

**APPROVED**  
**AUDIT ADVISORY BOARD REGULAR MEETING**  
**CITY OF FORT LAUDERDALE**  
**8th FLOOR CONFERENCE ROOM**  
**THURSDAY, OCTOBER 30, 2014**  
**5:00 PM**

<b>Board Member</b>	<b>Attendance</b>	<b>Cumulative Attendance</b>	
		<b>10/1/14 – 9/30/15</b>	
		<b>Present</b>	<b>Absent</b>
Martin Kurtz, Chair	P	1	0
Jennifer Diehl	P	0	1
Richard Owen	P	1	0
Kimberly Jackson	P	1	0

**Staff**

Kirk Buffington, Director of Finance  
Linda Logan-Short, Deputy Director of Finance  
Laura Garcia, Acting Controller  
John Herbst, City Auditor  
Marco Hausy, Assistant City Auditor III  
Emilie Smith, Budget Manager  
Laura Reece, Assistant Manager of CIP/Grants  
Diane Lichenstein, Senior Financial Management Analyst  
Terrie Hugie, Senior Management Fellow  
Jason Bowles, Senior Management Fellow  
Lura Rogers, Board Liaison

**Guest Presenter**

Aazan St. Rose, Crowe Horwath  
Ehab Azer, MSL

**Communication to the City Commission**

None

**Call to Order**

The Chairman called the meeting to order at 5:08 p.m.

### **Roll Call**

At the October 30, 2014 meeting, three (3) appointed members to the Board were present allowing for a quorum.

Chairman Kurtz announced the Board member opening replacing Roger Ally and asked if anyone had any suggestions or recommendations, to let him know. He stated he has a personal preference for an accountant that has experience with municipal auditing. Mr. Owen asked if it was required that board members be a resident of the city. Mr. Buffington said he would email the enabling ordinance to Chairman Kurtz.

Chairman Kurtz begins the meeting by asking whether there is any public input to be heard before entering into the agenda. Hearing none, the discussion of the agenda begins.

### **Transparency Website Overview**

Emilie Smith stated that the City Manager is committed to transparency and Budget has created a Financial Transparency Portal on the City Website using the firm OpenGov. This firm uses cloud based software that brings budgetary data from our financial system to Neighbors, employees and all board members to allow instant access 24 hours a day. Jason Bowles performed a demonstration of the software. Linda Logan-Short explained that the information on the website is grouped in the same way as in the CAFR. Mr. Buffington mentioned that he already used the system a few times and finds it's much easier to find data than using bound books. Emilie mentioned that students who need such data for term papers can have access to the portal as well. She said anyone with questions or suggestions can reach out to her.

### **Review of Meeting Minutes from July 31, 2014**

Motion made by Chairman Kurtz, seconded by Mr. Owen to approve the minutes of the July 31, 2014 meeting. In a voice vote, the motion passed unanimously.

Chairman Kurtz asked if the FAMIS user administrative procedures finding, mentioned on page 4 – is it no longer there? Ms. Logan-Short said that this finding is still there. Every June the Finance Department reviews a FAMIS user list. Ninety percent of people with access are employees. Most users only have inquiry access and those with editing access are mostly employees. We now

have limited super user access and entries are checked against the system log. That is reviewed and by someone without super user access to verify accuracy by checking the back-up support. The checklist is provided by IT, every year. The finding should be cleared in FY2014. Chair Kurtz asked if the secondary review was documented and Ms. Logan-Short replied that it absolutely is.

Chairman Kurtz asked Mr. Herbst about the Construction Auditing position and Mr. Herbst said that they have the approval to hire and Marco is working on the job description. They are pursuing a couple of ideal candidates who are civil engineers that have worked in audit shops in government environments, before opening up the search to the public. Mr. Herbst said they will expand their search if none of those candidates work out.

Chairman Kurtz asked Mr. Buffington about the Security Officer and he said that the salary being offered is a problem but he found out recently that a bonus can be offered.

The Network Vulnerability Assessment position has been approved and is being pursued through a private consultant/contractor. Mr. Buffington said that he would find out from Mike Maier about the Magellan Advisors.

Chairman Kurtz asked about the RFP for the ERP System and Mr. Buffington said that there were five responses to the RFP and they are proceeding with the evaluation process.

### **Presentation of Crowe Horwath Audit Plan**

Aazan St. Rose handed out the Client Service Plan for fiscal year ended September 30, 2014. Page 1 is a letter to the Audit Advisory Board and Management saying that Crowe Horwath appreciates the opportunity to serve as external auditors for this Fiscal Year. On page 2 is a table with the Crowe Horwath client service team, John Weber, Audit Partner, Aazan St. Rose, Audit Senior Manager and Michelle Blackstock, Audit Senior Manager with over 20 years of experience with municipal audits, who was not able to attend this meeting. Page 3 talks about Crowe Horwath's client service model where they request client feedback. Page 4 has the email address for client feedback. Page 5 has Services and Deliverables and offers an opinion on the City's CAFR and the Barris reports on compliance with federal and state single audit requirements. The only new item is to perform an examination of investment

compliance with Section 218.415, Florida Statutes. It is an auditor general requirement to report any non-compliance with the investment policies and how the City spends its surplus funds.

Chairman Kurtz pointed out that last year this report on compliance with Section 218.415 was part of the management letter. Page 6 goes over our timeline for delivery and completion of our services. Preliminary field work began onsite starting August 4<sup>th</sup> for two weeks and year-end testing begins on January 5<sup>th</sup> for about seven weeks. We have a couple of dates to include an Audit Advisory Board meeting scheduled for March 5<sup>th</sup> and our expectation is to finalize the report shortly after that so you can get it on the commission meeting agenda scheduled for March 17<sup>th</sup>.

Page 7 discusses new developments such as the City wanting to early implement new pension standards. Last year was very busy in terms of accounting standards but this year has been quiet and we hope to continue in that direction. We have not finalized a decision regarding early implementing new pension standards. Page 8 addresses prior year audit results. On page 9, it shows risk factors identified are consistent with what was identified last year, nothing new or unusual. Chairman Kurtz asked if the two fraud risk factors listed are the two that are required to be there under the pronouncements and Mr. St. Rose replied "yes, revenue recognition, and no material fraud risks have been identified." Page 10 - Required Communications has the engagement letter which covers managements' responsibilities and Crowe's responsibilities. Chairman Kurtz asked if risk assessments had been done yet and if any testing had been expanded because of risk assessments. Mr. St. Rose said there is nothing new for this year.

Crowe has not been informed of any suspected fraud but wanted to ask the Board if they have knowledge of any fraud or any fraud risks and Chairman Kurtz said he did not know of anything and asked the other Board members if they were aware of anything and they replied no.

### **New Single Audit Changes**

Mr. Weber sent a detailed, 35-page document that gives an overview the A-133 changes which are effective fiscal year ending September 30, 2016.

Chairman Kurtz asked Mr. St. Rose if he could present the conceptual highlights. The second page has the agenda that gives you the 4 or 5 main bullet points of what was changed. Mr. St. Rose explained that the bulk of the changes are in the administrative and compliance requirements.

Historically we worked with a single audit threshold of \$500,000 which will be raised to \$750,000. This does not affect the City because you spend a lot more than that. He stated he didn't think any of the changes really impact the City of Fort Lauderdale.

Type A programs have a \$750,000 threshold

Type B programs – Historically we would identify Type B programs are the smaller programs, but because they met certain criteria, they were considered high risk. We would generally replace low-risk Type A programs with Type B's. Even though they are smaller they have a higher susceptibility to fraud and other issues. Basically, the change is that we are not required to identify the more high-risk Type B programs than at least 25% of low risk Type A's.

Questioned costs was a threshold in the past used to determine whether or not something needed to be reported. That was \$10,000 which was raised to \$25,000. There are no changes to the deadlines. It's still nine months after Fiscal Year-end and we like to get that done when we issue the CAFR. Page 12 – 13: We approached the audit by looking at various compliance requirements.

There are about 14 categories of compliance areas. The agency actually combined some of them. Chairman Kurtz asked if the City Finance Department would ask him for the information but Mr. St. Rose said it's the grant program that dictates the compliance areas they would look at. Crowe would just follow the compliance supplement. Chairman Kurtz asked if there were any new categories of compliance and Mr. St. Rose replied there are not. Ms. Logan-Short said that Finance is ready to work with for the new changes.

Committee of Sponsoring Organizations (COSO) framework is an internal control framework, industry standard that most organizations follow as criteria from a financial reporting standpoint or operating standpoint for evaluating internal controls. It was developed by for non-for-profit. It's used by CPA firms and other organizations with the criteria for evaluating internal controls. Many public companies report their internal controls using COSO. The COSO framework is widely accepted and the only one of its type Mr. St. Rose is aware of. It was

revised recently, mainly to incorporate technological advances and the global nature of the environment that businesses and organizations operate in. But the core principles have not changed. Because it's not an authoritative source, generally we have not started requiring our clients to use COSO.

### **City Auditor Work Plan**

Mr. Herbst stated that Marco Hausy and he have been attending updates on the new COSO framework for the last year and a half and will be incorporating it into all of their reporting as they go forward. It did not replace the old framework, it expanded the old framework and is a much more robust document. A publicly traded company would be required to incorporate this as part of their Sarbanes-Oxley Act (SOX) compliance. Now you have a couple of promulgated "guidances" out there. You have the yellow book that is put out by OMB for agencies that receive governmental funds and green book which are federal accounting guidelines and has adopted COSO standards. Requires federal agencies to use COSO. We are getting trained and are prepared to embrace it to update our reporting accordingly.

The City Auditor's office had an external peer Review two years ago which is required by governmental auditing standards and are required to have one every three years. We do ongoing quality assessments and procedures are in place to evaluate the quality of our audit work, in terms of looking at training and certification of staff and supervisor and partner level review of work papers. We are doing our own ongoing quality assessments. We are also supposed to do a periodic self-assessment which is one area that we have not been attentive to. I just attended four days of training at the Institute of Internal Auditors relating to conducting a periodic self-assessment which is a full blown review, as well as, how to conduct an external peer review. Mr. Hausy will be attending the same training in December. We outsourced our peer review last time, but this year we are going to explore using the Association of Local Government Auditors (ALGA) peer review program so we can get it done at no cost to us by an entity that works in the same environment that we do. The obligation we have is to loan ourselves out to conduct peer reviews of other entities, which we feel will be valuable to see how other shops are run. I would like to have somebody who has very specific governmental internal audit background coming in to look at us as well. The review that we had done was by someone who was expert in IIA's peer review program but with government we are different from traditional internal audit shops and would want somebody with more exposure on that side. We will have the external peer quality review

done this upcoming fiscal year so we stay in compliance so we can state that our audits are done in conformity with Generally Accepted Government Auditing standards.

