

Council Approved

September 2, 2026



**City of Cape Coral
City Auditor's Office**

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FY27 Strategic Plan and FY27-FY29 Annual Audit Plans

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Deputy City Auditor: Timothy DiSano, CIA, CISA, CFE

Approved by City Council Resolution 185-26 on 9/2/2026



TO: Mayor Gunter and Council Members

FROM: Andrea R. Russell, City Auditor 

DATE: August 17, 2026

SUBJECT: Council Approval of FY27 Strategic Plan and FY27-FY29 Annual Audit Plans

Ordinance 79-10 and Resolution 46-10 require the annual submission of a Strategic Plan and three-year Audit Plan to City Council for their acceptance by October 1st of each year. Prior to Council approval, the plans must be reviewed and recommended to Council. Council acceptance is requested based on the Audit Committee's recommendation. In accordance with these requirements, we have attached the proposed FY27 Strategic Plan and FY27-FY29 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. Since this risk assessment was completed in 2024, in order to develop and update the audit plan, over the past few months, we have performed certain procedures to update risk assessment data and assessed current plans, issues, and initiatives. To accomplish this, we corresponded with City directors and their deputies, 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 FY27-FY29 Audit Plans using the risk assessment and current topics obtained from these meetings.

At the August 17, 2026, Audit Committee meeting, the committee reviewed and approved the proposed City Auditor's Office FY27 Strategic Plan and FY27-FY29 Annual Audit Plans. **Consensus reached without objection to add Purchase Card (P-card) Review to Special Projects section of the Audit Plan.**

Committee Member Austin moved, seconded by Committee Member Lehmann, to approve the FY27-FY29 Strategic Plan and Annual Audit Plan, as amended (to add P-card review to the Special Projects section of the audit plan). Committee poled as follows: Austin, Cochrane, Lehmann, and Botterbusch voted "aye." Three "Ayes." Motion carried.

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

REPORT HIGHLIGHTS

FY27 STRATEGIC PLAN AND FY27-FY29 ANNUAL AUDIT PLANS

Issued for Council Approval
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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.

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, 4b, and Generally Accepted Government Auditing Standards.

WHAT WE DID

Strategic Plan

Resolution 46-10 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

Ordinance 79-10 and Resolution 46-10 describe the requirements for developing a three year audit plan, that is approved annually. Preparation of the audit plan begins with a risk assessment that is performed every three years. In order to update risk assessment data, our office obtained input from department directors and their deputies, City Officials and management, and the Audit Committee to update the audit plans. 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 (FY27-FY29) are developed.

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

The document is a plan and situations may arise that require changes to the plan. Any changes to the Audit Plan are communicated to City Council and the Audit Committee on the City Auditor's Monthly Update Report. Annual Comprehensive Financial Report included on the Audit Plan represent contractual hours assigned to the office to assist the external auditor.

