

FISCAL YEAR 2013 ANNUAL REPORT



**CITY AUDITOR'S OFFICE
CITY OF GAINESVILLE, FLORIDA**

CITY AUDITOR’S OFFICE FISCAL YEAR 2013 ANNUAL REPORT

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INTRODUCTION

The City Auditor position was first established in 1979 as a Charter Officer of the City of Gainesville, reporting directly to the City Commission. The City Auditor is charged with assisting the City Commission in all its accountability functions and performing audits of City organizations, programs, functions and activities. The City Charter and a subsequent resolution regarding the City Auditor's responsibilities and administrative procedures establish the organizational status and independence of the City Auditor and provide for complete access to all City property, equipment, facilities, records and information. The City Auditor uses this access, independence and authority in performing his responsibility to carry on a continuous appraisal of the work of all City departments. The City Commission and the public need timely, objective, accurate information about what departments and programs are doing and how they could do them better. By providing this information, the City Auditor's Office helps to hold government accountable in its stewardship of the public trust and assists the City Commission and management in using resources to maximize effectiveness and productivity.

The mission of the City Auditor's Office is to promote honest, efficient, effective and fully accountable City government. Our goals include issuing audit reports in accordance with *Government Auditing Standards*, conducting objective studies to assist and improve decision making by the City Commission and management, and promoting efficiency, effectiveness and accountability for the City Commission, management, City employees and the public.

The major objective of the City Auditor's Office is to assist the City Commission and City management in the effective discharge of their responsibilities by furnishing them with analysis, appraisals, recommendations, counsel and information concerning the activities reviewed. Resolution 970187, City Auditor Internal Responsibilities and Administrative Procedures, requires the City Auditor to submit an Annual Audit Plan to the City Commission for approval. The process of preparing the Annual Audit Plan includes obtaining input from City Commissioners and Charter Officers as well as evaluating information gained from previous audits and studies performed by the City Auditor. The scope of audit work carried out by the Office may be concerned with any phase of City activities where service may be rendered to the City Commission or to management. This involves going beyond the accounting and financial records to obtain a full understanding of the operations under review and includes the following activities:

- Conducting financial, compliance and operational audits and preparing audit reports of findings and recommendations.
- Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information.
- Reviewing systems established to ensure compliance with those policies, plans, procedures, laws and regulations, which could have a significant impact on operations and reports, and determining whether the organization is in compliance.
- Reviewing the means of safeguarding assets and, as appropriate, verifying the existence of such assets.
- Appraising the economy and efficiency in which City resources are employed.
- Reviewing operations or programs to ascertain whether results are consistent with established objectives and carried out as planned.
- Performing other duties as may be assigned by the City Commission.

AUDITS COMPLETED DURING FISCAL YEAR 2013

Audits undertaken by the City Auditor's Office are typically identified in our Annual Audit Plan or result from direct referrals from the City Commission. Our audits are conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States, which provide an overall framework for ensuring that auditors have the competence, integrity, objectivity and independence in planning, conducting and reporting on their work. After discussing our reports with management and incorporating their written response to our recommendations for improvement, audit reports are presented to the City's Audit, Finance and Legislative Committee. The Committee submits final audit reports to the City Commission for approval. The following section summarizes audits completed during Fiscal Year 2013.

Review of General Fund Forecasted Revenues and Other Sources of Funds for the Fiscal Year Ending September 30, 2013

City Commission Resolution 970187, which governs the internal responsibilities and administrative practices of the Office of the City Auditor, requires an annual review of the City Manager's General Fund revenue estimates included in the budget. The City Auditor verifies the reasonableness of management's estimates and advises the City Commission of the results. We reviewed the forecasted General Fund Revenues and Other Sources of Funds set forth in the Fiscal Year 2012-2013 Final General Operating and Financial Plan Budget adopted by the City Commission on September 20, 2012.

Based on our review, we reported that the projected Fiscal Year 2012-2013 General Fund Revenues and Other Sources of Funds in the total amount of \$105,139,498, as adopted by the City Commission on September 20, 2012, are reasonable and can be relied upon as part of the Final General Government Financial and Operating Plan Budget. While we projected some revenue sources at a different level than the approved General Fund budget, we reported that the total value of these differences was not material in relation to the overall Fiscal Year 2012-2013 General Fund Revenues and Other Sources of Funds. The total estimated difference was approximately \$64,220 or 0.1% less than budgeted.

The specific differences were reflected in the detailed schedule of General Fund Forecasted Revenues and Other Sources of Funds for the Fiscal Year Ending September 30, 2013 and an accompanying Explanation of Differences. We noted that management continues to monitor the City's financial position throughout the fiscal year and makes adjustments as necessary. Monitoring reports are provided to the City Commission through the Audit, Finance and Legislative Committee on a quarterly basis, with any significant changes from budgeted figures discussed in committee.

Review of Combined Communication Center Expenses

In November 1999, the City of Gainesville, Alachua County and the Alachua County Sheriff entered into an interlocal agreement for a Combined Communication Center (CCC). The CCC was designed and sized to provide all participating emergency agencies with a single point for the receipt of emergency assistance requests and to eliminate duplicate facilities and systems while improving the delivery of emergency services. The CCC provides call servicing for Gainesville Fire Rescue, the Gainesville Police Department, the Alachua County Sheriff's Office, Alachua County Fire Rescue, the City of Waldo, the City of High Springs and the University of Florida Police Department. Waldo and High Springs reimburse the CCC using a formula established in the CCC interlocal agreement for small users, defined as a municipality with a population of less than 6,000. The University of Florida does not reimburse the CCC for expenses.

In accordance with our Annual Audit Plan, the City Auditor's Office completed a Review of Combined Communication Center Expenses. The primary objective of this audit was to provide the City Commission with reasonable assurance the City's share of expenditures is calculated in accordance with the terms of the ongoing CCC interlocal agreement between the City of Gainesville, Alachua County, and the Alachua County Sheriff. The procedures performed included reviewing the interlocal agreement for the CCC, reviewing relevant documents and data, interviewing General Government, Alachua County and Alachua County Sheriff staff members knowledgeable of or responsible for administering the interlocal agreement and drawing conclusions from the information reviewed.

Based on the results of our review, we reported that the City's share of expenditures for the period reviewed was calculated in accordance with the terms of the ongoing CCC interlocal agreement. We also provided two issues for the City, County and the Sheriff to consider for the next interlocal agreement, entitled Budgetary Communication and Right-to-Audit Clause, which will help provide greater transparency in the annual budget process and clarify the City of Gainesville's ability to access CCC financial and operational records.

