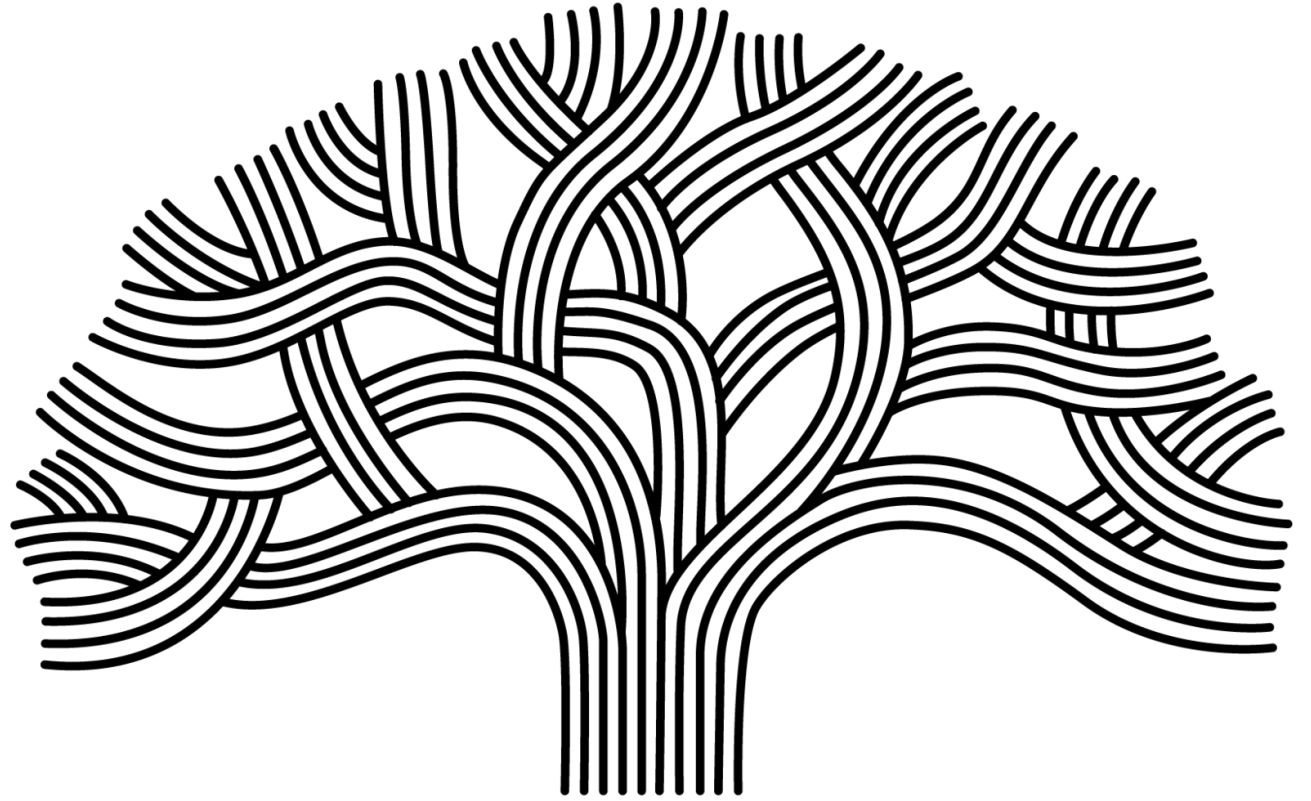


Office of the City  
Auditor

Presentation to  
the San Antonio  
NCPC Meeting

COURTNEY RUBY, CPA, CFE  
City Auditor

January 8, 2020



CITY OF OAKLAND

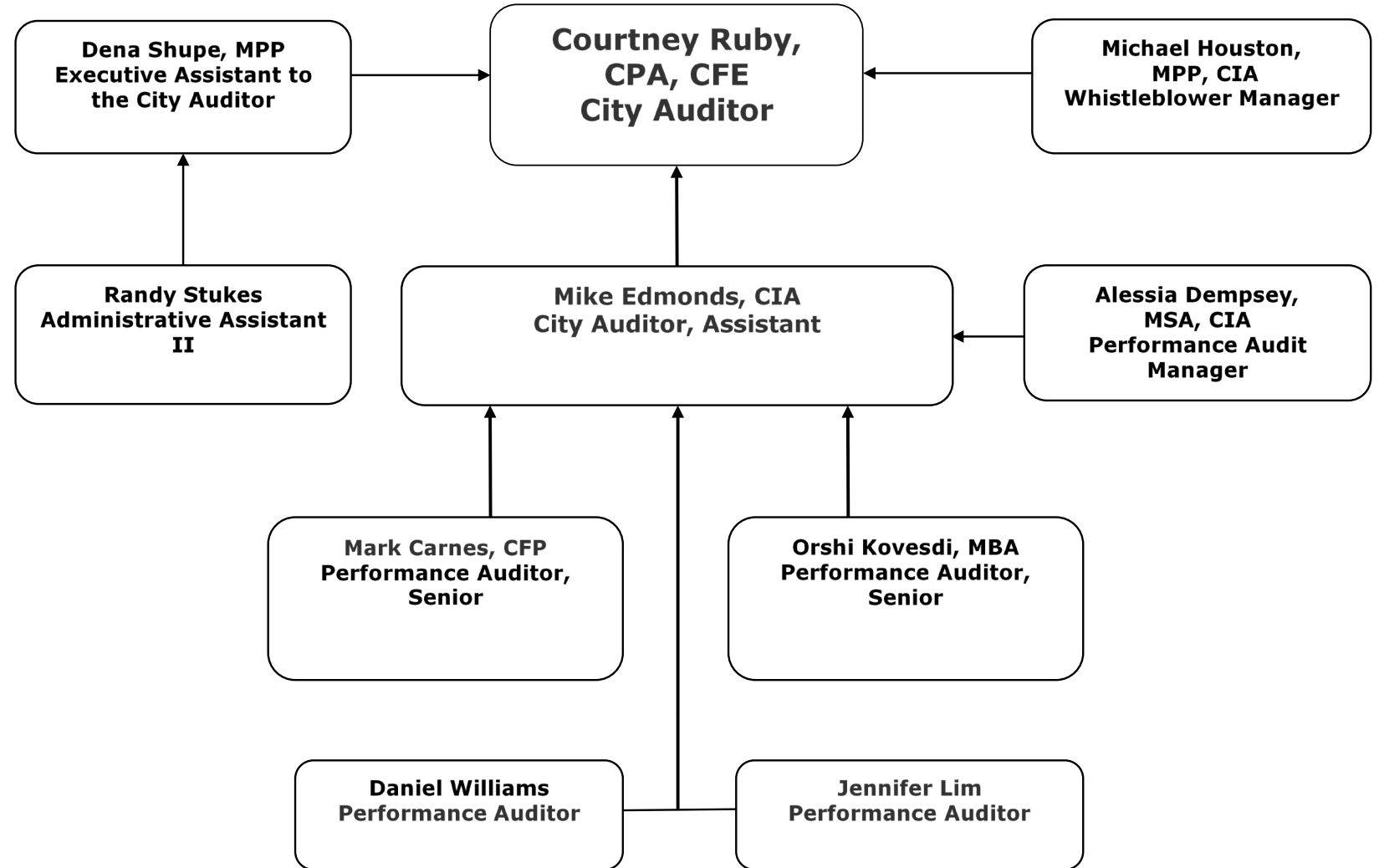
# Oakland's City Auditor (again)

- 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?

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



# 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





# Latest Whistleblower Program Results

- *Received* **194** new cases
- *Closed* **155**
- *Issued* a Report on **Oakland Promise**:
  - the Mayor's Office directed the City Administration to provide work space to Oakland Promise without following Municipal Code requirements;
  - some aspects of the City's involvement with Oakland Promise were not authorized, lacked transparency, and presented additional risks and costs to the City; and
  - the City's financial contributions to Oakland Promise – though complex and hard to follow – were neither prohibited nor irregular





# WHISTLEBLOWER HOTLINE

## To File a Complaint

Call the WHISTLEBLOWER HOTLINE  
1-888-329-6390 (interpreter available)

SUBMIT A REPORT ONLINE  
[www.OaklandAuditor.com/Whistleblower](http://www.OaklandAuditor.com/Whistleblower)

# 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%
<b>Total</b>	<b>298,877</b>	<b>233,355</b>	<b>-22%</b>	<b>237,560</b>	<b>2%</b>	<b>228,006</b>	<b>-4%</b>

