



AGENDA MEMORANDUM

Briefing for the Audit Committee Meeting of July 29, 2025

DATE: July 11, 2025

TO: Roland Barrera, Audit Committee Chair

FROM: George Holland, City Auditor
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City Auditor's Update

PURPOSE:

Discuss current matters and future items of interest with the Audit Committee.

STAFF UPDATES:

- City Auditor's Office Team Continuing Professional Education (CPE) & Governmental Auditing Training (Attachment 1)
- The City Auditor's Office is creating a new Audit Manager position. (Attachment 2)
- Communication protocols for City Council members meeting with City Auditor's Office employees – must be coordinated through the City Auditor or Audit Manager.
- The City Auditor received his certification to be a Quality Assessor through the Institute of Internal Auditors, enabling him to perform Peer Reviews for other cities.
- An open position for Audit Services Associate has been posted, and the Senior Auditor position is in progress.

PROJECTS COMPLETED OR IN PROGRESS:

Completed:

- FY2025-2026 Budget Presentation (Attachment 3)
- FU25-001 Parks and Recreation – Community Enrichment Fee Follow-Up Report
- FU25-002 Engineering – Junior Beck Drive Closeout Review Follow-Up Report
- FU24-004 Municipal Solid Waste System – Service Charge Follow-Up Report
- AU24-SP3 Finance – Procurement Card Expenses and Spending Audit Report

In Progress:

- FU25-005 Engineering – Williams Lift Station Follow-Up Report
- AU25-A2 Engineering – Oso Water Reclamation Plant (WRP) Process Upgrades Talson Audit Report
- AU22-004 Human Resources - Employee Beneficiary Verification Audit Report
- FU25-006 Emergency Management – Disaster Recovery Plan Follow-Up Report
- FU25-007 Legal – Open Records Request Follow-Up Report

- Report Fraud, Waste, and Abuse Prevention Program:
 - Of the allegations received, eight (8) were submitted and seven (7) are under review. (Attachment 4)
- Five-Year Follow-Up Dashboard – to be updated based on follow-up reviews in progress (Attachment 5)
- List of Cost Savings identified by the City Auditor’s Office (Attachment 6)

UPDATES FOR THE CALENDAR YEAR 2025:

- The next Audit Committee meeting is scheduled for Tuesday, September 9, 2025.
- The City Auditor’s Office is completing the purchase and implementation of AuditBoard software. This will enhance quality and strengthen the security of auditor documentation.

LIST OF SUPPORTING DOCUMENTS:

- CPE & Governmental Auditing Training (Attachment 1)
- Audit Manager Justification (Attachment 2)
- FY2025-2026 Budget Presentation (Attachment 3)
- Fraud, Waste, and Abuse Allegations by Category (Attachment 4)
- Five-Year Follow-Up Dashboard (Attachment 5)
- CAO Cost Savings (Attachment 6)
- Key Performance Indicators (Attachment 7)
- 2025 Annual Audit Plan (Attachment 8)
- 2025 Audit Targeted Completion Dates (Attachment 9)