



## AUDIT COMMITTEE ANNUAL REPORT For Fiscal Year Ending June 30, 2018

September 5, 2018

The Audit Committee is one of three permanent committees of the City Council. It serves in an advisory role to Council and appointed officers on matters related to the City's financial records and activities affecting the financial records. Meetings are typically held quarterly and at the request of any member:

<b>Committee Member</b>	<b>9/6/17</b>	<b>12/13/17</b>	<b>3/7/18</b>	<b>6/6/18</b>
Bill Bestpitch, Chair	√	√	√	√
Anita Price, Vice Chair				√
Michelle Dykstra, Member	√	√	√	√
Mayor Lea, Ex-Officio	√			

The Audit Committee oversees the City and Pension Plan annual financial statement audits, as well as the Municipal Auditing Department's budget and work plan. It also reviews all audit reports and updates, which for the year ending June 30, 2018, included:

- City Council Expenditures
- Police Cash and Fees
- Right of Way Maintenance
- Opinions on the FY17 Financial Statements
- Revenue System Implementation
- Fraud, Waste and Abuse Investigations
- City Purchasing Cards
- Real Estate Rehabilitation Tax Abatement

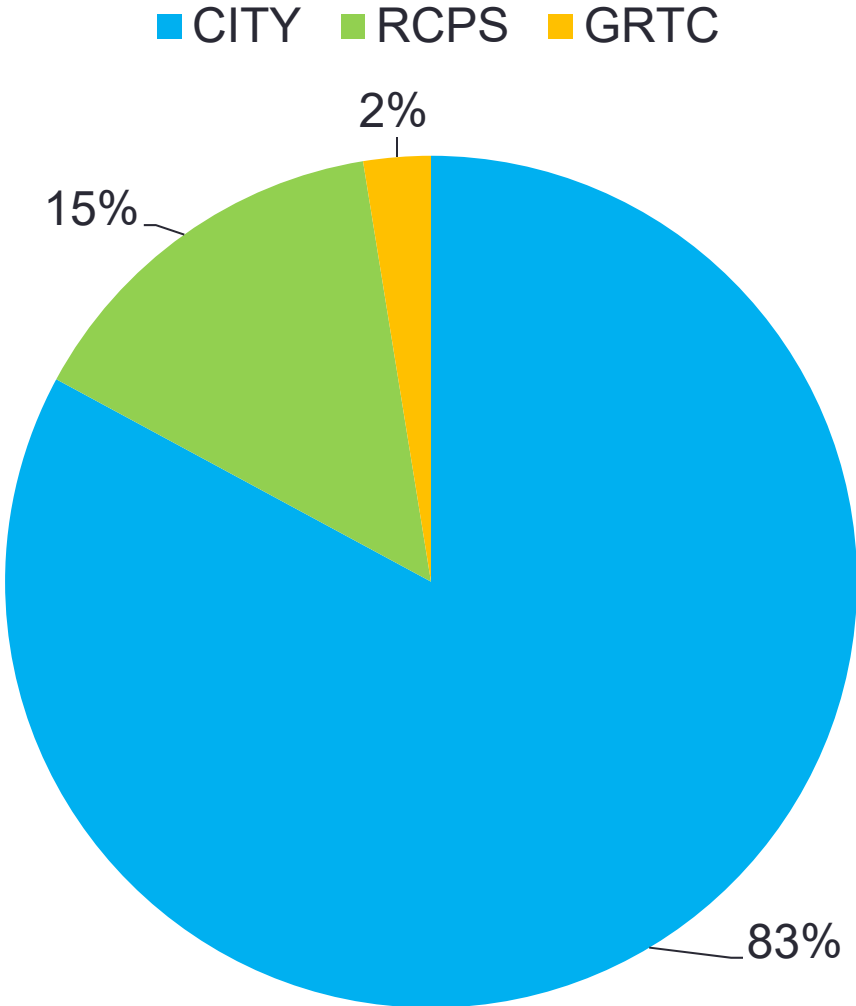
Municipal Auditing's Annual Report for the year ending June 30, 2018, is attached. Meeting minutes, audit reports and updates are available online through the City's website at [www.roanokeva.gov/auditing](http://www.roanokeva.gov/auditing).

