



HARFORD COUNTY, MARYLAND

Office of the County Auditor

Fiscal Year 2018 Audit Plan Summary

As required by the Rules of Procedure for the Office of the County Auditor, the fiscal year 2018 annual audit plan (Resolution 010-17) was approved by the County Council on June 20, 2017.

We performed a risk assessment of the County government and its related agencies in order to develop this plan. For each business process identified, we considered factors such as department size, level of interaction with citizens and businesses, process complexity, financial risks, prior audit issues and the priorities of citizens, the Council Members and the County Administration to determine the areas of greatest risk to the County.

Risks and business processes will be evaluated continuously, annually, and throughout each audit; consequently, **the audit plan is flexible and the schedule is subject to change as new areas of concern are identified.**

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Project	Start Date	End Date	Comments
Ongoing Tasks			
Administration			
<ul style="list-style-type: none"> • General • Paid Time Off 			<ul style="list-style-type: none"> • Council Meetings • Other Meetings
Internal Audit Activity Management			
<ul style="list-style-type: none"> • Audit Advisory Board • Methodology • Training • Risk Assessment 			<ul style="list-style-type: none"> • Office Policies and Procedures • Quality Assurance and Improvement • Annual Planning
Other Budgeted Time			
Fiscal Notes	01/01/2018	12/31/2018	Fiscal Impact Analysis for legislation introduced in calendar year 2018.
Budget Analysis FY2019	01/15/2018	05/31/2018	Fiscal impact analysis of the FY2019 budget legislation. Includes time for analysis of the HCPS budget.
Unanticipated Projects, Council Member and Administration Requests	07/01/2017	06/30/2018	Budgeted time for urgent projects that are not already included in the audit plan and to respond research requests from council members. This budget item represents approximately 8.0% of the office's hours available for audits and is based upon prior use.
Annual Projects			
Financial Statement Audits for FY2017	04/01/2017	12/31/2017	General coordination related to ensuring that required Financial Statement Audits are completed. Includes Affiliated Agencies, OMB A-133 Single Audit and Other Required Reports.
Follow-up to Prior Audit Findings	07/01/2017	9/30/2017	Review of the remediation status of prior audit findings and preparation of a summary report for the County Council.

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Project	Start Date	End Date	Comments
Petty Cash Fund Audits	07/01/2017	06/30/2018	Budget for 6-8 petty cash audits. Departments audited will be determined throughout year, but will not be disclosed until immediately preceding the project.
Purchase Card Controls	07/01/2017	08/31/2018	Continuous audit procedures related to the County's purchase card program.
Hotel Occupancy Tax	1/1/2018	4/30/2018	Audits of a sample of hotels to confirm compliance with the Hotel Occupancy Tax code.
Planned Audits			
Property Management Controls	7/1/2017	9/30/2017	Determine if processes are adequate to ensure that the County's rental and lease contracts are proper and monitored for compliance with contract terms.
Capital Project Management	7/1/2017	9/30/2017	The objective of this audit will be to review the timeliness of the completion of capital projects. For projects that extend beyond their contracted deadlines, we will confirm that contractually allowed penalties were enforced.
Fixed Assets and Inventory Controls	7/1/2017	9/30/2017	Determine if the County has adequate controls in place to ensure that Fixed Assets and Inventory are properly protected and accounted for.
Public Information Open Meetings and Records Retention Compliance	7/1/2017	9/30/2017	The objective of this audit is to determine whether the County has developed appropriate records retention policies and has ensured compliance with Public Information Act, Open Meetings Act and Freedom of Information Act requirements.
Safety Compliance and Risk Management Practices	8/1/2017	11/30/2017	Confirm that safety training is provided to all employees and that the County's safety standards meet State and Federal requirements.
Pension Administration Controls	9/1/2017	11/30/2017	Confirm that controls related to the County's pensions are adequate to ensure proper payments and compliance with relevant regulations and trust agreements.
Harford Transit Cash Receipts Controls	9/1/2017	11/30/2017	Determine if controls are adequate to ensure that cash collected for Harford Transit is physically protected and deposited completely.
Employee Benefits Administration	9/1/2017	12/31/2017	This audit will review the procedures in place to ensure that Harford County employees receive the correct benefits, appropriate premiums are collected and the County monitors its outgoing payments for benefits provided. This project will be performed by an external audit firm.
Financial and Ethics Disclosures and Related Processes	11/30/2017	1/31/2018	The objective of this audit is to confirm that ethics filings are appropriately completed and reviewed and to determine if any disclosures have been made that impact current or proposed County relationships.

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Capital Projects for Affiliated Agencies	11/30/2017	1/31/2018	Determine if affiliated agency requests for capital project reimbursements are supported.
Real Property Tax Billing and Collection Controls	11/30/2017	1/31/2018	Determine if controls are adequate to ensure that property tax revenue is recorded and collected.
Physical Security Controls	1/1/2018	3/31/2018	The objective of this audit will be to confirm that physical security to County facilities is adequately controlled and routinely monitored.
Cash Receipts Controls	2/1/2018	6/30/2018	Confirm that payments received at the Treasurer's payment window, lockbox, website and through other sources are properly applied and deposited.
Peer Review of the Office of the County Auditor	6/1/2018	8/30/2018	Government Audit Standards (GAO Yellow Book) and Internal Audit (IIA Professional Practices Framework) require an evaluation of the Office's methodology and quality controls.
Parks and Recreation Revenue	4/1/2018	6/30/2018	The objective of the audit will be to confirm that Parks and Recreation revenue is collected fully.
Income Tax Revenue	5/1/2018	6/30/2018	The objective of this audit will be to confirm that the County's Income Tax revenue, administered by the State of Maryland, is substantially correct.