Myself, Mr. Hausy and staff will be focusing on reviewing all our policies and procedures and ensuring that they are in adherence to the principals of OMB.

The Audit Risk Analysis report is the basis for how we put together our audit work plan for the upcoming year. We look at it horizontally and vertically by fund, department, division and activity and then look at the various criteria that we use to identify and evaluate risk in each one of these departments, divisions and activities. These are some of the things we think represent risk factors for the City and we score them and the scoring criteria is now in the last days. This is used to come up with a quantitative assessment of where the City's greatest risks lie. Within that, the charter also allows the City Commission and City Manager to request specific audits that may not fall within what we would identify as a high risk area. The charter anticipates that management or our governing board will have an interest that supersedes what our risk matrix might otherwise point us to. We try to use the Risk Analysis as a way to perhaps, push back on that a little bit if we don't think it's really something that merits the time that it will take to do it. But by the same token, we try to be sensitive to those requests. At the bottom left side of the page are the highest risk items for us and along the lines of what is mentioned there, a few things requested of management that are placed at the top of the list. They scored fairly high on our matrix anyway. They are the review of the Cemetery Contract and Cemetery Operations. What we are doing now with the cemetery is, we have a perpetual care trust fund and a contract with an outside firm to manage cemetery operations. The employee that was in charge of contract compliance has gone to work for the vendor so we will be taking a look at how the contract is being handled.

We were also asked to look at the Radio Shop. We have a lot of radios that are used for public safety functions under a Motorola contract and it is a fairly high dollar operation. The radios are difficult to track and know exactly how many you have and where they are at any given point in time. They are also responsible for a rebanding project that is underway right now. Nextel is looking to occupy certain parts of the bandwidth. That is stepping on our radio communications, so nationwide they are engaged with various departments on reworking some of this. We have an agreement with them that also involves other municipalities so we are doing work and being reimbursed by Nextel and then sharing some of those funds with our neighboring communities. There are a

lot of moving parts to that and it is being done by the radio shop and I'm not entirely sure that they have the necessary skills to handle that appropriately. I don't know. The amount of engagement with our accounting staff and Finance Department, as to what they are doing -- that function of collection of costs, the billings and so forth.

A number of years ago the City had negative audits from the Inspector General for HUD. Several years have gone by since, so we should take a look at current files that our Community Development staff have for new projects and make sure that we have appropriately dealt with all the issues that were raised in the previous audits. There is a lot of money and a lot of reputational risks there and we want to make sure that staff has responded in a way that will result in clean audits going forward.

IT is another item that came up in our discussions and we are glad that the external auditors are going to continue to look at access controls and things of that nature. We may coordinate with them rather than duplicate the work ourselves if they are going to do. If they are going to do an extensive review of access controls and security controls -- I don't know how far they are going to go with that or if they will do a more global fashion. But we'll coordinate with them on that effort.

The last item would be our capital projects. We are going to bring somebody onboard to handle construction audit as quickly as possible. And we are going to look at our capital projects to see which ones we want to outsource, like the larger projects, for example the Aquatic Center -- we won't be doing that in-house but will build it into the project budget to have an external firm retained. The new construction audit person will be the contract manager for the externally performed audits but will also be tasked with handling in-house, some of the other ongoing work, for example: our Neighborhood Capital Improvement projects and things of that nature. Once the new person comes onboard we will be prioritizing how we approach doing the CIP projects. Those have not always gone well. There is a lot of opportunity for fraud. The contractors The Public Works Department's engineering staff is enrolled in a Project Management class being taught through Florida Atlantic University leading to an executive certificate in 12-week program management which should enhance the effectiveness of our Public Works Department managing these complex projects because we will have a common body of knowledge, terminology, tools and processes for handling things, which we have not had in

the past. Because we deem this to be the highest risk the City faces, I am also taking this class along with them so that I know what they should be doing and can hold them accountable to those processes, terminology and body of knowledge. Mr. Herbst asked that the Board look through the Audit Risk Analysis report and let him know if there are any questions or suggestions or any other areas that they think he should focus on and please give their feedback. There are two sets of guidelines for how we perform our work and one is the red book, which is the international practices used for how we operate as a profession and one of their principals is gaining the input from the audit committee. Since we work in the government arena, the IIA is not necessarily the guiding principle but they are good ones nonetheless.

Chairman Kurtz asked what Mr. Herbst's group still has outstanding to which Mr. Herbst replied that the City Manager and the City Commission have had his group take on more of a consulting role to the City Commission and the City Manager, so they have been involved in a lot more projects that do not necessarily lead to deliverables, such as our developing the RFP for the ERP. One of my staff members has been attending all the user group meetings so that we understand how the project is being put together; as opposed to coming into it after the fact and trying to dissect what went wrong. And the Commission has tasked his group with looking into a lot of different things which takes up time. Marco has done some reviews on a number of things that sometimes result in a memo and sometimes result in a conversation. These things can take hours or weeks to put together and we have struggled with that. The litigation on the Resource Recovery Board is another matter we've been involved in, including attending day-long mediation sessions between the County and the various working groups.

Chairman Kurtz was concerned that many internal audit issues are being overlooked because the Internal Auditing Department has been taking on the less traditional role. He asked if a dedicated internal audit group should be created and the budget expanded to create it. Mr. Herbst said that he serves as the partner in charge and reviews every work paper and supporting document and maybe he will have to cede that responsibility of the detail reviews to Mr. Hausy so he can be able to only do high level reviews. An example of something the Mayor has tasked him with is being the financial person for the Federal Court Facilities Task Force to build a new federal courthouse and using a public/private partnership model to do it, which has not been done in the nation for the judiciary. Again, this is not an audit but is very

time-consuming. So I need to figure out how to transition the functions in my office and let some of this stuff go as I tend to be a hands-on individual. So it's a challenge for me.

One other thing we're trying to go to is follow-ups. We used to do them every six months. But now after 8 years, we have a burgeoning amount of old audits that need to be followed up on because they were not always resolved in a timely manner by management in accordance to their commitments to the commission. So we're talking with staff about moving toward a continuous model – where we semi-annually put out a detailed report of all open items. It will be a current status of all things, regardless of where they came from. And we're hoping that will be better for staff as well because as they clear their items, we can knock them off the report. Something I've asked my staff to do is review new documents uploaded by the departments that show compliance, to review them on real time, rather than wait for a scheduled audit six months down the road for our feedback.

### **Other Business**

The next meeting is January 29, 2015.

The meeting was adjourned at 6:35PM.

[Minutes prepared by Lura Rogers, Board Liaison]



# Client Service Plan

## October 30, 2014

City of Fort Lauderdale, Florida

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**Crowe Horwath LLP**  
Independent Member Crowe Horwath International

City of Fort Lauderdale, Florida  
Fort Lauderdale, Florida

We appreciate the opportunity to discuss with you various issues related to planning our audit services, and gaining an understanding of your expectations of us as your independent public accountants.

We will discuss with you how we plan to assist you to meet your needs, shared our proposed client service plan, and review other key issues related to the audit. It is our philosophy to continually improve the quality of our service. We look forward to any comments you or others may have on our service. This client service plan should be considered a working document which will be updated during our meeting. We welcome your recommendations for additions or changes so that we can best meet all of your needs. An engagement letter for our services will provide a complete description of the services to be provided with the related terms and conditions.

Thank you for the opportunity to discuss the client service plan. We look forward to assisting you.

Sincerely,

*Crowe Horwath LLP*  
Crowe Horwath LLP

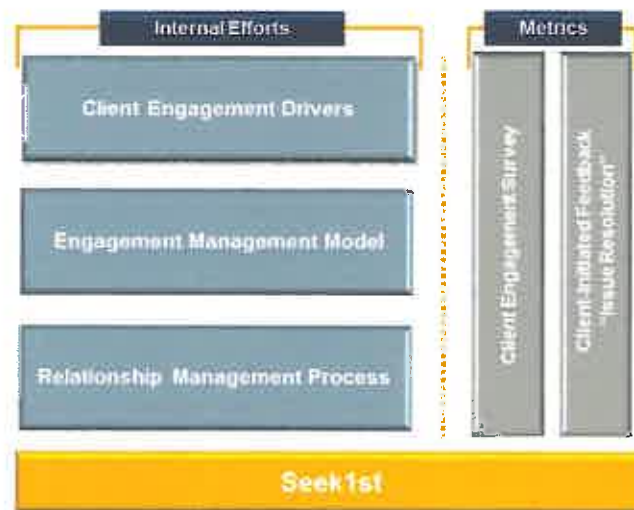
**Crowe Client Service Team**

Role	Name	Phone	Email	Definition of Role
Audit Partner	John Weber	813 209 2585	john.weber@crowehorwath.com	John is the auditor in charge and the partner signing our reports on your financial statements, internal control and compliance with federal and state single audit requirements
Audit Senior Managers	Aazan St Rose Michelle Blackstock	954 202 8546 954 202 2924	aazan.strose@crowehorwath.com michelle.blackstock@crowehorwath.com	Aazan and Michelle will jointly oversee the execution of the audit

## Client Experience

At Crowe, we want to build strong relationships with our clients and dedicate ourselves to understanding ways in which we can ensure the services and experience we are providing are in alignment with your needs and expectations. We also believe it is important to strive for continuous improvement in the way we interact and deliver those services to you. We do this, in part, through our client service model and through feedback on our performance.

Our client experience strategy directs how we engage with you on a daily basis. Through our Seek1st™ process, we mutually set clear expectations for service delivery performance, we focus on delivering high-value solutions, and we are committed to creating an exceptional experience for you.