# MUNICIPAL AUDITING ANNUAL REPORT

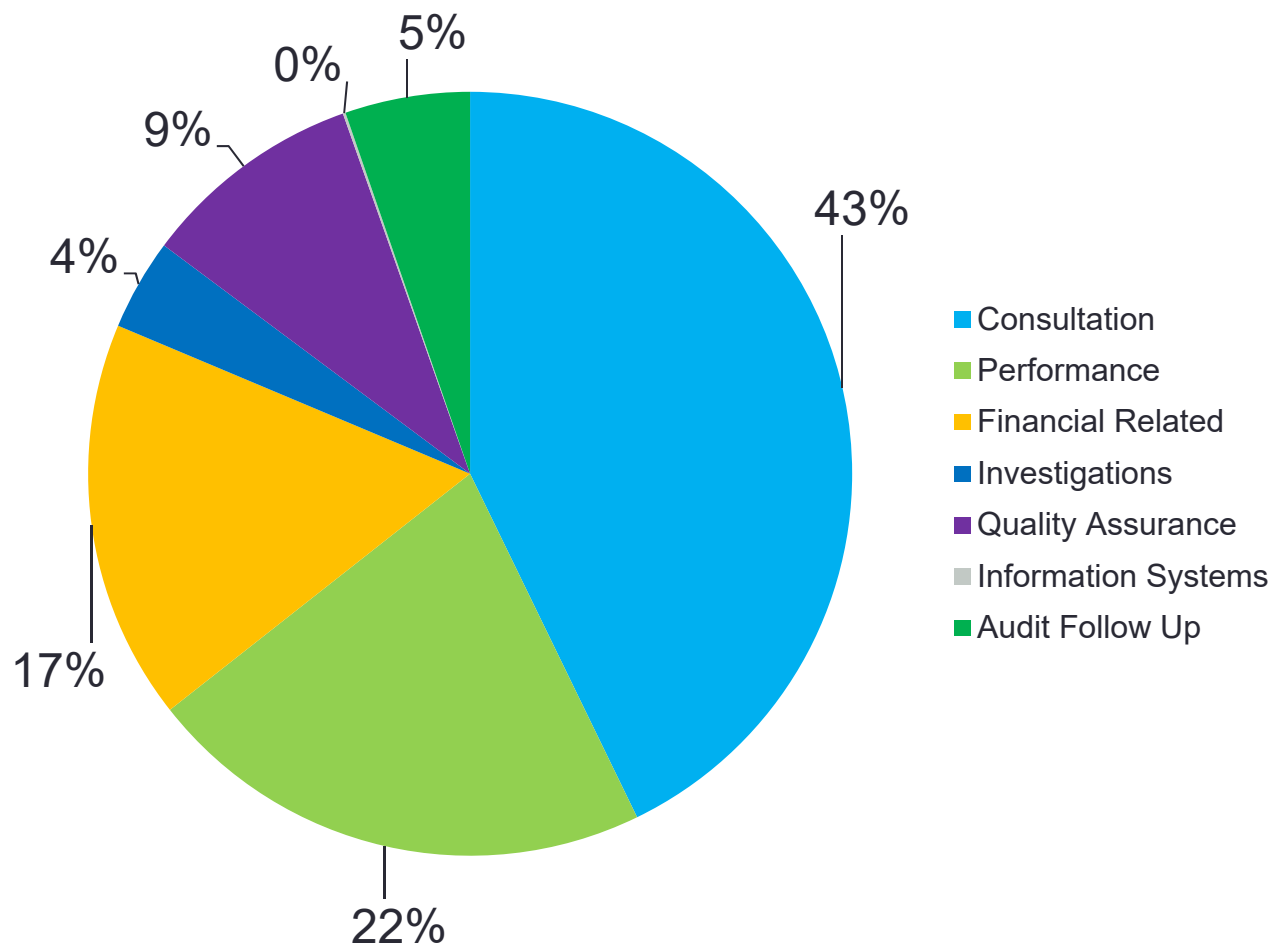
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Fiscal Year Ending  
June 30, 2018

