

CITY OF TAMPA INTERNAL AUDIT DEPARTMENT



POLICY & PROCEDURES MANUAL

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Hard copies of exhibits are available upon request. The Internal Audit Department is located at:

315 E. Kennedy Boulevard
Tampa, FL 33602

Phone: (813) 274-7159

By my signature below, I hereby approve the Policy & Procedures Manual of the City of Tampa's Internal Audit Department, through the revisions made on September 23, 2025.

/s/ Christine Glover
Christine Glover
Director of Internal Audit

October 14, 2025
Date

AUTHORITY (GAS 3.52, GAS 3.56)

The authority for the Internal Audit function originates from the City Charter, Section 5.01 (c), which states:

Internal Audit Department, which shall have cognizance of all internal auditing for the city. The internal auditor shall be the head of the department, and it shall be the duty of the internal auditor to audit for each fiscal year all books, records and accounts of the city and all accounts in which the city has an interest. The internal auditor shall perform such other audits as may be required by the mayor. In addition, the city council shall have the right to request the internal auditor to perform additional internal audits with a supermajority vote of the city council as provided for pursuant to ordinance.

(Ord. No. 7497-A, § 3, 9-18-80; Ord. No. 2016-114, § 1, 8-4-2016; Ord. No. 2018-129, § 8, 8-23-18, election of 3-5-19)

See Exhibit 1.2 Ordinance No. 2021-83.

Mission – To provide an independent appraisal function within the City and to assist members of the management team in the effective discharge of their responsibilities by furnishing them appraisals, recommendations, and pertinent, relevant information concerning the activities and/or areas under review.

Within the city, the Internal Audit Department is accountable to the Mayor, which places it organizationally outside the staff or line management functions of all auditable units. Audit results are reported to the Mayor and City Council members, who are charged with governance. The Department has access to those charged with governance and is able to conduct audits and report findings, opinions, and conclusions without fear of political reprisal (**GAS 3.56**).

Objectives – The Department is committed to the highest professional standards for conducting audits in government as promulgated by the Comptroller General of the United States and published in Government Auditing Standards (GAS). The Department will continue to provide assurances that City government operates effectively and efficiently, provides outstanding customer service, and implements "best practices" in carrying out its operations and activities.

Goals – In executing its mission, the Department will focus on the following goals:

- Perform all audits in compliance with Government Auditing Standards.
- Develop the annual audit agenda and individual audit objectives using risk-based analysis considering complexity of activity, fiscal impact, last audit results, applicability of laws, rules, and regulations, changes in organization, effects on public welfare, and the time since the performance of the last audit.
- 90% of engagements scheduled on the annual audit agenda will be complete or in progress by the end of the fiscal year.
- Perform audits within the assigned time budgets.
- Perform a post audit review approximately 12-18 months after the completion of each audit.
- Provide auditors sufficient training to maintain professional competence and satisfy GAS Continuing Education Requirements (**GAS 4.02, 4.17-4.18**).
- Work towards achieving government auditing benchmarks of Available Audit Time (80%) and Direct Audit Time (70%).
- Have an external peer review conducted at least every 3 years.
- Adhere to the Ethical Principles cited in **GAS 3.02-3.06** and the Code of Ethics of the Institute of Internal Auditors.

Department Standards (GAS 2.01, 5.09-5.11, 5.47-5.48):

To provide assurance that the City of Tampa's Internal Audit Department (Department) operates at a high professional level, the Department adheres to the *Government Auditing Standards*, (the "Yellow Book") as promulgated by the Comptroller General of the United States. These standards, referred to as generally accepted government auditing standards or GAGAS, pertain to auditors' professional qualifications, the quality of their audit work, the performance of field work, and the characteristics of meaningful reporting. In accordance with GAS 5.48, the Department complies with the City of Tampa's personnel policy B23 – Ethics, which requires all employees to perform their duties in compliance with all laws – local, state, and federal.

City of Tampa Personnel Manual

B. Directives and Benefits

B23. Code of Ethics

Issue Date: 7/7/25

B23.A Purpose

1. All employees are responsible for ensuring that they act in compliance with the City of Tampa Code of Ethics, which can be found on the City's INet.
2. To ensure the proper conduct and operation of the City through employment of individuals who are independent and impartial and that employment not be used for private gain or other remuneration in compliance with Article VIII, City of Tampa Ethics Code.
3. The public interest requires protection against any conflict of interest and establishment of conduct for employees in situations where conflicts may exist.
4. No employee shall have any interest, financial or otherwise, direct, or indirect, engage in any business transaction or professional activity, or incur any obligation of any nature which is in substantial conflict with the proper discharge of the employee's duties in the public interest.
5. As required by law, employees are agents of the people and hold their positions for the benefit of the public. They are bound to uphold the Constitution of the United States and the State Constitution and to perform efficiently and faithfully their duties under the laws of the federal, state, and local governments. Employees are bound to observe, in their official acts, the highest standards of ethics consistent with Florida law and the advisory opinions rendered with respect thereto regardless of personal considerations, recognizing that promoting the public interest and maintaining the respect of the people in their government must be of foremost concern.
6. To affirm the City's agreement with, and commitment to adhere to, Part III of Chapter 112 of the Florida Statutes, Section 8.07 and 10.04 of the City of Tampa Charter and Article VIII, City of Tampa Ethics Code. 7. It is not the intent of this policy, nor shall it be construed, to prevent any employee from accepting other employment or following any pursuit which does not interfere with the full and faithful discharge by the employee of employment duties with the City.

External Quality Control Review (GAS 5.155, 5.172-173, 5.179):

To provide assurance that the City of Tampa's Internal Audit Department conducts audits in accordance with these standards, the Department will obtain, at least once every 3 years, an external peer review by reviewers independent of the Department. According to **GAS 5.155**,

the external peer review should determine whether "the reviewed audit organization's system of quality management was suitably designed and the organization is complying with its system of quality management so that it has reasonable assurance that it is fulfilling its responsibilities in accordance with professional standards." The results of the peer review will be provided to those charged with governance and made publicly available via the City's website (**GAS 5.172-5.173**).

Independence (GAS 3.17-3.27, 3.32-3.35, 3.45, 3.48, 3.59, 4.27):

The City of Tampa's Internal Audit Department adheres to the general standard related to independence (**GAS 3.18**), which states:

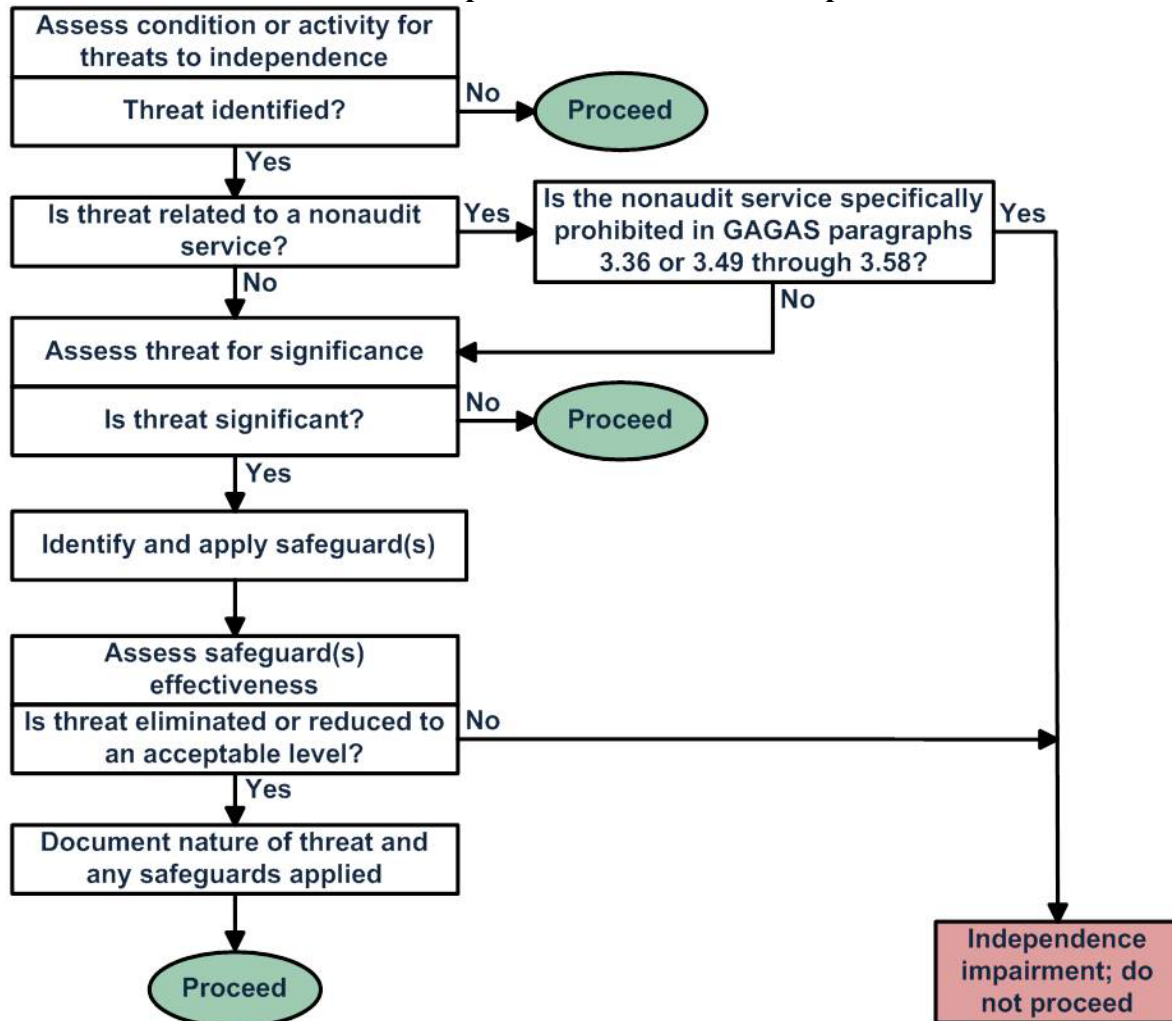
"In all matters relating to the GAGAS engagement, auditors and audit organizations must be independent from an audited entity."

Under GAGAS (**GAS 3.56**), Government internal auditors who work under the direction of the audited entity's management are considered structurally independent for the purposes of reporting internally, if the head of the audit organization meets all of the following criteria:

- a. is accountable to the head or deputy head of the government entity or to those charged with governance;
- b. reports the engagement results both to the head or deputy head of the government entity and to those charged with governance;
- c. is located organizationally outside the staff or line-management function of the unit under audit;
- d. has access to those charged with governance; and
- e. Is sufficiently removed from pressures to conduct engagements and report findings, opinions, and conclusions objectively without fear of reprisal.

Independence comprises Independence of Mind and Independence in Appearance. The GAGAS Conceptual Framework Approach to Independence should be used to identify threats to independence, evaluate the significance of the threats identified, and apply safeguards to eliminate the threats or reduce them to an acceptable level (**GAS 3.27**). Auditors should evaluate threats both individually and in the aggregate, as threats can have a cumulative effect on an auditors' independence (**GAS 3.45**). When threats are not at an acceptable level and require application of safeguards, auditors should document the safeguards applied (**GAS 3.32-3.33**). An Independence Statement, used to identify any personal or external impairment, is to be completed by the Auditor and Audit Director immediately after auditor assignment. When performing non-audit services, the process will comply with applicable GAS standards (see B1.21). If the work of a specialist is used, the specialist's ability to perform the work impartially must be assessed (**GAS 8.82**).

GAGAS Conceptual Framework for Independence



Auditors should be independent from an audited entity during any period of time that falls within the period covered by the subject matter of the audit and the period of the professional engagement (**GAS 3.20**). If an auditor recognizes any personal or external impairment to independence, in fact or appearance, the Audit Director shall be immediately notified. If any impairment to independence is identified during an engagement or after the audit report is issued, the Audit Director will assess the impact of the impairment on the audit. If the impairment is identified during the engagement, an independent auditor will be assigned to review the work performed to date and then to complete the engagement. If the impairment to independence is identified after report issuance and the conclusion is reached that the organization did not comply with GAGAS, those charged with governance will be notified in writing.

Code of Ethics (GAS 3.04):

GAS 3.04 states “Performing audit work in accordance with ethical principles is a matter of personal and organizational responsibility. Ethical principles apply in preserving auditor independence, taking on only work that the audit organization is competent to perform, performing high-quality work, and following the applicable standards cited in the audit report. Integrity and objectivity are maintained when auditors perform their work and make decisions that are consistent with the broader interest of those relying on the audit report, including the public.”

The ethical principles that guide the work of auditors who conduct audits in accordance with GAGAS are a) the public interest; b) integrity; c) objectivity; d) proper use of government information, resources, and positions; and e) professional behavior. **(GAS 3.06)**

The City of Tampa's Internal Audit Department also subscribes to the *Code of Ethics* of the Institute of Internal Auditors. The purpose of the IIA's *Code of Ethics* is to promote an ethical culture in the profession of internal auditing. A code of ethics is necessary and appropriate for the profession of internal auditing, founded as it is on the trust placed in objective assurance about risk management, control, and governance. The Code of Ethics extends beyond the definition of internal auditing to include two essential components:

- a. Principles that are relevant to the profession and practice of internal auditing.
- b. Rules of Conduct that describe behavior norms expected of internal auditors. These rules are an aid to interpreting the Principles into practical applications and are intended to guide ethical conduct of internal auditors.

Interpretation of Principles:

The provisions of this Code of Ethics cover basic principles in the various disciplines in the practice of professional internal auditing. Internal auditors shall realize that individual judgment is required in the application of these principles. They have a responsibility to conduct themselves so that their good faith and integrity should not be open to question. While having due regard for the limit of their technical skills, they will promote the highest possible internal auditing standards to the end of advancing the interest of the City of Tampa.

IIA Code of Ethics

Principles

Internal Auditors are expected to apply and uphold the following principles:

1. **Integrity** – The integrity of internal auditors establishes trust and thus provides the basis for reliance on their judgment.

- 2. Objectivity** – Internal auditors exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. Internal auditors make a balanced assessment of all the relevant circumstances and are not unduly influenced by their own interests or by others in forming judgments.
- 3. Confidentiality** – Internal auditors respect the value and ownership of information they receive and do not disclose information without appropriate authority unless there is a legal or professional obligation to do so.
- 4. Competency** – Internal auditors apply the knowledge, skills, and experience needed in the performance of internal audit services.

Rules of Conduct

1. Integrity

Internal auditors:

- 1.1. Shall perform their work with honesty, diligence, and responsibility.
- 1.2. Shall observe the law and make disclosures expected by the law and the profession.
- 1.3. Shall not knowingly be a party to any illegal activity, or engage in acts that are discreditable to the profession of internal auditing or to the organization.
- 1.4. Shall respect and contribute to the legitimate and ethical objectives of the organization.

2. Objectivity

Internal auditors:

- 2.1. Shall not participate in any activity or relationship that may impair or be presumed to impair their unbiased assessment. This participation includes those activities or relationships that may be in conflict with the interests of the organization.
- 2.2. Shall not accept anything that may impair or be presumed to impair their professional judgment.
- 2.3. Shall disclose all material facts known to them that, if not disclosed, may distort the reporting of activities under review.

3. Confidentiality

Internal auditors:

- 3.1. Shall be prudent in the use and protection of information acquired in the course of their duties.
- 3.2. Shall not use information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the organization.

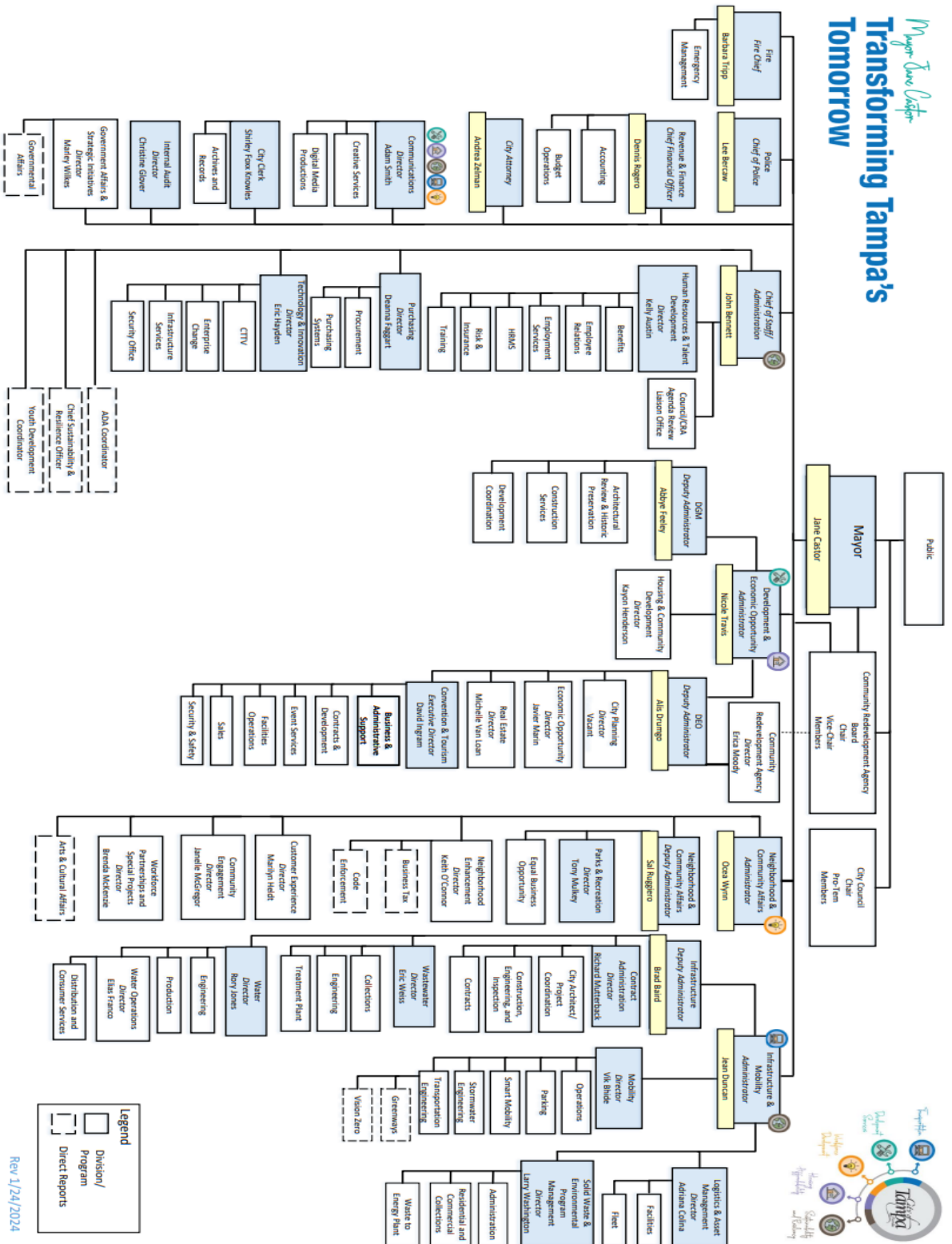
4. Competency

Internal auditors:

- 4.1. Shall engage only in those services for which they have the necessary knowledge, skills, and experience.
- 4.2. N/A – City of Tampa audits are performed in accordance with the Government Auditing Standard (yellow book).
- 4.3. Shall continually improve their proficiency and the effectiveness and quality of their services.