Review of Community Redevelopment Agency (CRA) Capital Project Contracts

In accordance with our Annual Audit Plan, the City Auditor's Office completed a Review of CRA Capital Project Contracts. The primary objective of this audit was to evaluate and provide reasonable assurance that capital project contracts for CRA were adequately monitored and complied with. During our review, we interviewed key personnel, analyzed financial information and evaluated management controls. Our procedures included reviewing controls over contract awards, monitoring activities and payment processing. For testing, we selected high dollar capital project contracts with significant outside contractor activity that were completed or near completion. We obtained the contracts and purchase orders and ensured that terms were identified, tracked and invoices were paid for work performed or equipment received.

Based on the results of our review, we found elements of a strong internal control system in place that ensures projects are completed and in compliance with contract terms. A detailed set of policies and procedures guide CRA staff in performing their duties and provide appropriate accountability. However, we noted that opportunities exist to strengthen the monitoring of capital projects to provide greater consistency in contract compliance and to ensure that invoices provide adequate support. The report provided the following three conclusions and recommendations related to improving payment processing, direct and indirect expense allocation and budgeting controls, which will strengthen the overall process of monitoring CRA capital project contracts.

1. Improving Payment Processing and Expense Monitoring

We noted several instances of duplicate invoices and questioned costs during payment processing and concluded that, although CRA contract managers made reasonable efforts and amounts noted were not material, oversight improvements can be achieved in reviewing invoice details and project allocations. Ineffective controls over payment processing and reviewing invoices increases the risk of overpayment to vendors. We recommended controls over payment processing and monitoring project expenses be improved to reduce the risk of duplicate invoices and better match invoices to projects.

2. Improving Process of Allocating and Documenting Direct and Indirect Costs

We reported that efforts are needed to develop methodologies for calculating direct CRA cost allocations and improve supporting documentation to ensure that CRA funds are expended only for allowable purposes and activities directly related to CRA business and complying with Chapter 163, Florida Statutes. We also noted that indirect amounts charged to the CRA should be reviewed and

updated to ensure the indirect cost allocations remain equitable and realistic in proportion to the benefit provided. In particular, we noted that modifications to the City Attorney and Clerk of the Commission allocations were needed as CRA provides direct funding for those two departments and it appeared the schedule had not been adjusted for those costs. In addition, other indirect allocations such as professional fees and building use and maintenance should be reviewed for relevancy and to ensure that CRA funds are allocated on the basis of a beneficial or causal relationship between the expenses.

We recommended improved communications between CRA management, the Clerk of the Commission, City Attorney and Budget Office in:

- a) Developing an acceptable methodology for calculating and documenting CRA direct cost allocations, including all appropriate staff devoting direct hours to CRA activities, such as Legal Assistants, Executive Assistants, etc.;
- b) Improving supporting documentation for measuring direct hours to support that CRA funds are expended for only authorized purposes;
- c) Evaluating indirect costs allocations and consider developing an interagency services agreement in which the parties acknowledge what support services the CRA would need; and
- d) Updating program funding periodically to ensure indirect costing methods and allocations remain equitable.

3. Improving Budget Controls

We reported that the CRA has not historically submitted the budget in time to be included in the City Proposed Financial and Operating Plan approved by the City Commission. As a result, the CRA information in the adopted City budget is a placeholder of estimated numbers defaulting mostly to prior year amounts. City Finance staff then prepare budget transaction adjustments to include what the CRA actually adopts and provide the proper Debt Service amounts. The adjusted budget amounts are then reflected in the AMS financial system and reported on the First Quarter Amendatory Report presented to the Audit, Finance & Legislative Committee in January.

We recommended that CRA management continue developing and implementing procedures that address the current conflicts and prepare the budget sufficiently early enough to be included in the City Proposed Financial Operating Plan approved by City Commission in late September.

The CRA Executive Director agreed to implement each of our recommendations.

Review of Payroll System

In accordance with our Annual Audit Plan, the City Auditor's Office completed a Review of the Payroll System. The primary objective of this audit was to evaluate the system of management control over the processing of City payroll transactions in order to determine whether internal control practices are effective for properly recording, maintaining and managing payroll transactions and for ensuring that payroll transactions are accurate, authorized, approved and adequately monitored. Our procedures included interviewing key staff involved in the payroll and timekeeping process; observing operations related to payroll processing and employee sign-in procedures; reviewing management controls; testing selected samples of transactions and supporting documentation; and performing other procedures deemed necessary.

In order to test the primary categories of payroll transactions, samples included regular, overtime, retroactive and termination pay transactions. Testing was designed to determine whether employee and position information was accurate and to evaluate whether documents on file were complete, properly approved, accurate and monitored. We also evaluated internal controls to ensure that:

- employees receiving salary payments are valid and authorized,
- required data in the payroll system is complete and accurate, and
- employee payments and deductions are properly calculated, authorized and timely processed.

Based on the results of our review, we reported that there is general compliance with applicable City payroll, personnel and timekeeping practices in order to provide reasonable assurance that payroll transactions are accurate, authorized, approved and monitored. However, we identified several areas where opportunities exist for strengthening controls over the payroll system. The report provided the following recommendations related to improving the coordination and efficiency of payroll processing, optimizing IT technologies and achieving cost savings, modifying payroll reports, improving procedures related to new hires and rehired retirees, modifying payroll and timekeeping practices to reduce errors and improve the timeliness of wages paid, and improving collection procedures for terminated employee training costs:

1. Modifying Payroll and Timekeeping Practices to Reduce Errors and Improve the Timeliness of Wages Paid

We noted that, although some departments have automated time card systems, most payroll data entry is done manually by designated timekeepers into the Remote Time Entry (RTE) system, which is then uploaded to the AMS payroll system. Although controls over timekeeping system are generally adequate, we noted several areas where internal controls can be strengthened city-wide and in GPD.

We recommended management:

- Improve the filing and security of original source documents.
- Reinforce record retention and storage guidelines during Human Resources site visits and training sessions. Policies and guidelines for converting paper records for electronic document storage should also be considered.
- Modify GPD timekeeping practices to:
 - Ensure the transition to an automated payroll system is accomplished
 - Ensure a network of timekeepers is maintained and adequately trained
 - Ensure accuracy and compliance with contract rules for overtime
 - Improve the timeliness for payment of hours worked by adjusting the closing of payroll to reduce the lag in overtime payments and ensure payments are received as close to time earned as practicable
 - Reconcile timesheets for adjustments made after the pay periods
 - Enforce deadlines for turning in documentation
- Complete recalculations of GPD payroll errors for CWA covered positions and ensure compliance with Administrative Procedure 2a.
- Formally document pay guidelines for School Crossing Guards in the respective GPD and Human Resources procedure manuals, including any related personnel issues for absences, annual evaluations and wage increases.

2. Improving Procedures Relating to New Hires and Rehired Retirees

One objective of our review was to test the effectiveness of internal controls over new hires and ensure that all new hires are legitimate, properly authorized and accurately recorded in a timely manner. We reported that adequate controls exist in the payroll process to ensure that all new hires are legitimate, properly authorized and accurately recorded in a timely manner. Adequate separation of duties exists in the new hire process so that no one individual can control the process from start to

finish. The risk of fraud and placing someone on the payroll is low since responsibilities are divided among the hiring department, Human Resources, Risk Management and Payroll Divisions.

However, we recommended management improve existing controls and procedures over:

- a) Data input for unique and critical data such as social security information by periodically verifying employee SSN's using the online SSA's Employee Verification Service;
- b) Completing required state or federal employment eligibility forms on newly hired employees;
- c) Ensuring that all personnel requisition forms are accounted for, properly authorized and in compliance with City policies, procedures and guidelines and that Applicant Master Records are complete and consistently handled to ensure the integrity of the database and provide an adequate audit trail of all applicants;
- d) Injury leave procedures and timekeeper training to ensure time recorded is consistently handled; and
- e) Updating post retirement employment policies and procedures and any and all other related documents and forms to ensure compliance with IRS rehiring guidelines and avoid disqualification of the City's pension plans.

3. Improving the Coordination and Efficiency of Payroll Processing

More than 2,200 employees are typically paid during each of the City's 26 bi-weekly pay periods. Although information technology is highly relied upon in data entry and processing, payroll remains a highly intensive manual process requiring extensive coordination between operating departments and the Payroll Division. Timekeepers and Payroll staff must effectively work in tandem to ensure the payroll process runs efficiently. We noted that improved efforts are needed by department timekeepers and approvers to reduce the number of batches requiring corrective actions by Payroll. We recommended additional training for timekeepers and approvers to reduce errors and improve efficiency in the payroll processing process.

4. Improving Collection Procedures for Terminated Employee Training Costs

RTS hires driver trainees and incurs substantial expenses for trainees to become licensed Transit Operators and obtain a Commercial Driver License (CDL). Upon accepting the terms of employments, employees sign a "Transit Operator Trainee Contract" agreeing to repay the expenses if they voluntarily terminate City employment. We noted that final amounts due from City employees were not properly calculated and communicated to the trainee for purposes of repayment or other departments for future collection actions through billing or rehire.

We recommended management:

- a) Improve communications concerning the final results of employee final payment status and related documentation for recording and tracking amounts due;
- b) Formally notify employees upon termination of final amounts due and consider offering a payment plan if needed; and
- c) Flag employee records as ineligible for rehire until payments are received.

Management concurred with each of our recommendations for improvement.

Review of Stormwater Management Utility Revenues

The City of Gainesville first established the Stormwater Management Utility (SMU) Fund as an enterprise fund in Fiscal Year 1989. The City's Public Works Department administers the City's Stormwater Management Program, with monthly revenues collected from business and residential customers through the Gainesville Regional Utilities Billing and Collection system. Stormwater operating revenues are budgeted at approximately \$8.5 million for Fiscal Year 2013.

In accordance with our Annual Audit Plan, the City Auditor's Office completed a Review of Stormwater Management Utility Revenues. The primary objective of this review was to evaluate the system of management control currently in effect over billing and collecting for stormwater services. Our procedures included interviewing key personnel, observing operations, reviewing management controls, and testing selected samples of transactions and supporting documentation. Although our review has been completed, our report has not yet been finalized and reviewed with the various stakeholders in the process. Once our report is finalized, it will be submitted to the City Commission through the Audit, Finance and Legislative Committee process used for all of our audit reports.

Review of CDBG/HOME Funds

The City of Gainesville's Fiscal Year 2013 Financial and Operating Plan anticipates the receipt and expenditure of approximately \$1.3 million and \$0.6 million, respectively, within the City's Community Development Block Grant (CDBG) Fund and the Home Investment Partnership Grant (HOME) Fund. The CDBG Fund is used to account for unique requirements of an annual federal grant program used primarily to refurbish and rehabilitate deteriorated housing in target neighborhoods. The HOME Fund is used to account for grant funds received from a federal program created under Title II of the Cranston-Gonzales National Affordable Housing Act of 1990.

In accordance with our Annual Audit Plan, the City Auditor's Office completed a Review of CDBG/HOME Funds. The primary objective of this audit was to evaluate the system of management control over the CDBG/HOME funding process. Our procedures included interviewing key staff from the Housing & Community Development, observing operations, reviewing management controls and testing a selected sample of recipients who received CDBG and HOME grant funds with supporting documentation. We also reviewed previous findings issued by the Department of Housing & Urban Development and the City's external auditors Carr, Riggs & Ingram who have performed compliance and financial audits required by them. Although our review has been completed, our report has not yet been finalized and reviewed with the various stakeholders in the process. Once our report is finalized, it will be submitted to the City Commission through the Audit, Finance and Legislative Committee process used for all of our audit reports.

AUDITS IN PROGRESS AT END OF FISCAL YEAR 2013

Following is a summary of audit projects initiated, but not completed by the end of Fiscal Year 2013.

Review of GPD Property and Evidence Custody

The Gainesville Police Department (GPD) Property and Evidence (P&E) Unit is the central repository for all property and evidence seized through police operations. The P&E Unit is responsible for receiving, logging, maintaining and disposing of all items that enter its custody. Items received and maintained include high security items such as weapons, narcotics, jewelry and money; large items such as bicycles and cars; perishable and biohazard materials such as DNA samples and blood; homicide and sexual assault evidence; and other items of a more general nature. The P&E Unit is responsible for maintaining accurate inventory records and tracking the official chain of custody for each item, which is critical to proving the validity of evidence in trials. GPD uses an automated Records Management System (RMS) with a bar-coding system to input and track items.

The primary objective of this review is to evaluate the system of management control over items located in GPD's Property and Evidence Unit, assess the efficiency and integrity of the handling of all property and evidence and ensure compliance with the Commission for the Florida Law Enforcement Accreditation mandates (CFLEA). As part of our review, we will conduct interviews, test the inventory system for accuracy, evaluate chain of custody procedures and assess security.

