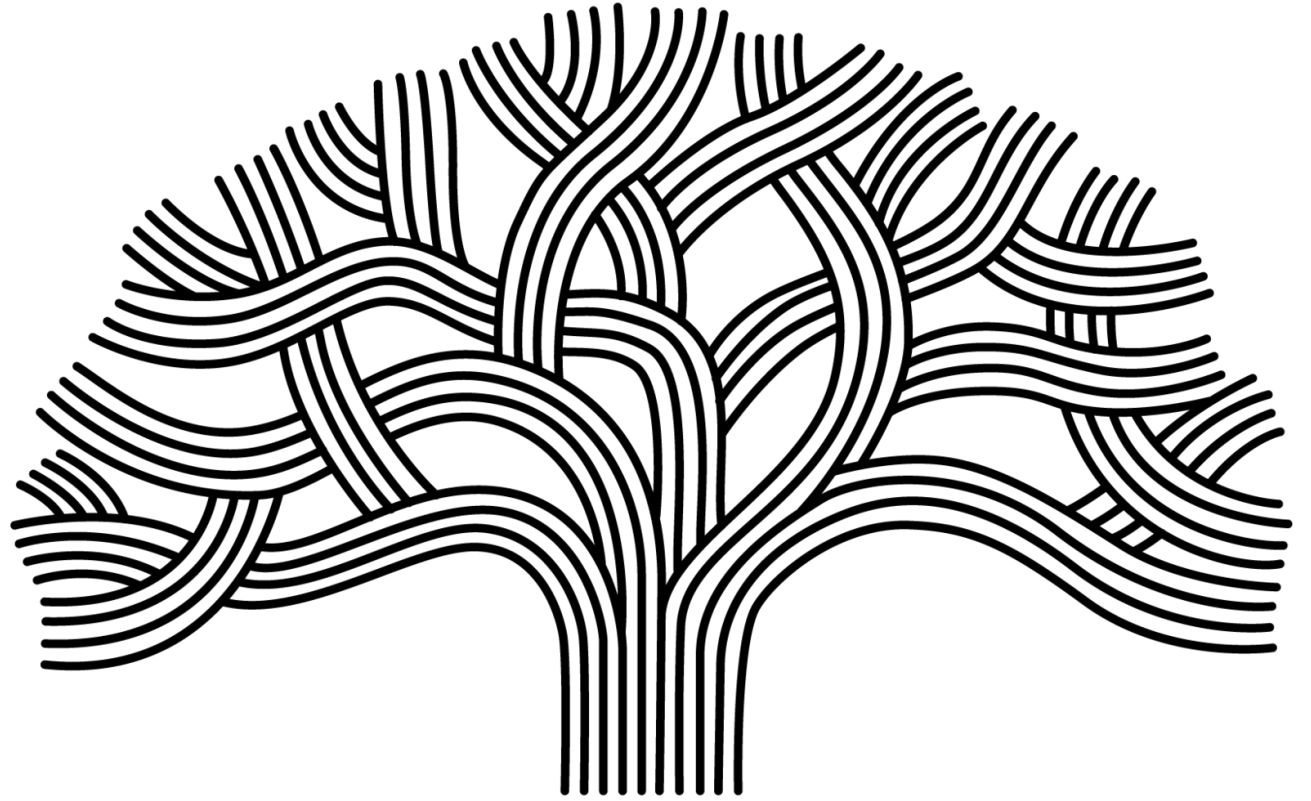


Office of the City
Auditor

Presentation to
EBRHA

COURTNEY RUBY, CPA, CFE
City Auditor

October 24, 2019



CITY OF OAKLAND

Oakland's City Auditor (again)

