



Charles County, Maryland

Internal Audit Office

Fiscal Year 23/24 Audit Plan Summary

As required by the Internal Audit Charter, the Internal Audit Office (IAO) produced a Fiscal Year 23/24 annual audit plan approved by the Internal Audit Oversight Committee (IAOC) on November 14, 2022. This document serves as the public summarized version.

The IAO performed a risk assessment of County departments and business processes to develop this plan. The risk assessment included a management questionnaire and risk model. For each department, the IAO considered factors such as size, level of interaction with citizens, process complexity, financial risks, and input from IAOC to determine the areas of greatest risk to the County.

Risks and business processes will be evaluated continuously; consequently, the audit plan is flexible, and subject to change as new areas of concern may be identified and objectives are finalized.

The next risk assessment is tentatively scheduled to begin in April 2024 for FY 25 (July 1, 2024 to June 30, 2025)

Auditable Unit	Audit Type	Tentative Objective
Parks, Recreation & Tourism (Entire Department)	Cash Management	To evaluate the effectiveness and adequacy of key processes and control functions for cash handling and assess compliance with applicable county policies and procedures.
Office of the Charles County Commissioners (Management Request)	Business Expenses	To evaluate the internal controls currently being utilized in the commissioner business expense payment process. To determine if submissions and documentation of expenses align with the County Commissioner Expense Policy and to determine that expenditures are properly authorized, reasonable, processed correctly and in a timely manner.
Planning and Growth Management (Entire Department)	Cash Management	To evaluate the effectiveness and adequacy of key processes and control functions for cash handling and assess compliance with applicable county policies and procedures.

Community Services (Grants)	Compliance	To ensure compliance with laws, regulations, and contracts of grants received that were specifically designed to address the covid pandemic. Evaluate the efficiency and effectiveness of fiscal administration.
Public Works (Environmental)	Cash Management	To evaluate the effectiveness and adequacy of key processes and control functions for cash handling and assess compliance with applicable county policies and procedures for landfill payment processes, daily deposits and courier services.
Fiscal & Administrative Services (Treasury)	Compliance Investments	To determine if investment transactions are made in accordance with established county polices, state, and local laws. To determine if accounting for investments is done properly and in a timely manner. To report any unusual or unauthorized transactions.
Fiscal & Administrative Services (Treasury)	Cash Management	To evaluate: 1. Managements internal controls over accountability of financial resources. 2. Safeguarding of assets. 3. Proper reconciliations of fund/account balances. 4. Compliance with certain laws and regulations.
Public Works	Purchasing	To ensure procurement rules are followed related to the use of electronic signatures. Ensure requisitions and purchase orders along with copies of related correspondence are included in today's age of paperless receipts and electronic approval. Ensure documents are properly authorized and presented timely.
Multiple County Departments	Capital Assets/Equipment Inventory	Objective is to determine how the inventory is tracked and how often it is inventoried. Determine if a consistent process exist between the multiple departments for inventory and capital assets.