Review of GRU Rebate Programs

GRU's Conservation Services Department administers rebate and conservation programs that introduce initiatives aimed to enhance energy efficiency through residential and commercial customers. GRU Rebate Programs are primarily funded through customer rates billed through the GRU service most closely related to the conservation program. Limited grant funding has been obtained to aid in awarding LEEP (Low-income Energy Efficiency Program) upgrades to eligible residential customers.

The primary objective of this review is to evaluate the system of management control currently in effect over GRU Rebate Programs. Effective October 1, 2013, several programs were suspended due to a surplus in capacity. Through interviews and testing, we will conduct reviews of individual conservation programs and analyze customer participation.

Review of Regional Transit Systems Revenues/Expenses

The City of Gainesville's Fiscal Year 2013-14 Financial and Operating Plan anticipates the receipt and expenditure of approximately \$23 million within the City's Regional Transit System. Over 50% of the operating revenues are related to services provided by the University of Florida and approximately 55% of the RTS operating expenses are related to personal services which have increased as a result of the expansion of service delivery. Annual ridership is expected to reach 10.8 million in FY 2014.

The primary objective of this audit is to evaluate the system of management control currently in effect over revenues and expenses. As part of our review, we will conduct interviews with key personnel, test operating and financial data for accuracy and document the results of our work.

FOLLOW-UP AUDITS

Follow-up audits are required by City Commission Resolution 970187 and by *Government Auditing Standards* and are conducted to determine the status of management's actions on specific City Auditor recommendations previously approved by the City Commission. In accordance with our Annual Audit Plan, we completed a Review on the Status of Outstanding Audit Recommendations. Our procedures were designed to provide reasonable assurance that management had adequately implemented recommendations previously made by the City Auditor's Office and approved by the City Commission. Generally, our procedures consisted of preparing a detailed listing of recommendations outstanding and obtaining and verifying evidence of corrective actions taken by management for each outstanding recommendation.

Summary of Results

We began the current period with 34 outstanding recommendations from 15 prior audits. The results of our review indicate management adequately implemented 9 of the prior period 34 recommendations, leaving 25 recommendations outstanding. An audit-by-audit summary of implementation progress follows.

2006 Pay Study Review

Management adequately implemented two recommendations made in our previous audit. This includes ensuring a "right to audit" clause was included in the contract executed with the City's contractor, Millman Incorporated, to perform the pay study. In addition, the contract included expectations for the consultant to define their sources and methods used to determine the appropriate cost of living and cost of labor. Millman used various sources to determine cost of labor in Gainesville as compared to the U.S. average. Millman then determined based on these sources that the cost of labor differential in Gainesville was approximately 95% of the U.S. average. Therefore, the national market data was adjusted down by 5%.

The remaining two recommendations were not yet completed at the time of the follow up process as the pay study was ongoing. After the pay study is finalized, management will have an opportunity to implement recommendations from our original review regarding slotting benchmark positions and adequately evaluating the long term cost and equity considerations.

Review of GPD Overtime

One recommendation remains open related to financial management controls over billable overtime processing. Since our original audit, management has significantly reduced staff costs related to administering the billable overtime process, increased billable overtime rates to cover associated costs, established a special revenue fund to better account for billable overtime revenues and expenditures, automated the overtime administration system, established an overtime committee and improved the process of revenue collection.

These activities initially resulted in the elimination of annual financial losses from billable overtime activities. However, the Billable Overtime Special Revenue Fund experienced losses during fiscal years 2011, 2012 and 2013. As a result, we will continue to monitor progress in correcting these deficiencies and hold this recommendation open for further evaluation of the accuracy and effectiveness of the billing and collection process associated with GPD billable overtime.

Review of Housing Performance Measures

Management has taken significant efforts to address a recommendation from this audit related to improvements in performance measurement data collection, documentation and reporting. Improvements include establishing written procedures detailing the job functions responsible for collecting, reviewing and reporting performance measurement data and preparing a Customer Service Survey to be used as a baseline for establishing on-going measurements of customer satisfaction levels. However, our remaining recommendation remains open to provide additional time to implement reporting elements that will facilitate more effective performance comparison with peer municipalities.

Review of GFR Inspection Fees

There are three recommendations that remain outstanding. The first recommendation was partially addressed through the implementation of a more equitable fee structure for fire inspection fees, based on building sizes, which was expected to recoup more of the City's expenses related to providing this service. This action resulted in approximately \$15,000 of increased fee revenues during Fiscal Year 2010, the first year of implementation. Since that time, revenue collected has declined from a high of approximately \$84,000 in FY 2010 to \$60,000 for FY 2013. Management indicated that the elimination of a staff assistant position and extended leave for another staff member contributed to the revenue decline. Additionally, there are continuing concerns regarding the collection of delinquent invoices and management anticipates having a collection agency in place before the end of FY 2013, which may reduce delinquencies and increase revenue collections. As a result of these issues, we will hold this recommendation open to provide additional time and information for better evaluating the effectiveness of this program.

The second recommendation was partially completed in previous years, however we will continue to hold open the portion of this recommendation related to the possibility of charging the costs of GFR inspectors working on First Step Center development reviews from the City's Florida Building Code Enforcement Fund, thus relieving the General Fund of the cost of providing this service. In the past few months a new Building Official was appointed and GFR will again pursue this with the City Manager.

GFR partially implemented our third recommendation through utilization of the Alachua County Property Appraiser's building data for square footage data utilized in calculating fire inspection fees. GFR has developed a flowchart of the fire inspection process that may be viewed online. However, further work is needed in documenting a policies and procedures manual detailing the fire inspection fee process, including the process of invoicing and collecting fire inspection fees, as well as consideration of assessing late payment fees for unpaid fire inspections.

Review of Landlord Permit Revenues and Driveway Parking Plans

Two of our original recommendations remain open. First, the Code Enforcement Division implemented a written operating policy for "Off Street Parking and Driveway Plans" which details the responsibilities of landlords and Code Enforcement officers related to the process of approving and maintaining parking areas. Additionally, during the landlord permit renewal process, Code Enforcement requires property owners to affirm that they understand the City's driveway plan requirements and will adequately maintain their driveway. Code Enforcement officers continue to actively monitor driveways that fall under the City's regulation on their regular patrols. However, our limited review of the current condition of driveway plans submitted indicated that additional efforts are needed to fully implement this recommendation and provide more reasonable assurance that property owners are in compliance.

The other recommendation, related to recommended improvements in performance measurement data collection, documentation and reporting will remain open to allow us to review the latest Code

Enforcement data submitted to the Florida Benchmark Consortium, expected to be released in the fall of 2013. Management will retain copies of the reports used to support the data so we may verify the accuracy.

