

**Fiscal Year 2010/11
Annual Audit Report
And
Audit Plan for Fiscal Year 2011/12**



P I N A L ♦ C O U N T Y
wide open opportunity

Presented by

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Annual Audit Report for Fiscal Year 2010-2011

The Office of Internal Audit accomplished the following during Fiscal Year 2010/11:

Pinal County Office of Internal Audit Fiscal Year 2010/11 Audits Planned and Completed			
Audit Title	Planned	Completed	Number of Recommendations
Pinal County Treasurer – Review of Treasury Accounts	X	X	12
Pinal County Animal Control	X	X	31
Pinal County Landfills and other disposal facilities	X	X	12
Pinal County Constables – Expense Reporting	X	X	4
Pinal County Purchasing	X	X	8
Pinal County One-Stop – Cash Handling procedures	X	X	In Progress
Pinal County Civil Hearing Office – Cash Handling procedures	X	X	5
Pinal County Public Health – Cash Handling procedures	X	X	11
FOLLOW UPS			
Pinal County Recorder	X	X	
Pinal County Human Resources	X	X	
Pinal county Information Technology	X	X	
Pinal County Health and Human Services	X	X	

✓ **Completed Special Requests/Investigative Analysis Projects**

- Weidner
- Horizon Home Care
- Facilities

✓ **Other Work:**

- Assisted in management of more than one-hundred and twenty (120) reports to the Silent Whistle Hotline
- Prepared Quarterly Hotline Reports for the Board of Supervisors
- Completed the Annual Risk Assessment
- Developed the Annual Audit Plan for Fiscal Year 2011-2012

Annual Audit Plan for Fiscal Year 2011-2012

The Annual Audit Plan (the Plan) for Fiscal Year 2011-2012 summarizes the audits and projects the Office of Internal Audit anticipates completing during the forthcoming fiscal year. The Plan is developed to comply with responsibilities established by the Pinal County Internal Audit Charter. It is important to note the Plan is a working document that should be flexible in addressing current priorities in a changing environment. As required by the Charter, the Board of Supervisors will be notified of any significant additions, deletions, or other changes in the Audit Plan.

The Audit Plan includes audits related to internal controls; compliance with laws, policies and regulations; and economic and efficient use of resources. Audits included in the Plan were primarily identified through a county-wide risk assessment that aided in the identification of departments or functions with significant financial, operational, and/or compliance risks. Internal Audit also considered concerns shared by the Board of Supervisors, Audit Committee and County Management; as well as, issues identified in reports to the Silent Whistle hotline.

While general audit objectives are included in the Plan, specific audit objectives will be determined upon completion of preliminary surveys related to each audit. During the preliminary surveys, Internal Audit staff will establish familiarity with the department and/or function by conducting background interviews and research. At that time, potential issues will be identified and the specific audit objectives and methodology will be developed. Estimated audit hours for each project may need to be revised, as a result of preliminary survey results. Depending on the amount of audit work required by the survey results and the number of unscheduled special projects that may arise during the year, all audits included in the original annual plan may not be completed. Any audits not completed will be reevaluated for inclusion in the following year's plan.

In addition to the planned audit projects, a total of 810 unassigned hours have been reserved for other special projects requested by the Board of Supervisors, Elected Officials, County Manager, or Department Directors. Planned audits for Fiscal Year 2011-2012 are outlined on the following pages.

Major Audit Projects

Pinal County Human Resources – Benefits Administration

Our primary objective is to review internal controls and ensure controls are designed to provide reasonable assurance regarding effectiveness and efficiency of operations and compliance with applicable laws and regulations.

Estimated Audit Hours Required: 470

Public Fiduciary

Our primary objective is to determine if internal controls are adequate to ensure efficiency and effectiveness of operations, proper allocation and use of resources, and the protection of assets.

Estimated Audit Hours Required: 370

Medical Examiner

Our primary objective is to review internal controls and ensure controls are designed to provide reasonable assurance regarding effectiveness and efficiency of operations and compliance with applicable laws and regulations.

Estimated Audit Hours Required: 270

Pinal County Facilities Department – Custodial Division

Our primary objective is to evaluate the efficiency and effectiveness of the Custodial Division's operations.

Estimated Audit Hours Required: 470

Airport

Our primary objective is to review internal controls and ensure controls are designed to provide reasonable assurance regarding the achievement of efficient and effective Airport operations.

Estimated Audit Hours Required: 400

County Attorney

Our primary objective is to examine compliance with applicable financial policies and regulations.

Estimated Audit Hours Required: 370

Pinal County Housing Authority – Section 8 Eligibility

Our primary objective is to review internal controls and ensure controls are designed to provide reasonable assurance regarding compliance with applicable laws and regulations.

Estimated Audit Hours Required: 370

Civil Hearing Office

Our primary objective is to evaluate the efficiency and effectiveness of Civil Hearing Office operations.

Estimated Audit Hours Required: 370

County-wide Grants Management

Our primary objective is to review the efficiency and effectiveness of county-wide grants management.

Estimated Audit Hours Required: 230

Estimated Total Hours Reserved for Audit Projects: 3320

Audit Follow-up Projects:

To ensure audit recommendations have been effectively implemented, we will conduct follow-up audits for certain projects completed by Internal Audit in the previous fiscal year:

HHS Department / Animal Control Division

Public Works / Tipping Fees

Finance Department / Purchasing

Treasurer / Treasury Accounts

Estimated Audit Hours Required for Audit Follow Up Projects: 520

Other Special Projects

TBD /unassigned

Estimated Hours Reserved for Other Projects: 810