

# FY 2025-26

## PRIMARY AUDIT PLAN

DEPARTMENT / PROJECT TITLE	PRELIMINARY SCOPE
<b>Aviation</b>	
Construction Audit - Taxiway U	Evaluate compliance with contract terms including payments and service delivery.
Rental Car Contract - Enterprise	Evaluate compliance with contract terms and adequacy of contract monitoring.
Concessions Contract - Host International Inc	Evaluate compliance with contract terms and adequacy of contract monitoring, with an emphasis on revenue payments.
Contract Audit - ABM Industries	Evaluate compliance with contract terms and adequacy of contract monitoring.
Contract Audit - Professional Towing	Evaluate compliance with contract terms and adequacy of contract monitoring.
Direct Charges from the Fire Department	Verify that direct charges made by the Fire Department to the Aviation Fund comply with Federal Aviation Administration requirements.
Direct Charges from the Equal Opportunity Department	Verify that direct charges made by the Equal Opportunity Department to the Aviation Fund comply with Federal Aviation Authority requirements.
Contract Audit - KONE Inc.	Evaluate compliance with contract terms and adequacy of contract monitoring.

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Cybersecurity Controls - Asset Management	Evaluate one of the five cybersecurity areas identified in the Transportation Security Administration (TSA) Security Program. Asset management consists of asset identification and classification, change management, and patch management.
Rental Car Contract - Nu Car Rental	Evaluate compliance with contract terms and adequacy of contract monitoring.
Airport Art Museum	Verify that art assets are correctly tracked, inventoried, and safeguarded.
Airport Lost and Found	Verify that lost and found items are properly tracked, safeguarded, and disposed of in compliance with Arizona Statutes and City and Department policies.
Part 139 Training Analysis	Review training records for fixed base operator fuel handlers, fire fighters, and Aviation staff to ensure files are up to date and accurate for the Federal Aviation Agency inspection.
Commercial Use Permit - Swissport	Review general compliance with contract provisions to ensure accurate and timely reporting of commercial use permit revenue and fuel flowage fees.
<b><i>City Auditor</i></b>	
Audit Planning for FY 2026-27	Assist in creating the audit plan for the next fiscal year.
Quality Control Review	Verify the City Auditor Department's compliance with Generally Accepted Government Auditing Standards (Yellow Book).
<b><i>City Manager's Office</i></b>	

DEPARTMENT / PROJECT TITLE	PRELIMINARY SCOPE
Integrity Line Administration	Perform Integrity Line administrative tasks and provide reports and updates to the Integrity Line Committee.
Integrity Line Investigations	Perform investigations assigned to the City Auditor by the Integrity Line Committee; these investigations are smaller in nature and do not require their own project.
Citywide User Fee Benchmarking	Benchmark City user fees to surrounding jurisdictions.
Annual User Fee Review	Conduct a high-level analytical review of user fees for reasonableness and projected recovery rates.
<b>Citywide</b>	
Job Order Contract / Engineer On Call Risk Assessment	Assess the risk of Job Order Contracts and Engineering On Call Contractors to identify the riskiest contracts and agreement types that can be audited in future years.
Follow-Up on Medium Audit Recommendations	Follow-up on audit recommendations that CAD designated as Medium Priority to confirm that the implementation was effective.
Continuous Review of Cash	Perform ongoing testing of citywide cash accounts based on fluctuation analysis and other analytical methods.
Continuous Review of Payroll	Perform ongoing testing of payroll transactions citywide based on fluctuation analysis and other analytical methods.
Continuous Review of Cybersecurity Events	Identify and evaluate high-risk cybersecurity events to determine that access and/or change was authorized.

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Continuous Review of City Manager's Dashboard Data	Review metrics and data provided by departments to the CMO dashboard to ensure assumptions and data are accurate.
Continuous Review of Expenditures	Perform ongoing testing of expenditure transactions citywide based on fluctuation analysis and other analytical methods. Generate reports and help with annual audit planning for the expenditures risk assessment.
Short-Term Rental Program Follow-up	Validate that the updated Short-Term Rental Program ordinance is implemented and that roles and responsibilities are being fulfilled.
External Federal Single Audit - FORVIS MAZARS	Manage the external auditor contract to conduct the annual Federal Single Audit of grant funds.
External Financial Audits - FORVIS MAZARS	Manage the external auditor contract to conduct annual financial audits.
Payroll - Overtime Compliance (Citywide)	Validate that overtime submissions are valid with sufficient supporting detail.
Purchasing Cards	Evaluate that the use of non-fuel credit cards complies with A.R. 3.10 - General Procurement Procedures and other City policies.
Citywide Grant Management Governance	Evaluate citywide procedures for grant governance including application, tracking, and sub recipient monitoring
PCI Compliance Support	Provide support as needed as the City uses a Qualified Security Assessor to conduct it's annual PCI compliance assessment.
<b><i>Community &amp; Economic Development</i></b>	

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Development Agreement Infrastructure Reimbursements	Evaluate compliance with development agreement programs for reimbursement contract terms and adequacy of contract monitoring.
<b>Finance</b>	
SAP Vulnerability Assessment and Penetration Testing	Perform web penetration testing and vulnerability assessments/scans of the application and surrounding systems. An external consultant will be used for this audit.
Year-End Review of FY 2024-25 Monthly Financial Report	Determine reasons for material changes in financial data presented in the MFR for revenue; reconcile to the ACFR.
Monthly Financial Report Attestation FY 2024-25	Conduct a monthly review of Finance's Monthly Financial Report. This is an Attestation with agreed upon procedures.
<b>Fire</b>	
Emergency Transportation Services Model Review	Evaluate the Emergency Transportation Services (ETS) cost model for accuracy and reasonableness.
Payroll and Leave Processing (Fire)	Evaluate payroll and leave management practices.
Fire CAD Replacement System Implementation	Ensure that key system controls are included in business requirements, designed for, tested, and present once the system goes live. This is a multi-year project, with separate projects each fiscal year.
Fire Vehicle Use	Verify effective controls are in place to ensure City vehicles are used for valid City business and are only driven by qualified staff.
<b>Homeless Solutions</b>	

