



## OFFICE OF INSPECTOR GENERAL PALM BEACH COUNTY

Sheryl G. Steckler  
Inspector General

---

**Date:** September 27, 2013

**To:** Inspector General Committee

**From:** Sheryl Steckler *SS*  
Inspector General

**Subject:** Annual Audit Plan Fiscal Year Ending 2014

---

Our Audit Unit conducts independent and objective audits and is committed to providing timely, useful, and reliable information. The Audit Unit identifies opportunities to improve government operations to those under the jurisdiction of the Office of Inspector General (OIG) by conducting comprehensive, independent performance audits and activities which: assess efficiency, economy, and effectiveness; ensure compliance with applicable laws and regulations; and prevent, detect, and deter fraud, waste, and abuse. The audit plan consists of audits/reviews identified through the annual planning process. Audit resources are assigned in the areas of highest risk and vulnerability. This results in providing recommendations to improve internal controls, operations and systems.

The OIG Audit Unit is led by the Director of Audit with a staff of four auditors. The annual audit plan is based on the full utilization of the current staffing level. We have included the Available Hours Worksheet (Attachment 1) which calculates the number of days/hours available to perform audit work. This amount is derived by reducing the number of work days/hours available by holidays, vacation/sick days, training, staff meetings, and other non-audit administrative time. Our goal is to make the most effective use of our resources. For FY 2014, there are 900 days (7200 hours) available for audit work.

The audit universe is comprised of thirty-eight (38) municipalities, Palm Beach County, Solid Waste Authority (SWA) and Children's Services Council (CSC). The FY 2014 Annual Audit Plan ("Attachment 2") includes ten (10) new audits, two in-process audits and two follow up audits. We also budgeted hours available to respond to requests for audits by County or municipal managers or referrals from the OIG Investigations Unit and/or other county or municipal auditors. To identify FY 2014 high-risk areas for audit coverage, we relied on our knowledge, as well as annual budgets and other information obtained from the Comprehensive Annual Financial Reports (CAFR) and our subjective assessment of risk.

*"Enhancing Public Trust in Government"*

The Audit Plan is designed to address the government entities with the highest risk. However, it should be noted that based on our current staffing levels, we are unable to provide the audit coverage needed based on the current universe of 763 identified auditable units (See Attachment 3). The lack of resources limits our ability to identify and strengthen weak internal controls that can assist management in reducing the risk that fraud, waste or mismanagement can occur and go undetected.

Over the next several weeks, the Audit team will be conducting a risk assessment which will allow us to better assess the risk in each auditable entity. We will coordinate with the County's Internal Auditor and will meet with each municipality, SWA and CSC to obtain management's perspective on the risks associated in each of their entities. This assessment will be comprehensive and allow us to drill down and understand the risks at the program and activity level. The result will be adjustments to our annual audit plans and additional precision in planning future audits.

Attachment

**Office of Inspector General  
Audit Plan  
October 1, 2013 - September 30, 2014**

**ATTACHMENT**

DESCRIPTION OF AUDIT ENTITY	FY14 Hours Plan	Total	Comments
<b>Carryover Audits FYE 2013</b>			
South Bay-Phase 2	240		Receipts/Fixed Assets/HR
Briny Breezes	100		Operational controls
<b>Total Carryover Audits</b>		340	
<b>Planned Audits</b>			
CSC	500		Scope TBD
SWA (East Central Regional Waste Treatment Facility)	500		SWA contracts with the ECR
PBC ISS - Security	700		
Belle Glade (Cash Disbursements)	500		Credit cards, checks
Riviera Beach (Cash Disbursements)	500		Purchase cards, checks
Boynton Beach	500		Utilities billing and collection
Lake Park- Public Works	450		Operational controls
Delray Beach- Purchase Cards	450		
Public Service Gas Tax - County	150		Request from OFMB
Public Service Gas Tax - Municipalities	500		Revenue compliance in selected municipalities
IG/Management Requests	1,100		TBD through Investigations or entity requests
<b>Total Planned Audits</b>		5,850	
<b>Follow Up Audits</b>			
Follow up Audit - South Bay (Cash Disbursements)	160		Original report issued 5/13/13
Palm Tran	100		Original report issued 12/30/11
<b>Total Follow Up Audits</b>		260	
<b>Other Audit Activities</b>			
Quality Control & Assurance Implementation & Review	185		
Risk Assessment FY2014/15	300		
Strategic Plan - 2013/14	85		
Audit Recommendations: Status/Follow-up	80		
Operational Improvement Projects	100		
<b>Total Other Audit Activities</b>		750	
Total Hours - Audit Work		7,200	
Available Hours from Worksheet		7,200	See Attachment 1
Overage/(Deficit)		0	