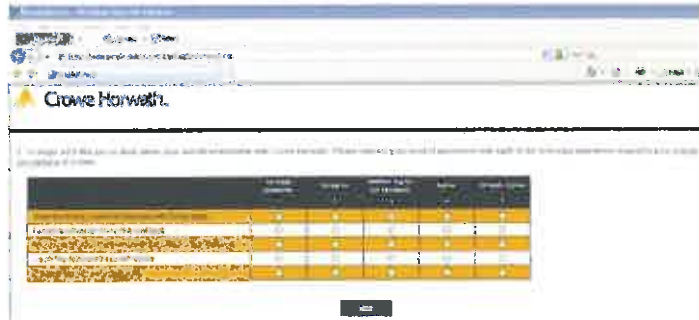
### Creating an Exceptional Client Experience

We have learned by working with our clients that there are defining attributes important to their overall experience with Crowe. These attributes are our **engagement drivers** and they are the starting point for meeting your expectations.

- We know that a successful project demands exceptionally responsive communication at the right time, between the right people, and with the appropriate level of executive involvement.
- Because each client is distinct, we endeavor to get to know you personally and strive to bring the right combination of technical knowledge, industry expertise, and ideas that add value to your business.
- We deliver what we promise – on time, on budget, and with the highest quality deliverables.

Ultimately, each client decides whether its experience with Crowe is indeed exceptional. It is important for us to understand how our performance is being perceived by you and whether or not we are delivering real value. To help us better understand how well we meet your expectations, we have developed a two-part client feedback process to enable you to provide us with immediate and direct feedback.

- Engagement survey.** Crowe's engagement survey allows you to evaluate our performance. This Web-based survey is initiated for engagements upon their conclusion and provides Crowe the opportunity to obtain immediate feedback, which can be used for future planning or immediate issues resolution.



- Issue resolution process.** If you experience challenges that are unresolvable with your Crowe partner, we encourage you to contact our dedicated client feedback manager at 877.430.3900, or email [clientfeedback@crowehorwath.com](mailto:clientfeedback@crowehorwath.com). The client feedback manager will work with you and Crowe leaders to understand the issue(s), and resolve the situation while ensuring that similar circumstances do not happen again.

Annually since 2002, we have worked with independent research firms to survey clients in order to understand how to improve our client experience to earn their trust and recommendations.

- Crowe has achieved an **88 percent client engagement index**. An engaged client is one who agrees to the following: They really like working with us, they likely will continue to use us, they would go out of their way to keep working with us, and they will recommend us to colleagues. According to survey administrator PeopleMetrics' latest "Most Engaged Customers" survey, Crowe outperforms the accounting industry client engagement index benchmark by 37 points.\*
- Clients cite our industry expertise, high-quality deliverables, and partner involvement as our top performing engagement drivers.



For the third year in a row, Crowe has been recognized as one of the five best performing companies across PeopleMetrics' customer base, measured according to the percentage of "recognize alerts" received from their own clients throughout 2012. A recognize alert occurs when a client has specifically recognized a member(s) of the engagement team who went "above and beyond" in meeting the client's needs. This award celebrates individuals who bring their employers' brands to life by going above and beyond for their customers and clients.

**Sixty-three percent of engagement surveys completed by Crowe clients include a Recognize Alert, outperforming PeopleMetrics' industry benchmark by 10 points.**

\* "Most Engaged Customers" Business to Business Survey, Accounting and Tax, PeopleMetrics Inc., 2013

## Crowe's Services and Deliverables

We are committed to providing you with the highest level of professional service and to exceeding your expectations. We wish to ensure that we have an understanding of the services we are to perform and the deliverables that we are to provide.

Service	Deliverable(s)
Audit of the City's basic financial statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards	<ul style="list-style-type: none"> <li>Independent auditor's report on financial statements</li> </ul>
Audit of the City's compliance with the requirements applicable each major federal program and state project	<ul style="list-style-type: none"> <li>Independent auditor's report on compliance for each major federal program and state project and report on internal control over compliance</li> </ul>
Communication of internal control deficiencies and other matters	<ul style="list-style-type: none"> <li>Independent auditor's report on internal control over financial reporting and on compliance and other matters</li> <li>Schedule of findings and questioned costs</li> <li>Management letter in accordance with the Rules of the Florida Auditor General</li> <li>Letter to those charged with governance</li> </ul>
Audit of the schedule of large user wastewater treatment rate computation	<ul style="list-style-type: none"> <li>Independent auditor's report on the schedule of large user wastewater treatment rate computation</li> </ul>
Examination of the City's compliance with the requirements of Section 218.415, Florida Statutes	<ul style="list-style-type: none"> <li>Independent accountant's report on compliance with Section 218.415, Florida Statutes</li> </ul>

## Timeline

To ensure we appropriately understand your expectations regarding the time frames for delivery and completion of our services, we wish to discuss with you the following draft timeline we have prepared.

Activity	Planned Date
Preliminary fieldwork start-date (duration)	August 4, 2014 (2 weeks)
Year-end testing start-date (duration)	January 5, 2015 (7 weeks)
Draft CAFR due to Crowe	February 9, 2015
Conduct meeting with Audit Advisory Board	March 5, 2015
Finalize Crowe reports and letters	March 5, 2015
City Commission acceptance meeting	March 17, 2015

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### **Developments Impacting Your Organization, IT Systems and Industry**

Following are selected developments we have identified that may impact your organization. This is not intended to be a complete report of developments that you may face. We look forward to your additions to this listing as discussed in our meeting with you.

<b>Developments</b>	<b>Possible Impact on Organization</b>
No significant new developments impacting the current year have come to our attention.	

**Prior Year Audit Results**

The following are selected deficiencies and audit adjustments noted during the prior year audit process, particularly including those that are deemed to potentially have a significant impact on the current year audit engagement.

**Prior Year Significant Deficiencies and Material Weaknesses**

2012-3 - FAMIS User Administrative Procedures (Material Weakness)

2012-4 - Calculation of Compensated Absences (Significant Deficiency)

2012-6 - IT Controls (Significant Deficiency)

**Prior Year Audit Adjustments**

None

## Business, Fraud and IT Controls Risk Factors

During the course of our audit, we make assessments of various business, fraud and IT controls risk factors and tailor our audit procedures such that areas representing higher risk receive appropriate audit emphasis.

**Identified Risk Factors:** The table below provides a summary of selected risk factors, including selected fraud risk factors, and their potential impact on this year's audit process. This is not intended to be a complete list of risk factors that you may face.

Category	Selected Item	Current Developments / Issues
Significant estimates	<ul style="list-style-type: none"> <li>• Allowances for uncollectible accounts and loans receivable</li> <li>• Pension and OPEB liabilities and disclosures</li> <li>• Compensated absences liabilities</li> <li>• Estimated useful lives of capital assets</li> <li>• Self-insurance liabilities</li> <li>• Fair values of investments without readily determinable fair values – Pension Trust Funds</li> <li>• Fuel derivatives</li> </ul>	No known developments/issues since the prior year.
Fraud risk factors	<ul style="list-style-type: none"> <li>• Improper revenue recognition due to fraud</li> <li>• Management override of control</li> </ul>	No known developments/issues since the prior year.

## Required Communications

- The auditor is responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management with the oversight of those charged with governance are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America.
- The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.
- The auditor is responsible for performing the audit in accordance with :
  - Generally accepted auditing standards
  - The standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States
- The design of the audit is to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement.
- An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control over financial reporting.
- The auditor is responsible for communicating significant matters related to the financial statement audit that are, in the auditor's professional judgment, relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. Generally accepted auditing standards do not require the auditor to design procedures for the purpose of identifying other matters to communicate with those charged with governance.
- When applicable, the auditor is also responsible for communicating particular matters required by laws or regulations, by agreement with the entity or by additional requirements applicable to the engagement.
- Certain information prepared by management that will accompany the audited financial statements will not be subjected to the auditing procedures applied in the audit of the basic financial statements and therefore we will express no opinion on this information. This includes the supplemental information included in the statements after the notes to financial statements.
- We will review the concept of materiality in our planning and will consider the internal control structure in determining our amounts.
- We will address the significant risks of material misstatement, whether due to fraud or error during our planned testing procedures.
- Internal control and the results of internal control testing will be a factor in determining the substantive testing performed.
- Whenever Crowe has determined that there is evidence that fraud may exist, that matter will be brought to the attention of an appropriate level of management. Fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements will be reported directly to those charged with governance.

## Fraud Risk Factors

During the course of our audit, we make assessments of various business, fraud, and IT controls risk factors and tailor our audit procedures such that areas representing higher risk receive appropriate audit emphasis. Consideration of fraud risk factors is required by Statement on Auditing Standards No. 99, *Consideration of Fraud in a Financial Statement Audit* (SAS No. 99), which discusses three conditions that are generally present for fraud to occur:

1. Management or employees have incentives or feel pressure to commit fraud.
2. Opportunity exists through controls being absent, weak or overridden.
3. Rationalization due to attitudes or pressures.

SAS No. 99 requires specific information gathering procedures to be performed by the auditor. The audit team is required to brainstorm for areas where the organization is at risk of fraud. Additionally, specific inquiry of management and those charged with governance related to their knowledge of suspected fraud is also required as is inquiry and discussions with others in the organization regarding suspicion of fraud. Directly resulting from these information gathering procedures and discussions is the identification of material fraud risk factors, which require additional procedures to be performed by the auditor to address such identified risk factors.

