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City Auditor's Office

Memorandum No: 21/22-02

Date: November 2, 2021

To: Honorable Mayor and Commissioners

From: John Herbst, CPA, CGFO, CGMA  
City Auditor

Re: Summary of Follow-Up Audits as of September 30, 2021

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Since fiscal year 2015-16, the City's Auditor Office (CAO) has implemented a continuous auditing approach for following up on prior audit findings. Under this audit method, the CAO will be able to work with the departments as they update and implement their agreed upon recommendations. In coordination with the Office of Management and Budget (OMB), who maintains an Audit Compliance Tracking System (ACTS), it has been agreed that the City departments will inform the CAO when they have updated the ACTS with their supporting documentation to close a finding or observation.

The CAO will review any of the supporting documentation attached in the system. If the corrective actions taken by the department comply with the agreed upon recommendations stated in the findings or if an alternative method has been used and agreed upon, CAO staff will consider the finding(s) to be closed. Upon the City Auditor's final review, CAO staff will then communicate the closure of the finding(s) to the OMB. The OMB coordinator will close the item within the ACTS and will continue to follow up with departments to provide supporting documentation and to inform the CAO of updates to the ACTS.

In the process of clearing findings, CAO staff visited individual departments, interviewed management personnel and performed tests, on a more frequent basis, to evaluate the adequacy of management's implementation of the audit recommendations. In this process, we have closed or resolved 248 audit findings. The attached schedule (**Exhibit A**) recaps 8 that are open as of September 30, 2021.

As we complete new audits, the new audit findings and observations will be added into the ACTS. The departments are responsible to update the current status of the findings in the ACTS. Furthermore, the departments are to provide proper notice to CAO staff that corrective actions have been undertaken to address certain audit findings.

We would like to thank the departments that have taken a proactive approach to implement the agreed upon corrective actions. Additionally, we will continue to work with the departments to resolve prior findings accumulated over several years and to ensure compliance with the City's policies and procedures.

cc: Chris Lagerbloom, City Manager  
Alain E. Boileau, City Attorney  
Jeff Modarelli, City Clerk