

Clerk File No. 23254

Reappointment and Oath of Office of David G. Jones as City Auditor, for a term from December 14, 2013 to December 13, 2017.

# The City of Seattle – Legislative Department

Clerk File sponsored by: 

## Committee Action:

Date	Recommendation	Vote
9/20/2013	Confia	SC NL 2 - 0 - 0

Related Legislation File: \_\_\_\_\_

Date Introduced and Referred: 9.3.13	To: (committee): Government Performance and Finance
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action: 9/30/13	Disposition: Confirmed

This file is complete and ready for presentation to Full Council. \_\_\_\_\_

## Full Council Action:

Date	Decision	Vote
9/30/13	Confirmed	9-0



**Legislative Department  
Seattle City Council  
Memorandum**

**Date:** August 14, 2013  
**To:** All Councilmembers  
**From:** Councilmember Tim Burgess  
Chair, Government Performance and Finance Committee  
**Subject:** Reappointment of City Auditor David Jones

I am writing to recommend that City Auditor David Jones be reappointed to serve a second four-year term. His leadership of that office over the past four years has led to a steady expansion of its performance audit capabilities and has moved City government as a whole further in the direction of program evaluation and evidence-based practices. The work performed by his office allows the City to conduct its daily business more effectively and at a lower cost to the taxpayers.

David's work style is very collaborative, but he is also willing to hold departments accountable to the shortcomings his auditors reveal. In 2010, the Office of City Auditor began issuing annual reports on the implementation status of all of their audit recommendations. These reports are available online and provide valuable transparency to those who want to know how City departments have responded to an audit's findings.

In the attached letter of interest and résumé, you will find a longer list of David's accomplishments and experience.

David's current term expires on December 14, 2013, but the Municipal Code requires the Council to act on the Auditor's reappointment 45 days prior to this date. Since we will be entering our budget deliberations soon, the Government Performance and Finance Committee will first consider this appointment on September 4 and hold a second meeting and possible vote on September 18.

My office will be compiling questions for David in this reconfirmation process and, should the Committee signal intent to proceed with the reappointment, draft a letter of expectations for his second term. If you would like to contribute questions or comments, please send them to Nate Van Duzer at [nate.vanduzer@seattle.gov](mailto:nate.vanduzer@seattle.gov).

**City of Seattle  
Notice of Appointment**

<b>Name:</b> David G. Jones		<input type="checkbox"/> Executive Appointment <input checked="" type="checkbox"/> Reappointment <input checked="" type="checkbox"/> Legislative Appointment <input type="checkbox"/> Agency Appointment <input type="checkbox"/> PDA Council <input type="checkbox"/> PDA Constituency
<b>Residential Neighborhood:</b> Green Lake	<b>Zip Code:</b> 98103	<b>Contact Phone No.:</b> 206-233-1095
<b>Appointed to:</b> City Auditor		<b>Date of Appointment:</b> September 23, 2013
<b>Authority (Ord., Res.):</b> Ordinance 122180		<b>Term of Office:</b> <b>From:</b> December 14, 2013 <b>To:</b> December 13, 2017
<p><b>Background:</b>  David G. Jones has worked successfully for 28 years as a government performance auditor and for 23 years as a supervisor or manager of auditors. He has performed or supervised all aspects of the audit process, including planning audits, performing and supervising audit fieldwork and analysis, writing and reviewing draft reports, and making presentations to the City Council and the public. He was appointed to a four-year term as Seattle's City Auditor in December 2009.</p>		
<b>Authorizing Signature:</b> 		<b>Name and Title of Officer Making Appointments:</b> Majority of the City Council



**CITY OF SEATTLE - STATE OF WASHINGTON  
OATH OF OFFICE**

**STATE OF WASHINGTON**

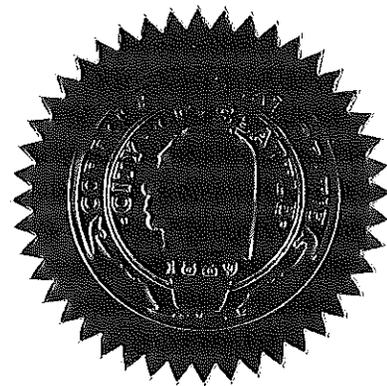
**COUNTY OF KING**

**I, David G. Jones, solemnly swear that I possess all the qualifications prescribed in the Seattle City Charter for the Office of City Auditor of the City of Seattle; that I will support the Constitution of the United States, the Constitution of the State of Washington, and the Charter and Ordinances of the City of Seattle; and that I will faithfully conduct myself as City Auditor.**

**David G. Jones**

**Subscribed and sworn to before me  
this 30<sup>th</sup> day of September, 2013**

**Emilia M. Sanchez, Deputy City Clerk**



**David G. Jones, CGFM, CIA, CISA**  
**davidg.jones@seattle.gov**  
**(206) 233-1095 (work)**

## **PROFESSIONAL EXPERIENCE**

City Auditor, Office of City Auditor, Seattle, Washington, December 2009 -- Present.