Also, City employees come under the jurisdiction of the City of Tampa Ethics Code, Personnel Rules and Procedures, and Florida Statutes, Chapter 112, Part III, "Code of Ethics for Public Officers and Employees."

CPA, CIA, CGAP, CISA, and CFE certificate holders are also bound by the ethics of their respective organizations and governing bodies.



NATURE OF WORK

An employee in this class, under administrative direction, plans, develops, organizes, implements, and manages an internal auditing program for the city to provide management with an independent appraisal of major city activities with emphasis on recurring audits of areas of high risk and high dollar impact. The internal audit aspect of this class is as established by the City Charter. Work is of unusual difficulty, requiring the exercise of extensive initiative and independent judgment in providing for continuous auditing and reporting of internal financial transactions, controls, and procedures of the various city departments and in dealing with elected officials and representatives of other governmental agencies. The employee serves as a member of the Mayor's Executive Staff. Work is evaluated by conferences, reports and results achieved. As outlined in the City Charter, the incumbent must reside within the City of Tampa or be willing to relocate.

EXAMPLES OF DUTIES

Plans, develops, and directs an internal audit program including development of audit standards and procedures; ensures compatibility with federal governmental guidelines as appropriate; reviews and approves annual audit agenda and four-year plan.

Supervises staff engaged in conducting audits; reviews audit reports to ensure findings are accurate and fully documented; reviews work papers when necessary; participates in entrance and exit conferences held in conjunction with significant audits; directs special audits as requested by Mayor; oversees tax and franchise fee audit projects and formulation of city's utility tax and franchise fee policy.

Participates in consultant studies through written and oral communication; supervises and coordinates review and appraisal of departments and functions for adequacy of controls, legal and contractual compliance, and good business practices; counsels and advises directors and managers on procedures, work processes and control methods.

Prepares reports and correspondence; assigns, develops, and evaluates staff; manages unit budget and work processes; and performs related tasks.

Represents the Mayor and serves as liaison with state/national professional associations and with various boards and committees on which the Mayor is a member.

Performs related duties as required.

KNOWLEDGE, SKILLS & ABILITIES

Comprehensive knowledge of: modern accounting principles and practices; municipal administration and organization; federal and state laws relating to job duties; systems of internal controls for large and complex government entities.

Extensive knowledge of: auditing standards, procedures and practices; modern management practices and procedures; application of data processing to accounting systems and financial analysis.

Ability to: plan, assign, direct, and coordinate the work of professional employees in a manner that promotes full performance; write and speak clearly and succinctly in a variety of communication settings; set clear objectives and measures and monitor process, progress and results; plan, organize, and refine procedures; establish and maintain effective working relationships with city officials, directors, managers and other employees, representatives of boards and committees, and the general public.

MINIMUM QUALIFICATIONS

Graduation from an accredited college or university with a bachelor's degree in accounting or related field and extensive progressively responsible experience in public accounting and/or internal auditing, including considerable experience in auditing; or an equivalent combination of education and experience.

LICENSES OR CERTIFICATIONS

Registration as a Certified Public Accountant (CPA) in the State of Florida or Certified Internal Auditor or Certified Fraud Examiner may be required.

COMMENTS

During periods when the Mayor issues an emergency declaration for the City of Tampa, all employees may be required to work in preparation, response or recovery activities related to the stated emergency.

NATURE OF WORK

In addition to being able to perform at an exemplary manner all nature of work at the Senior Auditor level, the Lead Senior Auditor shall assist with training, coaching, and evaluation of other staff members to ensure quality audits are completed in a timely manner. An employee in this class must have a firm grasp of the City of Tampa's audit process. The Lead Senior Auditor shall assist the Audit Director with establishing policies and with developing and executing a comprehensive audit agenda. In absence of the Audit Director, the Lead Senior Auditor shall ensure the Department activities progress as designed by the Director.

Employees conduct audits of various activities of departments within, and other agencies with business or other official connections to, the municipal government. The scope of work includes financial, compliance, economy, efficiency, and performance effectiveness audits. Tasks are of more than average difficulty and include development and conduct of work programs for assignments, preparation of reports, and presentation of recommendations. Employees serve on teams during major projects, coordinating with other auditors so that projects progress according to plans. Important responsibilities are to ensure that: assignments are conducted in a thorough, objective manner; recommendations are developed and presented which provide a sound basis for corrective actions/improvements in municipal financial and other operational systems; work is performed in accordance with professional standards issued by the United States Comptroller General. Considerable initiative and independent judgment are required in project development and performance and the formulation of effective recommendations. Tact and diplomacy are required as employees have considerable contact with other municipal employees and officials, and representatives of other governmental agencies and business concerns.

Work is performed under direction and reviewed through conferences and reports submitted.

EXAMPLES OF DUTIES

Assists the Audit Director in planning strategies for the Audit Program and related plans and procedures. Reviews, modifies and/or develops current and new plans and procedures as needed.

Assists with employee assignments and the coordination of work performed by subordinate staff; reviews work for accuracy and adherence to standard procedures; prepares and submits work schedules, insuring all positions are covered and suspense dates are met; assists subordinates with questions or problems related to duties and responsibilities; trains subordinate personnel.

Collects, assimilates, analyzes, and interprets data utilizing quantitative and other analytical techniques, in order to develop recommendations; conducts preliminary surveys in assigned department or agency to determine activities being performed and develop recommendations as to audit needs; formulates and recommends work plan, including scope, techniques, and

timetable, within time constraints established by supervisors; conducts audit, reviewing records and other documentation, and interviewing management and other personnel to obtain needed information; completes file with documentation to substantiate findings.

Performs analyses, critiques, and evaluations to determine legal, contractual and financial compliance, economy, efficiency and performance effectiveness of the activities of the area under study; audits municipal accounting and operational records, procedures, and practices to determine accuracy and compliance with accepted practices, procedures, and the law; reviews accounting and administrative controls to evaluate soundness and reliability; performs audits of federal funds expenditures administered by the municipal government.

Prepares written findings and recommendations for corrective actions and operational and managerial improvements; presents findings as required to affected managerial personnel and high-level municipal officials, explaining findings and encouraging implementation of recommendations; provides advice on internal controls, acceptable practices and procedures, and economy and efficiency issues.

When on a team: accepts project tasks and coordinates with team members; completes work in accordance with plans and schedules; coordinates preparation of written reports, ensuring that reports and documentation are complete.

Attends and participates in meetings, workshops, conferences, seminars for the purpose of gathering, verifying, and distributing information.

Performs related work as required.

KNOWLEDGE, SKILLS & ABILITIES

Considerable knowledge of: auditing standards, accepted techniques and practices; principles, accepted practices, and methods of accounting, including those pertinent to governmental accounting; statistical and analytical evaluation techniques; effective interviewing techniques.

Working knowledge of: data processing capabilities, controls, and applications to accounting and other systems.

Ability to: comprehend, analyze, and evaluate situations, organizations, contracts and systems, and recommend modifications and improvements; develop sound audit objectives and apply proper, effective auditing techniques; prepare oral and/or written reports, including compilation of documentation in support of findings and recommendations, and communicate them in a clear, concise, and objective manner; establish and maintain effective working relationships with other employees, municipal officials, and representatives of other governmental agencies and business concerns.

MINIMUM QUALIFICATIONS

Graduation from an accredited college or university with a bachelor's degree in accounting, finance, or a related field and a minimum of 5 years of Senior Auditor experience in the City of Tampa's Internal Audit Department. A master's degree is preferred.

LICENSES OR CERTIFICATIONS

Must have one of the following:

- CFE: Certified Fraud Examiner
- CIA: Certified Internal Audit
- CPA: Certified Public Accountant
- CISA: Certified Information System Auditor
- CGAP: Certified Government Auditing Professional

Possession of a valid driver's license may be required.

COMMENTS

Employees may be required to work rotating shifts, including nights, weekends, holidays and overtime as needed. During periods when the Mayor issues an emergency declaration for the City of Tampa, all employees may be required to work in preparation, response or recovery activities related to the stated emergency.

NATURE OF WORK

Employees conduct audits of various activities of departments within, and other agencies with business or other official connections to, the municipal government. The scope of work includes financial, compliance, economy, efficiency, and performance effectiveness audits. Tasks are of more than average difficulty and include development and conduct of work programs for assignments, preparation of reports, and presentation of recommendations. Employees serve on teams during major projects, coordinating with other auditors so that projects progress according to plans. Important responsibilities are to ensure that: assignments are conducted in a thorough, objective manner; recommendations are developed and presented which provide a sound basis for corrective actions/improvements in municipal financial and other operational systems; work is performed in accordance with professional standards issued by the United States Comptroller General. Considerable initiative and independent judgment are required in project development and performance and the formulation of effective recommendations. Tact and diplomacy are required as employees have considerable contact with other municipal employees and officials, and representatives of other governmental agencies and business concerns. Work is performed under direction and reviewed through conferences and reports submitted.

EXAMPLES OF DUTIES

Collects, assimilates, analyzes, and interprets data utilizing quantitative and other analytical techniques, in order to develop recommendations; conducts preliminary surveys in assigned department or agency to determine activities being performed and develop recommendations as to audit needs; formulates and recommends work plan, including scope, techniques, and timetable, within time constraints established by supervisors; conducts audit, reviewing records and other documentation, and interviewing management and other personnel to obtain needed information; completes file with documentation to substantiate findings.

Performs analyses, critiques, and evaluations to determine legal, contractual and financial compliance, economy, efficiency and performance effectiveness of the activities of the area under study; audits municipal accounting and operational records, procedures, and practices to determine accuracy and compliance with accepted practices, procedures, and the law; reviews accounting and administrative controls to evaluate soundness and reliability; performs audits of federal funds expenditures administered by the municipal government.

Prepares written findings and recommendations for corrective actions and operational and managerial improvements; presents findings as required to affected managerial personnel and high-level municipal officials, explaining findings, and encouraging implementation of recommendations; provides advice on internal controls, acceptable practices and procedures, and economy and efficiency issues.

When on a team accepts project tasks and coordinates with team members; completes work in accordance with plans and schedules; coordinates preparation of written reports, ensuring that reports and documentation are complete.

Attends and participates in meetings, workshops, conferences, seminars for the purpose of gathering, verifying, and distributing information.

Performs related work as required.

KNOWLEDGE, SKILLS & ABILITIES

Considerable knowledge of: auditing standards, accepted techniques and practices; principles, accepted practices, and methods of accounting, including those pertinent to governmental accounting; statistical and analytical evaluation techniques; effective interviewing techniques.

Working knowledge of: data processing capabilities, controls, and applications to accounting and other systems.

Ability to: comprehend, analyze, and evaluate situations, organizations, contracts and systems, and recommend modifications and improvements; develop sound audit objectives and apply proper, effective auditing techniques; prepare oral and/or written reports, including compilation of documentation in support of findings and recommendations, and communicate them in a clear, concise, and objective manner; establish and maintain effective working relationships with other employees, municipal officials, and representatives of other governmental agencies and business concerns.

MINIMUM QUALIFICATIONS

Graduation from an accredited college or university with a bachelor's degree in accounting, finance, or a related field and three (3) years of auditing experience; OR- Graduation from an accredited college or university with an associate's degree in accounting, finance, or a related field and five (5) years of auditing experience.

LICENSES OR CERTIFICATIONS

Must have one of the following:

- CFE: Certified Fraud Examiner
 - CIA: Certified Internal Audit
 - CPA: Certified Public Accountant
 - CISA: Certified Information System Auditor
 - CGAP: Certified Government Auditing Professional
- Possession of a valid driver's license may be required.

COMMENTS

Employees may be required to work rotating shifts, including nights, weekends, holidays and overtime as needed. During periods when the Mayor issues an emergency declaration for the City of Tampa, all employees may be required to work in preparation, response or recovery activities related to the stated emergency.

NATURE OF WORK

Under the supervision of the Lead Senior Auditor or a Senior Auditor, employees assist with conducting audits of various activities of departments within, and other agencies with business or other official connections to, the municipal government.

The scope of work includes financial, compliance, economy, efficiency, and performance effectiveness audits. Tasks are of more than average difficulty and include assisting in the development and conduct of audit programs for assignments, assisting in the preparation of reports, and presentation of recommendations. Employees serve on teams, with other auditors, during major projects, so that projects progress according to plans. Important responsibilities are to ensure that: assignments are conducted in a thorough, objective manner; recommendations are developed and presented which provide a sound basis for corrective actions/improvements in municipal financial and other operational systems; work is performed in accordance with professional standards issued by the United States Comptroller General.

While guidance and direction will be provided reasonable initiative and independent judgment are required in completion of assignments and the formulation of effective recommendations. Tact and diplomacy are required as employees have considerable contact with other municipal employees and officials, and representatives of other governmental agencies and business concerns. Work is performed under direction and reviewed through conferences and reports submitted.

EXAMPLES OF DUTIES

Assists in the collection, assimilating, analyzing, and interpreting of data utilizing quantitative and other analytical techniques, in order to develop recommendations; assists in conducting assigned preliminary surveys to determine activities being performed and assists with the development of recommendations; assists in formulating work plan, including scope, techniques, and timetable, within time constraints established by supervisor; conducts audit by reviewing records and other documentation, and interviewing management and other personnel to obtain needed information; completes file with documentation to substantiate findings.

Assists in performing analyses, critiques, and evaluations to determine legal, contractual and financial compliance, economy, efficiency and performance effectiveness of the activities of the area understudy; audits municipal accounting and operational records, procedures, and practices to determine accuracy and compliance with accepted practices, procedures, and the law; reviews accounting and administrative controls to evaluate soundness and reliability; performs audits of federal funds expenditures administered by the municipal government.

Assists in the preparation of written findings and recommendations for corrective actions and operational and managerial improvements; presents findings as required to affected managerial personnel and high-level municipal officials, explaining findings, and

encouraging implementation of recommendations; provides advice on internal controls, acceptable practices and procedures, and economy and efficiency issues.

Accepts project tasks and coordinates with team members; completes work in accordance with plans and schedules; participates in preparation of written reports, ensuring that reports and documentation are complete.

Attends and participates in meetings, workshops, conferences, seminars for the purpose of gathering, verifying, and distributing information.

Performs related work as required.

KNOWLEDGE, SKILLS & ABILITIES

Working knowledge: of auditing standards, accepted techniques and practices; principles, accepted practices, and methods of accounting, including those pertinent to governmental accounting; statistical and analytical evaluation techniques; effective interviewing techniques; data processing capabilities, controls, and applications to accounting and other systems.

Ability to: Under supervision: comprehend, analyze, and evaluate situations, organizations, contracts and systems, and recommend modifications and improvements; develop sound audit objectives and apply proper, effective auditing techniques; prepare oral and/or written reports, including compilation of documentation in support of findings and recommendations, and communicate them in a clear, concise, and objective manner; establish and maintain effective working relationships with other employees, municipal officials, and representatives of other governmental agencies and business concerns.

MINIMUM QUALIFICATIONS

Graduation from an accredited college or university with a bachelor's degree in accounting, finance, information systems or a related field. Preferred a minimum of one (1) year of auditing experience; OR- An equivalent combination of education (not less than possession of a high school diploma/GED), training and experience that would reasonably be expected to provide the job related competencies noted above.

LICENSES OR CERTIFICATIONS

Must obtain one of the following within one (1) year of employment:

- CFE – Certified Fraud Examiner
- CIA – Certified Internal Audit
- CPA – Certified Public Accountant
- CISA – Certified Information System Auditor
- CGAP – Certified Government Auditing Professional

Possession of a valid drivers license may be required.

COMMENTS

Employees may be required to work rotating shifts, including nights, weekends, holidays and overtime as needed. During periods when the Mayor issues an emergency declaration for the City of Tampa, all employees may be required to work in preparation, response or recovery activities related to the stated emergency.

PURPOSE (GAS 5.05-5.06, 5.08)

This section of the Policy and Procedures Manual prescribes the policies and procedures used to plan and conduct performance audits, attestation engagements, and non-audit services in compliance with GAGAS. It also includes related quality control policies and procedures. Departures from Standards and the impact on the audit and the audit conclusions must be documented.

Auditors work under the direction of the Audit Director, who approves and reviews all audit programs, workpaper files, and audit reports. During the planning and performance of all audit-related activities, Auditors must use professional judgment. All significant decisions affecting audit-related activities must be documented. The Audit Director is responsible for rating the work performance of all audit staff. The Mayor rates the work performance of the Director.

