



Audit Schedule FY 23

City of Virginia Beach
Office of the City Auditor
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“Promoting Accountability and Integrity in City Operations”

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You can find more
information about
the Office of the City Auditor at
www.vbgov.com/cityauditor

Our Mission

The Office of the City Auditor is an independent appraisal function responsible for financial, attestation and performance engagements of City programs, functions and activities. Other responsibilities include: oversight and management of the City’s external audit contract; coordination of the City’s fraud, waste and abuse prevention and reporting program; and, technical and advisory services. The services provided by the Office enhance efficiency and effectiveness of City operations, ensure compliance with federal, state and local laws and regulations, and assist in maintaining an internal control framework which reduces the risk of loss to the City.

The mission of the Office of the City Auditor is to promote accountability and integrity in City operations by providing quality audit services.

Powers and Duties; Scope of Audits (Excerpted from City Code Section 2-466)

The City Auditor shall have authority to conduct financial and performance audits of departments, offices, boards, activities, agencies, programs and systems of the entity to independently and objectively determine, depending on the scope and type of audit, whether:

- Activities and programs being implemented have been authorized by government charter or code, state law or applicable federal law or regulations and are being conducted and funds expended in compliance with applicable laws and regulations;
- The department, office, or agency is acquiring, managing, protecting, and using its resources, including public funds, personnel, property, equipment, technology and space, economically, efficiently, and effectively and in a manner consistent with the objectives intended by the authorizing entity or enabling legislation;
- The entity, programs, activities, functions, or policies are effective, including the identification of any causes of inefficiencies or uneconomical practices;
- The desired result or benefits are being achieved;
- Financial and other reports are being provided that disclose fairly, accurately, and fully all information required by law, to ascertain the nature and scope of programs and activities, and to establish a proper basis for evaluating the programs and activities, including the collection of, accounting for, and depositing of, revenues and other resources;
- Management has established adequate operating and administrative procedures and practices, accounting systems or internal control systems and internal management controls; and
- Indications of fraud, waste and abuse are valid and need further investigation.

Project Planning and Selection

Determining which areas to focus limited audit resources is the key to a successful audit function. With this in mind, the Office of the City Auditor uses a multi-faceted approach to project planning and selection. Our process includes (1) assessing audit risk; (2) soliciting input from City leadership; and (3) reviewing departmental requests.

The Office has developed an enterprise audit risk model, which provides an in-depth assessment of audit risk based on our evaluation of business risk factors:

Risk Factors	Weight
1. Complexity of Operations	.10
2. Regulatory Compliance	.10
3. Turnover of Key Personnel	.10
4. Time Expired Since Last Audit	.10
5. Council/Management Concern	.15
6. Public Image	.10
7. Rapid Growth	.15
8. Financial Exposure	.20

We organized our model by auditable units (primarily City programs) within departments. Data was collected for each auditable unit in order to evaluate the program’s inherent risk. Inherent risk refers to the business or other risks present in an organization or program due to the nature of the services or activities performed.

Our evaluation included gathering and analyzing data from various sources (i.e., management, employee surveys, budgets, financial reports, and the City programs themselves). We then used these results, in conjunction with input from City leadership, departmental requests, and audit staff to develop our audit plan for FY 2023.

