County Internal Auditor's 2027 Annual Audit Plan

County Internal Auditor's 2027 Annual Audit Plan
Cover Memo

TO: Board of County Commissioners

FROM: Melinda Jenzarli, CPA, CIA, CISA, CFE, MBA, County Internal Auditor

DATE: September 16, 2026

SUBJECT: County Internal Auditor's 2027 Annual Audit Plan

A risk-based planning process was performed to identify and prioritize audit services for calendar year 2027. The process considered:

- The County Internal Auditor's assessment of risk.
- Input from Commissioners and management.
- Coordination with other assurance providers.
- Applicable County governance and professional requirements.
- Available audit resources.

This report presents the 2027 Annual Audit Plan and the County Internal Auditor's performance objectives for approval by the Board of County Commissioners (BOCC).

On August 25, 2026, the County Internal Audit Committee reviewed the risk assessment and proposed Annual Audit Plan and recommended approval by the BOCC. On September 16, 2026, the BOCC considered the Committee's recommendation and approved the 2027 Annual Audit Plan.

Sincerely,

Melinda Jenzarli

Copy: County Internal Audit Committee
Julia Mandell, County Attorney
DeBora Cromartie-Mincey, Chief Assistant County Attorney
Tom Fesler, Chief Financial Administrator
Carl Harness, Chief Human Services Administrator
Greg Horwedel, Deputy County Administrator
Ramin Kouzehkanani, Chief Information & Innovation Officer
Liana Lopez, Chief Communications Administrator
Brandon Wagner, Chief Government Relations and Strategic Services Administrator
Bonnie Wise, County Administrator

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Independence Confirmation

Purpose of Internal Auditing (*Global Internal Audit Standards™ Domain I: Purpose of Internal Auditing*)
Internal auditing strengthens the organization’s ability to create, protect, and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, insight, and foresight. Internal auditing enhances the organization’s Successful achievement of its objectives; Governance, risk management, and control processes; Decision-making and oversight; Reputation and credibility with its stakeholders; and Ability to serve the public interest.

Internal auditing is most effective when:

- It is performed by competent professionals in conformance with the Global Internal Audit Standards™, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the board.
- Internal auditors are free from undue influence and committed to making objective assessments.

Organizational Independence (*Global Internal Audit Standard™: 7.1 Organizational Independence*)
The County Internal Auditor confirms, as of the date of this report, the organizational independence of the internal audit function. The County Internal Auditor's Office reports directly to the BOCC and is independent from, and not under the direction or control of, the County Administrator, County Attorney, or any other County department or employee. This organizational position supports the County Internal Auditor's ability to independently determine audit priorities, scopes, procedures, and communications. Any actual, potential, or perceived impairment to independence, together with related safeguards, will be communicated to the BOCC. The BOCC is responsible for approving the following:

- The internal audit charter.
- The risk-based internal audit plan.
- The budget for the County Internal Auditor’s Office.
- The internal audit function's performance objectives at least annually.
- Decisions regarding the appointment and removal of the County Internal Auditor.
- The compensation of the County Internal Auditor.

County Internal Auditor's 2027 Annual Audit Plan
Performance Objectives

Performance Objectives (*Global Internal Audit Standards™: 12.2 Performance Measurement* | *8.3 Quality*)
The County Internal Auditor reviewed the Office's performance objectives with each Commissioner during the 2026 Mid-Year Status Report briefings. The BOCC is asked to approve these performance objectives with the 2027 Annual Audit Plan. Achievement of the objectives will be reported in the Annual Accomplishments Report.