AUTOAUDIT

AutoAudit is a database-driven software application which helps manage the internal audit process and documents compliance with the quality control system. The audit processes described below were incorporated into the application. Section B5 of this Policy & Procedures Manual describes the use of AutoAudit.

PLANNING: Risk Analysis, Annual Planning, and Budgeting

FIELDWORK: Workpapers (integration with Word, Excel, and other tools), Audit Program Templates, and Review Notes (Comments)

REPORTING & FOLLOW-UP: Audit Report Generation and Tracking of Findings, Recommendations, and Management Action Plans.

PROJECT MANAGEMENT: Timekeeping, Budget Monitoring, Staffing & Scheduling, and Audit Histories

AutoAudit utilizes user-based security, which requires electronic supervisory approvals of the audit processes listed above. These approvals are considered evidence of completion by the Auditor and supervisory review by the Audit Director.

AUDITOR ASSIGNMENT (GAS 3.18-19, 4.02, 4.03)

The Audit Director is responsible for auditor assignments and to engage specialists when deemed necessary to perform the audit. To ensure the assigned audit staff meets the Independence (**GAS 3.18 and 3.21**), Competence (**GAS 4.02**), and Technical Knowledge (**GAS 4.03**) Standards, the Auditor Assignment and Independence Statement (see [E1.3](#)) is to be completed by the Audit Director at the time of assignment. If impairment to an auditor's independence is identified, another auditor will be assigned to the audit.

Auditors assigned to perform Attestation engagements should also be knowledgeable in the AICPA general attestation standard related to criteria, the AICPA attestation standards for field work and reporting and the related Statements on Standards for Attestation Engagements (SSAE), and they should be competent in applying these standards and SSAE to the attestation work (**GAS 3.74**).

USE OF SPECIALISTS / USING THE WORK OF OTHERS (GAS 4.30-4.31 ~~elosest~~ language, 8.82-8.86, and 8.32)

The Internal Audit Department does not typically use specialists or rely on the work of others. If a specialist is engaged, the specialist's ability to perform the work impartially must be assessed and documented. The Auditor should document the nature and scope of the work to be performed by the specialist. Before using the work of others, Auditors should obtain evidence concerning the other auditors' qualifications and independence and should determine whether the scope, quality, and timing of the audit work performed by the other auditors is adequate for reliance in the context of the current audit objectives.

Internal specialists should comply with GAGAS CPE requirements. While external specialists are not required to meet GAGAS CPE requirements, their professional qualifications and competence in their areas of specialization must be assessed and documented.

PURPOSE (GAS 3.18, 3.21)

In all matters relating to the GAGAS engagement, the audit organization and the individual auditor must be independent. To document that audit management and staff are free from personal and external impairments to independence and are independent in both mind and appearance, the Auditor Assignment & Independence Statement (see [E1.3](#)) is to be signed by the Auditor assigned to conduct the audit and Audit Director at the time of the audit assignment. If impairment to an auditor's independence is identified, another auditor will be assigned to the audit.

AUDIT PHASES

Before any work is performed on an assigned audit, the auditor should obtain a preliminary budget from the Audit Director. This original budget figure is used to develop the current year audit agenda. It can be amended as necessary (see budget section at [B1.14](#) for further discussion).

Planning (GAS 8.03) – A standardized audit program was established and approved by the Audit Director in order to provide guidance and maximize the efficiency and effectiveness of the planning phase of the audit. Any revisions to this standardized audit program must be approved by the Audit Director.

Sufficient time must be given to the planning phase to ensure an adequate understanding of the subject matter under audit is obtained. In addition, an understanding of internal controls should be obtained during the planning phase of the audit as it will have a material effect upon the scope of fieldwork testing.

Fieldwork (GAS 8.90) – Sufficient, appropriate evidence is obtained during fieldwork to support the audit's conclusions, findings, and recommendations. Fieldwork would include the testing of any identified internal controls that are relevant to the audit's objectives to determine if they are working.

Reporting (GAS 9.06) – A standardized audit program was established for the reporting phase of the audit. Any revisions to this standardized audit program must be approved by the Audit Director.

PURPOSE (GAS 5.55c, 5.69. 8.20-8.21, 8.23-8.24, 8.26, 8.31-8.32)

To provide advance notice and courtesy to the auditee organization, an engagement letter should be sent to the Department Director, who oversees the operation under review, before planning phase is scheduled to begin. This will require that it be sent while the currently assigned audit is nearing an end in order to avoid any down time on the part of the auditor.

When those charged with governance are not clearly evident, Auditors should document the process followed and conclusion reached for identifying those charged with governance (**GAS 8.21, 8.26**). Copies of the engagement letter should be forwarded to the City's Chief of Staff, applicable Administrator, Deputy Administrator (if applicable), the Chief Financial Officer, and any lower level managers to ensure that they are informed of the pending audit.

The engagement letter (**GAS 8.23**) should contain the following items (see [E2.1](#)):

- Source of the audit (annual audit plan, special request, etc.)
- Name(s) of the auditor(s) assigned to conduct the audit
- Notification of the entrance meeting
- Opportunity for top management to attend
- Any other relevant information

Notification should also be provided to other entities from which we are likely to require assistance during the audit. Appropriate wording should be used indicating that even though they are not the auditee organization, we may require some amount of assistance or information from them.

The purpose of these communications is to ensure that all key people know the auditor will be working in their area and why. Any major changes in the audit (delays, change in staff) should be similarly communicated to the auditee.

If an audit is terminated before it is completed and an audit report is not issued, auditors should document the results of the work to the date of termination and why the audit was terminated (**GAS 5.55c, 5.69**).

PURPOSE (GAS 6.11, 8.05, 8.37-8.38)

The in-office review should provide the auditor with enough insight of the nature of the program and needs of potential users to enable reasonably intelligent questions to be asked in the entrance conference. It should provide general familiarity with where the activity stands in the City hierarchy, its dollar significance, and what it is supposed to be doing in the way of operations.

SOURCES OF INFORMATION

The following sources of information are available for the in-office review:

- Applicable rules, laws, regulations, contract provisions, and/or grant agreements that apply to the activities being reviewed
- Material on the Organization – division of duties and responsibilities, number of employees, job descriptions, organization chart, nature and location of physical assets and accounting records
- Financial Information – cost of operations, current year/prior year and budget/actual analysis, cash flows and cost accounting data
- Internal Policies & Operating Procedures Manuals
- Results of previous internal and external audit reports (ensure that any related recommendations have been implemented)
- Management information and performance reports

PURPOSE (GAS 8.20, 8.24, 8.27)

The entrance conference sets the tone for the audit to follow. The tone should be one of openness, candor, cooperation, and professionalism. It also provides a place for the audit team to be introduced to key management personnel and to brief the auditee on the audit process.

PROCEDURE

The conference should be arranged by the auditor after the engagement letter has been received by the auditee. The auditor is responsible for writing the engagement letter. The purpose and time for the meeting shall be communicated to all. The protocol set forth in the letter should be followed. All staff members of the audit team should attend. The following items should be included in an agenda (see [E2.1A](#)), approved by the Director, to be covered in the meeting:

- Staff introductions
- Audit topic and any special direction if known at the time
- Identify any in-process legal proceedings or investigations
- The formal report procedures will be explained to the auditee to ensure fair and objective treatment. The due process of the audit is as follows:
 - Any audit findings are to be objective, factual, and considered in perspective.
 - All potential findings will be discussed with the management before leaving the field in the form of an audit inquiry (see [E2.13](#)) that will be sent to all management involved for them to have an opportunity to comment on the issues and management responses.
 - A final draft of the audit report will be provided to auditee management, who will be given five (5) working days to respond to the recommendations in writing. An exit conference will be held at management's request.
 - The final report will include the auditee's responses verbatim and any comments that may be necessary from the auditor.

Other Considerations:

Determine who the auditee department contact person will be. The contact person should not be the department head. They may not have a hands-on understanding of what you are auditing. The department contact should be a person that is high enough in the organization to provide direction and at the same time be available and knowledgeable enough about the subject matter to answer any questions that you might have.

The entrance conference should be documented in the work papers describing the time and date, attendees and topics discussed. A general timeframe for ending the fieldwork portion of the audit may be given. If the planning phase indicates that fieldwork will be performed, the objectives that have been approved by the Audit Director should be communicated to the applicable level of department management. **NOTE:** the standard planning objective is included on the entrance conference agenda, see exhibit [E2.1A](#) as referenced above.

PURPOSE

The exit conference may be scheduled at management's request for a mutually convenient date after the auditee has the final draft report and after their written responses are received. The purpose of this meeting is to discuss the accuracy of the facts and the practicality of the recommendations with management. There should be no surprises presented by either side at the exit conference. The meeting is a confirmation of our findings and recommendations.

PROCEDURE

The auditee is informed of the option of an exit conference in a "Request for Final Review" letter (see [E2.2](#)) attached to the report draft. The protocol should be set forth in the letter. It is important that personnel with appropriate department authority and Internal Audit Department management be present at this meeting because it may be necessary to change wording in the audit report based upon discussions. However, the auditee must prove its case when asking for changes. It is assumed that attending auditee management has read the report and understands the basic issues and recommendations. The following approach is preferred in discussing the report draft:

- Discuss the probability of this report appearing in the newspaper and briefly explain the report distribution process.
- The auditee should be given the opportunity to take the lead, that is, let them tell us what it is that they disagree with. The written responses should be followed. Don't digress to other issues.
- The auditee must be able to prove or back up their disagreements with acceptable documentation.
- Resist the temptation to commit to changes at this meeting. Defer changes for later. This will give us an opportunity to evaluate auditee documentation. The audit report is our professional work product. Auditees do not have editorial rights over the audit report.
- Remain poised but firm and let auditees know that we will consider legitimate requests and let them know later what we have decided.
- Major disagreements will be worked out if possible. Department heads who disagree will be given the opportunity to view the final report before release.
- Inform the auditee that all unresolved items will require an auditor's comment so that the reader of the report will be advised of the quality of the auditee's written responses (**GAS 9.52, 9.54**).
- The exit conference should be documented in the audit work file.

PURPOSE (GAS 8.03-8.12)

The purpose of the planning phase of the audit is to gain an understanding of the organization's activities, assess risk, develop the audit's objectives, and evaluate internal control. Preliminary surveys are to be accomplished as a part of the planning process for the audit. The time spent on the planning phase depends upon the complexity of the subject matter under review. The Audit Director determines the depth and length of the planning phase.

The planning phase should provide the auditor with a clear understanding of operations. Internal control points such as: division of duties, reconciliations, and review procedures, will also be noted. Findings may arise during planning, but testing may be required in order to quantify known problems and discover ones that are not so apparent.

In the planning phase, the auditor gets to know the people, gains an understanding of operations, identifies risks and controls, and determines the type and amount of evidence needed to obtain sufficient, appropriate evidence that provides auditors with a reasonable basis for findings and conclusions that are valid, accurate, appropriate, and complete with respect to the audit objectives. **(GAS 8.12)**

As a result, a more intelligent, effective, and efficient audit will be performed. This and all other planning work through writing the objective audit programs must be scoped to fit within the planning budget approved by the Audit Director. Adjustments to time budgets must be requested to, and approved by, the Audit Director.

SOURCES OF INFORMATION AND KEY CONCEPTS

The following are some standard procedures for the planning phase. Some may not be used on a particular type of engagement, but it will provide some idea of what can be done to ensure that the auditor obtains a sufficient understanding of the area under audit.

Internal Controls (GAS 8.39-8.41)

Auditors should obtain an understanding of internal control that is significant within the context of the audit objectives. The effectiveness of internal control that is significant within the context of the audit objectives can affect audit risk. Auditors may obtain an understanding of internal control through inquiries, observations, inspection of documents and records, review of other auditors' reports, or direct tests. See Section [B1.12](#) for additional information on internal controls.

Information System Controls (GAS 8.63-8.64)

Understanding information systems controls is important when information systems are used extensively throughout the program under audit and the fundamental business processes related to the audit objectives rely on information systems. An organization's use of information

systems controls may be extensive; however, auditors are primarily interested in those information systems controls that are significant to the audit objectives. For example, an audit objective may involve evaluating the effectiveness of information systems controls related to certain systems, facilities, or entities.

Laws, Regulations, and Provisions of Contracts or Grant Agreements (GAS 8.05, 8.68-8.69)

The auditor should identify any laws, regulations, and provisions of contracts or grant agreements that relate to the audited entity or activity. The auditor should document an assessment of risk that any violations would have on audited entity or activity. If they are likely to be significant to the audit objectives, the auditor should design and perform procedures to provide reasonable assurance of detecting any violations or illegal acts. (GAS 9.23, 9.28)

Fraud & Disparity (GAS 8.71-8.72)

The auditor should consider risks due to fraud (individuals' incentives or pressures, the opportunity for fraud to occur, and rationalizations or attitudes that could allow individuals to commit fraud). The auditor should prepare audit documentation related to the identification and assessment of and response to fraud risks. The Fraud and Disparity Risk Questionnaire may be used to document the consideration of fraud (see [E2.14](#)). During the audit, the auditor should be alert to situations or transactions that could be indicative of fraud or abuse, which is not a violation of laws, regulations, or provisions of contracts or grant provisions, but involves behavior that is deficient or improper.

Physical Tour of Facility with Management

This is not only recommended for the auditor in the field, but for the Audit Director as well. For the auditor in the field, it will help assess the layout and controls associated with the physical plant. For the Audit Director, it will aid in this review of the auditor's work paper file and provide a better understanding of any findings.

Duties of the Departments City Code of Ordinances Sec. 2-46

Organization charts and information on component units should be obtained. Also, policy statements, directives, statements of function, responsibility and delegation of duties, and any stated performance measures should provide the auditor with the objectives of the entity. It should be determined whether all of the documents reviewed are proper and responsive to the current situation and time. Such documentation is required by city ordinance. If none exists, this would be a finding.

Financial Profile

The auditor should know the magnitude of dollars in an activity; how much is spent to achieve goals, etc. The breakdown between personnel, operating expenses, inventory, and capital is often useful. This background may prove to be suitable for inclusion in the introduction portion of the audit report. A review of the budget and general ledger would be useful in this pursuit. In some cases, budget to actual and current year to prior year analyses should be performed.

Interviews and Operating Instructions

Employee interviews and important written instructions and procedures along with each transaction walk-through will form the basis for the preliminary survey, narratives/flow charts and evaluation of internal controls. In addition to obtaining a good understanding of operations, the auditor must render it to paper so that the Audit Director is convinced that the auditor has a suitable understanding. A good understanding of the transaction flows should be demonstrated in the audit file by written narratives, flowcharts, or a combination of both. Important transactions are the ones that involve material dollars, risk or processing time of the unit. Peripheral, infrequent activities or transactions should not be pursued without the Audit Director's approval.

Problem Areas (GAS 5.54d)

As the planning phase proceeds, the auditor will identify areas that should be pursued or tested. These should be noted and considered for inclusion in the audit program. Other than the constraints of the audit topic (scope) and the time budget (which is flexible), the field auditor can largely direct the detailed audit efforts towards areas of risk, payoff, or interest. The field auditor is relied on to provide insight into the auditees' operations and observed risks and formulate this into a meaningful and effective audit program. Only significant issues are to be pursued.

If an engagement has more than one auditor assigned and an issue becomes contentious or difficult, the Audit Director will be consulted for resolution. The issue and method of resolution will be documented in the applicable area (planning or fieldwork objective).

DOCUMENTATION

The planning phase should result in documentation in the form of a preliminary survey, narratives, flowcharts, internal control evaluations, various questionnaires, documentation copies, and other key items. Flowcharts should be at a fairly detailed level showing the specific processing flows. Standard flowchart symbols should be used. The planning phase culminates in a planning lead sheet and risk analysis worksheet that outlines significant results and the anticipated direction of the audit. [See B1.13 for Risk Analysis Policy.](#) Relevant documentation created or obtained should be included in the work paper file. See [B1.16](#) for discussion of public information law and general requirements.

ENTERPRISE PERFORMANCE METRICS (EPM) ASSESSMENT

The objective is to perform a quality review in order to determine if performance metrics reported are accurate, consistent, verifiable and the most relevant for that function. The purpose of this review is not to determine whether Internal Audit can rely on the metric; but conclude on the objective. In every audit, where there is an affiliated metric, Auditors will have an audit objective related to it and will conclude on that objective.

The “EPM Assessment” (see [E2.16](#)) was developed to facilitate the review.

If applicable, the report should include a brief discussion in the methodology section of what was done to assess the EPM data. You should conclude on the objective; disclose any concerns; and reach a judgment about the completeness and accuracy of the EPM data.

AUDIT TERMINATION (GAS 5.55c)

It is during the planning phase that the decision is made whether or not to continue the engagement. If indicators are such that no significant risks are probable, then the audit will be terminated, and another audit assigned. This maximizes audit resources in such a way that only audits with medium to high risk areas will be pursued. In case the audit is terminated after the planning phase, the results of work performed to the date of termination and why the audit was terminated shall be documented in the working papers and those charged with governance shall be notified.

PURPOSE (GAS 8.98)

Data Reliability Assessment - The sufficiency and appropriateness of computer-processed information is assessed regardless of whether this information is provided to auditors or auditors independently extract it. Assessing the sufficiency and appropriateness of computer-processed information includes considering the completeness and accuracy of the data for the intended purposes.

The “Data Reliability Checklist” (see [E2.11](#)) was developed to facilitate the assessment.

Auditors should determine if other auditors have concluded that the controls over the system are effective to ensure that it produces reliable data. If they have, auditors may be able to use that work. If not, auditors may have to determine the validity and reliability of computer-processed data by direct tests of the data in the “Data Reliability Checklist” referenced above.

For additional guidance on the data reliability assessment, see the GAO’s *Assessing the Reliability of Computer-Processed Data* saved on the K-drive under Audit Guidance/Auditing Standards

The report should include a brief discussion in the methodology section of what was done to assess the reliability of the data. You should state what you did to assess the data; disclose any concerns; and reach a judgment about the reliability of the data for use in the report.

