

ORDINANCE NO. 2019-0023

Adopted by the Sacramento City Council

June 25, 2019

An Ordinance Amending Chapter 2.18 of the Sacramento City Code, Relating to the Office of the City Auditor

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Chapter 2.18 of the Sacramento City Code is amended to read as follows:

CHAPTER 2.18 OFFICE OF THE CITY AUDITOR

2.18.010 Office of the city auditor.

- A. The purposes of the city auditor's office are to independently assess and report on city operations and services, assist the council in the conduct of budgetary inquiries, assist the council in the making of budgetary decisions, and to discharge other duties as prescribed by law or council resolution.
- B. The city auditor shall have such staff and budget as the city council may prescribe.
- C. The city auditor shall appoint all other members of the city auditor's office.

2.18.020 City auditor qualifications.

The city auditor shall be a certified public accountant, a certified internal auditor, or have such other or additional qualifications as the city council may establish by resolution. The city auditor shall set the qualifications for subordinate staff.

2.18.030 Work plan and standards.

- A. By April 15th each year, the city auditor shall submit an annual work plan to the city council for approval. The annual work plan may be amended during the year with the approval of the city council. The council may, by resolution, authorize a committee, charter officer, or an individual councilmember with respect to the councilmember's own office, to request additional work.

- B. Audits shall be conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS) promulgated by the Comptroller General of the United States of America or as otherwise prescribed by council resolution.
- C. The city auditor's office shall be subject to a peer review in accordance with applicable government auditing standards at least once every three years. A copy of the written report of this review shall be furnished to the city council.

2.18.040 City auditor reports.

- A. The city auditor shall prepare a written report of the results of each audit conducted and will be responsible for retaining a copy as a permanent record.
- B. The city auditor shall periodically review audit recommendations and investigations as practical to determine if responsive action has been taken. The city auditor may request status reports from audit subjects regarding actions taken to address audit findings and recommendations.
- C. The council may prescribe by resolution the manner of report preparation and presentation.

2.18.050 Duties of the city auditor.

- A. The city auditor shall conduct audits of city departments, offices, boards, commissions, and committees as directed by the council. Audits may be conducted for the following purposes:
 - 1. Determining if city activities and programs have been authorized by applicable law or regulation, and are being conducted in compliance with applicable laws and regulations;
 - 2. Evaluating if a department, office, board, commission, or committee is acquiring, managing, protecting, and using its resources economically, efficiently, equitably, and effectively;
 - 3. Determining whether city programs, activities, functions, or policies are effective, including identification of any causes of inefficiencies or uneconomical practices;

4. Evaluating whether financial and other reports fairly, accurately, and fully disclose all information required by law, and determining whether there are appropriate bases for evaluating programs and activities, including the collection of, accounting for, and depositing of revenues and other resources; and
 5. Determining if city departments and offices have established adequate operating and administrative procedures and practices, and internal control systems.
- B. The city auditor shall manage the city's whistleblower hotline and determine if allegations of fraud, waste, abuse, or illegal acts need further investigation.
- C. As directed by the city council, the city auditor shall assist the council's budgetary inquiries and budgetary decisions by:
1. Gathering, organizing, and analyzing data and information relative to budgetary issues;
 2. Providing comparative studies of other cities;
 3. Analyzing the city's past, current, and proposed revenues and expenditures;
 4. Reviewing existing and potential tax revenues;
 5. Analyzing federal, state, and local programs to determine sources of funding and appropriate expenditure options;
 6. Reviewing the economic and fiscal effects of proposed legislation;
 7. Constructing economic models and indices;
 8. Preparing fiscal and economic analysis of city projects;
 9. Providing policy research and fiscal analysis on proposed legislation; and
 10. Preparing other reports relating to budgetary, economic, fiscal, and legislative policy concerns.
- D. The city auditor shall make recommendations to the city council in connection with the city auditor's audits, investigations, analyses, studies, and reports.

- E. If an individual councilmember has requested an audit of that councilmember's own office, the city auditor shall retain an independent outside auditor to conduct the audit.

2.18.060 Access to information.

- A. City departments, offices, and employees shall provide the city auditor access to all sources of information, property, and personnel relevant to the performance of an audit, unless restricted or prohibited by law. This section shall not apply to the office of any elected official, unless that elected official requested the audit of that official's own office.
- B. If a city contract so provides, the city auditor shall have access to the contracting party's employees, financial records, performance-related records, property, and equipment related to the services or goods provided under the contract.

2.18.070 Noninterference with city auditor.

No person shall directly or indirectly coerce or attempt to coerce the city auditor relative to the city auditor's examinations, audits, or the appointment or removal of any employee by the city auditor.

Adopted by the City of Sacramento City Council on June 25, 2019, by the following vote:

Ayes: Members Ashby, Carr, Guerra, Hansen, Harris, Jennings, Schenirer, Warren and Mayor Steinberg

Noes: None

Abstain: None

Absent: None

Attest: **Mindy Cuppy** Digitally signed by Mindy Cuppy
Date: 2019.07.03 11:09:57
-07'00'
Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.

Passed for Publication: June 4, 2019
Published: June 7, 2019
Effective: July 25, 2019