



**CITY OF AUSTIN**

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**Office of the City Auditor**



# **Annual Service Plan**

**Acting City Auditor  
Corrie Stokes, CIA, CGAP**

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](mailto:oca_auditor@ci.austin.tx.us).  
Please request FY 2010 Service Plan.

Alternative formats are available upon request.  
Please call (512) 974-2805 or Relay Texas #711.



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# City of Austin

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November 3, 2009

To: Mayor and Council Members

From: Corrie Stokes, Acting City Auditor 

Subject: FY 2010 Approved Service Plan

On November 3, 2009, the City Council Audit and Finance Committee approved the Office of the City Auditor's (OCA) FY 2010 Service Plan. The plan is based on resources allocated to OCA in the City of Austin's approved FY 2010 Budget. Please see page one for a summary of the Plan and pages three and four for more detailed information about each project on the Plan.

The projects are grouped by City service areas. For more information about the service areas, please see pages five and six. We will be conducting projects in the following service areas:

- Citywide Issues;
- Community Services;
- Enterprise Services – Other;
- Public Safety Services (a dedicated OCA initiative area);
- Revenue Initiative;
- Support Services;
- Enterprise Services – Utilities (a dedicated OCA initiative area); and
- Assistance to Council and City Management.

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

cc: Marc Ott, City Manager

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## Project Summary

PG #	City of Austin Service Area Project	FY 2010 PROJ BUD
<b>Citywide Issues</b>		
3	Contract Compliance and Administration Risk Assessment	1,500
3	Records Management	1,500
3	3-1-1 Customer Service (including Implementation Follow-up)	1,500
3	Fuel Efficiency (two projects identified through Risk Assessment process in FY 09)	1,500
3	Stimulus Funding Oversight	1,000
3	City Auditor's Integrity Unit (including Detection projects)	4,500
<b>Community Services</b>		
3	Park Maintenance Follow-up	1,000
3	Affordable Housing (including S.M.A.R.T. Housing & RHDA Follow-ups)	2,000
<b>Enterprise Services – Other</b>		
3	Code Compliance	1,000
<b>Public Safety Services</b>		
3	Austin Fire Department – Risk Self Assessment Project	1,500
3	Austin Police Department – Evidence Room Audit	1,500
3	Emergency Medical Services – Public Safety Service Delivery Follow-up	1,000
3	Austin Municipal Court Risk and Vulnerability Assessment Follow-up	500
<b>Revenue Initiative</b>		
4	Commercial Transportation User Fee and Drainage Utility Fee (TUF/DUF) Audit	1,000
4	Hotel Occupancy Tax Project	1,000
<b>Enterprise Services – Utilities</b>		
4	Austin Energy – Contract Compliance Audit	1,500
4	Austin Water Utility – Project Management and Implementation of CIP Projects	1,500
4	Austin Water Utility – Supervisory Control and Data Acquisition (SCADA) System Audit	1,500
<b>Assistance to Council &amp; Management</b>		
4	Customer Information System (CIS) Replacement Project	500
4	Austin Energy – Structure and Impact of General Fund Transfer	500
4	Boards and Commissions Audits (listed by risk rank): Historic Landmark Commission, Board of Adjustment, Water and Wastewater Commission	2,000
4	Carryover Projects Scheduled for AFC Presentation (September and October 2009) (CIS Billing, Utility Coordination, Austin Revitalization Authority, Austin Taxicab Permitting Process)	1,500
4	Boards and Commissions Risk Assessment: Year 2	300
4	Special Requests	1,200
<b>TOTAL HOURS</b>		<b>32,500</b>

NOTE: 32,500 hours available from 21.00 Authorized FTEs (25.00 FTEs less 2.00 Admin & 2.00 Exec. Mgmt FTEs) and 1,000 hours available from Temp budget.

