

CITY AUDITOR'S OFFICE

DEPARTMENT MISSION

The mission of the City Auditor's Office is to preserve the public trust and assist the City Council and City management by: independently and objectively reviewing the activities and resources for which the City is accountable; and communicating concise, comprehensible, and timely results to citizens and to the City Council.

PROGRAM DESCRIPTION

Audit

General audit group conducts performance audits to improve and enhance the efficiency and effectiveness of Citywide financial and operational functions. Information technology audit group conducts technology-related audits to improve and enhance the efficiency and effectiveness of Citywide computer systems, telecommunication systems, and the City's network infrastructure. Consulting service for all areas are provided through special projects on an as-needed basis.

Grant Compliance

Davis Bacon monitoring group provides technical assistance workshops, on-site monitoring, and contract employee interviews to evaluate compliance with labor-related regulations. Grant compliance monitoring group monitors departmental contract administration of the Consolidated Plan grants to evaluate compliance with regulations. They provide technical assistance to departments and contractors, on-site monitoring for compliance with contract requirements.

Department Support

Office administration provides report editing and publication; payables, payroll, purchasing, and receivables; budgeting; and general office support and administration. Executive administration provides planning, communication, management, governance, coordination, and reporting the City's audit function to the Finance and Audit Committee, City Council and City Management.

Investigations

The investigative group monitors and investigates allegations pertaining to fraud, waste, and abuse of City resources. The fraud hotline provides citizens and City employees an avenue to report what they perceive to be improper activities.

OBJECTIVES FOR FY 2003-2004

- Provide adequate coverage in emerging risk areas that include information technology, construction, E-government, inventory systems, security, cost reductions and cost avoidance issues, and controls and procedures within departments as they transform their service delivery
- Work closely with management to maximize cost effectiveness, cost savings and increased revenues

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OBJECTIVES FOR FY 2003-2004 (CONTINUED)

- Develop and maintain a professional environment that motivates employees to do their best work
- Continue to be more interactive with departments on the compliance and administrative oversight of federal grant programs
- Enhance investigative efficiency and effectiveness by maintaining a proactive systematic approach to conducting investigative audits

MAJOR BUDGET ITEMS

- Add \$28,000 for the peer review audit required every three years by Governmental Auditing Standards
- Save \$23,921 by implementing Service Incentive Pay program that is consistent with the State mandated Uniform Service Incentive Pay program
- Save \$24,408 as a result of transitioning Employee Health Benefits to a Catastrophic Coverage Program with a Preventive Care component
- Transfer 8.4 regular FTEs and \$544,790 to CDBG as a result of increased funding from HUD and/or from the sale of Section 108 In-Town Housing Portfolio
- Delete 2.2 regular FTEs (Manager I, Senior Contract Compliance Administrator) and \$132,308 for reduction in force (the City Auditor will continue to investigate complaints regarding MWBE compliance)

CITY AUDITOR'S OFFICE

EXPENDITURES (By Category)

	FY 2001-02 Actual	FY 2002-03 Budget	FY 2002-03 Estimate	FY 2003-04 Adopted
Salaries and Benefits	2,979,995	2,749,312	2,787,710	2,076,541
Supplies and Materials	16,514	9,591	38,337	7,841
Other Services and Charges	220,907	97,705	200,606	103,464
Capital Outlays	18,765	0	30,341	0
Reimbursements	(206,180)	0	(200,386)	0
TOTAL	<u>3,030,001</u>	<u>2,856,608</u>	<u>2,856,608</u>	<u>2,187,846</u>

EXPENDITURES (By Program)

Audit	1,581,275	1,575,503	1,497,411	1,630,567
Grant Compliance*	606,501	582,856	573,642	0
Department Support	422,849	308,878	330,481	332,097
Investigations	233,800	209,971	265,402	225,182
MWBE Compliance**	185,576	179,400	189,672	0
TOTAL	<u>3,030,001</u>	<u>2,856,608</u>	<u>2,856,608</u>	<u>2,187,846</u>

*Grant Compliance will be funded in CDBG in FY 2003-04

**The City Auditor will continue to investigate compliants regarding MWBE compliance

FTEs (By Type)

Regular	40.4	37.6	37.0	27.0
Overtime	0.0	0.0	0.0	0.0
Temporary Help	0.0	0.0	0.0	0.0
Day Labor	0.0	0.0	0.0	0.0
TOTAL	<u>40.4</u>	<u>37.6</u>	<u>37.0</u>	<u>27.0</u>

FTEs (By Program)

Audit	20.4	19.8	18.6	19.8
Grant Compliance	9.2	9.2	8.0	0.0
Department Support	4.8	3.6	4.4	4.2
Investigations	3.0	2.1	3.0	3.0
MWBE Compliance	3.0	2.9	3.0	0.0
TOTAL	<u>40.4</u>	<u>37.6</u>	<u>37.0</u>	<u>27.0</u>

GENERAL FUND

2,187,846

ADDITIONAL OPERATING RESOURCES

COMMUNITY DEVELOPMENT BLOCK GRANT

769,330

TOTAL

769,330

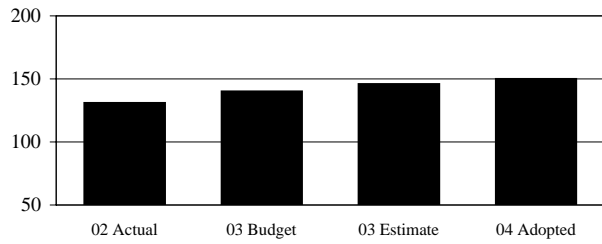
TOTAL OPERATING RESOURCES

2,957,176

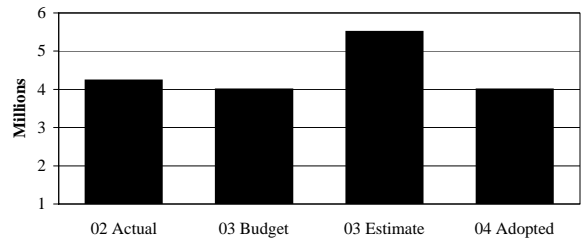
Note 1 Transferred 8.4 regular FTEs and \$544,790 to CDBG from sale of Section 108 In-Town Housing Portfolio

CITY AUDITOR'S OFFICE

Investigative Reviews



Cost Savings Revenue Enhancements



Grant/Davis Bacon Monitoring Reviews Conducted

