



Annual Audit Work Plan Fiscal Year 2023-2024

August 31, 2023



CITY OF
OAKLAND

Office of the City Auditor

www.oaklandauditor.com | cityauditor@oaklandca.gov

Annual Audit Work Plan

Fiscal Year 2023-2024

Message from the City Auditor

Today, I am pleased to release my Office's first published Audit Work Plan.

Every year my Office determines what we are going to audit next. This year we are publishing the detailed process and results so you may see into the workings of my Team's audit planning—including how we consider mandated responsibilities, community concerns, limited resources, and urgent issues.

It was through my deep commitment to transparency that the new requirement to publish our Audit Work Plan was added to the City Charter following the passage of Measure X by Oakland voters in November 2022. This was one of several reforms I included in Measure X to update the City Auditor's responsibilities to reflect best practices, increase independence, establish minimum staffing levels, and more. Click [here](#) to read Measure X which passed with 80 percent of the vote.

This Audit Work Plan reflects my Office's ongoing efforts to audit areas that matter most to Oaklanders, while holding government accountable for improving operations, and delivering critical city services more effectively, efficiently, and equitably.

I want to thank Oakland residents, Councilmembers, City leaders, community leaders, and City employees for sharing your concerns and ideas by participating in interviews and meetings, completing surveys, and continuing to reach out directly to my Office. As your City Auditor, it was important to me that your concerns and ideas were represented in this Audit Work Plan.

Committed to serving you with the utmost integrity,



Courtney Ruby CPA, CFE
City Auditor

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The Office of the City Auditor's Work

The City Charter outlines the duties and responsibilities of the City Auditor. Most of the Office's resources are dedicated to conducting performance audits, which assess the economy, efficiency, effectiveness, and equity of programs and activities.

Performance audits provide independent and objective analysis to the public and make recommendations to management, and those charged with governance and oversight, on how to improve services, reduce costs, and increase public accountability.

Our Office conducts performance audits in accordance with [Government Auditing Standards](#) set by the Government Accountability Office under the U.S. Comptroller General.

In addition to performance audits, the Office conducts:

- **Annual reports.** The Office prepares and issues annual reports to summarize audit activities performed by the Office. The Whistleblower Program Annual Report gives an overview of the Program's achievements and investigation results.
- **Ballot measure analyses.** The Office prepares financial ballot analyses for proposed legislation in accordance with the City Charter.
- **Investigations.** The City Auditor operates a Whistleblower Hotline to receive and investigate allegations of fraud, waste, and abuse affecting or involving City of Oakland resources, employees, officials, or contractors.
- **Recommendation follow-up reports.** The Office regularly follows up on the status of recommendations from previous audits.
- **Special requests.** The Office conducts analyses and reviews requested from the City Council.

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Identifying Areas to Audit

The City Charter states that the Auditor shall conduct reviews and audits “the Auditor deems to be in the best public interest.” The Office considers the following when developing its annual Audit Work Plan:

- **Community Concerns.** The Office continuously solicits input on potential performance audits from Oakland residents, businesses, and community organizations.
- **Concerns of City Leadership and Employees.** The Office solicits input from leadership and employees. We also identify concerns based on the City Council’s budget priorities.
- **Mayor and City Council Requests.** Pursuant to the City Charter, the City Auditor may conduct audits at the request of the Mayor and City Council.
- **Mandated Responsibility.** The City Charter and Municipal Code require the Office to conduct audits of some programs and activities.
- **Public Interest.** The Office identifies potential audits of City programs or services that impact and tangibly affect Oakland residents, businesses, and visitors.
- **Whistleblower Complaints.** We identify potential risks based on complaints submitted to the City Auditor’s Whistleblower Hotline.

Appendix A is a high-level summary of audit topics submitted for consideration for 2023-24. The most requested audit topics for 2023-24 were:

- Emergency Response Times
- Police Department Staffing
- Illegal Dumping
- Street Maintenance
- City of Oakland Hiring and Vacancies

Once an audit topic is selected, the scope and objectives of each proposed performance audit is refined during the audit process.