Planned Projects

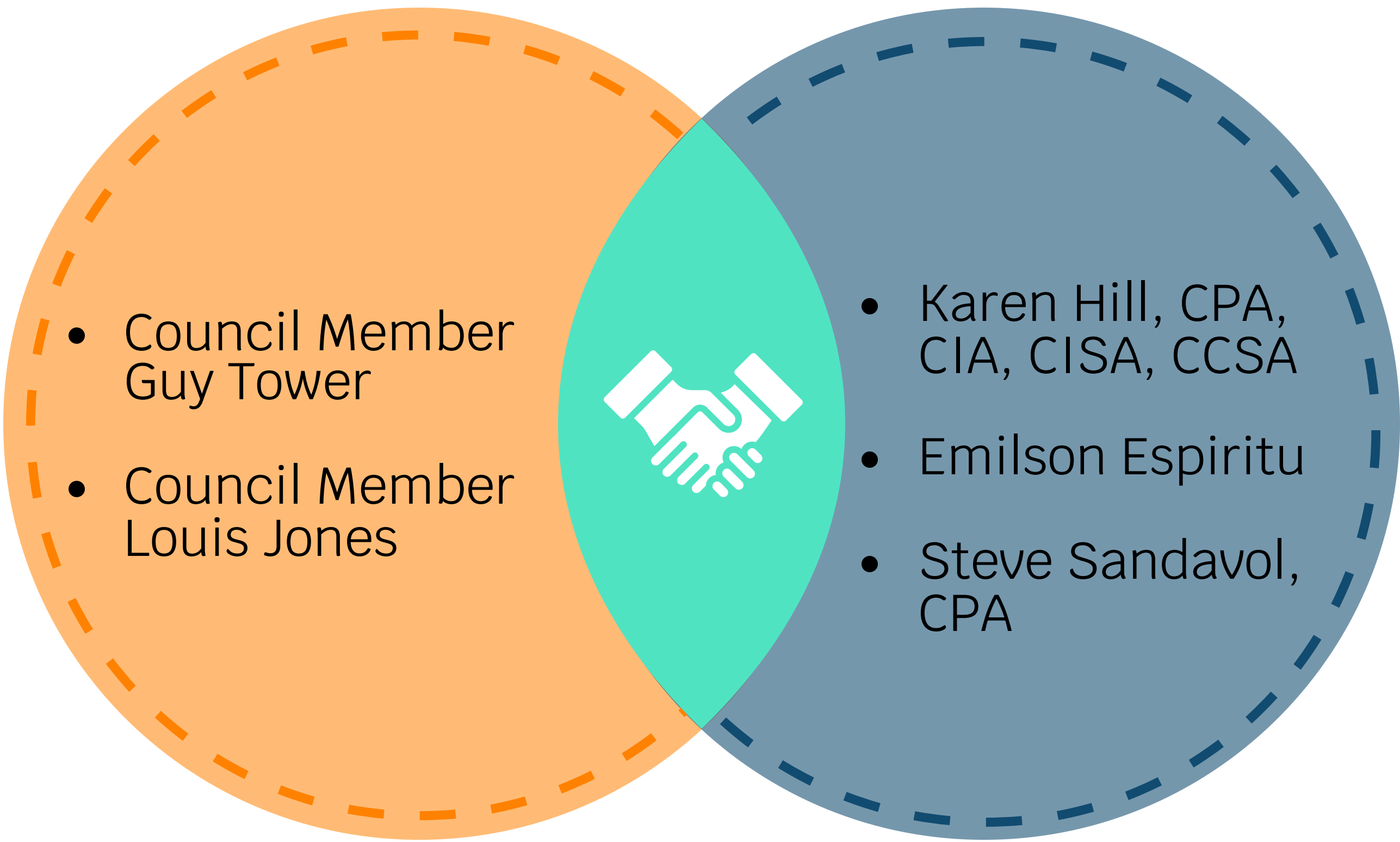
The following provides an overview of the planned projects for the fiscal year ending June 30, 2023. The planned scope of these projects is subject to change based on the results of the planning phase.

Project	Type
Short Term Rentals [Carryforward]	Audit
GASB75 Actuarial Valuation of the OPEB liability [Carryforward]	Audit
Virginia Beach Sports Center [Convention and Visitors Bureau]	Audit
Sandler Center for the Performing Arts [Cultural Affairs]	Audit
Virginia Beach Convention Center [Convention and Visitors Bureau]	Audit
VBTime: Time and Attendance Time Management [Finance]	Audit
Communications Office Multimedia Services [Communications Office]	Audit
Review of District Voting Preparation Pre/Post Analysis [Voter Registration and Elections]	Other
Review of Status of Atlantic Park CIP Project [Various]	Other
Review of Safariland Holsters [Police]	Other
Volunteer Resources Report [Office of Volunteer Resources]	Other
Healthcare Claims Contingency Audit [Consolidated Benefits Office]	Other
Information Technology General Controls Review [Information Technology]	Other
External Audit Contract Administration [Cherry Bekart]	Other
Follow-up on Prior Year Audit Recommendations [Various]	Other
Yellow Book Peer Review	Other
Fraud, Waste, and Abuse Prevention and Reporting Hotline	FWA

Audit Committee

To ensure organizational independence, the City Auditor reports to City Council through an Audit Committee. The Audit Committee consists of five (5) members: two (2) non-voting City Council Members and three (3) voting citizen members who are appointed by City Council.

The members of the FY 2023 Audit Committee are:



Audit Resources

The Office of the City Auditor is comprised of seven professional audit positions, including the City Auditor, and one administrative position. A list of the current members and their respective positions is provided below.

Members

Lyndon Remias, CIA, CPA, CRMA	City Auditor
Gretchen Hudome, CIA, CRMA	Deputy City Auditor
Sharon Hayes, CFE	Forensic Audit Manager
Antonio Gonzalez, CPA, CIA	Audit Manager
Daniel Rinehart, CFE, CIA	Senior Fraud Investigator
Keith Piper	Senior Auditor
Vacant	Auditor
Rosana Clark	Administrative Specialist II