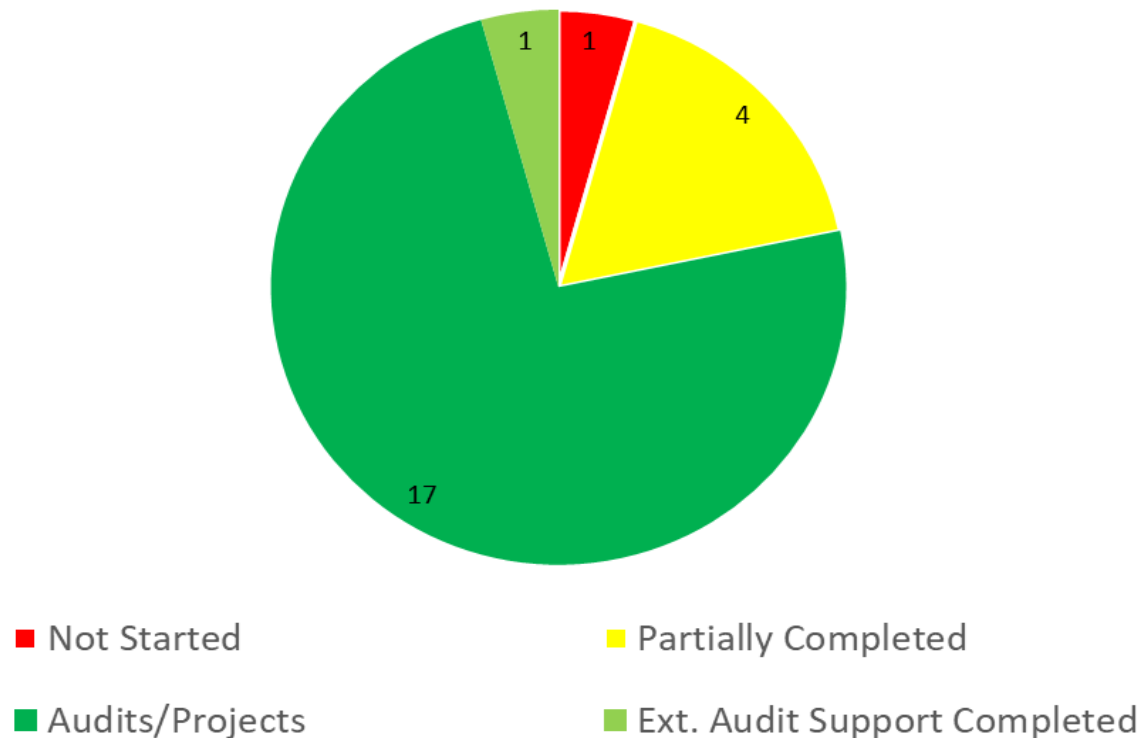
Reports by Year



FY2021 Audit Results

Completed 87% of the scheduled audit plan as of 6/30/21, with four audits partially completed despite staffing shortages

