



OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

Jacqueline M. Rowland
City Auditor, CPA CFE PMP

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24-14 Colorado Springs Utilities Board Instruction I-2, Financial Conditions and Activities, and I-8, Asset Protection

June 2024

Purpose

The purpose of this high level compliance review was to determine whether Colorado Springs Utilities (Utilities) complied with Utilities Board Instructions to the Chief Executive Officer, Policies I-2, Financial Condition and Activities, and I-8, Asset Protection. In addition to verifying management's 2023 quarterly and semi-annual monitoring reports, our objectives included assurance that any known violations were reported to the Utilities Board.

Highlights

Based on our review, we conclude that Colorado Springs Utilities and the Chief Executive Officer were in compliance with Utilities Board Instructions to the Chief Executive Officer, Policies I-2, Financial Condition and Activities, and Policy I-8, Asset Protection.

The Office of the City Auditor (OCA) completed our review as directed by the Utilities Board. Under Policy Guidelines— G-3, Compliance Report Frequency and Method, the OCA is required to monitor compliance with Policies I-2, Financial Condition and Activities, and I-8, Asset Protection, annually.

Policy I-2 states, "The Chief Executive Officer shall direct that financial condition and activities, and actual expenditures are consistent with Board expected results". Policy I-8 states, "The Chief Executive Officer shall direct that enterprise assets are protected, adequately maintained, and not unnecessarily risked". Our audit included verification of the accuracy and reliability of statements made in the monitoring reports prepared by Colorado Springs Utilities for the Utilities Board. Procedures included obtaining supporting documents, policies, reports, and data recalculations.

We would like to thank Utilities staff for their supportive cooperation during this review.

This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing, a part of the Professional Practices Framework promulgated by the Institute of Internal Auditors.

City Council's Office of the City Auditor
City Hall, 107 North Nevada Ave. Suite 205, Mail Code 1542, Colorado Springs CO 80901-1575
Tel 719-385-5991 Fax 719-385-5699 Reporting Hotline 719-385-2387
www.ColoradoSprings.gov/cityauditor