Black = New project; Red = Carryover project from FY 09; Blue = Continuing responsibility

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## Detailed Project Information

City of Austin Service Area Project	Projected Budget	Comments
<b>Citywide Issues</b>		
<b>Contract Compliance and Administration Risk Assessment</b>		
<ul style="list-style-type: none"> <li>Conduct a Citywide contract administration risk assessment and begin transaction testing in high-risk areas.</li> </ul>	1,500	
<b>Records Management</b>		
<ul style="list-style-type: none"> <li>Review Citywide records management and retention practices and evaluate the risks related to operations and cost.</li> </ul>	1,500	
<b>3-1-1 Customer Service (including Implementation Follow-up)</b>		
<ul style="list-style-type: none"> <li>Determine how the 3-1-1 system interacts with City departments and how they track and follow-up on service requests gathered through the 3-1-1 system.</li> <li>Implementation Follow-up – Select and follow-up on high-risk recommendations such as those directed at successfully completing Phase I of the project implementation, achieving full 311 CIC/CSR system potential, facilitating decision making, capturing and appropriately reporting cost, effectively budgeting IT projects, and addressing identified issues for further study.</li> </ul>	1,500	Routine follow up on prior audits is required by Government Auditing Standards (GAS)
<b>Fuel Efficiency</b>		
<ul style="list-style-type: none"> <li>Complete high-risk projects identified through FY 09 risk assessment.</li> </ul>	1,500	
<b>Stimulus Funding Oversight</b>		
<ul style="list-style-type: none"> <li>Assess required oversight efforts of the City's federal stimulus funding.</li> </ul>	1,000	
<b>City Auditor's Integrity Unit</b>		
<ul style="list-style-type: none"> <li>Prevention: training, marketing services (hotline), control reviews</li> <li>Detection: fraud detection projects</li> <li>Investigation: investigation and audit work</li> <li>Management Integrity Committee support activities</li> </ul>	4,500	
<b>Community Services</b>		
<b>Park Maintenance Follow-up</b>		
<ul style="list-style-type: none"> <li>Select and follow-up on high-risk recommendations.</li> </ul>	1,000	Routine follow up on prior audits is required by GAS
<b>Affordable Housing (including S.M.A.R.T Housing &amp; RHDA Follow-ups)</b>		
<ul style="list-style-type: none"> <li>Review the City's Consolidated Housing Plan and implementation, and determine what affordable housing in Austin costs and what it looks like.</li> <li>S.M.A.R.T Housing and Rental Housing Development Assistance Audit Follow-up – select and follow-up on high-risk recommendations.</li> </ul>	2,000	Routine follow up on prior audits is required by GAS
<b>Enterprise Services – Other</b>		
<b>Code Compliance</b>		
<ul style="list-style-type: none"> <li>Conduct a risk assessment and audit selected high-risk areas.</li> </ul>	1,000	
<b>Public Safety Services</b>		
<b>Austin Fire Department – Risk Self Assessment Project</b>		
<ul style="list-style-type: none"> <li>Conduct a risk self assessment to identify and prioritize possible AFD audits.</li> </ul>	1,500	
<b>Austin Police Department – Evidence Room Audit</b>		
<ul style="list-style-type: none"> <li>Review APD procedures for evidence storage, protection, and retention.</li> </ul>	1,500	
<b>Emergency Medical Services – Public Safety Service Delivery Follow-up</b>		
<ul style="list-style-type: none"> <li>Select and follow-up on high-risk recommendations.</li> </ul>	1,000	Routine follow up on prior audits is required by GAS
<b>Municipal Court Risk and Vulnerability Assessment Follow-up</b>		
<ul style="list-style-type: none"> <li>Select and follow-up on high-risk recommendations.</li> </ul>	500	Routine follow up on prior audits is required by GAS

