



**Office of**  
**Nikki Alvarez-Sowles, Esq.**  
**Pasco County Clerk & Comptroller**

## **2026 Annual Audit Plan**

Department of  
Inspector General  
11/14/2025

Christine Calianno, CIG, CIGA, CGAP, CFE  
Inspector General

Erika Hendricks, CIA, CIGA, CFE  
Assistant Inspector General

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## Office of Nikki Alvarez-Sowles, Esq. Pasco County Clerk & Comptroller

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November 14, 2025

Michael Carballa  
County Administrator  
8731 Citizens Drive  
New Port Richey, FL 34654

Re: 2026 Annual Audit Plan

Dear Mr. Carballa:

The Department of Inspector General has completed the annual risk assessment process and developed the Annual Audit Plan (Plan) for calendar year 2026. The following document provides a summary of the risk assessment process and planned projects to be initiated during the calendar year.

Depending on staffing level, workload, and other factors, some of these projects may not be initiated during the year, and other projects may be conducted that are not on this audit plan. Material changes to the Plan will be communicated to you in advance, and the Plan will be edited and redistributed.

Respectfully submitted,

Christine Calianno, CIG, CIGA, CGAP, CFE  
Inspector General  
Deputy Clerk  
Office of Nikki Alvarez-Sowles, Esq.  
Pasco County Clerk & Comptroller

cc: Nikki Alvarez-Sowles, Esq., Pasco County Clerk & Comptroller  
Ron Oakley, County Commissioner, District 1  
Seth Weightman, County Commissioner, District 2 – 2<sup>nd</sup> Vice Chair  
Kathryn Starkey, County Commissioner, District 3 – Chair  
Lisa Yeager, County Commissioner, District 4  
Jack Mariano, County Commissioner, District 5 – Vice Chair  
Jeffrey Steinsnyder, County Attorney

Encl: 2026 Annual Audit Plan

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## INTRODUCTION

Professional audit standards<sup>1</sup> require an annual internal audit plan based on a documented assessment of an organization’s strategies, objectives, and risks.

*Standard 9.4, Internal Audit Plan – The chief audit executive must create an internal audit plan that supports the achievement of the organization’s objectives.*

The 2026 Annual Audit Plan (Plan) was developed using a risk assessment process that was informed by input from senior management as well as the chief audit executive’s (CAE’s)<sup>2</sup> understanding of the organization’s governance, risk management, and control processes.

### Risk Assessment

The Department of Inspector General (Department) performed a risk assessment to identify and rank potential audit areas by risk. Organizational charts and online resources were used to compile a comprehensive list of auditable areas within Clerk and County operations. Information obtained from the County’s online interactive Fiscal Year 2025 Adopted Budget document<sup>3</sup> and the Clerk & Comptroller’s website<sup>4</sup> identified over 200 auditable areas.

The following risk categories were used to assess risk in each auditable area, and each risk category was assigned a weighted value:

| Risk Category/<br>Weight |   | Criteria  |
|--------------------------|---|---|
| 1.                       | Operational (0.05)                      | Risk associated with failed internal processes on the entire organization.  |
| 2.                       | Information Technology (0.20)           | Risk associated with potential threats or vulnerabilities related to information technology and cybersecurity.      |
| 3.                       | Financial Transactions (0.10)           | Risk associated with potential errors with financial transactions including processing, recording, and reconciling. |
| 4.                       | Contracts & Grants (0.15)               | Risk associated with potential mismanagement and lack of oversight for contracts and grants.                        |
| 5.                       | Asset Misappropriation (0.20)           | Risk associated with potential theft or misuse of County assets.  |
| 6.                       | Safety & Regulatory Requirements (0.25) | Risk associated with potential for harm or danger to the general public.  |
| 7.                       | Public Perception (0.05)                | Risk associated with potential for negative media or negative citizen attention.                                    |

For each auditable area, these risk categories were rated on a scale of 1 (low) to 3 (high) based on the potential likelihood and impact of risk. Next, the total score was calculated for each auditable area by adding the weighted scores for all of the risk categories. In addition to risk, survey responses received from senior management, and concerns reported to the Department during the 2025 calendar year were considered. These considerations resulted in a higher total score. Finally, the auditable areas were ranked from highest to lowest according to the total score.

<sup>1</sup> The International Professional Practices Framework® (IPPF®) organizes the authoritative body of knowledge, promulgated by The Institute of Internal Auditors, for the professional practice of internal auditing. The Global Internal Audit Standards are included in the

IPPF®. These standards guide the worldwide professional practice of internal auditing and serve as a basis for evaluating and elevating the quality of the internal audit function. <https://www.theiia.org/en/standards/2024-standards/future-of-the-ippf-evolution/the-international-professional-practices-framework/>

<sup>2</sup> The chief audit executive (CAE) is the leadership role responsible for effectively managing all aspects of the internal audit function and ensuring the quality performance of internal audit services in accordance with the Global Internal Audit Standards. The Inspector General is the CAE for the Department of Inspector General.

<sup>3</sup> <https://stories.opengov.com/pascocountyfl/52451cfa-7ef0-47ae-8626-c85136737e62/published/pfHqWJvaK?currentPageId=673e6be896f3f172fb47ac43>

<sup>4</sup> <https://www.pascoclerk.com/>

## **Audit Selection & Annual Audit Plan Development**

The Plan was developed to provide internal audit coverage aligned with strategic objectives and specific management requests for audits. The goal was to prioritize and allocate limited resources efficiently and effectively to those areas considered to present the greatest risk, where the work of internal audit can provide the greatest amount of value.

