



**CARSON CITY CONSOLIDATED MUNICIPALITY
NOTICE OF MEETING OF THE
CARSON CITY AUDIT COMMITTEE**

Day: Tuesday
Date: June 7, 2016
Time: Beginning at 2:00pm
Location: Community Center, Sierra Room
851 East William Street
Carson City, Nevada

Agenda

1. Call to Order

2. Roll Call

3. Public Comments and Discussion:

The public is invited at this time to comment on and discuss any topic that is relevant to, or within the authority of, the Carson City Audit Committee. In order for members of the public to participate in the Committee's consideration of an agenda item, the Committee strongly encourages members of the public to comment on an agenda item during the item itself. No action may be taken on a matter raised under public comment unless the item has been specifically included on the agenda as an item upon which action may be taken.

4. For Possible Action: Adoption of Agenda

5. For Possible Action: Discussion, possible action, and direction to Staff regarding the current Audit Work Program Update.

Summary: Representatives from Moss Adams and City staff will be discussing and taking direction from the Audit committee regarding the current work program.

6. For Possible Action: Discussion and possible action regarding the monitoring, review and closure of internal audit findings included in the Audit Findings Tracking Report and provide recommendations to the Board of Supervisors for closure of completed projects.

Representatives from Moss Adams and City staff will discuss the monitoring, review and closure of internal audit findings included in the Audit Findings Tracking Report.

7. For Possible Action: Discussion and update regarding the progress of the City's performance measurement implementation.

Summary: Moss Adams will be providing an update of the progress on the City's performance measurement implementation.

8. For Possible Action: Discussion and possible action to identify, discuss, and provide recommendations to the Board of Supervisors on additional projects to be performed by the Internal Auditor for the period ending June 30, 2017.

Summary: Moss Adams will provide recommendations for future internal audits for the period ending June 30, 2017.

9. For Possible Action: Discussion and possible action to recommend to the Board of Supervisors that they extend the contract of Moss Adams to provide internal audit services for Carson City through the period ending June 30, 2017.

Summary: Moss Adams has requested that their contract to provide internal audit services for Carson City be extended through the period ending June 30, 2017.

10. For Possible Action: To schedule the next meeting of the Carson City Audit Committee.
11. **Public Comment** - The public is invited at this time to comment on any matter that is not specifically included on the agenda as an action item. No action may be taken on a matter raised under this item of the agenda.

12. **For Possible Action: To Adjourn**

Agenda Management Notice - Items on the agenda may be taken out of order; the public body may combine two or more agenda items for consideration; and the public body may remove an item from the agenda or delay discussion relating to an item on the agenda at any time.

Titles of agenda items are intended to identify specific matters. If you desire detailed information concerning any subject matter itemized within this agenda, you are encouraged to call the responsible agency or the City Manager's Office. You are encouraged to attend this meeting and participate by commenting on any agenda item.

Notice to persons with disabilities: Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify the City Manager's Office in writing at 201 North Carson Street, Carson City, NV, 89701, or by calling (775) 887-2100 at least 24 hours in advance.

*To request a copy of the supporting materials for this meeting contact
Rachael Porcari at rporcari@carson.org or call (775) 887-2100.*

*This agenda and backup information are available on the City's website at www.carson.org,
and at the City Manager's Office - City Hall, 201 N. Carson Street, Ste 2, (775) 887-2100.*

This notice has been posted at the following locations:
Community Center 851 East William Street
City Hall 201 North Carson Street
Carson City Library 900 North Roop Street
Community Development Permit Center 108 East Proctor Street

Posted Date: June 1, 2016

**Carson City Audit Committee
Agenda Report**

Date Submitted: 05/25/2016

Agenda Date Requested: 06/07/2016

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: For Possible Action: Discussion, possible action, and direction to Staff regarding the current Audit Work Program Update.

Summary: Representatives from Moss Adams and City staff will be discussing and taking direction from the Audit committee regarding the current work program.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Committee Action: Will depend on discussion and possible recommendations.

Explanation for Recommended Committee Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation:

Fiscal Impact: N/A

Explanation of Impact: N/A

Funding Source: N/A

Alternatives: N/A

Supporting Material: Information to be provided from Moss Adams

Prepared By: Michael Bertrand, Chairman

Reviewed By: _____ **Date:** _____
(Chief Financial Officer)

Board Action Taken:

Motion: _____

	Member	Aye/Nay
1)	_____	_____
2)	_____	_____
3)	_____	_____
4)	_____	_____
5)	_____	_____

(Vote Recorded By)



Date: June 7, 2016
To: Carson City Audit Committee
From: Mark Steranka
Subject: Internal Audit Status Report May 16, 2016 through May 31, 2016

Schedule Status:

- Basic Internal Auditor Services: Ongoing.
- Policy and Procedure Update: Project initiation August 2015, completion February 2016, followed by ongoing update activities as needed.
- Cash/Revenue Collection Improvement: Project initiation November 2015, completion May 2016.
- P-Card and Payroll Testing: Project initiation March 2016, projected completion June 2016.
- FWA Program Coordination: Ongoing.

Budget Status through April 30, 2016:

- Basic Internal Auditor Services: Expended \$6,650.00 of \$10,000 budget.
- Policy and Procedure Update: Expended \$29,884.27 of \$35,000 budget.
- Cash/Revenue Collection Improvement: Expended \$24,500.00 of \$25,000 budget.
- P-Card and Payroll Testing: Expended \$7,000.00 of \$25,000 budget.
- FWA Program Coordination: Expended \$2,450.00 of \$5,000 budget.

Activities for this Reporting Period:

- Basic Internal Auditor Services: Continued to maintain Audit Findings Summary Report, prepare Audit Committee meeting materials, and attend Audit Committee meetings.
- Policies and Procedures Update: No activity.
- Cash/Revenue Collection Improvement: Presented the final report to the Audit Committee.
- P-Card and Payroll Testing: Gathered sample information onsite and completed sampling and testing.
- FWA Program Coordination: No new reports received.



Activities for the Next Reporting Period:

- Basic Internal Auditor Services: Continue to attend meetings and maintain Audit Findings Summary Report.
- Policies and Procedures Update: No activity.
- Cash/Revenue Collection Improvement: No activity.
- P-Card and Payroll Testing: Prepare draft and final reports.
- FWA Program Coordination: Continue to monitor the hotline and respond to reports as appropriate.

Issues:

- none

**Carson City Audit Committee
Agenda Report**

Date Submitted: 05/24/2016

Agenda Date Requested: 06/07/2016

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: For Possible Action: Discussion and possible action regarding the monitoring, review and closure of internal audit findings included in the Audit Findings Tracking Report and provide recommendations to the Board of Supervisors for closure of completed projects.

Summary: Representatives from Moss Adams and City staff will discuss the monitoring, review and closure of internal audit findings included in the Audit Findings Tracking Report.

Type of Action Requested: (check one)

() Resolution

() Ordinance

(X) Formal Action/Motion

() Other (Discussion Only)

Does This Action Require A Business Impact Statement: () Yes (X) No

Recommended Committee Action: Will depend on the discussion.

