



COLORADO SPRINGS
CITY COUNCIL

Office of the City Auditor

Natalie Lovell, City Auditor
2026 Audit Plan
December 8, 2025

Call 719-385-2387 to make an anonymous report of suspected fraud, waste, or abuse related to the City of Colorado Springs or report online [Fraud Reporting Form](#)



Photo of Pikes Peak and Garden of the Gods This Photo by Unknown Author is licensed under [CC BY-SA-NC](#)

Agenda

1. Mission, Vision, Values
2. Office Structure
3. Office Organization
4. Audit Planning
5. Audit Resources
6. Building the Audit Plan
7. Request for Endorsement



[Colorado Springs downtown snowy nighttime scene. This Photo](#) by Unknown Author is licensed under [CC BY-SA](#)

Mission and Vision

Mission

To encourage responsible stewardship and accountability for public resources through independent and unbiased audits.

Vision

To be trusted advisors who drive positive organizational change through independent insight, integrity, and solutions that strengthen public confidence and address emerging risks for the benefit of our community.

Values

Accountability; Principled Behavior, Service to the Community, Continuous Improvement, People



Office Structure

CITY AUDITOR

- Appointed by and reports directly to The City Council

RECEIVES AUTHORITY FROM CHAPTER 1, ARTICLE 2, PART 7 OF CITY CODE

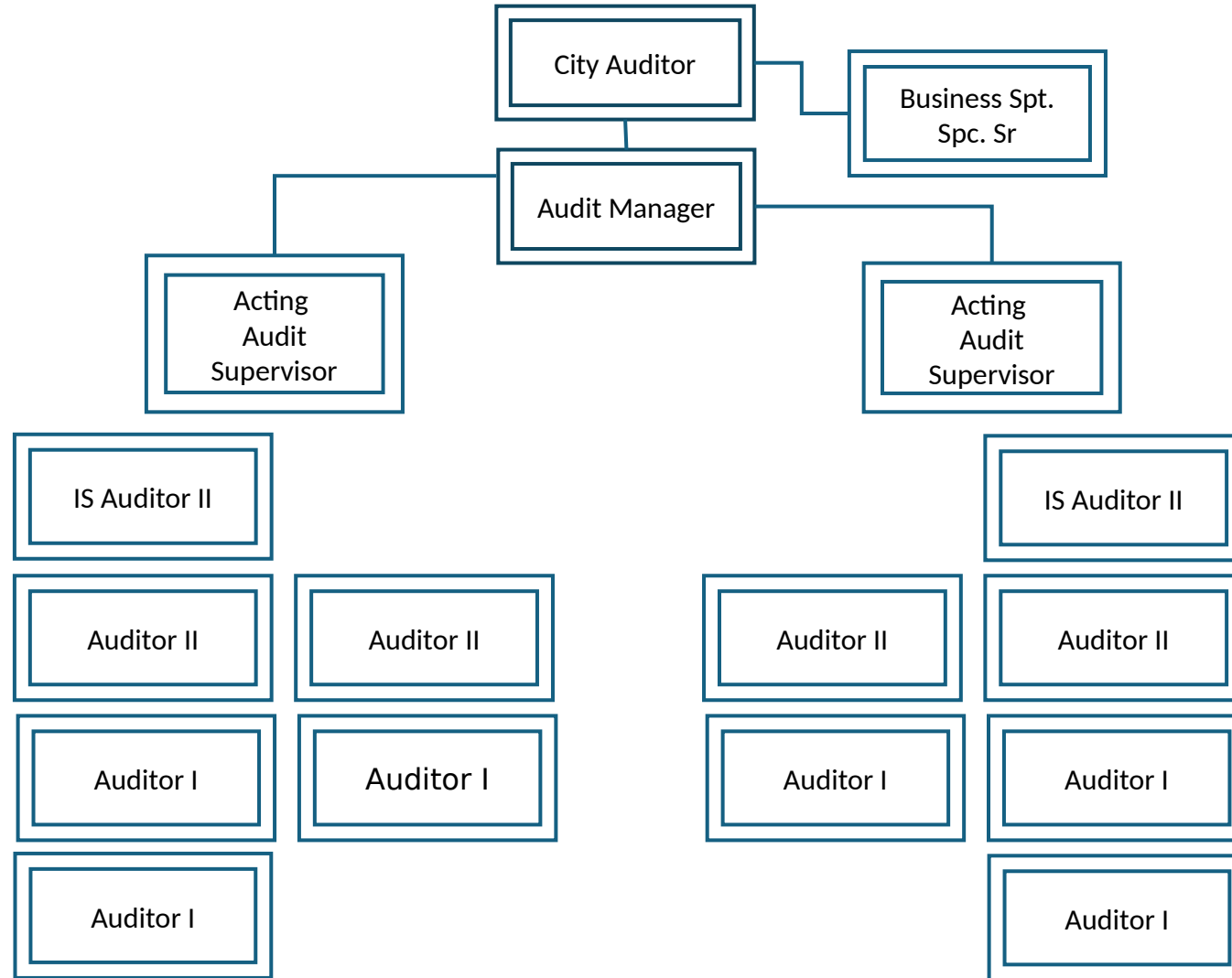
- Provides audit services for the City (and its enterprises) and others who receive funds from the City or fall under the direct or indirect control of the City Council.

