

ATTACHMENT A

INTERNAL AUDIT UPDATE



MEMORANDUM

Date: May 4, 2020
To: City of Newport Beach Finance Committee
From: Moss Adams LLP
Subject: Internal Audit Status Report February 1, 2020 through April 30, 2020

Enterprise Risk Assessment

- Objective: Assess the City's operating environment from risk and performance perspectives to identify opportunities for reducing risks and enhancing performance and inform an internal audit plan.
- Schedule: February 2020 through May 2020
- Budget: Invoiced \$42,893 compared to a budget of \$44,000.
- Activities for This Period: Gathered documents, performed interviews, administered an employee survey, assessed risks and performance, and delivered the draft report.
- Activities for Next Period: Finalize the report and present to the Finance Committee and City Council.
- Issues: none

Internal Controls Review

- Objective: Assess the City's operating environment from an internal controls perspective to identify opportunities for strengthening controls and inform an internal audit plan.
- Schedule: April 2020 through June 2020
- Budget: Invoiced \$6,700 compared to a budget of \$44,000.
- Activities for This Period: Initiated project, identified interview participants, and schedule interviews.
- Activities for Next Period: Submit document request, review documents, conduct interviews, and assess controls.
- Issues: none

Internal Audit Plan

- Objective: Formulate an internal audit plan to guide internal audit activities and enhance City operations.
- Schedule: May 2020 through June 2020
- Budget: No charge.
- Activities for This Period: None.
- Activities for Next Period: Prepare draft internal audit plan for Finance Committee review and City Council approval.
- Issues: none

Program Management

- Objective: Manage internal audit program activities to ensure work is performed on time, within budget, and to the satisfaction of the City.
- Schedule: February 2020 through June 2020
- Budget: Invoiced \$5,800.00 compared to a budget of \$12,000.
- Activities for This Period: Directed projects, conducted client status meetings, and provided status reports.
- Activities for Next Period: Continue to direct projects, conduct client status meetings, and prepare status reports.
- Issues: none