Explanation for Recommended Committee Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation: N/A

Fiscal Impact: N/A

Explanation of Impact: N/A

Funding Source: N/A

Alternatives: N/A

Supporting Material: Internal Audit Findings Response Tracking Report

Prepared By: Michael Bertrand, Chairman

Reviewed By: _____ **Date:** _____
(Chief Financial Officer)

Board Action Taken:

Motion: _____

	Member	Aye/Nay
1)	_____	_____
2)	_____	_____
3)	_____	_____
4)	_____	_____
5)	_____	_____

(Vote Recorded By)

Carson City - Audit Findings Tracking Summary Report (revised 05-27-16)

Report Name	Report Submittal	BOS Report Approval	Plan to Implement	Reporting Entity	Report Findings	Completed Findings	AC Approval	BOS Approval	Notes
Community Facility Cost Recovery Study	11/28/2012	1/17/2013	2017	Internal Auditor	15	13	11/17/2015	3/17/2016	2 open findings
Employee Efficiency Study	11/25/2014	12/4/2014	2/9/2015	Internal Auditor	27	24	11/17/2015	3/17/2016	3 open findings
Internal Controls Review	3/31/2015	6/4/2015	6/30/2016	Internal Auditor	41	29			12 new completed, 9 new partial
Policy and Procedures Review	3/22/2016			Internal Auditor	5	3			3 new completed, 1 new partial
Performance Measures Development	6/3/2015		6/30/2016	Internal Auditor	1				
Total					145	119			

Legend:

Report Submittal = date report submitted to City

BOS Report Approval = date report adopted by BOS

Plan to Implement = date implementation plan presented by management to BOS

Reporting Entity = organization that prepared the report

Report Findings = number of findings in the report

Completed Findings = number of findings completed by management

AC Approval = Audit Committee approval of completed findings

BOS Approval = Board of Supervisors approval of completed findings

Notes = notes about findings

Carson City
Community Facility Cost Recovery Study

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
7	1/17/2013	Yes, specify direction	IV.B.4	Question 18 funds would be available to support Theater operations if planned capital improvements were made.	Determine how to leverage Question 18 funds to make capital improvements and unlock operations funding.	Parks and Recreation, Finance	Parks and Recreation Director, Finance Director	Q18 revenues are still below 2008 levels, however the city has earmarked \$500,000 for Community Center improvements from the 1/8th cent program. This project is scheduled for 2017. Staff will be working with the public to determine needs and developing an action plan. Q18 will be used to augment the capital improvements.	\$ 75,000		P	2017		
8	1/17/2013	Yes, specify direction	IV.B.5	The Theater does not have dedicated marketing or booking support.	Investigate the feasibility of employing a dedicated marketing and booking staff member to manage and promote Theater reservations.	Parks and Recreation	Parks and Recreation Director, Recreation Operations Manager	The current staffing level has precluded employing a dedicated marketing staff. Booking is currently handled thru the department reservationist and the Theater manager. Staff is looking into online marketing, booking and ticketing programs.	TBD		P	2016		Ticketing and marketing in the past has been the responsibility of the event. WNC provides their own ticketing as does the school district for their programs. The Community Center does market events held in the Community Center with its new digital reader board located in front of the facility. Staff is interested in whether an online marketing/ticketing program will be advantageous and what the cost may be.

Carson City
Employee Efficiency Study

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
5	12/4/2014	Yes, specify direction	5	The City does not fully leverage technology to optimize customer service efficiency and effectiveness.	Develop an IT Strategic Plan with a focus on how to leverage technology to develop more efficient workflows, provide more cost-effective customer service, and more efficiently utilize the IFC Technology Governance Committee.	Citywide	City Manager	The IT Director has been tasked with proposing a Strategic Planning framework to the Technology Governance Committee for its review and guidance regarding next steps.			P	12/31/2016		IT is in the process of hiring a consultant to develop an IT strategic plan.
10	12/4/2014	Yes, specify direction	10	The City lacks a communications function or policy.	Assign a Public Information Officer responsibility to an existing resource, develop a media and communications policy, and train staff accordingly.	CMO	City Manager	The Business Development Manager will further develop communication strategies and procedures. In the event of an emergency, the City has trained PIOs.			Y		2/19/2016	Communication function assigned to Business Development Manager. Information Management Officer was hired 2/19/16. Department Directors to act as PIOs as required.
14	12/4/2014	Yes, specify direction	14	The Procurement and Contracting function lacks the necessary capacity to meet citywide needs.	Allocate one additional FTE to the Purchasing Division of the Finance Department, and issue the updated Purchasing and Contracts Policy and Procedure.	Finance	Finance Director	Due to budgetary constraints, we do not think it is possible to add another FTE at this time. We will issue the updated Purchasing and Contracts Policy Procedure Manual to department within the month.			Y	12/31/2015	January-16	The updated Purchasing and Contracts Policies and Procedures manual is in the final review stages and will be uploaded to Policy Tech after all reviews have been completed.

Carson City
Internal Controls Review

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
1	6/4/2015	Yes, specify direction	A1	The departments' review of accumulated hours reported in HTE is not documented and thus may not be performed consistently, which results in the risk of hours not being accumulated and reported accurately.	Implement City-wide policies and procedures regarding timekeeping. Provide training to supervisors and managers about duties related to timekeeping. Use Finance staff or internal audit resources to perform periodic monitoring of departmental processes and controls related to review of accumulating and reporting hours accurately.	Finance	Chief Financial Officer	The Finance Department created a document titled "Payroll Procedures" that outlines the duties and responsibilities of each department involved in the payroll process. After approval, this will be uploaded to Policy Tech. It would be difficult to make the City-Wide policy more specific due to the different methods of timekeeping used by City Departments (Telestaff, time clock) and the various employee contracts. Moss Adams will be testing the payroll process as part of their FY 15-16 Internal Audit Plan.			Y	6/30/2016	March-16	
2	6/4/2015	Yes, specify direction	A2	Reviewing hours recorded in HTE is a high-level manual process and is subject to human error.	Implement random audits of paper timesheets for completeness and accuracy assurance. Use finance staff or internal audit resources to perform the random audits. Explore options for programming additional reports or queries to assist in assuring accuracy and quality of timekeeping and payroll information.	Finance	Chief Financial Officer	The Finance Department currently maintains approximately 20 spreadsheets that are used to verify payroll. A spreadsheet is also utilized to compile the monthly PERS report which serves as another verification of timekeeping accuracy. Moss Adams will be testing the payroll process as part of their FY 15-16 Internal Audit Plan.			P	6/30/2016		Moss Adams is currently performing payroll testing.
3	6/4/2015	Yes, specify direction	A3	Other than the agreements with each bargaining unit, the City does not have City-wide policies regarding overtime usage.	Establish a City-wide policy on overtime, including the general authorization process. Specify exceptions by department or situation, as necessary. Create procedures and guidelines for Payroll to follow in assessing the reasonableness of overtime.	Finance / HR	Chief Financial Officer / Human Resources Director	Currently, there is an overtime policy in Policy Tech. We are in the process of reviewing and updating that policy.			Y	5/31/2016	5/31/2016	

