



Working Together: Audits From Collegial Sources

City of Portland Auditor's Office
Gary Blackmer, City Auditor
Ken Gavette, Principal Management Auditor, ASD
Kari Guy, Management Auditor, ASD
Drummond Kahn, Director, Audit Services Division
Michael Mills, Ombudsman
Leslie Stevens, Director, Independent Police Review



Background – Portland's City Auditor

- How Portland's Office of the City Auditor works
 - Independently elected auditor leads more than 60 staff in multiple divisions, including:
 - Audit Services Division (produces audit reports under Yellow Book standards)
 - Ombudsman (receives and resolves complaints from residents under American Ombudsman Assn. standards)
 - Independent Police Review Division (receives and resolves complaints about police through a Citizen Review Committee – member of National Assn of Citizen Oversight of Law Enforcement)



Background -- Other Components of Auditor's Office

- Hearings Officer (hears appeals from citizens of City administrative decisions – land use, vehicle tows, exclusion zones)
- Records Management (ensures that Bureaus retain records in accordance with state laws)
- Progress Board (tracking and reporting indicators of community condition, identifying collaborative strategies for improvement)
- Each is a different tool but they are all about accountability



How Auditor Selects Topics

- For most topics, Audit Services Division proposes an annual audit schedule, including input from Audit Services staff, and discussed with Mayor and Council
- City Auditor approves schedule
- Schedule distributed to city bureaus, Council and Mayor
- Topics can be added during the year based on risk and interest



Recent Coordination Examples

- Within the Office of the Auditor, division heads meet regularly with the City Auditor (called “Supervising Deputies” meetings) and informally
- Ombudsman and Independent Police Review Director have suggested topics and have coordinated their work with Audit Services Division reports
- Two recent examples follow



Example 1: Limited Recruitment

- Ombudsman received complaints from City employees that many recruitments were not open to the public, just to current employees of specific bureaus
- City already has processes for “promotional” recruitments (where only a current Pavement Tech 1 or Police Officer can apply for Pavement Tech 2 or Police Sergeant).
- Ombudsman learned of specific “limited recruitments” where apparently less-qualified employees were hired into permanent positions.



Temporary to Permanent

- One angle was that “temporary” employees, who did not have to meet the more rigorous requirements for “permanent” employees, were appointed to temporary spots, and then, through limited recruitments, could be made permanent with no competition
- Human Resources defended the practice
- Some weeks, more than half of posted City recruitments were “limited” – and this is in addition to “promotional” opportunities



Ombudsman Concern = Audit

- Through the Supervising Deputies, the Ombudsman expressed the concern to the City Auditor and Director of Audit Services Division
- Audit was scoped and assigned to an auditor for review
- Audit results confirmed the concerns
- Audit report issued



Report Findings

- Almost a quarter of people hired through limited recruitments were temporary employees
- Those temporary employees were not hired through a civil service process
- There were no controls in place to prevent misuse of limited recruitments



Report Results

- Ombudsman was able to provide background and comment for newspaper articles on recruitments
- City employees appreciated seeing, through the audit and press coverage, that Auditor's office followed-through on complaints to the Ombudsman



Example 2: Police Approach to Sexual Assault Investigations

- Audit Services released a 2005 report on crime clearance rates – Portland Police were solving a smaller percentage of violent crimes than were solved in other similar cities.
- 2005 audit found that Portland’s specific “clearance rate” for sexual assaults was among the lowest in the nation – and that it was getting worse.



Assault Solution Rates Dropping

- Audit schedule for 2007 included reviewing the sexual assault clearance rate.
- Police were solving only a small, declining number of cases.
- Auditors included a review of the entire process of sexual assault cases, from the emergency call through hospital service through to investigation.



Coordination with Independent Police Review Division

- The Independent Police Review Division includes several staff members who are former law enforcement officers, including two former detectives who handled assault cases in their police careers.
- Initially, informal coordination with these experts led to the identification of key attributes to look for in a consultant, and potential methods for case review.



Use of Expert Consultant

- Audit Services selected and retained a consultant and had excellent results from their work.
- Auditors felt more comfortable relying on consultant's work based on IPR personnel's first-hand knowledge of the consultant's past work.



Additional examples of coordination

- Prior audit identified weaknesses in the Police “early warning” system. Picked up later by IPR in 2004 and was the subject of additional (continuing) work.
- IPR Director used informal contacts with senior officials to communicate auditor views and vice versa. This aided with both sides understanding of findings.
- IPR understanding of audit techniques helps them formulate non-audit recommendations for change.



How Could Other Organizations Benefit?

- Portland is unique in having these different accountability functions under one elected auditor:
 - Ombudsman
 - Independent Police Review Division
 - Audit Services Division
- Each has their own independent professional framework and standards
- Coordination and using others’ expertise can only help the audit process – and improve processes in other units



Other Jurisdictions May Be Different

- Even if your organization doesn't have an organization like Portland's, several key initiatives can help:
 - Network – learn from colleagues throughout the organization you audit and/or the organization you're in.
 - Even without scheduled meetings, discuss concerns with non-audit colleagues.
 - Networking, participating in general management meetings, and attending agency-wide discussions can each help.




Tools for Involvement

- Look for key issues in the organization from other sources:
 - Newsletters, memos of management meetings
 - Annual or quarterly reports
 - Media coverage, organization website, lists of key concerns
 - Statements by leaders on their goals and challenges



Colleagues Everywhere

- Consider possible connections in your organization:
 - Human Resources
 - Risk Management
 - Executive Officer / Chief of Staff
 - Information Technology
 - CFO / Controller
- Lesson: Auditees can also be excellent sources of audit topics and information



Key: Tell the Organization What You Do!

- “Auditing” is no longer restricted to financial and compliance issues
- Today’s examples show how auditors can both source audits from outside ideas and can gain assistance and expertise from outside operations
- Portland’s unique organization shows how connections can build both audit topics and audit work steps to improve operations
- Can also work well in other organizations
- Ask for help – communicate audit schedule and goals within organization



Questions?

- Let's discuss any questions/concerns



Contact Information

- <http://www.portlandonline.com/auditor>
- Has links to IPR, Ombudsman, and Audit Services
- IPR (503) 823-0146
- Ombudsman (503) 823-0144
- Audit Services (503) 823-4005