



**OFFICE OF THE CITY AUDITOR**  
**COLORADO SPRINGS, COLORADO**

# 2014 Audit Plan

Denny L. Nester, City Auditor



# Office of the City Auditor 2014 Audit Plan

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December 16, 2013

Audit Committee for  
Colorado Springs City Council  
Colorado Springs, CO 80901

Subject: 2014 Audit Plan

Dear Audit Committee:

Attached is the Proposed 2014 Audit Plan for the Office of the City Auditor. The basis for this audit plan is a risk assessment performed by me and my office as required by professional auditing standards. As part of this risk assessment process, we considered input from City Council, City Administration, Colorado Springs Utilities Administration, Colorado Springs Airport Administration, and others. This document will serve as the primary work plan for my office. Most of the audits listed will be performed by the staff of my office, but some funds have been set aside to contract outside resources if needed.

You will note that the format of this audit plan is different from prior years. We have changed the format to draw attention to the reasons for each audit being performed and the priority assigned of elective audits. Some audits are required by City Code or fulfill a responsibility specified in the City Charter. Similarly, Colorado Springs Utilities governance model requires some external reporting that has been delegated to my office. The elective audits are ordered by their risk assessment score from highest to lowest. While the risk assessment model provided ratings on other potential audits, only the elective audits with the highest risk scores are included in this 2014 Audit Plan.

The 2014 Audit Plan has been reviewed and approved by the Audit Committee. A copy will be posted on the Office of the City Auditor webpage.

Respectfully,

Denny L. Nester, MBA, CPA, CIA, CFE, CGFM, CGAP  
City Auditor



Office of the City Auditor  
**2014 Audit Plan**

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Background.....1

- Authority.....1
- Mission Statement.....1
- Types of Audits .....2
- Audit Universe .....6

2014 Audit Plan .....8

- Audits /Projects carried forward from 2013.....8
- Standard Audits Planned for 2014.....9
- Audits / Projects Planned for 2014 Prioritized by City Auditor Risk Assessment Ranking.....12

Attachments .....15

- Appendix A - Audit Plan by Entity .....15
- City of Colorado Springs.....15
- Colorado Springs Airport .....15
- Colorado Springs Utilities .....16



## BACKGROUND

- **AUTHORITY**

The City Auditor is an appointee of City Council. The City Auditor has the authority to establish policies and procedures to facilitate the consistent operation of the Office of the City Auditor. In most instances, the Office of the City Auditor will also comply with the policies and procedures the City Mayor's Office has prescribed for the City. The City's policies and procedures can be found on the City's internet web site, under the Human Resources tab. The following policies and procedures have been established and are intended to promote the smooth operation of the Office of the City Auditor.

The City Auditor derives his authority from the Colorado Springs City Code. Appendix A contains excerpts from the code that are applicable to the City Auditor. The primary authority given is in Section 1.2.706, which states:

"The City Auditor shall examine and inspect all books, records, files, papers, documents and information stored on computer records or in other files or records relating to all financial affairs of every office, department, division, agency, enterprise, political subdivision and organization which receives funds from the City or under the direct or indirect control of the City Council. The Auditor may require any person to appear at any time upon proper notice and to produce any accounts, books, records, files and other papers pertaining to the receipt or expenditure of City funds, whether general or special. If that person fails to produce the papers, then the Auditor may request Council approval to search for and take any book, paper or record in the custody of that person or public official." (Ord. 11-18)

- **MISSION STATEMENT**

To provide the City Council an independent, objective, and comprehensive auditing program for operations of the City, and Colorado Springs Utilities; evaluate the adequacy of financial controls, records, and operations, and the effectiveness and efficiency of organizational operations; and provide the City Council, management, and employees objective analyses, appraisals, and recommendations for improving systems and activities.

The Office of the City Auditor (OCA) performs a variety of audits. While each audit involves unique planning, techniques, and execution, we can divide most of the audits into the following types.



- TYPES OF AUDITS

#### SYSTEM AUDITS

The purpose of these system audits is to evaluate the internal controls that are used to ensure the reliability of financial information. The major systems that will be audited on this rotating basis are Accounts Receivable, Billing, Accounts Payable, Payroll, Debt, Investments, Purchasing and Purchasing Cards.