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4	6/4/2015	Yes, specify direction	A4	The Fair Labor Standards Act (FLSA) calculations are minimally reviewed, and the Payroll Division relies on an Excel spreadsheet to calculate and track complex FLSA compliance requirements.	Implement processes to reduce risk of errors, including performing additional periodic reviews of the FLSA spreadsheet, incorporate formulas into the spreadsheet, and restrict editing. Explore opportunities to automate FLSA calculations to eliminate the manual process. Alternately, incorporate a review step by an accounting manager or the Deputy Finance Director into the existing process.	Finance	Chief Financial Officer	The Finance Department is continually looking into ways to make the payroll process more efficient including the automation of FLSA calculations. Until we can fully automate this process, the Payroll Administrator will continue to perform the calculations and they will be reviewed each pay period by an Accounting Manager.			Y		7/1/2015	
5	6/4/2015	Yes, specify direction	A5	The documentation of payroll processes and procedures is insufficient and not current.	Continue efforts to revise existing policies and procedures to more comprehensively document the accuracy assurance functions of Payroll. Update City-wide policies regarding timekeeping to remove sections that are not relevant and add instructions for departments about how to effectively review timesheets and hours proofs, as well as document their review.	Finance	Chief Financial Officer	The Finance Department has updated the "Pay Period Processing Procedures" to be followed by the Payroll Administrator. This will be uploaded to Policy Tech for Finance Department use only. Also, the Finance Department created a document titled "Payroll Procedures" that outlines the duties and responsibilities of each department involved in the payroll process. After approval, this will be uploaded to Policy Tech.			Y		March-16	

Carson City
Internal Controls Review

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6	6/4/2015	Yes, specify direction	A6	Department supervisor training and experience with overtime rules and regulations is insufficient, which could result in instances of non-compliance with payroll laws.	Create written guidance, applicable citywide, for supervisors and managers regarding overtime rules and regulations. Incorporate the topic of overtime into training for new supervisors and managers. Provide training to existing supervisors and managers in departments with higher numbers of part-time employees, such as Parks and Recreation.	Finance / HR	Chief Financial Officer / Human Resources Director	Currently, there is an overtime policy in Policy Tech. We are in the process of reviewing and updating that policy based on recent contract changes.			Y		5/31/2016	
7	6/4/2015	Yes, specify direction	A7	Part-time employees do not have schedules established within the Payroll system resulting in ineffective tracking of potential overpayments and potential incurrence of unauthorized overtime.	Explore options to provide Payroll staff with additional information about part-time employees such as incorporating additional information into the Payroll profile or developing and maintaining another centralized file for part-time employees, including average hours per week and maximum authorized hours per week.	Finance	Chief Financial Officer	Part-time employees work all different schedules and hours per week making it difficult to establish a set schedule in the payroll system. They are allowed to work a maximum of 1039 hours per fiscal year which is tracked in a report run each pay period by Finance and sent to the various departments for review. The "Payroll Procedures" document will be updated to add additional procedures to verify part-time employee hours at the department level.			Y	12/31/2015	March-16	
8	6/4/2015	Yes, specify direction	A8	There are not adequate centralized controls in place to prevent terminated employees from continued payroll payments subsequent to termination.	Implement random audits of paper timesheets for completeness. Policies and procedures should include guidance to departments about how to adequately review the hours proof report, including the detection of payment for terminated employees.	Finance	Chief Financial Officer	The Finance Department created a document titled "Payroll Procedures" that outlines the duties and responsibilities of each department involved in the payroll process. After approval, this will be uploaded to Policy Tech. Moss Adams will be testing the payroll process as part of their FY 15-16 Internal Audit Plan.			Y	12/31/2015	March-16	

Carson City
Internal Controls Review

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9	6/4/2015	Yes, specify direction	B1	Some departments circumvent the existing purchasing processes and avoid centralized review prior to purchase, which could result in the City not receiving competitive prices for goods and services.	Develop and implement an enforcement system, for individuals who violate the City-wide purchasing policies. Include information about this enforcement system in the Purchasing and Contracts Policy under development as well as update the Purchasing Card Policy. Conduct a training course to refresh employees' understanding of purchasing policies and include changes within the new Purchasing and Contracts Policy.	Finance	Chief Financial Officer	The updated Purchasing and Contracts Policies and Procedures manual is in the final review stages and will be uploaded to Policy Tech after all reviews have been completed.			Y	12/31/2015	January-16	
10	6/4/2015	Yes, specify direction	B2	There are inadequate controls in place to ensure compliance with purchasing policies, verify reasonable pricing, or ultimately prevent fraudulent usage related to p-cards.	Establish roles and responsibilities for p-card transactions, review within the Finance Department, and document them in the P-card Program Manual or Finance Department policies and procedures.	Finance	Chief Financial Officer	The Finance Department currently has an internal policy that outlines the procedures Finance performs in reviewing p card transactions. Also, the Procurement Card Program Manual has been updated to outline the roles and responsibilities for p-card transactions.			Y		2/3/2015	
11	6/4/2015	Yes, specify direction	B3	There are not strong controls in place to ensure that all purchases made with City funds are reasonable, appropriate, and in compliance with the City's purchasing policies.	As part of the internal audit work plan, design and implement a program to perform random reviews or spot checks of purchases to determine if goods and services are properly procured. Transition program to Purchasing to perform future reviews or spot checks. Review and update Accounts Payable policies and procedures.	Finance	Chief Financial Officer	The updated Purchasing and Contracts Policies and Procedures manual is in the final review stages and will be uploaded to Policy Tech after all reviews have been completed.			Y	12/31/2015	January-16	

Carson City
Internal Controls Review

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12	6/4/2015	Yes, specify direction	B4	The Purchasing and Contracts Policy, created by the Finance Department, was still in draft form at the time of this review.	Update the draft Purchasing and Contracts Policy to include a clause that restricts IT purchases within departments without first consulting the IT Department or gaining approval from the IT Department. Finalize and distribute the Purchasing and Contracts Policy to all City departments.	Finance	Chief Financial Officer	The updated Purchasing and Contracts Policies and Procedures manual is in the final review stages and will be uploaded to Policy Tech after all reviews have been completed. This policy will include a section on "Technology Purchases".			Y	12/31/2015	January-16	
13	6/4/2015	Yes, specify direction	B5	Aggregated vendor payments across all purchasing vehicles are not monitored to ensure compliance with purchasing policies.	Review and document the current process for monitoring cumulative vendor payments. Continue to explore opportunities, such as implementation of a new p-card module, to strengthen this control by developing a process to periodically monitor cumulative payments made to vendors regardless of the purchasing vehicle used.	Finance	Chief Financial Officer	The updated Purchasing and Contracts Policies and Procedures manual is in the final review stages and will be uploaded to Policy Tech after all reviews have been completed. This policy will include provisions for monitoring purchases by vendor on a quarterly basis.			Y	12/31/2015	January-16	
14	6/4/2015	Yes, specify direction	B6	P-cards are not consistently and immediately deactivated upon employee termination of employment with the City, which could result in employees making unauthorized purchases after they are terminated.	Coordinate communications on voluntary terminations between the Human Resources Department and Purchasing, so that terminations are communicated in a timely manner. Discontinue practice of postponing card deactivation. Incorporate this change in written policies and procedures.	Finance	Chief Financial Officer	The Procurement Card Program Manual has been updated to outline the procedures that should be followed at the department level upon employee termination of employment. The Finance Department has also added a procedure to run monthly employee termination reports to ensure that p-cards have been deactivated.			Y	12/31/2015	March-16	