PURPOSE (GAS 8.33-8.35)

The audit program (see [E2.3](#)) provides a chart and guide of proposed procedures for the auditor to follow. It is also a record of supervisory approval of work to be performed. It provides a basis upon which to budget and control the audit. Following an approved, detailed audit program will prevent the auditor from getting off the track and pursuing irrelevant items. Standardized audit programs were developed in AutoAudit for the planning and reporting phases of the audit (revisions to these programs should only be made with the Audit Director's approval). Audit program templates for the fieldwork audit objectives should be revised as applicable for each audit.

PROCEDURES

- Prepare draft audit program during the planning phase and before any fieldwork is performed.
- Have the Audit Director review and approve the audit program as well as all planning documents before fieldwork is performed.
- Number each objective's audit program steps consecutively from beginning to end.
- Any subsequent changes to the approved audit programs, including revision of the objectives, must be authorized by the Audit Director before any fieldwork is performed.

CONTENT

Audit Objectives

Objectives should have top-level management significance and fit within the overall scope of the audit. Every audit procedure should help answer one of the objectives and every objective should be addressed in the procedures or steps. Continually think of the report and devise steps to uncover findings. Question yourself: "If errors are found in this test, what would the report say and would top management be interested?" In order to make your goal perfectly clear, audit objective should be phrased in the following format: "To ensure that . . . ;" or, "to determine that . . ."

Audit Programs and Program Steps

Planning: The planning audit program is provided in AutoAudit. Any deviation from this template must be approved by the Audit Director. The planning program includes all tasks up to the point of substantive audit tests.

Fieldwork: All stated objectives must be answered and supported by test work. To accomplish this, separate audit program steps should be developed for each fieldwork audit objective. The initial audit program is to be developed and attached at step **P09** and duplicated in the template at step **P09A**. The Director will place a “final approval” at step P09, which requires any changes that need to be made at step P09A to be first approved by the Director.

Use imagination, ingenuity, and intelligence in creating audit steps responsive to objectives. The goal is to obtain sufficient, appropriate evidence to support the audit’s conclusions. Program steps should be in enough detail so that an experienced auditor could carry out the task with normal supervision.

Reporting: This includes all steps not related to planning and testing; i.e., report writing, review note clearance, etc. The reporting audit program is provided in AutoAudit. Any deviation from this template must be approved by the Audit Director

PURPOSE (GAS 8.05, 8.40, 8.46, 8.49, 8.59)

An understanding should be obtained of internal controls within the context of the audit objectives to determine whether the internal controls have been properly designed and implemented. Procedures should be performed to obtain sufficient, appropriate evidence to support the effectiveness of the internal controls.

PROCEDURE

A thorough understanding of the subject matter under audit should be obtained to identify and understand the main transaction flows, procedures, staffing, major risk areas, etc. Key processes and requirements can then be matched with the identified risks and associated internal controls in the Risk Analysis discussed in [B.1.13](#). Steps that can be performed in this process include:

- 1) Gain an understanding of the audit subject matter under review.
- 2) Document and confirm your understanding.
- 3) Identify key processes and requirements.
- 4) Identify risks and weaknesses associated with the key processes and requirements.
- 5) Match the internal controls that address the identified risks.
- 6) Schedule relevant tests in order to quantify risks or confirm the effectiveness of the associated internal controls.

TYPES OF INTERNAL CONTROL

Generally, internal controls can be divided into two broad categories: controls that prevent and those that detect. Preventive controls are those that restrict certain illegal or undesirable events from taking place. Good examples of such controls are locks, security or sign-on codes for computer terminals, segregation of duties, parameters built into a financial system that prevent over spending of a budgeted line item.

Detective controls determine if an illegal or undesirable act or event has happened. Examples of such controls are supervisory reviews, reconciliations, error listings, exception reports, financial reports, video cameras, sound detectors, etc.

PURPOSE

The risk analysis is used to obtain an understanding of the entity, its environment, and internal control system. The consideration of risk occurs throughout the audit process. The Yellow Book provides many examples of risk factors and indicators. At a minimum, auditors should assess the risk of noncompliance with provisions of laws, regulations, contracts, or grant agreements (**GAS 8.68**).

Risk analysis will identify risks that are relevant to the achievement of the objectives, forming the purpose of determining how those risks should be managed. Risk analysis implies an initial determination of operating objectives, then a systematic identification of those things that could prevent each objective from being attained. In other words, it is an analysis of what could go wrong.

The risk analysis identifies the individual risk, controls, or procedures that are in place to prevent or mitigate the threats, if the control is in place and working, and the magnitude of the risk – low, medium, or high.

RISK ANALYSIS PROCESS

The risk analysis process is a methodology to focus fieldwork in the areas of highest risk. A risk analysis must be completed as part of every planning phase. This will be accomplished by using the Risk Analysis Worksheet ([See E2.4](#)). The purpose of the risk analysis is to:

- Identify areas, where either the residual risk is unacceptably high, or where controls significantly lower inherent risk.
- Identify critical controls that address inherent risk.
- Assess the uncertainty that exists in relation to the critical controls.
- Determine the specific areas that will be validated during fieldwork or to assess whether the engagement should be stopped.
- Determine the focus/procedures for the areas that will be validated during fieldwork.

The risk analysis should be discussed with the planned audit objectives during a brainstorming session scheduled with two other auditors at the end of each planning section. Suggested modifications to the audit objectives should be documented after approval by Audit Director.

PURPOSE

The major resource of the Internal Audit Department is people. In order to control the utilization of that resource, overall budgets are assigned to each audit and detailed budgets are devised based on the audit phase (planning, fieldwork, and reporting). Budgets are controlled via weekly time reporting and serve to keep the auditor within the parameters of the project. Budgets also serve as a planning and control tool in scheduling the audit staff and accounting for the efforts and accomplishments of the department. Budget and time reporting processes are incorporated into AutoAudit.

PROCEDURE

After the objective audit programs are developed, the auditor should estimate the amount of time needed to perform the fieldwork phase of the audit. The estimate should be based on prior results, the auditor's past experience in performing certain audit techniques, common sense, and office guidelines. The Audit Director approves each budget.

The number of audit objectives may be reduced to achieve the overall time constraint. This should be determined during discussions with the Audit Director. This is necessary due to the breadth of coverage the department must perform.

If test work is not proceeding as budgeted, the auditor must inform the Director of problems, unrealistic approaches, etc. and suggest alternative procedures early enough in the audit to prevent overruns. The auditor is responsible for identifying budget problems and must communicate them to the Director. All budget adjustments are documented in AutoAudit.

PURPOSE (GAS 8.90, 8.107)

The evidence fieldwork standard for performance audits requires that sufficient, appropriate evidence is to be obtained to provide a reasonable basis for the auditors' findings and conclusions. When sampling is used, the method of selection that is appropriate will depend on the audit objectives. The purpose of sampling is to provide a justifiable basis upon which to support audit findings, while not requiring 100% testing of the subject matter under audit.

DEFINITIONS

Tests of controls or attribute sampling are performed on non-monetary populations. Tests of controls are used to assess whether controls were functioning properly during the period being audited. Substantive tests are applied to monetary populations. The objective of substantive tests is to evaluate the fair presentation of dollar amounts in the financial statements. Generally, we perform tests on non-monetary populations. The City of Tampa relies on the external auditors to ensure the fair presentation of the financial statements.

SAMPLE METHODOLOGY

The types of samples available to the auditor are statistical and non-statistical. Statistical sampling allows the auditor to infer the results of tests to the population from which the sample was selected. The results of non-statistical sampling cannot be inferred to the population from which it was drawn. Examples of non-statistical sampling methods include judgmental, block, and haphazard.

In order to determine a reasonable basis for an opinion the auditor would typically use statistical sampling. In the event that non-statistical sampling is used, the reason should be explained by the auditor why this method was chosen to ensure that the population is accurately represented. For example, we stratified our sample by months and judgmentally chose a sample to ensure that a combination of all transactions were accurately represented.

It is recommended for either statistical or non-statistical sampling that a sample size calculator be used, to achieve at a minimum 90% confidence interval and a 10% margin of error, on the population that is being tested.

SUPERVISORY APPROVAL

The auditor should confer with and seek approval from the Audit Director with respect to the appropriate sampling method to be used and the sample size when non-statistical sampling methods are used. Sampling methods must be consistent with stated audit objectives. Sampling methodologies must be disclosed with a high degree of clarity in the audit report (GAS 9.14).

FRAUD AUDITING

When confronted with a suspected fraud, a statistical sampling approach known as discovery sampling should be utilized. The only difference between discovery sampling and using the simple random sampling method is that the expected deviation rate is established at zero. The sample size is designed to discover at least one deviation in the population. See [Section D](#) of this manual for Internal Audit's responsibilities with respect to detecting and investigating fraudulent activities and reporting requirements.

FLORIDA PUBLIC RECORDS LAW (GAS 5.66, 9.61-9.67)

Audit work papers and all related files are public documents after the audit is completed and the final report is issued (see below). Auditee personnel, including department heads, managers, and supervisors are restricted from taking custody of audit files. If a question arises from an audit report and the auditee would like some documentation regarding it, they may request it through the Audit Director.

Professionally, we must stand behind all facts that are disclosed in the audit report. On occasion, an auditee will want to know how we arrived at certain information. When this happens they can request additional support and it will be provided.

On many occasions, the news media requests to inspect our work paper files pursuant to writing a news story on an audit report. As stated earlier, work paper files are public information after the audit report has been released by the Mayor. Statements or information provided to the media and the public on behalf of the City or regarding City-related business or activities will only be issued by the Audit Director. Audit reports are posted on the internet and citizens and interested parties are encouraged to download them.

Most documents are open to public inspection after the audit report is released. However, some documents are exempt from public scrutiny. For example, employee medical information and the social security numbers of all current and former City employees should not be in the working papers file. The home address, telephone numbers, social security numbers, and photographs of active or former public safety personnel (police officers and/or firefighters) are exempt from public record. Any records related to an ongoing criminal investigation are also exempt from public inspection. Additionally, any security system plan (schematics, diagrams, photographs or other details of the security system) is not subject for release.

When information is prohibited from public disclosure or is excluded from a report, the report should disclose that certain information was omitted and the reason that made the omission necessary. Auditors may issue a separate, classified, or limited use report containing such information and distribute the report only to persons authorized to receive it. Another option is to communicate general information in the report and communicate more detailed information orally.

FILING AND SECURITY

All work papers and information obtained during an audit are public record (note: the provisions of Chapter 119.0713(2), Laws of Florida apply until the report is released). This information and work papers should be held securely and in confidence at the audit department. Knowledge learned while working on an audit should be discussed only with the audit team and auditee management.

EVIDENCE (GAS 8.90-8.115)

Auditors must obtain sufficient, appropriate evidence to provide a reasonable basis for their findings and conclusions (**GAS 8.90**). Findings are based on the evidence obtained during the planning and fieldwork phases of the audit. They are the source from which all conclusions and recommendations flow. When there are limitations or uncertainties in evidence, additional procedures should be applied.

Appropriateness is the measure of the quality of evidence that encompasses its relevance, validity, and reliability in providing support for findings and conclusions related to the audit objectives (**GAS 8.91-8.92, 8.102**). Sufficiency is a measure of the quantity of evidence used for addressing the audit objectives and supporting findings and conclusions (**GAS 8.99, 8.102**). In assessing evidence, auditors should evaluate whether the evidence taken as a whole is sufficient and appropriate for addressing the audit objectives and supporting findings and conclusions (**GAS 8.95**). Professional judgment assists auditors in determining the sufficiency and appropriateness of evidence taken as a whole (**GAS 8.95-8.100**).

When any deficiency, exception, or weakness is noted in the planning or fieldwork phase, the auditor should record it as an audit finding. Sufficient, appropriate evidential matter must be obtained and may include one or more of the following (**GAS 8.104**):

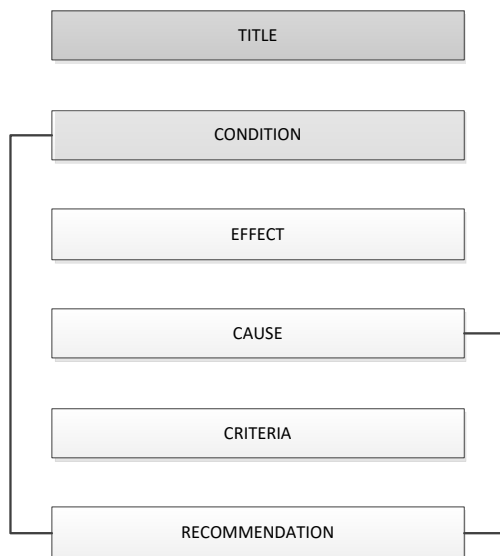
- 1) Physical evidence is obtained by direct inspection or observation of activities of people, property, or events. Such evidence may be documented in the form of memoranda summarizing the matters inspected or observed, photographs, charts, maps or actual samples.
- 2) Documentary evidence consists of created information such as letters, contracts, accounting records, invoices, and management information on performance.
- 3) Testimonial evidence is obtained from others through statements received in response to inquiries or through interviews. Statements important to the audit should be corroborated when possible with additional evidence. Testimonial evidence also needs to be evaluated from the standpoint of whether the individual may be biased or only have partial knowledge about the area.
- 4) Analytical evidence includes computations, comparisons, reasoning, and separation of information into components.

The overall assessment of evidence, which is based on professional judgments, should provide a reasonable basis for findings and conclusion (**GAS 8.108, 8.111**). This process starts where the audit tests are developed to include broad-based samples and clear objectives. The elements of findings and recommendations for corrective actions are derived from the audit tests performed.

AUDIT FINDINGS (GAS 8.17, 8.116, 8.124-8.128)

Auditors should plan and perform procedures to develop the elements of a finding necessary to address the audit objectives. The elements of an audit finding include: condition, criteria, cause, and effect.

- Condition is the situation that exists, which is determined and documented during the audit. It may be derived from any source of evidence. **(What is the problem?)**
- Criteria identify the required or desired state, or expectation with respect to the program or operation. Criteria provide the context for evaluating evidence. It is the benchmark against which performance is compared or evaluated. **(What policy or best practice can be adopted?)**
- Cause identifies the reason for the factors responsible for the difference between the condition and criteria. **(What led to the problem?)**
- Effect refers to the impact or potential impact of the difference between the condition and the criteria. It demonstrates the need for the recommended corrective actions. **(What is the risk?)** This sells the recommendation to the reader.
- Recommendation – **(What should be done?)**



Crafted Findings

- Use all 5 elements
- Create only one of each element
- Make sure the elements match
 - Condition matches recommendation
 - Cause matches recommendation
- Use concrete language
- Quantify
- Identify who is accountable
- No emotion or mild insults
- Cause triggers the condition

The identification of elements of a finding continues through all phases of the audit, with the ultimate goal of fully supported audit recommendations. Recommendations must be thoroughly developed and supported by sufficient, appropriate evidence in order to be included in the report. Potential findings should be discussed with management informally during the

fact gathering stages to ensure the accuracy of information obtained.

For some matters, early communication to those charged with governance or management may be important because of their relative significance and the urgency for corrective follow-up action. Further, when a control deficiency results in noncompliance with provisions of laws, regulations, contracts or grant agreements or abuse; early communication is important to allow management to take prompt corrective action to prevent further noncompliance. Such significant matters should be discussed with the Audit Director prior to discussion with management.

Once a finding is identified, an audit inquiry form ([see exhibit E2.13](#)) should be completed. The Audit Director must approve all audit inquiries prior to discussing them with management. Upon receiving that approval, the audit inquiry should be sent to the appropriate management and applicable parties to obtain a management response to the recommendation. Agreement or disagreement with the facts of the finding and the recommendation should be noted. The expected implementation date should be stated when possible.

PURPOSE (GAS 8.87, 8.135c)

The review process helps to insure the quality and thoroughness of all work performed by the Internal Audit Department. It also provides additional points of view toward the many judgmental and subjective areas that we encounter. This should result in a refined, well thought out product.

RESPONSIBILITY

The Audit Director has the primary responsibility for reviewing work papers, covering the program, work papers, and report in detail. At the completion of the planning phase of the audit, the “Quality Control Checklist for Performance Audits – Planning” (see [E1.4](#)) must be completed. Clearing the review notes of the Audit Director is the responsibility of the Auditor. After the completion of the fieldwork and reporting phases of the audit, the “Quality Control Checklist for Performance Audits – Fieldwork” (see [E1.5](#)) and the “Quality Control Checklist for Performance Audits – Reporting” (see [E1.6](#)) must be completed.

PROCEDURE

Reviews should be conducted periodically throughout the audit to assure work is proceeding as expected. Reviews are based upon standard office policies and procedures, good auditing styles and techniques, professional standards (GAGAS), and business sense. Review notes (comments) are documented in AutoAudit. All review notes (comments) must be closed by the Audit Director before the draft report is forwarded to management for final review.

TECHNICAL REVIEW – ALSO REFERENCE SECTION B4.4 QCS MONITORING

The Technical Review is a compensating control to ensure the accuracy of the audit report. An auditor independent of the audit engagement will perform a “cold read” of the draft report. The reader should identify any “glaring” items. The goal is to ensure a quality report is released. This may include (not all-inclusive) checking for proper grammar, layout, spacing, accuracy of all facts, figures, dates, and any inclusion of references or statements required by GAS (i.e., verbiage of compliance with yellow book). This should be accomplished by verifying that information is supported with evidence found in the planning or fieldwork sections of the work papers. The auditor involved with the audit will provide the technical reviewer a copy of the report with workpaper references to all facts and figures contained in the report, which will be scanned and attached to the applicable reporting program step after the technical review is completed. Any suggested modifications to the audit report must be approved by the Audit Director. The Auditor should advise the Director of any disagreements with the suggestions of the Technical Reviewer.

EVIDENCE OF REVIEW

AutoAudit documents supervisory review via electronic approvals. The Director’s approval of audit programs, audit steps, attachments (workpapers), review notes, reports, applicable forms, etc., evidences the Director’s supervisory review and approval.

