



# CITY OF NORMAN, OK CITY COUNCIL CONFERENCE

Municipal Building, Executive Conference Room, 201 West Gray, Norman,  
OK 73069

Tuesday, March 25, 2025 at 5:30 PM

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## AGENDA

*It is the policy of the City of Norman that no person or groups of persons shall on the grounds of race, color, religion, ancestry, national origin, age, place of birth, sex, sexual orientation, gender identity or expression, familial status, marital status, including marriage to a person of the same sex, disability, relation, or genetic information, be excluded from participation in, be denied the benefits of, or otherwise subjected to discrimination in employment activities or in all programs, services, or activities administered by the City, its recipients, sub-recipients, and contractors. In the event of any comments, complaints, modifications, accommodations, alternative formats, and auxiliary aids and services regarding accessibility or inclusion, please call 405-366-5424, Relay Service: 711. To better serve you, five (5) business days' advance notice is preferred.*

### CALL TO ORDER

### AGENDA ITEMS

1. PRESENTATION AND DISCUSSION OF THE TRI-ANNUAL AUDIT PLAN.

### ADJOURNMENT

# City of Norman

# Office of the City Auditor

*2025FY – 2027FY Triennial Audit Plan*



# Risk Assessment

- Audit Universe (235 Units)
  - 133 Auditable Units
- Control Self Assessments
- Risk Assessment Workshops/Meetings
- Risk Criteria
  - Appropriateness and comprehensiveness of documented policies.
  - Awareness and adherence among employees.
  - Effectiveness of preventive, detective, and corrective controls.
  - Segregation of duties to prevent conflicts of interest.
  - Automation and manual process dependencies.
  - Business continuity and disaster recovery planning.



# 2025-2027 Audit Universe & Top 10 Focus Areas

Top 10 Focus Areas based on input from City Council, Finance Committee, Industry Benchmarking and Management Team for the FYE25-27 Audit Plan

- Finance**
- Financial Reporting
    - ACFR
    - Budget Books
      - Annual Ops. Budget
      - Annual CIP Budget
    - Financial Management/Planning
  - Accounting
    - Accounts Receivable
    - Revenues
    - Financial Reporting
    - Cash Handling Training
    - Account Reconciliation
    - General Ledger
    - OJI Claims
  - Budget
    - Budgeting and Forecasting
    - Grants Management & Compliance
    - CIP Budget Mgmt.
    - Ops Budget Mgmt.
  - Payroll Processing
    - Payroll Process
    - Payroll Operations
    - Tax Compliance
  - Purchasing
    - Procurement
      - Vendor Mgmt.
    - Accounts Payable
    - Expenses
  - Treasury and Revenue
    - Revenues
      - General Revenues
      - Special Revenues
      - Enterprise Revenues
    - Cash Management
    - Credit Card Administration
    - P-Card Program
    - P-Card Policy
    - P-Card Process
    - Employee Reimbursement Program
    - Bank Deposit Process
  - Utility Billing Customer Service
    - Customer Relationship Mgmt.
  - Capital Expense Approval
  - Closing the Books:
    - Account Analysis
    - Account Reconciliation
    - Accruals
    - Automate/Manual JE's
  - Tax Compliance
  - Investment Management
  - Debt issuance & Bond Management
  - Risk Management
    - Worker's Compensation
    - Health Insurance
    - Judgements and Claims
    - Risk Administration
    - Unemployment Compensation

- City Mgmt. & City Council**
- Enterprise Risk Management
  - Governance
    - City Ordinances
    - City Policies
  - Ethics
  - Succession Planning
    - Department Heads
    - Key Employees
  - Business and Community Relations
    - Small Business Support Programs
    - Retail Recruitment
    - Film Permitting
  - City Communications
    - Information Dissemination
    - Emergency Notifications
    - Media Relations
    - Audio & Video
  - Social Services
    - Homelessness Programs
  - Land & Property Acquisition & Disposal
  - Budget Management (Ops & CIP)
  - Oversight Committee
  - BACA Committee
  - Finance Committee
  - Campaign Finance Report Review
  - Special Projects
    - Hotel Room Tax
    - Marijuana Permitting
    - Grocery Sales Tax
    - City Contracts
  - Mileage Reimbursement Program