2026 DEPARTMENT STAFFING

- One (1) Audit Manager
- Two (2) Acting Audit Supervisors
 - Two (2) Information System Auditor II
 - Four (4) Auditor II
 - Six (6) Auditor I
- One (1) Business Support Specialist, Senior



Office Organization



2026 Audit Plan Resources

	City	Utilities	Airport
2024 Budget	\$1,018,294	\$1,351,152	\$98,266
2024 % of Audit Budget	41%	55%	4%
2025 Budget	\$1,128,531	\$1,425,338	\$103,661
2025 % of Audit Budget	42%	54%	4%
2026 Budget Planned	\$1,041,826	\$1,309,077	\$90,263
2026 % of Audit Budget	43%	54%	4%
Proposed Budget	\$961,652	\$1,309,077	\$164,555
Proposed %	39%	54%	7%*

* Denotes an increase in audit hours and budget to cover change in risk profile



Audit Planning

Gather Information

- Review City Code to determine required audits
 - City Code
 - Ballot Measures
 - Utilities Governance
- Obtain Input through interviews
 - From City Auditor Staff
 - Management of City and its enterprises
 - City Council and Audit Committee
- Fraud, Waste , Abuse or Safety Risks

Score Audit Projects

- Risk-Based Model
 - Scored
 - Ranked
 - Highest risks
- Scoring Attributes
 - Requesting party
 - Dollar value of subject, asset liquidity
 - Government regulation
 - Political sensitivity
 - Control environment
 - System / Personnel Changes
 - Past Audits
 - Time since last audit

Building the Annual Audit Plan

Research

- Interviews, Research, Post Audit, Fraud, Waste, Abuse Hotline Trends

Risk Modeling

- Score Potential Audits

Resource Identification

- Staffing, Budget, 3rd Party Contracting

Build the Plan

- Required Audits by Code, Charter, Ballot, Governance
- City Auditor's Duty to Audit, Post-Audits (e.g. Major Systems)
- Audits Required by the Standards (e.g. Annual Follow-up)
- Risk-based Audits (those based on the risk assessment model)

2026 Audit Plan

	City	Utilities	Airport	Total	% by Audit Type
Required Audits Per Governance	2,850	2,875	20	5,745	33%
Carry forward from 2025	120	500	150	770	4%
Audit Support Tasks	960	840		1,800	10%*
New Risk-Based Audits	5,400	2,600	1,000	9,000	52%
Total	9,330	6,815	1,170	17,315	100%
% By Entity	54%	39%	7%		

* Accounts for 1,500 hours in unassigned hours for

Summary and Questions

- The proposed 2026 Audit Plan
 - Fulfills the City Code requirements
 - Fulfills audits required by standards
 - Is risk-based
 - 1,500 unassigned hours for special projects; or risk-based investigations
 - Accounts for carryover audits from 2025
- Requesting Council acknowledgement and endorsement of the 2026 Audit Plan

Call 719-385-2387 to make an anonymous report of suspected fraud, waste, or abuse related to the City of Colorado Springs or report online [Fraud Reporting Form](#)





COLORADO SPRINGS
CITY COUNCIL

Office of the City Auditor