PURPOSE (GAS 5.134)

AutoAudit data files are maintained on the Audit Department's share drive. This drive is backed up each night by the Technology & Innovation Department. To minimize the risk of losing computer data files due to accidental operator error, computer malfunction, natural disaster, fire, terrorist event, or other hazardous conditions/events, any work that has not been recorded in AutoAudit should be saved in the Audits in Progress folder maintained on the share drive. Backing up current working files will minimize the time needed to reconstruct data files that are lost for any reason.

Annually, as part of the end of fiscal year closing process, workpaper files will be copied from AutoAudit into a folder on the K:drive.

PROCEDURE

At least once each week:

Ensure all work performed is saved to the share (K:) drive in the Audits in Progress folder (e.g. K:\Audits in Progress\[Auditor's Name]). After the audit has been closed out, the folder containing the audit's files should be moved from the Audits in Progress folder to K:\Audit Workpaper Files\FYnn. Other files should be saved to the K: drive under the auditor's name. The K: drive is backed up by T&I each evening.

RECORDS RETENTION

The Internal Audit manual and audit files are retained at a minimum until after the next peer review covering that particular audit.

PURPOSE (GAS 3.64-3.72)

Non-Audit Services are professional services other than audits or attestation engagements. GAGAS does not apply and any resulting reports or management letter must state that the services provided and work performed does not constitute an audit conducted in accordance with Standards. Even though GAGAS does not apply, auditors must assess the impact of providing the services on auditor and organization independence and respond to any identified threats to independence in accordance with the Independence Standard.

Management Requests for Non-Audit Services

All requests from the City's administration or department management for services will be evaluated to determine whether Government Auditing Standards (GAS) can be applied or in cases where GAS cannot be applied, the effect of performing the non-audit service will have on our independence. The Non-Audit Services Assessment – Quality Control form will be completed for each request for service (see [E1.1](#) for example).

The understanding with management regarding the objectives, scope of work and products or deliverables of the non-audit service must be documented. Management's assumption of the responsibility for the substantive outcome of the work, that management has the ability to effectively oversee the non-audit service to be performed, and that management is in a position to make an informed judgment about the results of the non-audit service must also be documented. To fulfill this requirement:

- a management level individual must be designated to be responsible and accountable for overseeing the non-audit service;
- this individual must establish and monitor the performance of non-audit services to see that it meets management's objectives;
- the individual must make any decisions involving management functions related to the non-audit service and accept full responsibility for such decisions; and
- the individual must evaluate the adequacy of the services performed and any findings that result.

Documentation supporting compliance with the above four responsibilities and the qualifications of the individual assigned for overseeing the non-audit service must be documented in the Service Level Agreement – Non-Audit Services (see [E2.15](#)).

As an additional precaution, any auditor(s) providing the non-audit service that also performed any previous non-audit service of the subject will not participate in planning, conducting, or reviewing of any future audit work related to the non-audit service for a period of 12 months from the completion of the non-audit service. The scope or extent of audit work related to the non-audit service will not be reduced beyond the level that would be appropriate if another unrelated party performed the non-audit service.

Any effect that the non-audit service will have on any ongoing, planned, and future audits and the auditor's independence must be disclosed. The disclosure should be documented before agreeing to perform the non-audit service. This understanding must be communicated to the unit's management in the engagement letter.

Fraud Investigations and Self-initiated Activities

Based on the GAGAS definition, fraud investigations and self-initiated activities should be categorized as non-audit services.

As noted in Section [D1.3](#), Fraud Investigations, all investigations will be performed in compliance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Investigation*. As such, fraud investigations will not comply with GAGAS and not be subject to peer review. The work performed and results of any fraud investigations should be considered during the independence threat assessment performed during the planning phase of any GAGAS audit or attestation engagement.

Self-initiated activities are similar in that management's involvement is virtuously nonexistent. For self-initiated activities, complete only Step 1 of the Non-Audit Services Assessment and indicate N/A for Steps 2-5. As with management requested services, any resulting reports or management letter must state that the services provided and work performed does not constitute an audit conducted in accordance with Standards.

BACKGROUND

Pursuant to **GAS 7.01**, “For attestation engagements and reviews of financial statements conducted in accordance with GAGAS, the requirements and guidance in the respective incorporated standards and this chapter apply. The requirements and guidance in chapters 1 through 5 also apply.”

There are three levels of service provided by an attestation engagement – examination, review, and agreed-upon procedures. Typically, the Internal Audit Department will only perform agreed-upon procedures engagements.

AICPA STANDARDS

The AICPA general standard related to criteria is as follows:

The practitioner [auditor] must have reason to believe that the subject matter is capable of evaluation against criteria that are suitable and available to users.

The two AICPA field work standards for attestation engagements are as follows:

- a. The practitioner [auditor] must adequately plan the work and must properly supervise any assistants.
- b. The practitioner [auditor] must obtain sufficient evidence to provide a reasonable basis for the conclusion that is expressed in the report.

The four AICPA reporting standards that apply to all levels of attestation engagements are as follows:

- a. The practitioner [auditor] must identify the subject matter or the assertion being reported on and state the character of the engagement in the report.
- b. The practitioner [auditor] must state the practitioner’s [auditor’s] conclusion about the subject matter or the assertion in relation to the criteria against which the subject matter was evaluated in the report.
- c. The practitioner [auditor] must state all of the practitioner’s [auditor’s] significant reservations about the engagement, the subject matter, and, if applicable, the assertion related thereto in the report.
- d. The practitioner [auditor] must state in the report that the report is intended for use by specified parties under the following circumstances:
 - (1) When the criteria used to evaluate the subject matter are determined by the practitioner [auditor] to be appropriate only for a limited number of parties who either participated in their establishment or can be presumed to have an adequate understanding of the criteria.

- (2) When the criteria used to evaluate the subject matter are available only to specified parties.
- (3) When reporting on subject matter and a written assertion has not been provided by the responsible party.
- (4) When the report is on an attest engagement to apply agreed-upon procedures to the subject matter.

**ADDITIONAL GAGAS FIELD WORK STANDARDS FOR AGREED-UPON
PROCEDURES ENGAGEMENTS**

GAGAS (2024 Revision) establish attestation engagement field work standards in addition to the requirements contained in the AICPA standards. The additional government auditing standards relate to:

- a. auditor communication during planning (see paragraphs 7.09 through 7.13, 7.17);
- b. previous audits and attestation engagements (see paragraph 7.13);
- c. fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse that could have a material effect on the subject matter (see paragraphs 7.14 through 7.18);
- d. developing elements of a finding (see paragraphs 7.19 through 7.22); and
- e. documentation (see paragraphs 7.33 through 7.38).

GAGAS (2024 Revision) establish a field work requirement for agreed-upon procedures engagements in addition to the requirements contained in the AICPA's SSAEs (**GAS 7.78**):

GAGAS establishes requirements for agreed-upon procedures engagements in addition to the requirements for agreed-upon procedures engagements contained in the AICPA's SSAEs. Auditors should comply with the additional GAGAS requirements, along with the applicable AICPA requirements, when citing GAGAS in their agreed-upon procedures engagement reports.

ADDITIONAL GAGAS REPORTING STANDARDS FOR AGREED-UPON PROCEDURES ENGAGEMENTS

GAGAS (2024 Revision) establishes reporting requirements for agreed-upon procedures engagements in addition to the requirements contained in the AICPA standards (**GAS 7.82-7.83**):

When auditors comply with all applicable GAGAS requirements for agreed-upon procedures engagements, they should include a statement in the agreed-upon procedures engagement report that they performed the engagement in accordance with GAGAS. Because GAGAS incorporates by reference the AICPA's attestation standards, GAGAS does not require auditors to cite compliance with the AICPA standards when citing compliance with GAGAS. GAGAS does not prohibit auditors from issuing a separate report conforming only to the requirements of the AICPA or other standards (**GAS 7.83**).

Audit reports should be distributed to those charged with governance, to appropriate audited entity officials and any oversight bodies requiring the engagements. If the subject matter involves material containing confidential or sensitive information, auditors should limit report distribution and document any limitation on report distribution (**GAS 7.82-7.83, 7.85a**).

ADDITIONAL GAGAS CONSIDERATIONS FOR AGREED-UPON PROCEDURES ENGAGEMENTS

Due to the objectives and public accountability of GAGAS agreed-upon procedures engagements, additional considerations for agreed-upon procedures engagements performed in accordance with GAGAS may apply (**GAS 7.03-7.04, 7.84**):

An understanding regarding the services to be performed, including the objectives of the engagement, responsibilities of entity management, responsibilities of auditors, and limitations of the engagement must be established with the audited entity. It may also be appropriate to communicate information regarding the services to be performed to the entity requesting the engagement.

AICPA standards requires that the auditors' report be in the form of procedures and findings and specifies the required elements to be contained in the report. The auditors' reports must include the following:

- a. A statement that the auditors were not engaged to and did not conduct an examination or a review of the subject matter, the objectives of which would be the expression of an opinion or limited assurance and that if the auditors had performed additional procedures, other matters might have come to their attention that would have been reported.

- b. A statement that the sufficiency of the procedures is solely the responsibility of the specified parties and a disclaimer of responsibility for the sufficiency of those procedures.

PURPOSE (GAS 9.03-9.67)

Auditors must issue audit reports communicating the results of each completed performance audit. The purposes of audit reports are to (1) communicate the results of audits to those charged with governance and the appropriate officials of the audited entity; (2) make the results less susceptible to misunderstanding; (3) make the results available to the public, unless specifically limited; and (4) facilitate follow-up to determine whether appropriate corrective actions have been taken.

Each finding in the report must be supported by sufficient, appropriate evidence and be within the audit's scope and objectives. Each recommendation must fit the facts of the finding and materially reduce the potential risk as indicated by the facts of the finding.

MANAGEMENT LETTER

When deficiencies in internal controls, or violations of provisions of contracts or grant agreements, or abuse are not significant and do not require responses to audit recommendations, the findings should be communicated in a separate management letter to officials of the audited entity. Findings that are clearly inconsequential, considering both qualitative and quantitative factors, do not need to be communicated. If a separate management letter is prepared, the letter should be referred to in the audit report.

REQUEST FOR FINAL REVIEW

The request for final review process allows Management an opportunity to provide any revisions and/or request an exit conference to discuss the report. The full report, which is composed of the introductory section (background, objectives, etc.) and the audit findings, is attached to a Request for Final Review letter (see [E2.2](#)) that has been signed by the Audit Director and emailed to management and all applicable parties.

DRAFT REPORT TO THE MAYOR

If Management submits revisions to the report, forward the changes to the Audit Director for approval. If Management does not submit any revisions, a copy of the full draft report, as outlined below, along with the Mayor's Release Memo (release) and Staff Summary Sheet (summary) (see examples at [E2.6](#) and [E2.7](#)) should be given to the Audit Director to sign the summary and for review of the report. After review by the Director, scan the signed summary and replace the unsigned version with the signed and dated version in AutoAudit. The draft report, release, and summary should be delivered to the Chief of Staff.

Format for Draft Report

All pages of the body of the draft report should include the following in the header section of the document – in red: **The findings, conclusions, and recommendations set forth herein are preliminary in nature. F.S. 119.0713 (2) states that an audit report prepared by an internal auditor of a unit of local government becomes a public record when the audit becomes final.**

Cover Letter – A cover letter will be written and should be as brief as possible. The word “**DRAFT**” (in red) should be centered at the top of the letter.

Body of Report:

Background – Identify the organization or activity being audited and provide any background information necessary to acquaint the reader. This can include nature and goals, volume or value, activities, location, budget information, staffing, etc.

Statement of Objectives – The audit objectives are stated in the report and are the same ones that appeared in the detailed audit program. It is acceptable to reword them and reorder them as required. However, care should be taken that their content is not changed. The objectives should always be clear and concise and should correspond to the Audit Conclusions. Remember to include planning objective.

Statement of Scope – This section should describe the depth and coverage of audit work conducted to accomplish the audit's objectives. It would contain the calendar dates for the test work as well as a date for the evaluation of internal controls. As applicable, relationships between the audit universe and what was audited, geographic locations, kinds and sources of evidence should be explained. Also include any pertinent information that the reader would need to know, such as a departure from procedures, data limitations, scope impairments, or clarification of work performed. If any information is prohibited from public disclosure or excluded from the report due to its confidential or sensitive nature, this and the reason for its omission should be disclosed.

Statement of Methodology – The statement on methodology should clearly explain the evidence gathering and analysis techniques used to accomplish all of the audit's objectives, whether the objective conclusions are positive, qualified, or negative. Additionally, include statement about scope of work performed related to applicable internal controls for the area (GAS 9.29). Examples include: a description of audit procedures performed and sampling techniques.

Statement of Auditing Standards – The report should include a statement that the audit was made in accordance with generally accepted government auditing standards and disclose when applicable standards were not followed. See unmodified GAGAS compliance statement at GAS 9.03.

Noteworthy Accomplishments – Whenever possible, the report should include a description of

some noteworthy accomplishments, particularly when management improvements in one area may be applicable elsewhere.

Audit Conclusions – The auditor must conclude on the stated audit objectives in the order in which they appeared in the report. The auditor should conclude in the negative or affirmative on each objective. Qualified statements may also be appropriate.

Reporting Fraud – When auditors conclude that fraud, noncompliance with provisions of laws, regulations, contracts or grant agreements either has occurred or is likely to have occurred which is significant within the context of the audit objectives, they should report the matter as a finding. When not significant within the context of the audit objectives, but warrant attention, auditors should communicate the findings in writing. When not significant and do not warrant attention, how to communicate is a matter of professional judgment. Early communication of deficiencies should be considered (GAS 8.25).

Audit Findings – These should reflect those audit inquiry forms issued during the course of the audit that have been responded to by Management.

Auditee Responses – All recommendations will be followed by the auditee's response. Responses will be included verbatim. Responses should specify agreement or disagreement with the audit finding and recommendation, management's action plan for correcting the audit issue, and an estimated completion date for implementation of the recommendation.

Target Implementation Date – All auditee responses should include the date Management identifies as their target implementation date. This information should be documented on the audit inquiry form received from the auditee.

Auditor's Comments – These comments are used as necessary to evaluate the quality of the auditee's written responses (GAS 9.54). Typically, an Auditor's Comment will be included in the report when no agreement can be reached on an unacceptable auditee response. The comment will follow the Auditee's response to provide further clarification or a reiteration of the recommendation.

General Comments – This section is reserved for points of interest that are of lesser magnitude than findings, but of interest to management. Written responses from the auditee are not required for general comment items.

Note: We attempt to make the audit report as objective and straightforward as possible, including auditee responses. If unacceptable auditee responses are received, we will point it out to the auditee and make recommendations for changes. However, this is done as a courtesy on our part. We take no responsibility for the content of auditee responses. As part of our professional responsibility, auditee responses that do not address the issues or are self-serving in nature will be evaluated by us and those evaluations included in the final report. We will

work with the auditee in order to produce a smooth harmonious work product that will have positive results for the City. However, all of our efforts must be in conformance with accepted standards and ethics for professional auditors.

Audit Termination – If an audit is terminated before it is completed and an audit report is not issued, auditors should document the results of the work to the date of termination and why the audit was terminated. Determining whether and how to communicate the reason for terminating the audit to those charged with governance, appropriate officials of the audited entity, the entity contracting for or requesting the audit, and other appropriate officials will depend on the facts and circumstances and, therefore, is a matter of professional judgment. **(GAS 5.55c)**

See **SECTION B3.3 FINAL REPORT DISTRIBUTION** for report release procedures.

ATTRIBUTES

ACCURACY – Reports must be factual; every condition and recommendation must be based on evidence that is documented in the work file. The evidence must be sufficient and appropriate to support the findings and recommendations and at the same time, be in agreement with the stated objectives of the audit.

Conditions reported must be well documented and the logic of the report inescapable. Statement of fact must carry the assurance that the auditor personally observed or validated (by testing) the fact(s). Conditions that were not personally observed by the auditor, but were documented through interviews with auditee personnel, should be prefaced with the statement: "It was represented to us . . ." Recommendations should generally be ordered in the report from the most to least important or some other logical order such as by area or function reviewed or respondent.

CLARITY – Means putting into the mind of the reader what was in the mind of the auditor when the report was written. The report must be clear enough that someone independent of the audit can read and understand it (Mayor, City Council, outside groups).

Some impediments to clarity include:

- Dull and tedious writing styles.
- Poorly structured reports, recommendations, paragraphs, or sentences.
- Technical terms and jargon.
- Making recommendations without properly setting the stage for them.
- Long discussions of technical matters.

CONCISENESS – This means cutting out what is superfluous. Eliminate what is irrelevant and immaterial. Words, sentences, and paragraphs that do not directly support the central theme should be eliminated. The report cannot supply both sufficient details for the operating manager and a summary for the executive. The report is written for senior management. If needed, details for the operating manager/supervisor can be provided upon request. The Audit Director must approve such requests.

TONE – The report should be courteous and factual. Consideration should be given to the report's effect upon subordinate personnel and management. It should not be petty, but should sound like the voice of management. The use of slang or high-sounding language should be avoided; when two words of equal meaning exist, use the simpler or more common one. Words with negative connotations should not be used. Always use the most direct, factual, and objective word or phrase possible.

GRAMMAR AND SPELLING – All auditors are expected to use acceptable grammar, sentence structure, and context. Additionally, spelling should be accurate. The report should be written by the auditor in a form that would be acceptable for immediate release.

AUDIT REPORT RELEASE PROCEDURE

Prior to audit reports becoming final, they are submitted to the Mayor, through the Chief of Staff's office, for release. Reports are released expeditiously, according to the following procedure:

- The Chief of Staff will release all draft audit reports containing no recommendations, for distribution, within 10 calendar days of receiving them from Internal Audit.
- The Mayor shall have 40 calendar days to review draft audit reports that contain recommendations.
- If the Mayor has not released the report after 40 days, the Internal Audit Director is authorized, upon her discretion, to release the report for distribution.
- Distribution includes releasing the final report to City Council, management, and posting to the Internal Audit page on the City's website.

