



Annual Audit Plan

2025

Office of the County Auditor

Robert Melton, CPA, CIA, CFE, CIG
County Auditor

October 30, 2024



OFFICE OF THE COUNTY AUDITOR

115 S. Andrews Avenue, Room 520 • Fort Lauderdale, Florida 33301 • 954-357-7590 • FAX 954-357-7592

October 30, 2024

Honorable Mayor and Members of the Board of County Commissioners

This 2025 Annual Audit Plan has been prepared to identify planned audits during the year and the basis for their selection. We solicited input from the Board of County Commissioners and the County Administrator in determining this plan.

It is important for the County Auditor to have a sound methodology for the selection of audits to ensure maximum benefit to the citizens of Broward County. I believe the process we have established accomplishes this goal.

This plan is prepared to provide a guide for audits to be initiated during the year and it also provides for management requests and unanticipated projects. Depending on workload and other factors, some of these audits may not be initiated during the year, and other audits may be conducted that are not in this plan.

If you have any questions or would like to discuss any aspect of this plan, please contact me at (954) 357-7590.

Respectfully submitted,

A handwritten signature in blue ink that reads "Bob Melton".

Bob Melton
County Auditor

cc: Monica Cepero, County Administrator
Andrew Meyers, County Attorney
Dr. Kimm Campbell, Deputy County Administrator

TABLE OF CONTENTS

INTRODUCTION.....	1
Sources of Areas Selected for Audit.....	1
Risk Assessment Methodology	2
AUDIT PLAN - 2025.....	3
Audits Planned to Be Initiated During 2025	3
Audits in Progress as of October 1, 2024	4
Continuous Audits and Other Projects.....	4

INTRODUCTION

To ensure the most efficient and effective use of audit staff resources, it is essential that areas selected for audit be carefully considered. Since the audit function, like other governmental functions, should provide the maximum benefit to Broward County citizens, audits should be conducted which will ultimately result in the most benefit. Because of the large number of possible areas to audit throughout the County and limited staff resources to audit them, a careful audit selection process should be in place. Such a strategic planning process has been conducted and used in determining this audit plan. The methodology of selecting audits and the areas selected for audit are presented below.

Sources of Areas Selected for Audit

Areas selected for audit can come from a variety of sources. These include risk assessment, management and employee requests, and surprise audits. Risk must be one of the primary factors in selecting areas for audit. Risk for some aspects of County operations is higher than others for many reasons. This includes the type of activities, financial and operational impact to the County if something were to go wrong, strength and attitude of management, and the length of time since the areas have been audited. Those areas of the County which are high risk should receive more audit attention than those of lower risk. It should be noted, however, that areas of lower risk should not be ignored; rather, they should be audited with less frequency than the higher risk areas.

As part of the audit selection process, we solicited input from the Board of County Commissioners and the County Administrator. We also met with Departments/Divisions to gain a better understanding of their perceived risks and to solicit areas for consideration in developing our Audit Plan. Because one of the goals of the audit function is to be of assistance to management, management suggestions for audit are seriously considered in the selection of audits to be performed.

In addition, there is a need to conduct some audits on a surprise basis whenever prior knowledge could compromise the integrity of the audit. These types of audits include cash counts, payroll verifications, and some suspected instances of fraud.

Risk Assessment Methodology

The first step in determining a risk assessment methodology is to determine the auditable entities. An auditable entity may include programs, activities, functions, structures, and initiatives which collectively contribute to the effectiveness of the County's operations or the achievement of strategic objectives. We identified auditable entities and established the following risk factors to be assessed for each entity:

1. Budgeted Expenditures
2. Financial Exposure
3. Revenue
4. Number of Staff
5. Public Health
6. Complexity of Operations
7. Public Interface
8. Operational Impact on other County Agencies
9. Compliance – Laws and Regulations
10. Public Exposure
11. History of Audit Issues
12. Years Since Last Audit
13. Inherent Fraud Risk

Each risk factor was weighted by relative importance. Each auditable entity was scored, and a total score obtained. The total scores were used to categorize the entities as high, moderate to high, low to moderate, very low to low risk.

AUDIT PLAN - 2025

This audit plan is a planning tool for the use of audit resources. As such, it is subject to change throughout the year as the need arises. Therefore, some audits identified herein may not be conducted this year. Also, audits may be conducted which are not included in this document.

Audits Planned to Be Initiated During 2025

- Aviation - Lost and Found
- Aviation and Port - Transport Network Companies
- Consumer Protection - Cashiering Systems
- Consumer Protection - Driver and Vehicle Information Database (DAVID) Usage
- County Administration - Broward Bridge Scholarship Program
- County Administration - Status of Women
- Human Resources - Donated Leave Program
- Human Resources - Drivers' License and Motor Vehicle Record Data Exchange (DAVE) Usage
- Office of Management and Budget - Supplemental Budget Presentation
- Port Everglades - Crane Section
- Risk Management - Operational
- Selected Contract Audits - Junior Achievement
- Selected Contract Audits - Performing Arts Center Authority Contract Audit
- Transportation - Paratransit Provider Contract Management & Compliance
- Water and Wastewater Services - Water Control Districts

Audits in Progress as of October 1, 2024

- Aviation - Keith and Associates
- Convention and Visitors Bureau - Sports Section
- Fleet - Fuel Inventory Practices
- Human Resources - Medical and Pharmacy Claims Analysis
- Mobility Advancement Program - Municipal Contracts
- Port Everglades - Security Officer Services Contract
- Water and Wastewater Services - Backflow Prevention Device Testing

Continuous Audits and Other Projects

- Aviation - Dedicated Audit Services
- Aviation - Consultant and Engineer Overhead and Fringe Rate (FAR) Reviews
- BCC Agenda Reviews
- Consulting Services
- External Audit Contract Administration
- Follow-up Reviews
- Litigation Support
- Port - Dedicated Audit Services
- Purchasing Selection and Negotiation Advisory Services - RFP & Draft Agreements
- Quality Control Reviews
- Transit Surtax - Dedicated Audit Services
- Unanticipated Reviews and Investigative Audits
- Water and Wastewater Services - Dedicated Audit Services