

Budget & Finance Committee

Preliminary Questions to Metropolitan Government Departments

OFFICE OF INTERNAL AUDIT

1. What is the amount of the proposed funding decrease from the previous fiscal year?

\$ 9, 800

2. Please provide a statement regarding the impact the proposed reductions will have on your department's operations. Specifically, please be sure to address the following questions:

The Office of Internal Audit will be minimally impacted by the Mayor's proposed budget decrease from the previous fiscal year. The impact of the decrease will not affect the services we provide to the residents and businesses of Metro Nashville and Davidson County. Our office will continue to complete a comprehensive audit plan and additional special projects and investigations as needed. Our staff will feel the impacts of losing longevity pay and the ability to travel for required trainings. However, we can adjust our training plans to use only local offerings.

- a. What services currently provided by your department do you anticipate will be reduced/eliminated?

No services provided will be reduced or eliminated due to the proposed funding decrease. Elimination of travel will affect our staff's training and development. However, our staff will be able to adjust projected training needs to only include local or virtual offerings.

- b. What impact will such reduction or elimination have on the residents and businesses of Davidson County?

The residents and businesses of Davidson County will not be impacted by the reduction.

- c. How many department employees do you anticipate will be impacted by the reduction in funding?

Two FTEs will be impacted slightly as their longevity pay will not occur. This is a minimal impact.

3. Regarding the number of FTE employees in your department:

- a. How many budgeted employees do you have for the current fiscal year?

10 FTEs

- b. How many unfilled FTE employees does your department currently have?

2 FTEs

- c. How many FTE positions are included in the Mayor's proposed budget?

10 FTEs

4. Regarding your department's "departmental savings":
 - a. What is the amount of your department's 'targeted savings' for FY2020?
\$40,200
 - b. What was your department's budget for FY2020 after the targeted savings?
\$1,574,900
 - c. How does that compare with the Mayor's proposed FY2021 budget?
The Mayor's proposed budget includes the targeted savings from FY2020, which were fully implemented by a budget adjustment during FY2020, and the additional decrease in travel and longevity. During FY2020 we were asked to determine budgeted areas where we could eliminate the targeted savings going forward. In order to do that, our office reduced our consulting budget by \$40,200. This will impact the number of specialists we can use on audits going forward. This equates to approximately 300 hours of consulting services. However, we still have a sufficient consulting budget to complete some specialized audits during the year.
5. Regarding any previous audits in which your department has participated:
 - a. What operations or expenditures have been audited within the last three years? Five years? Ten years?
Our office undergoes an external peer review every three years. Thus, we have undergone three Yellow Book peer reviews within the past ten years.
 - b. Has any capital spending been audited during the last five years? Ten years?
Not applicable
 - c. Are there any prior audit recommendations still shown as pending/outstanding? If so, please identify these recommendations and provide a response regarding your department's plan to address the recommendation(s).
Not applicable