

Update on Internal Audit 2024 Projects

Finance Committee
December 2, 2024



Update on the Municipal Court Audit Action Plan to Improve Collection Process

- **Action Plan:**

- Review the building code judgement process with the Finance Department and the City's Attorneys office
 - **Status Update:** Procedure outlined as follows:
 - Collection to be determined case by case
 - Judgement transcript would be mailed to business, and SDC would contact individuals
 - Obtain Corporation's FEINs to access more revenue from corporations
 - **Status Update:** On-going
 - Seek approval to write off bad and uncollectible debt
 - **Status Update:** An SOP has been developed and approved
 - \$85,000 written off (Oldest cases with no possibility of recovery)
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2024 Internal Audit Approved Projects and Status

■ Performance Audit

- City of Madison Parks Division (Continued from 2023) –
Status: Completed
 - Enterprise Risk Assessment (ERA) Training (Heads and Managers) –
Status: Completed
 - City of Madison Community Development –
Status: On-going (Fieldwork)
 - City of Madison Assessor's Office –
Status: Not Started
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Overview of Parks Division Audit

Objective: The Parks Division was audited to provide reasonable assurance to management that records are reliable, activities are effective, internal controls exist, and actions are in compliance with laws and regulations.

Scope: The audit scope covers the operational and administrative activities of the Parks Division from January 1, 2022, through December 31, 2023



Parks Division Audit – Key Findings

- Terminated/Exited Employees being listed as active users on the Parks applications
 - Non-deposit of collected cash for more than 45 days
 - Improved protocols for resolving and responding to visitor's complaints
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Enterprise Risk Assessment (ERA) Training

- **Objective:** To equip Heads of Agencies and Managers with the tools needed in identifying potential risks, assess, and proffer controls in mitigating against identified risks.
 - **Overview:** Identifying types of risks and controls, sources of risks, components of risk assessment, risk identification techniques, risk evaluation tools, risk assessment methodologies, and risk mitigation and control strategies.
 - **Outcome:** All City agencies/divisions performed a comprehensive risk assessment that helped in identifying potential risks and establish controls to mitigate against identified risks.
 - This process will be performed annually across the City
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Internal Audit Ongoing Projects

- **Community Development Division Audit**

- **Objective:** Assess compliance with City's policies and procedures, laws and regulations, efficiency of programs and projects, existence and efficiency of internal controls.
- **Project Status:** Fieldwork - testing documents

- **City's Risk Register Compilation**

- **Objective:** To develop a comprehensive centralized document that warehoused the City's potential risks, which helps to monitor and manage key risks across the enterprise.
 - **Project Status:** The internal audit is reviewing responses from departments with the view on compiling the **City's Risk Register**.
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Question & Answers

Thank You

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