Discussion Topics	Notable Issues
<ul style="list-style-type: none"> <li>• Do you have any knowledge of any fraud or suspected fraud affecting the City?</li> </ul>	
<ul style="list-style-type: none"> <li>• Are you aware of any allegations of fraud or suspected fraud affecting the City?</li> </ul>	
<ul style="list-style-type: none"> <li>• What are your views about the risks of fraud and tone at the top regarding fraudulent activity?</li> </ul>	
<ul style="list-style-type: none"> <li>• Do you feel those charged with governance or others with equivalent authority and responsibility exercise oversight activities with regard to the risks of fraud and the controls the City has established to mitigate these risks?</li> </ul>	
<ul style="list-style-type: none"> <li>• Are you aware of any tips or complaints regarding the City's financial reporting and, if so, the City's responses to such tips and complaints?</li> </ul>	
<ul style="list-style-type: none"> <li>• Are you aware of matters relevant to the audit including violations or possible violations or laws or regulations?</li> </ul>	





# Changes to OMB Circular A-133

April 8, 2014

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## Agenda

- Administrative and Compliance Requirement Changes
- Streamlining the Cost Circulars
- Changes to Indirect Cost Rate
- Time and Effort Reporting System Changes
- Other Changes in Miscellaneous Costs

## Administrative and Compliance Requirement Changes

- Published in Federal Register on December 26, 2013
- OMB and federal agencies to work in unison to issue additional regulations or guidance which will be effective one year from publication of this guidance (December 26, 2014)
- Single audit changes effective for years ending December 31, 2015 and after

<https://www.federalregister.gov/articles/2013/12/26/2013-30465/uniform-administrative-requirements->

## Administrative and Compliance Requirement Changes

- Reduce administrative burden for those receiving federal awards, while also reducing risk of waste, fraud and abuse
- Improve the integrity of financial management and operation of federal programs
- Strengthen accountability for federal dollars by improving policies that protect against waste, fraud, and abuse
- Increase impact and accessibility of programs by minimizing time spent complying with unnecessarily burdensome administrative requirements

## Administrative and Compliance Requirement Changes

- Reorient recipients toward achieving program objectives
- Grants awarded based on merit
- Increased management focus on performance outcomes
- Streamlined rules governing federal funds
- Single audit oversight tool is better focused to reduce waste, fraud, and abuse

# Administrative and Compliance Requirement Changes

- Streamlining of Related Circulars and Guidance
  - Circulars included:
    - *A-21, Cost Principles for Educational Institutions*
    - *A-87, Cost Principles for State, Local and Indian Tribal Governments*
    - *A-89, Federal Domestic Assistance Program Information*
    - *A-102, Awards and Cooperative Agreements with State and Local Governments*
    - *A-110, Uniform Administrative Requirements for Awards and Other Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations*
    - *A-122, Cost Principles for Non-Profit Organizations*
    - *A-133, Audits of States, Local Governments and Non-Profit Organizations*
    - *A-50, Audit Follow-Up, (as related to Single Audits)*

## Administrative and Compliance Requirement Changes

- Effective for years ending on and after December 31, 2015 (no early implementation)
- Single audit threshold raised to \$750,000
- Low risk auditee criteria updated
  - Going concern incorporate
  - Inability for cognizant/oversight agency to approve exceptions
  - F/S need to follow GAAP unless state law requires non-GAAP
- Type A program threshold raised to \$750,000 (or still 3%, \$3 million, .3% for larger entities)
- Type Bs – not required to identify more high risk Type Bs than at least 25% low risk type As
- Type B floor changed to 25% of Type A threshold

## Administrative and Compliance Requirement Changes

- Internal control over compliance at the auditee level has to adhere to COSO and the Green Book
- Questioned costs threshold raised to \$25,000 (known or likely)
- Questioned costs section requires description of how calculated
- Findings require additional information in the context section to put the finding in perspective (prevalence, type of sampling used, etc)
- Repeat findings require identification as repeat and the prior finding reference number
- Data Collection Form requires a “YEAR-XXX” format
  - References in the Summary of Findings and Questioned Costs need to be consistent with the DCF requirement

## Administrative and Compliance Requirement Changes

- Coverage requirements for major programs tested changed to 20% for low risk auditees and 40% for non-low risk auditees
- Online publication of reports (Clearinghouse)
  - Intended to be the sole point of submission and access moving forward
- “Next business day” due date provision
- Auditee certification that no protected personally identified information included in reporting package
- SEFA requires payments to subrecipients (language on extent practical is removed)
- Federal agencies must indicate in CFDA whether program is subject to single audit.

## Administrative and Compliance Requirement Changes

- Federal due date is still nine months after fiscal year end.
- Any future changes would require a change in federal law (not currently proposed).

## Administrative and Compliance Requirement Changes

- Modifications to the 14 compliance requirements will be known with a future release of the compliance supplement
- There will be impacts on state-specific guidelines
- From the GAQC – Alert #241
  - COFAR recommends that additional further public outreach be made before making substantial changes to the Compliance Supplement and that any changes made in this area be made based on available evidence of past findings and the potential impact of noncompliance.
    - GAQC anticipates that the 2014 *Compliance Supplement* will not undergo any substantial changes to the number of compliance requirements covered.
    - OMB is currently considering its options and will likely develop a proposal for change that will be released for some level of public exposure.
  - Any significant changes to the Compliance Supplement relating to a reduction in compliance requirements would not likely be made until the 2015 *Compliance Supplement*.

## Administrative and Compliance Requirement Changes

Compliance Requirement	Current	Proposed
Activities Allowed or Unallowed	X	X
Allowable Costs/Cost Principles	X	Blended into Activities Allowed or Unallowed
Cash Management	X	X
Davis Bacon	X	Agency could request as part of Special Tests and Provisions
Eligibility	X	X
Equipment	X	Agency could request as part of Special Tests and Provisions
Matching, Level of Effort, Earmarking	X	Matching incorporated into Activities Allowed or Unallowed, Agency could request the remainder to be part of Special Tests and Provisions

## Administrative and Compliance Requirement Changes

Compliance Requirement	Current	Proposed
Period of Availability	X	Blended into Activities Allowed or Unallowed
Procurement, Suspension and Debarment	X	Agency could request as part of Special Tests and Provisions
Program Income	X	Agency could request as part of Special Tests and Provisions
Real Property Management	X	Agency could request as part of Special Tests and Provisions
Reporting	X	X
Subrecipient Monitoring	X	X
Special Tests and Provisions	X	X

## Administrative and Compliance Requirement Changes

- Additional source information for administrative and compliance changes
  - <http://www.whitehouse.gov/sites/default/files/omb/fedreg/2013/uniform-guidance-crosswalk-from-predominate-source-in-existing-guidance.pdf>
  - <http://www.whitehouse.gov/sites/default/files/omb/fedreg/2013/uniform-guidance-crosswalk-to-predominate-source-existing-guidance.pdf>
  - <http://www.whitehouse.gov/sites/default/files/omb/fedreg/2013/uniform-guidance-cost-principles-requirements-text-comparison.pdf>
  - <http://www.whitehouse.gov/sites/default/files/omb/fedreg/2013/uniform-guidance-audit-requirements-text-comparison.pdf>
  - <http://www.whitehouse.gov/sites/default/files/omb/fedreg/2013/uniform-guidance-definitions-text-comparison.pdf>
  - [http://www.whitehouse.gov/sites/default/files/omb/fedreg/2013/uniform\\_guidance\\_administrative\\_requirements\\_text\\_comparison.pdf](http://www.whitehouse.gov/sites/default/files/omb/fedreg/2013/uniform_guidance_administrative_requirements_text_comparison.pdf)

## Major Changes in Cost Circulars

- **GOAL** – To eliminate duplicative language while clarifying where there are important substantive policy variances across entities.
- **GOAL** – To provide updated language to reflect common current business practices, such as electronic submissions of information.

## Major Changes in Cost Circulars

- Type of Cost and Main Source
  - Advertising and public relations costs - A-87
  - Advisory councils - A-87
  - Alcoholic beverages - A-87
  - Alumni activities - A-21
  - Audit services - A-87
  - Bad debts - A-87
  - Bonding costs - A-87
  - Commencement and convocation costs A-21
  - Collections of Improper Payments - New
  - Compensation – personal services - All
  - Compensation – fringe benefits - A-122

## Major Changes in Cost Circulars

- Type of Cost and Main Source
  - Contingency provisions - A-21
  - Contributions and donations - A-21, A-122
  - Defense and prosecution of criminal and civil proceedings, claims, appeals and patent
  - Infringements - A-21, A-87
  - Depreciation - A-21
  - Employee morale, health, and welfare costs - A-21
  - Entertainment costs - A-21
  - Equipment and other capital expenditures - A-21, A-87
  - Fines, penalties, damages and other settlements - A-21
  - Fund raising and investment management costs - A-87
  - Gains and losses on disposition of depreciable assets and relocation of Federal programs - A-87
  - General government expenses - A-87
  - Goods or services for personal use - A-21

## Major Changes in Cost Circulars

- Type of Cost and Main Source
  - Idle facilities and idle capacity - A-87
  - Insurance and indemnification - A-21, A-87
  - Intellectual Property – New
  - Interest - All
  - Lobbying - A-21, A-87
  - Losses on other Federal awards or contracts - A-21
  - Maintenance and repair costs - A-122
  - Material and supplies costs, including costs of computing devices - A-122
  - Meetings and conferences (External) - A-122
  - Memberships, subscriptions, and professional activity costs - A-122
  - Organization costs - A-122
  - Participant support costs - A-122

## Major Changes in Cost Circulars

- Type of Cost and Main Source
  - Plant and homeland security costs - A-122
  - Pre-award (or Preagreement) costs - A-122
  - Professional service costs - A-122
  - Proposal costs - A-21
  - Publication and printing costs - A-87
  - Rearrangement and reconversion costs - A-87
  - Recruiting costs - A-21
  - Relocation costs of employees - A-122
  - Rental costs of real property - All
  - Scholarships and student aid costs - A-21
  - Selling and marketing costs - A-122

## Major Changes in Cost Circulars

- Type of Cost and Main Source
  - Specialized service facilities - A-21
  - Student activity costs - A-21
  - Taxes - A-21, A-87
  - Termination costs - A-122
  - Training and education costs - A-122, A-87
  - Transportation costs - A-21
  - Travel costs - A-21
  - Trustees - A-21

## Major Changes in Indirect Cost Rate

- Allows for extensions of negotiated rates up to four years if no major changes in F&A (Facilities and Administrative) costs with cognizant agency approval.
  - If the extension is granted the entity would not be allowed to request a rate review until the extension period ends.
  
- A minimum flat rate of 10% of modified total direct costs has been added to ensure that entities without the capacity for a full negotiation receive a minimum reimbursement for no more than four years while they develop the capacity to engage in full negotiations.
  - The subrecipient section specifically requires pass through entities to honor the Federally negotiated indirect cost rates, negotiate a rate in accordance with Federal guidelines or provide the minimum flat rate.

## Major Changes in Indirect Cost Rate

- The salaries of administrative and clerical staff should normally be treated as indirect (F&A) costs
- The negotiated rates shall be accepted by all Federal agencies
- Special considerations for State, Local and Indian Tribal Governments
  - Certain services, (motor pools, computer centers, purchasing, accounting), are provided to operating agencies on a centralized basis. Central service costs can be identified and assigned to benefitted activities on a reasonable and consistent basis. The central service cost allocation plan provides that process.
- Special considerations for Institutions of Higher Education
  - Costs incurred or paid by state or local governments on behalf of their colleges and universities for fringe benefit programs, such as pension costs and FICA and any other costs specifically incurred on behalf of, and in direct benefit to, the institutions, are allowable costs of such institutions whether or not these costs are recorded in the accounting records of the institutions, subject to these requirements.

