

## **Albany, New York**

Population is 98,000                      City Budget is \$177 million    Mayor has executive authority  
Elected Auditor has 4 performance audit staff and a \$421,000 budget

In a partisan election, Albany elects a City Auditor to a four-year term. With local elections dominated by the Democratic Party, the party primary election generally determines the winner of the general election. In the 8 years the office has existed, there have been 3 primary elections, two of which have been contested (both Democratic).

DUTIES OF AUDITOR The auditor supervises a staff of 3 additional personnel – a deputy required to be appointed by City Charter, and two analysts. The auditor must approve all payments by the city, which serves as an incentive for cooperation with this office.

INDEPENDENCE The auditor has sole discretion for determining audit topics, usually with discretionary input from the Council and other stakeholders. The auditor performs the audits in compliance with the Generally Accepted Government Auditing Standards, including provisions regarding a response from the audited entity. The office conducts follow up activities on audit recommendations and posts these reports. The office has a budget for outside consulting, including counsel, but generally relies on the Corporation Counsel (City Attorney) for legal services.

ACCESS TO INFORMATION The auditor does not have formal access language in the City Charter, other than general language authorizing audit activities. The office reports no problems getting access to records.

ACCOUNTABILITY There are no formal qualifications for office, other than residency in the city. The first auditor, who just left office, came from a planning background and only received a certification while in office. There are no provisions for recall or an audit committee.

FUNDING The budget is determined by the elected Auditor submitting a proposed budget to the Common Council, which approves it. In the words of the analyst currently filling in as auditor, “He doesn’t have to defend it in the same way as other departments, since he is elected,” per the civil service staff in the office. There is no formal language requiring this deference, however.

OTHER UNIQUE PROVISIONS The audit staff report that the system works well. They do not report significant resistance from city staff to the auditing function, and city responses to audits indicate compliance. The staff reported that short-staffing is a problem, as the most-recently elected auditor decided to leave before the end of his term, along with the deputy auditor appointed by him. If there’s a vacancy after July 1, there is no special election and apparently no authority to appoint an interim candidate. Thus, a vacancy can last 6 months.

## **Berkeley, California**

Population is 113,000      City Budget is \$160 million      City Manager has executive authority  
Elected Auditor has 13.5 performance audit staff and a \$2.3 million budget

Berkeley has an elected City Auditor. Candidates for the office must meet the same eligibility criteria as candidates for Mayor or City Council: US citizenship and residency and voting rights in the city of Berkeley. The City Auditor is a non-partisan seat elected on the General Municipal Ballot during non-Presidential election years (i.e., every four years). The City Council appoints to fill any surprise vacancy.

DUTIES OF AUDITOR Berkeley's City Auditor has the authority and responsibility to conduct performance and financial audits of all aspects of city government. By charter, the City Auditor must also countersign all city contracts.

INDEPENDENCE While the final decision about the audit plan rests with the Auditor, the Auditor must consult with the Mayor, City Council, and City Manager when selecting audit topics and must provide a planned audit schedule to the City Council at the beginning of each calendar year; however, this audit plan may still be modified later so long as notification is provided to the City Council. The Auditor's office is exempt from across-the-board budget cuts.

ACCESS TO INFORMATION Berkeley's city charter explicitly grants the Auditor unrestricted access to all city employees, officials, records, and reports, including the authority to compel any branch or department to provide files and documents.

ACCOUNTABILITY In addition to re-election every four years and recall potential, there are other checks on the authority of Berkeley's City Auditor. Per the City Charter, the mayor must annually hire an independent Certified Public Accountant to audit all city accounts and books, explicitly including the City Auditor's office, and the results of this audit must go to the Mayor, Auditor, City Manager, and City Clerk, but may or may not be released to the public. All audit results are required by the city charter to be made public.

FUNDING The City Charter allows the City Council to set the City Auditor's salary at anything above \$3,600 per annum and to provide sufficient funds for the office, subject to available resources.

OTHER UNIQUE PROVISIONS While not written into the charter, the City Auditor has historically utilized follow-up audits to motivate implementation and compliance with the goals of certain audits and to track the office's own effectiveness. The current City Auditor, Anne Marie Hogan, was first elected in 1994; since the city began archiving election results online in 2002, her seat has gone unchallenged.