See B3.3A for details of the Audit Report Release Procedure.

MAYOR'S RELEASE FOR FINAL DISTRIBUTION

A report is final when the Director receives the release memo from the Mayor. The Director will notify the applicable Auditor that the report is ready for final distribution. After notification, the Auditor should update the draft report by:

A. Removing the confidential header and/or word "DRAFT" from all pages.

B. Inserting the date of release by the Mayor – on both the letter and cover page. If the Mayor does not date the release letter, then insert the date the Audit Director received the release letter from the Mayor.

C. Printing the report and obtaining the signature of the Director and Auditor(s) on the cover letter and signature page.

Note: if any audit staff professional disagrees with the scope of the work product or its materiality, they may state this in writing and it will be made part of the audit file. When this is done, the person making the complaint will be excused from signing the report. All changes to the report must be documented in the audit work file (in AutoAudit) and signed off on by the Auditor and the Audit Director.

The signed final report is then copied, bound, and distributed. Copies should include all cc, City Council, and City Council's Attorney and distributed. **Note:** the Mayor and Chief of Staff do not receive a copy of the final report.

Create a .pdf version of the report and insert the /s/ where signatures are required. The .pdf version of the report should be placed in the Agenda Plus folder on the share drive. Notify the webmaster and the Agenda Plus Administrator that the report was released by the Mayor.

Add the audit project to the _Outstanding PARS spreadsheet located on the K: drive; add the comment "No follow-up is required" in the Projected Date column, if applicable. Move work papers from Audits in Progress folder to Audit Workpaper Files folder for the applicable fiscal year.

CONFIDENTIALITY

Chapter 119.0713(2)(a), Florida Statutes, provides for the confidentiality of internal audit reports and working papers. It states that,

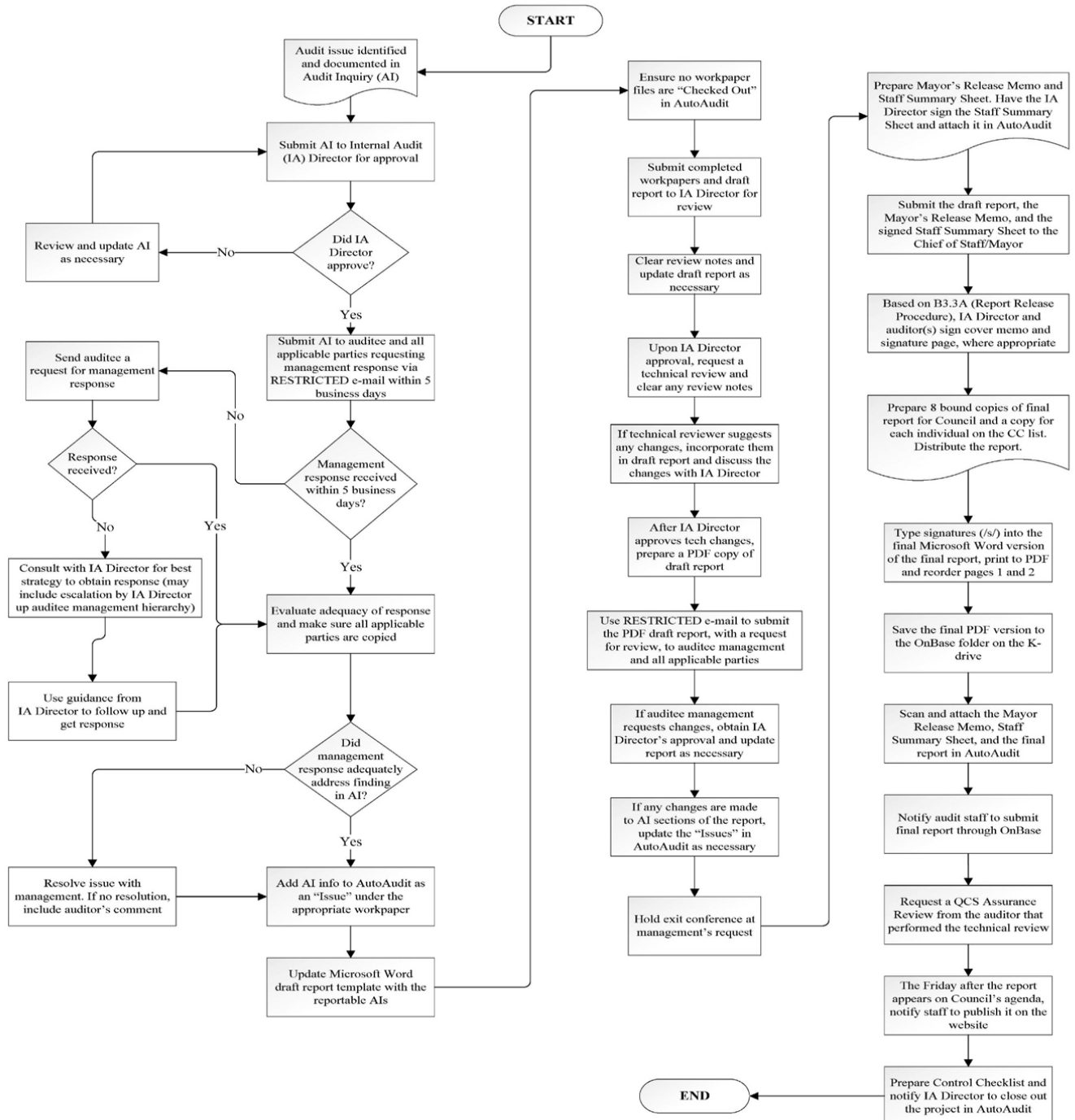
The audit report of an internal auditor prepared for or on behalf of a unit of local government becomes a public record when the audit becomes final. As used in this subsection, the term "unit of local government" means a county, municipality, special district, local agency, authority, consolidated city-county government, or any other local governmental body or public body corporate or politic authorized or created by general or special law. An audit becomes final when the audit report is presented to the unit of local government. Audit workpapers and notes related to such audit report are confidential and exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I of the State Constitution until the audit is completed and the audit report becomes final.

The working papers and draft reports are not subject to the sunshine law until the audit report is issued to the local unit of government, which in our case is Mayor. After the report is presented to the Mayor, the Mayor will forward a letter to the department stating that the audit should be considered final or complete. At this point, the audit report and working papers should be considered public records.

Lack of Sufficient, Appropriate Evidence Subsequent to Report Issuance

If, after the report is issued, the auditors discover that they did not have sufficient, appropriate evidence to support the reported findings or conclusions, they should communicate in the same manner as that used to originally distribute the report to those charged with governance, the appropriate officials of the audited entity, the appropriate officials of the organizations requiring or arranging for the audits, and other known users, so that they do not continue to rely on the findings or conclusions that were not supported. If the report was previously posted to the auditors' publicly accessible website, the auditors should remove the report and post a public notification that the report was removed. The auditors should then determine whether to conduct additional audit work necessary to reissue the report, including any revised findings

or conclusions or repost the original report if the additional audit work does not result in a change in findings or conclusions (**GAS 9.68**).

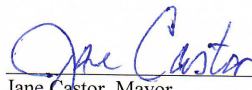


	INTERNAL AUDIT DEPARTMENT Christine Glover, Director	B3.3A DATE: 9/19
SUBJECT: AUDIT REPORT RELEASE PROCEDURE		

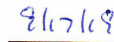
- I. PURPOSE: To establish a policy to ensure there is no appearance that the Internal Audit Department lacks independence in the report distribution process.
- II. DISCUSSION: Government Audit Standards (Standards) require Internal Audit Departments to be independent. These Standards prescribe that: "Auditors and audit organizations should avoid situations that could lead reasonable and informed third parties to conclude that the auditors and audit organizations are not independent and thus not capable of exercising objective and impartial judgment on all issues associated with conducting the engagement and reporting the work." The Standards further provide the following as an example of an undue influence threat:
- "Unreasonable restrictions on the time allowed to complete an engagement or issue a report."
- III. DUTIES AND RESPONSIBILITIES: Prior to becoming final, all draft reports are submitted to the Mayor, through the Chief of Staff's office, for release.

The following timeline will be followed, for report release:

- The Chief of Staff will release draft audit reports that do not contain recommendations, for distribution, within 10 calendar days.
- The Mayor shall have 40 calendar days to review draft audit reports that contain recommendations.
- If the Mayor has not released the report after 40 days, the Internal Audit Director is empowered to release the report for distribution.
- Distribution includes releasing the final report to City Council, management, and posting to the Internal Audit page on the City's website.



Jane Castor, Mayor
City of Tampa



Date

PURPOSE

To determine if corrective action has been taken on audit findings and recommendations, a Post Audit Review (PAR) should be scheduled 12 to 18 months after the audit report is released.

Prior to the start of the post audit review, the Auditor will send a reminder email to the auditee and the Audit Director informing them of the tentative start date. A copy of the findings, recommendations, and responses will be attached to the email. The auditor assigned to perform the PAR will meet with the auditee to verify if the corrective procedures were made. Generally, this is accomplished by discussion with the auditee and observation that the changes were in fact implemented. The auditor should be satisfied that the action taken was adequate to close the finding (implemented). It may also be determined that the recommendation was partially implemented or not implemented.

WORK PAPER FILE DOCUMENTATION

Separate projects, which utilize standardized audit programs, are created in AutoAudit to document the work performed during the Post Audit Review.

PAR LETTER

When the final PAR memo (see [E2.9](#)) and Staff Summary Sheet – PAR (see [E2.10](#)) are approved and signed by the Audit Director, attach a copy of the original audit report for the Mayor's office. Forward the PAR memo to all recipients of the original report and update Outstanding PARS spreadsheet with date of letter issued.

PURPOSE

The Audit Director prepares a year-end report for the Mayor. This report summarizes the Department's significant performance activities and metrics. The report may include, but is not limited to the following:

- Audits in progress
- Reports issued
- Work carry-over from previous years
- Progress on special requests
- Budgeted vs. actual comparisons
- Post Audit Review statistics
- Hotline activity
- Progress towards performance goals

The report content will be at the discretion of the Audit Director unless otherwise directed by the Mayor. The current year-end performance report and previous issues are on file in the Internal Audit Department. A five-year history of all reports and work papers are retained by the Department.

TIME KEEPING

The Auditor should record all weekly activity (40 hours) in AutoAudit by **close of business on Friday**.

TECHNICAL REVIEW & QUALITY MANAGEMENT, ENGAGEMENT QUALITY REVIEWS

Evidence included in audit reports should demonstrate the correctness and reasonableness of the matters reported. Correct portrayal means describing accurately the audit scope and methodology and presenting findings and conclusions in a manner consistent with the scope of audit work. The report also should not have errors in logic and reasoning. One way to help ensure that the audit report meets these reporting standards is to use a quality control process such as referencing. Referencing is a process in which an experienced auditor who is independent of the audit verifies that statements of figures and dates are correctly reported, that the findings are adequately supported by the audit documentation, and that the conclusions and recommendations flow logically from the support.

To comply with GAS, the audit report will receive a technical review by an auditor who did not participate in any of the work conducted on the audit. The review should be performed prior to sending the report out for final review. The Auditor should print a draft copy of the report and reference the source of all data. The Technical Reviewer selected to perform the review should document their independence on the Independence Statement. The technical review is accomplished by reading the draft report for proper grammar, layout, spacing, accuracy of all facts, figures, and dates, and any inclusion of references or statements required by GAS (i.e., verbiage of compliance with yellow book). The review is completed by agreeing information in the draft audit report to the supporting documentation identified by the Auditor who completed the audit. The reviewer should scan documentation supporting the review to the applicable step of the Audit Program and then sign-off the audit step.

GAS 5.19-5.22, 5.24-5.25 An audit organization typically performs a quality management risk assessment a. at specific periodic intervals, such as annually; b. to respond to deficiencies in the system of quality management identified by the monitoring and remediation process; and c. as necessary to respond to changes in the nature and circumstances of the audit organization, its engagements, or both. (Under GAGAS, reviews of the work and the report that are performed as part of supervision are not monitoring controls when used alone. However, these types of pre-issuance reviews may be used as a part of this analysis and summary.)

After report distribution, the Technical Reviewer will conduct a quality assurance review using ALGA's "Review of Audit/Engagement Documentation" (see [E1.7](#)). After completion of the QC assurance review, the review documentation and any evidence supporting the conclusions reached should be printed and filed in the QCS Summary binder. The reviewer should sign-off the applicable step of the Audit Program.

After year end, the Audit Director will review the documentation received from the staff and summarize any systemic issues identified. After identifying any deficiencies needing improvement, the Audit Director will develop necessary corrective actions.

AUTOAUDIT (AA) (GAS 8.132-8.140) – AutoAudit is used to prepare and maintain audit documentation related to the planning, conducting and reporting on the audit to support findings, conclusions, and recommendations. In order to provide consistency within the AutoAudit application and to enhance the overall implementation of the system, below are some policies and/or procedures which are being established for use:

1. All audit projects will be set up and maintained in AA unless specifically exempted by the Audit Director. The AA Administrator will create all projects.
2. Once a project is created in the AA system, it can only be deleted with the specific approval of the Audit Director.
3. There are five types of AA projects: audits, attestations, non-audit services, post audit reviews, and investigations.
4. The three phases of audit and attestation projects are: Planning, Fieldwork (broken down by audit objectives), and Reporting. Non-Audit Services, Investigations, and Post Audit Reviews will have only two phases (Planning and Reporting).
5. Project IDs for audits should adhere to the following scheme: 2-digit fiscal year, dash, and sequential number (ex. 12-01). The Project ID for attestation engagements will be prefaced with ATT (ex. ATT 12-01); Hotline investigations with HT (ex. HT 12-01); non-audit services will be prefaced with NAS (ex. NAS 12-01); and Post Audit Reviews will be prefaced with PAR and the number will match the related audit (ex. PAR 12-01 for Audit 12-01).
6. Upon assignment, the Planning Document should be completed or at least started for each project. The Planning Information section should be completed with the Audit Type, Status, Fiscal Year, Manager, and In-Charge (assigned auditor). The Key Dates section should be completed with the Original Planned Dates at the start of the audit and the Actual Dates completed as each milestone is met. The Expense Budget section will not be used. There is a section available for any comments that may be applicable to this project.
7. Projects will be set up by the AA Administrator; and will have a default of 300 hours (or 15 hours for PARs). Consult with the Audit Director on total budgeted hours for the project and notify the AA Administrator if more hours are assigned.
8. Page numbering in AutoAudit:
Each workpaper should be given a unique number that identifies its location based on the objective and step in the audit.

Objectives are identified as A, B, C

Step/Sections within AA are identified as 1, 2, 3...

The lead testing worksheet should be A.1. If workpapers are needed to support determinations on the lead sheet, they should be labeled A.1a, A.1b, etc. The lead sheet for Step 1 would be A.1, and supporting workpapers should be A.1a, A.1b, etc.

A multi-page document is scanned in as one document in AutoAudit and all pages should be numbered within the document.

The Planning and Reporting sections will be setup and prepopulated with templates by the AA Administrator. There will also be three Fieldwork objective sections in the template set up by the AA Administrator. Remove unnecessary Fieldwork sections and make a copy if additional sections are necessary.

9. Audit Program Steps: the Planning and Reporting Program templates are pre-approved (no editing should be needed). If an audit step in one of these templates is not required, describe why the step is not required in the Planning or Reporting Activity Checklist.
10. The Fieldwork (and Non-Audit Service) program template must be edited to ensure sufficient evidence is obtained to conclude on the audit (non-audit service) objective(s). At the completion of each program step, complete the "Work Performed" program. Describe all tests performed, results of tests, audit findings, etc. for the audit objective. To facilitate supervisory review, the audit objective should be documented in the details document of each workpaper. As each workpaper, program, issue, action plan, or comment is completed and ready for review, select the Audit Director from the Request Review drop down list in the Review tab and save the document. The Details Document of a workpaper will typically be the testing document and the Files will be supporting documentation. The Details Document only supports Word and Excel documents. All other formats must be attached as Files. Attached Files can be scanned documents/images, narratives, and spreadsheets. Workpapers may have multiple attachments (Files). If all documents for a workpaper are attached Files (due to the format of the documents) the Details Document should indicate "See attached" with a link provided. Please do not leave the Details Document blank.

Attachment IDs will indicate the workpaper a file is attached to. For example – two files need to be attached to Step 3 of the planning audit program (P03). The Attachment IDs should be P03A and P03B. The first three characters will reference the program step, and then a sequential letter beginning with A.

All w/p's (Details Document and attached Files) should include the w/p# on the top of the document. Word processing and spreadsheets should include: the Name of Audit, Title of Workpaper, and Date Prepared. Workpapers (especially spreadsheets) should include electronic "tic" marks whenever possible.

11. Audit Findings should include a potential dollar savings, if applicable. The # will be a sequential number in the order in which findings are created. Please include the Disposition, Finding Group, Finding Type, and a Risk Severity (1-5) for each finding as well. The Disposition should be “Secondary Report” in order to create an audit inquiry. Once the audit inquiry is created, the status should be changed to “Report” if it will go in the final report.

All applicable fields of the Audit Finding should be completed. The data is used to create the Audit Inquiry, Audit Report and AA status reports. All management responses should include an action plan including the expected dates for implementation of the recommendations. Action Plans should be created in AA before running the Audit Inquiry and Audit Report so that the fields for the action plan and implementation date are pulled into these reports. The Findings should also be renumbered prior to running a draft report so that they are in the order of significance.