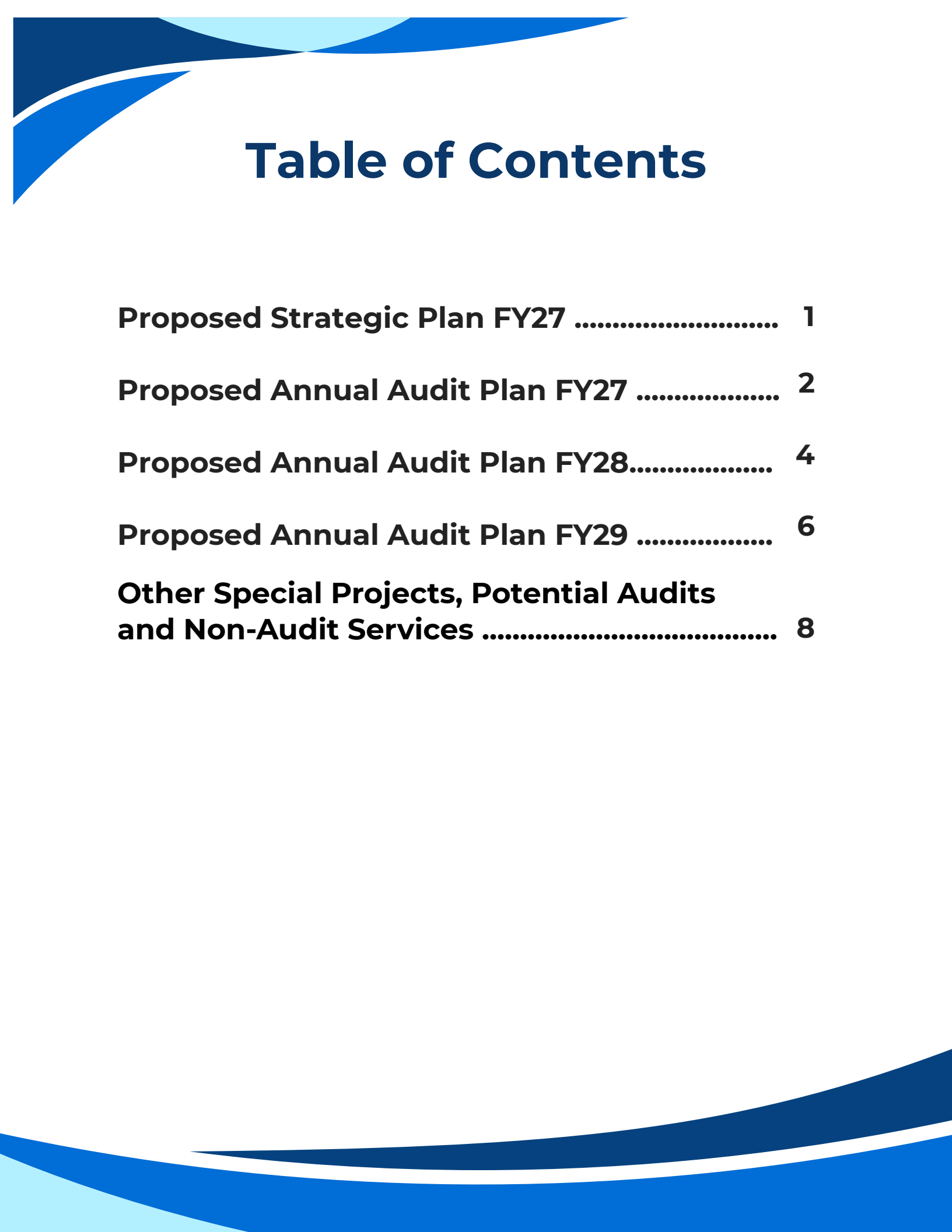


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Proposed Strategic Plan FY27

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 FY27 - FY29

Proposed Annual Audit Plan FY27

Audit Topic	Audit Topic Information
CCFD Fire Prevention - Pre plans	Review of process for Pre-plans.
CCFD - Public Information	Review of the CCFD Public Information division.
CCPD - Training Facility	To be conducted as part of the creation of the Training Bureau.
Charter School Authority - Before and After Care	Review of the newly implemented before and after care programs.
City Manager - 311 Program	See FY29 suggestion for public information requests and consider including with this audit.
Development Services - Planning Division/Land Use Application process	Review of public records information requests and use. Review of the new fee structure.
Franchise Agreement Audit	To review agreements and determine if they are serving the City as they were intended, specifically the financial aspects and goods and services provided by the agreements.
GO Bond Funding and Project start and close out status	The audit will review project budgets, schedules, funding sources, contingency funds, and related project start-up and closeout processes.
ITS - New Laptop Desktop Process	Review of the process in place for providing new laptops and desktops to users.
Parks and Recreation - Staffing	Include a review of position classifications and descriptions, as well as the upper management organizational structure. Note: This audit may be completed in FY26. If it is not, then it will be performed here.

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FY27 continued...

Audit Topic	Audit Topic Information
Parks and Recreation - Volunteer Programs Monitoring	Review of volunteer program oversight.
Public Works - Bridge and Weir Maintenance/Repair/Replacement	Review planned and completed work in conjunction with relevant studies to assess alignment with identified needs and priorities.
Public Works - Transportation Division Resources and Operations	Assess the adequacy of equipment and other resources to meet the operational needs of the Transportation Division.
City Annual Comprehensive Financial Review External Auditor Assistance	Contractually required assistance provided to external auditors for the City audit.

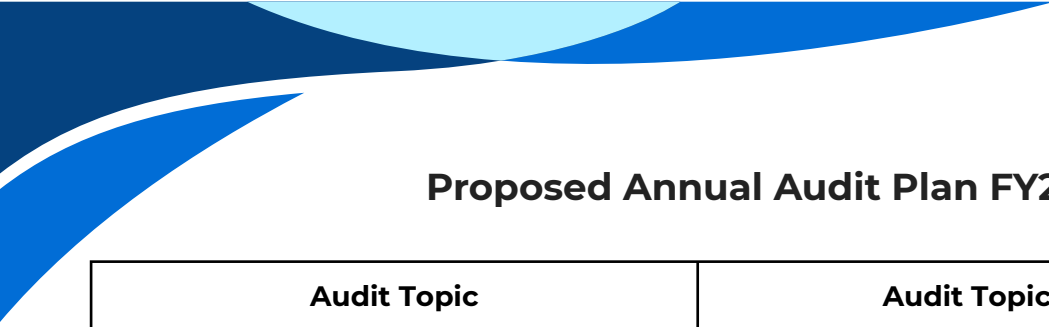
Proposed Annual Audit Plan FY28

Audit Topic	Audit Topic Information
CCFD - Public Education	A review of CCFD Public Education services provided. Note: This audit may be completed in FY26. If it is not, then it will be performed here.
CCPD - SWAT Operations	The purpose of this audit is to confirm the unit is operating safely, effectively, and in full compliance with policy, training, and legal standards. This audit would also help us identify and address potential risks before they develop into operational or liability issues.
Charter School Authority - School Lunch	The audit will focus on operational processes and efficiencies rather than financial reporting traditionally covered by single-audit testing.
City Clerk-Business Tax Receipts	Review of the Business Tax Receipts process.
Citywide Prior Audit Closed Recommendation Follow Up Audit	Conduct follow-up procedures, similar to prior follow-up audit issued in FY24, to assess the status of implemented and closed recommendations.
Concessionaire Agreements	As additional concessionaire agreements are executed and utilized, an audit of agreement administration, monitoring practices, and compliance with contract terms.
Development Services - Software Review	Focus on Development Services' utilization of software and evaluate system enhancements to address inefficiencies, system glitches, and unclear roles and responsibilities across departments.
Emergency Management and Resilience (DEMR) - Operations & Readiness	The audit would focus on DEMR's operations and readiness processes.

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FY28 continued...

Audit Topic	Audit Topic Information
Financial Services - Grants Management	The audit would focus on the City's grant management processes.
Food Service Operations at The Courts	Assess the overall viability of food services and the impact on membership levels and related revenues.
Human Resources – Compensation	Review compensation related process changes and implementation efforts, including Kaizen initiatives and software transitions aimed at greater automation. The audit will also consider interactions and overlaps among compensation, benefits, and payroll processes.
Parks and Recreation - Special Events Management and Coordination	The audit will focus on the Special Events management and coordination and will address areas previously reviewed as well as new processes implemented since the prior audit.
Public Works - Stormwater Management and Operations	The prior Stormwater audit was completed in FY19; this engagement may address different topics and emerging risks within Stormwater management and operations.
Utilities - System Maintenance and Management	Focus on work order management, leak detection procedures and response, preventive maintenance practices, asset management and tracking, and storm/emergency response activities.
City Annual Comprehensive Financial Review External Auditor Assistance	Contractually required assistance provided to external auditors for the City audit.



Proposed Annual Audit Plan FY29

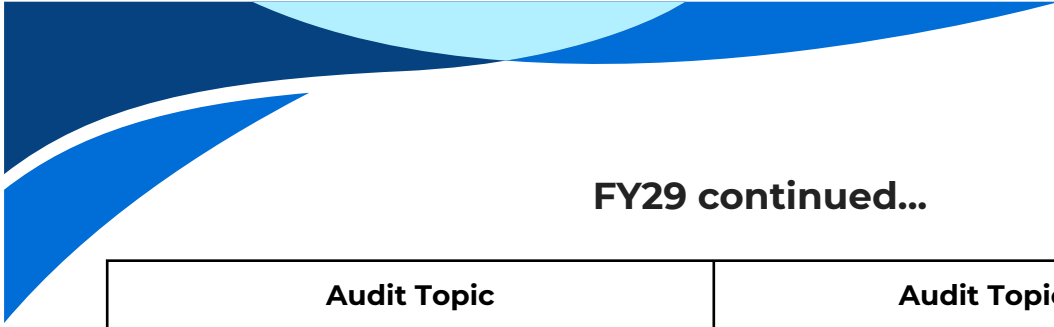
Audit Topic	Audit Topic Information
CCPD - Seized and Forfeited Assets	This audit hasn't been done since 2018 and will address some additional/different areas than the prior audits.
Citywide Kaizen Event Status/Progress	Follow up on process changes implemented as a result of recent Kaizen events conducted across the City.
Development Services - Permitting	The most recent permitting audit was completed prior to the implementation of the new software; this engagement will assess current processes and controls under the updated system.
ITS - Ticket Process	The audit will focus on the ticket process including initiation, triage, processing, post close out and quality and efficiency of service.
Parks and Recreation - Software Utilization Review	The audit will evaluate Parks and Recreation's utilization of its recreation software to determine whether functionalities are effectively used to support operations and reporting.
Public Works - Real Estate Property Acquisition Process	This audit will include review of processes for property appraisals/evaluation.
Residential Rental Property Registration Program	Review administration of the program, including funding sources, use of funds, and overall effectiveness of registration and compliance activities.

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FY29 continued...

Audit Topic	Audit Topic Information
Streamlining the Process of Citizen and Council Requests	Potential audit areas include the processes for receiving, tracking, and responding to Council and citizen requests. Current practices reflect inefficiencies and limited coordination across divisions, with citizens sometimes submitting the same inquiry to multiple divisions, resulting in duplicate efforts and inconsistent tracking. In addition, requests originating from Council members require responses within 48 hours. The audit could identify leading practices for centralized tracking, coordination, and response management, and may be included with procedures performed as part of the 311 audit scheduled for FY27.
UEP - Planning, Funding, Prioritization of Areas and Implementation	This is a high risk, high cost, and high visibility project. The audit will review the bidding process, project timelines, budgets, change order management, contractor oversight, closeout procedures, and final inspections. It will also assess the availability of grants and opportunities to leverage additional funding sources to reduce the City's financial contribution, and review vendor compliance with contract terms in a manner consistent with the vendor audit proposed for FY29. The UEP is transitioning from individual project management to program management with Program Manager At Risk. Due to the programmatic nature of the new model, this audit will be conducted in FY29 to allow enough time for design and construction to be completed before auditing.

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FY29 continued...

Audit Topic	Audit Topic Information
Vendor audit	This audit will exercise the City's contractual right-to-audit clauses to confirm that invoices are billed and paid in accordance with contract terms, including labor rates, material costs, third-party expenses, and meals/entertainment charges. Identify the top ten City projects and audit the associated vendors to assess compliance with contractual requirements and applicable ordinances and resolutions.
City Annual Comprehensive Financial Review External Auditor Assistance	Contractually required assistance provided to external auditors for the City Audit.

NOTE: A risk assessment will be conducted in January 2027 for FY28, FY29 and FY30

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:

- UEP Calculation Review
- CCFD Accreditation Process
- Purchase Card Review