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### **Development of Annual Audit Plan**

- **Identify audit candidates**
    - Review audit universe of previously identified candidates
    - Inputs based on current year audits
    - Inputs from City staff and City Council
    - Inputs from audit staff
  
  - **Risk based approach to evaluate and rank audit candidates**
    - Revenue & expenditure trends
    - Staff vacancies
    - Date of last audit
    - Special interest area
    - Council priorities
  
  - **Assess audit candidates for staff skills and availability**
  
  - **Prepare draft audit plan**
  
  - **Present draft audit plan to F & A committee for review and acceptance**
  
  - **Full Council approves Annual Audit Plan via Council Resolution**
  
  - **Approved audit plan is distributed**
    - City Departments
    - City's external auditor
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