FY21 Audits/Projects Completed



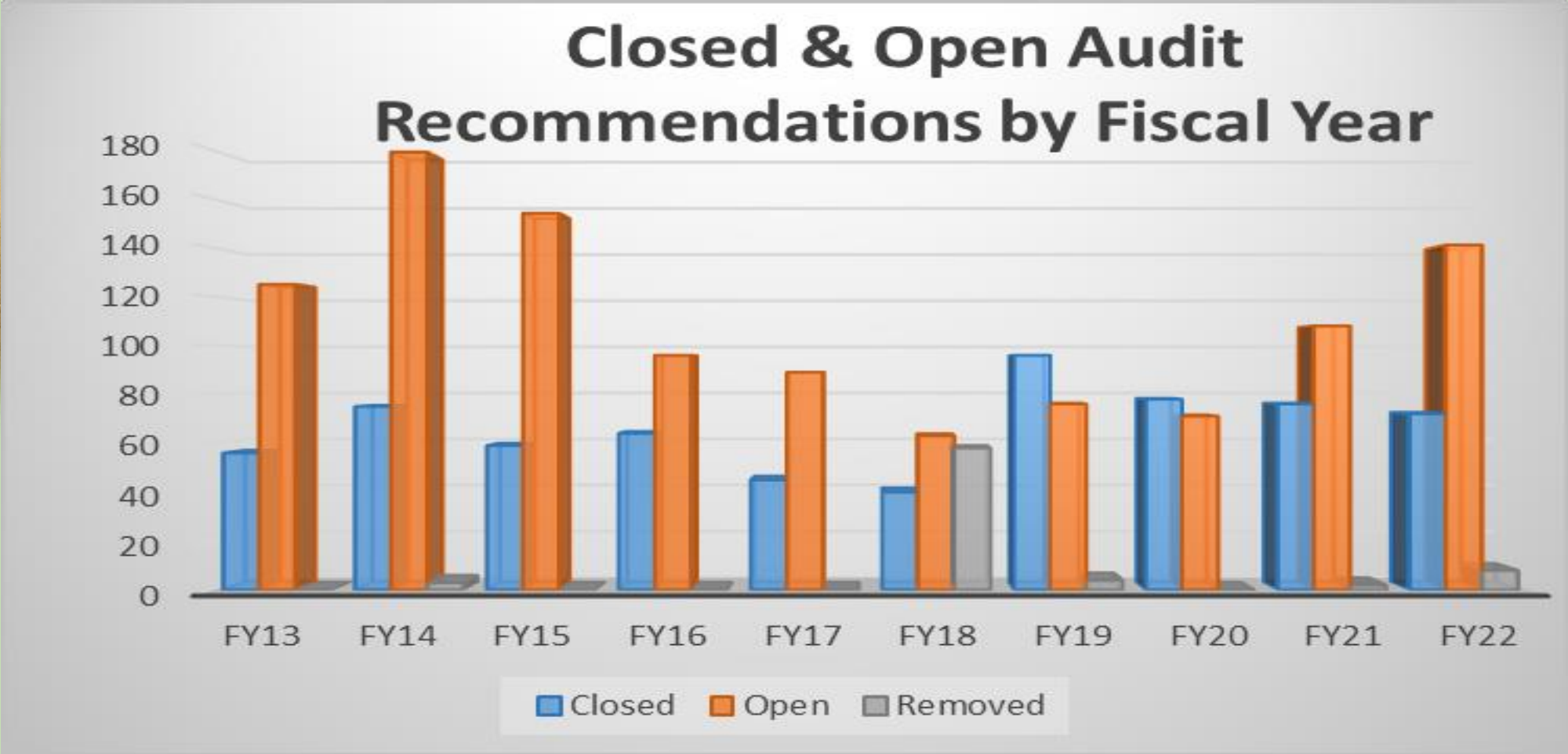
FY2021 Audit Results

APA Comparative Cost	Report Issued
COVID-19 Special Project - FY20 Project	Report Issued
Vehicle Util./Personal Usage - FY20 Project	Report Issued
External Audit Support	Complete
Pension/OPEB	Report Issued
CIP & Construction Mgt. Contracts	Report Issued
DPU Water Contracts	Report Issued
Annual Follow up	Report Issued
Finance Cigarette Taxes	Report Issued
DSS Foster Care	Report Issued
Housing and Community Development	Report Issued
MBD scoring process	Report Issued
Delinquent Tax Sales Special Project	Report Issued
Continuous Auditing	Report Issued
Fire Prevention Division - Inspections	Report Issued
HR - Recruitment	Report Issued
Network Vulnerability Assessment	Report Issued
PDR - Property Maint. Code Enforcement	Report Issued
IT Project Management	In Process
COVID-19 Programs	In Process
DPW - Contracts	In Process
Community Wealth Building	In Process
Police Athletic League	Not Started

