

**COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND**

2016 Legislative Session

Legislative Day No. 13

**Resolution No. 86-2016**

Introduced by: The President of the Council

**A RESOLUTION ADOPTING THE ANNUAL AUDIT PLAN  
FOR FISCAL YEAR ENDING JUNE 30, 2017.**

WHEREAS, under Section 305, titled "County Internal Auditor" of the Charter of Wicomico County, Maryland, the Internal Auditor is charged with the duty to report on internal accounting controls, administrative and operating practices and procedures, and other pertinent financial and compliance matters within Wicomico County; and

WHEREAS, the Internal Auditor has submitted an "Annual Audit Plan for Fiscal Year ending June 30, 2017" for the County Council's consideration, which outlines the performance and operational audits and activities that are to be conducted throughout Fiscal Year 2017.

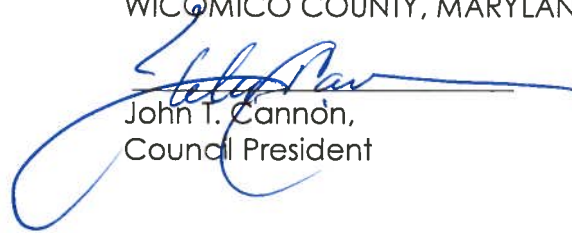
NOW, THEREFORE, BE IT RESOLVED, by the County Council of Wicomico County, Maryland that the Annual Audit Plan for Fiscal Year ending June 30, 2017 submitted by the County Internal Auditor, attached as Exhibit A, is approved and adopted.

Done at Salisbury, Maryland, this 5<sup>th</sup> day of July, 2016.

ATTEST:

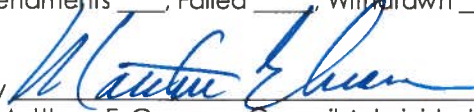
  
Matthew E. Creamer,  
Council Administrator

COUNTY COUNCIL OF  
WICOMICO COUNTY, MARYLAND

  
John T. Cannon,  
Council President

CERTIFICATION

This Resolution was Adopted , Adopted with Amendments , Failed , Withdrawn  by the County Council on July 5, 2016.

Certified by   
Matthew E. Creamer, Council Administrator



# Wicomico County, Maryland

## OFFICE OF THE INTERNAL AUDITOR

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SALISBURY, MARYLAND 21803-0870  
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Steve Roser, CPA/CIA/CFE  
*Internal Auditor*

June 17, 2016

## Annual Audit Plan for Fiscal Year Ending June 30, 2017

The County Council and County Executive of Wicomico County, Maryland:

The purpose of the audit plan is to outline the audits and other activities for which the Internal Auditor anticipates completion during the year. The Office of the Internal Auditor (IA) and the Audit Committee developed the plan to comply with responsibilities established by the Institute of Internal Auditors. Those responsibilities include an annual risk assessment. For 2016, annual risk assessment involved a formal survey (report dated June 13, 2016). It is important to note that the Audit Plan is a working document that should be flexible in addressing current priorities in a changing environment. We are proud to point out that county management is willing to involve IA in an independent capacity to assist with problem solving where appropriate. IA will notify the County Council of any significant additions, deletions, or other changes in the audit plan.

The audit plan includes projects related to internal controls, policies and procedures, and the economic and efficient use of resources. IA and the Audit Committee considered twenty-five projects for the FY 2017 Audit Plan. Total budgeted time for the eleven projects chosen is more than nineteen months. IA will prioritize projects and (with overlap in performance) will attempt to finish as much of the audit plan as possible. Projects included in the plan are:

- Selected projects recommended by participants in the Biennial Risk Assessment Survey
- Cooperation with external auditors
- Based on observations, perceptions, and other qualitative criteria gathered by IA over the last several years
- Council suggestions

Planned projects for fiscal year 2017 are outlined in the following pages. While general audit objectives are included in the plan, specific audit objectives will be determined upon completion of preliminary surveys related to each audit. During the preliminary surveys, IA will establish familiarity with the department or function by conducting background interviews and research. At that time, IA will identify potential issues and the specific audit objectives and methodology will be enhanced and adjusted. Additionally, IA will adjust estimated audit hours for each audit based on preliminary survey results. It is possible that we will be unable to complete this audit plan in its entirety due to limitations of time,

resources, and other urgent matters that come to the forefront. IA will reevaluate projects not completed for inclusion in a subsequent year's plan.

### **Operational Projects**

- E- recyclables Consultation
- Purchasing Audit
- Accounts Receivable Audit
- Service Fees Audit
- Payroll – Internal Control

### **Performance Projects**

- BOE School Bus Program Consultation
- Concessions Cash Audit
- Conservation Funds Consultation
- Fuel Inventory Audit
- Grants Audit
- Paving Program Consultation

### **Scheduled Follow-up for Completed Projects:**

- Wicomico Nursing Home accounts receivable
- Workers compensation claims
- Purchasing cards (e-payables)
- Munis security
- Box Office Audit (and related issues)

### **Other Projects Considered**

- |                               |                            |
|-------------------------------|----------------------------|
| • New Personnel Manual Review | • Inventory Pricing        |
| • Assets Audit                | • Munis Security           |
| • Comp Time                   | • Outside Employment       |
| • Economic Development        | • Service Contracts        |
| • Employee Funds              | • Time and Attendance      |
| • Confidentiality             | • Tourism Advertising      |
| • Job Classifications         | • Off-road Equipment Study |

Respectfully submitted,



J. Stephen Roser, CPA  
Internal Auditor