City Code states: “the City Auditor shall examine and inspect all books, records, files, papers, documents, and information stored on computer records or in other files or records relating to all financial affairs of every office, department, group, enterprise, political subdivision, and organization which receives funds from the City or under the direct or indirect control of the City Council.” Considering the magnitude of this requirement, the City Auditor has established a practice of methodically auditing all major systems every three years.

#### FINANCIAL AUDITS

Our office provides audit assistance to the external auditor for the City and Colorado Springs Utilities annual financial audit. This work is defined, supervised and reviewed by the external audit firm. The OCA provides assistance per the external audit contract, approximately 250 hours each, to assist in reducing the audit fee.

The City Charter states: “**3-160.Independent Audit.** The Council shall provide for an independent annual audit of all City accounts and may provide for more frequent audits as it deems necessary. Such audits shall be made by a certified public accountant or firm of such accountants who have no direct personal interest in the fiscal affairs of the City government or any of its officers.” Acting as City Council’s agent, the City Auditor provides oversight of the contract with the independent external audit firm along with providing the staff assistance to the firm.

#### PERFORMANCE AUDITS

In 2005, the City Auditor began focusing on performance audits, which are objective and systematic examinations of a specific area of an organization to provide an assessment of the performance and management of the operation. It usually involves a review of the:

- compliance with internal and external rules and regulations,
- accomplishments of goals and objectives,
- reliability of data,
- economy, efficiency, and effectiveness of service delivery, and safeguarding of assets.



City Code states the duties of the City Auditor include: "1.2.705: Determine Effectiveness and Efficiency of Programs: The City Auditor shall determine the extent to which legislative policies are being efficiently and effectively implemented by administrative officials. The City Auditor shall determine whether City programs are achieving desired objectives...."

#### CONTRACT AUDITS

The primary concern or purpose of a contract compliance audit is that the parties of the contract are abiding by the terms of the contract. One example of a contract audit is the audit of coal purchases. The coal purchase contracts involve millions of dollars and some specify complex adjustments. When we audit these contracts, we verify receipt, proper billing, recalculate adjustments, and verify all adjustments for the year.

Other contracts such as those entered into with Transit or the Humane Society are audited as well. These contracts often address issues of performance and compliance with City requirements. Again, the criteria that we are auditing are the specifications of the contract.

City Codes states that the duties of the City Auditor include: "1.2.709: Make Periodic Reports to Council: The City Auditor shall make periodic reports to Council which shall include the following: ...

B. Information of proposals deemed expedient in support of the City's credit, and recommendations for lessening expenditures, for promoting frugality and economy in City affairs and for an improved level of fiscal management..."

#### RATE REVIEWS

The Office of the City Auditor is required to review and comment on all utility rates or charges. The City Auditor reviews the rates to determine whether the rate model has been accurately and consistently applied in the calculation of appropriate rates. The City Council votes on whether or not to implement the rate or rate adjustment.

City Code requires that rate filings be submitted to the City Auditor. City Code states, "12.1.107: REGULATION OF ELECTRIC, STREETLIGHT, NATURAL GAS, WATER AND WASTEWATER RATES, CHARGES, AND REGULATIONS: C. Adopted By Resolution; Hearing: Base rates or regulations or any change shall be adopted by resolution, which shall adopt by reference the appropriate tariff sheet or sheets to be established or revised. 1. Preliminary Information For The City Auditor And City Attorney: When Utilities proposes to change base rates, and the proposed change will result in the determination of a new revenue requirement supported by a cost of service study, Utilities will provide a draft of the proposal and cost of service study to the City Auditor and the City Attorney at least thirty (30) days prior to filing the proposed resolution with City Council. When changes to base rates are proposed, but do not involve a cost of service study, a draft of the proposal will be provided to the City Auditor and the City Attorney seven (7) days prior to the filing of a proposed resolution. Any request for additional information by the City Auditor and any response by Utilities, will be in writing."