Performance Objective	How Performance Is Demonstrated
Facilitate Government Accountability Positively impact organizational changes and processes through independent, fact-based, objective assessment of County programs, activities, and functions to increase assurance that public resources are used in an effective, responsible, and efficient manner.	• Engage Commissioners, the County Administrator, County Attorney, directors, senior staff, and assurance providers to remain informed of organizational changes and risks. • Demonstrate quantitative and qualitative organizational impact through assurance, advisory, monitoring, and annual planning work. • Inform the BOCC of minor plan adjustments and request approval for significant changes driven by the risk environment.
Fiscal Responsibility Increase fiscal efficiency by identifying waste and duplication while recommending streamlined processes that assist the effectiveness of County programs, activities, and/or functions.	• Develop recommendations that improve control design, process efficiency, and program effectiveness. • Coordinate annual risk assessment and planning with the Clerk of the Circuit Court County Audit Department. • Use Risk Environment Group discussions and an organization-wide assurance map to identify coverage gaps and reduce unnecessary duplication.
Audit Committee Maintain a positive relationship with the County Internal Audit Committee.	• Provide information on risk assessment, the annual audit plan, emerging risks, plan performance, restrictions, engagement results, productivity, and strategic plan progress. • Consider the Committee's comments regarding the deployment of the annual audit plan.
Delivery of High-Quality Audit Services Develop the most effective and efficient means of accomplishing the County Internal Auditor's Office's core mission, to deliver high-quality audit services.	• Recruit, retain, develop, and supplement qualified staff with external subject-matter expertise when needed. • Perform ongoing quality monitoring, an annual internal quality assessment, and an external quality assessment at least every five years. • Address identified opportunities for improvement and conformance gaps in a timely manner.

County Internal Auditor's 2027 Annual Audit Plan
2027 Annual Audit Plan Development

The County Internal Auditor developed the 2027 Annual Audit Plan through a documented, risk-based planning process designed to direct available audit resources to areas where independent assurance or advice can provide the greatest value.

Project Selection Considerations

- County Internal Auditor's assessment of risk, including management self-assessment results, prior engagement results, and ongoing emerging risk monitoring.
- Input from Commissioners, the County Administrator, executive and senior management, and the County Internal Audit Committee.
- Coordination with the Clerk of the Circuit Court's County Audit Department and Cherry Bekaert, the County's external financial auditor.
- Requirements of Resolution R20-011, Hillsborough County Home Rule Charter Section 4.10, and the Global Internal Audit Standards™.
- Available audit resources, requested services, monitoring needs, and required administrative and quality activities.

Risk was the primary consideration; however, project selection also considered requested services, assurance coverage provided by others, required quality activities, project timing, and available staff capacity. The resulting plan is intended to provide balanced coverage of significant governance, risk, control, compliance, and operational matters without unnecessary duplication of assurance effort.

Dynamic Planning

The Annual Audit Plan will be reviewed throughout the year and adjusted as County risks, operations, programs, systems, requests, or resources change. Routine scheduling and engagement-level administration will be communicated through established reporting.

1. IDENTIFY & ASSESS	2. DISCUSS & COORDINATE	3. RESOURCE & APPROVE
May-July	**July-August**	**August-September**
Risk library, management self-assessments, emerging risks, prior results	Commissioners, management, Clerk of the Circuit Court's County Audit Department, Cherry Bekaert	Draft plan, Audit Committee recommendation, BOCC approval

County Internal Auditor's 2027 Annual Audit Plan
Risk Assessment Methodology and Independent External Quality Assessment

The annual risk assessment is a cumulative process that incorporates input from management and stakeholders, as well as information from both internal and external assurance providers. It considers results from prior engagements and ongoing monitoring of changes that may impact County operations. The assessment also evaluates factors such as fraud risk, compliance, ethics programs, and other high-risk areas. These considerations are integrated into the overall risk ratings and help guide engagement planning. Each auditable entity in the risk library is evaluated against eight risk factors: external; financial; supply; management; data security; health and safety; managing complexity; and operational.

Primary Sources of Risk Information

MANAGEMENT & STAKEHOLDER INPUT	ASSURANCE PROVIDERS	CIAO RISK LIBRARY
Management self-assessment surveys and discussions with Commissioners and County management	Risk information shared through coordination with the Clerk of the Circuit Court's County Audit Department and Cherry Bekaert	Prior engagement results, current events, ongoing emerging-risk tracking, and other risk indicators

Independent External Quality Assessment (EQA)

2022 EQA RESULT - Generally Conforms	NEXT EQA - 2027
Highest rating under the then-applicable IIA Standards and Code of Ethics. No conformance gaps were identified.	The Global Internal Audit Standards require an external quality assessment at least once every five years. The 2027 Annual Audit Plan includes resources for this assessment. Before the 2027 EQA begins, the proposed assessment plan, including scope, frequency, and assessor qualifications and independence, will be presented to the BOCC for review and approval.

