



# Audit Follow-Up

## *Audit of Policy Governance*

Original Report #AR-2501, Issued October 31, 2024  
Follow-Up Period Ending March 31, 2025

Report #AR-2507  
August 11, 2025

### Summary from Original Report

As part of the Office of the Inspector General's Audit Work Plan, we conducted an audit to evaluate the City's processes, practices, and standards for developing and managing its administrative policies and procedures (APPs). The audit was included as part of the Audit Work Plan based on a comprehensive risk assessment that identified several key risk factors: the importance of effective oversight to the activity's success, the sensitive nature and public relations aspects of the activity, and the activity's complexity. Absent mitigating factors, these risks could potentially result in policies not being formatted, retained, or updated consistently. This may lead to non-compliance with regulatory requirements, operational inefficiencies, and reduced accountability. As part of evaluating the City's processes, practices, and standards for developing and managing its APPs, our audit's aim was to identify areas for improvement to ensure the City's APPs are managed effectively and efficiently.

We concluded that *APP 101* establishes an effective framework for managing the City's APPs. It assigns responsibility for coordinating revisions to existing APPs, and the development and approval of new APPs; assigns responsibility for periodically reviewing and recommending changes to APPs; and requires APPs to be categorized by subject and include certain content and formatting. The framework, however, would be more effective if *APP 101* identified Resource Management as the department responsible for the management of the *Administrative Policies and Procedures Manual*, required all APPs to be uploaded to an easily accessible centralized repository, provided additional guidance as to how APPs should be categorized numerically or on the City employee intranet, specified how often APPs should be reviewed, and provided guidance as to when APPs should be reviewed in response to incidents and/or policy violations.

In response to our audit observations, management developed five action plan steps. As of the end of this follow-up period, March 31, 2025, management completed two of the action plan steps and three were still in progress. This status report is the first follow-up on Audit Report #AR-2501.

**Complete**

**2**

**In Progress**

**3**

**Needs Attention**

**0**

## Action Plan Step 1

### **Objective:**

We recommended *APP 101* be updated to reflect Resource Management responsibility for management of the *City Administrative Policies and Procedures Manual* and specifically designate the Director of Resource Management as the City Policy Manager.

### **Management Action Plan:**

*APP 101 will be updated to reflect Resource Management as the department responsible for the management of the City's administrative policies and procedures, as well as the Director of Resource Management as the City's policy manager.*

**Action Plan Status: Complete**

Resource Management updated *APP 101* on December 30, 2024, to reflect that Resource Management and the Resource Management Director are responsible for managing centrally-accessible APP documents on the City communications portal. Management also updated *APP 101* to reflect that Resource Management and the Resource Management Director are responsible for coordinating revisions to existing procedures and developing and approving all new APPs.

## Action Plan Step 2

### **Objective:**

We recommended City APPs be reviewed and amended to:

- Ensure the sections required by *APP 101* ("Authority," "Purpose," "General Statement," "Scope and Applicability," "Exceptions," and "Effective Date") are included in all APPs.
- Ensure all APPs include effective and revision dates that accurately reflect when the APP went into effect and was revised.
- Clearly distinguish policy statements from procedures.

### **Management Action Plan:**

*The City's APPs will be reviewed, and a template developed to ensure APPs contain the same sections required by APP 101, including effective and revision dates, clear distinction between policy statement and procedures, consistent formatting, and no missing information or inaccuracies.*

**Action Plan Status: In Progress**

Resource Management is currently completing the action plan step and expects it to be completed by October 15, 2025.

### Action Plan Step 3

#### **Objective:**

We recommended Resource Management:

- Amend *APP 101* to require all APPs to be uploaded to an easily-accessible centralized repository, such as the “City Policy Portal” on the City employee intranet.
- Communicate the change to personnel charged with maintaining and/or developing City APPs to ensure awareness and adherence to the amendments to *APP 101*.
- Conduct periodic reviews to ensure departments comply with the requirement to upload APPs to the designated centralized repository.

#### **Management Action Plan:**

*APP 101 will be updated to reflect that all APPs are to be uploaded to the City employee intranet, communicating central availability to all departments, with periodic reviews to ensure compliance.*

**Action Plan Status: Complete**

Resource Management updated *APP 101* on December 30, 2024, with several changes reflecting the requirement for APPs to be maintained on the City employee intranet. For example, *APP 101* was updated to clarify that:

- Resource Management is responsible for managing centrally accessible APP documents on the City communication portal.
- All administrative regulations are to be reviewed, issued, and approved by the Resource Management Director or designee, regardless of the originating department.
- Major changes to existing administrative procedures must be reviewed and approved by Resource Management, and all changes, including minor changes, must be posted on the City communication portal.
- Resource Management will make periodic reviews of the *Administrative Procedures Manual* and will recommend development, inclusion, or deletion of regulations based on departmental requests and other input.