### CONSTRUCTION AUDITS

The City and its various enterprise operations are involved in active capital expansion programs where several billion dollars will be spent. The City Auditor has established a Construction Audit review section under the Performance Audit group. This group provides a review of the large projects that are underway. We have identified a list of risks associated with construction projects. Some of the tasks that will be performed include:

- reviewing payment requests to assure they are in agreement with contracted terms,
- scrutinizing change orders,
- monitoring project costs versus approved budgets, and
- providing independent observations to management regarding project status.

The Code authority for construction audits would be the same as several of the areas mentioned above to include Contract Audits, Performance Audits, and System Audits. In addition, City Code states, "1.2.703: Ensure Public Accountability: The City Auditor shall ensure that administrative officials are held publicly accountable for their use of public funds and the other resources at their disposal. The City Auditor shall investigate whether or not laws are being administered in the public interest, determine if there have been abuses of discretion, arbitrary actions or errors of judgment, and shall encourage diligence on the part of administrative officials."

### INFORMATION SYSTEM AUDITS

The purpose of an Information System/IS (or Information Technology/IT) audit is to review and evaluate the availability, confidentiality, and integrity of the City's (and its entities') information technology infrastructure. The evaluation helps to ensure that the organization is adequately safeguarding assets, maintains data integrity, and is operating effectively and efficiently to achieve the organization's goals. Types of IS/IT audits include:

- Review of computerized systems and applications to verify that they are appropriate to the entity's needs, are efficient, and are adequately controlled to ensure valid, reliable, timely and secure input, processing, and output at all levels of the system's activity.
- Review of information processing facilities to verify that the facility is controlled to ensure timely, accurate, and efficient processing of applications under normal and potentially disruptive conditions.
- Review of systems development to verify that the system under development meets the objectives of the organization, includes adequate controls to safeguard information input, processing and output, and ensures the system is developed in accordance with generally accepted standards for systems development.
- Review of management and enterprise architecture to verify that IT management has developed an organizational structure and procedures to ensure a controlled and efficient environment for information processing.



City Code states: “the City Auditor shall examine and inspect all books, records, files, papers, documents, and information stored on computer records or in other files or records relating to all financial affairs of every office, department, group, enterprise, political subdivision, and organization which receives funds from the City or under the direct or indirect control of the City Council.” The information systems audits are primarily concerned with computer records and ensuring the reliability of data.

#### MONITORING PROGRAMS

The Office of the City Auditor monitors various aspects of the City and the entities associated with City Council/Utility Board. We accomplish this function by attending meetings and auditing specified projects. We also utilize technology to assist in the monitoring process.

City Code states, “1.2.703: Ensure Public Accountability: The City Auditor shall ensure that administrative officials are held publicly accountable for their use of public funds and the other resources at their disposal. The City Auditor shall investigate whether or not laws are being administered in the public interest, determine if there have been abuses of discretion, arbitrary actions or errors of judgment, and shall encourage diligence on the part of administrative officials.” Monitoring activities allow the City Auditor to help ensure public accountability.

#### FOLLOW-UP AUDITS

Audit report recommendations and management responses are maintained for purpose of monitoring the management actions to audit results. These follow-up audits are required by professional standards and also are supported by previously quoted sections of City Code that direct the City Auditor to ensure public accountability.



- **AUDIT UNIVERSE**

The audit universe for the City Auditor is very broad. Per the City Code, the City Auditor shall examine and inspect all books, records, files, papers, documents, and information stored on computer records or in other files or records relating to all financial affairs of every office, department, group, enterprise, political subdivision, and organization which receives funds from the City or under the direct or indirect control of the City Council.

October 1, 2012, the City entered into a 40 year lease with University of Colorado Health (UCH) for the operations of Memorial Health System (Memorial). Prior to this date, the Office of the City Auditor was responsible for auditing the operations of Memorial. Under the lease agreement, Memorial's internal audit services will be addressed by UCH.

#### STANDARD AUDITS

There are certain audits that are required by the City Code, a City Ordinance, an Executive Limitation or some other legal requirement. The standard audits include system audits that are performed on a rotating basis within a three year period. These audits are automatically added to the audit plan at the appropriate time.