## **Boise, Idaho**

Population is 223,000      City Budget is \$600 million    Mayor has executive authority  
Appointed Auditor is one of two performance audit staff with a \$232,000 budget

The City of Boise's Office of Internal Audit was established in 2003 by ordinance and code and it functions as an independent, objective assurance and consulting service. The Office strives to add value and improve the city's operations by bringing to bear a systematic and disciplined approach to the evaluation of risk management processes, activity-level controls, and governance processes.

DUTIES OF AUDITOR The Auditor investigates the effectiveness of controls that provide for the protection and safeguarding of assets as well as the reliability of Boise's financial information. The Auditor reports on the effectiveness and efficiency of internal processes and the level of compliance with internal policies and procedures, and also laws, rules, and regulations. Per Yellow Book standards, the Auditor puts emphasis and resources into the areas of risk that are either perceived or demonstrated. Open and effective communication ensures that the appropriate managers, governance authorities, and ultimately the citizens of Boise are kept informed of audit-related activities and findings.

INDEPENDENCE The Auditor is appointed by and reports to the six-member City Council. The mayor's input is requested on the hire. The Auditor has supervisory authority for its own staff and creates the annual work plan that is adopted by the city council and mayor. City Code states no person may unduly influence or undermine the independence of the auditor in the performance of the duties and responsibilities.

ACCESS TO INFORMATION All City employees are required as a condition of employment to cooperate fully and truthfully with the Office of Internal Audit by providing any information, evidence, interviews, or other materials. By code, the Auditor has complete access to any and all records including all electronic data or information maintained by the City of Boise and allowed by law. It is unlawful for any person to intimidate, influence, impede, deter, threaten, harass, obstruct or prevent, another person from freely, fully and truthfully cooperating with the Auditor's Office.

ACCOUNTABILITY The Auditor reports all findings to the City Council and Mayor, as well as provides quarterly activity reports. The Auditor can be dismissed for cause by a supermajority (5 of 6) of the City Council.

FUNDING The City Council sets the budget for the Auditor's office.

OTHER UNIQUE PROVISIONS Boise's auditor has a fiduciary duty to the public, per the city code.

## Centennial City, Colorado

Population is 110,000      City Budget is \$86 million      City Manager has executive authority  
Contracted performance auditor works within a \$296,000 budget

Centennial City, Colorado does not have any employees assigned to performance auditing. Uniquely, it conducts all performance audits by contract as directed by an eight-member Audit Committee.

DUTIES OF AUDITOR The duties are determined in each contract for an audit.

INDEPENDENCE An Audit Committee approves audit topics and directs the contracted performance auditing process for Centennial City. The Audit Committee oversees the annual financial audit required by City Charter in addition to other audit(s) that the City Council may request pursuant to the authority in the Charter.

ACCESS TO INFORMATION Access is established in the contract for the audit.

ACCOUNTABILITY Performance standards are set in each contract. The Audit Committee provides oversight and reviews audit findings prior to presenting them to the City Council. The Audit Committee is comprised of the Mayor, one council member appointed by the City Council, the City Manager, Finance Director, a staff member appointed by the Finance Director, the City Attorney, and two city residents with relevant business experience appointed by the City Council.

FUNDING The City Council approves the audit budget.

OTHER UNIQUE PROVISIONS The usefulness of this model is limited, as \$260,000 of the city's \$296,000 audit budget is directed to sales tax audits, which is not a significant source of revenue for Eugene.

## Denver, Colorado

Population is 700,000      City Budget is \$1.2 billion      Mayor has executive authority  
Elected Auditor has 51 performance audit staff and a \$4.5 million budget

Denver is a merger of both city and county governments. While the mayor has executive authority, 13 elected City Councilors pass ordinances, approve the budget and can take whistleblower complaints. Denver's budget includes the Denver Airport as well as Denver Water.

DUTIES OF AUDITOR While an elected auditor has been part of Denver for decades, charter amendments in 2005 shifted former payroll and financial management functions to an Office of Controller. The auditor's new role included performance, financial and IT audits, as well as assurance that all contracts with Denver pay prevailing wages for employees. The auditor can receive whistle-blower complaints. The Denver Audit Office characterizes its work as "integrated" auditing. The auditor's office states that with proper planning, their work annually covers all aspects of the city.