## Major Changes in Indirect Cost Rate

- Special considerations for Institutions of Higher Education
  - Fixed rates for the life of the sponsored agreement.
  - Limitation on reimbursement of administrative costs.
  - Cost negotiation cognizance is assigned to the Department of Health and Human Services (HHS) or the Department of Defense's Office of Naval Research (DOD), normally depending on which of the two agencies (HHS or DOD) provides more funds to the educational institution for the most recent three years. In cases where neither HHS nor DOD provides Federal funding to an educational institution, the cognizant agency assignment shall default to HHS.
  - There is a simplified method for small institutions

## Time and Effort Reporting

- Currently different reporting under A-21, A-87 and A-122
  - A-87 and A-122 is based on time actually incurred through periodic (at least monthly) time and effort reporting.
  - A-21 is based on a system for establishing an estimate and determining that is a reasonable basis for the activity.
  
- New guidance is more in-line with A-21
  
- The three examples of acceptable systems (Activity Reports, Plan Confirmation and Multiple Confirmation Records) have been eliminated

## Time and Effort Reporting

- Charges to Federal awards for salaries and wages, whether treated as direct or indirect costs, will be based on documented payrolls approved by a responsible official of the entity.
- The payroll distribution system will:
  - (i) be incorporated into the official records of the recipient,
  - (ii) reasonably reflect the activity for which the employee is compensated by the recipient, not exceeding 100% of compensated effort, and
  - (iii) encompass both Federally assisted and all other activities compensated by the recipient on an integrated basis, but may include the use of subsidiary records.
- In general, the distribution of salaries and wages must be supported by certifications of the consistency of charges with the work executed. All required certifications may either be provided electronically or on paper.

## Time and Effort Reporting

- No documentation outside the payroll distribution system is required for the salaries and wages of employees who work in a single indirect cost activity.
- Where employees are expected to work **solely on a single Federal award** or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least **semi-annually** and **will be signed by the employee or a responsible supervisory official**.

## Time and Effort Reporting

- Certified reports reflecting the distribution of charges within the payroll for each employee (professional or nonprofessional) whose compensation is charged, in whole or in part, directly to Federal awards must be maintained.
  - The reports must provide an **after-the-fact certification of the conformance of payroll charges with the activity of each employee**, unless a mutually satisfactory alternative is approved by the awarding agency. In no case will certification periods exceed 12 months. **Budget estimates (i.e., estimates determined before the services are performed) do not qualify as support for charges to awards, but may be used for interim accounting purposes.**
  - Because practices vary as to the activity constituting a full workload, reports may reflect categories of activities expressed as a percentage distribution of total activities.

## Time and Effort Reporting

- Certified reports reflecting the distribution of charges within the payroll for each employee (professional or nonprofessional) whose compensation is charged, in whole or in part, directly to Federal awards must be maintained. (CONTINUED)
  - When apportioning and certifying payrolls for institutions of higher education, a precise assessment of factors that contribute to costs is therefore not always feasible, nor is it expected. Reliance may be placed on estimates in which a degree of tolerance is appropriate. (teaching, research, service, and administration are often inextricably intermingled in an academic setting)
  - **Effort supported by a Federal award must be certified either by the individual employee or by an individual responsible for verification that the work was performed.** Where an individual employee receives support from multiple Federal awards and certification is performed by supervisory personnel, each certifier need address only elements relevant to their function.
  - For systems which meet these standards, the recipient will not be required to provide additional support or documentation for the effort actually performed.

## Time and Effort Reporting

- Charges for the salaries and wages of nonprofessional employees, in addition to the supporting documentation described earlier, must also be supported by records indicating the total number of hours worked each day maintained in conformance with Department of Labor regulations implementing the Fair Labor Standards Act (FLSA) .
- Salaries and wages of employees used in meeting cost sharing or matching requirements on awards must be supported in the same manner as salaries and wages claimed for reimbursement from awarding agencies.
- Substitute systems for allocating salaries and wages to Federal awards may be used in place of the reports if approved by the cognizant agency.

## Other Cost Changes

- Revisions to reimbursement for utility costs to institutions of higher education
  - The 1.5% utility cost adjustment would be replaced with two options for reimbursement of utility costs.
  - Allow metering of their utility usage at the sub-building level instead of by building OR
  - Add a multiplier to their square footage used for research to calculate “effective” square footage for purposes of utility cost calculation.
- Charging directly allocable administrative support as a direct cost
  - Direct costs indicates that all work that is directly allocable to one award may be charged to that award, regardless of the type of task.
- Including the costs of certain computing devices as allowable direct cost supplies
  - Given the low cost of these items (far below the \$5,000 threshold) these fit within the supplies category

## Other Cost Changes

- Clarifying the threshold for an allowable maximum residual inventory of unused supplies.
  - States that \$5,000 is the threshold for an allowable maximum residual inventory of unused supplies as long as the cost was properly allocable to the original agreement at the time of purchase.
- Eliminate requirements to conduct studies of cost reasonableness for large research facilities.
  - The previously existing language was removed.
- Eliminate restrictions on use of indirect costs recovered for depreciation or use allowances.
  - The previously existing language was removed.
- Eliminate requirements to conduct a lease-purchase analysis for interest costs and to provide notice before relocating federally-sponsored activities from a debt-financed facility.
  - The previously existing language was removed.

## Other Cost Changes

- Eliminate requirements that printed “help-wanted” advertising comply with particular specifications
  - The previously existing language was updated to reflect more current media.
- Allowing for the budgeting for contingency funds for certain awards.
  - Contingency is that part of a budget estimate of future costs (typically of large construction projects, IT systems, or other items as approved by the awarding agency) which is associated with possible events or conditions arising from causes the precise outcome of which is indeterminable at the time of estimate, and that experience shows will likely result, in aggregate, in additional costs for the approved activity or project.  
**Amounts for major project scope changes, unforeseen risks, or extraordinary events may not be included.**
- It is permissible for contingency amounts other than those excluded above to be explicitly included in budget estimates, to the extent they are necessary to improve the precision of those estimates.

## Other Cost Changes

- Strengthening requirements for all recipients to document cost accounting practices and provide necessary paperwork to auditors while eliminating cost accounting standards and requirement for institutions of higher education to file a disclosure statement.
  - OMB has removed the CAS standards from the guidance and eliminated the requirement for universities to file a disclosure statement that must be approved by the awarding agency.
  
- Allowing for excess or idle capacity for certain facilities in anticipation of usage increases.
  - This has been added to the specific cost item of Idle Facilities and Idle Capacity.
  - The costs of idle facilities are unallowable except to the extent that:
    - They are necessary to meet fluctuations in workload including workload of information technology systems; or
    - Although not necessary to meet fluctuations in workload, they were necessary when acquired and are now idle because of changes in program requirements, efforts to achieve more economical operations, reorganization, termination, or other causes which could not have been reasonably foreseen.(limited to one year)

## Other Cost Changes

- Allowing costs for efforts to collect improper payment recoveries.
  - This has been clarified in the Collections of Improper Payments
  - The costs incurred by a recipient to recover improper payments are allowable as either direct or indirect costs, as appropriate.
  
- Specifying that gains and/or losses due to speculative financing arrangements are unallowable.
  - No new language was included based on the comments and concerns that were received back.