- City Clerk**
- Action Center Management
  - Physical Records Mgmt.
  - Food and Beverage Permitting
  - Meeting Agenda
  - Meeting Minutes
  - Open Records Request Response

- Human Resources & Labor Relations**
- Employee Compensation
  - Employee Annual Evaluation
  - Employee Benefits Administration
  - Labor Union Agreements & Compliance
  - Personnel Manual Compliance
  - Hiring / Talent Acquisition Practices
  - Off-boarding Process
  - Staffing Analysis / Position Control
  - Employee Training and Professional Development
  - Safety Management
  - Culture & Social Responsibility
  - Timekeeping
    - Overtime Review
    - Reporting Process
  - Grievance Management

- Info Systems/Technology**
- Network Administration
  - Systems Implementation
  - Automated Controls
  - Access & Permissions Management
  - Data Security and Privacy
  - Web & Applications Development
  - Network Security
  - Telecommunications
  - Disaster Recovery Planning
  - Print Shop
  - Help Desk
  - IT/Strategy Planning
  - Business Systems Maintenance
    - ERP – Majorly City-Wide
    - CIS – Utilities
    - Legal
    - Planning
    - GIS - Planning
    - Municipal Court
    - EOC/CAD – PD
    - Alert Systems
  - Resource Prioritization
  - Continuous Control Monitoring

- Planning & Dev Svcs**
- Planning Commission
  - Planning Services
  - Building Permitting and Inspection Operations
    - Permitting and Inspection Application Services
    - Permitting and Inspection Review Services
  - Code Compliance
    - Code Enforcement
  - GIS Services
  - Comprehensive Land Use Plan
  - City Zoning Code
  - CDBG
    - CDBG Grant Management
    - Residential Housing Rehabilitation Programs
      - CDBG Grant
    - Apartment Rehabilitation
      - HOME Grants
    - 1<sup>st</sup> Time Homebuyer Grant
    - Grant Writing

- Municipal Court**
- Case Processing
  - Docket Management System
  - Restitution and Court Fee Collections
  - Data Accuracy and Record Retention
  - Public Education on Court Procedure
  - Community Service Program
  - Intervention and Counseling Partnerships
  - Drug Testing Program

- Legal**
- Contract Management
    - Drafting/Amending
    - Negotiations
  - Tort Claim Management
    - Claim Processing
    - Tracking and Monitoring
  - Litigation Management
    - Contract disputes
    - Constitutional claims
    - Tort Claims
  - Statutory Compliance
  - Worker's Compensation Processing



# 2025-2027 Audit Universe & Top 10 Focus Areas Cont.

Top 10 Focus Areas based on input from City Council, Finance Committee, Industry Benchmarking and Management Team for the FYE25-27 Audit Plan

- Parks & Recreation (SR) See Strategy**
- Facility Maintenance
    - Physical Access & Security
  - MUNIS Work Order System
    - Equipment & Parts Inventory
  - Facility Custodial
  - Parks Maintenance
  - Park Development
  - Recreation Division
    - 12<sup>th</sup> Avenue
    - Childcare
    - Adult Wellness & Education Center
    - Irving
    - Little Axe
  - Westwood
    - Pool
    - Golf Course
    - Golf Course Maintenance
    - Concessions
    - Tennis Pro Shop
  - Young Family Athletic Center (YFAC)
    - Gym
    - Pool
  - Whittier Activities Fund
  - Special Events and Multimedia

- Utilities (EF)**
- Regulatory Compliance (EPA, CFR 40, ODEQ.)
  - Quality Control Process
  - Vehicle Accident and Personal Injury Training
  - Water & Sewer System Maintenance
  - Work Order System & Inventory
  - Sanitation (Solid Waste Management)
    - Commercial Collection
    - Compost
    - Fleet Repair
    - Utility Services
    - Waste Disposal
      - Container Maintenance
      - Transfer Station
      - Compost Facility
    - Recycling Services
      - Public Education Program
    - Residential Collection
    - Yard Waste
    - Capital Projects
  - Water Reclamation
    - Bio-Solids Testing Process
    - Engineering
    - Bio-Solids Laboratory
    - Operations & Maintenance
    - Sewer Line Maintenance
    - Utility Services
    - Utilities Inspection
    - Capital Projects

