



*Presentation to the Audit Committee  
September 16, 2019*

---

**STATUS REPORT ON THE FISCAL YEAR 2019 AUDIT PLAN  
(JANUARY 1, 2019 to JUNE 30, 2019)**

*Yong Ju No, CPA  
Director of Internal Audit*

**STATUS REPORT ON THE FY19 AUDIT PLAN  
(JANUARY 1, 2019 to JUNE 30, 2019)**

Title	Objective(s)	Status	Service	Results/Comments
<b>Carry-over Assignments from Previous Fiscal Years</b>				
City Cash Handling Follow Up Review and Unannounced Cash Counts	Determine whether the recommendations from the Cash Handling Performance Audit in FY 2016 have been implemented.  Verify accuracy of cash records and identify any weaknesses surrounding the safekeeping of cash.	Complete	Audit and Assurance	The OIA presented its report to the Audit Committee on April 16, 2019.
Springfield Police Department Information Technology Follow Up Review	Determine whether the FY 2015 recommendations from consultant have been implemented.	Complete	Audit and Assurance	The IT consultant's report was presented to the Audit Committee on January 30, 2019.
Springfield School Department Information Technology Follow Up Review	Determine whether the FY 2016 recommendations from consultant have been implemented.	Complete	Audit and Assurance	The IT consultant's report was presented to Springfield Public Schools on May 28, 2019.
Investigation of the Alleged Contract Violations for Managing the City's Golf Courses	Quantify the alleged contract violations by Kennedy Golf Management, Inc.	In Process	Investigation	We are continuing to work with law enforcement authorities and do not currently have a timetable for the completion of our investigation.
<b>On-going Assignments</b>				
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.

**STATUS REPORT ON THE FY19 AUDIT PLAN (continued)**  
**(JANUARY 1, 2019 to JUNE 30, 2019)**

Title	Objective(s)	Status	Service	Results/Comments
<b>On-going Assignments (continued)</b>				
Maintain the City's Fraud Hotline	Investigate reports of fraud, waste or abuse.	On-going	Investigation	<p>Ten allegations have been submitted of which eight have been closed with no further action warranted.</p> <p>Three allegations, including one from September 2019, are currently being investigated by the OIA.</p>
Student Activity Funds Agreed Upon Procedures (AUP)	<p>Comply with Massachusetts General Laws. The Office of Internal Audit (OIA) performs the agreed upon procedures (AUP) for two years and the external auditors perform the AUP for the third year.</p> <p><u>FY 2018</u> Since FY 2018 represents the third year of the cycle, the external auditors will perform the AUP.</p> <p><u>FY 2019</u> Since FY 2019 represents the first year of the cycle, the OIA will perform the AUP.</p>	<p>Complete</p> <p>In Process</p>	Audit and Assurance	The external auditors issued their report in May 2019.
<b>New Assignments</b>				
City Benefits Audit – Life Insurance	Determine whether appropriate controls exist for the administration of City's Life Insurance program.	Complete	Audit and Assurance	<p>The CAFO requested the audit due to the retirement of the Benefits Director in FY 2018.</p> <p>The OIA presented its report to the Audit Committee on June 4, 2019.</p>

**STATUS REPORT ON THE FY18 AUDIT PLAN (continued)  
(JANUARY 1, 2019 to JUNE 30, 2019)**

Title	Objective(s)	Status	Service	Results/Comments
<b>New Assignments (continued)</b>				
Health and Human Services	Determine whether the controls over operations, including cash receipts, disbursements, payroll, grant compliance, and safeguarding of assets, are effective.	Complete	Audit and Assurance	The OIA presented its report to the Audit Committee on September 16, 2019.
Unannounced Cash Counts	Verify the accuracy of cash records and identify any weaknesses surrounding the safekeeping of cash.	Complete	Audit and Assurance	No reportable findings.
Compensatory Time Off, also known as "Bankable Overtime," Review at the Springfield Police Department	Review compensatory time off practices at the Springfield Police Department and assess compliance with union contracts, City policies, and federal/state guidelines.  Identify opportunities for improved controls and cost savings associated with current practices.	In process	Audit and Assurance	The CAFO requested this review due to recent higher than anticipated retirement payouts.
Procurement Card Audit at the School Department	Evaluate the appropriateness of procurement card purchases and the adequacy of administration and oversight with regards to its use.	In process	Audit and Assurance	

**STATUS REPORT ON THE FY18 AUDIT PLAN (continued)**  
**(JANUARY 1, 2019 to JUNE 30, 2019)**

Title	Objective(s)	Status	Service	Results/Comments
<b>New Assignments (continued)</b>				
Information Technology Follow Up Review	Reassess the City’s vulnerability to cybersecurity and information theft. This assessment will build on the results of the 2014 and 2016 information technology reviews by examining additional areas of potential vulnerability.	In process	Audit and Assurance	The OIA outsourced the review to Wolf & Company, IT Consultants.
City Benefits Audit – Health Insurance	Determine whether appropriate controls exist for the administration of City employee benefits – Health insurance.	Postponed to FY 2020	Audit and Assurance	The CAFO requested the audit due to the retirement of the Benefits Director in FY 2018.  The OIA has scheduled this audit to commence in FY 2020.
Payroll Audit	Determine whether appropriate controls exist for the administration of the City’s payroll process.	Postponed to FY 2020	Audit and Assurance	The OIA has scheduled this audit to commence in FY 2020.
TJ O’Connor Animal Control and Adoption Center	Determine whether the controls over operations, including cash receipts, disbursements, payroll, monitoring contract compliance, and safeguarding of assets and narcotics are effective.	Postponed to FY 2020	Audit and Assurance	The OIA has scheduled this audit to commence in FY 2020.
Follow Up Reviews – Citywide Procurement Audit and Human Resources Life Insurance Review.	Review, monitor, and test the implementation status of prior audit recommendations.	Postponed to FY 2020	Audit and Assurance	The OIA has scheduled this audit to commence in FY 2020.