bakertilly

City of Santa Fe FY 26-27 Internal Audit Program

Finance Committee Meeting / 08.24.26

1

Internal Audit Overview

- The City retained Baker Tilly to serve as the designated Internal Auditor and conduct projects focusing on:
  - Risks
  - Internal controls
  - Efficiency and effectiveness
  - Best practices
  - Compliance
- Work is being completed under appropriate industry standards (IIA, GAGAS, AICPA)

2

Internal Audit Program Components

Annual Plan | Internal Audit Plan

Internal Audit Components | Risks | Internal Controls | Compliance | Performance

City Functions | **Accounting and financial reporting, asset management, capital programs, compliance, economics and funding, fraud, governance, human resources, internal controls, maintenance and operations, management, operations and service delivery, organization and staffing, processes and procedures, procurement, public safety, risk management, and technology**

bakertilly

Recommended Internal Audit Projects

1. Grants Management Operational Review: Assess the City's grant management function to identify opportunities for improvement (16 weeks, $40,000)
2. Cash Management Internal Audit: Assess the City's internal controls over cash handling, management and reporting. Specific focus will be placed on the varying POS systems used and the related manual integrations required to Tyler MUNIS. (12-16 weeks, $35,000)
3. Capital Improvement Program (CIP) Assessment: Evaluate current informal processes, project request lists, funding gaps, and department-level planning. Develop a scalable framework to support city-wide CIP planning, preventive maintenance analysis, bonding decisions, thresholds, and consistent decision-making (12-16 weeks, $38,000)
4. Follow-up on Open Internal Audit Findings and Recommendations: Follow up on previous findings from past internal audits (Ongoing – appr. 2 times in FY, $25,000)

bakertilly

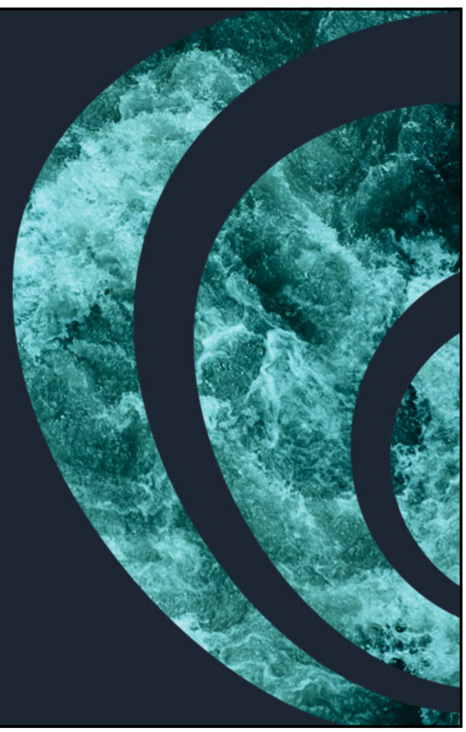
Recommended Internal Audit Projects (cont.)

5. Policy and Procedure Support (as needed, $15,000)

6. Ongoing Internal Audit Services: Attend Audit Committee and Council meetings, prepare status reports, and manage internal audit program. (Ongoing, $22,000)

5

Thank you.



bakertilly

6