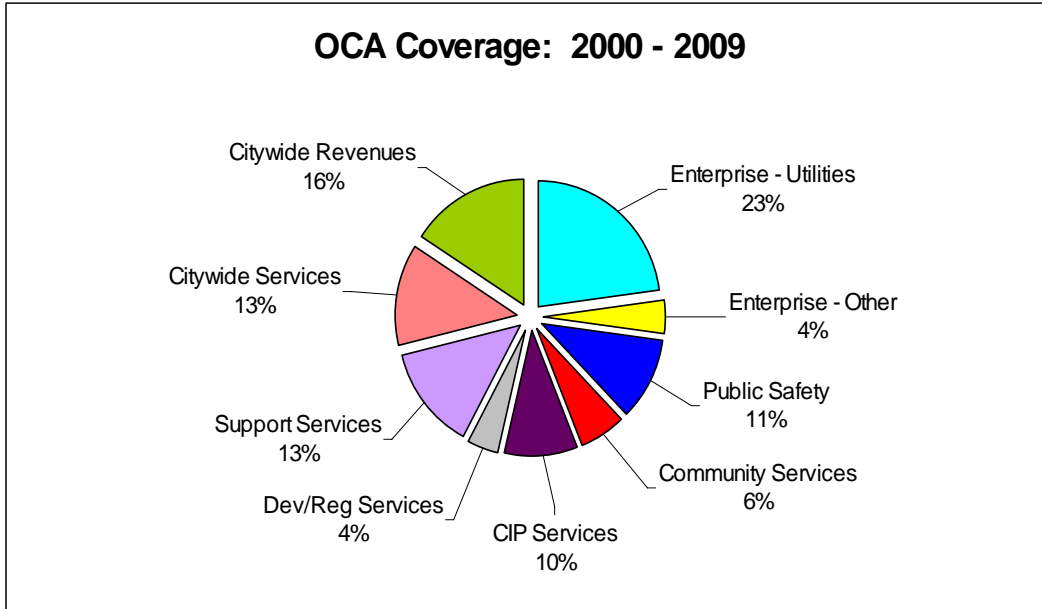
**Detailed Project Information (continued)**

City of Austin Service Area Project	Projected Budget	Comments
<b>Revenue Initiative</b>		
<b>Commercial Transportation User Fee and Drainage Utility Fee (TUF/DUF) Audit</b>		
<ul style="list-style-type: none"> <li>▪ Determine if the process for applying TUF/DUF fees on commercial accounts provides assurance that they are applied in an accurate and timely manner.</li> </ul>	1,000	
<b>Hotel Occupancy Tax Project</b>		
<ul style="list-style-type: none"> <li>▪ Determine if the City is receiving all tax revenue to which it is entitled.</li> </ul>	1,000	
<b>Enterprise Services – Utilities</b>		
<b>Austin Energy – Contract Compliance Audit</b>		
<ul style="list-style-type: none"> <li>▪ Determine the level of compliance with AE's participation agreement with LCRA related to the Fayette Power Project (FPP).</li> </ul>	1,500	Continue AE audit initiative funded by expense refund.
<b>Austin Water Utility – Project Management and Implementation of CIP Projects</b>		
<ul style="list-style-type: none"> <li>▪ Determine the impact of risks identified through risk self assessment conducted in FY 09.</li> </ul>	1,500	Continue AWU audit initiative funded by expense refund.
<b>Austin Water Utility – Supervisory Control and Data Acquisition (SCADA) System Audit</b>		
<ul style="list-style-type: none"> <li>▪ Determine the impact of risks identified through risk self assessment conducted in FY 09.</li> </ul>	1,500	Continue AWU audit initiative funded by expense refund.
<b>Assistance to Council &amp; Management</b>		
<b>Customer Information System (CIS) Replacement Project</b>		
<ul style="list-style-type: none"> <li>▪ Provide management assistance related to the CIS replacement project.</li> </ul>	500	
<b>Austin Energy – Structure and Impact of General Fund Transfer</b>		
<ul style="list-style-type: none"> <li>▪ Analyze options and impacts related to the General Fund transfer.</li> </ul>	500	
<b>Boards and Commissions Audits (listed by risk rank):</b>		
<ul style="list-style-type: none"> <li>▪ Determine the impact of risks identified through the Boards and Commissions risk assessment conducted in FY 09.               <ol style="list-style-type: none"> <li>1. <b>Historic Landmark Commission</b></li> <li>2. <b>Board of Adjustment</b></li> <li>3. <b>Water and Wastewater Commission</b></li> </ol> </li> </ul>	2,000	
<b>Carryover Projects Scheduled for AFC Presentation (September and October 2009)</b>		
<ul style="list-style-type: none"> <li>▪ CIS Billing</li> <li>▪ Utility Coordination</li> <li>▪ Austin Revitalization Authority</li> <li>▪ Austin Taxicab Permitting Process</li> </ul>	1,500	
<b>Boards and Commissions Risk Assessment: Year 2</b>		
<ul style="list-style-type: none"> <li>▪ Conduct a risk assessment of selected Boards and Commissions (second in a three-year project).</li> </ul>	300	
<b>Special Requests (Assistance or Limited Scope Audit Requests from Council and Management)</b>		
<ul style="list-style-type: none"> <li>▪ Information Provision</li> <li>▪ Information Verification</li> </ul>	1,200	

