

**City of Tampa  
Internal Audit Department  
Audit Program Guide  
Community Investment Tax Program  
00-14**

Budget Hours	Audit Procedures	Done By	W/P Ref.										
<b><i>Background</i></b>													
	In September 1996 the voters of Hillsborough County approved a referendum that levied a half-cent sales tax for thirty years to be shared with the municipalities and the School Board to finance infrastructure for jails, police and Sheriff's equipment, fire stations, emergency vehicles, school construction, a community stadium, transportation improvements, libraries, parks, trails, stormwater improvements and public facilities.												
<b><i>Statistics</i></b>													
	<p style="text-align: center;">City of Tampa Community Investment Tax (CIT) Revenue Receipts by Fiscal Year: (\$000)</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;"><u>FYTD00</u></th> <th style="text-align: center;"><u>FY1999</u></th> <th style="text-align: center;"><u>FY1998</u></th> <th style="text-align: center;"><u>FY1997</u></th> </tr> </thead> <tbody> <tr> <td>Receipts</td> <td style="text-align: center;">\$ 5.376</td> <td style="text-align: center;">\$ 9.962</td> <td style="text-align: center;">\$ 9.607</td> <td style="text-align: center;">\$ 4.945</td> </tr> </tbody> </table>		<u>FYTD00</u>	<u>FY1999</u>	<u>FY1998</u>	<u>FY1997</u>	Receipts	\$ 5.376	\$ 9.962	\$ 9.607	\$ 4.945		
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<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</li> </ol>												

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	<p>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>		
<b><i>Audit Scope</i></b>			
	Based on the work performed during the preliminary survey and the assessment of risk, the audit period will cover the operations of the Community Investment Tax Program from July 25, 1996 to March 28, 2000.		
<b><i>Audit Objectives</i></b>			
	<ol style="list-style-type: none"> <li>1. Determine if the CIT revenues received by the City of Tampa are consistent with referendum parameters and the guidelines established within City Council Resolution No. 96-1299.</li> <li>2. Ascertain if the expenditures associated with the CIT Program are consistent with referendum directives and those approved by City Council Resolution No. 96-1387.</li> </ol>		
<b><i>Objective 1: Determine if the CIT revenues received by the City of Tampa are consistent with referendum parameters and the guidelines established within City Council Resolution No. 96-1299.</i></b>			
	<ol style="list-style-type: none"> <li>1. Obtain a copy of the CIT Referendum and City Council Resolution No. 96-1299, which details the formula for CIT revenue disbursements by Hillsborough County.</li> <li>2. Obtain copies of the annual CIT Revenue Distribution Schedule prepared by Hillsborough County for fiscal years 1997 through 2000. Compare and verify the CIT revenue distribution schedule statistics to City CIT receipts utilizing the distribution formula contained within City Council Resolution No. 96-1299. Document and explain any material variances.</li> <li>3. Reconcile Hillsborough County monthly CIT receipt disbursements to the City of Tampa's CIT receipt control account. Document and explain any material variances.</li> <li>4. 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>5. Summarize and conclude.</li> </ol>		
<b><i>Objective 2: Ascertain if the expenditures associated with the CIT Program are consistent with referendum directives and those approved by City Council Resolution No. 96-1387.</i></b>			
	<ol style="list-style-type: none"> <li>6. Obtain a copy of City Council Resolution No. 96-1387.</li> <li>7. Compare the CIT projects approved in the City Council Resolution to the types of expenditures allowed in the CIT referendum. Explain and document any material differences.</li> <li>8. Obtain a copy of the most recent quarterly CIT status report submitted to City Council by the Budget Office. Compare and verify CIT projects within the quarterly report to those approved by City Council in Resolution No. 96-1387. Document and explain any material differences.</li> <li>9. On a judgmental basis, review and test selected CIT project costs to ascertain the propriety of expenditures to established CIT guidelines. Document and explain any material exceptions.</li> </ol>		

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