

**City of Tampa  
Internal Audit Department  
Audit Program Guide  
The Budget Office  
99-19**

Budget Hours	Audit Procedures	Done By	W/P Ref.
<b><i>Background</i></b>			
	<p>The City Charter, Section 5.01, created the Department of Revenue and Finance. The department is charged with having “cognizance of all financial matters of the city” and places the responsibility “of all appropriations, fund and account balances, and expenditure thereof as provided in the annual budget” with the Director of Finance.</p> <p>The Budget Office, a division within the Department of Revenue and Finance, is responsible for the preparation of the City of Tampa’s annual budget, control of Citywide departmental expenditures within approved appropriations and the administration of Federal and State grant programs. In addition, the Budget Office acts as a financial consultant to the City’s administration. The Budget Office is divided into three sections along departmental and functional lines.</p>		
<b><i>Planning the Audit</i></b>			
	<ol style="list-style-type: none"> <li>1. Print Quality Control Package and process Auditor Assignment and Independence Statement page.</li> <li>2. Prepare and send an entrance letter to applicable personnel in the area under review.</li> <li>3. Prepare a planning program and include a time budget for the preliminary survey work.</li> <li>4. Conduct an in-house review of the following: <ol style="list-style-type: none"> <li>a) Financial Data</li> <li>b) Internal Policy &amp; Procedures Manuals</li> <li>c) Applicable Rules, Laws and Regulations, and</li> <li>d) Prior internal audit reports and management comments</li> </ol> </li> <li>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.</li> <li>6. Begin Preliminary Survey by interviewing the appropriate personnel in the Auditee Department. Document the interviews with narratives in the work file.</li> <li>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.)</li> <li>8. After gaining an understanding of various functions, conduct several transaction walk-throughs. Revise documentation as necessary.</li> <li>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.</li> <li>10. Prepare the audit program and include a time budget and estimated</li> </ol>		

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	<p>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>		
<b>Audit Scope</b>			
	Based on the work performed during the preliminary survey and the assessment of risk, the audit period will cover the operations of the Budget Office from October 1, 1999, to January 31, 2000.		
<b>Audit Objectives</b>			
	<ol style="list-style-type: none"> <li>1. Ensure that the annual budget was adopted in accordance with state and local laws and regulations.</li> <li>2. Ensure that budget amendments were adopted in accordance with state and local laws and regulations.</li> <li>3. Ensure that budget amendments were processed by the Budget Office in a timely manner.</li> </ol>		
<b>Objective 1: Ensure that the annual budget was adopted in accordance with state and local laws and regulations.</b>			
	<ol style="list-style-type: none"> <li>1. Obtain the original budget for the current fiscal year.</li> <li>2. Ensure compliance with all laws and regulations related to its adoption.</li> <li>3. Discuss any audit findings with the Audit Supervisor, Deputy Director and Audit Director. After receiving their approval discuss audit findings with Auditee management.</li> <li>4. Summarize and conclude.</li> </ol>		
<b>Objective 2: Ensure that budget amendments were adopted in accordance with state and local laws and regulations.</b>			
	<ol style="list-style-type: none"> <li>5. Obtain all budget amendments (BTs and BAs) recorded during the audit period.</li> <li>6. Select a random sample of 30 of each type.</li> <li>7. Trace the amendments to appropriate supporting documentation to determine that they were properly prepared and approved.</li> <li>8. Trace to the City Council minutes, if applicable.</li> <li>9. Discuss any audit findings with the Audit Supervisor, Deputy Director and Audit Director. After receiving their approval discuss audit findings with Auditee management.</li> <li>10. Summarize and conclude.</li> </ol>		
<b>Objective 3: Ensure that budget amendments were processed by the Budget Office in a timely manner.</b>			
	<ol style="list-style-type: none"> <li>11. For the budget amendments selected in Objective 2, determine how long it took the Budget Office to process the budget amendments.</li> <li>12. Calculate an average for the sampled items and determine the reasonableness of the processing time.</li> <li>13. Discuss any audit findings with the Audit Supervisor, Deputy Director and Audit Director. After receiving their approval discuss audit findings with Auditee management.</li> <li>14. Summarize and conclude.</li> </ol>		

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<i>Audit Wrap Up</i>			
	15. Complete and index working papers. 16. Prepare a preliminary draft of the audit report. 17. Clear review notes. 18. Forward draft to auditee and request responses within 10 working days. 19. Incorporate auditee responses into the final audit report. 20. If requested, schedule and hold exit conference. 21. Quality Control Checklist of the Quality Control Package to be completed by the Deputy Director. 22. Present the audit report to the Mayor.		