## Audit Coverage of City Programs

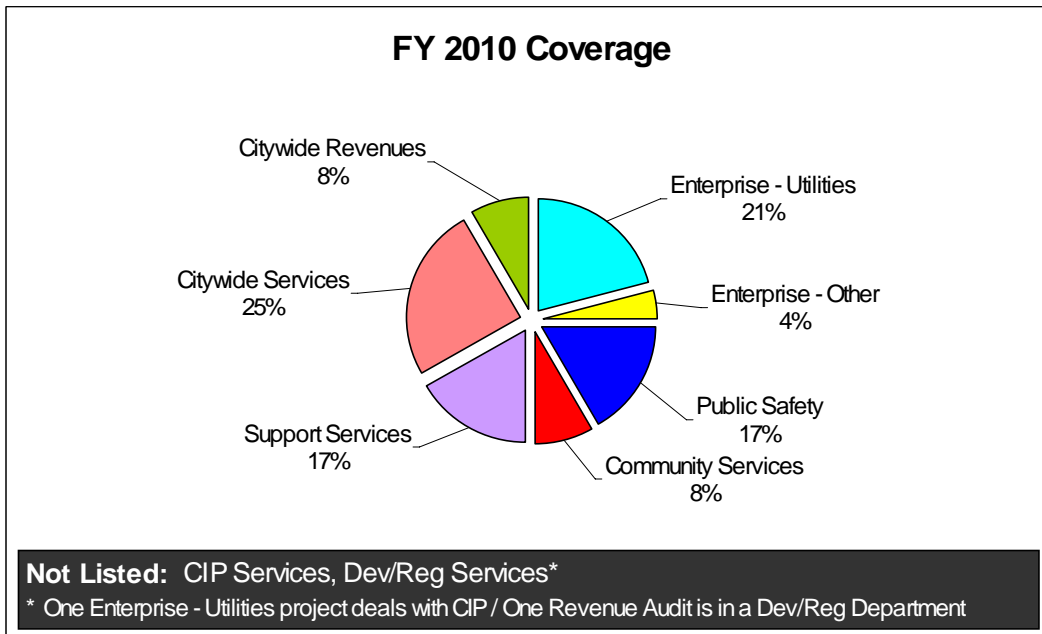
Along with audit projects of Citywide issues and ongoing dedicated audit initiatives, the Office of the City Auditor conducts audits of programs throughout the City. We have grouped the City's departments into "service areas" in order to better show the areas covered by our audits. See page six for a more detailed listing of the service areas.

Since FY 2000, OCA projects have covered each service area (see below).



SOURCE: OCA Compilation of Audit Project Data.

With our FY 2010 Service Plan, we continue to provide coverage of most City service areas (see below).



SOURCE: OCA Compilation of Audit Project Data.

City service areas and associated departments:

Enterprise Services – Utilities

- Austin Energy
- Austin Water Utility

Enterprise Services – Other

- Aviation
- Code Compliance
- Convention Center
- Solid Waste Services

Public Safety Services

- Community Court
- EMS
- Fire
- Municipal Court
- Office of Homeland Security and Emergency Management
- Police

Community Services

- Community Care Services
- Health & Human Services
- Library
- Neighborhood Housing & Community Development
- Parks & Recreation

Capital Improvement Services

- Office of Contracts & Land Management
- Public Works
- Small & Minority Business Resources
- Transportation

Development & Regulatory Services

- Economic Growth & Redevelopment Services
- Planning & Development Review
- Watershed Protection

Support Services

- Communications & PIO
- Financial & Administrative Services
- Human Resources
- Law
- Management Services
- Office of the City Clerk

Examples of Citywide Issues include:

- Ethics
- Overtime
- Planning

Examples of Citywide Revenues include:

- Franchise Taxes
- Hotel Occupancy Taxes
- Property Taxes
- Sales Taxes