The Plan guides the Department's activities but can be adjusted and is subject to change as management's priorities evolve and new risks are identified. It may also be affected by deferred projects and unforeseen circumstances in a scheduled audit. Depending on resource availability, workload, and other factors, some projects may not be initiated during the plan year. In addition, projects not included in the Plan may be added. Significant changes will be communicated to the Clerk & Comptroller and Board of County Commissioners as appropriate.

The Plan includes allocating resources for:

- Assurance Services<sup>5</sup>
- Advisory Services<sup>6</sup>
- Required Activities
- Other Activities

A minimum of 50% of the Plan is allocated to areas of high-risk that were identified during the annual risk assessment. This percentage was established for the 2024-2026 Department of Inspector General Strategic Plan to achieve key performance measures and satisfy the strategic objective of performing risk-based engagements.

Required activities include compliance-related internal audit activities such as the Annual Risk Assessment and Annual Audit Plan, quality assurance, and corrective action plan monitoring. Other activities include hotline complaints, coordination for contracted services, and Department initiatives.

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<sup>5</sup> Services through which internal auditors perform objective assessments to provide assurance. Examples of assurance services include compliance, financial, operational, and technology engagements.

<sup>6</sup> Services through which internal auditors provide advice to an organization's stakeholders without providing assurance or taking on management responsibilities. The nature and scope of advisory services are subject to agreement with relevant stakeholders. Examples include advising on the design and implementation of new policies, processes, systems, and products; providing training, and facilitating discussions about risks and controls.

**Audit Resources**

As of November 2025, the Department has two filled positions: Inspector General and Assistant Inspector General. In addition, the Department has four vacant auditor positions. The Department’s limited resources for the Plan have been considered and contract services will be used where needed.

**PLANNED PROJECTS**

The following table outlines the selected projects for the 2026 Annual Audit Plan:

| Assurance Services                           | Background/Objective  |
|--|---|
| BCC: Corrections- Support Service- Logistics | <p>The Logistics Section under the Support Service Division oversees contracted services related to food service, inmate phones, visitation, tablets and commissary services. The Logistics Section is also responsible for receiving and ordering facility supplies.</p> <p>The objective is to review a selection of contracts and determine whether services provided are in compliance with the terms of the agreement.</p> |
| Advisory Services                            |   |
| CCC: Finance- Accounts Payable               | <p>This advisory service will review processes and procedures for vendor management and provide feedback on whether proper internal controls are in place to protect against vendor fraud.</p>  |

## REQUIRED & OTHER ACTIVITIES

The following table outlines activities also included in the budget for available resources:

| <b>Required Activities</b>   |  |
|--|--|
| Prior Audit Recommendations: Corrective Action Plan Items                    | All recommendations resulting from prior audits are tracked in one schedule. Auditors periodically follow up with management to verify corrective actions were implemented.  |
| Annual Risk Assessment & Audit Plan  | Agency-wide (BCC & CCC) risk assessment to identify risk areas for the upcoming annual audit work plan.  |
| New Standards Implementation   | Effective January 2025, the IIA issued the new <i>Global Internal Audit Standards</i> (Standards). These updated Standards included major revisions to the previous version, issued in 2017. As a result, the Department will: <ul style="list-style-type: none"> <li>• Continue revising the Department’s policies and procedures to reflect the new Standards, and;</li> <li>• Continue integrating the new Standards into our processes.</li> </ul> |
| Department of Inspector General Strategic Plan (January 2027- December 2029) | Update the Department’s Strategic Plan to reflect the Department’s new performance measures and focus its resources on achieving the Clerk & Comptroller’s strategic objectives.   |
| <b>Other Activities</b>  |  |
| Inquiries/Investigations from Hotline Reports                                | Respond to reports received from the Hotline.  |
| External Coordination Efforts  | Coordinate resources for contract services engagements.  |
| Auditor Recruitment  | During the calendar year 2026, it is anticipated that the team will hire and onboard four auditor positions.   |

**Four projects from the 2025 Annual Audit Plan will be carried forward for completion:**

|   |  |
|---|--|
| BCC – Human Resources- Hiring Process                       | This audit will examine the procedures and controls in place to determine if they support a consistent and efficient hiring process.   |
| BCC – Fire & Rescue- Ambulance Billing                      | This audit will examine Pasco County Fire Rescue (PCFR) accounts receivable reconciliation process to determine if the procedures and controls in place support agreement of the billing system to the financial system. |
| BCC – Villages of Pasadena Hills (VOPH) Fee Credit Registry | This advisory service will review processes and procedures for transactions of sales and purchases of credits for the VOPH Fee Credit Registry and identify control weaknesses.  |
| CCC: Criminal Courts- Warrants Status                       | This audit will examine the procedures and controls in place to determine whether they support consistent, accurate, and timely status updates for capias and arrest warrants.   |



For additional information contact the Public Records Liaison.

[publicrecordsrequest@pascoclerk.com](mailto:publicrecordsrequest@pascoclerk.com)

(352) 523-2411 or (727) 847-2411; ask for the Public Records Liaison

Public Records Liaison, P.O. Box 338, New Port Richey, FL 34654-0338

[www.pascoclerk.com](http://www.pascoclerk.com)

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