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Prioritizing Performance Audits

Since there are more proposed audit topics than resources available to audit, the Office must carefully consider different factors when deciding which audits to prioritize, and how to best use the Office's limited resources. To do this, the Office considers the following:

- **City and Community Concerns.** The Office prioritizes concerns most often raised by Oakland residents, businesses, visitors, community organizations, and City leadership and employees.
- **Existing or Emerging Risks.** The City Auditor has a critical role in identifying ways the City can preserve and improve: 1) community welfare, 2) the City's reputation, 3) the City's resources, and 4) the City's ability to provide services. As such, when prioritizing audits, the Office considers:
 - Recent instances of mismanagement, ineffectiveness, inefficiency, or lack of responsiveness.
 - City programs or departments that have recently been implemented or have undergone significant re-organization or changes.
- **Financial and Budget Impact.** The City cannot provide services to residents, businesses, and visitors without sufficient financial and budgetary resources. Accordingly, the Office prioritizes audits that will potentially identify ways to improve the City's financial and budgetary position.
- **Service Delivery.** The Office prioritizes audits of core municipal services like police, fire, roads and sidewalks, parks, libraries, etc., which directly affect Oakland residents, businesses, and visitors.

In addition to the factors above, the City Auditor must consider:

- **Urgency.** The Office prioritizes proposed audits that involve urgent matters over those that are less time sensitive.
- **Available Resources.** The Office considers the availability of Office resources, including staff capacity, qualifications, skills, and time needed to conduct proposed audits.
- **Reviews by Other Agencies.** The Office considers whether a topic is under review or being audited by other organizations or oversight bodies.

The City Auditor considers, approves, and prioritizes audits before adding them to the Work Plan, based on the process outlined above. Similarly, the City Auditor may revise the Work Plan to reflect unforeseen changes in resources or urgency.

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2023-24 Audit Work Plan

The Work Plan includes projects already in process, and those we plan to start in fiscal year 2023-24, based on the above framework described in the “Prioritizing Performance Audits” section.

The number of planned audits is based on an assumed rate of two audits per auditor per year and that an average of two and a half auditors will be assigned to each audit.

Audits Currently in Process and Anticipated to Be Completed in 2023-24

- The City Of Oakland’s Financial Condition
- Development Services Fund
- Building Permitting
- Oakland Parks and Recreation Preservation, Litter Reduction, and Homelessness Support Act (Measure Q) (Mandated)

Mandated Audits to Launch in 2023-24

- Library Services Retention and Enhancement Act and Oakland Public Library Preservation Act (Measures Q, D)
- Kids First! Oakland Fund for Children and Youth Act (Measure D)
- The Oakland Police Commission and the Community Police Review Agency
- Vacant Parcel Tax (Measure W)

Priority Audits to Launch in 2023-24

- Citywide Personnel Investigation Processes
- Pay Equity
- Emergency Response Times
- Illegal Dumping

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Appendix A: Potential Audit Topics Considered

As noted above, the Office receives more requests for audits than we can conduct given limited resources. The following is a high-level summary of audit topics submitted for our consideration:

City employee hiring and vacancies	Overhead/Internal Services Fund
Revenue collection/fund management/budgeting	Code enforcement/blight
Mobile Assistance Community Responders of Oakland (MACRO)	Illegal dumping
Police staffing and civilianization	Street maintenance
Property crimes	311 response
911 emergency response	Parking enforcement
Police investigations	Equitable Climate Action Plan
Grants management	Contracting/purchasing
County public health coordination	Animal services
Violence prevention	Cannabis
Pedestrian safety	Homelessness
Tree maintenance	Police Commission/Community Police Review Agency
Storm drains/storm sewers	Workplace and employment standards
Development services	City property/asset management
Information technology	Boards and commissions
Data stewardship	City payroll
Cash handling	City employee pay equity
Citywide personnel investigations	



WHISTLEBLOWER HOTLINE

To File a Complaint

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

SUBMIT A REPORT ONLINE
www.OaklandAuditor.com/Whistleblower

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