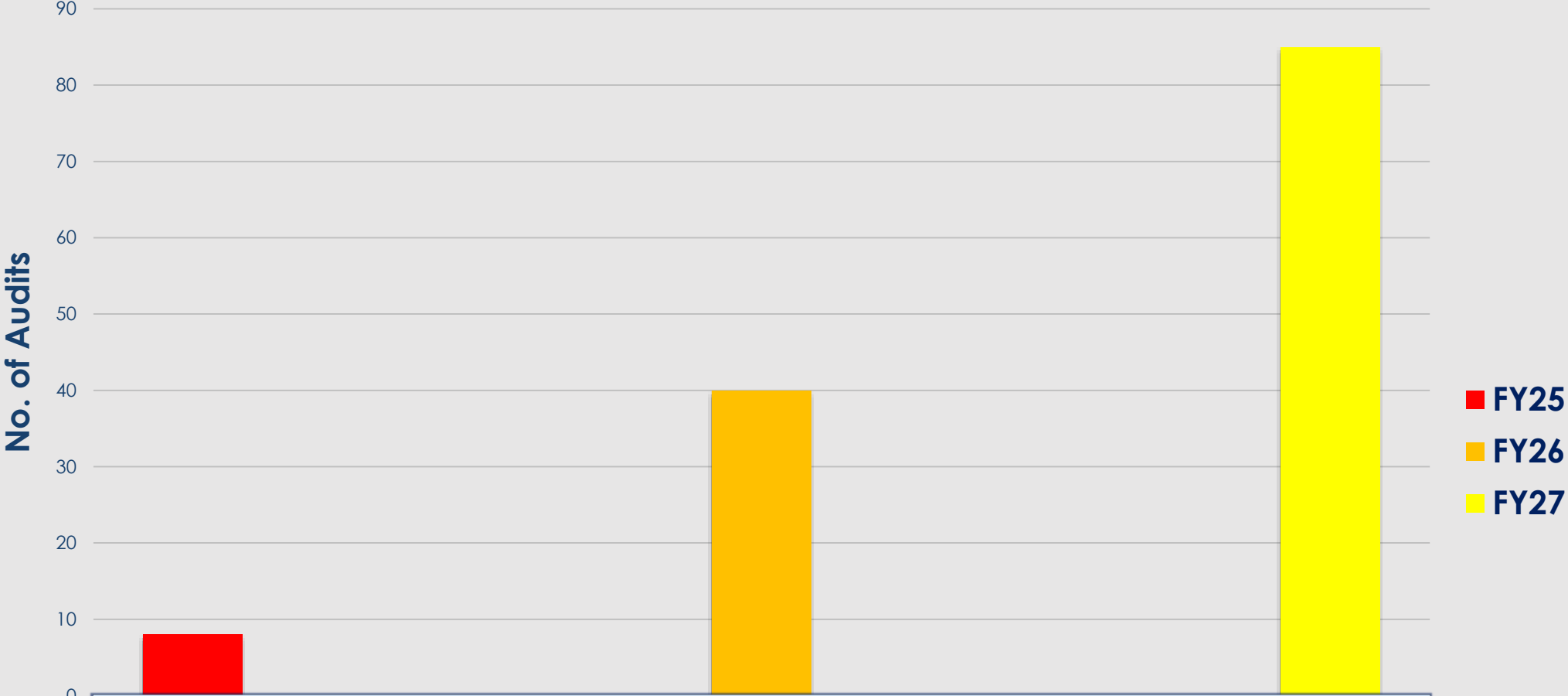
- Utilities Cont. (EF)**
- Water Treatment
    - Treatment Plant
    - Engineering
    - Utilities Modeling
    - Line Maintenance
      - Utility Locate Performance
      - MIP Performance
      - Lead Copper Surveys
      - Iron Pipe Replacement Operations
    - Laboratory
    - Utility Services
    - Water Wells
    - Capital Projects

- Fire (GF & PSST)**
- Fire Prevention
    - Public Education
    - Inspections
      - New
      - Existing “high risk”
    - Investigations
    - Fire Detector Installations
    - Burn Permitting
  - Training
  - Emergency Management
    - Emergency Operations Plan
    - Public Education
    - Training
      - Tracking and Monitoring
  - Fire Suppression
    - Recruiting