### Action Plan Step 4

#### **Objective:**

We recommended Resource Management enhance the categorization requirements of *APP 101* by either:

- Outlining the subject areas and corresponding section numbers within which APPs should be categorized.
- Replacing the numbering requirement in *APP 101* (Section 101.06, *Numbering*) with guidance on how APPs should be categorized (e.g., by appointed official, department, or subject area) on the City employee intranet.

**Management Action Plan:**

*APP 101 categorization requirements will be reviewed and updated to outline subject areas and corresponding section numbers, with consideration to the City employee intranet.*

**Action Plan Status: In Progress**

Upon inquiry, Resource Management responded that this action plan step “will commence once the consistency of formatting is completed.” Action Plan Step 2 addressing the Consistency of APP Formatting observation is expected to be completed by October 15, 2025.

**Action Plan Step 5****Objective:**

We recommended Resource Management update *APP 101* by:

- Specifying how often periodic reviews should be performed for different APPs and/or topic areas. When specifying the frequency reviews should be performed, management should consider how sensitive an APP or topic area is to changes in regulations, internal processes, and other factors that may render the APP inaccurate, ineffective, or obsolete.
- Providing guidance as to when policies and procedures should be reviewed in response to incidents and/or policy violations. Such review should determine if the policy and procedure is adequate and whether additional training on the policy and procedure is needed.

**Management Action Plan:**

*APP 101 will be updated to provide guidance for periodic reviews relative to topic areas, actions after incident/policy violations, or employee training expectations.*

**Action Plan Status: In Progress**

Based on our review of the prior and updated versions of *APP 101*, management partially resolved the issues described in Observation 5 - Periodic and Incident-Based APP Reviews. Although the updated version of *APP 101* does not specify the frequency APPs should be reviewed based on the topic area addressed by the APP, *APP 101* encourages APPs to be periodically reviewed every five years and assigns responsibility to APP holders for keeping their documents current and updated.

In addition to discussing the importance of performing periodic reviews of policies and procedures in Observation 5, we also discussed the importance of reviewing APPs following incidents and/or policy violations and noted that *APP 101* did not provide any guidance in that area. Through the corrective action plan, management indicated they would update *APP 101* to provide guidance on actions after incident/policy violations. The updated version of *APP 101* provides that department responsibilities may include training and after-incident APP review, but does not provide guidance on when APPs should be reviewed in response to an incident and/or policy violation or what the objective of the review should be. As such, the issues described in Observation 5 have not been fully addressed and the action plan step is still in progress. The expected completion date is October 15, 2025.

## **Conclusion**

To address the observations made in Audit Report #AR-2501, management developed five action plan steps. As of the end of this follow-up period, March 31, 2025, management completed two of the action plan steps and three were still in progress.

## **Appointed Official's Response**

*City Manager:*

We appreciate the work of the Office of the Inspector General (OIG) in conducting this audit and providing its observations. Their review is valuable in supporting consistent policy governance across departments. As noted in the report, all action steps identified in response to the audit findings have either been completed or are actively in progress. We will continue to evaluate and implement improvements based on best practices, risk assessment, and alignment with organizational values and objectives. I would like to thank the staff of the OIG for their professional review and ongoing efforts to strengthen our City controls and processes.

## **Acknowledgements**

We appreciate the cooperation and assistance provided by management and staff during this audit follow-up.

## **Project Team**

### **Engagement:**

**Conducted by:** Travis Britt  
Staff Auditor

**Reviewed by:** Shane Herman, CPA, CIA  
Audit Manager  
Steven Meredith, CPA, CIA, CIGA, CISA, CIG, CIGI  
Deputy Inspector General

**Approved by:** Dennis R. Sutton, CPA, CIA, CIG  
Inspector General

## **Statement of Accordance**

The mission of the Office of the Inspector General is to advance integrity, accountability, transparency, and efficiency and effectiveness within City government by providing professional, independent, and objective audit and investigative services.

We conducted this audit follow-up in conformance with *generally accepted government auditing standards*. Those standards require we plan and perform the audit follow-up to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our objectives.

Please contact the Office of Inspector General at (850) 891-8397 or [inspector.general@talgov.com](mailto:inspector.general@talgov.com) with inquiries regarding this report.

<http://www.talgov.com/transparency/inspectorgeneral.aspx>