

City of Tampa
Internal Audit Department
Audit Program Guide
TPD – Fiscal Bureau, Audit 04-01

Budget Hours	Audit Procedures	Done By	W/P Ref.
<i>Background</i>			
	The Tampa Police Department's Fiscal Bureau has a current staff of 17 employees. There are four areas within the Fiscal Bureau: payroll, operations, methods development and database administration and property control. The area is responsible for the record keeping and accounting of all monetary transactions involving the Police Department. Included in these record keeping duties is the tracking and monitoring of funds received via court or other federal agency awards.		
<i>Statistics</i>			
	The payroll budget for the department for FY04 was reported as more than \$70 million. Additionally, deposits from various Police activities are received on a daily basis. For FY04 (through April) more than \$6 million had been deposited from all Police activities.		
<i>Planning the Audit</i>			
	<ol style="list-style-type: none"> 1. Print Quality Control Package and process Auditor Assignment and Independence Statement page. 2. Prepare and send an entrance letter to applicable personnel in the area under review. 3. Conduct an in-house review of the following: <ol style="list-style-type: none"> a) Financial Data b) Internal Policy & Procedures Manuals c) Applicable Rules, Laws and Regulations, and d) Prior internal audit reports and management comments. 4. Schedule and hold an entrance conference with the Auditee. Obtain the name of the departmental contact person and secure a place from which to conduct the fieldwork portion of the audit. 5. Begin Preliminary Survey by interviewing the appropriate personnel in the Auditee Department. Document the interviews with narratives in the work file. 		

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	<p>6. Review and document Internal Control System. (Include control points, such as the location within the system of approvals, authorizations, segregation of duties, supervision, reconciliations, computer-generated error and edit listings, exception reports, etc.)</p> <p>7. After gaining an understanding of various functions, conduct transaction walk-throughs. Revise documentation.</p> <p>8. Review the CAFR for any applicable comments in the management letter and notes on the financial statements.</p> <p>9. Assess the reliability of computer-processed data –</p> <ul style="list-style-type: none"> (a) Identify all computer-generated data that will be used during the audit. (b) Determine how the data will be used in the audit. If used as the sole evidence supporting a finding or as corroborative or supporting evidence – assess the data’s reliability by performing steps (c) to (g). If it will be used as background information – cite the data’s source and no further work is required. (c) Document how the data is used in decision-making and the extent of users’ reliance on the data. (d) Review any evaluations of the system, application and data performed by an independent third party (e.g., external auditor’s management letter). (e) Identify and document any input, processing and output controls and controls over data adjustments. (f) Test the identified controls and data elements that will be used during the audit by tracing a sample of data records to the source documents and a sample of source documents to the database. (g) Summarize the test work and results and conclude on the data’s reliability. <p>10. Prepare a risk analysis listing the strengths and weaknesses of the system and reference risk assessments to audit objectives.</p> <p>11. Prepare the audit program and include a time budget and estimated completion date. Index the preliminary survey file and turn in for review. The Planning Checklist page of the Quality Control Package should be completed by the Audit Supervisor.</p> <p>12. Clear review notes and revise the audit program, if necessary.</p>		

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<i>Audit Scope</i>			
	Based on the work performed during the preliminary survey and the assessment of risk, the audit period will cover the operations of the Fiscal Bureau from October 1, 2002 to April 30, 2004 (FY03 to FY04 to-date).		
<i>Audit Objectives</i>			
	<ol style="list-style-type: none"> 1. Determine if petty cash accounts were properly monitored. 2. Determine if contract and grant monitoring was adequate. 		
<i>Objective 1:</i> Determine if petty cash accounts were properly monitored.			
	<ol style="list-style-type: none"> 1. Perform surprise cash counts for all petty cash accounts not funded through a previously audited grant source. 2. Review expenditures for valid receipts. 3. Discuss any audit findings with the Audit Supervisor and Audit Director. After receiving their approval discuss audit findings with Auditee management. 4. Summarize and conclude. 		
<i>Objective 2:</i> Determine if contract and grant monitoring was adequate.			
	<ol style="list-style-type: none"> 5. Review requirements of contracts for School Resource Officers and Hartline, in addition to grant documents except Weed and Seed and HIDTA. 6. Identify any actions (including report preparation) to be taken by the City of Tampa's Police Department. 7. Obtain documentation to support compliance with the requirements. 8. Discuss any audit findings with the Audit Supervisor and Audit Director. After receiving their approval discuss audit findings with Auditee management. 9. Summarize and conclude. 		
<i>Audit Wrap Up</i>			
	<ol style="list-style-type: none"> 10. Complete and index working papers. 11. Prepare a preliminary draft of the audit report. 12. Clear review notes. 13. Forward draft to auditee and request responses within 10 		

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	<p>working days.</p> <p>14. Incorporate auditee responses into the final audit report.</p> <p>15. If requested, schedule and hold exit conference.</p> <p>16. Send final report to reproduction and make one (1) unbound copy.</p> <p>17. Prepare Release Memo, Staff Summary Sheet and City Council Agenda Item Cover Sheet.</p> <p>18. Provide Audit Supervisor with ten (10) bound and one (1) unbound copy of the final report.</p> <p>19. Upon release by the Mayor <u>and</u> its appearance on the City Council's Draft Agenda, distribute final report to auditee and place the report, audit program and risk analysis files in the appropriate folders on the share drive for posting to IAD's web site.</p> <p>20. Have the Audit Director complete the Quality Control Checklist of the Quality Control Package.</p>		