



Office of Internal Audit

Annual Audit Plan

Fiscal Year 2024

Internal Audit Director
Rose Rasmussen, CIA

Senior Internal Auditor
Christina Zimmerman



OUR MISSION

Provide independent, objective assurance and consulting services designed to add value and improve the City of Fayetteville's operations.

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[Internal Audit | Fayetteville, NC \(fayettevillenc.gov\)](http://fayettevillenc.gov)

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August 31, 2023

Members of the Audit Committee

Enclosed is the proposed Fiscal Year 2024 Audit Plan for the Office of Internal Audit.

The results of the FY2024 Audit Plan are presented along with the estimated time allocation for audits and projects. Actual scheduling of selected projects may be affected by personnel turnover, special audits, and unforeseen circumstances in these projects.

The FY2024 plan includes two carry forward audits, three new audits, three follow up audits, two required annual reviews, and three consulting services.

The Office of Internal Audit will continue to provide support to other City Departments with the implementation of the City's Oracle HUB project. Therefore, minor adjustments to this plan may be made on an as needed basis.

I welcome discussion on the proposed audit plan and request approval.

Respectfully,
Rose Rasmussen, CIA
Internal Audit Director

A. Audit Projects Carried Forward from 2023 Work Plan		
A.1. Name of Audit Projects In-Progress	Potential Risks	Estimated Hours
A2022-02 Kronos Implementation (Police)	<i>Employees paid incorrectly; Violations of FLSA resulting in fines; theft</i>	270

Total Hours for Audit Projects In-Progress 270

A.2. Name of Audit Projects For Completion	Potential Risks	Estimated Hours
A2020-02F Accounts Payable Timeliness	<i>Vendors not paid timely; overspending; unable to take advantage of discounts offered; theft</i>	100

Total Hours for Audit Projects For Completion 100

TOTAL HOURS FOR AUDIT PROJECTS CARRIED FORWARD FROM 2023 WORK PLAN 370

B. New Audit Projects for 2023-2024		
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B.1. Name of Initial Audit Projects	Potential Risks	Estimated Hours
A2024-01 Police Department Confidential Funds	<i>Theft, misuse, or loss of funds</i>	160
A2024-02 Transit Grants	<i>Barred from applying for grants; not awarded grants; fines; penalties; paying back grant funds</i>	440
A2024-03 Fleet Management	<i>Additional cost for parts/materials, labor, rental vehicles; delayed operation due to vehicles down or out of service</i>	440

TOTAL HOURS FOR NEW AUDIT PROJECTS FOR 2023-2024 1040

C. Follow-up Projects for 2023-2024		
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C.1. Name of Follow-up Audit Projects	Potential Risks	Estimated Hours
A2020-01F Police Payroll	<i>Wasted labor hours through manual processes; Employees paid incorrectly; Violations of FLSA resulting in fines; theft</i>	200
A2022-03F Procurement Card	<i>Theft, misuse or loss of funds</i>	20
A2022-04F Sub Recipient Grant Monitoring	<i>Fines; Loss of future grant funds; repayment of funds; Subrecipients not paid timely; theft</i>	160

TOTAL HOURS FOR FOLLOW-UP AUDIT PROJECTS 380

D. Required Reviews and Consulting Services for 2023-2024

D.1. Name of Required Annual Reviews	Potential Risks	Estimated Hours
R2024-01 Proxy Card	<i>Unsecure, unsafe buildings</i>	280
R2024-02 Conflict of Interest	<i>Kickbacks</i>	220
Total Hours for Required Annual Reviews		500

D.2. Name of Consulting Services	Estimated Hours	
C2024-01 HUB HCM Oracle Access Controls Review	200	
C2024-02 HUB HCM Payroll Implementation	496	
C2024-03 Transit Cash Handling	320	
Total Hours for Consulting Services		1016

TOTAL HOURS FOR REQUIRED REVIEWS AND CONSULTING SERVICES 1516

E. Internal Audit Management and Administration

E.1. Description	Estimated Hours	
Office Management/Support	1709	
Staff Development	110	
Approved Holidays	272	
Approved Employee Leave	459	
Total Hours for Audit Management and Administration		2550

TOTAL HOURS FOR FY 2023-2024 WORK PLAN 5856

F. Future Audit Projects 2024 - 2029

F.1. Name of Future Follow-up Audit Projects	Estimated Hours	
A2016-02F2 Permitting and Inspections	200	
A2016-06F Contract Practices and Procedures	200	
A2018-04F Performance Measures	200	
A2019-04F Residential Solid Waste Fees	200	
A2019-06F Code Violation Enforcement and Collections	200	
A2021-02F Wireless Communication Usage	200	
A2020-04F Vector Fleet Contract	200	
A2022-01F Fire Kronos Implementation	200	
Total Hours for Future Follow-up Audit Projects		1600

F.2. Name of Future New Audit Pro jects	Estimated Hours
Small Asset Management	240
Downtown Parking Collection	960
Citywide Payroll Processes	960
Off Boarding Access Rights	480
Body Camera Policy Compliance	480
American Rescue Plan Act (ARPA) of 2021 Compliance	960
Emergency Rental Assistance Program (ERAP)	960
CARES Act Funding	480
Asset Forfeiture Program	320
Take Home Vehicles	320
Performance Bond Compliance	480
Stormwater Drainage Assistance	480
Sales and Use Tax Administration	320
Fire Inspection Billings and Collections	480
FAST Farebox Receipting	960
Fixed Assets	640
Accidents and Subrogation of Claims	480
Fuel Management	480
Dependent Eligibility	640
Billing and Collections of Leases	480
Accounts Receivable	240
Airport Parking Operations	640
Airport Rental Car Concession Agreements	960
Benefits on Leave without Pay	480
Cash Receipts	960
Solid Waste Routes	320
Benefit Deductions	480
Economic & Community Development Loans – Neighborly	480
Inspections – iDT	400
Kace	360
Permitting – iDT	400
Software Licenses	400
Total Hours for Future New Audit Projects	16760
TOTAL HOURS FOR FUTURE AUDIT PROJECTS	18360