- Police (GF & PSST)**
- Police Recruitment Process
  - Animal Welfare
    - Adoption
    - Spay/Neuter
  - Communications/911 Dispatch (GF & PSST)
    - Data & Stats
  - Criminal Investigations (GF & PSST)
    - Violent and Property Crime Investigations
    - Vehicle Collision Investigations
    - Offender Registration and Monitoring
  - Special Investigations
    - Fentanyl Investigations
    - Drug Trafficking Investigations
  - Patrol (GF & PSST)
    - Community Policing
    - Crime Scene Investigations
    - Proactive Crime Enforcement
    - Traffic Citations and Warnings
    - School Resource Officers



# Audit Frequency by Fiscal Year

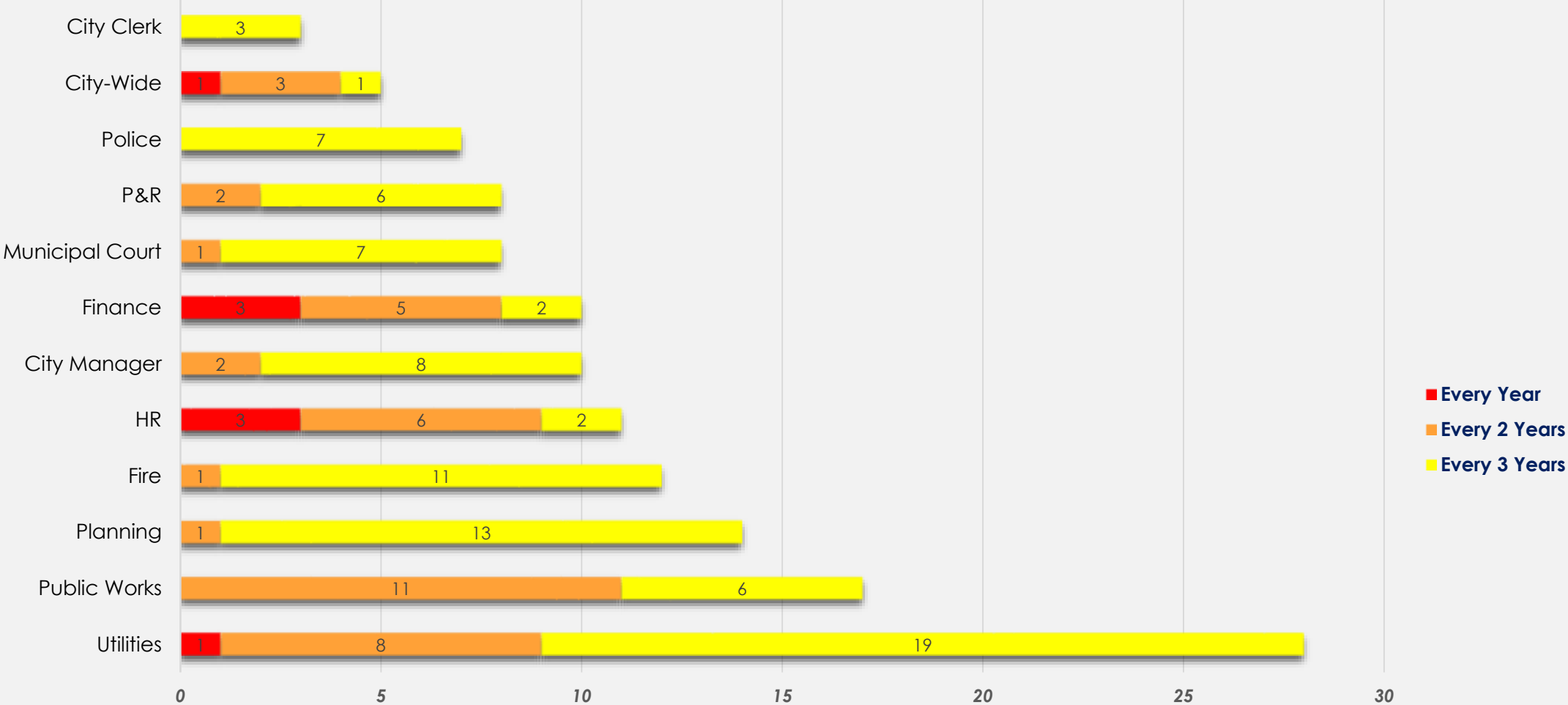


	Every Year	Every 2 Years	Every 3 Years
FY25	8		
FY26		40	
FY27			85

Audit Frequency



# AUDITS BY FREQUENCY & DEPARTMENT



	Utilities	Public Works	Planning	Fire	HR	City Manager	Finance	Municipal Court	P&R	Police	City-Wide	City Clerk
■ Every Year	1				3		3				1	
■ Every 2 Years	8	11	1	1	6	2	5	1	2		3	
■ Every 3 Years	19	6	13	11	2	8	2	7	6	7	1	3



# Project Listing FY25-FY27

Audit Area	Allocated Hours Per Audit	Estimated Hours
<b>▶ Scheduled Audit Services:</b>		<b>3,520</b>
City Wide - Credit Card Usage	480	
City-Wide - Credit Card Process	480	
City-Wide - Timekeeping Operations	480	
City-Wide - Payroll Process	480	
City-Wide Overtime Usage	960	
Human Resources - Policy Compliance Audit	640	
<b>▶ Other Audit Services</b>		<b>2,072</b>
Unscheduled Audits & Investigations	800	
Risk Assessment/Audit Plan Development	600	
Committees & Advisory Services	400	
Fraud Training Program	272	
<b>Total Estimated Hours Available</b>		<b>5,592</b>





# Engagement Prospectus FY25-FY27

Item 1.

Audit Area	Objective/Significance	Anticipated Value	Estimated Hours
City Wide Credit Card Usage	Internal control effectiveness - evaluate approval workflows, transaction monitoring, and segregation of duties to prevent misuse or fraud. Credit Cards are issued to department/divisions without a clear owner.	Enhanced internal controls	480
