



CITY OF AUSTIN

Office of the City Auditor



Annual Service Plan

City Auditor
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A full copy of this report is available for download at our website:
<http://www.ci.austin.tx.us/auditor/performance.htm>. You may also contact our office
by email at oca_auditor@ci.austin.tx.us.

Alternative formats are available upon request.
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Office of the City Auditor

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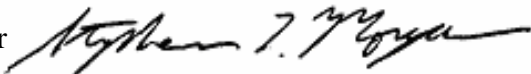
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September 28, 2007

To: Mayor and Council Members
From: Stephen L. Morgan, City Auditor 
Subject: FY 2008 Approved Annual Service Plan

On September 25, 2007, the City Council's Audit and Finance Committee approved the Office of the City Auditor's (OCA) FY 2008 Annual Service Plan (see attached). The plan is based on resources allocated to OCA in the City of Austin's approved FY 2008 budget.

We will be conducting projects in the following nine areas:

- Public Safety Initiative
- Internal Control Structure Initiative
- Revenue Initiative
- Information Technology
- Austin Water Utility
- Austin Energy
- Delivery of City Services
- Integrity Services
- Assistance to Council or Management

Thank you for your support and I look forward to working with you on our audit, assistance, and investigative projects.

cc: Toby Futrell, City Manager

PROJECTS SUMMARY

PG #	Performance Goals & Strategies	FY 2008 PROJ BUD	COMMENTS
Public Safety Initiative			
2	Public Safety Service Delivery	2,000	
2	Homeland Security Sources and Uses of Funds	2,000	
Internal Control Structure Initiative			
2	Purchasing: Sole Source Contracts	2,000	
2	City Fund Analysis, Impact of Downturn on Financial Control Positions, Ethics Structure of CoA	2,500	
Revenue Initiative			
2	Revenue Audits: Cable Franchise Fees, Telecom Franchise Fees, Hotel Audit Follow-up, Texas Gas Service	2,500	
Information Technology			
3	Amanda System Analysis	2,000	
3	AFS3, E-Government	700	
Austin Water Utility			
3	Easements, Water Loss, Operations Risk Assessment	3,500	May acquire services of engineering consultant as required.
Austin Energy			
3	CIS Remittances, Automated Meter Reading Contract, Chiller Billings Follow-up	3,500	
Delivery of City Services			
4	Public Works Department Street Repair and Preventive Maintenance	2,000	
4	Fleet Follow-up	700	
Integrity Services			
4	Integrity Unit	5,750	
Assistance to Council or Management			
4	Requests for Assistance from Council or Management	500	
4	Requests for Limited-Scope Audits from Council or Management	800	
4	Administrative hours	750	
TOTAL HOURS		31,200	

Green = Proposed new project
Red = Carryover project from FY07
Blue = Continuing responsibility

PROJECT	HOURS	COMMENTS
Public Safety Initiative		
Public Safety Service Delivery	2,000	
Complete an audit of Police funding and operations using consultant funding from FY07 (carryover project).		
Homeland Security Sources and Uses of Funds	2,000	
Determine if the City has controls in place to minimize:		
<ul style="list-style-type: none"> • Spending of available funds without achieving the goals of improving security • Delays in spending money that is available (approved) for projects to improve security • Non-compliance with applicable grant provisions 		
Internal Control Structure Initiative		
Purchasing: Sole Source Contracts	2,000	
Is the City properly following the policies and procedures related to sole-source contracting?		
City Fund Analysis, Impact of Downturn on Key Control Positions, City Ethics Structure	2,500	
Conduct an inventory of City funds and accounts, and assess the adequacy of transaction level controls to mitigate the risk of misuse of those accounts.		
Identify and assess the impact of eliminated financial control positions since the economic downturn.		
Audit the City's ethics structure and benchmark to other cities' structures.		
Revenue Initiative		
Revenue Audits: Cable Franchise Fees, Telecom Franchise Fees, Hotel Audit Follow-up, Texas Gas Service	2,000	
Determine whether cable TV franchise fee payments and gas franchise payments to the City include all customers within the City limits and are correct. (carryover project)		
Determine whether franchise fee payments to the City from telecommunication companies are correct.		
Assess the progress that the hotels have made toward addressing the original audit findings and implementing the recommendations set forth in the original Hotel audit report.		

Approved at September 25, 2007 Audit and Finance Committee

PROJECT	HOURS	COMMENTS
Information Technology		
<p>I.T. Initiative (AMANDA System Analysis, eGovernment, AFS3 Data Reliability)</p> <p>Is data from the AMANDA system available, reliable, and useful?</p> <p>Complete I.T. projects from FY07 including AFS3 Data Reliability and eGovernment Audits. (carryover)</p>	2,700	<p>Data from this system will be used by City decision makers and by those members of the community who interact with the business of the City.</p>
Austin Water Utility		
<p>Easements, Water Loss, Risk Assessment</p> <p>Complete FY07 Easements Audit (carryover).</p> <p>Quantify the amount of water lost and benchmark to industry best practices.</p> <p>Conduct operational risk assessment to identify projects for FY09.</p>	3,500	<p>Will acquire services of engineering consultant where such expertise is required.</p>
Austin Energy		
<p>Customer Information System Remittances, Automated Meter Reading Contract, Chiller Billings Follow-up</p> <p>Are automated meter readings performed in compliance with contract terms?</p> <p>Is AE receiving all CIS payments? Are all CIS payments properly reflected/recorded in CIS?</p> <p>Assess the progress that the business unit has made toward addressing the original audit findings and implementing the recommendations set forth in the AE Chiller Billings audit report.</p>	3,500	<p>Continue AE audit initiative funded by expense refund.</p> <p>Routine follow up on prior audits is required by Government Auditing Standards</p>

PROJECT	HOURS	COMMENTS
Delivery of City Services		
Public Works Department Street Repair and Preventive Maintenance	2,000	
Compare Public Works' Street Repair and Maintenance Program to best practices for street quality, maintenance backlog, cost, customer satisfaction, and environmental impact.		
Fleet Follow-up	700	Routine follow up on prior audits is required by Government Auditing Standards.
Conduct follow-up work to determine whether recommendations issued in 2001 audits of Fleet activities have been implemented. (carryover)		
Integrity Services		
City Auditor's Integrity Unit	5,750	
<ul style="list-style-type: none"> • Prevention: training, newsletter • Detection: fraud hotline • Investigation and audit work • Follow through: controls reviews • Management Integrity Committee support activities 		
Assistance to Council or Management		
Requests for Assistance from Council or Management	500	
<ul style="list-style-type: none"> • Training (writing skills, preparing for audit) • Advisory assistance (monitoring techniques, surveys) 		
Requests for Limited-Scope Audits from Council or Management	800	
<ul style="list-style-type: none"> • Information Provision • Information Verification 		
Administrative hours	750	