

**COMPASS INDEPENDENT AUDIT
QUARTERLY REPORT TO THE CITY COUNCIL
FOR THE QUARTER ENDING MARCH 30, 2014**

Legal Requirement

Rapid City Municipal Code 2.95.030 (H) requires the Chief Auditor to submit, through the Audit Committee, quarterly reports to the City Council concerning the status of all pending audits and projects and the status or progress of any actions to implement audit recommendations.

Current Status

As of March 30, 2014 two audits were in progress. In addition, the City-Wide Cash Handling Audit Follow up report was completed during the first quarter of 2014.

City Fees Audit

We were conducting fieldwork and audit testing for this audit. The City uses fees to help fund a variety of services. The audit will try to identify when the fees were last reviewed and adjusted. We will also review department's methodology for setting fees. In addition, best practices for setting and reviewing fees (from the Government Finance Officers Association and other relevant sources) will be identified and the City's current practices will be compared.

Information Technology Audit

The Information Technology Audit was started in mid-March. This audit was in the early planning phase. We have developed and are refining the audit objectives by gathering information from the Information Technology Division and external sources.

City-Wide Cash Handling Audit Follow-up

The City-Wide Cash Handling Audit Follow-up Report presented the status of department management's efforts to implement the ten recommendations from this audit. The follow-up report was approved by the COMPASS Committee at the April 14, 2014 meeting.