#### RISK ASSESSMENT MODEL

The City Auditor uses a risk assessment model to identify projects for its annual audit plan. The model provides numeric scoring for risk areas and a cumulative score for the project as a whole. The higher values, representing higher risk projects are then reviewed and a balance is reached between staff resources and work load of the various entities.

The City Auditor also considers the strategic goals and objectives and risk concerns of audited entities for audit planning. City Council, Utility Board and executive management recommendations are considered in the risk assessment of potential projects for annual audit planning.

#### BALANCING AUDIT TIME BETWEEN ORGANIZATIONS

The City Auditor attempts to balance the time staff spends on auditing the various organizations based on a historical average. The targeted audit time for each of the major entities is as follows:

30%	City of Colorado Springs
65%	Colorado Springs Utilities
5%	Colorado Springs Airport

#### ANNUAL AUDIT PLAN

The Audit Plan is shared with the entities that are impacted. Once the Audit Plan has been developed and approved by the Audit Committee, the Audit Committee forwards the Audit Plan with their recommendation to City Council for final approval. When approved, the Audit Plan is posted on the City Auditor website.



#### AUDIT ASSIGNMENT

The City Auditor assigns audits to the functional groups within the office. Competency, knowledge and skill is considered in all staff assignments. The City Auditor declines engagements or obtains assistance if the internal auditors lack knowledge, skill or other competencies to perform all or part of the assignment.

#### AUDIT FLEXIBILITY

At the beginning of 2014, The City Auditor has set aside approximately 10% of the scheduled staff time for projects that may arise during the year and require immediate attention. An example of such a project would be the investigation of reports made alleging fraud waste or abuse via the Fraud Hotline. Similarly, City Council or management may request an audit or consulting engagement that needs immediate attention, which could be facilitated by the Office of the City Auditor. All the projects listed may not be completed in 2014. Any audits/projects not completed in 2014 will be assessed for inclusion in the 2015 Audit Plan. The Audit Plan may be revised during the year based on various factors such as resource changes or a modified risk assessment.

THE FOLLOWING PAGES INCLUDE A LIST OF AUDIT/PROJECTS THAT HAVE BEEN ASSESSED TO BE THE BEST USE OF THE RESOURCES OF THE OFFICE OF THE CITY AUDITOR IN 2014. THE AUDITS/PROJECTS ARE LISTED IN THREE CATEGORIES:

- AUDITS /PROJECTS CARRIED FORWARD FROM 2013
- STANDARD AUDITS PLANNED FOR 2014
- AUDITS / PROJECTS PLANNED FOR 2014 PRIORITIZED BY CITY AUDITOR RISK ASSESSMENT RANKING



## 2014 AUDIT PLAN

- AUDITS /PROJECTS CARRIED FORWARD FROM 2013

### ❖ **Municipal Court Review**

The purpose of this audit is to perform an internal control and efficiency/effectiveness review of Municipal Court operations. Related processes identified in the 2012 published audits of Humane Society and Cash Receipts will be considered in this review. We will also benchmark staffing levels with similar courts.

### ❖ **Colorado Springs Utilities Automated Meter Reading Audit**

The purpose of this audit is to review controls over the meter life cycle process that ensure meter reads used in billing are accurate. Based on a risk assessment of the meter life cycle, we will perform detailed reviews of the highest risk areas to include information technology concerns.

### ❖ **Colorado Springs Utilities Human Resources Compliance Audit**

The purpose of this audit is to perform a risk assessment to identify the significant legal, regulatory and compliance risk areas within the Human Resources function. Based on this risk assessment, we will perform detailed reviews of the highest risk areas.

### ❖ **Colorado Springs Utilities SharePoint Implementation**

SharePoint implementations may be centralized or, more commonly, decentralized. The latter provides more challenges to the effective and secure controls over content, requiring a focus on governance practices, policy and guideline communications with the users, and a managerial monitoring activity to assure compliance with governance requirements. Content is difficult to monitor because of the inability to automate the process. Therefore, governance, management oversight, and strong content management policies are the keys to securing content. Our review will focus on these keys to securing content.