## Questions?



AUDIT RISK ANALYSIS MODEL - FY 2015

			LENGTH OF TIME SINCE LAST AUDIT	FINANCIAL IMPACT	KNOWN OR SUSPECTED INTERNAL CONTROL WEAKNESSES	REPUTATION RISK	VOLUME OF ACTIVITY	TECHNICAL COMPLEXITY	CHANGE IN MGT/ORG STRUCTURE	REGULATORY COMPLIANCE REQUIREMENTS	COMMISSION/MANAGEMENT CONCERN	OUTCOMES OF PREVIOUS AUDITS	Total	Percent	>75% = 1
			A	B	C	D	E	F	G	H	I	J			
<b>GENERAL FUND</b>															
<b>FINANCE</b>	<b>FINANCE</b>														
	ADMINISTRATION		5	2	1	2	3	4	5	4	1	1	28	56%	0
	EXTERNAL AUDIT		1	2	1	1	3	4	5	5	1	5	28	56%	0
	ACCOUNTING		5	5	1	2	3	3	5	3	2	2	31	62%	0
	PAYROLL		5	5	1	2	3	3	5	3	2	3	32	64%	0
	INVENTORY		1	5	2	5	5	3	5	3	2	5	36	72%	0
	PETTY CASH		5	1	1	3	1	1	5	3	1	1	22	44%	0
	ACCOUNTS PAYABLE		5	5	3	3	3	3	5	3	1	2	33	66%	0
	BANK RECONCILIATIONS		5	5	1	3	1	2	5	3	1	3	29	58%	0
	TRAVEL REIMBURSEMENTS		5	2	1	3	1	2	5	3	1	1	24	48%	0
	ESCHEATED PROPERTY		5	1	1	3	1	1	5	4	1	1	23	46%	0
	CAFR		5	1	1	5	2	4	5	5	1	1	30	60%	0
	TREASURY		5	5	1	4	3	4	3	5	2	2	34	68%	0
	INVESTMENT MGT		5	5	1	4	2	4	5	5	3	2	36	72%	0
	DEBT COMPLIANCE		5	5	1	4	2	3	5	5	3	2	35	70%	0
	ACCOUNTS RECEIVABLE		5	5	1	3	3	3	5	3	1	2	31	62%	0
	REVENUE PROTECTION		5	5	1	4	1	3	5	4	1	2	31	62%	0
	FRANCHISE FEES		5	5	1	4	2	3	5	2	1	2	30	60%	0 audit currently outsourced
	UTILITY SERVICE TAX		5	5	1	4	3	3	5	3	1	2	32	64%	0 audit currently outsourced
	LEASES (City Property)		5	5	1	4	1	3	5	4	1	2	31	62%	0
	GRANT ACCOUNTING		5	5	5	4	3	3	5	4	1	2	37	74%	0
	PROCUREMENT		5	5	1	5	3	4	5	5	2	2	37	74%	0
	ADMINISTRATION		1	5	1	3	2	4	5	2	1	5	29	58%	0
	P-CARD		5	5	2	3	5	1	5	2	2	2	32	64%	0
	SOLE SOURCE CONTRACTS		5	5	1	3	1	4	5	2	1	1	28	56%	0
	DISPOSITION OF PROPERTY		5	1	1	3	1	3	5	2	2	1	24	48%	0
	TRAVEL		5	3	1	3	2	1	5	2	1	1	24	48%	0
<b>FIRE RESCUE</b>	<b>FIRE-RESCUE</b>														
	ADMINISTRATION		5	4	2	3	5	3	3	4	1	2	32	64%	0
	FINANCIAL MANAGEMENT		5	4	2	3	5	3	3	4	1	1	31	62%	0
	FIRE PREVENTION BUREAU		5	4	1	3	5	2	3	4	1	1	29	58%	0
	FIRE SAFETY INSPECTIONS		5	4	1	3	5	2	3	4	1	1	29	58%	0
	FIRE PLANS REVIEW		5	4	1	3	5	2	3	4	1	1	29	58%	0
	HIGH RISE & SPRINKLERS		5	4	1	3	2	2	3	4	1	1	26	52%	0
	SUPPORT SERVICES		1	4	3	3	4	1	3	4	2	1	26	52%	0
	COMMUNICATIONS		5	4	1	3	4	1	3	2	1	1	25	50%	0
	EMS		5	4	2	3	5	2	3	4	2	2	32	64%	0
	CONTROLLED SUBSTANCES		1	1	1	5	2	2	3	5	1	1	22	44%	0
	TRAINING & SPECIAL OPS		5	4	1	3	5	2	3	4	1	1	29	58%	0
	OCEAN RESCUE		5	4	1	3	5	2	3	4	1	1	29	58%	0
	TRANSPORT SERVICES		5	5	4	3	4	3	5	5	3	2	39	78%	1
	DISASTER PLANNING/EMERGENCY MANAGEMENT		5	4	2	5	2	3	3	5	3	5	37	74%	0
	OPERATIONS		5	4	2	3	5	2	3	4	2	2	32	64%	0
	CRASH FIRE-RESCUE		5	4	1	3	5	2	3	4	1	1	29	58%	0
<b>HUMAN RESOURCES</b>	<b>HUMAN RESOURCES</b>														
	HUMAN RESOURCES		4	5	5	3	4	3	5	5	2	5	41	82%	1
	TUITION REIMBURSEMENT		5	2	5	2	2	2	5	3	2	3	31	62%	0
	REVIEW OF MERIT INCREASES & CRITERIA		5	5	2	3	4	2	5	3	5	3	37	74%	0
	RECRUITMENT AND ASSESSMENT		4	5	5	3	4	3	5	2	1	3	35	70%	0
	TRAINING		5	2	4	2	3	2	5	1	2	2	28	56%	0
	EMPLOYEE RELATIONS		3	5	2	3	3	3	5	4	5	3	36	72%	0
	UNION NEGOTIATIONS		1	5	2	3	1	4	5	4	5	3	33	66%	0
	EMPLOYEE DISCIPLINE		4	1	4	3	1	2	5	2	1	3	26	52%	0
	<b>OFFICE OF PROFESSIONAL STANDARDS</b>														
	RISK MANAGEMENT		5	5	3	3	3	3	3	2	2	2	31	62%	0
	INSURANCE		5	5	3	3	3	3	3	2	2	2	31	62%	0
	CLAIMS INVESTIGATION		5	1	3	3	1	3	3	2	1	1	23	46%	0
	GENERAL AND PROFESSIONAL LIABILITY		5	5	1	3	1	3	3	4	1	1	27	54%	0
	WORKERS COMPENSATION		5	5	3	3	2	3	3	4	1	1	30	60%	0
<b>INFORMATION TECHNOLOGY SERVICES</b>	<b>INFORMATION SYSTEMS</b>														
	ADMINISTRATION		5	5	2	3	4	4	4	3	2	2	34	68%	0
	SECURITY		5	5	5	5	5	5	3	5	3	1	42	84%	1
	TECHNICAL STRATEGY		5	5	1	3	3	3	4	2	1	1	28	56%	0
	GEOGRAPHIC INFORMATION SYSTEMS		5	5	1	3	3	3	4	2	1	1	28	56%	0

	RADIO COMMUNICATIONS	5	5	1	3	4	3	4	2	1	1	29	58%	0
	TECHNICAL SERVICES	5	5	1	1	4	3	4	2	1	1	27	54%	0
	TELEPHONE COMMUNICATIONS	5	5	1	3	4	3	4	2	1	1	29	58%	0
	PROJECT MANAGEMENT	5	5	5	5	3	5	2	2	3	1	36	72%	0
	ERP	5	5	5	5	5	5	5	2	4	1	42	84%	1
	BUYSPEED	4	5	1	1	5	1	4	2	1	1	25	50%	0
	INVENTORY	5	5	3	1	5	3	4	2	1	1	30	60%	0
	E-GOVERNMENT	5	1	1	1	1	1	4	2	1	1	18	36%	0
	PRINT SHOP	5	3	1	1	2	1	4	2	1	1	21	42%	0
	PRINTING/COPYING SERVICES	5	2	1	1	2	1	4	2	1	1	20	40%	0
	POSTAL SERVICES	5	2	1	1	2	1	4	5	1	1	23	46%	0
<b>PARKS &amp; RECREATION</b>														
	<b>PARKS &amp; RECREATION</b>													
	RECREATION	5	5	1	3	5	1	4	2	2	2	30	60%	0
	ADMINISTRATION	5	5	1	2	2	3	4	2	1	1	26	52%	0
	PARK IMPACT FEES	5	5	1	3	1	1	4	2	1	1	24	48%	0
	REVENUE GENERATING PROGRAMS	5	3	1	3	2	1	4	2	1	1	23	46%	0
	SPECIAL FACILITIES & ADMIN	5	5	1	1	3	1	4	2	1	1	24	48%	0
	PARK RANGERS	5	5	1	1	3	2	4	2	1	1	25	50%	0
	TENNIS	5	5	1	1	3	1	4	2	1	1	24	48%	0
	FESTIVALS	5	4	1	3	3	1	4	2	1	1	25	50%	0
	FACILITIES SUPPORT & MAINTENANCE	5	5	1	1	3	1	4	2	1	1	24	48%	0
	POOL OPERATIONS	5	5	3	3	3	1	4	2	1	1	28	56%	0
	SNYDER PARK	5	4	1	3	3	1	4	2	1	1	25	50%	0
	MILLS POND PARK	5	4	1	3	3	1	4	2	1	1	25	50%	0
	PARKS	5	5	1	3	4	1	4	2	1	1	27	54%	0
	LANDSCAPE	5	5	2	3	4	1	4	2	2	2	30	60%	0
	RIVERWALK	5	5	1	3	4	1	4	2	1	1	27	54%	0
	MAINTENANCE	5	5	1	3	4	1	4	2	1	1	27	54%	0
	ADMINISTRATION	5	5	1	3	5	3	4	2	1	1	30	60%	0
	AQUATIC CENTER	3	4	2	5	3	3	4	2	5	1	32	64%	0
	FACILITY OPERATIONAL MANAGEMENT	3	3	3	3	3	3	4	2	5	1	30	60%	0
	CONTRACT ADMINISTRATION	3	3	5	3	2	3	4	2	5	1	31	62%	0
	EVENTS	5	5	1	3	5	2	4	2	5	1	33	66%	0
	WAR MEMORIAL	5	5	1	3	4	2	4	2	1	1	28	56%	0
	FACILITY OPERATIONAL MANAGEMENT	5	5	1	3	3	2	4	2	1	1	27	54%	0
	EVENTS	5	5	1	3	4	2	4	2	1	1	28	56%	0
	STADIUM	5	3	1	3	3	3	4	5	5	1	33	66%	0
	CONTRACT MANAGEMENT	5	3	1	3	3	3	4	5	5	1	33	66%	0
	REAL ESTATE	4	5	4	3	2	2	4	3	5	3	35	70%	0
	CITY-OWNED PROPERTY	5	5	5	3	2	2	5	3	5	3	38	76%	1
	LEASES	5	5	5	3	2	2	5	3	5	3	38	76%	1
	MARINE FACILITIES	5	5	5	3	5	3	4	4	3	1	38	76%	1
	DOCK RENTALS	5	5	1	3	5	2	4	4	3	1	33	66%	0
	FACILITY MANAGEMENT	5	3	1	3	3	2	4	4	3	1	29	58%	0
	ENVIRONMENTAL COMPLIANCE	5	3	1	3	2	3	4	4	3	1	29	58%	0
<b>POLICE</b>														
	<b>POLICE</b>													
	OFFICE OF THE CHIEF	5	5	1	3	5	3	3	4	2	2	33	66%	0
	INTERNAL AFFAIRS	5	3	1	3	2	2	3	4	1	1	25	50%	0
	STAFF INSPECTIONS	5	3	1	3	2	2	3	4	1	1	25	50%	0
	SUPPORT SERVICES	5	5	1	3	5	1	3	2	1	1	27	54%	0
	TRAINING	5	5	1	3	3	2	3	4	1	1	28	56%	0
	EVIDENCE ROOM	5	1	1	3	2	1	3	4	1	1	22	44%	0
	SUPPLY	5	5	1	3	5	1	3	2	1	1	27	54%	0
	CONFISCATION	5	1	1	3	3	1	3	4	1	1	23	46%	0
	RECRUITING	5	1	1	3	2	1	3	2	1	1	20	40%	0
	BACKGROUND INVESTIGATIONS	5	1	1	3	2	1	3	4	1	1	22	44%	0
	RECORDS	5	1	3	3	2	1	3	4	1	1	24	48%	0
	COURT LIASON	5	1	1	3	5	1	3	4	1	1	25	50%	0
	FINANCE & PAYROLL	5	5	2	3	4	3	3	5	1	1	32	64%	0
	INFORMATION SYSTEMS	5	3	2	3	3	3	3	2	1	1	26	52%	0
	CRIME ANALYSIS	5	3	1	3	3	2	3	2	1	1	24	48%	0
	OPERATIONS	5	5	2	3	5	2	3	4	2	2	33	66%	0
	OPERATIONS SUPPORT	5	5	1	3	5	2	3	4	1	1	30	60%	0
	MOUNTED PATROL	5	5	1	3	1	2	3	4	1	1	26	52%	0
	MARINE	5	5	1	3	1	2	3	4	1	1	26	52%	0
	TRAFFIC ENFORCEMENT	5	5	1	3	5	2	3	4	1	1	30	60%	0
	MOTORCYCLE	5	5	1	3	3	2	3	4	1	1	28	56%	0
	K-9	5	5	1	3	3	2	3	4	1	1	28	56%	0
	INVESTIGATIVE SERVICES	5	5	1	3	5	2	3	4	1	1	30	60%	0
	CRIMINAL INVESTIGATIONS	5	5	1	3	5	2	3	4	1	1	30	60%	0
	SCHOOL RESOURCE OFFICERS	5	1	1	3	2	2	3	3	3	1	24	48%	0
	SPECIAL INVESTIGATIONS	5	5	1	3	2	2	3	4	1	1	27	54%	0
	TECHNICAL SERVICES	5	5	1	3	2	2	3	2	1	1	25	50%	0
	PATROL	5	5	1	3	5	2	3	4	1	1	30	60%	0