FY2021 Audit Results

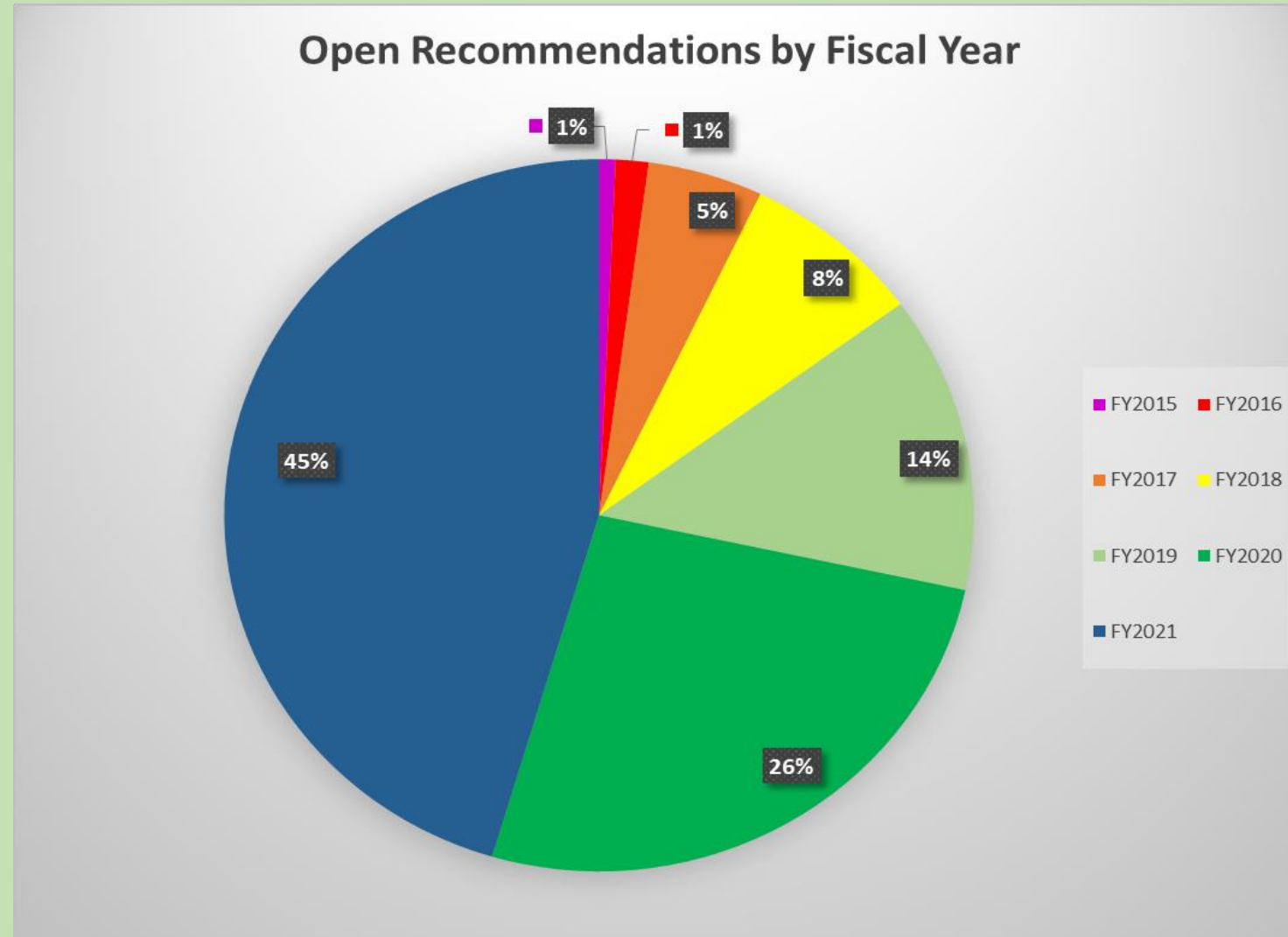
- Audits identified \$1.4 million of cost savings/dollar impacts.
- Continue to maintain compliance to Government Audit Standards and passed our FY19-FY21 Peer Review from the Assoc. of Local Govt. Auditors in October 2021.
- Policy/Procedures manual updated to comply with new Government Audit Standards issued by GAO.

Recommendation Implementation Trend



Open Recommendations by year of Issuance

- There have been 309 concurred recommendations from FY2019 – FY2021
- During those periods, 226 recommendations have been closed and 10 removed
- Ongoing audit activity always leaves a percentage of recommendations open
- Over 85% of open recommendations are from the last three years