INDEPENDENCE The charter states no ordinance passed by the city council may compromise the independence of the auditor. Although Denver's web site says the city attorney provides counsel to the auditor, the auditor can also hire independent legal counsel. One of the current auditor's five appointees is an attorney who provides internal legal counsel to the office. The office does its own HR.

ACCESS TO INFORMATION The charter assures access to city records, personnel, and all contracts. The auditor countersigns all of Denver's contracts ensuring access language in those contracts.

ACCOUNTABILITY Denver follows Generally Accepted Government Accounting Standards. The charter requires a seven-member audit committee that is chaired by the auditor; the other six members cannot be government employees. The mayor, city council and the auditor each appoint two members to the audit committee. The committee receives audit reports and the members report back to the entity that appointed them to their four-year terms. All reports are public and are posted on the web. Each year, the audit committee commissions an external financial audit of Denver's finances.

FUNDING The charter amendments require Denver's council to ensure sufficient funding for the auditor's office to perform its powers and duties. Denver's council funds the auditor's office as a balance to the power of the mayor. In the last years of the previous auditor, the office's salaries were not kept apace so the recent budget under the new auditor grew by almost \$1 million to sufficiently raise salaries.

OTHER UNIQUE PROVISIONS Denver's follow-up audits result in strong implementation of the recommendations that are agreed to by the audited entity. Each report sets a follow-up date 9-24 months later. Denver says this practice gives assurance of continuous quality improvement activities and that the audited agencies are finding the audit recommendations relevant, feasible and worthwhile. Denver's audit office says it does not visit the same issue twice. By charter, an auditor may only serve three four-year terms. The elections when there is no incumbent are contested, but incumbents have not been opposed.

Denver's court system (not the Colorado state courts) is currently in a legal dispute with the auditor about whether his office has the authority to audit the court's governance structure and examine the court's processes including administration and collection of fines and penalties.

## **Eugene, Oregon (Proposed Ballot Measure)**

Population is 167,000      City Budget is \$676 million      City Manager has executive authority  
Elected Auditor has about 3 performance audit staff and a \$670,000 budget

The group called City Accountability has proposed charter amendments to establish an Office of the Independent Auditor for the City of Eugene. The elected auditor will provide objective, timely and accurate information about city operations to promote improved decision-making, service delivery and cost savings, as well as improve transparency and accountability to the public for city operations.

DUTIES OF AUDITOR By charter, the auditor conducts financial, compliance, performance, special studies or other audits of all aspects of the city's government operations. The auditor also oversees any audits contracted for and funded by the city. By charter, the auditor maintains a website with audits and reports and establishes a whistleblower hotline.

INDEPENDENCE The auditor is non-partisan, serves a four-year term and is responsible to the voters. The auditor supervises all staff in the auditor office and can secure independent legal counsel or the help of other professionals. The auditor prepares a work plan and seeks review and comment, but not approval, from the public, the City Council and the City Manager.

ACCESS TO INFORMATION By charter, the auditor has access to all records, personnel and contracts. All city contracts will include a "right to audit" clause. By charter, the auditor may subpoena records, if necessary.

ACCOUNTABILITY To run for office, the auditor must be certified and have five years of recent experience. The auditor may be recalled. The auditor will follow Generally Accepted Government Accounting Standards. All reports and audits will be posted publicly. Nothing in the charter amendments prohibit an audit committee, but none is required and no protocol is set for the committee's selection. The auditor is not subject to the attendance requirements of the Mayor and Council. The auditor need not be a city resident before or during her tenure, unlike the Mayor, Councilors, and City Manager.

FUNDING The auditor prepares a budget for the office that is not less than 0.1% of Eugene's total annual budget. The proposed charter amendments also set the auditor's compensation (not less than 70% of the average of the salaries of the Eugene city manager, Salem city manager and EWEB general manager) and benefits.

OTHER UNIQUE PROVISIONS The auditor will follow up to determine if corrective action by audited entities was taken. The proposal does not specifically state that EWEB is subject to the auditor's jurisdiction, but it implies so through language giving supremacy to the petition language over any other provision of the Charter. The auditor shall be provided time on City Council agenda whenever requested by auditor.

## **Lane County, Oregon**

Population is 363,000 Budget is \$600 million County Administrator has executive authority  
Appointed Auditor has 1.25 performance audit staff and a \$170,000 budget

Operating under a home rule charter, Lane County has a five-member Board of County Commissioners, who are elected from five districts.