# Activity by Entity



# Activity by Service Type



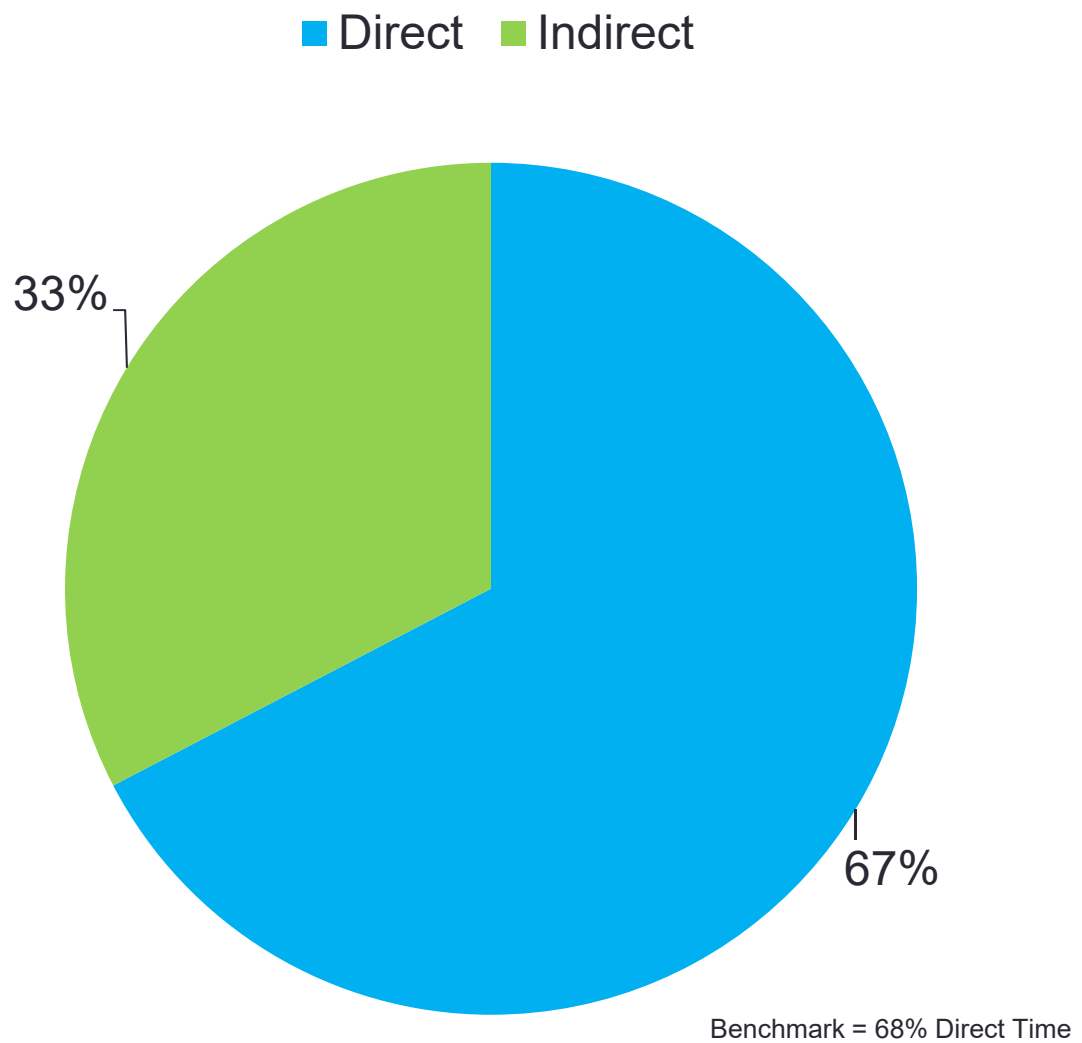
## Major Projects

<b>Project</b>	<b>Description</b>
FY17 Financial Close and CAFR Production	Approximately 1,700 hours to close the books, prepare the CAFR, and coordinate the annual financial audit.
Tax and Treasury Project	Approximately 1,200 hours to procure a new system, plan and begin system implementation, and finalize agreements with the Commissioner of the Revenue and City Treasurer.
Real Estate Rehabilitation Tax Abatement Program	Approximately 600 hours to develop the data and analyze the costs and impacts of the tax abatement program created to encourage rehabilitation of residential and commercial properties from 2000 to 2017.
Police Cash and Fees (CY16)	Approximately 480 hours to audit all police cash accounts, expenditures of vice funds, and collections of fees for various police services.
RCPS Fixed Assets	Approximately 400 hours to evaluate controls over the school division's individual assets costing \$500 or more.

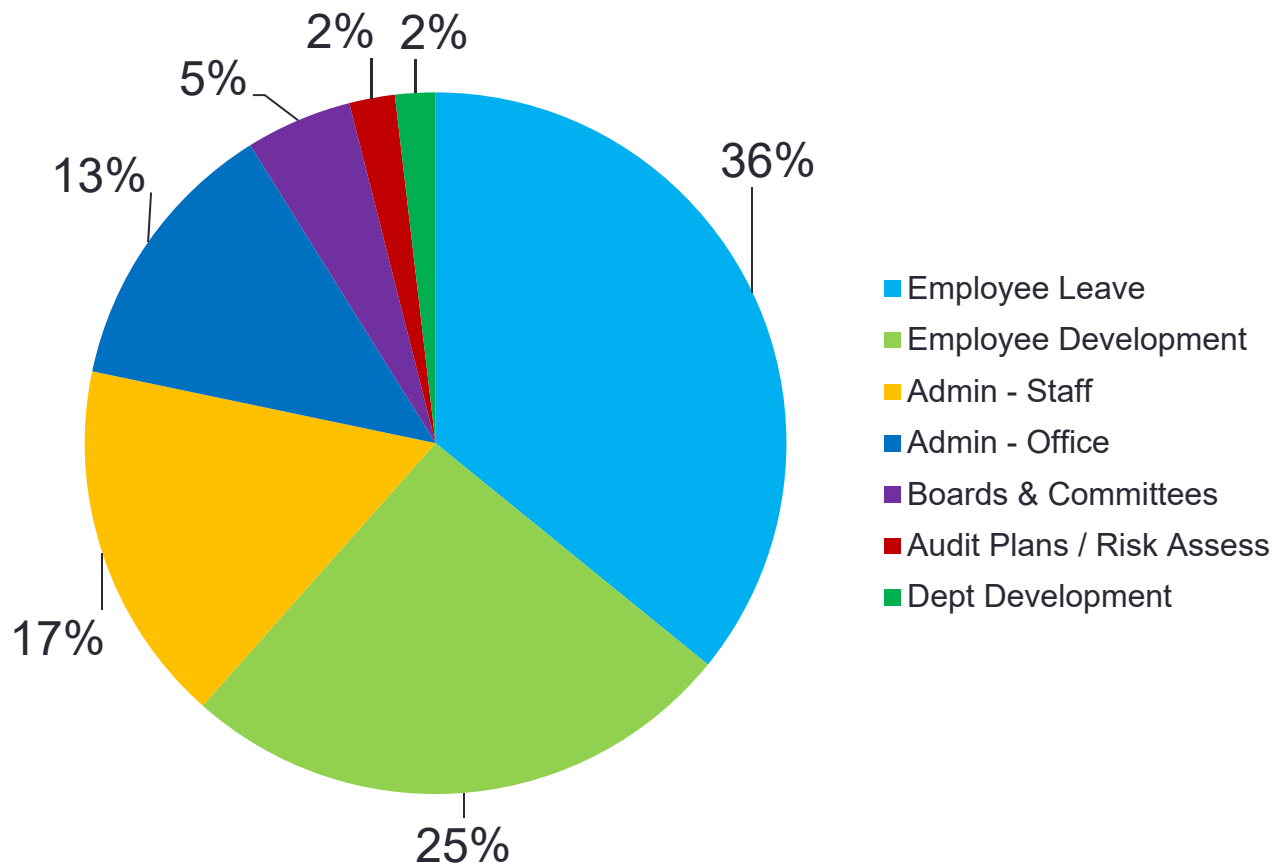
## Major Projects

<b>Project</b>	<b>Description</b>
Audit Follow Ups	<p>Approximately 430 hours verifying that management had completed action plans to address past audit findings in the following areas:</p> <ul style="list-style-type: none"> <li>- Right of Way Maintenance</li> <li>- RCPS Workers Compensation</li> <li>- RCPS Student Transportation</li> <li>- GRTC Revenue Collections</li> </ul>
RCPS Purchasing	<p>Approximately 400 hours to evaluate controls over purchases by the school division, including through RFP/IFB, small purchasing guidelines, and credit cards.</p>
Investigations	<p>Approximately 300 hours investigating various allegations of fraud, waste, and abuse received through the hotline.</p>

# Direct vs Indirect Time



# Indirect Time Breakdown





# Performance Measures

Measure	Target	Actual	Delta
Assignments Completed / FTE	8	5	(3)
Client Satisfaction [1 to 5]	4	3.75	(0.25)
Client Action Plans Completed	80%	60%	(20%)

End of Report