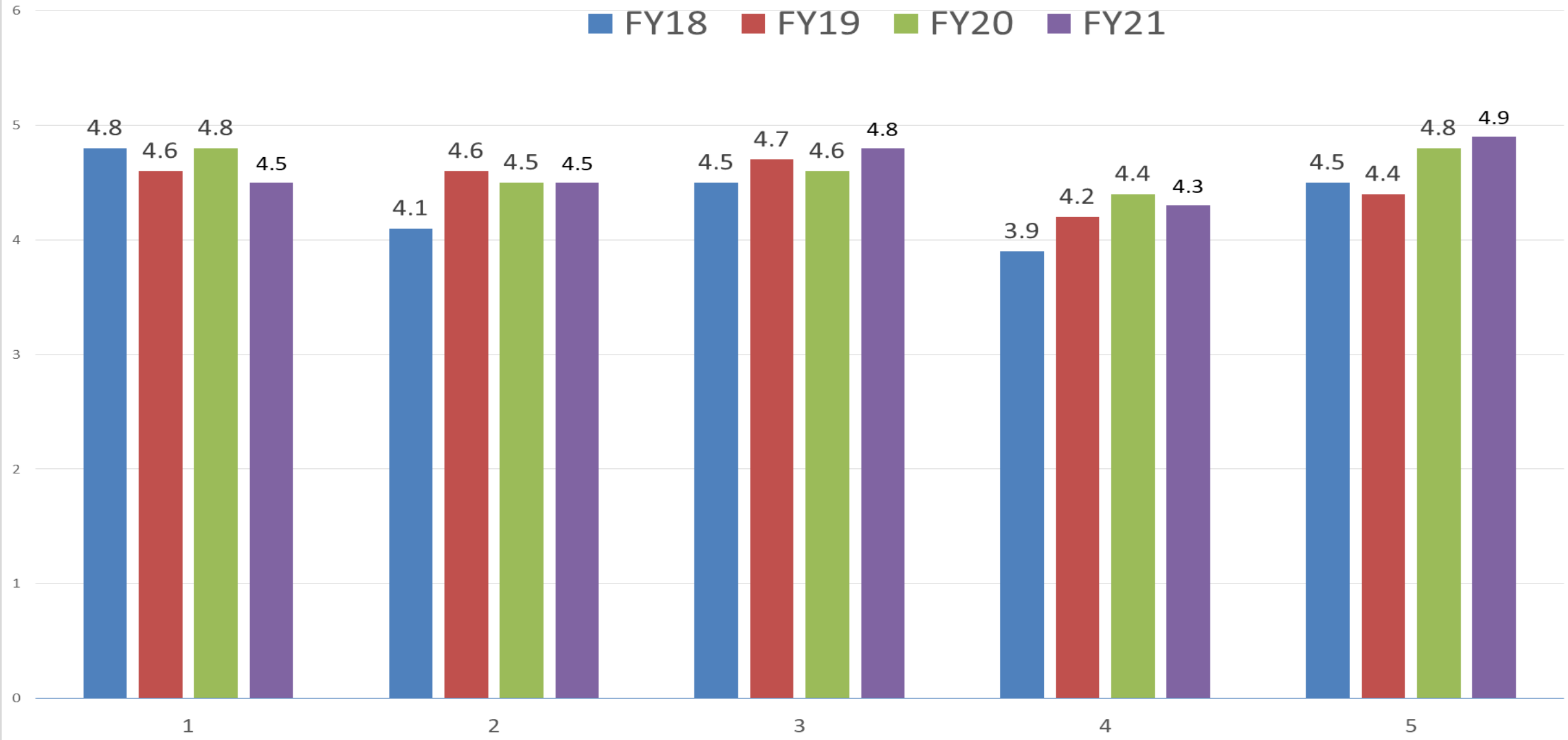
FY2021 Audit Results

Audit Effectiveness Questionnaire.

1. The various phases of the audit and scope were clearly explained prior to starting the audit work.
2. The audit staff exhibited sufficient technical skills and obtained knowledge of the work and systems of areas being audited.
3. The audit staff shared the audit findings to department management for discussion and revision throughout the audit process.
4. The audit report was accurate and concisely written but had the appropriate level of detail to support the audit findings.
5. The audit was conducted in a professional manner and staff were fair and reasonable while conducting the audit.

Audit Effectiveness Results

FY18 FY19 FY20 FY21



5=Strongly Agree 4=Agree 3=Neutral 2=Disagree 1=Strongly Disagree

Moving Forward

- FY2022 Audit Plan has been approved and we have begun audit work.
- Working to fill two funded audit positions.
- Will continue to work on critical cyber security areas through audits with IT audit vendors.
- Continue working with the Administration on open audit recommendations and issues regarding closure status.
- Thank you – Questions?