



# AUDIT WORK PLAN

Fiscal Year 2026

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## Introduction

The City of Tallahassee Office of the Inspector General (OIG) was established to provide independent assessments of City operations. Its mission is to advance integrity, accountability, transparency, and efficiency and effectiveness within City government by providing professional, independent, and objective audit and investigative services. To accomplish its mission, the OIG is organized into two divisions, an Audit Division and an Investigative Division.

The Audit Division of the OIG is responsible for evaluating the efficiency, effectiveness, and economy of City operations, including policies, procedures, financial management, and internal controls. Its work focuses on identifying risks, improving accountability, and recommending corrective actions that strengthen City programs and safeguard public resources. To fulfill this role, the Audit Division has unrestricted access to all records, data, systems, and personnel necessary to conduct its work, and it carries out audits in accordance with Government Auditing Standards (Yellow Book).

City Commission Policy No. 104 – *Inspector General Policy* – directs all audit work performed by the OIG on behalf of the City Commission. The policy requires the Inspector General to prepare an annual audit plan for the Audit Division before or during the first quarter of each fiscal year, submit it to the City Audit Committee for review, and then present it to the City Commission for approval. This Fiscal Year 2026 Audit Plan is submitted in accordance with that requirement.

## Inspector General Work Plan - Fiscal Year 2026

In general, an audit plan serves as a roadmap for how the Office of the Inspector General will use its audit resources during the year. It identifies priority areas of review and ensures that audit work is aligned with organizational risks, statutory requirements, and City Commission oversight responsibilities. Developing the plan involves assessing risks across City programs and operations, reviewing prior audit results, considering input from management and stakeholders, and evaluating resource availability. This structured approach ensures that audit efforts focus on areas with the greatest potential to improve accountability, strengthen internal controls, and safeguard public funds.

This year, the OIG followed a process for development of the audit plan similar to that used in past years. The process was a mix of 1) OIG assessment of risks that could negatively impact City operations, 2) outreach to parties external to the OIG that may have additional insight into various aspects of City operations, and 3) collaboration within the OIG to select audit topics most likely to benefit the City and within the technical ability of OIG staff. Figure 1 shows, at a high level, the audit plan development process.

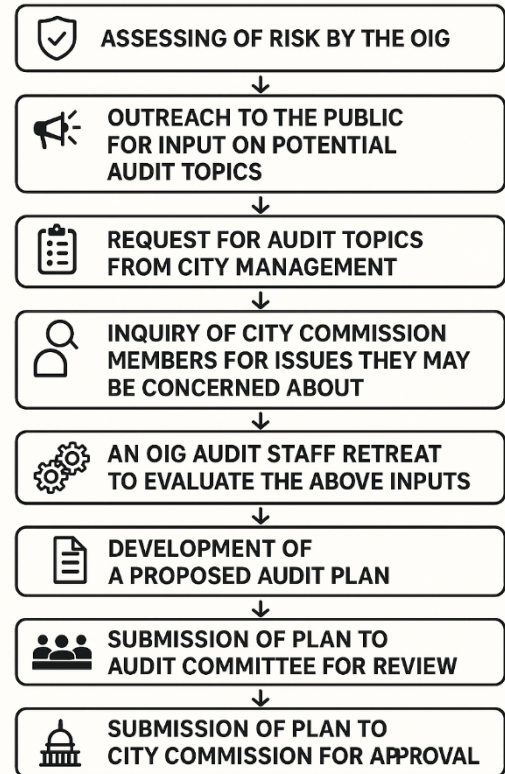
This audit plan outlines our intended audit activities for the 2026 Fiscal Year and includes:

- ongoing audits,
- audits of management actions to implement recommendations from prior audits,
- new audits, and
- other projects that use audit resources to fulfill OIG responsibilities.

Our performance target is for each auditor to complete between one and two audit projects per year. This performance target is sometimes modified due to various factors, including staffing vacancies, complexity of audit topics, changes in priorities, and requests for additional audit services that were not included in the audit plan when created.