Carson City
Internal Controls Review

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15	6/4/2015	Yes, specify direction	B7	The segregation of duties between accounts payable and vendor establishment functions is insufficient.	Segregate all duties involving the establishment of new vendors to distinct positions not otherwise involved in Accounts Payable or Accounting.	Finance	Chief Financial Officer	The employees in the Finance Department that would have the appropriate knowledge for adding a vendor (i.e.. 1099 reporting requirements) are involved in accounts payable or accounting. Finance is in the process of developing a procedure in order to monitor new vendors.			Y	12/31/2015	5/31/2016	An accounting manager in the Finance Department will run and review a new vendor report each month.
16	6/4/2015	Yes, specify direction	B8	The process for updating the list of p-card holders has not been documented, and no comprehensive review of this list is regularly performed.	Document the process for verifying cardholders, including the schedule for performance and mechanism for ensuring performance. Implement and document process for regular comprehensive reviews of cardholders.	Finance	Chief Financial Officer	The Procurement Card Program Manual has been updated to add a procedure for Finance to send a list of cardholders to the departments on an annual basis. The departments will be required to review the information, make any changes and return a signed copy to the Finance Department.			Y		10/27/2015	
17	6/4/2015	Yes, specify direction	C1	The City lacks internal controls related to their grant program to ensure integrity and effectiveness in meeting program objectives.	Pay grant recipients and monitor and report grant activities on a quarterly basis. Develop a formal grant agreement, including performance expectations and consequences for failure to perform. Establish a formal process to report and review possible conflicts of interest for all parties involved in the review and award process for the CSSG program.	Finance	Chief Financial Officer	The Grants Administrator has facilitated several workgroup meetings in an effort to improve the Community Support Services Grant Program (CSSG) processes.			Y	1/31/2016	February-16	

Carson City
Internal Controls Review

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
18	6/4/2015	Yes, specify direction	C2	The City lacks a dedicated Grants Coordinator position that is responsible for the oversight of all grants City-wide, and Finance's overall role in grants management is limited.	Consider establishing a dedicated Grants Coordinator position within the Finance Department that is charged with overall grant oversight.	Finance	Chief Financial Officer	A Grants Administrator position has been established in the Finance Department.			Y		7/24/2015	
19	6/4/2015	Yes, specify direction	C3	The grants administration policy is not comprehensive and has not been updated since April 2011. As a result, the policy does not reflect the changes in Uniform Grant Guidance, which became effective in December 2014.	Review and update the grants administration policy to include current Uniform Grant Guidance, clarification of the Grants Administrator role, and responsibility for reporting requirements.	Finance	Chief Financial Officer	An updated Grants Policies and Procedures Manual is currently under review and will be uploaded to Policy Tech when final reviews are complete.			Y	5/31/2016	5/31/2016	
20	6/4/2015	Yes, specify direction	C4	Employees responsible for monitoring grant compliance may not receive adequate information to accurately manage and track compliance with grant requirements.	Provide specific internal and/or external training to all employees in departments responsible for monitoring grants. Dedicate a training budget that is adequate to cover such costs.	Finance	Chief Financial Officer	The Grants Administrator is currently developing a plan to provide training to various departments that have employees who are responsible for monitoring grants. This process will begin after finalization of the updated Grants Policy and Procedures Manual. Most employees who work on federal grant programs have had access to external training programs. Many times this is provided for in the grant award.			Y	5/31/2016	5/31/2016	Developed plan - training will take place in June 16
21	6/4/2015	Yes, specify direction	D1	The City is at risk that revenue is not completely and accurately recorded due to evidence of control weaknesses and process issues within individual departments and offices, as well as recent fraud.	Perform risk-based City-wide Cash Handling and Revenue Audits as part of the internal audit work program.	Treasurer / Finance	Treasurer / Chief Financial Officer	Moss Adams will be performing a cash handling / revenue collection improvement project as part of their FY 15-16 Internal Audit Plan.			P	9/30/2016		Treasurer's Office is currently developing comprehensive citywide policies and procedures.

Carson City
Internal Controls Review

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
22	6/4/2015	Yes, specify direction	D2	Cash controls at remote collection sites are not periodically monitored and tested to ensure they are in place, properly designed, and operating in accordance with management objectives.	Periodically test cash controls at those sites within the City that collect cash to ensure that employees are adhering to City policies and procedures.	Treasurer / Finance	Treasurer / Chief Financial Officer	Moss Adams will be performing a cash handling / revenue collection improvement project as part of their FY 15-16 Internal Audit Plan.			P	9/30/2016		Treasurer's Office is currently developing comprehensive citywide policies and procedures.
23	6/4/2015	Yes, specify direction	D3	Money is not transported safely between City locations.	Consider a contract with an armored vehicle company for both daily City deposits and Parks and Recreation cash transport or implement additional safety controls.	Treasurer	Treasurer	Moss Adams will be performing a cash handling / revenue collection improvement project as part of their FY 15-16 Internal Audit Plan.			P	9/30/2016		Treasurer's Office is currently developing comprehensive citywide policies and procedures. Also the City, will begin using armed alternative sentencing employees to transport deposits.
24	6/4/2015	Yes, specify direction	D4	Multiple employees share one cash till in certain locations.	Whenever possible, implement separate cash tills for each employee.	Treasurer	Treasurer	Moss Adams will be performing a cash handling / revenue collection improvement project as part of their FY 15-16 Internal Audit Plan.			P	9/30/2016		Treasurer's Office is currently developing comprehensive citywide policies and procedures.
25	6/4/2015	Yes, specify direction	D5	Within some departments, cash is held on-site and not deposited in a timely manner, despite the daily pick-up of deposits by a courier.	Implement processes to deposit cash daily.	Treasurer	Treasurer	Moss Adams will be performing a cash handling / revenue collection improvement project as part of their FY 15-16 Internal Audit Plan.			P	9/30/2016		Treasurer's Office is currently developing comprehensive citywide policies and procedures.
26	6/4/2015	Yes, specify direction	D6	Employees that are involved in the handling of cash, preparation of deposits, entry of deposit information, and the supervision of employees that perform these duties do not receive periodic cash handling training.	Determine which positions (employees) should receive cash handling training based on their job duties or supervisory responsibilities, and provide training.	Treasurer	Treasurer	Moss Adams will be performing a cash handling / revenue collection improvement project as part of their FY 15-16 Internal Audit Plan.			P	9/30/2016		Treasurer's Office is currently developing comprehensive citywide policies and procedures.

