



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 05/27/2025

REQUESTER: Shaakira Calnick, CFE

PRESENTER: Shaakira Calnick, Internal Auditor

ITEM TITLE CONSIDERATION OF ADOPTION, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF RESOLUTION R-2425-119: A RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA ADOPTING THE TRIENNIAL AUDIT PLAN, A COMPREHENSIVE AUDIT FRAMEWORK COVERING THREE FISCAL YEARS ENDING JUNE 30, 2027

BACKGROUND:

The purpose of this staff report is to present the proposed Triennial Audit Plan for the upcoming three-year period ending June 30, 2027, outlining the key audit areas, objectives, and methodology to be applied to internal audits within the City of Norman. As part of the City's ongoing efforts to ensure transparency, accountability, and efficiency, a structured approach to internal audits is crucial to maintaining and improving the effectiveness of City operations.

The Triennial Audit Plan is designed to align with the City's strategic goals, address areas of high risk, and comply with legal and regulatory requirements. To ensure this alignment, an allocation of 800 hours has been allocated to City Council and City Management audit requests. The internal audit function is an integral element of the City's governance framework and supports ongoing efforts to optimize operations, manage risk, and enhance public trust.

DISCUSSION:

Purpose & Scope

The proposed Triennial Audit Plan covers the period from FY2025 to FY2027 and will focus on a range of key audit areas, including:

Financial Audits: Ensuring the accuracy and transparency of financial reporting, including expenditures, such as overtime & P-Card usage.

Operational Audits: Reviewing the effectiveness and efficiency of City operations, particularly in areas with city-wide impact, such as overtime, payroll, and city policies.

Compliance Audits: Assessing adherence to local, state, and federal regulations, as well as internal policies and procedures.

Benefits of the Triennial Audit Plan

The Triennial Audit Plan will provide several key benefits to the City:

Enhanced Accountability: Regular audits ensure that all departments remain accountable for their financial and operational performance.

Improved Efficiency: Audits often reveal opportunities for cost savings and operational improvements, contributing to more efficient use of public funds.

Compliance Assurance: Ensures the City is compliant with applicable laws and regulations, reducing the risk of legal or regulatory penalties.

Increased Public Trust: Transparent audits demonstrate the City's commitment to governance, transparency, and responsible management of taxpayer dollars.

Fiscal Impact:

Budget has been allocated for one (1) staff member of the Office of the City Auditor and audit case management software. There are no other anticipated significant fiscal impacts associated with adopting the Triennial Audit Plan for FY2025 to FY2027. Implementation will primarily require administrative efforts.

RECOMMENDATION:

It is recommended that the City Council adopt Resolution R-2425-119 for the proposed Triennial Audit Plan for the period ending FY2027. Upon approval, the Office of the City Auditor will proceed with the necessary steps to initiate the first year of audits as outlined in the plan.

Additionally, it is recommended that the City Council direct the Office of the City Auditor to provide an annual update on the progress of the audit plan and any significant findings.