



Internal Audit Actual vs. Budget FY19/20

FY19/20 Internal Audit Plan	Budget Hours	Budget Amount	Actual Hours Incurred	Actual Amount Incurred	Donated Service
2020 Risk Assessment & Annual Audit Plan	150	\$17,625	96	\$16,625	
Citywide Social Media Audit	100	\$11,750	99	\$19,710	
Citywide Fee Structure	150	\$17,625	148	\$22,015	
Accounts Payable & P-Card Audit	200	\$23,500	280	\$46,049	(\$8,866)
HR Benefits	200	\$23,500	192	\$26,229	
Cash Handling Audit	125	\$13,475	200	\$34,095	(\$9,589)
Follow-up & Hotline	80	\$7,287	76	\$7,732	
Citywide Budget Monitoring Audit	150	\$17,625	9	\$1,114	(\$1,114)
Citywide Revenue & AR	200	\$23,500	9	\$1,114	(\$1,114)
Admin				\$10,771	(\$10,771)
Travel & Expense				\$7,823	(\$7,823)
Sub Total	1,355	\$155,887	1,109		
Budget Excess over Contract		(\$1,887)			
Total Contracted Amount & Amount Billed		\$154,000		\$193,277	(\$39,277)

Internal Audit (IA) completed 5 of the 7 planned audits; (Citywide Social Media, Citywide Fee Structure, Accounts Payable & P-Card, HR Benefits, and Cash Handling). In addition to the audits, IA completed the 2020 Risk Assessment & Annual Audit Plan, conducted follow-up on prior audit findings, and administered the City’s Hotline. We were unable to complete the Citywide Budget Monitoring and Citywide Revenue & Accounts Receivables audit due to budget overages. All amounts over the approved budget of \$154,000 were donated to the City which is approximately \$39,277.

Eide Bailly works diligently to meet the agreed upon audit plan and budget that is approved by the audit committee. We realize that we were quite aggressive in our plan of completing 7 audits within the \$154,000 budget. There are multiple factors that created this situation which we will discuss with the Audit Committee and Board of Supervisors, but basically it came down to aggressive pricing well below what we typically charge, averaging 50% below our firm’s internal audit billing rates. Internal audit plans are projected and flow from year to year, based upon the Board and Audit Committee’s budget and reaction to risks that may substantially change due to circumstances throughout the year. 2020 is an example of how risks are projected completely differently than 2019 or any year previous. This internal audit plan flow allows the audit committee to pick and choose or change directions as they see the needs of the City evolve based on the budget. If the audit committee chooses to continue with the 2019 plan and carry over the 2 projects that were not completed, we will re-introduce those 2 projects into the 2020 Internal audit plan.