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Construction Audit - 71st Avenue Homeless Shelter	Evaluate how initial contract and any change order costs were determined and monitored for service delivery.
Contract Audit - Keys to Change Follow-up	Evaluate compliance with contract and grant terms and adequacy of contract monitoring.
Contract Audit - Community Bridges, Inc.	Evaluate compliance with contract and grant terms and adequacy of contract monitoring.
<b><i>Information Technology Services</i></b>	
IT Project Management	Evaluate the City's information system development and project management methodology and practices performed by ITS as compared to the City's internal policy regarding IT project management.
Cybersecurity Functions Follow-up	Evaluate the effectiveness of functions typically associated with a Security Operations Center - security event monitoring, vulnerability management, threat analysis, and incident response and recovery.
Disaster Recovery Planning	Evaluate the Information Technology Services disaster recovery management for enterprise systems regarding plan design, strategies, implementation, testing, and maintenance.
<b><i>Neighborhood Services</i></b>	
Code Enforcement Process	Evaluate the code enforcement process, including complaint intake, inspection procedures, notice issuance, compliance efforts, enforcement actions, and recordkeeping.
<b><i>Parks &amp; Recreation</i></b>	

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Golf Course - Inventory and Cash Management	Evaluate the internal controls over the Golf pro-shop cash accounts and cash receipts. Evaluate the internal controls over the Golf pro-shop purchasing process.
Contract Audit - Phoenix Municipal Stadium	Evaluate compliance with contract terms and adequacy of contract monitoring.
<b><i>Phoenix Convention Center</i></b>	
Contract Audit - ACE Parking	Evaluate compliance with contract terms and adequacy of contract monitoring focusing on shared revenue.
Contract Audit - Greater Phoenix Convention & Visitors Bureau	Evaluate compliance with contract terms and adequacy of contract monitoring.
<b><i>Planning &amp; Development</i></b>	
Building and Safety Permitting Process	Evaluate the building and safety permitting process for effectiveness and revenue collection.
SHAPE PHX System Implementation	Ensure that key system controls are included in business requirements, designed for, tested, and present once the system goes live. This is a multi-year project, with separate projects each fiscal year.
<b><i>Police</i></b>	
Standby and Call-Out Pay	Evaluate standby and call-out pay assignment and expenditures to determine if process improvements and cost savings are possible.
Contract Audit - Safeware, Inc	Evaluate compliance with contract terms and adequacy of contract monitoring.

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Extra and Off Duty Shift Policy Compliance	Evaluate oversight and officer compliance with program policies.
Firearm Inventory Controls Follow-up	Validate that controls are in place to ensure firearm inventory is accurate.
Police Sworn Overtime Transactions	Evaluate overtime and leave transactions to ensure overtime is supported, accurate, and aligned with Police and City policies.
<b>Public Defender</b>	
Contract Audit - Outside Legal Services - Follow-up	Evaluate compliance with contract terms and adequacy of contract monitoring
<b>Public Transit</b>	
Application Controls - FARE Collection System	Review the application for basic controls over data input, processing, and output controls, including interfaces and error handling. A general controls risk assessment is also conducted and high risk areas, such as access management may also be tested.
Contract Audit - TransDev	Evaluate compliance with agreement terms and adequacy of agreement monitoring.
<b>Public Works</b>	
Application Controls - M5	Review the application for basic controls over data input, processing, and output controls, including interfaces and error handling. A general controls risk assessment is also conducted and high risk areas, such as access management may also be tested.
Overtime Compliance - Solid Waste Equipment Operators	Evaluate overtime transactions to ensure submitted overtime slips accurately reflect overtime hours worked.



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Security and Access Control System Implementation	Ensure that key system controls are included in business requirements, designed for, tested, and present once the system goes live. This is a multi-year project, with separate projects for each fiscal year.
Vehicle Warranties	Determine if Public Works Fleet Management has processes and controls in place to monitor and use vehicle warranties and/or credits when available.
<b><i>Retirement</i></b>	
Census Data and Employer Information	Validate that participant records are appropriately collected, updated, and retained.
Police Pension Board Election Certification	Verify the results of the 2025 Phoenix Police Local Board election, and that the Retirement Office followed election procedures outlined in Arizona Revised Statutes and City Pension Board Policy.
Investments - Performance Reporting	Validate that investment performance reporting is timely and accurate.
<b><i>Water Services</i></b>	
Contract Audit - Synagro of California, LLC.	Evaluate contract monitoring procedures for ensuring vendor compliance with contract terms.
Contract Audit - Veolia Water North America Contract Close Out	Evaluate compliance with contract terms and adequacy of contract monitoring as operations transition from the contractor to the City.
Waste Water Fees	Validate accuracy of waste water revenue collected from other municipalities. Evaluate the controls related to the monitoring of revenue collection and reporting.
Water Services Billing and Collections	Evaluate that Water Services follows documented procedures for water billing and collection, including adjustments and write-offs.

DEPARTMENT / PROJECT TITLE	PRELIMINARY SCOPE
Contract Audit - Town of Cave Creek Water Services Agreement	Determine if the required fees are paid by the Town of Cave Creek for wholesale water that is diverted, treated, and transported by the City of Phoenix.
Environmental Services Heavy Equipment Maintenance	Evaluate the effectiveness of processes to ensure preventative maintenance on critical infrastructure is scheduled and completed, as required.