Carson City
Internal Controls Review

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
27	6/4/2015	Yes, specify direction	D7	Cash is not stored securely at certain locations, which results in the risk of misappropriation	In conjunction with the recommendations associated with the Revenue and Cash Collections 2 through 5 control objectives, securely store cash.	Treasurer	Treasurer	Moss Adams will be performing a cash handling / revenue collection improvement project as part of their FY 15-16 Internal Audit Plan.			P	9/30/2016		Treasurer's Office is currently developing comprehensive citywide policies and procedures.
28	6/4/2015	Yes, specify direction	D8	Within Parks and Recreation, the employee responsible for preparing the deposit can also make adjustments within the ActiveNet system.	Segregate the deposit preparation duties across two employees, so that one employee prepares the deposit and another employee makes entries into ActiveNet.	Treasurer	Treasurer	Moss Adams will be performing a cash handling / revenue collection improvement project as part of their FY 15-16 Internal Audit Plan.			P	9/30/2016		Treasurer's Office is currently developing comprehensive citywide policies and procedures.
29	6/4/2015	Yes, specify direction	D9	Departments do not consistently monitor revenue trends on month-to-month, year-to-year, or other comparative time periods.	Implement processes for departments to consistently monitor revenue accounts for variation that may warrant investigation.	Finance	Chief Financial Officer	Departments are notified by Finance each month when the month has closed and they are able to run and review accounting reports. Most departments are involved in developing and/or reviewing revenue projections during the annual budget preparation process and twice a year when budget augmentations are compiled.			Y		7/1/2015	
30	6/4/2015	Yes, specify direction	D10	The City's Cash Handling Policy is out of date and is not well known by employees that handle cash throughout the City.	Update the City's Cash Handling Policy and train departments on the updated policy.	Treasurer	Treasurer	The Treasurers Office is in the process of updating the City's cash handling policy. Also, Moss Adams will be performing a cash handling / revenue collection improvement project as part of their FY 15-16 Internal Audit Plan.			P	9/30/2016		Treasurer's Office is currently developing comprehensive citywide policies and procedures.
31	6/4/2015	Yes, specify direction	E1	While a training program exists to provide mandated courses, such as sexual harassment prevention, the programs do not address internal controls and how to prevent and detect fraud, waste, and abuse.	Provide annual training to all employees on internal controls and fraud prevention.	HR / Finance	Chief Financial Officer / HR Director	The Finance Department will work with HR to research training programs that would be available to City employees on an annual basis.	TBD		N	6/30/2016		

Carson City
Internal Controls Review

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
32	6/4/2015	Yes, specify direction	E2	The City lacks documented comprehensive and up-to-date processes and procedures.	Document key processes and procedures and make timely updates for changes.	City-wide	City-wide	Moss Adams is currently performing an inventory of all City policies / procedures as part of the policies / procedures update portion of the FY 15-16 Internal Audit Plan.			P	12/31/2016		City Departments are in the process of updating existing and/or developing new policies and procedures to aid in the development of a citywide
33	6/4/2015	Yes, specify direction	F1	Departments are circumventing the standard process for making IT purchases.	Adopt restrictive language and controls for departmental technology purchases that do not involve the IT Department. Develop template forms, with validating budgetary and departmental information, for departmental use in requesting IT products for acquisition consideration by the Technology Governance Committee. Examine opportunities to streamline the IT Department's involvement in technology purchases such as establishing standardized approved items.	IT / Finance	Chief Information Officer / Chief Financial Officer	Purchasing and contracts policies and procedures have been updated to include a section on "Technology Purchases". It includes a brief overview and a reference to the "Technology Purchasing Policy" that is being developed by the Information Technology Department. IT will propose a "Technology Purchasing Policy" to the Technology Governance Committee. As part of that policy proposal, IT will suggest appropriate forms and approved standard items.			Y	6/30/2016	5/18/2016	Policy being written and will be taken to TGC in April 16. Approved by the TGC on May 18, 2016.
34	6/4/2015	Yes, specify direction	F2	New hires do not receive training or ongoing communication regarding IT issues.	Expand written information provided to new employees and include the IT Department in the training of new employees. Implement a process to regularly communicate ongoing IT issues with users.	IT / HR	Chief Information Officer / HR Director	IT will be rewriting the computer usage policy. IT and HR are working together to provide training during new hire orientation.			Y	4/30/2016	4/30/2016	Put Computer usage policy in Policy Tech by 3/31/16 and have IT staff present at new hire orientations to go over IT policies

Carson City
Internal Controls Review

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
35	6/4/2015	Yes, specify direction	F3	There is weak governance over IT administration as evidenced by the lack of City-wide IT standards or robust policies and procedures to govern the acquisition and use of technology.	Continue convening the Technology Governance Committee, and adopt City-wide IT policies and standards.	IT	IT	IT will be writing a new policy regarding technology acquisitions and take to TGC for approval.			Y	6/30/2016	5/18/2016	Approved by the TGC on May 18, 2016.
36	6/4/2015	Yes, specify direction	F4	Some employees who use City technology and access the network are not full-time City employees and thus have not completed a computer user agreement. In particular, temporary staff from staffing agencies and volunteers, including those working for the Sheriff's Office, are not currently required to complete this form.	Expand the applicability of the usage agreement to require all personnel who use City technology and/or access the City's network to review and sign the computer use policy.	IT / HR	Chief Information Officer / HR Director	IT will be rewriting the computer usage policy and include part time and volunteer staff. IT will take to TGC for approval.			Y	4/30/2016	5/18/2016	If staff goes through new hire orientation then they get policy. No need to specify volunteer and part time staff. This will be completed with #34
37	6/4/2015	Yes, specify direction	F5	Ongoing monitoring of network activity on software applications, as well as the Internet, is not occurring.	Continue current efforts to research a product to replace the web filtering tool, and reinstitute regular reviews of web filter activity. Resume periodic reviews of software audit logs. Create policies and procedures to document the monitoring of web filters and software audit logs, and cross-train multiple staff members to ensure continuity of those functions. Develop a plan to deter and resolve inappropriate usage of technology.	IT	IT	IT is working on purchasing and installing security appliance and software to accomplish these goals.	\$ 23,000		Y	6/30/2016	6/6/2016	Ordered equipment and have a contractor scheduled to install by 6/06/16

