

January 15, 2026

To: City of Santa Fe Audit Committee

From: Baker Tilly Advisory Group, LP

Subject: Internal Audit Status Report October 23, 2025 through January 15, 2026

FY26 INTERNAL AUDIT PROJECTS	COUNCIL STAFFING ASSESSMENT	RISK MANAGEMENT OPERATIONAL REVIEW	RECRUITMENT PROCESS REVIEW	POLICY AND PROCEDURE SUPPORT	PROCUREMENT PROCESS REVIEW
<b>Schedule</b>	November 2025-March 2026	October 2025-March 2026	TBD; pending guidance from the City	January – June 2026	February-June 2026
<b>Activities for This Period</b>	Conduct fieldwork and deliver preliminary observations	Kicked off the project, conducted interviews, requested and reviewed initial documents	None	Discussed with City Management areas that the City would like assistance on.	None
<b>Activities for Next Period</b>	Conduct peer benchmarking, deliver draft and final report, deliver Council work session	Prepare and present preliminary recommendations, conduct additional analysis, prepare and present draft report	None	Work with City to assist in the development of Financial Reporting and Grant Management policies and procedures	Kick off meeting early February and project planning
<b>Issues</b>	None	Discussion needed for potential change to best practices report.	None	Initiating P&P services has been delayed due to City staff turnover.	None