



DATE: January 26, 2026

TO: Honorable Members of the Finance Committee: Chad West (Chair), Kathy Stewart (Vice Chair), Zarin Gracey, Maxie Johnson, Jesse Moreno, Jaime Resendez, Gay Donnell Willis

SUBJECT: Request to Amend the Approved Fiscal Year 2026 Audit Work Plan to Add a New Audit Engagement

The purpose of this memorandum is to request the Finance Committee's consideration and confirmation to add a new audit engagement to the Fiscal Year 2026 Audit Work Plan. The proposed addition would require adjustments to current audit priorities and resource allocation.

The Fiscal Year 2026 Audit Work Plan approved on November 12, 2025 (Council Resolution 25-2958A) was developed based on an annual risk assessment, available staffing resources, and the timing of planned audit engagements. The Office of the City Auditor received a request from the Government Efficiency Committee proposing the following audit be prioritized and added to the approved Fiscal Year 2026 Audit Work Plan:

- **Audit Title:** Cost Benefit Analysis of Women, Infant, and Children Program
- **Scope (High-Level):** Address the following questions:
 - What are the steps needed to transfer this program to another agency?
 - Does the current program recover the full cost of providing the service?
 - Are we benefitting financially from providing this program?
 - Is it possible to terminate the current contract with the State?

This engagement is expected to provide independent assurance related to operational effectiveness and efficiency.

To accommodate this engagement, the Office of the City Auditor anticipates reprioritization or deferral of one or more previously approved audit engagements. Any changes will be managed to minimize disruption while maintaining audit quality and coverage of high-risk areas.

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Requested Action

The Office of the City Auditor respectfully requests that the Finance Committee recommend to the Mayor and City Council approval of adding the Cost Benefit Analysis of Women, Infant, and Children Program audit engagement to the Office of the City Auditor's Fiscal Year 2026 Audit Work Plan.

Upon confirmation, the Office of the City Auditor will proceed with scheduling and executing the audit and will report results in accordance with standard audit reporting protocols.

Please let us know if additional information is needed.

Respectfully,



Mark S. Swann
City Auditor

c:

Maxie Johnson, Chair, Government Efficiency Committee
Cara Mendelsohn, Vice Chair, Government Efficiency Committee
Adam Bazaldua, Member, Government Efficiency Committee
Paula Blackmon, Member, Government Efficiency Committee
Jaime Resendez, Member, Government Efficiency Committee
Paul Ridley, Member, Government Efficiency Committee
William Roth, Member, Government Efficiency Committee