

2017

Annual Work Plan & Accomplishments Report



LAURA DOUD



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City Auditor

The Office was extremely busy last year as we continued to expand our public outreach and issued significant audit reports that have the potential to make City operations more efficient and effective. Through the Office's website, our MyAuditor App, social media channels, and community events, we were able to share information about our work with hundreds of people. This included audit reports on maintaining park landscapes with limited resources under drought conditions, as well as the need for additional training and guidance to help City employees better manage contracted goods and services. The Office was also instrumental in initiating new legislation surrounding a critical construction infrastructure program that provides necessary controls to ensure the City receives quality service at a fair price.

For 2017, we will continue to focus on audits that directly affect our community and enhance our partnership with City management to assist them in meeting their business objectives. Internally, we will ensure that our staff has the necessary technology to effectively identify risk and plan our audits. We will also maintain our commitment to promoting the Fraud Hotline as an accessible avenue to report suspected fraud, waste or abuse against the City.

Lastly, work produced by my staff continues to be of the highest quality as we were honored by the Association of Local Government Auditors in 2016 with a fourth Knighton Award for Excellence in Auditing for our Public Safety Dispatch Audit.

WHAT HAPPENED IN 2016

COMMUNITY OUTREACH



Meeting People at Cool Events

Gathering community input at Beach Streets, Concerts in the Park & First Fridays



Reaching People Through Digital Media

Connecting with the community on Facebook, Twitter, mobile app, website, In the Loop & Nextdoor

KNIGHTON AWARD



Excellence in Auditing Public Safety Dispatch Audit Report

Distinguished Award for innovative strategies and significant impact on City operations

AUDIT HIGHLIGHTS

14

Audits

Contract Administration Audit Project

City needs a consolidated contract management system and citywide training and policies to better manage hundreds of millions of dollars in contracted goods and services.

City management agreed assistance is needed and hired a consultant to develop contract management policies and citywide training.



Involving
\$45 million
in City Assets

Park Maintenance Audit

City maintained parks and trees with insufficient resources as 1 in 4 trees are dead or in poor condition.

Audit resulted in additional money allocated for new park maintenance that did not previously receive funding.



Covering
12
Departments

Job Order Contract Audit

City paid more than contractually obligated for infrastructure projects.

Following the audit, Council enacted legislation, and the City is now operating under the new established program guidelines.



Producing
170
Recommendations

OTHER VALUABLE SERVICES

Report on Results 2010-2014

71% of our recommendations were reported by City management as fully implemented safeguarding \$80 million in revenue

Fraud Hotline

- 51 tips received in past year
- Top tip – timecard abuse
- Average of 24 days to investigate a tip
- Nearly 80% of tips received have been investigated and closed

Disbursements

Reviewed over \$2.5 billion in checks and wire transfers

Wage Garnishments

Managed 200 active City employee cases totaling \$1.3 million annually

WHAT'S HAPPENING IN 2017



Quality of Life Audits

We will focus on audits that directly affect the activities of everyday life in our community. We strive to perform audits of issues that are most important and impactful to the public. For the upcoming year, we plan to pursue audits on animal care and library services.

Maximizing the Fraud Hotline

We will continue to investigate allegations of fraud, waste, and abuse of City resources. We offer multiple mediums – including the hotline number, web and mobile app – for City employees and the public to report fraud tips anonymously. To maximize the Fraud Hotline, we will kick off new outreach activities focused on identifying possible fraudulent behavior and how to report it.

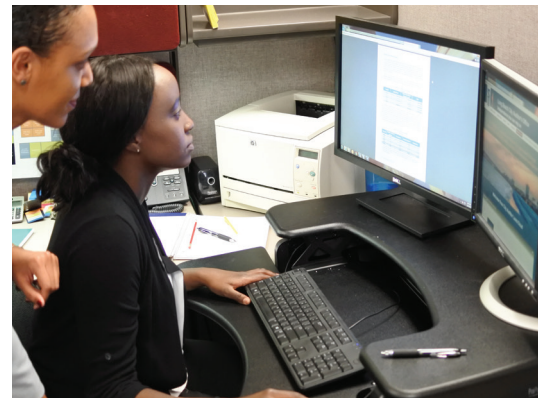


Focus on Collaborative and Cooperative Relationships

We will continue to build partnerships with City stakeholders based on mutual respect, trust, and understanding, to exchange ideas and develop solutions to City challenges. By doing so, we can align our audit goals with City business objectives. As a result of recent discussions with City stakeholders, potential audits may include business improvement, parking revenue, and inventory management.

Using Technology to Enhance Value

We will explore and implement new technology, including data analytics, to improve our ability to detect false, inflated, or duplicate invoices or payments. This will allow us to analyze complex financial and non-financial data on a continuous basis to help identify emerging problems and risk areas, particularly in light of the City embarking on a new Enterprise Resource Planning system.



City Auditor's Office

The City Auditor is an elected position serving four-year terms. City Auditor Laura Doud is supported by a staff of 17 professionals performing a variety of auditing and administrative functions. The majority of the audit staff hold professional certifications, including Certified Fraud Examiner, Certified Internal Auditor, Certified Public Accountant, Certified Government Audit Professional, and various Masters degrees.



Our Mission

To advance an effective City government through independent, high quality audits, advisory services, and investigations

Our Core Values

Our core values are principles that support and guide our vision and mission, as well as shape our culture and direct our actions and decisions.

CONNECT WITH US



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Follow us at [@LBCityAuditor](https://twitter.com/LBCityAuditor) on Twitter

Report Fraud

If you suspect fraud, waste or abuse against the City, report your tip anonymously by:

- Calling 1-888-FRAUD-07
- Using the MyAuditor App
- Visiting our website at CityAuditorLauraDoud.com

We review all tips and take appropriate action.