DUTIES OF AUDITOR The auditor is authorized by county code to conduct performance audits for all departments, offices, activities, and programs under the control of the County, including operational, compliance, and information systems. Additionally, the auditor is authorized to perform special reviews and investigate allegations of misuse of county assets or resources.

INDEPENDENCE The auditor reports directly to the Board of County Commissioners and is hired and dismissed by the Board. Thus, the auditor does not report to the County Administrator or other management personnel. A board-appointed audit committee advises the Commissioners on hiring and dismissal. After input from the audit committee, the auditor must seek approval from the Board of County Commissioners on the annual audit plan, instead of having the authority to decide which audits to perform.

ACCESS TO INFORMATION Lane County's code guarantees access to personnel, records and contracts.

ACCOUNTABILITY An audit committee advises the Board of County Commissioners on significant audit matters and provides oversight over the auditor and auditor's office. The audit committee ensures that the auditor is maintaining independence and objectivity, following government auditing standards, and conducting audits and issuing reports. The County Commissioners appoint the five voting members to the audit committee: four at-large citizen members and one Commissioner. Five ex-officio non-voting members (held by county management) also serve on the committee. The auditor must have a bachelor's degree in public policy, public administration, accounting, business administration, economics or a related field and five years of progressively responsible related experience.

FUNDING The requested budget is reviewed by the audit committee, and the committee advises the Board of County Commissioners on the requested budget. Unstable funding historically created significant gaps in staffing Lane County's auditor office.

OTHER UNIQUE PROVISIONS Lane County's structure follows an internal auditor structure that allows the auditor to be part of the team, which may increase the ability of the auditor to build trust and relationships with staff and management in the programs and departments under audit. Lane County's recently retired auditor noted that trust and relationship-building can be very important. Not only does it help the auditor conduct valuable performance audits that provide useful information and conclusions about a program but also relevant and appropriate recommendations.

## Long Beach, California

Population is 470,000      City Budget is \$2.4 billion      City Manager has executive authority  
The elected auditor the department has 17 support staffers, and has a \$3 million budget

Long Beach has a Council-Manager structure similar to Eugene. There are nine councilors, who have the authority to appoint the City Manager and the City Clerk, and are responsible for budget approval. The city budget includes the airport, the harbor, and water, gas, and oil services.

DUTIES OF AUDITOR The Long Beach auditor's office has been around since 1908, and performs a wide variety of duties. On the financial side these include overseeing the Comprehensive Annual Financial Report, performing quarterly treasury audits, a review of all city disbursements (every check must be signed in the auditor's office), and processing wage garnishments. While these are the only duties prescribed explicitly by the charter, other audits are not prohibited and in practice the office also does performance audits of departments as the auditor deems fit, and maintains several performance auditors on staff. An annual work plan guides the process, with direction from City Council. The office also maintains a fraud hotline. In 2016 the office performed a total of 14 audits.

INDEPENDENCE The auditor has full authority to appoint all employees within the auditor's office, and such appointees serve at the pleasure of the City Auditor. Since the auditor is elected by a city-wide vote, neither Council, the Mayor, or the City Manager have any authority over the staffing of the auditor's office at any level. In 1979 a charter amendment was proposed that would have restricted the auditor to financial audits only, prohibiting performance audits, but the council unanimously voted to reject the amendment in the interest of maintaining independence for the office.

ACCESS TO INFORMATION The charter specifies that "The City Auditor shall have the right of immediate access to all financial records of the City."

ACCOUNTABILITY Long Beach follows generally accepted government accounting standards, and the auditor is subject to a triennial peer review. In order to be eligible to run for the office of auditor, the candidate must be a licensed CPA in the state of California, and must have held that certification for a minimum of five years. The charter requires audit reports to be filed with the City Clerk when completed, and reports are also posted publicly online, as is the annual audit plan, and an annual summary of the prior year's audit results.

FUNDING The City Council is in charge of approving a budget, with the City Manager obligated to propose one for their approval. There are no explicit charter-defined minimums for the auditor's budget that must be adhered to.

