



**ITEM ID:** 2024-233-0

**TRANSMITTAL DATE:** July 19, 2024

**MEETING DATE:** July 26, 2024

**TO:** Board of Directors

**FROM:** Elisabeth Lazuardi, Director, Audit

**SUBJECT:** Internal Audit - Proposed Fiscal Year 2025 Annual Audit Plan

### **Issue**

The Internal Audit Department (Internal Audit) completed the FY 2025 Annual Audit Plan and is requesting Board approval.

### **Recommendation**

Audit and Finance Committee recommended (5-0) the Board approve the proposed FY2025 Annual Audit Plan.

### **Strategic Commitment**

This report aligns with the Strategic Business Plan commitment of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing over-reliance on subsidy while bringing our system into a state of good repair and investing in the development of our employees. Through the audits performed in FY2025, recommendations will be made for process improvements in various areas.

### **Background**

In accordance with the Internal Audit Charter, Internal Audit is required to submit a risk-based Internal Audit Plan annually for review and approval to the Board of Directors.

Internal Audit developed the FY 2025 Annual Audit Plan (Audit Plan) utilizing a risk assessment process. The risk assessment process includes steps for understanding the

Authority's Strategic Business Plan, defining the audit universe, conducting surveys with departments, and assessing and scoring the risks. The Audit Plan was developed based on the quantitative results of the risk assessment combined with the qualitative inputs obtained from management through the risk assessment survey.

### **Discussion**

Internal Audit is presenting the FY 2025 Annual Audit Plan (Attachment A) for Board approval. The Audit Plan will be implemented using Internal Audit staff and external resources (on-call consultants for staff augmentation, independent audit firms, and other firms) as needed.

### **Budget Impact**

There is no budgetary impact as a result of this report.

### **Next Steps**

Internal Audit will report to the Board the status of FY 2025 Annual Audit Plan on a quarterly basis.

Prepared by: Claudia Casasola, Auditor II

Approved by: Elisabeth Lazuardi, Director, Audit

### **Attachment(s)**

[Attachment A - FY2025 Risk Assessment & Annual Audit Plan Presentation - FY2025 Risk Assessment and Audit Plan](#)