The risk assessment methodology and planned quality activities are designed to support conformance with the Global Internal Audit Standards™ and effective BOCC oversight of the internal audit function. The 2027 Annual Audit Plan also includes an Internal Quality Assessment as part of the Office's quality assurance and improvement program. Results of the internal quality assessment will be communicated to the BOCC and senior management annually.

County Internal Auditor's 2027 Annual Audit Plan
Organizational High-Risk Areas

Throughout the year, the County Internal Auditor monitors developments that may materially affect County operations and service delivery. Sources include BOCC meetings and agendas, discussions with Commissioners and County leadership, and quarterly coordination with assurance providers to strengthen risk awareness and minimize unnecessary duplication.

Risk Factor	2027 Risk Considerations
External	• Severe weather, flooding, and disaster recovery can disrupt services, damage public assets, and create significant recovery costs. A single event can create material exposure regardless of the seasonal outlook. • Population growth: The University of Florida Bureau of Economic and Business Research's February 2026 medium projection places Hillsborough County at approximately 1.685 million residents by 2030, sustaining pressure on service delivery, permitting, infrastructure, and staffing.

Financial	• Long-term infrastructure funding needs and construction cost pressures.
	• Volatility in employee health-plan claim costs and required self-insurance reserves.
	• Property tax reform:
	  ○ CS/SB 4-F, effective June 24, 2026, limits the millage rate that may be adopted by a majority vote to the rolled-back rate.
	  ○ Amendment 3 on the November 3, 2026, ballot, if approved, would increase homestead exemptions and restrict the use of ad valorem revenue.

Supply	• Supply-chain disruption, cost escalation, reduced bid competition, and contractor performance risk can affect capital and service contracts.
Management	• Balancing staffing, work expectations, service delivery and effective controls. • Readiness for HB 1329, effective January 1, 2027, including budget-posting, budget-reduction, and employee-compensation reporting. • Readiness for SB 1134, effective January 1, 2027, including restrictions and certification requirements related to local-government diversity, equity, and inclusion (DEI) actions, contracts, and grants. • Proposed revisions by the federal Office of Management and Budget (OMB) to 2 CFR Part 200 (the Uniform Guidance) would add documentation, certification, and award-termination conditions to federal grants. Proposed effective October 1, 2026; not yet final.
Data Security	• AI adoption: governance, data integrity, output validation, security, human oversight, and access control. • Cybersecurity and technology resilience, including readiness for potential Cyber Incident Reporting for Critical Infrastructure Act (CIRCIA) incident reporting requirements when the final federal rule becomes effective.
Health and Safety	• Animal shelter capacity and disease transmission. • Sidewalk slips and falls remain prevalent.
Managing Complexity	• Oracle Cloud enhancements and other major technology-supported initiatives, including traffic network infrastructure modernization and the Sheriff's Office relocation. • AI adoption introduces cross-department change-management and governance demands.
Operational	• Permitting output and service delivery under sustained population growth. • HB 803 and HB 399 (2026) modify building and development permitting requirements, including applicable review timeframes and related local-government requirements. • Execution and process management risk across multi-year agreements including Affordable Housing and Head Start.

County Internal Auditor's 2027 Annual Audit Plan
Coordination and Governance

Sharing Information and Coordinating Assurance Coverage

The County Internal Auditor coordinated the 2027 risk assessment and planning process with County management, the Clerk of the Circuit Court's County Audit Department, and Cherry Bekaert, the County's external financial auditor. This coordination supports appropriate assurance coverage and helps minimize unnecessary duplication of audit effort.

Plan Development and Governance Review

After considering risk assessment results, requests for assurance and advisory services, other assurance-provider coverage, and available resources, the County Internal Auditor developed the 2027 Annual Audit Plan. The plan is dynamic and will be reviewed during the year. Resource limitations, conflicting service demands, significant interim changes, and other matters affecting coverage will be communicated to the BOCC. Amendments to the approved Annual Audit Plan and additional assurance or advisory engagements will be handled in accordance with Resolution R20-011 and applicable Global Internal Audit Standards™, including BOCC approval where required.

On August 25, 2026, the County Internal Audit Committee reviewed the risk assessment and available resources and concluded that the two matters specified in Resolution R20-011 were satisfied: (1) an annual risk assessment was performed using the County Internal Auditor's judgment after consideration of senior-management and Commissioner input and coordination with other assurance providers; and (2) the plan's resource requirements align with the available resource budget. The Committee therefore recommended that the BOCC approve the 2027 Annual Audit Plan.