OTHER UNIQUE PROVISIONS The City Auditor is not term limited, even though City Councilors and the Mayor are limited to two terms each. Myrtelle Gunsul served as auditor from 1919 until her retirement in 1951, and is the longest serving elected official in the city's history. Long tenures have been common, with Ms. Gunsul being the first of only six auditors to hold the office in the last 98 years (since her first election).



## **Oakland, California**

Population is 420,000      City Budget is \$1.3 billion      The Mayor has executive authority  
Elected Auditor has 10 performance auditors and two administrative staff and a \$1.9 million  
budget

Oakland's residents elect the City Auditor every four years.

DUTIES OF AUDITOR In addition to performance audits, the Auditor reports fraud, waste, retaliations and complaints as well as "kickbacks." If any wrongdoing becomes a criminal act, the matter is then referred to the Office of District Attorney. All other evidence of wrongdoing may follow the City's personnel directives or other standards for discipline. The Auditor's style is one of "collaborative change agent." Oakland's Auditor Office believes this style of leadership is preferred because it eliminates walls and encourages transparency.

INDEPENDENCE No one within Oakland's administration can influence what is reviewed or audited. The City Charter gives the office the authority to audit "anything" in Oakland's City government. The City Auditor works for all Oakland's residents and does not work for any other division or departments.

ACCESS TO INFORMATION The City Charter provides full access.

ACCOUNTABILITY Eight of the ten audit staff (including the elected auditor) are certified auditors. All audits are performed according to the Generally Accepted Government Auditing Standards (GAGAS). Audits are shared with the administration that is kept informed every step of the process in order to clarify and provide assistance when recommendation/s are submitted.

FUNDING The Mayor proposes a budget and the City Council decides collaboratively with its Lay Budget Committee Members. The Office of the City Auditor states it is currently staffed at 50% of a required level for a city of Oakland's size. The auditor's budget is 0.15% of the total city budget.

OTHER UNIQUE PROVISIONS The Office of the Auditor consistently performs follow-up to ensure compliance with recommendations. Unpaid Master Fellows students and the assistance of college interns are assets to the Audit Office.

## **Orlando, Florida**

Population is 277,000      City Budget is \$1.2 billion      Mayor has executive authority  
External auditors are appointed; internal auditor is a city employee with 5 staff. Has a \$746,000 budget.

Orlando's audit program, the Office of Audit Services and Management Support, is a combination of in-house and external auditing.

DUTIES OF AUDITOR Orlando's internal auditor supervises a staff of five and coordinates the city's audits. The auditor performs independent, objective assurance and advisory activities designed to add value and improve the City's operations. The auditor also operates a fraud, waste and abuse hotline.

INDEPENDENCE The auditor determines the audit topics as approved by the audit board that is appointed by the mayor.

ACCESS TO INFORMATION City ordinance provides access for the internal audits that are conducted. Contractors have access as specified in contract.

ACCOUNTABILITY Orlando states that it follows generally accepted government accounting standards. The mayor appoints the audit board comprised of five community members. The audit board oversees the financial and other reporting practices and safeguards the independence of the audit process.

FUNDING The City Council approves the auditor's budget.

OTHER UNIQUE PROVISIONS The majority of audits are for a unique program called a Municipal Public Services Tax Audit that charges taxes based on the use of certain utilities.

## Phoenix, Arizona

Population: 1,615,000      City Budget: \$1.278 billion      City Manager has executive authority  
The appointed auditor has 24 performance audit staff plus support staff and a \$2.85 million budget.

Phoenix, a large city, has a strong city manager form of government. The City Auditor position has existed since at least 1914, but Phoenix's administrative structure and the duties of the Auditor have evolved. Voters adopted the current strong City Manager structure in 1948, in large part to insulate city staff from political favoritism and partisan politics.

DUTIES OF AUDITOR The charter provides that the Auditor shall prescribe "the use of plain and uniform systems of keeping books of accounts." City code expands the Auditor's role to include the authority to carry out performance audits in addition to financial, internal control and contract compliance.

INDEPENDENCE The Auditor, appointed and supervised by the City Manager, is an at-will employee. The Auditor has hiring and supervisory authority for all auditing staff. An annual work plan, based on a risk assessment, is considered, modified and then approved by a nine-member Audit Committee.