Review of Affirmative Action Program

The Office of Equal Opportunity continues to make changes within their processes related to all four of our recommendations. While no formal response was provided by management, evidence of progress toward implementing some of the recommendations was noted. The Equal Opportunity Director held meetings with other Charter Officers to suggest input on monitoring employee movements for compliance with equal opportunity governance, and developing instruments to monitor adherence to equal opportunity laws, policies and procedures and other activities. All four of the recommendations will remain open.

Review of Building Code Enforcement Fund Revenues

Management has not adequately implemented our final recommendation concerning the security of credit card information and we remain concerned that past security breaches remain undetected. We observed that personal information remains readable in the “public access” portion of the City’s permitting portal. Personal information is required to be encrypted or blocked. The public disclosure of personal information violates Payment Card Industry Data Security Standards (PCI DSS) and non-compliance can result in fines and penalties for the City, as well as potential financial liability for banks and credit/debit cardholders.

Efforts are needed to remove personal information from all credit card transactions. A new management team took immediate action to begin identifying and thoroughly reviewing all prior credit card transactions to ensure that no personal information will be available in the City’s public portal. Current procedures have been modified to block out credit card data, re-scan forms into the portal and shred the original credit card data. We will allow management time to complete the review and follow-up on their efforts during the next audit cycle to determine the level of PCI DSS compliance and verify that the public posting of personal information no longer occurs.

Review of GRUCom Revenues

Management has now implemented the final remaining recommendation from this review through the completion of written administrative policies and procedures documenting key GRUCOM revenue processes and cross training employees.

Review of Solid Waste Collection Fees

Management successfully implemented one of the two remaining audit recommendations from our original report. Based on a recommendation from our original audit report, the City Commission approved a process to begin funding the total road maintenance costs associated with providing residential solid waste collection services from the Solid Waste Program. This action will result in the provision of an additional \$1.1 million annually for the City’s roadway pavement management program and will be phased in over a three year period beginning with Fiscal Year 2014.

Regarding our other remaining recommendation, the Solid Waste Division began billing the Gainesville Regional Airport in 2011 and GRU in 2012 for solid waste services received. These actions resulted in approximately \$100,000 in additional annual revenues for the Solid Waste Fund. Management is still developing the methodology for implementation and associated billing for General Government funds, which is expected to occur by 2015. We will hold open this final recommendation until the General Government billing methodology is complete.

Review of GRU Solar Feed in Tariff Application Process

Management has successfully implemented one of the two remaining recommendations from our original report. Our first recommendation related to Solar Feed in Tariff (FIT) application requirements and exceptions. Management transferred the administration of Solar FIT application processes to the GRU Purchasing Department, beginning with the supplemental lottery held in September 2011. For the supplemental lottery, the GRU Purchasing Department implemented an applicant notification process similar to what is used in competitive bidding processes. During the most recent Solar FIT lottery process, management evaluated the documentation requirements for applicants awarded the FIT Solar Energy Purchase Agreement (SEPA). This included providing the GRU Vendor Form and W9 within 10 days of the award. Previously this was required with the application. Additionally insurance documents are now required prior to executing the SEPA. This lessens the initial financial costs for applicants in the event they are not awarded a SEPA.

Our final recommendation, regarding City employee and official eligibility to participate in the GRU Solar FIT program, has not yet been implemented. Management determined that it is not desirable for City of Gainesville/GRU employees to be eligible for the program. Administrative Guidelines 8.29 - Solar Electric Photovoltaic Feed-in-Tariff is currently being revised for the next Solar FIT application process. When completed, the draft will be submitted to the GRU General Manager and Utilities Attorney for review and approval. We will hold this recommendation open until the final Administrative Guideline is approved.

Review of Miscellaneous Cash Receipts and Expenses

The Parks, Recreation, and Cultural Affairs Department successfully implemented our original recommendation for improvements in financial controls related to the City's Downtown Festival and Art Show (DFAS). Management previously ceased the internal creation of vendor invoices, instead providing vendors with a template invoice when requested, and has implemented a control requiring vendor signatures prior to processing invoices for payment. Management previously improved the process of reconciling DFAS revenues received to total funds deposited and anticipated revenues. Staff enters revenue data into the ActiveNet accounting system and compares revenues received to anticipated revenues entered into the DFAS software system. A clerk now compares periodic or total revenues in ActiveNet to the City's accounting system. This recommendation has been implemented and will be closed.

Review of GRU Capital Project Contracts

Our remaining recommendation focuses on strengthening the contract review processes for GRU capital project contracts. The enhanced process would provide contract managers with tools or checklists to ensure all elements set forth in a contract are in compliance, adequately documented and accurately calculated on invoices submitted. GRU management continues to evaluate implementation of recommended improvements and hopes to have this recommendation implemented during Fiscal Year 2014.

Review of GRU Information Technology Disaster Recovery

Management has successfully completed all three recommendations from our original audit. For the first recommendation, management developed a written training program with guidelines for staff to perform a simulated disaster recovery. The plan details an event, defines roles to be played by staff and establishes a command center. Two training sessions were conducted with staff in February and May prior to the start of hurricane season. Management also amended visitor sign-in logs to ensure data center visitors can be easily documented.

The final recommendation was related to ensuring the correction of all broken or incomplete links within the “Data Recovery Plan” document. GRU Information Technology staff took steps to correct all broken or incomplete links prior to our issuance of the original report.

Review of Ironwood Golf Course Revenues

Our original report had six recommendations. Although some progress has been made, none of the recommendations have been fully implemented. The first recommendation was related to strengthening internal controls over Ironwood cash receipting and recording. We found in a limited sample one employee signed into the cash register system with another employee’s sign on password. Starter sheets were not reconciled to the point of sale daily report to ensure green fees and complimentary rounds were properly recorded. Additionally, we found an undocumented \$90 overage.

Management made some progress related to our second recommendation regarding the timeliness of daily cash reports and deposits. Approximately 60% of cash reports were completed 4 to 8 days after the close of business. This compares to 70% in our initial report that ranged from 4 to 16 days. Courier pick up frequencies were reduced to within 4 days of the cash report preparation. Several daily deposits were included in courier pickup but could not be matched to the deposit slips since these were not individually recorded on the courier ticket. Further improvement is needed before we close this recommendation.

For our third recommendation regarding surcharge fee collection, we continued to find discrepancies between green fee rounds, surcharges recorded and revenue collected. We found the surcharge fees did not appear to record \$5 for each round. Additionally, we found potential surcharges may not have been applied to all green fees recorded. No reconciliation was performed to determine if these were related to complimentary rounds.