Carson City
Internal Controls Review

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
38	6/4/2015	Yes, specify direction	F6	There is no control in place to ensure that access to decentralized technology resources is promptly deactivated.	Develop a process to maintain or monitor technologies used by departments to ensure access to technology resources is appropriately deactivated upon employment termination.	IT	IT	We are now notified by HR as soon as employees are terminated and we remove all account access.			Y		7/1/2015	
39	6/4/2015	Yes, specify direction	F7	The City's computers are currently not restricted by time lock settings. Without this setting, unauthorized users can access network resources and data related to City operations.	Pending the Technology Governance Committee's approval, implement time lock settings to prevent unauthorized access to network resources and information. Revise the computer use policy to include the physical security of assets, and communicate changes in policy to employees.	IT	IT	IT has written a new confidential data policy and taken to TGC for approval. IT will be distributing via policy tech. Once policy is distributed we will activate the session locks.			Y	3/31/2016	5/31/2016	Policy was approved in September 2015. IT needs to verify this has been sent to all users via Policy Tech. Session time-outs have been activated.
40	6/4/2015	Yes, specify direction	F8	The security of computer files is not being adequately ensured. In particular, some portable storage devices, such as flash drives or external hard drives, are not protected. Also, drives are not always wiped of all information between uses.	Incorporate data and file security into IT training materials provided to all users. Install encryption on all portable storage devices. Regularly wipe data from devices between uses. Create City-wide policies regarding the backup of data by departments and individual employees.	IT	IT	Incorporate data and file security into IT training material through the Computer Usage and Confidentiality policies. The recommendation is to install encryption on all portable storage devices. While encrypting all portable devices would be nice to have, it is not something that would be easily deployed citywide. IT will keep this as a long-term item but not something that can be completed in a short time or without support of all City employees. (Scenario: Imagine you are at a BOS meeting and go to use your thumb drive and it didn't work. These devices will not work anywhere on any City device without prior authorization from IT and must be approved prior to use. Also, you must return them to IT for destruction, or notify IT if the device is lost. There would be to many exceptions to this for IT to implement.)			Y	3/31/2016	5/31/2016	Policy was approved in September 2015. IT needs to verify this has been sent to all users via Policy Tech.

Carson City
Internal Controls Review

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
41	6/4/2015	Yes, specify direction	F9	The IT Department does not currently have an intrusion detection system.	Garner support from IT Governance Committee to advocate funding of system. Select and implement an intrusion detection system as soon as funding is available.	IT	IT	IT is working on purchasing and installing security appliance and software to accomplish these goals.	\$ 23,000		P	FY 2018		Project on hold due to lack of funding.
42	6/4/2015	Yes, specify direction	F10	The City has not tested the recently implemented disaster recovery plan to ensure that it works as intended.	Test the disaster recovery plan. Following the test, conduct trainings or revisions to the plan as necessary.	IT	IT	IT tests, restores and revises the plan as necessary.			Y		7/1/2015	

Carson City
Policy and Procedures Review

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
1					Maximize utilization of Policy Tech.			Citywide policies as well as department specific policies have been entered in PolicyTech			Y	5/31/2016		
2					Prioritize development of new policies and those requiring updates.			Policies are reviewed and updated as needed on an annual basis through PolicyTech			Y	5/31/2016		
3					Develop easy-to-understand guidance on key functions that operate according to state law.			Will work with elected officials to establish procedures for the various functions performed by their Departments			N	12/31/2016		
4					Provide annual training on key policies and procedures.			Policies are reviewed by all employees on an annual basis through PolicyTech			Y	5/31/2016		
5					Consider revising the City's Municipal Code to shift some elements to policies.			The City has had discussions on this topic. Will work with the DA's Office on possible revisions to the municipal code.			P	12/31/2016		

Carson City
Performance Measures Development

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
1	6/30/2015	Yes			Implement an executive dashboard of KPIs.*	CMO								

* The City Manager's Office is working on performance measures and tools for displaying information and plans to launch by 6/30/16. Discussed as part of FY 16-17 internal audit program approval by the Audit Committee.

**Carson City Audit Committee
Agenda Report**

Date Submitted: 05/25/2016

Agenda Date Requested: 06/07/2016

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: Discussion and update regarding the progress of the City's performance measurement implementation.

Summary: Moss Adams will be providing an update of the progress on the City's performance measurement implementation.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Discussion Only)

Does This Action Require A Business Impact Statement: Yes No

Recommended Committee Action: Discussion Only

Explanation for Recommended Committee Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation:

Fiscal Impact: N/A

Explanation of Impact: N/A

Funding Source: N/A

Alternatives: N/A

Supporting Material: N/A

Prepared By: Michael Bertrand


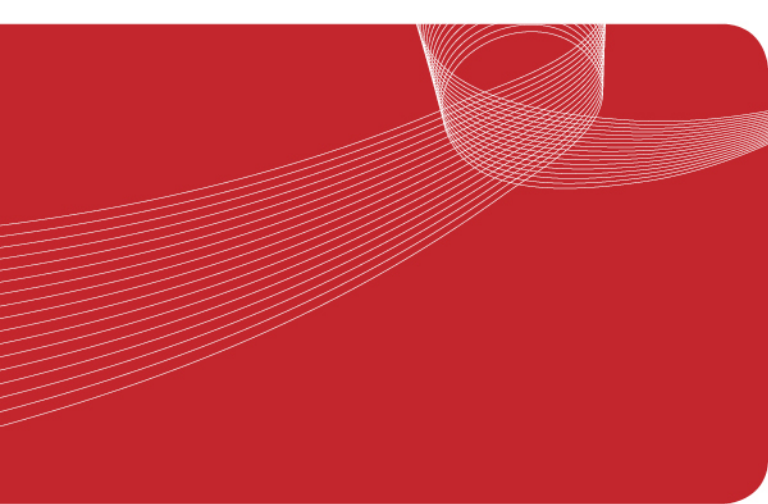
Reviewed By: _____ **Date:** _____
(Chief Financial Officer)

Board Action Taken:

Motion: _____

	Member	Aye/Nay
1)	_____	_____
2)	_____	_____
3)	_____	_____
4)	_____	_____
5)	_____	_____

(Vote Recorded By)



Carson City

Audit Committee Meeting

Performance Metrics Update

June 7, 2016

MOSS-ADAMS_{LLP}

Certified Public Accountants | Business Consultants

Overview

- Strategic Goals
- Performance Metrics System
- Performance Metrics
- Performance Framework

Strategic Goals

Economic Development

Cultivate a vibrant, diverse, and dynamic economy that attracts and retains businesses and a skilled workforce.

Efficient Government

Provide our community with efficient services in a transparent and financially responsible manner.

Organizational Culture

Foster innovation, productivity, and professional growth through a cohesive, ethical, and positive work environment.

Quality of Life and Community

Promote educational, cultural, and recreational opportunities that contribute to the health and well-being of our community.

Safety

Ensure a safe community through proactive and responsive protection of life and property.

Sustainable Infrastructure

Develop and maintain a sustainable public infrastructure to meet the current and future needs of our community.

