

Internal Audit Plan

18-Months Ending 6/30/17

Office of the Auditor-Controller



County of Santa Barbara

Robert W. Geis, C.P.A.
County Auditor-Controller

Heather Fletcher, C.P.A.
Internal Audit Manager

Administration Building
105 E. Anapamu Street, Rm. 303
Santa Barbara, CA 93101
(805) 568-2100



This Internal Audit Plan has been developed to determine the priorities of the Internal Audit Division of the Auditor-Controller's Office. Our long-term goal is to develop highly proficient audit professionals to assist management in determining whether the County is operating effectively, efficiently, and in compliance with applicable policies, procedures, and regulations.

The Internal Audit Plan is driven by several factors, including:

1. Audits mandated by California Government Code or Board of Supervisors' Resolutions;
2. Consultations with County management; and
3. A Countywide risk assessment.

Internal auditors provide both assurance and consulting services while retaining their independence and objectivity. Internal audit activities are designed to add value to the County by helping departments accomplish their objectives, such as safeguarding assets, producing reliable financial information, and complying with laws and regulations. In addition to performing mandated audits, management may request our assistance to address issues upfront rather than wait for an audit to validate or critique their efforts.

The following Map of Internal Audit Services provides an overview of Internal Audit's process for providing assurance and consulting services, as well as some examples of these services.

Map of Internal Audit Services

Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve County operations. Internal Audit helps the County accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.



Legend to Map Symbols

Assurance Services

Independent evaluation, analysis, and testing performed on transactions and documents to determine their accuracy or compliance with related policies and procedures, and/or regulations. These services may be required by Government Code or Board Resolution, requested by the Board of Supervisors or County Management, or others.

Consulting Services

Analysis, research, and training performed for departments and programs to evaluate business risks and identify opportunities for improvement. These services may be requested by the Board of Supervisors or County Management. There is more leeway in how consulting services are performed, whereas assurance services have specific rules and procedures that must be followed by Internal Audit. Some process steps are only performed when requested.

Examples of Services

Operational

- Process Improvement
- Safeguarding Assets
- Internal Controls

Compliance

- Payroll & Employee Benefits
- State/Federal Grants
- Policies & Procedures
- Contracts

Financial

- Cash Management
- Accounting
- Cost Allocation

The following is a list of projects Internal Audit plans to perform during the 18-month period of January 2016 through June 2017:

PROJECT	DEPARTMENT
<i>ASSURANCE SERVICES:</i>	
1 County Contract Audit	Selected based on risk
2 Payroll & Employee Benefits Audits	Various
3 Dispatch Center Cost Allocation Audit	Sheriff
4 Assets Held on Behalf of Others	Various
5 Cash & Investments Reviews	Treasurer-Tax Collector
6 Tax Redemption Officer Audits	Treasurer-Tax Collector
7 Social Security Truncation Program Review	Clerk-Recorder-Assessor
8 County Fraud/Loss Activities	Countywide
9 Review Corrective Action of Prior Audits	Various
<i>CONSULTING SERVICES:</i>	
1 County Cell Phone Usage	Countywide
2 FIN Automatic Document Uploads	Auditor-Controller
3 Bank Accounts Outside of Treasury	Sheriff
4 Quarterly Cash Counts	Various
5 Contract Monitoring Policy	Countywide
6 First 5 Financial Compilation	First 5 Commission
7 Administration of County Single Audit	Auditor-Controller
8 Annual External Audit Report Tracking	Countywide
9 Annual Fraud Report	Countywide
10 Annual Vendors over \$100K Report	Countywide

As we operate in a dynamic environment that requires some margin of flexibility, this Internal Audit Plan may be adjusted during the course of the 18-month period.