		PARKING ENFORCEMENT	5	5	1	3	5	2	3	4	1	1			
		TAKE HOME VEHICLES	5	5	3	3	5	1	3	2	2	2	31	62%	0
		RED LIGHT CAMERA REVENUE	5	5	3	3	4	2	2	4	4	2	34	68%	0
		LETF	5	5	1	3	1	1	3	2	1	1	23	46%	0
		FINES & FORFEITURE FUND	5	5	1	3	1	1	3	2	1	1	23	46%	0
<b>PUBLIC WORKS</b>															
<b>PUBLIC WORKS</b>															
		ADMINISTRATION	5	5	2	3	5	3	5	2	2	1	33	66%	0
		FINANCE SUPPORT	5	2	2	3	3	3	5	2	2	2	29	58%	0
		SAFETY AND TRAINING	5	2	1	3	2	2	5	2	2	1	25	50%	0
		PROCESS CONTROL (UTILITIES, WATER, WASTEWATER)	5	3	2	3	2	2	5	2	2	1	27	54%	0
		CUSTOMER SERVICE	5	5	2	3	5	1	5	2	1	1	30	60%	0
		COMMUNICATIONS	5	5	1	3	2	1	5	2	1	1	26	52%	0
		FIELD SERVICES	5	5	1	3	2	1	5	2	1	1	26	52%	0
		INVENTORY	5	1	3	3	5	1	5	2	2	2	29	58%	0
		PUBLIC INFORMATION	5	1	1	3	2	1	5	2	1	1	22	44%	0
		OFFICE SUPPORT	5	5	1	3	2	1	5	2	1	1	26	52%	0
		DATA CONTROL	5	2	2	3	5	2	5	2	1	1	28	56%	0
		ENGINEERING AND PROJECT MANAGEMENT	5	5	2	3	3	3	5	4	2	2	34	68%	0
		ENGINEERING DESIGN	5	5	1	3	2	4	5	4	2	1	32	64%	0
		AIRPORT PROJECTS	5	5	1	3	2	3	5	5	3	1	33	66%	0
		NEIGHBORHOOD PROJECTS	5	5	1	3	2	3	5	4	3	1	32	64%	0
		CONSTRUCTION MANAGEMENT	3	5	2	3	2	3	5	4	2	1	30	60%	0
		ADMINISTRATIVE SUPPORT	5	5	1	1	1	1	5	2	1	1	23	46%	0
		SURVEY	5	5	1	3	2	2	5	4	1	1	29	58%	0
		TRANSPORTATION	5	3	1	3	2	2	5	4	2	1	28	56%	0
		ARCHITECTURAL PROGRAM	5	5	1	3	2	4	5	4	1	1	31	62%	0
		PLANS REVIEW	5	4	2	3	2	3	5	4	3	2	33	66%	0
		DISTRIBUTION AND COLLECTION	5	5	2	3	5	1	5	2	2	1	31	62%	0
		CONSTRUCTION	3	5	2	3	5	1	5	2	2	1	29	58%	0
		WASTEWATER SYSTEMS	5	5	2	3	4	1	5	2	2	1	30	60%	0
		STORMWATER	4	5	2	3	4	1	5	2	2	3	31	62%	0
		ROAD MAINTENANCE AND REPAIR	5	5	2	3	3	3	5	4	2	1	31	62%	0
		INSTALLATION & REPAIR	5	5	1	3	5	1	5	2	2	1	30	60%	0
		SPECIAL PROJECTS	5	5	1	3	3	1	5	2	1	1	27	54%	0
		FIRE HYDRANT & VALVE	5	2	1	3	3	1	5	2	1	1	24	48%	0
		TREATMENT	5	5	2	3	4	2	5	4	2	1	33	66%	0
		FIVEASH	5	5	2	3	4	2	5	4	2	2	34	68%	0
		LOHMEYER	5	5	2	3	4	2	5	4	2	2	34	68%	0
		PEELE/DIXIE	5	5	2	3	4	2	5	4	2	2	34	68%	0
		LABS	5	5	1	3	2	3	5	4	1	1	30	60%	0
		ENVIRONMENTAL SERVICES	5	5	1	3	2	3	5	5	1	1	31	62%	0
		MAINTENANCE	5	5	1	3	3	1	5	2	1	1	27	54%	0
		SUPPORT	5	3	1	1	1	1	5	2	1	1	21	42%	0
		SPECIAL PROJECTS	5	5	1	3	2	1	5	2	1	1	26	52%	0
		FACILITIES MAINTENANCE	5	5	1	3	3	1	5	2	1	1	27	54%	0
		CITY HALL SECURITY	5	2	1	3	1	1	5	2	1	1	22	44%	0
		UTILITIES ENGINEERING	5	5	2	3	3	4	5	4	2	1	34	68%	0
		OPERATIONS	5	5	1	3	3	3	5	4	2	1	32	64%	0
		SOLID WASTE	5	5	2	3	5	1	5	2	2	2	32	64%	0
		ADMINISTRATION	5	5	1	3	1	1	5	2	1	1	25	50%	0
		COLLECTIONS	5	3	2	4	5	1	5	4	5	1	35	70%	0
		WATERWAY MAINTENANCE	5	3	1	3	2	1	5	2	1	1	24	48%	0
		STREET CLEANING	5	5	1	3	2	1	5	2	1	1	26	52%	0
		BULK PROGRAM	5	5	1	3	2	1	5	2	1	1	26	52%	0
		LOT CLEANING	5	5	1	3	3	2	5	2	2	1	29	58%	0
		RECYCLING	5	1	1	3	2	1	5	1	1	1	21	42%	0
		FACILITIES MANAGEMENT	5	5	1	2	3	2	5	2	1	1	27	54%	0
		CCNA CONTRACTS	5	5	1	1	1	2	5	2	1	1	24	48%	0
		OVERTIME	5	5	4	5	3	2	5	2	5	2	38	76%	1
		WORK ORDER PROCESS	5	1	1	2	1	1	5	2	1	1	20	40%	0
		LOCAL OPTION GAS TAX	5	5	1	1	1	2	5	3	5	1	29	58%	0
		CAPITAL IMPROVEMENT PLAN	5	5	4	4	4	4	5	5	4	2	42	84%	1
		NCIP													
		BCIP													
		SOUTHSIDE SCHOOL	2	5	3	3	4	3	5	2	5	2	34	68%	0
		AQUATIC CENTER REDEVELOPMENT	5	5	5	5	5	5	5	2	5	2	44	88%	1
		FIRE STATION CONSTRUCTION BOND	4	5	3	4	2	3	5	2	3	2	33	66%	0
		FLEET	1	5	2	3	3	3	5	2	5	5	34	68%	0
		VEHICLE PURCHASES	2	5	2	3	3	3	5	2	5	3	33	66%	0
		REPAIR AND MAINTENANCE	2	5	1	3	5	2	5	1	1	1	26	52%	0
<b>SUSTAINABLE DEVELOPMENT</b>															
<b>BUILDING SERVICES DEPARTMENT</b>															
		BUILDING	5	5	3	3	5	3	3	4	3	3	37	74%	0
		BUILDING PERMITS	5	5	3	3	5	3	3	4	3	3	37	74%	0
		CERTIFICATES OF OCCUPANCY	5	4	1	3	5	3	3	4	1	1	30	60%	0
		BUILDING INSPECTIONS	5	5	3	3	5	3	3	4	2	3	36	72%	0