AUG. 25, 2026 **AUDIT COMMITTEE** Reviewed risk assessment and resources; recommended BOCC approval	**SEPT. 16, 2026** **BOCC** Considered the Committee's recommendation and approved the 2027 Annual Audit Plan	**DURING 2027** **DYNAMIC PLAN** Plan changes communicated and approved consistent with R20-011

County Internal Auditor's 2027 Annual Audit Plan

The 2027 Annual Audit Plan comprises 23 planned engagements and projects across assurance, advisory, and administrative services. The projects and engagements below respond to the risks described on the preceding pages.

Assurance Services

Area Under Review	Engagement Name
Economic Development	Historic Preservation Challenge Grant
Sunshine Line	Sunshine Line Resident Transportation Services
Affordable Housing	Affordable Housing Multi-Family Agreement
Fleet Management	Fleet Replacement Program
Head Start	Head Start Educational Services Agreement
Development Services	Single-Family Residential Permitting Process
Cyber Security Services	Cyber Security Incident Response
Development Services	Mobility Fee Program Monitoring
Engineering & Operations	Temporary Traffic Control (TTC) Permitting Process Monitoring*
Solid Waste Management	Solid Waste Intake and Transaction Processing Monitoring*
BOCC Organization	External Financial Audit Repeat Findings Monitoring

**TTC Permitting Process Monitoring and Solid Waste Intake and Transaction Processing Monitoring were included in the 2026 Annual Audit Plan and are still to be completed. As of September 2026, it is to be determined whether a monitoring project will be performed in 2027.*

Advisory Services

Area Under Review	Engagement Name
Development Services	Mobility Fee Visualization and Tracking
Performance, Data & Analytics | Cyber Security	AI Adoption and Implementation Strategy
Human Resources	Medical Claims Audit Planning and Oversight Support
County Attorney’s Office	Public Records Request Process
Pet Resources Center	Pet Resource Center Quarterly Data Analytics*
Affordable Housing	Affordable Housing Programs Advisory

**Pet Resource Center Quarterly Data Analytics is delivered as four engagements; one completed each quarter. The 20 engagements and projects listed therefore represent 23 planned engagements.*

Administrative Projects

Area Under Review	Project Name
BOCC Organization	Annual Risk Assessment & Planning for 2028
County Internal Auditor	Internal Quality Assessment
County Internal Auditor	External Quality Assessment

In addition to the engagements and projects listed above, the 2027 Annual Audit Plan has reserved capacity for Cone of Silence investigations, Special Reviews, and other services to be determined.

County Internal Auditor's 2027 Annual Audit Plan
County Internal Audit Committee Recommendation Letter

Hillsborough County Florida

County Internal Audit Committee
Awni Asab
Gina d'Angelo
Kevin Langley

County Internal Auditor

Melinda Jenzarli, MBA, CPA, CIA, CISA, CFE

DATE: August 25, 2026

TO: Board of County Commissioners

FROM: Kevin Langley, County Internal Audit Committee Chair

SUBJECT: County Internal Auditor's Office 2027 Annual Audit Plan

Dear Board Members,

Pursuant to Resolution R20-011, the County Internal Audit Committee is responsible for commenting to the Board of County Commissioners (BOCC) that the County Internal Auditor performed an annual risk assessment based on her own judgment of risks after consideration of input from senior management and the Commissioners, and after sharing information and coordinating with other internal and external providers of assurance and consulting services, as applicable. The Audit Committee is also responsible for considering whether the County Internal Auditor's resources (management of resource requirements available to effectively deploy the plan) align with the annual audit plan budget and then forwarding the annual plan to the BOCC with the Audit Committee's comments for approval.

After gaining an understanding of the process utilized by the County Internal Auditor to perform the 2027 annual risk assessment and considering the resources available to effectively deploy the proposed annual audit plan, the Audit Committee concluded that the requirements referenced above in Resolution R20-011 were met.

Therefore, the Audit Committee recommends that the BOCC approve the 2027 Annual Audit Plan.

Should the BOCC require additional information, please contact me directly at 703-582-2388 or via email at kevin.s.langley@gmail.com.

Copy: County Internal Audit Committee, file
DeBora Cromartie-Mincey, Chief Assistant County Attorney