- 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.



# Audits in Progress

## Performance Audits

- Financial Condition of the City
- Police Commission & Community Policing Review Agency
- Oakland Fire Department – Inspections
- Homeless Services
- Workforce Development Follow-up

## Mandated Audits

- Measure D – Kids First! Fund
- Measure Q & D – Library Services



# Headlines from some of my past audits...

## **San Francisco Chronicle**

***“Oakland payroll audit a welcome challenge”***

**“Auditor: Officials violated charter  
Oakland council members deny  
interfering with bids”**

***“Oakland auditor: Fox  
Theater costs poorly  
Screened”***

## **KQED Radio**

***“Oakland Auditor Questions Campaign Donations”***

## **ABC Local**

***“Corruption scandal plagues Oakland City Hall ”***

## **oakland LOCAL**

***““Bakery Loan for \$150,000 –  
what would you do?”***



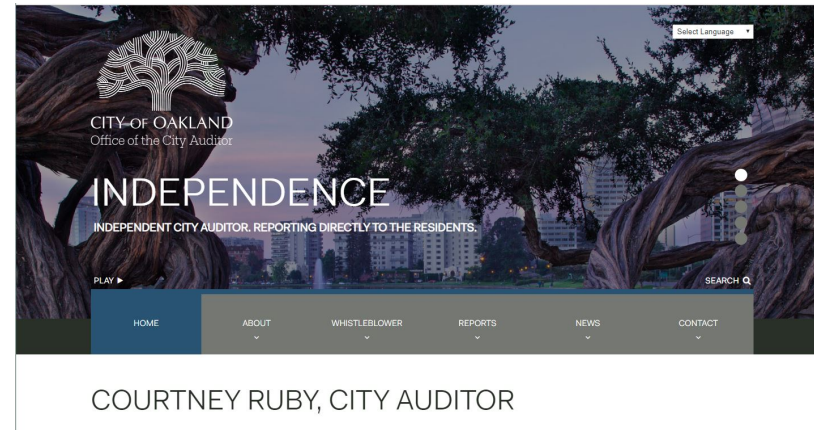
***“Oakland cops collect \$30M in overtime  
pay last year; one officer logged 2,600  
OT hours”***

# Contact Us

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Oakland, CA 94612

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Comments and questions  
[cityauditor@oaklandca.gov](mailto:cityauditor@oaklandca.gov)



View Reports at:  
[www.oaklandauditor.com/Reports](http://www.oaklandauditor.com/Reports)