

ITEM NO  
7

Audit Activity	Initial Objective(s)	
<b>Recurring Audit Activities:</b>		
Fraud & Ethics Hotline Investigations	<ul style="list-style-type: none"> <li>Monitor the Fraud and Ethics Hotline and perform investigations as needed.</li> </ul>	
Payment Card Industry Data Security Standards (PCI DSS) Reviews	<ul style="list-style-type: none"> <li>Annually review all credit card acceptance sites for compliance with PCI DSS.</li> </ul>	
Scheduled or Unscheduled Assistance to Others	<ul style="list-style-type: none"> <li>Provide customer assistance of a short duration as needed; generally 40 hrs or less.</li> </ul>	<p style="text-align: center;"><u>2009/2010</u> Falcon Field Aviation Fuel Contracts Police Citations Procedure Review</p>
MesaStat Presentation Observations	<ul style="list-style-type: none"> <li>Attend MesaStat presentations in anticipation of verification of performance measurement and financial data.</li> </ul>	
Follow-up Reviews of Completed Audits (9-12 months after completion)	<ul style="list-style-type: none"> <li>Verify that corrective action(s) agreed to in response to the audit have been implemented.</li> <li>Verify that corrective action(s) implemented were effective in resolving the related audit finding(s).</li> </ul>	<p style="text-align: center;"><u>2009/2010</u> Mesa Arts Center Event Settlements Financial Services – Revenue Collections Citywide Surprise Cash Counts Police Evidence Policies &amp; Procedures Fire Department – Overtime City Attorney – Risk Management Fire – Southwest Ambulance Contract ITD – Contract Monitoring Process Financial Services – Payroll PRCF Adult Sports Registration</p>
<b>On-Going Audits from 2008/2009 Audit Plan:</b>		
Engineering Department – Contract Monitoring Process	<ul style="list-style-type: none"> <li>Determine whether the Engineering Department effectively and efficiently monitors its contracts.</li> </ul>	
Fire Department – Fee Collection and Processes	<ul style="list-style-type: none"> <li>Determine whether the Fire Department's cash handling and fee collection policies and procedures contain adequate controls, and whether those controls are operating effectively.</li> </ul>	
<b>Scheduled Audits for 2009/2010:</b>		
Financial Services – Accounting – Bond Proceeds & Secondary Property Tax	<ul style="list-style-type: none"> <li>Verify that proceeds from bonds with attached secondary property taxes were expended only for the intended voter-approved purposes.</li> </ul>	

Audit Activity	Initial Objective(s)	
Facilities Maintenance – Custodial Services	<ul style="list-style-type: none"> <li>• Verify compliance with contract terms.</li> <li>• Verify that contractors and subcontractors are complying with their warranties to comply with federal and state immigration laws and regulations, including requirements to verify the employment eligibility of their employees.</li> <li>• Determine whether there are opportunities for improvement in economy, efficiency and/or effectiveness of custodial services.</li> </ul>	
Procurement Services – Request For Proposal/Bid Process	<ul style="list-style-type: none"> <li>• Evaluate the request for proposal/bid process for adequate controls, compliance with applicable regulations, and for effectiveness in providing the best value for the City.</li> <li>• Determine whether the process encourages Mesa businesses to bid on City contracts and other purchases.</li> </ul>	
Municipal Court – Minimum Accounting Standards (MAS)	<ul style="list-style-type: none"> <li>• This is an "agreed upon procedure" that is directed by the Arizona Supreme Court and required to be performed every 3 years.</li> </ul>	
Information Technology Department – Disaster Recovery Plan	<ul style="list-style-type: none"> <li>• Review the plan for completeness and overall adequacy, ensuring it reflects current operations and contains sufficient internal control considerations.</li> </ul>	
<b>Additional Audits (as time permits):</b>		
Planning Department – Fee Collection and Processes	<ul style="list-style-type: none"> <li>• Determine whether controls related to the Planning Department's fee collection policies and procedures are adequate and operating effectively.</li> </ul>	
Real Estate Services – Property Sales	<ul style="list-style-type: none"> <li>• Determine whether property sales were properly authorized, transacted and documented.</li> </ul>	
<b>Special Audits:</b>		
Special requests may require immediate attention and may supersede a scheduled audit.	<ul style="list-style-type: none"> <li>• Objectives to be determined as appropriate for the individual request.</li> </ul>	<p style="text-align: right;"><u>2009/2010</u></p> <p>Stimulus Fund Reviews: Verify that the City is properly accounting for stimulus funds from all sources.</p>

**Approved By:**

_____ Gary Ray, City Auditor	_____ Date
_____ Christopher Brady, City Manager	_____ Date
_____ Scott Smith, Mayor	_____ Date