- City Auditor from 2007-2014
- City Auditor again in 2019



Office Overview & Structure

- Assumed Office January 7, 2019

- Term: 4 years

- Authority to audit anything and everything in the City

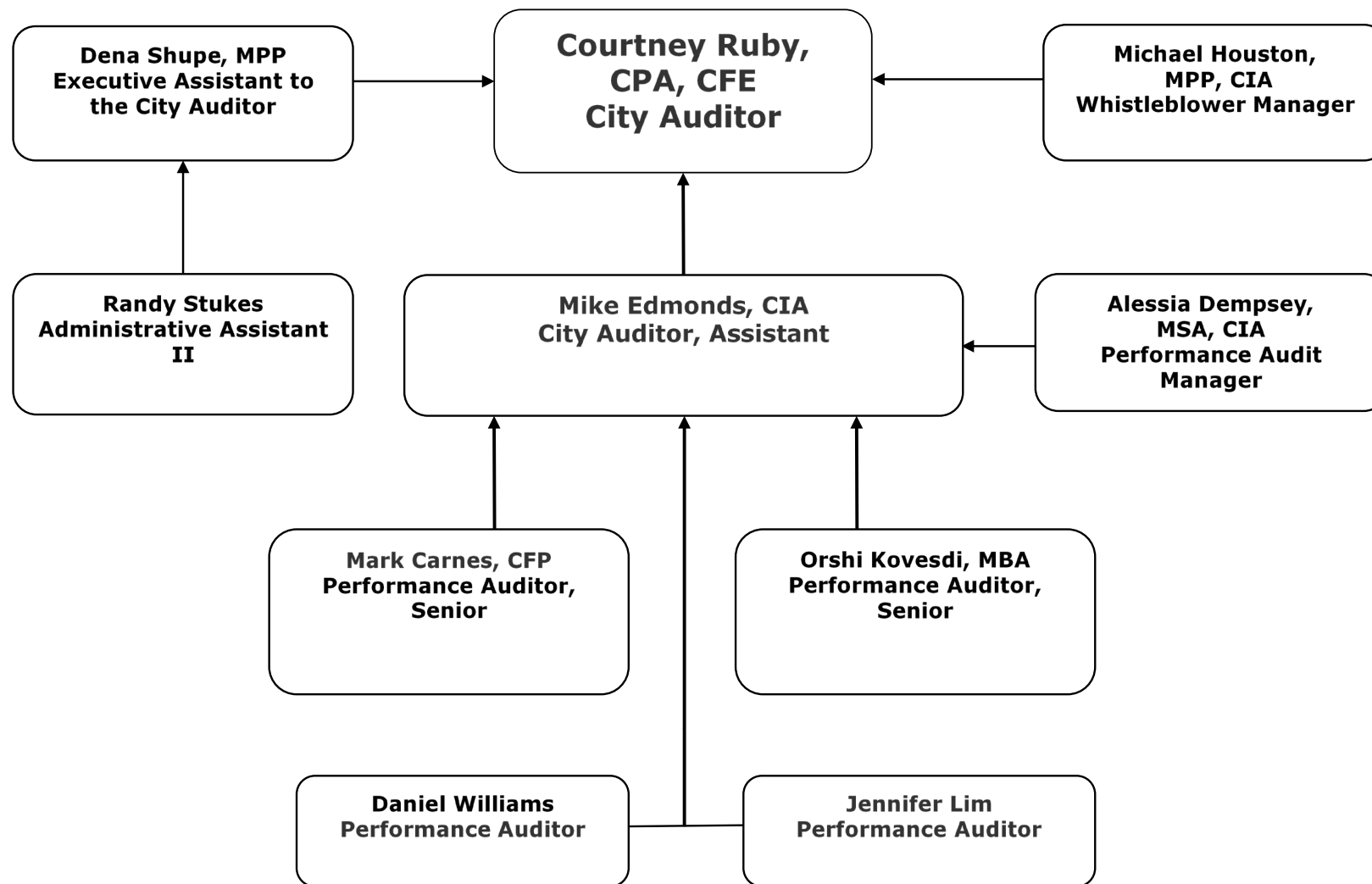
- Staffing: 10 FTE's

- 8 Auditors

- 2 Administrative staff

- Office budget of \$2.3 million

- City budget of \$1.6 billion



How Does the City Auditor Provide Value to Oakland residents?

- Ensures transparency and accountability.
- Protects against fraud, waste, abuse, and mismanagement.
- Ensures public funds are spent in the public interest.
- Identifies areas of greatest risk in government.
- Increases revenue and decrease costs.



Mission Statement

To conduct performance audits and investigations that return in-depth and meaningful results to the residents of Oakland by identifying and auditing the areas of government most vulnerable to mismanagement, fraud, waste, and abuse.



Personal Vision

- Highest standards of performance and professionalism
- Serve the public with the utmost integrity
- Dig Deeper – Greater Impact



How Do We Fulfill Our Mission And Goals?

- Performance Audits
- Mandated Audits
- Whistleblower Program
- And more...