City-Wide Credit Card Process	Policy and procedure compliance - Assess whether credit card procedures align with city policies, procurement rules, and regulatory requirements. 50+ Credit Card issued department/division-wide without an implemented P-Card Program and/or Comprehensive P-Card Policy.	Implementation of Comprehensive P-Card Policy and enhanced compliance with the City's Purchasing, Code of Ethics (301) and Code of Conduct Policies (302).	480
City-Wide - Timekeeping Operations	Internal Control Effectiveness – Evaluate controls for preventing fraud, unauthorized changes, or errors in timekeeping data. Timekeeping data is recorded in the timekeeping software and then manually uploaded into Payroll software.	Enhanced internal controls	480
City-Wide - Payroll Process	Process Efficiency – Evaluate whether timekeeping data flows seamlessly into payroll systems, reducing manual input and errors. Payroll may have to temporarily perform manual edits/corrections before time data is uploaded into payroll. Payroll process requires manual data imports which increases the risk of human error and/or fraud.	Enhanced process efficiency	480
City-Wide Overtime Usage	Cost Control & Budget Impact – Assess the financial impact of overtime on department budgets and identify opportunities for cost reduction. Four (4) Departments account for a deficit of \$8.97M in the Actual expenditures recorded in the OT account from FY22-FY24.	Cost avoidance/savings	960
Human Resources - Policy Compliance Audit	Policy & Procedure Alignment – Verify that internal HR policies (e.g., recruitment, hiring, termination, and leave management) are up-to-date and consistently applied. Adherence to, or departures from, HR policies and procedures are based on discretion of the respective department director/manager.	Enhanced compliance with city-wide personnel policies.	640



# Next Steps for the OCA

- Preliminary Overtime Audit Update – Fieldwork Phase (TBA)
- Internal Audit Strategy (March 20, 2025)
- Internal Audit Charter (April 12, 2025)
- Internal Audit Policies and Procedures Manual (Ongoing)
- Implementation of Case Management Software (Ongoing/IT Approved)
- Development of City-Wide Fraud Training Program
- Develop QAIP Program



# Discussion

- Questions?
- Thoughts?
- Concerns?



