



Report Issued
August 27, 2025



City of Cape Coral
City Auditor's Office

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FY26 Strategic Plan and FY26-FY28 Annual Audit Plans

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Approved by City Council Resolution 277-25 on 9/17/2025



TO: Mayor Gunter and Council Members

FROM: Andrea R. Russell, City Auditor *AR*

DATE: August 27, 2025

SUBJECT: Council Approval of FY26 Strategic Plan and FY26-FY28 Annual Audit Plans

Ordinance 79-10 and Resolution 46-10 require the submission of an Annual Audit Plan and Strategic Plan to City Council for their acceptance by October 1st of each year. Council acceptance is requested based on the Audit Committee's recommendation. In accordance with these requirements, we have attached the proposed Strategic Plan and FY26-FY28 Annual Audit Plans for your review and approval.

We previously performed a risk assessment for FY25, FY26, and FY27 which was issued June 10, 2024. To develop the audit plan and in addition to the risk assessment, we met with City directors and their staff, communicated with City officials and the Audit Committee to gain an understanding of current and prospective areas of concern or interest for future audits or reviews. We developed the FY26- FY28 Audit Plans using the risk assessment and current topics obtained from these meetings.

At the August 27, 2025 Audit Committee meeting, the committee reviewed and approved the proposed City Auditor's Office FY26 Strategic Plan and FY26-FY28 Annual Audit Plans. They voted to **recommend that Council accept the Audit Plans as presented.**

Committee Member Jacobs moved, seconded by Committee Member Lehman, to approve the City Auditor's Proposed FY26 Strategic and FY26-FY28 Audit Plans, as presented. Voice Poll: All "ayes." Motion carried.

C: Michael Ilczyszyn, City Manager
Aleksandr Boksner, City Attorney
Kimberly Bruns, City Clerk
Audit Committee

REPORT HIGHLIGHTS

FY26 STRATEGIC PLAN AND FY26-FY28 ANNUAL AUDIT PLANS

Issued August 27, 2025

Objectives

Strategic Plan-The primary objective of a strategic plan is to document an organization's mission, vision, and goals and provide a roadmap to achieve them.

Audit Plan-The primary objective of an audit plan is to provide the strategy for the City Auditor's Office performance of audits and to prioritize audit resources to effectively address areas of potential risk identified in the risk assessment, in accordance with Generally Accepted Government Auditing Standards, as well as other areas identified through other audits and City Management and Council's concerns.

WHY THIS MATTERS

A risk based audit plan allows the City Auditor's Office to document a methodical approach to selecting areas for audit in accordance with Resolution 46-10, Sections 4a, b and Generally Accepted Government Auditing Standards.

WHAT WE DID

Strategic Plan

Resolution 46-10 Section 4a requires the City Auditor to develop and submit for approval a Strategic Plan. The proposed Strategic Plan is developed utilizing industry standards and benchmarks and incorporates the City Auditor's Office mission, vision, goals, and objectives. We monitor goals and objectives continuously and report quarterly to City Council.

Annual Audit Plan

Our office completed a risk assessment and met with department directors to discuss areas that may not have been specifically addressed with the risk assessment. Using the risk assessment previously performed as a guide with the input from departments, City management and officials, Audit Plans for the next three years (FY26-FY28) are developed.

The proposed Audit Plan is first presented to the Audit Committee for their review and is updated as necessary based upon discussion with the Audit Committee. The Audit Committee then recommends the Audit Plan to the City Council for approval. The Audit Plan is updated annually and must be presented for approval to City Council by October 1st each year.

Since the document is a plan and situations may arise that require changes, any changes to the Audit Plan are communicated to City Council and the Audit Committee on the City Auditor's Monthly Update Report. Audits included on the Audit Plan do not include any audits completed by the external audit firm engaged to perform the Annual Comprehensive Financial Review, which includes the City's financial and compliance audit.



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Proposed Strategic Plan FY26

Vision:

It is our vision to work in partnership with the City Council, City Management, and the Community without compromising independence, objectivity, or integrity in order to be the City's trusted advisor.

Mission:

Our mission is to enhance and protect organizational value by providing independent, risk-based objective assurance, advice, and insight to the City.