Audits in Progress

Performance Audits

- Financial Condition of the City
- Police Commission & Community Policing Review Agency
- Oakland Fire Department – Inspections

Mandated Audits

- Measure D – Kids First! Fund



Audits Issued

Mandated Audits

- Business Tax Refunds FY 2017-18
- Rent Adjustment Program Follow-up
- Limited Public Financing Act

Performance Audits

- Police Overtime



Police Overtime Follow Up Audit

Findings

- OPD's Overtime budget is not realistic
- OPD needs to improve management and operational controls
- OPD still needs to enforce overtime limits on overtime hours worked
- MOU issues were not addressed



OPD's Overtime Budget Is Not Realistic

Overtime hours by categories for sworn-staff from FY 2014-15 through FY 2017-18

Overtime Categories	FY 2014-15	FY 2015-16		FY 2016-17		FY 2017-18	
	Hours	Hours	%Change (over prior FY)	Hours	%Change (over prior FY)	Hours	%Change (over prior FY)
Backfill	72,934	68,374	-6%	50,489	-26%	41,709	-17%
Special Events/Enforcement	155,290	104,702	-33%	122,372	17%	129,377	6%
Extension of Shift	70,653	60,279	-15%	64,699	7%	56,920	-12%
Total	298,877	233,355	-22%	237,560	2%	228,006	-4%

- Backfill, Special Events/Enforcement, and Extension of Shift, which account for nearly 75 percent of sworn overtime hours, decreased by 24 percent since FY 2014-15.

OPD's & City Administration's Response

- The report included 21 recommendations to address the findings in the report.
- OPD and the City Administration have agreed to implement 17 of the 21 recommendations.
- OPD partially agrees with two recommendations in which OPD has provided alternatives that we believe address the recommendations.
- OPD disagrees with two recommendations, which we strongly encourage to implement, given the risk involved with officer fatigue and the inherent conflict regarding special event scheduling.

Some Audits We Are Beginning to Scope or Think About

- Homeless Services
- IT Security
- Affordability
- Measure KK



What are YOU thinking about?

Whistleblower Program Purpose

- Deter, detect and defend against **fraud, waste, abuse** and **mismanagement**.
- 46% of fraud is initially detected through hotline tips; drops to 30% without hotline and
- 50% of tips come from employees



Why Should You Report?

- The City Auditor will protect ensure **confidentiality**
- Whistleblowers can remain **anonymous**
- Employees are protected from **retaliation**
- We will take **appropriate action** based on the investigation results.
- The City **benefits!**

Integrity

We adhere to our moral and ethical principles and we work honestly and fairly with the public and each other.

How to Submit a Confidential Report

- To file a complaint, you may call the **WHISTLEBLOWER HOTLINE** at **1-888-329-6390** (interpreter available) or **SUBMIT A REPORT ONLINE** (Español or 汉语).
- All reports go through an independent company
- All reports are then reviewed by the Office of the City Auditor



A large, gnarled tree trunk in the foreground, with a city skyline and a body of water in the background. The tree's roots are thick and twisted, extending across the frame. In the background, a city skyline is visible across a body of water, with a fountain in the distance. The sky is a mix of blue and pink, suggesting dusk or dawn.

Comments/Questions

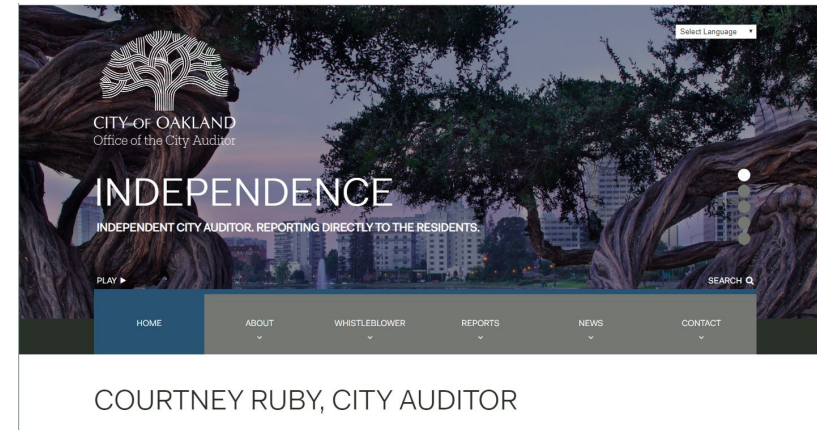
Photo: Greg Linhares, City of Oakland

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Comments and questions
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