Our fourth recommendation regarding gift cards was partially completed. Management took steps to ensure these are recorded in sequential order and maintained in a secure location. However, the policies and procedures manual for the golf course needs to be updated to include a section regarding the control of gift cards. Management also needs to periodically run the EZ Links gift card report to ensure that cards are not reactivated or purchased out of sequence.

The fifth recommendation regarding internal controls over complimentary rounds also remains open to allow more time to compare the number of complimentary rounds to paid green fees and develop long term trends. However, complimentary rounds remain a significant portion of total rounds played and are not reconciled or tracked to the daily cash report or starter sheets. Also, coupons/passes used are not maintained for tracking purposes with the daily cash reports.

The final recommendation was partially completed. Management updated the policies and procedures manual, however some items were not updated or were eliminated entirely. This includes management running gift card reports to review for sequence breaks or reissuance. Also, parameters or guidelines for cashiers’ overages/shortages are no longer included in the procedures manual. The previous entry included specific steps if cashiers exceeded a specific dollar amount. We believe that some type of guidelines should continue to be included for handling cash overages/shortages.

Review of GRU Billing and Collection

Management took steps towards implementing our two remaining recommendations. For the first recommendation, related to controls over billing adjustments, management implemented training and written procedures to improve processes related to editing implausible readings. However, steps toward generating edit reports and financial summary reports, as well as enhancing monitoring over adjustments, have not yet been completed and will be reviewed further during our next follow-up period.

Our second recommendation, related to labeling bill files appropriately and completing supervisory reviews, has not been adequately implemented and will remain open. Although management has instituted an automated process so that only files that have nominal time indicators within the past hour are sent, GRU is still evaluating two possible automated processes to label bill files appropriately.

Future Follow-up Reviews

The recommendations still outstanding, along with new audit recommendations approved by the City Commission since the start of this follow-up process, will be submitted to the appropriate Charter Officers to determine the current status of remaining recommendations. We will report the results of that process to the City Commission through the Audit, Finance and Legislative Committee.

SPECIAL PROJECTS AND OTHER ACTIVITIES

The City Auditor's Office performs services other than audits throughout the year, such as coordinating external audits, coordinating and preparing the Audit, Finance and Legislative Committee agenda, reviewing agenda items submitted to the City Commission and consulting with management or the City Commission on specific financial or operational questions. The Office also completes administrative activities necessary to maintain and improve the quality of our services and our professional standing in the practice of government auditing. The following section provides a summary of these activities during Fiscal Year 2013.

External Audit Contracts

In accordance with Section 6(b) of Resolution 970187, City Auditor Responsibilities and Administrative Procedures, the City Auditor is responsible for coordinating all financial audits of the City conducted by Federal auditors, State auditors or certified public accounting (CPA) firms. Florida Statutes section 218.39 and Gainesville Code of Ordinances section 2-433 require the City Commission to employ independent certified public accountants, not connected with the government of the City, to audit the accounts maintained and the financial statements prepared by the City for each fiscal year.

During Fiscal Year 2009, the City Auditor's Office coordinated a competitive process which included an evaluation of proposals submitted by qualified external CPA firms to conduct the annual financial audits for the City of Gainesville. Based on this process, the City Commission approved the ranking of the proposals received for external auditing services and authorized professional services contracts with the top-ranked firms for the General Government and GRU segments for a period of five years beginning with the Fiscal Year 2009 audit. Contracts with the top ranked firms were later negotiated and executed by the City Auditor and are in place through Fiscal Year 2013.

Fiscal Year 2012 Financial Statements, Independent Auditors' Reports and Management Letters

During Fiscal Year 2013, in accordance with the City's contracts for external auditing services with Carr, Riggs & Ingram, LLC and Ernst and Young, Certified Public Accountants, the following reports were presented by the City Auditor to the Audit, Finance and Legislative Committee for review:

1. The Basic Financial Statements, Supplemental Information and Independent Auditors' Report, Management Letters and Single audit Reports of the City of Gainesville, Florida for the Fiscal Year Ended September 30, 2012; which were presented in the City's Comprehensive Annual Financial Report;
2. The Financial Statements, Supplemental Information and Independent Auditors' Report of Gainesville Regional Utilities for the Fiscal Year Ended September 30, 2012;
3. The Financial Statements and Independent Auditors' Report on the Wild Spaces and Public Places (WSPP) Funds of the City of Gainesville, Florida for the Fiscal Year Ended September 30, 2012;
4. The Financial Statements and Independent Auditors' Report on the Community Redevelopment Agency (CRA) Funds of the City of Gainesville, Florida for the Fiscal Year Ended September 30, 2012;
5. The Financial Statements and Independent Auditors' Report on the Employees' Pension Fund of the City of Gainesville, Florida for the Fiscal Year Ended September 30, 2012;
6. The Financial Statements and Independent Auditors' Report on the Consolidated Police Officers and Firefighters Retirement Plan of the City of Gainesville, Florida for the Fiscal Year Ended September 30, 2012;

7. The Financial Statements and Independent Auditors' Report on the Disability Pension Fund of the City of Gainesville, Florida for the Fiscal Year Ended September 30, 2012; and
8. The Financial Statements and Independent Auditors' Report on the Other Postemployment Benefits Fund of the City of Gainesville, Florida for the Fiscal Year Ended September 30, 2012.

In the opinion of the independent auditors, the financial statements referred to in items 1 through 4 above presented fairly, in all material respects, the financial position and changes in financial position of the City, GRU and the City's WSPP and CRA Funds for the year ended September 30, 2012, in conformity with generally accepted accounting principles. In the independent auditors' opinion, the financial statements referred to in items 5 through 8 above presented fairly, in all material respects, the net assets and changes in net assets held in trust for benefits for the year ended September 30, 2012, in conformity with generally accepted accounting principles.

As part of the audit process the independent auditors issued "management letter comments" along with several other reports related to internal control structure; compliance with certain provisions of laws, regulations, contracts and grants, and internal control structure and certain requirements applicable to federal and state financial assistance programs. These reports were presented within item 1 above under the heading of "Single Audit Section." The auditors' management letters and internal control reports over financial reporting related to General Government and Gainesville Regional Utilities both indicated that there were no recommendations in the current year. The auditors' also reported no recommendations related to their review of the City's federal grant programs.

In accordance with Section 6(b) of Resolution 970187, City Auditor Responsibilities and Administrative Procedures, the City Auditor reviewed the attached statements and reports to ensure that contractual terms had been fulfilled and transmitted these reports to the City Commission for acceptance.