- STANDARD AUDITS PLANNED FOR 2014

- ❖ **City and Colorado Springs Utilities External Auditor Oversight**

In accordance with City Charter, 3-160 Independent Audit: The City Auditor administers the external auditor contracts. The City Auditor monitors issues as they arise between the external auditor and the City, Colorado Springs Utilities or its audited entities. The external auditor will report to the City Auditor, who will then communicate with City Council, as needed.

- ❖ **External Financial Audit Staffing/Assistance**

The Office of the City Auditor will provide 250 hours of audit assistance each to the external auditor for the City and Colorado Springs Utilities annual external audit of the financial statements. City Auditor staff performs this work under the direction of the external auditor.

- ❖ **TOPS - Trails, Open Space and Parks**

In accordance with City Code, 4.6.203 Biannual Independent Audit: As required by City Code, which states – “The City shall adopt regulations requiring an independent biannual audit of the expenditures of all of the net proceeds from the sales tax and other revenue. The City Council, with City and advisory committee participation, shall regularly review the audits with a view to establishing expenditure priorities. (Ord. 97-96; Ord. 01-42; Ord. 03-69)” While the code specifies biannually (twice each year), the City Auditor has opined that the original word of “biennially” (every two years) is the appropriate timing for this audit.

- ❖ **Executive Limitation 4 & 7 Monitoring**

- ❖ **Executive Limitation 11 Monitoring**

In accordance with City Code, 1.2.206 Cooperation Among Appointive Officers of the City: The Utilities Board requested the City Auditor perform an annual compliance review of Colorado Springs Utilities Executive Limitations 4, 7 & 11. The purpose of this audit is to verify the report of Springs Utilities management to City Council on EL-4, Prohibitions 1,4,7 & 8 related to Asset Protection and EL-7 related to Fiscal Condition and Activities. The purpose of the EL-11 audit is to verify the report of Springs Utilities management to Utility Board on EL-11 related to Energy Risk Management.



- ❖ **Colorado Springs Utilities Cash Receipts – Financial System Review**
- ❖ **Colorado Springs Utilities Purchasing—Financial System Review**
- ❖ **Colorado Springs Utilities Purchasing Card Audit**

In accordance with City Code, 1.2.704 Perform Postaudit and 1.2.706 Examine Books, Records: ‘The City Auditor shall perform a current postaudit of the financial operation of the City government and its enterprises. The City Auditor shall submit reports to Council of periodic audits of each enterprise, department, division, office, agency or account.’ ‘The City Auditor shall examine and inspect all books, records, files, papers, documents and information stored on computer records or in other files or records relating to all financial affairs of every office, department, division, agency, enterprise, political subdivision and organization which receives funds from the City or under the direct or indirect control of the City Council.’

Considering the magnitude of the requirements, the City Auditor has established a practice of methodically auditing all City and Colorado Springs Utilities major systems every three to six years. The purpose of these system audits is to evaluate the internal controls that are used to ensure the reliability of financial information. Also to ensure compliance with policies, effectiveness and efficiency of operations and best industry practices where applicable.

The systems that will be audited on a rotating basis for each the City and Colorado Springs Utilities are Accounts Receivable, Billing, Accounts Payable, Payroll, Debt, Investments, Purchasing and Purchase Cards.

- ❖ **Follow-ups**

In accord the Institute of Internal Audit Practice Advisory 2500.A1-1: ‘The chief audit executive must establish a follow up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action.’ The purpose of this project is to follow up on City, Colorado Springs Utilities and Airport audits issued in 2013 or unresolved issues from prior years.

- ❖ **Colorado Springs Utilities Rate Filing Reviews**
- ❖ **Colorado Spring Utilities ECA/GCA Rate Verification**

In accordance with City Code, 12.1.107 Regulations of Electric, Streetlight, Natural Gas, Water and Wastewater Rates, Charges and Regulations: ‘When Utilities proposes to change base rates, and the proposed change will result in the determination of a new revenue requirement supported by a cost of service study, Utilities will provide a draft of the proposal and cost of service study to the City Auditor and the City Attorney at least thirty (30) days prior to filing the proposed resolution with City Council. When changes to base rates are proposed, but do not involve a cost of service study, a draft of the proposal will be provided to the City Auditor and the City Attorney seven (7) days prior to the filing of a proposed resolution. Any request for additional information by the City Auditor and any response by Utilities, will be in writing.’