Elements of an AA Audit Finding:

- **CONDITION** – This describes the situation that exists, whether from discussions, actual observations, testing, etc. If the source is testing, the narrative should include a detailed description of the tests performed and their results. **(What is the problem?)**
- **CRITERIA** – This should provide a description of the standard that applies to the finding. It may cite a specific law, rule, or regulation, or a generic condition, such as “good business practice.” **(What policy or best practice can be adopted?)**
- **EFFECT** – This describes the implications that could result if the recommendation or remedy is not implemented. Try to avoid using the word “should” as this implies a recommendation. **(What is the risk?)** This sells the recommendation to the reader.
- **CAUSE** – identifies the reason for the factors responsible for the difference between the condition and criteria. **(What led to the problem?)**
- **RECOMMENDATION** – This describes the recommended corrective actions that should be implemented to mitigate the identified risk. **(What should be done?)**

12. An audit issue (Finding) should only be created in AutoAudit (AA) after the Director has approved the Audit Inquiry for distribution to Management. The initial draft report should be created using all reportable audit inquiries issued. Once the draft report is created, the Background, Objectives, Scope, Methodology, and Conclusions will need to be manually filled in. Any changes made to the Findings in the final report need to be manually added to the original issue in AA. Meticulous review of formatting, in the Microsoft Word version of the report, will be necessary to adjust the margins, remove extra spaces, and justify the text, so that the Findings formatting matches the rest of the report.

THE AUDIT AGENDA

The Internal Audit Department develops an annual agenda using a risk-based approach considering complexity of activity, fiscal impact, last audit results, applicability of laws, rules, and regulations, changes in organization, effects on public welfare, and the time since the performance of the last audit. This is accomplished in Excel by assigning a risk score to each criteria and then applying a weight to the criteria. An attempt is made to provide periodic and regularly rotating coverage to ensure adequate coverage of the City's operations.

FORMULATING THE AGENDA

To formulate the audit agenda, potential audit topics from staff, Mayor, reviews, etc., are accumulated during the year and filed for later analysis. To initiate the annual risk assessment process, the Director meets individually with key members of management. This discussion includes a review and update of the audit universe and provides management an opportunity to provide requests and have input into the annual risk assessment.

The annual risk assessment is completed by the Audit staff and involves an assessment of each audit topic in the audit universe. To complete the assessment:

1. Department collectively determines the assessment for each topic.
2. Director develops a draft agenda based on the final assessments, requests from management, and ensuring coverage across the City.
3. Director submits the draft agenda to the Mayor for approval.
4. Director submits Mayor-approved agenda to City Council 60 days prior to fiscal year end. City Council has 30 days to request any additional audits to the agenda.

If no special requests have been received, time should be reserved for any requests that are received during the year. In addition, when budgeting time, consideration should be given to audits that are in progress at year end.

Special Requests: In addition to requests from the Mayor, the department receives requests for audit work from city departments. These projects follow the non-audit services process and are performed as GAS-compliant audits when possible. To maintain good auditee relations, these should be performed, whenever time is available. Special requests from other organizations (city boards, etc.) should be carefully considered.

STAFF ASSIGNMENTS

Auditors are assigned to audits primarily based upon their availability and the need to do a job at a particular time. The Audit Director will also consider requests from staff auditors to do a particular audit. Consideration should be given to possible conflicts of interest, personal impairments, technical knowledge, skills, and experience, auditor preference, personal bias, and carryover job status.

PURPOSE (GAS 4.04, 5.76)

The Internal Audit Department follows the City of Tampa Personnel policies and procedures. See City of Tampa's Personnel Manual, section B18.2A and Z4, section I Salary Administration – Merit Increases Supervisory and Professional Employees.

PURPOSE

The Internal Audit Department follows the City of Tampa Personnel policies and procedures. See City of Tampa's Personnel Manual, section B28.1 Discipline Administration.

All staff positions within the department, except for the Audit Director, are under the Rules and Regulations of the Civil Service Board. The Internal Audit Director is appointed by and serves at the pleasure of the Mayor. Each employee is bound by the professional ethics of the Institute of Internal Auditors and any other code of ethics connected with their applicable professional certifications.

PURPOSE (GAS 4.16-4.18)

To maintain technical knowledge and competence, auditors are required to receive annual professional training. This training is available from several organizations.

GAS 5.74c Auditors who are performing work in accordance with GAGAS meet the continuing professional education (CPE) requirements.

Government Auditing Standards published by the Comptroller General of the United States require our staff to receive at least 80 hours of continuing professional education (CPE) every two years (at least 20 hours should be completed in any 1-year of the 2-year period). Additionally, it requires that at least 24 of the 80 hours of CPE should be directly related to government auditing, the government environment, or the specific or unique environment in which the audited entity operates.

Certified Public Accountants are required to obtain 80 hours per 2-year period (20 hours must be in accounting-related and auditing-related subjects and 4 hours must be in ethics). Certified Internal Auditors are required to obtain 40 hours of continuing education every year, including 2 hours in Ethics. Certified Government Auditing Professionals are required to obtain 40 hours per 2-year period. Certified Fraud Examiners are required to obtain at least 20 hours per year, 10 hours must be related to fraud detection/deterrence, and 2 hours must relate to ethics. Certified Information Systems Auditors are required to attain at least 120 hours per 3-year period, including at least 20 hours annually (all CPEs must be relevant to certification job practice areas).

It is the responsibility of each member of the Department to ensure compliance with their educational requirements. Because reporting periods differ depending on the requirements, the Internal Audit Department will report GAS CPE on a fiscal year basis. The Audit Director will monitor CPE training to ensure that the GAS requirements are met. Documentation supporting GAS compliance should be maintained in the Department's CPE binder and summarized on the standardized CPE spreadsheet template.

FORMAL TRAINING

Staff will be sent to worthwhile external training courses on a rotational basis or as needed basis. This will be done within the limits of the department's training budget.

COLLEGE COURSES

The City has a tuition reimbursement program as part of the City's official policies. See the

City's Personnel Manual, Section B20, for more information.

PROFESSIONAL ORGANIZATION MEMBERSHIPS

The City pays for individual memberships in professional organizations. Contact the Audit Director for details. Individual participation or involvement in any professional organization is encouraged. Having contact with other individuals in government or professional auditing is useful in keeping current and maintaining a professional attitude and spirit. Flexibility in work hours can be accommodated for these activities. Organizations that should be considered are: The Institute of Internal Auditors, Association of Local Government Auditors, Association of Certified Fraud Examiners, West Coast Chapter of AICPA, Florida Audit Forum, Information Systems Audit and Control Association, and Florida Government Finance Officers Association.

PROFESSIONAL CERTIFICATION

The City does not reimburse for certification fees. However, it is permissible to take time off to sit for an examination. Study time is a personal responsibility and may not be done on City time. The following certifications should be considered:

- Certified Public Accountant (CPA)
- Certified Internal Auditor (CIA)
- Certified Government Auditing Professional (CGAP)
- Certified Information Systems Auditor (CISA)
- Certified Fraud Examiner (CFE)

AUDIT LIBRARY

There are many useful reference books and pamphlets relevant to all areas of auditing in the department's reference library.

PUBLICATIONS

Members of professional organizations sometimes receive relevant publications from those organizations. It is suggested that such materials be shared with the rest of the staff. These references should be consulted for continuing audit work. Such efforts will help the auditor keep abreast of developments and current techniques in the profession.

PROFESSIONAL TRAINING

Each member of the Audit staff will attend professional training each year that will enable them to meet the continuing professional education (CPE) requirements for their audit related certifications and meet the training requirements per GAS (Yellow Book). General Standard **4.16-4.17** requires that auditors performing work under GAGAS should complete, every two years, at least 80 hours of CPE that directly enhance the auditor's professional proficiency to perform audits and/or attestation engagements. A minimum of 20 hours of CPE must be earned each year. Further, at least 24 of the 80 hours of CPE should be in subjects directly related to government auditing, the government environment, or the specific or unique environment in which the audited entity operates.

Upon completing each training course, seminar, or conference, each Audit staff member must complete the department's "**Continuing Professional Education Tracking Record**" (see [E2.12](#)), which tracks each auditor's CPE attendance during the year, including: Name of Course/Seminar/Conference; Organization Providing or Sponsoring; Location; Hours of Training; Meets Government Audit Standards Training Requirement (Y/N); and Dates Attended.

PURPOSE

The purpose of this section is to give guidance on the Internal Audit Department's interaction with outside auditors and others to ensure good relations and the continued respected image of the department. We expect that all staff members will conduct themselves in a respectable and professional manner. This includes appearance, habits, and personal interaction.

EXTERNAL AUDITORS

The overall philosophy in external auditor relations is one of cooperation and assistance in areas in which a mutual interest exists. Generally, the Revenue and Finance Department coordinates the major efforts of the external auditor with the City. The Internal Audit Department will respond to external auditor comments on the department in the same positive and professional manner we would expect from auditees.

NEWS MEDIA

One of the major functions of the Public Affairs Division is to provide clear, accurate and consistent information to the media and public. In order to do this, cooperation from all employees and departments is required.

Interaction with the Media

Statements or information provided to the media and the public on behalf of the City or regarding City-related business or activities will only be issued by the following:

- Mayor,
- Administrators,
- Department Directors, or
- Fire or Police Public Information Officers.

All other personnel are to direct any media inquiries, or any contact with the news media, to the Public Affairs Director.

The possibility of news media coverage exists after audit reports are released to City Council, possibly earlier. This exposure highlights the necessity that audit reports be factual, objective, and clear.

Audit reports will not be discussed with reporters until the report has been finalized and released by the Mayor. City Council receives a copy of the final report when it is released by the Mayor. All discussions with any member of the news media regarding one of our reports will be handled by the Audit Director. At the Audit Director's discretion, a staff auditor may be required to respond to technical questions from the media.

The expected news coverage may not be pleasant for the auditee. Therefore, the staff should make every effort to be courteous, open and present as positive position as possible. This effort should be complemented by an honest and professional report that presents the auditor's conclusions and the auditee's remedy for correction.

Following any interaction with the media, a summary e-mail of the interview or information provided must be sent immediately through the Audit Director to the Public Affairs Director with a copy to the attention of the Chief of Staff.

In all circumstances, it is important to treat members of the media with courtesy and respect, and to represent the City of Tampa in a professional manner. If the Public Affairs Office asks you to provide media information, you must provide it as soon as possible, as media members are usually on a very tight deadline. All such information should be completed in conjunction with the Audit Director.

Subsequent to approval by the Audit Director, all news releases must be submitted to the Public Affairs Office for final approval and dissemination.

EXTERNAL AUDITEES

Certain external entities will be audited periodically such as utility companies, contractors, authorities, other government entities, lessors, telephone companies, etc. At a minimum, the same courtesy that is extended to city departmental auditees should be used with external auditees.

PROBLEM AUDITEES

Any unresolved problems with auditees such as lack of cooperation, unreasonable inaccessibility, hostility, scope limitations, etc., should be communicated to the Audit Director for resolution. Minimum downtime should be incurred as a result of this. Auditor behavior should be such that it was not the cause of the lack of cooperation. This is one point where the auditor's communication skills and diplomacy will be severely tested.

If open hostility or inappropriate comments are directed at the auditor, no rebuttal or defensiveness should be exhibited by the auditor. A professional demeanor must be maintained. In this case, the auditor should withdraw from the situation and, if appropriate, attempt to resolve the problem with a higher-level individual. The problem should be presented in a calm and factual manner.

CITY ORIENTATION

The Internal Audit Department follows the Human Resources procedures for new employee orientation.

DEPARTMENT ORIENTATION

The new employee's first week should be organized to allow them to become familiar with the department and the City. The new staff member will be provided a copy of the internal audit manual and the Government Auditing Standards for review and reference. Each workstation should have the following items:

- Personal Computer with applicable software installed
- Internal Audit Manual
- Telephone

The new employee should be introduced to the audit staff on their first day in the department. Introductions to other key employees should also be made during the first day.

During the orientation week (first week), the new employee should review the City of Tampa Personnel Manual, read the City Charter, look over the Government Auditing Standards manual, department procedure manual, and completed audit reports and files. Know Your Role registration should also occur during this week.

The Audit Director will present an overview of the department operation and policies, city personnel policies and provisions with the new employee to ensure an understanding. Leave policies, supplies, payroll/personnel information, call-in procedures, etc. will be discussed. Other items to be covered are work hours, attendance, lunch and breaks, time and status report, audit agenda and time budgets, evaluation process, etc.

WORK HOURS

The Internal Audit Department follows the policy for work hours as outlined in the City's Personnel Manual. In that the City allows work hours to be assigned by the Director, the department allows flextime for employees. Employees will be allowed to flex within a 40-hour week (four 10-hour days will not be approved by the Director). This allows adjustments for travel, day care connections for working mothers and/or fathers, etc. The following guidelines must be adhered to:

- Work hours must not begin before 7:00 AM.
- The Audit Director must approve the employee's schedule prior to being changed.
- Normally, employees will maintain the same work schedule for an entire quarter. Meaning schedules should only be changed at the beginning of a quarter (January, April, July, and October).
- Approved work schedules must be adhered to and supervisory pre-approval must be obtained for any deviation from the work schedule.
- Employees may be required to work overtime or time outside of their normal schedule when needed. This must be approved in advance.
- Employees are not to deliberately work overtime in order to build up "comp" time for future use.
- In the event "comp" time is accumulated, it must be taken within 2 weeks of accumulation (preferably within the same pay cycle).
- ELV will not be taken if an employee has accumulated "comp" time available.
- Probationary employees are required to work 8-hour work days, until successful completion of the probationary period.

There are two options for the lunch break, either 1-hour or 30-minutes. If the 30-minute lunch break option is selected, the workday ends 30 minutes earlier. For example, your working hours are scheduled for 8 a.m. to 5 p.m. with a one-hour lunch option. If the 30-minute option is selected the workday ends at 4:30 p.m.

In that allowing a flexible work schedule is a privilege, not an entitlement; abuse of this policy will result in revocation of the flexible work schedule (for the offending employee) and the employee's work schedule will be changed to the standard City work hours of 8:00-5:00. This determination will be made by the Audit Director.

If the use of flexible work schedules is determined, by the Director, to be disruptive to work flow, and negatively impacts the mission, goals, role, responsibility or reputation of the Department; it will no longer be allowed. In that event, departmental work schedules will be required to adhere to one of the following:

- 8-hour days, or
- The standard City work hours of 8:00-5:00.

The selected schedule will be at the discretion of the Audit Director.

PERSONAL BUSINESS

Personal telephone calls, business and personal discussions among the staff should be held to a minimum. If significant personal business must be transacted, it should be cleared with the Audit Director and the appropriate leave taken.

DISCUSSIONS AND CONFERENCES

Conferences, prolonged discussions and meetings should be held in a conference room, when possible, so that the audit staff will not be disturbed and to ensure confidentiality, Outlook can be used to schedule conference rooms.

EMPLOYEE LOCATION

If you will not report for work due to illness, an unexpected annual leave or you are going directly to an offsite work location and not coming into the office, you must notify the Audit Director by 8:30 a.m. Auditors in the field must give the Audit Director a telephone number where they can be reached.

WRITTEN COMMUNICATIONS

The Director should sign all reports, entrance and final report transmittal letters, and correspondence with the Mayor, City Council and Department Heads. Other correspondence may be signed by the auditor, but should be reviewed and approved by the Audit Director prior to release.

CITY VEHICLES

The Downtown Motor Pool is available to obtain a vehicle for city business trips. To pick up the keys for a motor pool vehicle, refer to the Fleet Maintenance Division Home page on the INET. Note: charges for the vehicle are made by the hour, therefore, if the vehicle is going to be driven to a location, then sit for some time period, consider using your private vehicle and claim for mileage reimbursement. In order to drive a city vehicle or your personal vehicle on City business, the City's Defensive Driver's Training is required every three years.

COMPUTER/INTERNET ACCESS

Department personnel are provided a personal computer that has Microsoft Office software installed. The City's email application and access to the Internet is provided to all of the department staff. Only use the email and Internet access provided for City business. See Section B39, Computer Use in the Personnel Manual for further clarification and information.

PURPOSE

As outlined in the Personnel Manual Policy B40 (*Emergency Conditions*), in the event of an impending or declared emergency situation, City of Tampa employees may be temporarily assigned to duties other than the essential functions of their regular position, and/or may be assigned to work at different job sites. The purpose of the City's Emergency Management Plan is to set responsibility at all levels of city government in the event of a natural disaster. The following is the disaster plan for the Internal Audit Department.

Audit Department personnel are considered “Non-Emergency Assigned Employees” (Group II). As such, we have a pre-assigned role or function. Tampa Fire Rescue has established five (5) operating conditions (OPCONS), which initiate the following actions by department personnel:

OPCON5 – Normal Operations – The Director will be responsible for the review of the department's procedures for emergency actions in the event of an emergency situation.

OPCON4 – Increased Readiness Action – The Director will be responsible to monitor information and/or conditions provided by the Mayor's Office. This information will be passed on to the audit staff to keep them informed of current storm status and to take any needed precautions for safe operations.

OPCON3 – Standby Status – The Director will be responsible to keep the audit staff updated on the latest emergency situation.

OPCON2 – Event Probable – The Municipal Office Building should provide adequate protection from all but the most severe emergency situation. At the end of the day, all equipment should be disconnected from power sources and personnel should pack sufficient resources (laptops, etc.) to work from an off-site location. The Director will be responsible to keep the audit staff updated on the latest emergency situation.

OPCON1 – Event Imminent– The Director, upon authorization of the Mayor, will release employees from work. The Director shall brief staff to monitor local media for notification of recall or emergency assignment prior to, during, and after an emergency situation.

Responsibilities and assignments (notice of recall, temporary duty assignments, or return to normal duty) are communicated by: 1) recorded message on the Emergency Alert Line (813-232-6865), 2) land line or cell phone, and 3) local media broadcasts. In the event that all of these communications are not functioning, and safe travel is **not** feasible, personnel should report to the Columbus Municipal Office Building (3402 W. Columbus Drive) at 8:00 A.M.

PURPOSE (GAS 8.71-8.76)

The purpose of this section is to outline the duties and responsibilities of management and the Internal Audit Department regarding the detection and investigation of fraud.