As previously noted, in developing this plan, we considered the risks associated with different City departments, programs, activities, and functions. Risk factors included fiscal impact, legal or policy non-compliance, errors, information technology issues, complexity, public interest, and public welfare. We collaborated with City management, exercised auditor judgment, and took available resources into account during the planning process.

Figure 1: Audit Planning Process



Source: OIG

## The City of Tallahassee Strategic Plan

This year, the City Commission approved a new Five-Year Strategic Plan, which built upon the first plan (adopted in 2020). The purpose of the strategic plan is to guide policy decisions, shape key projects and reinforce City dedication to strategic excellence, adaptability and measurable progress. As described above, the audit plan for the OIG Audit Division was developed using a risk-based approach. As such, it is not intended to align directly with the strategic plan. However, the work of the OIG can be seen as assisting City efforts in fulfilling the plan by helping to ensure efficiency of operations and compliance with applicable laws, rules and policies. Each audit in the work plan will specify the priority areas it addresses and will be included in any issued report.

## **Fiscal Year 2026 Engagements**

The OIG Audit Division provides audit and audit-related services as its primary function. Currently, there are five auditors. The following are the audits and audit-related projects in progress or planned to be performed in Fiscal Year 2026.

<b>Project</b>	<b>Strategic Area</b>	<b>Dept.</b>	<b>Description</b>
City Projects	Organizational Effectiveness	Citywide	This audit is intended to evaluate the status of City capital projects and the City funds set aside to complete the projects and to ensure those projects are still active.
Code Enforcement	Quality of Life & Organizational Effectiveness	Neighborhood Services	This audit will evaluate the effectiveness, consistency, and equity of the City Code Enforcement Program as well as test for compliance with applicable laws, regulations, and rules.
Compliance Review of Pension Investment	Organizational Effectiveness	Treasurer-Clerk Treasury Management	The City maintains a large pool of investments to fund the City pension liability. The Commission Policy governing the investment of pension assets (Policy 236) provides the parameters for the allocation of those assets. This audit will review the portfolio holdings for compliance with those requirements.
Confidential Data Protection	Organizational Effectiveness	Technology & Innovation	This audit will assess the effectiveness of controls and procedures in protecting confidential information from unauthorized access, use, disclosure, modification, or destruction. The audit will focus on evaluating the ability to identify, classify, protect, and monitor confidential information throughout its lifecycle.

Controlled Substance Inventory	Public Safety & Organizational Effectiveness	Fire and Animal Services	This audit will evaluate the internal controls over controlled substances maintained by the City Fire Department Emergency Medical Services Division and Animal Services Center. The completeness and accuracy of the inventory system will be assessed to determine whether controlled substances were used appropriately, properly accounted for, maintained, and disposed of when necessary.
Disbursements	Organizational Effectiveness	Citywide	This audit will review and evaluate City disbursement processes and the associated internal controls. Transactions will be sampled and tested for compliance with City policy and procedures as well as good business practices.
Effectiveness of Safety Programs	Organizational Effectiveness	Citywide	This audit will review loss claims to identify trends or patterns that would indicate the need for improvements in internal controls or training.
Electric Inventory	Public Infrastructure	Electric Utility	This audit will evaluate Electric Utility inventory practices. Specifically, this audit will, on a sample basis, perform a count of select inventory items and compare that count to recorded inventory levels, evaluate the safeguarding of assets, and review relevant internal policies and procedures.
Grants Monitoring	Quality of Life & Organizational Effectiveness	Neighborhood Services	The City provides a limited amount of grant funding to support human service activities in the community. This audit will evaluate the processes used to ensure the City receives the services provided for in the grant awards.