Values:

- Independent
- Objective
- Fact-based
- Integrity
- Due professional care

Goals/Objectives	Action Plan
1. Effectively manage audit staff time with a goal of 70% spent on direct audit projects and limit administrative hours to no more than 30%.	Monitor audit budget hours in comparison to actual time charged to audits. Also monitor audit plan in comparison to available audit resources and specific City needs.
2. Complete 75% of audits on the Approved Audit Plan to provide audits that are timely and useful to the City. In general, audits are prioritized based on the Risk Assessment completed by the City Auditor's Office.	Monitor the progress of audits to help identify additional areas for audit and special projects to ensure appropriate resource allocation. Periodically re-assess schedule and audit plan to ensure effective use of staff and availability
3. Obtain a score of 75% or better on audit surveys for completed audits.	Monitor auditors progress regularly to address any areas for improvement identified by departments to provide timely useful audits and guidance.
4. Perform follow up of audit recommendations within 90 days of department completion for audit office review.	Review and test implemented recommendations in a timely manner to ensure implementation is carried out according to management action plans.
5. Individual auditors complete three or more audits/projects for the year.	Meet with auditors regularly to address any issues with audits and keep on track with scheduled deadlines to complete all audits and projects on the plan.

Proposed Audit Plans FY26 - FY28

Proposed Annual Audit Plan FY26

Area/Focus of Audit	Projected Hours
CCFD-Station Renovation versus New Build	650
CCPD-Call Prioritization and Response Times (limited scope audit)	450
Charter School Authority-Information Technology Systems	650
City Clerk-Services	650
City Manager-Economic Development Incentive/Development Programs	650
Citywide Operating Agreements	650
Human Resources-Benefits Administration	650
Parks and Recreation-Staffing/Position Roles and Responsibilities	650
Public Safety Information Technology Analysis	750
Public Works-Fleet Management Operations	650
School Zone Cameras	550
Utilities-Procurement	650
City Annual Comprehensive Financial Review External Auditor Assistance	200
Total Hours	7,800

Proposed Annual Audit Plan FY27

Area/Focus of Audit	Projected Hours
Financial Services-Grants Management	550
Information Technology Services-Ticket Processes and New Laptop Process	650
Public Works-Transportation Division Resources and Operations	650
CCFD-Public Information	550
CCPD-Training Facility	650
Charter School Authority-School Lunch	650
City Clerk-Business Tax Receipts	550
City Manager-311 Program	650
Development Services-Planning Division/Land Use Application Process	650
Emergency Management and Resilience-Operations and Readiness	550
GO Bond Funding and Project Status	300
Parks and Recreation/Public Works-(f.k.a. Operation Sparkle) Park Centers and Facilities Maintenance	650
Public Works-Bridge and Weir Maintenance/Repair/Replacement	550
City Annual Comprehensive Financial Review External Auditor Assistance	200
Total Hours	7,800

Proposed Annual Audit Plan FY28

Area/Focus of Audit	Projected Hours
CCFD-Fire Prevention-Pre plans	650
CCFD-Public Education (If not combined with FY27 CCFD Public Information)	500
CCPD-Seized and Forfeited Assets	550
Charter School Authority-Before and After Care	650
Citywide Kaizen Event Status and Progress	550
Citywide Prior Audit Closed Recommendation Follow Up Audit	750
Development Services-Software Review	650
Human Resources-Compensation	650
Parks and Recreation-Special Events Management and Coordination	650
Parks and Recreation Volunteer Programs Monitoring	550
Public Works-Real Estate Property Acquisition Process	650
Public Works-Stormwater Management and Operations	650
City Annual Comprehensive Financial Review External Auditor Assistance	200
Special Projects/Non-Audit Services/Carry-Forward	150
Total Hours	7,800

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9/17/2025



Other Special Projects, Potential Audits and Non-Audit Services

As part of the City Auditor's Office responsibilities, we provide advisory services to management and City officials. Depending on the scope of the project, we may perform a non-audit service or special project. While conducting the risk assessment meetings, we identified certain areas that we would consider as additions to the plan that we have included below.

- Electric Franchise Fee Audit
- Council Procedures
- Contingency Fee/Contract Change Order Process
- Vacation Rental Program