Definition of Fraud

Fraud is the commission of an illegal act for personal gain. For fraud to occur one must have opportunity, pressure, and attitude (rationalization). Part of the attitude is a reasonable chance for the crime to go undetected (at least in the mind of the perpetrator). A key element in fraud is the intent of the person committing the act. "Fraud is the crime of choice for the 21st century. It is easy to see why. Compared to other crimes, fraud pays better; there is little risk of apprehension, and even less risk of serious punishment. By all accounts, fraud and other white-collar crime outstrip the cost of traditional offenses by ten to one."¹ There are three types of corporate fraud:

- 1) fraud by company employees against the company or its customers
- 2) fraud by executives of the company against the company or its customers
- 3) fraud by the company against its employees, customers and vendors (or contractors). The government that we work for is the "company."

Intent to Commit Fraud

It is not the intention of this manual to list the many various ways in which someone or group can steal, convert assets or defraud the company in some way. For an act to be fraudulent the one doing the act must have intended to do wrong and there must be a victim with real monetary loss occurring. Intent usually manifests itself in the actions of the perpetrator such as, lying, concealment, framing a co-worker, etc.

Management's Responsibility

Management is responsible for planning, organizing, directing and controlling operations. Moreover, it is management's job to design an adequate system of internal control for financial and operational systems. The internal audit department is part of management's effort to do this. Through the conduct of internal audits the system of internal controls are tested and evaluated with findings and recommendations for improvement published in various audit reports or management letters. It is the responsibility of management to find fraud and see that the perpetrators are punished. This is part of the direct and control mandate of management.

¹Fraud Examination: Investigative and Audit Procedures, page 19, Joseph T. Wells, Quorum Books, One Madison Avenue, New York, NY 10010, 1992.

Internal Audit's Responsibility

GAS 8.68: The fieldwork standard related to planning of generally accepted government auditing standards for performance audits states that:

“Auditors should identify any provisions of laws, regulations, contracts, and grant agreements that are significant within the context of the audit objectives and assess the risk that noncompliance with provisions of laws, regulations, contracts, and grant agreements could occur. Based on that risk assessment, the auditors should design and perform procedures to obtain reasonable assurance of detecting instances of noncompliance with provisions of laws, regulations, contracts, and grant agreements that are significant within the context of the audit objectives.”

GAS 8.73-8.75: In planning the audit, auditors should assess risks of fraud occurring that is significant within the context of the audit objectives. Fraud is defined as a type of illegal act involving the obtaining something of value through willful misrepresentation.

Abuse involves behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances. Abuse also includes misuse of authority or position for personal financial interests or those of an immediate or close family member or business associate. Abuse does not necessarily involve fraud, violation of laws, regulations, or provisions of a contract or grant agreement.

Reporting Fraud (GAS 9.35-9.44)

The Auditor should extend audit procedures when there are indications that fraud or abuse may have occurred. When the auditor discovers fraud, it must be reported to someone in authority over the perpetrator, but independent of the wrongdoer, who has the authority to launch an investigation (see Section [B3.1](#) of the Audit Manual for additional information). Within our reporting structure, it would be the Mayor. The Internal Audit Director would brief the Mayor and it would be the Mayor's decision on which agency to contact.

However, if an auditor has knowledge that a crime has been committed he/she can report it directly to the proper authorities. Either way the auditor must report it in a timely fashion so that action can be taken by the investigative agency. Tips from citizens and employees of wrongdoing must receive adequate follow-up. The auditor should document the information and forward it to the Audit Director for action.

FRAUD DETECTION

The five-step approach to fraud detection is:¹

- 1) Know the exposures
- 2) Know the symptoms of occurrence
- 3) Be alert for symptoms
- 4) Build audit programs to look for symptoms
- 5) Follow through on all symptoms observed

The following is a checklist of things that the auditor should do when confronted with fraud.

- 1) Notify your audit superiors immediately.
- 2) Keep a daily diary of events and conversations with individuals both in and outside the Internal Audit Department.
- 3) Keep the diary off premises for safekeeping.
- 4) Do not let the subject know that he/she is being investigated.

More Tips:²

- 1) Include exposure identification as part of the audit planning process. Document your understanding of these exposures.
- 2) For known high exposure areas, audit tests should include tests designed to identify symptoms of fraud. These tests should be aimed at fraud occurrence, not opportunity.
- 3) When designing and conducting tests remember that described internal controls break down.
- 4) Make sure you understand the fraud implications of your sampling approach. Avoid using samples that are too small for the exposures and control environment.
- 5) Follow through on all exceptions noted. Resist the temptation to explain an exception as an isolated incident.
- 6) Show proof in the working papers that fraud was considered. One way to do that is to list each exposure and set up headings for perpetrator, fraud act, benefit and victim.
- 7) Doing the above may tell the auditor whether additional work is needed. If you are unable to think of a possible fraud scenario, the exception may have no fraud significance. However, documenting your actions in audit working papers will demonstrate that you have considered the possibility of fraud.

¹Fraud Detection & Investigation for Internal Auditors, page 3-5, Courtenay Thompson & Associates, Dallas, TX, 12/06/93.

²Ibid, page 3-28.

CAVEAT – Auditors do not determine guilt; they only supply facts to the proper authorities. Therefore in all communications never conclude as to guilt.

FRAUD, WASTE, ABUSE, AND DISPARITY HOTLINE – GENERAL POLICY

The City of Tampa's Internal Audit Department administers a Fraud, Waste, Abuse, and Disparity Hotline (Hotline) as a confidential mechanism for employees to use to report suspected violations of City policies or violations of the law. All complaints will be taken seriously, addressed promptly, and handled in a manner that protects the privacy of the caller to the extent permitted by law. Corrective actions, in response to substantiated allegations, will be an integral part of the Hotline program.

The intake call and/or report will be received by a third-party vendor. The Director or their designee will be responsible for maintaining confidential records of all calls and/or reports and responses. Cases will be handled in a manner which protects the privacy of the caller. Employees reporting to the hotline or through web reporting may choose to remain anonymous or give their name. If an employee chooses to remain anonymous, the call and/or report will be investigated and resolved in the same manner and with the same diligence as all others.

Appropriate action will be taken in response to each call and/or report. In most cases, appropriate action will include an investigation into the allegations of the complaint or concerns, an action plan to resolve the issues, and communication back to the caller, if applicable. Depending on the nature and scope of the allegation or complaint, the Director may delegate investigation responsibilities to department management, but will retain ultimate supervision and responsibility for all investigations (see Hotline Referral Decision Matrix at D1.3 pages 7-8). In this regard the Director will continue to monitor and provide assistance as requested until a final disposition of the allegation or complaint is reached.

The Director is responsible for overseeing any necessary internal investigation and response to the call and/or report. The Director will assign a case investigator to the call and/or report. Depending on the circumstances of the investigation, another individual or a multi-disciplinary team may be appropriate. Investigations shall be handled by persons having a sufficient level of expertise/knowledge with regard to the issue presented by the call and/or report.

The Director shall identify who, if anyone, should be notified of the existence of the call and/or report. Together with the Director of Human Resources and the City Attorney, these individuals should determine whether the conduct alleged is of such a nature that it should be reported to any applicable outside agency or regulatory board, as well as the timing of such reporting (pre- or post-investigation).

All investigation methods and findings pursuant to the investigation must be documented. Copies of supporting documents should be attached to all reports. If the investigation findings do not substantiate the allegation or matter, the investigation will be closed by the Director. If a violation is found, all documentation related to the investigation will be maintained as an "active" investigation until a corrective action plan has been completed and the matter has been resolved, at which time the investigation will be closed by the Director. Pursuant to 112.3188,

F.S., all information, including the name or identity of any individual, shall remain confidential as long as the investigation is “active.”

Quality Standards for Investigation

All investigations will be performed in compliance with the Council of the Inspectors General on Integrity and Efficiency’s *Quality Standards for Investigations* (See K: drive under Audit Guidance):

A. General Standards

1. Qualifications – Individuals assigned to conduct the investigative activities must collectively possess professional proficiency for the tasks required.
2. Independence – In all matters relating to investigative work, the investigative organization must be free, both in fact and appearance, from impairments to independence; must be organizationally independent; and must maintain an independent attitude.
3. Due Professional Care – Due professional care must be used in conducting investigations and in preparing related reports.

B. Qualitative Standards

1. Planning – Organizational and case-specific priorities must be established and objectives developed to ensure that individual case tasks are performed efficiently and effectively.
2. Executing Investigations – Investigations must be conducted in a timely, efficient, thorough, and objective manner.
3. Reporting – Reports (oral and written) must thoroughly address all relevant aspects of the investigation and be accurate, clear, complete, concise, logically organized, timely, and objective.
4. Managing Investigative Information – Investigative data must be stored in a manner that allows effective retrieval, reference, and analysis, while ensuring the protection of sensitive data (i.e., personally identifiable, confidential, proprietary, or privileged information or materials.).

Hotline Process and Procedures

Hotline Investigation Objectives

- Determine if there is any validity to the allegation, and whether fraud, waste, or abuse occurred prior to reporting to, or alerting management of the potential fraud, waste, or abuse.
- Determine how the fraud, waste, or abuse took place and the conditions and circumstances that contributed to the fraud, waste, or abuse.
- Determine that corrective actions are taken to prevent future instances of the fraud, waste, or abuse from occurring and/or to remediate the condition, such as recovering the loss.

Hotline Procedures (see flowchart of Hotline Investigation Process at D1.3 page 9)

Upon receipt of an allegation or complaint, the Director shall review the information available from the allegation or complaint to determine if there is sufficient, reliable information to warrant an inquiry/investigation. If an inquiry/investigation is warranted, the Hotline Referral Decision Matrix should be used to determine whether the investigation should be outsourced. The Director shall notify the Director of Human Resources and the subject employee's director, but not provide the specifics of what is being investigated. The Director may withhold notification when it might compromise an investigation or affect the collection of evidence in the case.

The complainant shall be notified that the allegation/complaint is under investigation or that there is insufficient evidence to warrant an investigation. If an investigation is warranted, the Director shall assign the case to individual(s) who possess the necessary skills to conduct the investigation and are free from personal, organizational, and external impairments to independence in the performance of their duties and responsibilities.

The assigned investigator shall research applicable laws, rules, regulations, and/or internal policies that govern or apply to the allegation or complaint. The investigation shall then establish and document an investigative strategy to obtain sufficient evidence to corroborate or refute the allegation or complaint. The strategy shall be documented on a work plan after identifying potential witnesses and any applicable documentation. When considered necessary and with prior notification to the Director of Human Resources, the investigator shall have the right to revoke access to the City's information technology systems and seize contents of files, desks, cabinets, City-issued cell phones, and desktop and laptop computers without prior knowledge or consent of any individual who might use or have custody of any such items.

Hotline Investigation Conclusion

Once the appropriate documentation has been gathered and reviewed and all necessary interviews have been conducted, a conclusion should be reached regarding whether or not the allegation or complaint is substantiated. When there is more than one allegation or complaint, it may be necessary to conclude that some are substantiated while others are not. It is important to look at each individually when drawing the final conclusion.

At the conclusion of all internal investigation, case reports shall be prepared to include:

- a. Case Number
- b. Summary of the complaint, including subject's information
- c. Applicable laws, rules, regulations, and policies
- d. Summary and results of the investigation, including witness statements and exhibits collected
- e. Conclusions of fact and dispositions for each allegation or complaint
- f. Corrective actions recommended, taken, or planned to be taken
- g. Savings identified and anticipated recoveries and/or restitution
- h. Attestation that the investigation was conducted in compliance with the *Quality Standards for Investigations*
- i. Signature of Assigned Investigator(s); and/or the signature of the Director documenting supervisory review and approval. The supervisory review shall include a review of case evidence to ensure it is relevant; has a logical, sensible relationship to the allegation; is consistent with the facts; and is sufficient to support conclusions

Department management is solely responsible for any disciplinary actions taken, in consultation with the Human Resources Department and the City Attorney in accordance with B28.1 of the Personnel Manual. Employees who have committed fraud will be subject to disciplinary action up to and including dismissal.

Employee Protections

Employees of the City of Tampa are protected from being disciplined, discharged, or subjected to threats thereof, or otherwise discriminated against in retaliation for bringing forth, in good faith, charges of fraud, unlawful conduct, unethical conduct, or conduct in violation of any City policy, directive, ordinance, or Charter provision by any official, employee, appointee, contractor, or vendor of the City of Tampa. To receive protection, it is sufficient that an employee had a reasonable belief that an official, employee, appointee, contractor, or vendor of the City of Tampa engaged in fraud, unlawful conduct, unethical conduct, or conduct in violation of a City policy, directive, ordinance, or Charter provision.

All employees are required to cooperate with any department review, preliminary inquiry, or investigation. Additionally, all employees are required to give truthful or requested information during the course of an internal investigation. Failure to give complete or truthful information during an interview can result in discipline up to and including dismissal.

An employee who knowingly or with reckless indifference to the truth, makes a false report shall be subject to disciplinary and legal action. An employee will not have protection if they were the subject of an ongoing or existing disciplinary action or investigation prior to filing a report of fraud, unlawful conduct, unethical conduct, or conduct in violation of any City policy, directive, ordinance, or Charter provision.

The following statement should be read to all interviewees, except the subject of the investigation or complaint, to clarify the level of confidentiality expected from the interviewee:

In accordance with the mission of the Internal Audit Department, we are conducting a confidential review of an allegation or complaint received pursuant to the City of Tampa's Personnel Manual, Section B23.1, Fraud, or Section B23.2, Whistleblower Policy/Fraud, Waste and Abuse Hotline. We will ask you to respond to some questions pertaining to this review and to provide any other information that you consider relevant. Your cooperation is required under the City's Personnel Manual. You are prohibited from discussing with anyone what we talk about during this interview. If you do so, you could jeopardize the confidential nature of this investigation and face disciplinary actions. We require this confidentiality in order to protect you, other witnesses, and the subject(s). The information that you provide to us will be treated in the same way as any other information gathered during this review. We appreciate your cooperation and taking the time to meet with us and respond to our questions.

When interviewing the subject of the investigation or complaint, the following "Statement of Rights" (see [E3.2](#)) should be read to the employee. The statement should be signed and dated by the employee, interviewer, and any witnesses.

STATEMENT OF RIGHTS

You are hereby ordered to fully cooperate with the investigating official(s). You have the following rights and responsibilities during this investigation:

1. You have the right to be informed of the allegations involved.
2. You will be asked questions specifically directed and narrowly related to the performance of your official duties and/or personal conduct.
3. Statements made during any interviews may be used as evidence of misconduct or as the basis for seeking disciplinary action against you.
4. Any statements made by you during these interviews cannot be used against you in any subsequent criminal proceeding, nor can the fruits of any of your statements be used against you in any subsequent criminal proceeding.
5. If you refuse to answer questions relating to the performance of your official duties and/or personal conduct or provide false or purposefully misleading information, you will be subject to dismissal.

HOTLINE - REFERRAL DECISION MATRIX	
Allegation	Referral
Abuse – involves behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances. Abuse also includes misuse of authority or position for personal financial interests or those of an immediate or close family member or business associate. Abuse does not necessarily involve fraud, violation of laws, regulations, or provisions of a contract or grant agreement.	Internal Audit, Human Resources, or Department
Conflicts of Interest - A Conflict of Interest exists when the employee has some personal kinship, friendship, or financial interest in the transaction that may divide the employee's interests and put his duty to his employer in jeopardy.	Internal Audit
Customer Relations - The real or perceived display of lack of customer service or courtesy exhibited by employees of a client company either by actions, lack of action, or something which was said by an employee or a combination of both.	Department
Discrimination - Any act or omission which fails to meet the standards of the Equal Opportunity Commission (EEOC) which includes all types of discrimination, to include based race, religion, age, nationality, sex, sexual orientation, or disability.	Human Resources
Disparity	DEI Task Force
Employee Relations - Any acts or omissions, which are perceived to be detrimental to the physical or mental well-being of an employee.	Human Resources
Falsification of Company Records - Any acts or omissions, which alters any company record from its genuine condition to a false condition.	Internal Audit
Fraud - A type of illegal act involving the obtaining of something of value through willful misrepresentation.	Internal Audit
Kickbacks - The solicitation or acceptance of cash, gifts, or favors to perform a function which the employee is required by the job description to perform.	Internal Audit
Policy Issues - Any departure from company policy or facility procedures by any person subject to policy or procedure.	Human Resources
Safety Issues and Sanitation - Any condition which appears to be hazardous or unsanitary to the well-being of an employee, customer, facility, or general public.	Department
Sexual Harassment - Unwelcome advances, request for sexual favors, and other verbal or physical conduct of a sexual nature may constitute sexual harassment.	Human Resources
Substance Abuse - The abuse of alcohol, or any illegal or any legal drug used in the workplace or being used while at work.	Human Resources
Theft of Cash - The taking of money or money instruments from the premises of a client company without authoritative permission. This would include false refunds for which cashiers obtained voids.	Internal Audit, Tampa Police

Theft of Goods/Services - The taking or removal of any merchandise or property from the premises of a client company without authoritative permission and with the intent to permanently deprive the company of the goods.	Internal Audit, Tampa Police
Theft of Time - Any act or omission, which causes an employee to be paid for, time not worked for the benefit of the client company.	Internal Audit, Human Resources
Wage/Hour Issues - Any departure from existing labor laws or concerns over hours or wages.	Human Resources
Waste – involves the taxpayers not receiving reasonable value for money in connection with any government funded activities due to an inappropriate act or omission by players with control over or access to government resources (e.g., executive, judicial, or legislative branch employees, grantees or other recipients). Importantly, waste goes beyond fraud and abuse and most waste does not involve a violation of law. Rather, waste relates primarily to mismanagement, inappropriate actions, and inadequate oversight.	Internal Audit
Workplace Violence/Threats - Any act which causes physical injury to a person or any acts or statements which cause a person to believe that his / her physical well-being is in jeopardy.	Tampa Police