Colorado Springs Utilities periodically files rate adjustments and Electric or Gas Cost Adjustments (ECA/GCA) with the City Council. These rates become the basis for the service billings. The purpose of



this audit is to evaluate whether Colorado Springs Utilities prepares rate filings in a consistent and accurate manner. We verify management is using sound methodology that is supported by verifiable data and logical assumptions. We also verify that the rates support management objectives.

❖ **Airport Capital Projects**

❖ **Airport Contract Activities Audit-Food Vendor(s)**

In accordance with City Code, 14.1.205 Municipal Airport Enterprise Status; Accountability: Contracts: 'The City Auditor shall have those duties and responsibilities imposed by City Council to ensure the public accountability of the enterprise operation.'

The purpose of the planned 2014 Airport audits will be to review and monitor various capital projects and select vendor contracts for compliance. Auditors will select capital projects that are under construction during 2014 to verify the effectiveness, efficiency, and economy of project administration.



- AUDITS / PROJECTS PLANNED FOR 2014 PRIORITIZED BY CITY AUDITOR RISK ASSESSMENT RANKING

- ❖ **Southern Delivery System Construction Audit**

The purpose of this audit is to monitor the major water construction project for Colorado Springs Utilities known as the Southern Delivery System (SDS). This audit will include work in the areas of Construction Monitoring, Project Controls, Procurement, and Land Acquisition.

- ❖ **Fire Department Follow-up on Pensions**

The purpose of this project is to follow up on actions taken to prevent pension spiking. In 2011, the Office of the City Auditor entered into a consulting agreement with the City related to fire pensions. This project will also review actions taken to address observations identified in the consulting report issued in November 2011.

- ❖ **Review and Monitor the Neumann Scrubber Project**

The purpose of this audit will be to monitor the Neumann Scrubber Project, a major emissions control construction project. This audit will include monitoring controls for procurement, construction, costs and management reporting.

- ❖ **Forecast and Load Data Verification**

Colorado Springs Utilities utilizes forecast models and load studies to project usage for future periods. The purpose of this audit is to verify that Colorado Springs Utilities prepared these forecast models and load studies in a consistent manner. The models and studies use sound methodology and are accurately calculated. We intend to verify they are supported by verifiable data and logical assumptions.

- ❖ **City of Colorado Springs Information Technology Penetration Testing**

- ❖ **Colorado Springs Utilities Information Technology Penetration Testing**

The purpose of this audit would be to identify possible vulnerabilities of the various technology systems used at the City of Colorado Springs and Colorado Springs Utilities. If costs are not prohibitive, we will outsource this audit to a penetration testing firm, but will utilize City Auditor staff where possible to minimize cost and increase our knowledge base in this area.

- ❖ **City Compensation Study Changes**

- ❖ **Colorado Springs Utilities Compensation Changes**

The purpose of this audit is to verify that accurate and appropriate compensation changes have occurred as a result of the 2013 study process. We will verify that funds were spent as specified to City Council and Utility Board.

- ❖ **Sales Tax System**

The purpose of this audit would be to assess the general system controls and application system controls associated with the Sales Tax System implemented in 2013.



❖ **City Fleet Management and Replacement Audit**

❖ **Colorado Springs Utilities Fleet Management and Replacement Audit**

The purpose of this audit is to review the Fleet Contract Management process as Fleet Maintenance is outsourced. We plan to verify data related to the age and maintenance cost of individual pieces of equipment compared to replacement cost. As data becomes available late in 2014, we plan to verify the aggregate cost of Fleet Maintenance outsourcing compared to the original estimated cost of outsourcing.

❖ **Colorado Springs Utilities Interest Rate Hedging Program**

The purpose of this audit is to evaluate the Interest Rate Hedging program at Colorado Springs Utilities. We plan to consider the various aspects of the program to include collateralization and related costs. To the extent possible, we intend to benchmark the use of swaps and variable rate debt relative to other Large Public Power Providers.

❖ **Colorado Springs Utilities Nixon SO2 Procurement Compliance**

The purpose of this audit will be to review the Request for Proposal (RFP) related to Nixon Power Plant SO2 emission requirements. Auditors will verify the appropriate processes are followed as prescribed in Colorado Springs Utilities Quality by Design (QBD) guidelines and related documents.