ACCESS TO INFORMATION The Phoenix Charter provides the Auditor "shall at all times have access to and may inspect" all financial records of the City. City Code also prohibits any city employee from interfering with "the initiation, scope, timing or completion" of an audit, and guarantees the Auditor's right to access records, documents, whether hard-copy or electronic, relating to the department, office or program being audited. All contracts include an auditor access provision.

ACCOUNTABILITY Auditor follows generally accepted government accountability standards. The Audit Committee consists of three City Councilors and three public members, all appointed by the Mayor, plus three members of City Staff: the City Manager, the Finance Department Director and the Budget & Research Department Director. In FY 2016-17, the Auditor and audit staff completed 82 audits.

FUNDING The budget is set through the normal budgeting process: Auditor proposes, City Mgr. reviews, then Budget Committee, and then final approval by City Council. FY 2017-18 budget is \$2.85 million; Auditor currently has authorization for 24 performance audit staff, plus support staff

OTHER UNIQUE PROVISIONS Auditor keeps 15% of staff capacity reserved for high priority audit activity that emerges during the year. The Auditor oversees a hearing officer who handles seized property, false alarm and loud party penalties. Auditor also oversees a whistle-blower "Integrity Line" program, open to City employees, residents and contractors, that accepts complaints of fraud, waste and abuse by City employees and contractors. In FY 2016-17, 92 complaints were resolved, 17 of which were proven.

The current City Auditor was appointed in April of this year, but previously served as the Auditor for Maricopa County (which includes Phoenix) for 22 years. At the County, he once had to obtain outside counsel in order to pressure Sheriff Joe Arpaio to provide access to documents needed for an audit. The previous City Auditor had been in that position for many years and had served on the City's audit staff since 1989. Both the current and former City Auditors are former Presidents of the Association of Local Government Auditors (ALGA).

## **Portland, Oregon**

Population is 640,000 City Budget is \$4.7 billion City Commissioners have executive authority Elected Auditor has 11 performance auditors (50 overall in the office) The Audit Division budget is about \$2,086,000 in addition to \$480,000 for an outside audit of finances.

Portland has a unique governance structure. The mayor and five non-partisan “commissioners” are elected at-large to four-year terms. The mayor assigns each commissioner and him/herself to be the administrator of a city bureau and may change these assignments at any time. City Commissioners are responsible for enacting and enforcing city ordinances, and they are salaried.

DUTIES OF AUDITOR In 1868, Portland voters established the Office of City Auditor, the Auditor who was independently elected to a four-year term. With passage of charter amendments, the latest in 2017, the Auditor now supervises and may conduct performance audits on all city entities and their use of public resources. The expanded auditor’s responsibilities include eight divisions: audit services, performance and financial, city ombudsman, independent police review, elections, city archives and records, council clerk, and lobbyist registration.

INDEPENDENCE The auditor selects what to audit with input from the public. To encourage and support Management, the auditor provides a draft of the audit report and draft recommendations. If there are major issues, the auditor takes them into consideration. The auditor does not want to take on the role of management, so recommendations are broad and flexible allowing department management to determine how to meet the goals. The Portland Auditor retains independent legal counsel and is in charge of its own procurements and human resources.

ACCESS TO INFORMATION Access to information is found in the city charter: the auditor “shall have timely access to all employees, information and records required to conduct an audit or otherwise perform audit duties, including confidential and legally privileged information and records so long as privilege is not waived as to third parties.” The city code has similar provisions which may be amended to conform with legislative action in 2017.

ACCOUNTABILITY Candidates for Auditor must have a CPA or Certified Internal Auditor to qualify to run for the position. In the past 25-30 years, five different individuals have served as auditor. The Auditor states they run on a “no surprises” basis. The current Auditor requests volunteers to serve as her “sounding board” which is not required. The 2017 Charter amendments require the Auditor’s Office to have adequate internal controls, comply with all applicable laws, operate efficiently, and periodically undergo reviews by outside entities.

FUNDING The auditor must submit and gain approval from the City Council of its annual budget, but it does not have to seek review by the city’s budget office. This may provide some checks and balances to the extensive authority of the auditor. The auditor would like more control over the budget. Some observers question that the auditor is elected but appears in the Portland Budget document along with other bureaus.

OTHER UNIQUE PROVISIONS To place an issue on the ballot, the auditor may collect adequate signatures to qualify. The City Commissioners at the Auditor’s request placed the 2017 Charter Changes on the ballot.