Performance Metrics System

- Phase 1: Launch “Performance Carson City Dashboard” relying on departments to provide the initial data through spreadsheets and other methods
- Phase 2: Automate data population and update processes as much as possible through integration with existing systems



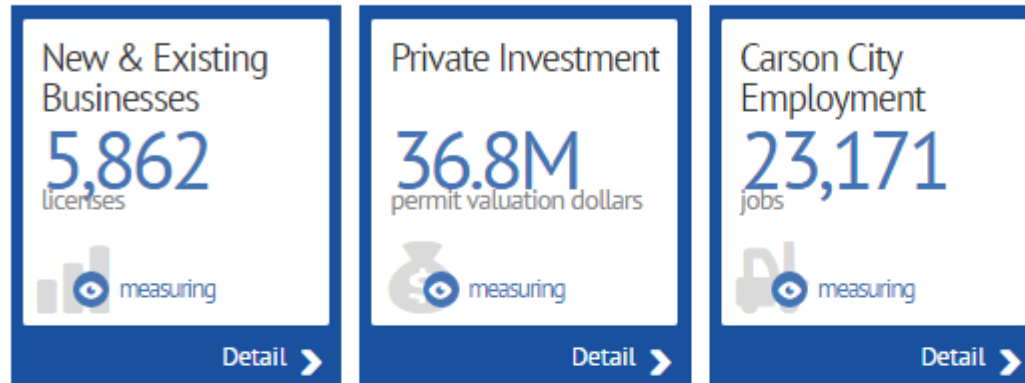
Performance Carson City Dashboard

Performance Carson City is a data driven approach to improve city services. You can monitor Carson City's progress on this site.

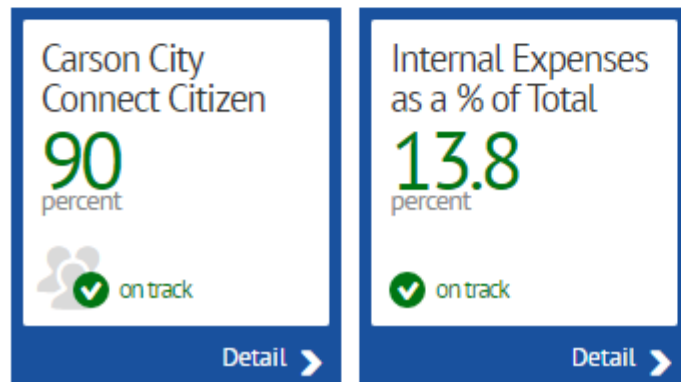
Performance Carson City focuses on monitoring the City's progress toward its Five-Year Strategic Plan. The plan is organized around six strategic goals adopted by the Mayor and the Board of Supervisors, which are outlined below. This site provides an "at-a-glance" view of these goals and objectives. Clicking on a tile tells you the full story for that topic area and the objectives within it. The visualizations on this site automatically update to reflect the most recent data.

If you have any questions or comments about the dashboard, please share them with us via email at performance@carson.org or on Twitter [@carsoncitygov](#) [#PerformanceCarsonCity](#).

Economic Development



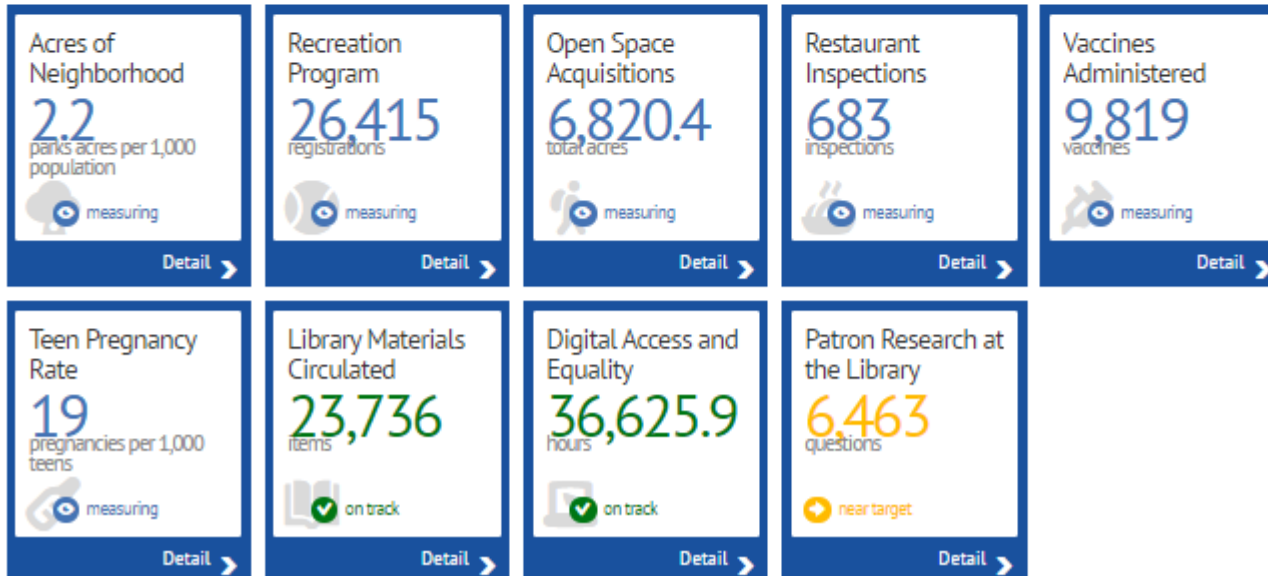
Efficient Government



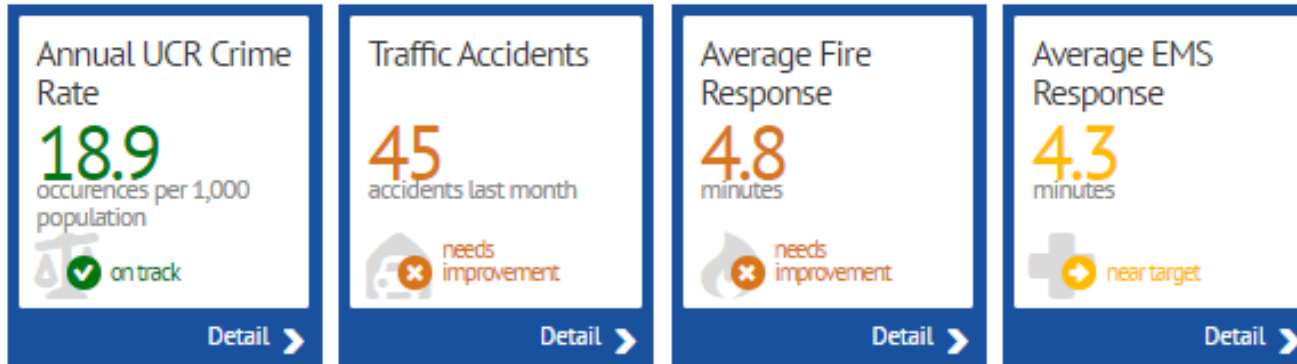
Organizational Culture



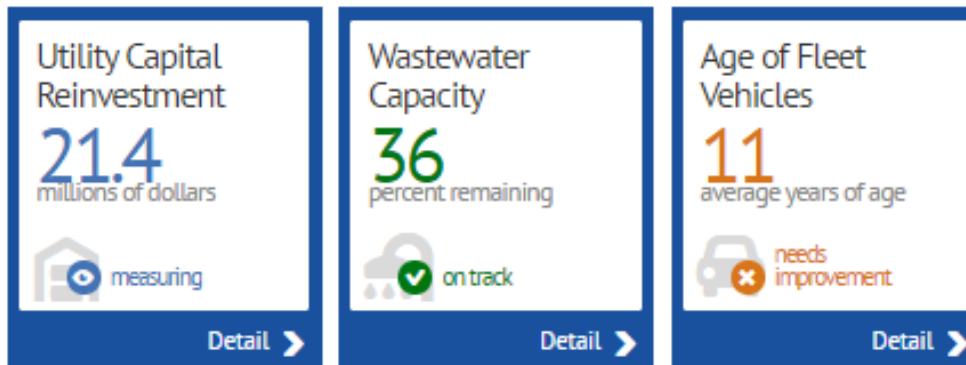
Quality of Life and Community



Safety



Sustainable Infrastructure



Performance Framework

Department/Function

- Objective
- Outcome Measure: program or service effectiveness
- Efficiency Measure: unit cost
- Strategic Goals Impacted