❖ **City of Colorado Springs Personal Identifying Information Protection**

The purpose of this audit would be to evaluate the controls and security related to personal identifying information that may be entered into various systems used by the City of Colorado Springs. This information should be adequately safeguarded.

❖ **City of Colorado Springs Consulting Agreements**

The purpose of this review will be to collect and analyze data related to the cost and efficiency of using consultants on various City projects. We will be evaluating agreements relative to economy, efficiency, and effectiveness.

❖ **City of Colorado Springs Special Tax Revenues**

The purpose of this audit will be to ensure compliance with specific guidelines that were established for special tax revenues such as PSST, PPRTA, and LART.

❖ **Development Review Enterprise (DRE) Fee Structure**

As requested by City Administration, we will examine the fee structure to ensure fees are appropriately calculated to recover costs and that transfers between entities accurately reflect the work performed.

❖ **City of Colorado Springs Review and Monitor Capital Projects**

❖ **Colorado Springs Utilities Review and Monitor Other Capital Projects**

The purpose of this audit will be to review and monitor various capital projects. Auditors will select capital projects that are under construction during 2014 to verify the effectiveness, efficiency, and economy of project administration.



❖ **Cell Phone Bill Accuracy**

The purpose of this review will be to verify that the City's cell phone provider, Verizon, is accurately billing the City. We will verify that appropriate levels of service are being contracted and that bills reflect the level of services provided. We will attempt to identify areas for increased efficiency and economy.



## ATTACHMENTS

- APPENDIX A - AUDIT PLAN BY ENTITY

- CITY OF COLORADO SPRINGS

### AUDITS/PROJECTS CARRIED FORWARD FROM 2013:

13-150 Municipal Court Review

### AUDITS/PROJECTS PLANNED FOR 2014:

14-103 External Auditor Oversight  
14-110 External Financial Audit Staffing/Assistance  
14-115 TOPS - Trails, Parks and Open Space  
14-130 Consulting Agreements  
14-133 Cell Phone Bill Accuracy  
14-140 Fleet Management and Replacement Audit  
14-150 Special Tax Revenues  
14-155 Development Review Enterprise (DRE) Fee Structure  
14-165 Compensation Study Changes  
14-170 Sales Tax System  
14-173 Personal Identifying Information Protection  
14-175 Information Technology Penetration Testing  
14-188 Review and Monitor Capital Projects  
14-190 Follow-ups/Special Projects  
14-193 Follow-up on Fire Pensions

- COLORADO SPRINGS AIRPORT

### AUDITS/PROJECTS PLANNED FOR 2014:

14-480 Capital Projects  
14-485 Contract Activities Audit-Food Vendor(s)  
14-490 Follow-ups/Special Projects



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- COLORADO SPRINGS UTILITIES

AUDITS/PROJECTS CARRIED FORWARD FROM 2013:

- 13-250 Automated Meter Reading Audit
- 13-260 Human Resources Compliance Audit
- 13-272 SharePoint

AUDITS/PROJECTS PLANNED FOR 2014:

- 14-203 External Auditor Oversight
- 14-210 External Financial Audit Staffing/Assistance
- 14-215 Executive Limitation 4 & 7 Monitoring
- 14-216 Executive Limitation 11 Monitoring
- 14-222 Cash Receipts – Financial System Review
- 14-223 Purchasing—Financial System Review
- 14-226 Purchasing Card Audit
- 14-230 Rate Filing Reviews
- 14-233 ECA/GCA Rate Verification
- 14-235 Forecast and Load Data Verification
- 14-240 Fleet Management and Replacement Audit
- 14-265 Compensation Changes
- 14-270 Interest Rate Hedging Program
- 14-275 Information Technology Penetration Testing
- 14-280 Southern Delivery System Construction Audit
- 14-285 Review and Monitor the Neumann Scrubber Project
- 14-287 Nixon SO2 Procurement Compliance
- 14-288 Review and Monitor Other Capital Projects
- 14-290 Follow-ups/Special Projects