City Commission Referrals and Management Requests for Assistance

Through the completion of a wide variety of audits over time, the City Auditor's Office develops a broad understanding of the activities and interactions of City operations. This unique perspective allows the Office to assist the City Commission and management by providing consultation on certain key issues which arise during the year. During Fiscal Year 2012, assistance and counsel was provided to the City Commission and management in a variety of areas, including the following:

- Road Maintenance Costs Associated With Providing Solid Waste Collection Services – In August 2011, the City Commission accepted the City Auditor's report related to a Review of Solid Waste Collection Fees and authorized the Audit, Finance and Legislative Committee to retain Issue #3 from the report, regarding Road Maintenance Costs, in committee for further discussion. Issue #3 included a recommendation for management to evaluate the methodology established in 1993 to calculate road maintenance costs associated with providing solid waste collection services and to determine if annual allocations should be increased to reflect current cost factors and inventory of residential streets. During Fiscal Year 2013, the City Commission approved a recommendation from the AFLC to phase in over a 3 year period accounting for the total cost of roadway pavement management for the Solid Waste Program beginning with Fiscal Year 2014 and to implement a process of periodically adjusting the solid waste rates after the 3 year transition to keep up with identified costs. As a result of the City Auditor's recommendation and resulting City Commission action, \$1.1 million in additional recurring annual funding for pavement management is being phased in during Fiscal Years 2014, 2015 and 2016. The 3 year transition is being funded through planned biennial rate increases proposed in the budget and through anticipated savings from extending the City's WCA contract.

- Charter Review Process – Based on a recommendation from the Audit, Finance and Legislative Committee, the City Commission scheduled a series of special City Commission meetings and public forums during Fiscal Year 2013 to provide opportunities to review and discuss the City’s Charter and evaluate possible changes. In July 2013, the City Commission received an overview of the City’s Charter from the City Attorney’s Office and asked for future presentations on the following issues:
 1. Background information regarding the Hogtown Greenway Charter language;
 2. Background information regarding the proposed March 2013 Charter amendment on City elections;
 3. Information regarding 4/5th’s vote requirements or any possible scrivener’s errors in the Charter;
 4. Charter Officer roles and responsibilities established in the Charter; and
 5. Information on forms of municipal government.

The City Auditor was assigned the task of coordinating this process and provided presentations for items 2, 4 and 5 above.

- GREC Right of First Offer (ROFO) Option Analysis and Negotiation Process – In September 2013, after completing an extensive arbitration process during the previous 8 months and being notified of GREC’s intent to sell the 100MW Biomass Power Plant, the City Commission directed the City Auditor, City Manager and City Attorney to constitute a committee responsible for advising and informing the City Commission as to the financial impact on the City of exercising ROFO rights. Over the next several months, the City Auditor and members of his staff, participated in multiple private and public meetings regarding the ROFO option, and conducted independent fact finding, information gathering and analysis of the impact of recommendations being developed.

Ultimately, the City Commission authorized City Staff to exercise its right of first offer (ROFO) to purchase the Plant at a price of \$400 million. The City Auditor participated in meetings where the City’s offer was presented to and negotiated with GREC. Conclusions from this process reported to the City Commission indicated that there were no terms and conditions at the City’s authorized purchase price of \$400 million acceptable to GREC. The City Commission made no further offers, but added to the City’s Federal legislative agenda pursuit of legislation and/or regulations that would remove the disadvantage for municipal utilities to acquire eligible renewable energy projects that were funded in part by a 1603 grant.

- GRU Brownfield Tax Credit Assistance – During 2011, the City Auditor, based on his previous involvement in the process of the City selling Florida Tax Credit Certificates received through incurred Brownfield cleanup expenses, advised GRU staff involved with the GRU portion of the remediation project at Depot Park of the State of Florida Brownfield Tax Credit program. As a result, GRU submitted a Voluntary Cleanup Tax Credit (VCTC) application to the Florida Department of Environmental Protection (FDEP) for over \$1 million in expenses incurred related to the MGP Remediation project completed at Depot Park. FDEP approved GRU’s Depot Remediation VCTC application for \$500,000, which is scheduled to be issued in July 2014.
- Early Voting Sites – The City Auditor helped facilitate discussions regarding a City Commission referral to the Audit, Finance and Legislative Committee regarding the issue of supporting an early voting site on the UF campus, and one additional site within the City. The Audit, Finance and Legislative Committee discussed this issue in August and September 2013, receiving input from several City Commissioners, the Alachua County Supervisor of Elections, the Clerk of the Commission, the City Attorney, the City Auditor and numerous interested citizens.

The City Commission accepted the Committee's recommendations to proceed with actions necessary to expand early voting sites for the Spring 2014 municipal elections to include the Supervisor of Elections site, the Millhopper Branch Library and a yet to be determined location on the UF Campus, taking into account any legal or logistical barriers, which could include for the 2014 election cycle, that the Reitz Union is currently undergoing major construction and that early voting for the March 11th election date would be during the University of Florida Spring Break unless the usual early voting dates were modified.

- County Commission on Regional Utilities Committee (RUC) – Based on a referral from the City Commission, the Audit, Finance and Legislative Committee discussed this issue and reached consensus that since certain areas of the county are served by Gainesville Regional Utilities that an ex-officio member from the Alachua County Commission, with voting privileges, would be appropriate to add to the RUC. The City Commission accepted the Committee's recommendation and directed the City Attorney to draft changes to City Commission rules to provide for a fourth member of RUC who would be provided from the Alachua County Commission.
- Gainesville Chamber of Commerce Recommendations for Small Business – Based on a referral from the City Commission, the Audit, Finance and Legislative Committee discussed recommendations generated from the Chamber of Commerce report, "Growing your Small Business in Gainesville: A Conversation with City Leaders." The Committee indicated that it was comfortable with the recommendations and their designation as either policy or administrative in nature and then their assignment to various City staff for implementation over time. Staff began working on implementation and several of the recommendations have either been addressed or are in the process of being addressed.
- Compensation Study – During Fiscal Year 2013, the City Auditor participated with other Charter Officers in evaluating the results of the Compensation Study regarding total compensation for all job classifications within the City of Gainesville. Final results of the study were presented to the City Commission during a workshop in early Fiscal Year 2014 with Charter Officer recommendations that the City Commission take no action to accept or implement the Milliman Compensation Study Report or their recommendations given our current financial constraints, and to authorize staff to continue addressing, on a case-by-case basis, critical pay matters in accordance with existing policy.
- City Commission Emails on the Internet Referral – Based on a referral from the City Commission and resulting discussions during Fiscal Year 2013 within the Audit, Finance and Legislative Committee, the City Commission approved moving forward with a process of providing public access to City Commissioner emails and directed staff to conduct a test phase of the process to ensure that proper steps are taken to remove any confidential information from emails before they are made accessible.
- Advisory Board Attendance Appeals – In February 2012, the City Commission considered the appeals of several advisory board members who did not meet minimum attendance requirements and referred this item to the Audit, Finance and Legislative Committee. Staff of the City Auditor's Office worked with the Clerk's Office, City management, as well as various advisory board and staff liaisons to review the current attendance requirements, including the appeals process, and to provide recommendations for enhancing this process. During Fiscal Year 2013, these efforts resulted in revisions to City Ordinance section 2-247, "Removal from office," for quasi-judicial, administrative and advisory boards providing for a modest number of excused absences per year that would not count against the board members' overall attendance record for the purposes of removal from office, to clarify what constitutes "attendance" and to eliminate the current appeal process for advisory board members.

