



*Presentation to the Audit Committee  
April 11, 2022*

---

**STATUS REPORT ON THE FISCAL YEAR 2022 AUDIT PLAN  
(JULY 1, 2021 to DECEMBER 31, 2021)**

*Yong Ju No, CPA  
Director of Internal Audit*

**STATUS REPORT ON THE FY22 AUDIT PLAN  
(JULY 1, 2021 to DECEMBER 31, 2021)**

Title	Objective(s)	Status	Service	Results/Comments
<b>Carry-over Assignments from Previous Fiscal Years</b>				
Information Technology Cybersecurity Review at Springfield Public Schools	Reassess the School department's vulnerability to cybersecurity and information theft. This assessment will build on the results of the 2016 and 2018 information technology reviews by examining additional areas of potential vulnerability.	Complete	Audit and Assurance	The OIA outsourced the review to Wolf & Company, IT Consultants.  Wolf & Company issued their report in November 2021 and presented their report to SPS in March 2022.
City Benefits Review – Flexible Spending Account	To calculate the estimated account balance held by WageWorks, the City's third party administrator.	Complete	Audit and Assurance	There were no reportable findings.
City Benefits Audit – Health Insurance	Determine whether appropriate controls exist for the administration of City employee benefits – Health insurance.	Complete	Audit and Assurance	The OIA presented the report to the Audit Committee on April 11, 2022.
Inventory Management Audit at Department of Public Works and Park Department	Determine if the Department of Public Works and Parks department have adequate controls to ensure accuracy and completeness of inventory records, accountability for inventory transactions, and safeguarding of inventory. The review is outsourced to the external auditors.	In Process	Audit and Assurance	Work is co-sourced with the City's external auditors.  The external auditors expect to complete the review by Spring of FY2022.

**STATUS REPORT ON THE FY22 AUDIT PLAN (continued)  
(JULY 1, 2021 to DECEMBER 31, 2021)**

Title	Objective(s)	Status	Service	Results/Comments
<b>Carry-over Assignments from Previous Fiscal Years (continued)</b>				
Investigation of the Alleged Contract Violations for Managing the City's Golf Courses	Quantify the alleged contract violations by Kennedy Golf Management, Inc.	In Process	Investigation	We do not currently have a timetable for the completion of our investigation.
<b>On-going Assignments</b>				
City's Investment Quarterly Review	Determine whether the City's investments comply with City Ordinance 42-35 and Massachusetts General Laws.	On-going	Audit and Assurance	There were no reportable findings.
Maintain the City's Fraud Hotline	Investigate reports of fraud, waste or abuse.	On-going	Investigation	<p>Nine (9) allegations have been submitted, eight (8) of which have been closed with no further action warranted.</p> <p>There is an allegation which the OIA is currently predicating.</p>
Annual External Financial Audit for Year Ended June 30, 2021	The City's Ordinance requires the Office of Internal Audit to contract with an independent certified public accounting firm to conduct the annual external audit of City's financial statements. The firm also conducts the federally required Single Audit.	Complete	Audit and Assurance	Powers & Sullivan, LLC, the City's external auditors, issued their report in December 2021 and will present the results of their audit in the Spring of FY2022.

**STATUS REPORT ON THE FY22 AUDIT PLAN (continued)  
(JULY 1, 2021 to DECEMBER 31, 2021)**

Title	Objective(s)	Status	Service	Results/Comments
<b>On-going Assignments (continued)</b>				
The School Department's Student Activity Funds Agreed Upon Procedures	<p>Comply with Massachusetts General Laws. The Office of Internal Audit (OIA) performs the agreed upon procedures (AUP) for two years and the external auditors perform the AUP for the third year.</p> <p>Since FY 2022 represents the first year of the cycle, the OIA will perform the AUP.</p>	Not Started	Audit and Assurance	<p>The external auditors have issued their report for FY 2021 in July 2021.</p> <p>The OIA expects to commence its procedures for FY 2022 in the Spring of FY 2022.</p>
<b>New Assignments</b>				
Review of the City's Cannabis Company Selection Process	Determine whether the City's process for selection of cannabis companies for Host Community Awards complied with the cannabis regulations in Massachusetts.	Complete	Audit and Assurance	The report was presented to the Audit Committee on December 14, 2021.
Payroll Audit	Review, monitor, and test the implementation status of prior audit recommendations.	In Process	Audit and Assurance	

**STATUS REPORT ON THE FY22 AUDIT PLAN (continued)**  
**(JULY 1, 2021 to DECEMBER 31, 2021)**

Title	Objective(s)	Status	Service	Results/Comments
<b>New Assignments (continued)</b>				
Overtime Audit	Assess controls over the overtime process, including compliance with Federal regulations and equal opportunity for eligible employees.	Not Started	Audit and Assurance	The OIA expects to commence its procedures in the Spring of FY 2022.
Review of Athletic Fees at Springfield Public Schools	Determine if cash collected from gate ticket sales from high school athletic venues are properly accounted for and safeguarded.	In Process	Audit and Assurance	
Cybersecurity Review at Springfield Police Department	Reassess the Springfield Police department's vulnerability to cybersecurity and information theft. This assessment will build on the results of the 2018 information technology reviews by examining additional areas of potential vulnerability.	Not Started	Audit and Assurance	The review is outsourced to the City's IT Consultants and is expected to commence in the Spring of FY2022.
Review of Fleet Maintenance at the Department of Public Works	Evaluate the effectiveness and efficiency of fleet maintenance operations and determine the adequacy of controls over the safeguarding of assets and the completeness and accuracy of inventory records.	Not Started	Audit and Assurance	The review is expected to commence in the Spring of FY2022.

**STATUS REPORT ON THE FY22 AUDIT PLAN (continued)**  
**(JULY 1, 2021 to DECEMBER 31, 2021)**

Title	Objective(s)	Status	Service	Results/Comments
<b>New Assignments (continued)</b>				
Review of Cash Handling at CYR Arena	Determine if cash collected for skating fees and skate rentals are properly accounted for and safeguarded.	Not Started – Moved to FY 2023 Audit Plan	Audit and Assurance	Due to the Coronavirus closure of CYR arena in FY 2022, the OIA will perform this review in FY 2023.
Follow Up Reviews – Performance audits of the Health and Human Services and TJ O’Connor Animal Control and Adoption Center, Bulk Trash Sticker review at the Department of Public Works, and the Springfield Police Department Compensatory Overtime and Educational Incentive reviews.	Review, monitor, and test the implementation status of prior audit recommendations.	Not Started – Moved to FY 2023 Audit Plan	Audit and Assurance	