WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: *July 14, 2026*

DATE: June 25, 2026

TO: Board of County Commissioners

FROM: Katelyn Kleidosty, Internal Audit Manager
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THROUGH: Abbe Yacoben, Chief Finance Officer

SUBJECT: Recommendation to approve the Fiscal Year 2027 Internal Audit Schedule. The proposed work plan was developed through the Internal Audit Division's annual risk assessment process and incorporates management input, Audit Committee feedback, statutory requirements, prior audit results, and emerging organizational risks. The Fiscal Year 2027 work plan includes six planned audits, four follow-up reviews, and ongoing advisory services designed to provide independent assurance over areas of higher risk while maintaining flexibility to address emerging issues. Finance. (All Commission Districts.) FOR POSSIBLE ACTION.

SUMMARY

The Internal Audit Division annually develops a risk-based audit work plan to guide audit activities during the upcoming fiscal year. The proposed Fiscal Year 2027 Internal Audit Work Plan was developed using the Division's annual risk assessment process and incorporates management input, Audit Committee feedback, statutory requirements, prior audit results, and emerging organizational risks.

The proposed work plan includes six planned audits, four follow-up reviews, and ongoing advisory services. Audit activities are intended to evaluate governance, internal controls, compliance, operational effectiveness, safeguarding of County assets, and accountability across County operations. The work plan also maintains flexibility to address emerging risks, management requests, and advisory engagements that may arise during the fiscal year.

Washoe County Strategic Objective supported by this item:

Fiscal Sustainability

PREVIOUS ACTION

No previous action has been taken by the Board of County Commissioners on this item.

BACKGROUND

Washoe County Code Chapter 15 establishes the Internal Audit Division and authorizes the performance of independent and objective assurance and consulting activities designed to improve governance, risk management, and internal controls throughout County operations.

The Fiscal Year 2027 Internal Audit Work Plan was developed utilizing a risk-based approach. Factors considered included management requests, Audit Committee feedback, prior audit results, statutory requirements, organizational changes, financial impact, operational complexity, public interest, and emerging risks.

The proposed audit plan includes the following audits:

- Housing and Homeless Services – Shelters
- Purchase Cards
- Cash Control Audit Program
- Asset Management
- Capital Improvement Projects (CIP)
- Physical Key Inventory

In addition, the work plan includes follow-up reviews of previously completed audits to evaluate management's progress in implementing corrective actions and addressing reported findings. Follow-up reviews are proposed for:

- Conflict Counsel Program
- Registrar of Voters Cash Control Audit
- Technology Services Cash Control Audit
- Housing and Homeless Services – HMIS

The work plan also provides capacity for advisory services, fiscal note support during the 2027 Legislative Session, and emerging issues requiring audit assistance during the fiscal year.

Several additional topics were evaluated during the annual risk assessment process but were not included in the proposed Fiscal Year 2027 work plan due to resource limitations, relative risk rankings, timing considerations, or ongoing management initiatives. These areas may be reconsidered in future audit cycles.

FISCAL IMPACT

No fiscal impact.

RECOMMENDATION

It is recommended the Board of County Commissioners approve the Fiscal Year 2027 Internal Audit Work Plan. (All Commission Districts.)

POSSIBLE MOTION

Should the Board of County Commissioners wish to approve the Fiscal Year 2027 Internal Audit Work Plan, a possible motion would be:

Move to approve the Fiscal Year 2027 Internal Audit Work Plan as presented.

ATTACHMENT: Internal Audit Schedule FY2027