- 2013 Canvassing Board – Chapter 9 of the City Code of Ordinances establishes a 3 member Canvassing Board for all City elections, to be chaired by the Mayor, Mayor Pro Tem or a member of the City Commission. If the Mayor, Mayor Pro Tem or a member of the City Commission is unable to serve, then the City Auditor or his designee serves in that capacity. During the Spring 2013 City election, the City Auditor served in this role, attending multiple meetings to canvass the election and runoff election returns and to declare the results of the election.
- FDOT Certification Letter – During Fiscal Year 2013, the City Auditor received a request for assistance from RTS and Finance Department management in providing independent CPA certification to the Florida Department of Transportation (FDOT) of the RTS service rate used in Joint Participation Agreements with FDOT for RTS grant funding. Staff indicated that FDOT was holding up future grant funds until the certification was received. The City Auditor worked with the City’s external auditor to obtain a certification statement acceptable to FDOT at no additional cost to the City of Gainesville.
- Miscellaneous AFLC Referrals – Other referrals addressed during Fiscal Year 2013 included City Commission Candidate Qualification Process, Community Grant Requirements, Sales Tax Rebate, Solid Waste Can Sizes and Risk in the Urban Forest Referral.
- Personnel Policies – The City Auditor continues to serve on an ad-hoc committee of the Charter Officers providing technical advice to the Human Resources Department regarding development of updated personnel policies and procedures.
- Purchasing Policies – Based on our previous audits of General Government and GRU purchasing processes, the City Auditor’s Office continues to provide requested technical advice to management regarding implementation of the City’s Purchasing Policies and Procedures and controls related to utilization of procurement cards.

Hotline Processing

One of the goals of the City Auditor’s Office is to prevent and detect fraud, waste and abuse in government activities. Among the programs maintained by the Office in these efforts is our “Hotline”. Hotline inquiries may be initiated by phone, e-mail, regular mail or personal visit from City officials, employees, employee groups or citizens. Depending on the nature of the inquiry or allegation received, an investigation may be initiated, generally after consultation with the appropriate Charter Officer. During Fiscal Year 2013, we received and processed several hotline inquiries or allegations.

City Commission Agenda Review

The City Auditor’s Office performs cursory reviews of agenda items submitted to the City Commission during the fiscal year, periodically recalculating financial impacts and monitoring compliance with purchasing policies and procedures, to the extent possible. Any questions or concerns are communicated informally to appropriate management staff for further clarification or correction, when necessary, resulting in improved accuracy of information presented to the City Commission.

Quality Control/Peer Review

The City Auditor’s Office conducts all audits in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. These standards are broad statements of auditors’ responsibilities and provide an overall framework for ensuring that auditors have the competence, integrity, objectivity and independence in planning, conducting and reporting on their work. *Government Auditing Standards* require the City Auditor’s Office to have an appropriate internal quality control system in place and to undergo an external quality control review at least once every three years.

The Association of Local Government Auditors (ALGA) has an established peer review program intended to assist member organizations in their efforts to comply with *Government Auditing Standards*. The City Auditor's Office complies with all applicable auditing standards, has established appropriate policies and procedures to ensure internal quality control and has completed required external quality control reviews every three years since 1996. Each peer review team has reported that audits conducted by the City Auditor's Office complied with *Government Auditing Standards*. The most recent Quality Control Review report, issued in January 2012, can be found on our website (www.audigators.org) along with our policies and procedures, audit reports issued, staff profiles and other information.

Audit Survey Results

Upon completion of each audit, the City Auditor's Office provides an Audit Services Survey to appropriate representatives of the department audited. The survey provides management an opportunity to voice any concerns regarding the manner in which the audit was conducted, the courtesy and professionalism demonstrated during the audit and whether or not conclusions and recommendations resulting from the audit were constructive and practical. The questionnaire also requests information on the "value added" to the operation through the audit process. The City Auditor reviews these completed questionnaires and makes administrative adjustments to audit practices as necessary.

Professional Development

During Fiscal Year 2013, the City Auditor's staff consisted of three professional auditors and one half-time Executive Assistant. Staff of the City Auditor's Office possess an array of educational backgrounds including a Masters degree in Public Administration, two Bachelor of Science degrees in Accounting, one Bachelor of Business Administration degree in Marketing and one Bachelor of Arts degree in Economics and Management. Professional certifications include two Certified Public Accountants, two Certified Internal Auditors, two Certified Government Audit Professionals, two Certified Fraud Examiners, one Certified Internal Control Auditor and a Certification in Risk Management Assurance. Generally accepted governmental auditing standards require professional staff to obtain 80 hours of continuing professional education during a two-year period. All professional staff are in compliance with continuing professional educational requirements.

Staff of the City Auditor's Office maintain memberships in several professional associations. Current affiliations include the Association of Local Government Auditors, American and Florida Institutes of Certified Public Accountants, Institute of Internal Auditors, Association of Certified Fraud Examiners, Florida Government Finance Officers Association and the Florida Audit Forum. The City Auditor maintains a consistent commitment to local government auditing and the professional development of staff. Aside from association committee meetings, workshops and conferences, staff members make it a point to periodically participate in peer reviews of other local government audit agencies. The benefits of involvement in this process are many as participants gain a fresh perspective on the best practices of auditors from across the nation.

The City Auditor currently serves as the Treasurer and as a board member of the Florida Audit Forum, an organization of federal, state and local governmental auditors within the State of Florida. The mission of the Forum is to provide government audit professionals and other interested parties a unique opportunity to identify and address issues of mutual and common concern and to improve the communication links to share experiences, audit approaches and possible solutions to issues addressed. Staff members within the City Auditor's Office currently serve as Past President and Secretary of the North Central Florida Chapter of the Institute of Internal Auditors and as a member of the Survey Committee of the Association of Local Government Auditors.