Carson City Audit Committee

Agenda Report

Date Submitted: 05/25/2016

Agenda Date Requested: 06/07/2016

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: For Possible Action: Discussion and possible action to identify, discuss, and provide recommendations to the Board of Supervisors on additional projects to be performed by the Internal Auditor for the period ending June 30, 2017.

Summary: Moss Adams will provide recommendations for future internal audits for the period ending June 30, 2017.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Committee Action: Will depend on discussion and possible recommendations.

Explanation for Recommended Committee Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation:

Fiscal Impact: Will depend on the motion.

Explanation of Impact: Will depend on the motion

Funding Source: General Fund, Internal Auditor Department - \$110,000 has been budgeted for FY 17.

Alternatives: N/A

Supporting Material: Memo from Moss-Adams

Prepared By: Michael Bertrand

Reviewed By: _____ Date: _____
(Chief Financial Officer)

Board Action Taken:

Motion:

	Member	Aye/Nay
1)	_____	_____
2)	_____	_____
3)	_____	_____
4)	_____	_____
5)	_____	_____

(Vote Recorded By)



Carson City

FY 16-17 Internal Audit Program
Audit Committee Meeting
June 7, 2016

MOSS ADAMS_{LLP}

Certified Public Accountants | Business Consultants

Acumen. Agility. Answers.

AGENDA

- I. Introduction
- II. Internal Audit Program Components
- III. Internal Audit Program Review
- IV. FY 16-17 Internal Audit Plan

I. INTRODUCTION

- The City retained Moss Adams LLP to serve as the designated City Auditor and conduct projects focusing on:
 - Efficiency and effectiveness
 - Management reviews
 - Best practices
 - Compliance
- Work is being completed under the standards from the Institute of Internal Auditors (IIA) and the AICPA's consultancy standards

II. INTERNAL AUDIT PROGRAM COMPONENTS

Internal Audit

Risk/Opportunity
Improvement
Assessments

Performance
Audits

Internal
Controls
Reviews

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>Project</u>	<u>Results</u>
• Risk Assessment	Guided future projects
• Public Defender Study	No action taken
• Eagle Valley Golf Study	Resolved revenue issue
• Community Facilities Study	13 of 15 findings completed
• Fleet Efficiency Study	24 of 24 findings completed
• Fleet Utilization Study	12 of 12 findings completed
• FWA Program Development	11 reports to date
• Performance Metrics	CMO implementing PMS

III. INTERNAL AUDIT PROGRAM REVIEW (CONT.)

<u>Project</u>	<u>Results</u>
• Employee Efficiency Study	24 of 27 findings completed
• Internal Controls Review	29 of 41 findings completed
• Strategic Planning	Plan adopted by BOS
• Policies/Procedures Update	City developing implementation plan
• Cash Handling Improvement	City developing implementation plan
• Payroll Testing	Moss Adams completing project
• P-Card Testing	Moss Adams completing project

IV. FY 16-17 INTERNAL AUDIT PLAN

- Small Works Projects Review \$30,000*
- Fees and Charges Inventory \$25,000*
- Procurement Testing \$15,000*
- IT Controls Testing \$15,000*
- Ongoing Internal Auditor Services \$10,000*
- Audit Findings Validation \$10,000*
- FWA Program Coordination \$5,000*
- Wastewater Effluent Assessment \$25,000
- Performance Monitoring/Reporting \$10,000
- Total Budget \$110,000*

IV. FY 16-17 INTERNAL AUDIT PLAN (CONT.)

- Small Works Projects Review: Review a sample of project to assess documentation, administration, and cost allocation processes (12 weeks, \$30,000)
- Fees and Charges Inventory: Identify citywide user fees and charges, enabling ordinance/resolution, current amount, and most recent update (12 weeks, \$25,000)
- Procurement Testing: Sample and test procurements for a three month period for compliance with policies and procedures (10 weeks, \$15,000)
- IT Controls Testing: Sample and test controls for system access setup, ongoing controls, and closeout (10 weeks, \$15,000)

IV. FY 16-17 INTERNAL AUDIT PLAN (CONT.)

- Ongoing Internal Auditor Services: Attend Audit Committee and Board of Supervisors (BOS) meetings; track City responses to audit findings and recommendations (52 weeks, \$10,000)
- Audit Findings Validation: Review information provided by the City to validate that completed findings were implemented as reported and adequately addressed findings (52 weeks, \$10,000)
- Fraud, Waste, and Abuse (FWA) Program Coordination: Perform duties such as reviewing and investigating hotline calls, overseeing the distribution of response activities, coordinating with staff, and reporting FWA activities to the Audit Committee and BOS (52 weeks, \$5,000)

IV. FY 16-17 INTERNAL AUDIT PLAN (CONT.)

#	Process	Fees	7-9/15	10-12/15	1-3/16	4-6/16
1	Small Works Projects Review	\$30,000				
2	Fees and Charges Inventory	\$25,000				
3	Procurement Testing	\$15,000				
4	IT Controls Testing	\$15,000				
5	Ongoing Internal Auditor Services	\$10,000				
6	Audit Findings Validation	\$10,000				
7	FWA Program Coordination	\$5,000				
	Total	\$110,000				

**Carson City Audit Committee
Agenda Report**

Date Submitted: 05/25/2016

Agenda Date Requested:

06/07/2016

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: For Possible Action: Discussion and possible action to recommend to the Board of Supervisors that they extend the contract of Moss Adams to provide internal audit services for Carson City through the period ending June 30, 2017.

Summary: Moss Adams has requested that their contract to provide internal audit services for Carson City be extended through the period ending June 30, 2017.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Committee Action: Will depend on discussion and possible recommendations.

Explanation for Recommended Committee Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation:

Fiscal Impact: Will depend on the motion.

Explanation of Impact: Will depend on the motion

Funding Source: Internal Audit budget

Alternatives: N/A

Supporting Material: Memo from Moss-Adams

Prepared By: Michael Bertrand

Reviewed By: _____ Date: _____
(Chief Financial Officer)

Board Action Taken:

Motion: _____

	Member	Aye/Nay
1)	_____	_____
2)	_____	_____
3)	_____	_____
4)	_____	_____
5)	_____	_____

(Vote Recorded By)