IT Access Controls	Organizational Effectiveness	Technology & Innovation	This audit will assess the effectiveness of the organization's IT access control framework in safeguarding sensitive information and systems. The audit will focus on determining if access controls are aligned with organizational risk tolerance, regulatory requirements, and industry best practices.
Procurement of Major Contracts	Organizational Effectiveness	Procurement Services	This audit will review and evaluate whether select major contracts were awarded in accordance with applicable laws, City policies and procedures, and good business practices.
Small IT Device Management	Organizational Effectiveness	Technology & Innovation	To support City operations, the City regularly acquires IT devices that are small both in physical size and often of a lower relative cost. This audit will evaluate City processes, policies, and practices in how those devices are acquired, managed, and disposed of when no longer needed or are obsolete.
Treasurer-Clerk Revenue Collections	Organizational Effectiveness	Treasurer-Clerk Revenue Division	The last audit of the Revenue Division was conducted in 2012. Since then, there have been significant changes in the means and methods of revenue collection the City uses. This audit is intended to review the internal controls related to revenue collections.
City-Owned Parking (2nd Follow-up)		Customer Operations	This audit will follow up on action plan steps developed in response to the recommendations made in the original audit of city-owned parking.
Cybersecurity Governance (1st Follow-up)		Technology & Innovation	This audit will follow up on action plan steps developed in response to the recommendations made in the original audit of cybersecurity governance.

Disbursements (1 <sup>st</sup> Follow-up)		Citywide	This audit will follow up on action plan steps developed in response to the recommendations made in the original audit of disbursements.
Facilities Security (3 <sup>rd</sup> Follow-up)		Fire Department	This audit will follow up on action plan steps developed in response to the recommendations made in the original audit of facilities security.
Policy Governance (2 <sup>nd</sup> Follow-up)		Resource Management	This audit will follow up on action plan steps developed in response to the recommendations made in the original audit of policy governance.
Requests for Public Records 1 <sup>st</sup> Follow-up)		Treasurer-Clerk Records Division	This audit will follow up on action plan steps developed in response to the recommendations made in the original audit of requests for public records.
TPD Internal Affairs (1 <sup>st</sup> Follow-up)		Police Department	This audit will follow up on action plan steps developed in response to the recommendations made in the original audit of TPD Internal Affairs.
TPD Operational Training (1 <sup>st</sup> Follow-up)		Police Department	This audit will follow up on action plan steps developed in response to the recommendations made in the original audit of TPD operational training.

<b>Audit Commitments</b>	
<b>Project</b>	<b>Description</b>
Annual Audit Planning	Each year, as part of developing this audit plan, the OIG Division conducts a formal process to identify audit topics for the next fiscal year. This process involves performing a citywide assessment of risks, outreach to the City Commission, City management, and the public, and a final evaluation and selection of audits. This year, we will review and revise the audit planning process to improve the selection of audit topics.
Annual External Auditor Support	The City is required to obtain an audit of its financial statements. The OIG supports the audit process by serving as the liaison between the City and the external auditor. Additionally, the City Audit Committee (supported by the OIG) meets several times during the year with the external auditor to represent the City Commission and its interests in matters such as receiving required communications and reviewing the Annual Comprehensive Financial Report (ACFR) and recommending acceptance.
Annual Report	The OIG is required to prepare an annual report summarizing its activities, including its audit activities, results, and the status of recommendations.
Audit Committee	The Audit Committee plays a key role in supporting the City Commission's oversight of the audit function. Established by the City Charter, the Committee reviews the OIG annual audit work plan, monitors progress on planned work, and serves as the City Commission representative in oversight of the annual financial statement audit. The OIG Audit Division provides all necessary support for the Audit Committee to fulfill its responsibilities.
Quality Control Review	Yellow Book audit standards require a system of quality management for audits conducted in accordance with those standards. The objective is to provide reasonable assurance for the audit organization and its personnel 1) fulfill their responsibilities in accordance with professional standards and applicable laws and regulations, and 2) perform and report on engagements in



	accordance with such standards and requirements. To help ensure the OIG meets this requirement, the OIG conducts an annual quality control review and, on a triennial basis, engages outside auditors to conduct a peer review for the purpose of evaluating and making recommendations to improve the OIG system of quality management.
Special Projects	The Audit Division completes special projects as necessary throughout the year. Often, these projects require the efforts of several members of the audit staff, which could impact the ability to complete the audit plan.