	COMMUNITY INSPECTIONS	3	3	5	3	5	3	3	4	2	3	34	68%	0
	CODE ENFORCEMENT	3	3	3	3	5	3	3	4	2	3	32	64%	0
	CODE LIENS	3	3	3	2	4	3	3	4	2	5	32	64%	0
<b>ECONOMIC DEVELOPMENT</b>														
	ADMINISTRATION	5	5	1	3	2	3	4	2	1	1	27	54%	0
	BUSINESS EXPANSION AND RETENTION	5	5	1	3	2	3	4	2	5	1	31	62%	0
	INCENTIVE GRANTS	5	5	1	3	1	2	4	3	5	1	30	60%	0
	FILM PERMITTING	5	2	1	3	1	2	4	3	1	1	23	46%	0
	CENTRAL BEACH CRA (see below)													
	NW PROGRESSO FLAGLER HEIGHTS CRA (see below)													
	BEACH BUSINESS IMPROVEMENT DIST. (see below)													
<b>PLANNING &amp; ZONING</b>														
	PLANNING & ZONING	5	5	3	3	4	3	4	4	5	2	38	76%	1
	PLAN & PERMIT REVIEW	5	5	1	3	4	3	4	4	5	2	36	72%	0
	ZONING REVIEW	5	5	1	3	4	3	4	4	5	1	35	70%	0
	HOUSING & COMMUNITY DEVELOPMENT (see Special Revenue Funds)													
	HOUSING													
	GRANT MANAGEMENT													
<b>TRANSPORTATION &amp; MOBILITY</b>														
	EXECUTIVE AIRPORT	5	5	1	3	3	4	4	5	2	1	33	66%	0
	FACILITY OPERATIONAL MANAGEMENT	5	5	1	3	3	4	4	5	1	1	32	64%	0
	NOISE ABATEMENT	5	5	3	3	5	3	4	5	1	1	35	70%	0
	LEASES	5	5	1	3	3	3	4	5	1	1	31	62%	0
	CAPITAL PROJECTS	5	5	3	3	3	3	4	5	1	1	33	66%	0
	PARKING	5	5	1	3	2	3	4	2	1	1	27	54%	0
	ADMINISTRATIVE SUPPORT	4	5	1	3	5	2	4	2	1	1	28	56%	0
	PARKING LOTS	3	5	2	3	5	2	4	2	1	1	28	56%	0
	INSTALLATION	4	5	1	3	3	2	4	2	1	1	26	52%	0
	PARKING GARAGE	3	5	1	4	3	2	4	2	1	1	26	52%	0
	SECURITY	4	2	1	3	1	2	4	2	1	1	21	42%	0
	ARTS AND SCIENCES DIST GARAGE	5	5	1	4	3	2	4	2	1	1	28	56%	0
<b>CITY ATTORNEY</b>														
<b>CITY ATTORNEY</b>														
	OUTSIDE COUNSEL	5	5	2	2	2	4	5	3	3	1	32	64%	0
	POLICE LEGAL SERVICES	5	2	1	3	2	5	5	5	2	1	31	62%	0
	CITY PROSECUTOR	5	5	1	3	5	5	5	3	2	1	35	70%	0
<b>CITY CLERK</b>														
<b>CITY CLERK</b>														
	COMMISSION AGENDAS	5	2	1	3	3	2	1	2	1	1	21	42%	0
	RECORDS MANAGEMENT	5	2	1	3	3	1	1	4	1	1	22	44%	0
	BOARDS AND COMMITTEES	5	1	1	3	3	2	1	2	1	1	20	40%	0
	LOBBYIST REGISTRATION	5	1	1	3	1	2	1	4	1	1	20	40%	0
	ELECTIONS	5	2	1	5	5	3	1	5	1	1	29	58%	0
<b>CITY MANAGER</b>														
<b>CITY MANAGER</b>														
	GRANTS/LEGISLATIVE AFFAIRS	5	5	5	4	2	3	4	5	2	2	37	74%	0
	COMPLIANCE	5	5	3	4	1	3	4	5	5	2	37	74%	0
	GMTS	5	1	3	2	2	3	4	1	1	1	23	46%	0
	LOBBYING	5	2	1	3	2	3	4	4	3	1	30	60%	0
	BUDGET	5	5	5	4	2	3	4	4	5	2	39	78%	1
	ANNUAL BUDGET	1	5	2	4	2	3	4	4	5	2	32	64%	0
	BUDGET PROCESS	1	5	2	4	2	3	4	4	5	2	32	64%	0
	PILOT CALCULATION	5	5	1	4	1	2	4	4	2	2	30	60%	0
	DEVELOP CAPITAL IMPROVEMENT PROGRAM PLAN	5	5	3	4	3	3	4	4	2	2	35	70%	0
	STRUCTURAL INNOVATION													
	PERFORMANCE MEASURES	2	5	5	3	1	3	4	2	2	3	30	60%	0
	PUBLIC INFORMATION													
	CITIZEN SERVICES	5	1	1	3	3	2	4	2	1	1	23	46%	0
	PUBLIC INFORMATION	5	1	1	3	2	2	4	4	1	1	24	48%	0
	WEB SITE	5	1	1	3	1	1	4	4	1	1	22	44%	0
	EVENTS	5	1	1	3	1	1	4	2	1	1	20	40%	0
<b>SPECIAL REVENUE FUNDS</b>														
<b>SPECIAL REVENUE FUNDS</b>														
	CRA	4	5	3	3	2	3	4	4	5	2	35	70%	0
	NORTHWEST	4	5	3	3	2	3	4	4	5	2	35	70%	0
	BEACH	4	5	2	3	2	3	4	4	5	2	34	68%	0
	BEACH BID	5	5	2	3	1	3	4	4	5	2	34	68%	0
	COMMUNITY DEVELOPMENT GRANTS													
	GRANT MANAGEMENT	5	5	5	3	3	3	4	5	2	2	37	74%	0
	CDBG	5	5	5	3	2	3	4	5	5	5	42	84%	1
	HOME	5	5	5	3	2	3	4	5	5	2	39	78%	1
	HOPWA	5	5	5	3	2	3	4	5	5	2	39	78%	1
	NSP	5	5	5	3	2	3	4	5	5	2	39	78%	1
	SHIP	5	5	5	3	2	3	4	5	5	5	42	84%	1
	BUILDING PERMITS	4	5	3	3	5	3	4	4	1	1	33	66%	0

ENTERPRISE FUNDS															
<b>ENTERPRISE FUNDS</b>															
SANITATION			5	5	2	-	2	1	1	4	5		25	50%	0
LANDFILL AGREEMENT			5	5	-	-	1	1	1	4	5		22	44%	0
RECYCLING			5	5	-	-	1	1	1	4	5		22	44%	0
OUTSOURCED CONTRACT COMPLIANCE			5	5	-	-	1	1	1	1	5		19	38%	0
FUND BALANCE			5	5	-	-	1	1	1	2	5		20	40%	0
W & S			5	5	2	2	4	2	1	5	-		26	52%	0
WATER PLANT			5	5	-	-	4	2	1	4	-		22	44%	0
SEWER PLANT			5	5	-	-	4	2	1	5	-		22	44%	0
STORMWATER			5	5	-	1	4	2	1	5	-		23	46%	0
PARKING SYSTEM			4	5	2	-	4	2	1	2	-		20	40%	0
AIRPORT			5	5	3	-	2	3	1	5	-		24	48%	0
LEASES			5	5	-	-	1	3	1	5	-		20	40%	0
CAPITAL PROJECTS			5	5	-	-	1	3	1	5	-		20	40%	0
<b>INTERNAL SERVICE FUNDS</b>															
<b>INTERNAL SERVICE FUNDS</b>															
INSURANCE FUNDS			5	5	4	3	4	3	5	3	5	2	39	78%	1
HEALTH			5	5	4	3	4	3	5	3	5	2	39	78%	1
WORKERS COMP			5	5	3	3	3	3	5	4	2	2	35	70%	0
PROPERTY			5	5	2	3	1	2	5	2	2	2	29	58%	0
FLEET			3	5	3	3	5	3	5	3	5	3	38	76%	1
PARKING			3	5	5	5	5	2	5	3	3	3	39	78%	1
PARKING TICKETING			1	5	1	5	5	2	5	3	2	3	32	64%	0
<b>FIDUCIARY FUNDS</b>															
<b>FIDUCIARY FUNDS</b>															
CEMETERIES			5	5	3	3	1	2	4	3	3	1	30	60%	0
CONTRACT MANAGEMENT			5	5	4	3	3	2	5	3	5	1	36	72%	0
OPEB TRUST FUND															
			-	-	-	-	-	-	-	-	-				
<b>OTHER</b>															
<b>OTHER</b>															
HUMAN SERVICE GRANTS			5	2	3	3	1	3	4	5	2	2	30	60%	0
BUSINESS CONTINUITY PLANNING			5	5	5	5	2	3	4	5	3	5	42	84%	1
FEMA			2	5	2	3	1	2	4	5	3	2	29	58%	0
BAHIA MAR CONTRACT COMPLIANCE			5	5	5	3	1	3	4	2	3	5	36	72%	0
													5.87	0.13	11
													Avg	Avg	Total

**KEY:**

Department	Scoring Min & Max 1 - 5
Division	1 = Very Low Risk
Function	5 = Very High Risk

Low 70-79%
Medium 80-89%
High 90-100%

- Tickmark(s):**
- A** = Depends on how long ago the department was audited. (1 - 5 years)
  - B** = Score based on amount: < 10,000; 10,001 - 250,000; 250,001 - 500,000; 500,001 - 750,000; 750,001 - 1,000,000; > 1,000,000
  - C** = None & Low Value (1); None & High Value (2); Suspected (3); Suspected & High Value (4); Known (5)
  - D** = Internal (1); Citywide (2); Newspaper (3); Bond Rating (4); Criminal (5)
  - E** = Professional judgement based on people, work product, City resources used like vehicles, gas, paper, etc
  - F** = Value based on no training or certification/training/certification/ education (2yr, 4yr, Grad)/professional certification.
  - G** = Management Turnover in years < 2; 3; 4; 5 (CAO also considered lack of change)
  - H** = None; contract, city, county, state, federal
  - I** = Overriding factor - No Concern & Low Value (1); No Concern & High Value (2); Potential Concern (3); Minor Concern (4); Major Concern (5)
  - J** = No Prior Audit & Low Value (1); No Prior Audit & High Value (2); Deficiency (3); Significant Deficiency (4); Material Weakness (5)

**Conclusion(s):**

**2015 Audit Program:**

	General Fund Department	Risk Rating	Division/Function
11	Fire-Rescue	78%	Transport Services
7	Human Resources	82%	Human Resources
4	Information Technology Services	84%	Security
3	Information Technology Services	84%	ERP
5	Public Works	84%	Capital Improvement Plan
1	Public Works	88%	Aquatic Center Redevelopment
<b>Special Revenue Funds</b>			
2	DSD	88%	HOME, HOPWA, ESG
2	DSD	84%	CDBG
2	DSD	84%	SHIP

General Fund Department	Risk Rating	Division/Function
City Manager Office	78%	Budget
Fire-Rescue	78%	Transport Services
Human Resources	82%	Human Resources
Information Technology Services	84%	Security
Information Technology Services	84%	ERP
Planning and Zoning	76%	Planning and Zoning
Parks & Rec	76%	City Owned Property
Parks & Rec	76%	Leases
Parks & Rec	76%	Marine Facilities
Public Works	76%	Overtime
Public Works	84%	Capital Improvement Plan
Public Works	88%	Aquatic Center Redevelopment

<b>Other</b>		
6	City Manager Office	84% Business Continuity & Planning

**Additional Items of concern:**  
 Cemetary contract compliance Request of management  
 IT - Radio and Nextel operatonal considerations Request of management

<b>Special Revenue Funds</b>		
DSD	88%	HOME, HOPWA, ESG
DSD	84%	CDBG
DSD	78%	NSP
DSD	84%	SHIP
<b>Internal Service Funds</b>		
HR	78%	Insurance Funds
HR	78%	Health Insurance
Public Works	76%	Fleet
Parking and Fleet	78%	Parking
<b>Other</b>		
City Manager Office	84%	Business Continuity & Planning