



**EAST BAY REGIONAL PARK DISTRICT  
BOARD OF DIRECTORS MEETING  
AGENDA STAFF REPORT**

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<b>DATE</b>	September 3, 2024
<b>TITLE</b>	Approval of 2024 Internal Audit Work Plan
<b>DIVISION</b>	Finance and Management Services
<b>FROM</b>	David Sumner, Audit Manager Deborah Spaulding, Assistant General Manager of Finance and Management Services / Chief Finance Officer
<b>APPROVED</b>	Sabrina Landreth, General Manager 

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**RECOMMENDATION**

The General Manager recommends that the Board of Directors adopt a resolution approving the 2024 Internal Audit Work Plan.

**BACKGROUND**

Auditing is a cornerstone of good public sector governance. Auditing is essential for upholding the principles of accountability, transparency, integrity, equity; and providing services to the public ethically, effectively, efficiently, and economically within the boundaries of specific programs.

Auditing is defined as the systematic accumulation of evidence about information to determine and report on the degree of correspondence between the information and established criteria. In a nutshell, auditing is comparing *what is* to *what is supposed to be*.

The internal audit function performs an independent and objective assurance and consulting service that strengthens the East Bay Regional Park District's ("Park District") ability to create, protect, and sustain value; and to successfully achieve its objectives. Audit reports provide the governing board, senior executives, and the public with unbiased insight and assurance about reviewed activities, and management's performance and accountability; and offer helpful recommendations for improving the effectiveness of the organization's risk management, control and governance.

The 2024 internal audit work plan was reviewed the Board Finance Committee on July 24, 2024, and unanimously recommended for favorable consideration and approval by the Board of Directors.

**ANALYSIS**

2024 Internal Audit Work Plan: Every year the annual internal audit work plan is presented to the Board for approval. Attachment A depicts internal audit projects that were selected based on the level of risk, which is defined as a set of circumstances that may hinder achievement of objectives. A risk-based audit approach is required by The Institute of Internal Auditors promulgated Global Internal Audit Standards. Risk assessment process helps define and prioritize audit projects based on their overall financial impact and risk. The Park District leadership's areas of concern that should be considered for an audit is solicited prior to performing risk assessment and compilation of the annual Internal Audit Work Plan.

The 2024 internal audit work plan resulting from risk assessment process is comprised of a variety of projects and activities of the Park District. It includes an assessment of Tilden Park current cash collection activities and verifying status of the park's prior audit recommendations, an examination of revenue-generating activities reported by Bridge Yard facility concessionaire, and Vasco Road Wind Turbine site operator, and a comprehensive review of the Park District Accounts Receivable - which is one of the many activities performed by Finance Department staff.

A review of the fuel cards transactions and controls, and the first-ever review of the PFM's compliance with the Park District's Investment Policy. Internal audit staff will be revising and updating the Park District's Internal Audit Charter, since the Institute of Internal Auditors *Global Internal Audit Standards* has officially replaced *International Standards for the Professional Practice of Internal Auditing* effective January 9, 2024. Staff also will review of Measure VVW Local Grant projects when they are completed.

As always, one of the paramount objectives of the internal audit function is to alert management of any potential issues that arise, so that preventive or remedial actions may be taken.

Based on the results of reviews that were performed in 2023, we believe the Park District system of internal control is generally functional but should be further strengthened.

#### **FISCAL IMPACT**

There is no cost associated with this action.

#### **ATTACHMENTS**

Attachment A – 2024 Internal Audit Work Plan



**EAST BAY REGIONAL PARK DISTRICT  
RESOLUTION NO, 2024 -09 -  
SEPTEMBER 3, 2024**

**APPROVAL OF 2024 INTERNAL AUDIT WORK PLAN**

**WHEREAS**, internal audit is an independent function to perform an independent and objective assurance and consulting service that strengthens the East Bay Regional Park District's ability to create, protect, and sustain value; and to successfully achieve its objectives; and

**WHEREAS**, The Institute of Internal Auditors Global Internal Audit Standards (Standard) Principle 7 and requires organizational independence for the internal audit function; and

**WHEREAS**, in compliance with Standard 7.1, organizational independence of the internal audit function must be confirmed annually to the Board of Directors; and

**WHEREAS**, the 2024 Internal Audit Work Plan was reviewed by the Board Finance Committee on July 24, 2024, and unanimously recommended to the full Board for approval;

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Directors of the East Bay Regional Park District hereby approves the 2024 Internal Audit Work Plan; and confirmation of the organizational independence of the internal audit function as presented to the Board on September 3, 2024; and

**BE IT FURTHER RESOLVED**, that the General Manager is hereby authorized and directed, on behalf of the Park District and in its name, to execute and deliver such documents and to do such acts as may be deemed necessary or appropriate to accomplish the intentions of this resolution.

Moved by Director \_\_\_\_\_, and seconded by Director \_\_\_\_\_, and adopted September 3, 2024, by the following vote:

FOR:

AGAINST:

ABSTAIN:

ABSENT: