

TO: THE COMMON COUNCIL

DATE: June 25, 2009

FROM: THE DEPARTMENT OF  
AUDIT & CONTROL

SUBJECT: Annual Audit Plan –  
Fiscal Year 2009-2010

Pursuant to the requirements of Section 7-5 of the Charter of the City of Buffalo, I hereby submit the Annual Audit Plan for the fiscal year 2009-2010.

**BERC** – A continuation of the audit brought about by allegations related to the One Sunset loan. The audit will look at other loans and BERC's lending practices.

**Common Council Staff – (as required by Charter Section 7-5(5)):** This will study the time and attendance policies utilized with this exempt group of employees.

**Human Resources Department (Division of Compensation and Benefits):** We will perform an efficiency and internal control review of the health care billing process.

**Economic Development, Permit and Inspection Services Department – demolitions:** We will look into the bid process, the timeliness of payment, accuracy of record-keeping, and timeline for awarding of demolition work to completion.

**Management Information Systems Department - inventory control policy:** As thousands of dollars are spent on new equipment each year, it is reasonable to inspect what goes where and how the replacement schedule is determined.

**Electronic Accessories (cellphones, Blackberrys, laptops) and take-home vehicle compliance:** City-owned equipment is literally floating around the City on a daily basis. It is time to develop an inventory of who has what and to ensure that safeguards exist to prevent abuse.

**Division of the Treasury – cash management:** This should be a routine audit of the checks and balances of the City's daily cash intake system.

**Division of Water – revenue:** This should be a routine audit of American Water's revenue tracking and internal controls.

**Petty Cash** – We will inspect how various City departments manage and account for their petty cash. This may also include surprise counts of selected departments at various times.

In addition, the Division of Audit will stand ready to conduct timely investigations that may arise in the course of the year as warranted. It is our goal to route out inefficiencies in City departments and agencies and address gross improper practices as they arise. As always, if you have any questions, please feel free to contact this office.

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DEPARTMENT HEAD: Andrew A. SanFilippo

TITLE: Comptroller

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