

STATUS OF PRIOR AUDIT RECOMMENDATIONS

February 5, 2025

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STATUS OF AUDIT RECOMMENDATIONS

Date: February 5, 2025 | Project Number: 22501

REPORT SUMMARY

PURPOSE OF THIS STATUS REPORT

This report provides the status of management's corrective actions taken in response to prior audit recommendations. This report covers the period of May 1, 2024, through January 30, 2025.

WHY AUDIT FOLLOW-UP IS IMPORTANT

Recommendations in audit reports highlight actions that are expected to improve entity performance when implemented. The timely implementation of audit recommendations agreed to by management is an important part of realizing the full benefit of an audit.

The information presented in the tables below reflects all recommendations made and updates received as of January 30, 2025.

REPORT HIGHLIGHTS

- 93 audit recommendations were implemented during calendar year 2024 through January 30, 2025.
- 20 recommendations are currently in progress as of January 30, 2025.
- 2 recommendations have been open for more than 2 years.

The City Auditor follows up on open audit recommendations and reports the status to the Audit Committee periodically. A report is issued to City Council once a year.

Overall, audit recommendations are implemented timely by management.

All audit recommendations for each audit are tracked by the City Auditor. Each department has access to update the status of recommendations at any time. Departments that report a recommendation is implemented are also required to upload supporting documentation, such as a copy of the new policy or procedure that was created. In some cases, this is not feasible.

The City Auditor identifies each recommendation with a high, moderate, or low risk. The Auditor's assessment of risk determines the level of effort to verify implementation versus a department's self-reporting.

- High risk – Auditor reviews departments submittal and schedule a follow-up audit. The timing of these follow-up audits are based on auditor resources.
- Moderate – Auditor reviews previous recommendations when another audit is scheduled.
- Low – Auditor relies on the self-reported information of the department.

TABLE 1: CLOSED AUDIT RECOMMENDATIONS BY YEAR

Departments	2024	2025	Total
Finance and Budget	33	2	35
Fire and Medical	4		4
Human Resources	14		14
Information Technology	4	10	14
Office of Public Safety	6		6
Parks and Recreation	16		16
Planning	2		2
Public Works	1	1	2
Total	80	11	93

The following audit recommendations have not yet been implemented by departments. These recommendations are being implemented by management in accordance with their established due dates.

TABLE 2: OPEN AUDIT RECOMMENDATIONS BY DEPARTMENT

Department	Open
Facilities	1
Finance and Budget	5
Fire and Medical	1
Human Resources	4
Information Technology	3
Office of Public Safety	1
Public Works	5
Total	20

There are two recommendations that have been open for more than 2 years.

STANDARDS FOLLOWED FOR THIS PROJECT

Governmental Auditing Standards

GAGAS 8.30 “Auditors should evaluate whether the audited entity has taken appropriate corrective action to address findings and recommendations from previous engagement that are significant within the context of the audit objectives.”

International Standards for the Professional Practice of Internal Auditing

2500 Monitoring Progress “The chief audit executive and maintain a system to monitor the disposition of results communicated to management.”

2500.A1 – “The chief audit executive must establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action.”