



Presentation to the Audit Committee
September 26, 2016

**STATUS REPORT ON THE FISCAL YEAR 2016 AUDIT PLAN
(JANUARY 1, 2016 to JUNE 30, 2016)**

Yong Ju No, CPA
Director of Internal Audit

**STATUS REPORT ON THE FY16 AUDIT PLAN
(JANUARY 1, 2016 to JUNE 30, 2016)**

Title	Objective(s)	Status	Service	Results/Comments
Carry-over Assignments from FY15				
Springfield Police Department	Review policies and procedures related to cash seizures from narcotics arrests.	Complete	Consultation and Advisory	Report was issued and presented to the Audit Committee on February 16, 2016.
Springfield Police Department	Review policies and procedures related to investigative funds (“buy money.”)	Complete	Consultation and Advisory	See attached for issued report.
On-going Assignments				
City’s Investment Quarterly Review	Determine whether the City’s investments comply with City Ordinance 42-35 and Massachusetts General Laws.	On-going	Audit and Assurance	No reportable findings.
Maintain the City’s Fraud Hotline	Investigate reports of fraud, waste or abuse.	On-going	Investigation	<p>6 allegations have been submitted 5 of which have been closed with no further action warranted.</p> <p>An allegation of employee gas theft was received from the Parks Department. OIA investigated and submitted our findings to Human Resources. OIA determined that approximately \$22,000 worth of gas was misappropriated. The accused employee was terminated after a hearing, and the City has referred the matter to law enforcement authorities and is seeking restitution. In September 2016, the terminated employee made full restitution to the City. OIA also issued a separate report on our review of the City’s Fueling Operations. See attached report.</p>

**STATUS REPORT ON THE FY16 AUDIT PLAN AS OF JUNE 30, 2016
(JANUARY 1, 2016 to JUNE 30, 2016)**

Title	Objective(s)	Status	Service	Results/Comments
New Assignments				
The School Department's Student Activity Funds Agreed Upon Procedures	Comply with Massachusetts General Law.	Complete	Audit and Assurance	Report issued and discussed with Superintendent in March 2016.
Information Technology Review at Springfield Public Schools	Evaluate the IT Policies and Procedures at Springfield Public Schools and assess their external network for vulnerabilities. Review will be performed by a consultant.	Complete	Audit and Assurance	Report issued and discussed with School Committee in February 2016.
City's Information Technology Follow Up Review	Determine if the FY2014 recommendations from consultant have been implemented.	In-Process	Audit and Assurance	Draft report distributed to City management for review and commentary. We are awaiting responses. Estimated date of presentation to the Audit Committee is October 2016.
Citywide Cash Handling Procedures Performance Audit	Determine whether controls over cash collection, accounting, and deposit of funds are appropriate.	In-Process	Audit and Assurance	Draft report distributed to City management for review and commentary. We are awaiting responses and have delayed finalizing and presenting the report to the Audit Committee to allow for Legal review. Estimated date of presentation to the Audit Committee is October 2016.
Citywide Unannounced Cash Counts	Verify accuracy of cash records and identify any weaknesses surrounding the safekeeping of cash.	In-Process	Audit and Assurance	No reportable findings. The results will be disclosed in the Citywide Cash Handling Procedures Performance Audit report.

**STATUS REPORT ON THE FY16 AUDIT PLAN AS OF JUNE 30, 2016
(JANUARY 1, 2016 to JUNE 30, 2016)**

Title	Objective(s)	Status	Service	Results/Comments
New Assignments (continued)				
Citywide Purchasing and Accounts Payable Procedures Performance Audit	Determine whether appropriate controls exists within the purchasing/disbursement process to ensure correct, appropriate and timely payments are made for goods/services received.	In-Process	Audit and Assurance	The audit is in the planning phase.
On the Horizon				
Review of the City Golf Courses	Work collaboratively with the City's external auditors Powers and Sullivan, LLC to determine if Kennedy Golf Management, Inc. complied with its contract with the City.	Not started as of June 30, 2016.	Audit and Assurance	Powers and Sullivan, LLC's review is expected to be completed on or about September 30, 2016.