# Contact the OCA

Shaakira Calnick, CFE

225 N. Webster, Norman, OK 73069

Office: 405-366-5393

Cell: 405-451-0694

- 302.4 - “City employees have a duty to report instances of suspected theft, fraud, or misuse of public funds or assets to Office of the City Auditor who will coordinate internal investigations with the appropriate officials (e.g. City Manager, City Attorney, and City Council). We know that sometimes employees may be uncomfortable reporting suspected fraudulent activities to supervisors or managers that they report to or work with on a regular basis. Employees are encouraged to call Eide Bailly, a regional Certified Public Accounting firm, at **866-912-5378** or email at **[www.eidebailly.com/hotline](http://www.eidebailly.com/hotline)** to report improper activities, or you may still report them to your supervisor.”



**CITY AUDITOR**  
***Shaakira Calnick, CFE***

***Comprehensive Audit Plan***

***For the Three Fiscal Years Ending  
June 30, 2027***

**MAYOR AND CITY COUNCIL**

<b><i>Larry Heikkila</i></b>	<b><i>Audit Committee, Mayor</i></b>
<b><i>Austin Ball</i></b>	<b><i>Ward 1</i></b>
<b><i>Mathew Peacock</i></b>	<b><i>Ward 2</i></b>
<b><i>Bree Montoya</i></b>	<b><i>Audit Committee, Ward 3</i></b>
<b><i>Helen Grant</i></b>	<b><i>Audit Committee, Ward 4</i></b>
<b><i>Michael Nash</i></b>	<b><i>Audit Committee, Ward 5</i></b>
<b><i>Joshua Hinkle</i></b>	<b><i>Ward 6</i></b>
<b><i>Stephen Holman</i></b>	<b><i>Ward 7</i></b>
<b><i>Scott Dixon</i></b>	<b><i>Audit Committee, Ward 8</i></b>



## Office of the City Auditor Comprehensive Audit Plan

## Executive Summary FY 2025 -2027

The Office of the City Auditor has prepared a risk-based Comprehensive Audit Plan for the three fiscal years ending 2027. The following process was used in developing the Audit Plan:

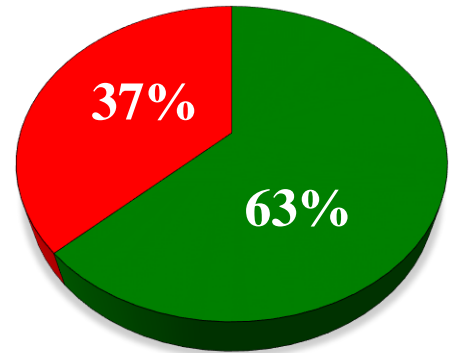
### Risk Assessment

- We defined 235 auditable units, primarily consisting of lines of business identified in City departmental strategic business plans.
- City department managers completed self-assessment questionnaires to identify potential control weaknesses and/or other financial or operational deficiencies.
- We interviewed City Council members and executive managers to obtain input on risks, difficulties, and concerns within City operations.
- We assessed risk for each auditable unit using financial/operating information; City Council and management feedback; and six risk criteria factors.
- The Finance Committee reviewed a draft of the Audit Plan.

### Available Hours Allocation

We estimated **5,592** audit hours will be available during the three-year Audit plan period.<sup>1</sup>

- ▶ **3,520** hours were allocated to scheduled audits, which are generally aimed at determining whether:
  - ▶ programs are achieving desired results
  - ▶ operations are efficient
  - ▶ internal controls exist and are functioning together
  - ▶ expenditures are valid and compliant with laws, regulations, and policies
  - ▶ operating and financial records/reports are accurate and complete
  - ▶ fraud, waste, and abuse are prevented and/or detected
  - ▶ recommendations from previously issued audit reports have been addressed
- ▶ **2,072** hours were allocated to other audit services including unscheduled audit requests, investigations, committee participation, audit plan development, and the Fraud Program.



*Scheduled* and *Other* audit service hours are detailed on page 2.<sup>1</sup> Descriptions of new Scheduled audit projects are provided beginning on page 3.

<sup>1</sup> Available audit hours exclude leave, administrative and training time.



**Office of the City Auditor  
Project Listing**

**FY 2025 -2027**

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## Office of the City Auditor Engagement Prospectus

**FY 2025 -2027**

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FINAL