

**City of Tampa
Internal Audit Department
Audit Program Guide
F & P Pension Fund, Audit 03-03**

Budget Hours	Audit Procedures	Done By	W/P Ref.
<i>Background</i>			
	The Fire and Police Pension Fund is administered by a nine member board. The Board consists of both fire and police personnel as well as individuals appointed by the Mayor. The day to day operations are handled by a staff of five under the direction of a Plan Administrator.		
<i>Statistics</i>			
	As of November 30, 2002, the pension fund had a market value of \$957,261,062. As of September 30, 2002, the plan had 187 active DROP participants and 1,272 members (including spouses and dependents) drawing benefits.		
<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. Prepare a planning program and include a time budget for the preliminary survey work. 4. 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 5. 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. 6. Begin Preliminary Survey by interviewing the appropriate personnel in the Auditee Department. Document the interviews with narratives in the work file. 7. 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.) 8. After gaining an understanding of various functions, conduct several 		

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	<p>transaction walk-throughs. Revise documentation as necessary.</p> <p>9. Prepare a survey memo listing the strengths and weaknesses of the system. Discuss the areas of greatest risk and exposure to the City. Also, include suggested audit objectives and test procedures. Discuss with Audit Supervisor and the Deputy Director.</p> <p>10. 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>11. Clear review notes and revise the audit program, if necessary.</p>		
<i>Audit Scope</i>			
	<p>Based on the work performed during the preliminary survey and the assessment of risk, there was no testing required. Procedures were performed during the preliminary survey phase to substantiate controls over payments to dependents. At the request of the Pension Board, a best practice review was performed regarding the confirmation process for disabled retirees. This information was forwarded to the Board under separate cover.</p>		
<i>Audit Wrap Up</i>			
	<p>1. Complete and index working papers.</p> <p>2. Prepare a preliminary draft of the audit report.</p> <p>3. Clear review notes.</p> <p>4. Forward draft to auditee and request responses within 10 working days.</p> <p>5. Incorporate auditee responses into the final audit report.</p> <p>6. If requested, schedule and hold exit conference.</p> <p>7. Quality Control Checklist of the Quality Control Package to be completed by the Deputy Director.</p> <p>8. Present the audit report to the Mayor.</p>		