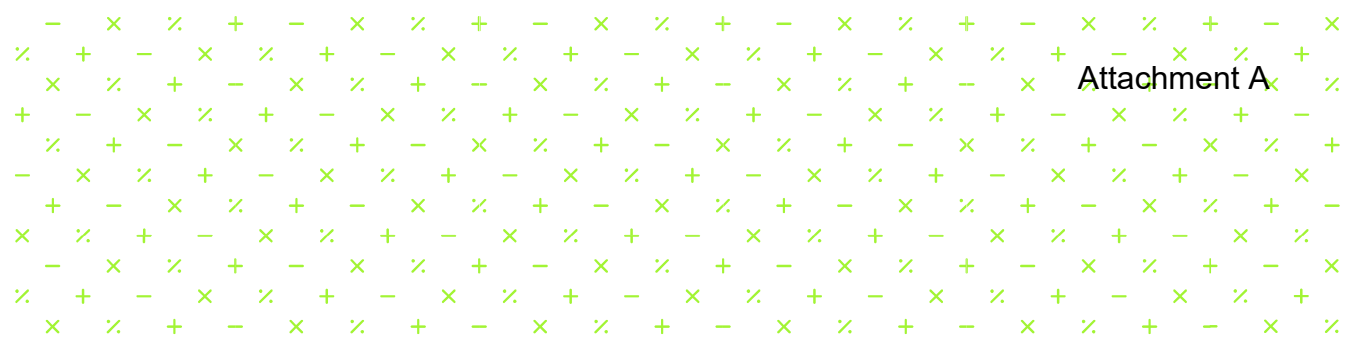


City of Stockton FY 20-21 Internal Audit Program

Audit Committee Meeting

May 11, 2020



Overview

- I. Introduction
- II. Internal Audit Program Components
- III. Internal Audit Program Review
- IV. Potential FY 20-21 Internal Audit Projects

I. Introduction

- The City retained Moss Adams LLP to serve as the designated Internal Auditor and conduct projects focusing on:
 - Risks
 - Internal controls
 - Compliance
 - Performance
 - Best practices
- Work is being completed under relevant industry standards



II. Internal Audit Program Components

Internal Audit

Risks

Internal Controls

Compliance

Performance

Areas of Focus: accounting and financial reporting, asset management, capital programs, compliance, economics and funding, fraud, governance, human resources, internal controls, maintenance and operations, management, operations and service delivery, organization and staffing, processes and procedures, procurement, public safety, risk management, and technology



III. Internal Audit Program Review

<u>Focus</u>	<u>Accomplishments</u>
• Enterprise Risk Assessments	2013, 2016, 2019
• Enterprise Internal Controls Review	2013
• Functional Internal Controls Reviews	8 areas for design reviews
• Functional Internal Controls Testing	12 areas for compliance tests
• Policy Review and Development	Over 175 ADs and citywide policies
• Performance Measures	Citywide and Department KPIs
• Performance Projects	Multiple performance assessments
• Findings Tracking	Over 430 findings tracked
• Findings Validated	Over 280 findings validated
• Ethics Hotline	Over 130 reports since 2007

IV. Potential FY 20-21 Internal Audit Projects

1. Business Continuity Assessment
2. Human Resources Operational Review
3. Fixed Asset Internal Controls Review
4. Inventory Internal Controls Review
5. Procurement Operational Review
6. Permitting Efficiency Study
7. Capital Program Process Improvement
8. Real Estate Portfolio Review
9. Policies and Procedures Development Support
10. Performance Management System Development Support
11. Audit Findings Validation and Reporting
12. Internal Audit Program Management





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