



City of Clarksville Internal Audit Department

**Promoting transparency,
accountability and improvement in
City of Clarksville government**

INTERNAL AUDIT



October 3, 2016

The Honorable Mayor Kim McMillan
Members of City Council
Audit Committee Members
One Public Square
Clarksville, Tennessee 37040

City Code Section 6-615(b) requires that Internal Audit submit an annual report to you, listing the completed audits and investigations. Below is a list of audits and investigations and other activities completed during FY 2016.

Completed Internal Audit Reports

CDE Contracting Audit
Street Department Work Order Audit
CGW Utility Billing Audit (July 16')

Ongoing Internal Audits in FY 17

Purchase Card Audit (Pcard)
Senior Management Expense Audit
Miscellaneous Agency Funding Audit
Prior Audit Reviews (Follow-up Audits)

Other Items Addressed by Internal Audit

Internal audit was functioning with only two of the three staff positions in the department for half of FY 16 during the search for Internal Audit Director. The new Director was hired on July 1, 2016. In FY 16, one auditor earned the Certified Governmental Audit Professional (CGAP) designation and the other earned the Certified Municipal Finance Officer (CMFO) designation.

Seven Fraud and Audit Hotline reports were received via email and phone and eight reports were received via other means during the year. All of the reports were researched. None of them resulted in legal action on the part of the City. In some cases, the reports led to improvements in City processes.

Internal Audit is also involved with the Finance Department's City-wide Internal Control and Risk Assessment project involving discussions of key risks and controls within each department. These discussions ultimately increase the effectiveness of internal control and related processes. Lastly, Internal Audit worked throughout the year to address inquiries from City employees related to compliance issues. These inquiries typically do not result in a written report.

Respectfully,

Rodney Wright, Director of Internal Audit



Reporting Structure

Internal Audit is organizationally situated within City government to achieve independence.

Citizens of Clarksville

Mayor

City Council

City Departments

Audit Committee

Internal Audit

INTERNAL AUDIT

FY 2016 Audit Committee

2016 Clarksville Audit Committee is composed of four citizens and one City Council member. Members of the Audit Committee include Wilbur Berry, Joel Wallace (City Council Member), Sonja Stewart, Joyce Norris, and Jerry Weatherspoon. The Chairman is Wilbur Berry and the Vice Chairman is Joel Wallace.



Authority and Responsibility

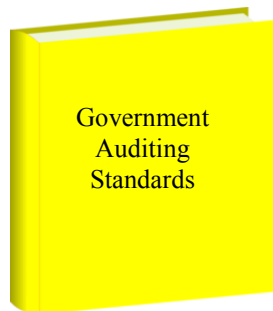
INTERNAL AUDIT

The Internal Audit Department...



Has unrestricted access to all City records, property and personnel.

Evaluates and reports on the City's system of internal controls, the quality of performance in achieving goals, and compliance with laws and regulations.



Conducts audits in accordance with Governmental Auditing Standards issued by the GAO;

Investigates reports submitted on the fraud hotline.