- Appointed by the Seattle City Council to a four-year term after a national search. Responsible for directing and prioritizing all audit activities; developing the office work plan and annual budget; hiring, evaluating and assigning staff; ensuring quality and relevant work products to meet requesters' needs; maintaining compliance with Government Auditing Standards; making presentations to Seattle City Councilmembers; and responding to inquiries from the public and media. Expanded the office's use of data mining software, statistical analysis, information security reviews, and work with consultants. Served as Acting City Auditor from April 2009 to December 2009.

Deputy City Auditor, Office of City Auditor, Seattle, Washington, January 1998 -- March 2009.

- Assisted the City Auditor with the supervision of the seven assistant auditors, administrative staff, consultants, and interns. Responsible for performing quality assurance reviews of draft reports; making presentations to councilmembers, professional associations, and citizen groups; assisting with development of the office work plan, annual report, and budget materials; writing performance evaluations of office staff; developing and updating the office's policies and procedures; preparing annual office staff assessment of the City Auditor, as required by the City Council; participating in hiring and personnel activities; overseeing work related to internal control and information technology; and coordinating and preparing for external peer reviews.

Supervisory Auditor, Office of City Auditor, Seattle, Washington, April 1996 -- December 1997.

- Served as the lead auditor of four published audit products. Responsible for supervising audit staff, participating in hiring and personnel activities, and making presentations to the City Council on my reports. Assisted with development of the office work plan. Implemented the office's use of the Control Self-Assessment (CSA) audit technique.

Supervisory Auditor, U.S. General Accounting Office (GAO), Washington, D.C., October 1990 -- April 1996.

- Planned and supervised the completion of four audit projects of sensitive U.S. government programs and contributed to the congressional testimony on a fifth program. Two of these audits were cited for their significance and quality in the U.S. Comptroller General's annual reports for 1994 and 1995.

Staff Auditor, U.S. General Accounting Office (GAO), Washington, D.C. and Panama City, Republic of Panama, August 1985 -- September 1990.

- Performed audit research and drafted reports, including drafting a report on a \$17.7 million children's health program. Made significant contributions to ten other audits on topics ranging from information management systems to the effectiveness of U.S. narcotics enforcement programs. Earned the Outstanding Achievement Award for contributions to studies that prompted improvements in the Interstate Commerce Commission's enforcement program and identified \$1.4 billion in reductions to the U.S. Navy's 1987 ship building budget.

## EDUCATION

Master of Public Policy – John F. Kennedy School of Government, Harvard University, Cambridge, Massachusetts, June 1985.

Bachelor of Arts (History) – Haverford College, Haverford, Pennsylvania, May 1978.

## AWARDS

Association of Local Government Auditors (ALGA) 2010 Knighton Bronze Award for Report by Medium Size Audit Office

Supervisor for July 28, 2010 report: *Anti-Graffiti Efforts: Best Practices and Recommendations*.

Association of Local Government Auditors (ALGA) 2007 Knighton Silver Award for Report by Medium Size Audit Office

Supervisor for August 6, 2007 report: *Seattle Indigent Public Defense Services*.

Distinguished Faculty Member of Institute of Internal Auditors (IIA) Seminars Program

Named Distinguished Faculty Member in January 2001 for high level of performance in teaching courses on audit report writing, risk assessment, control self-assessment, interviewing techniques, and skills for new supervisory auditors.

GAO Exceptional Performance Bonus Awards, December 1993 and January 1995

For role as Auditor-in-Charge on major reports on the U.S-Israel Arrow missile program and the U.S.-Japan FS-X aircraft program.

GAO Assistant Comptroller General Exceptional Performance Commendation, April 1992

For quickly providing the Senate Foreign Relations Committee with information needed for deliberations on military assistance to El Salvador.

GAO Assistant Comptroller General Letters of Commendation, May 1990

For contributions in 1989 and 1990 to reviews of Central American refugees and U.S. programs in Belize under extremely short time frames and stressful conditions.

U.S State Department Superior Honor Award, June 1988

For sustained superior performance with GAO's Latin America office throughout the June 1987 to June 1988 political and economic crisis in the Republic of Panama.

Letters of Commendation, January 1987

From Congressman Bill Chappell and the U.S. Comptroller General for significant assistance provided to the congressional review of the Department of Navy's fiscal year 1987 budget request.

GAO Washington Regional Office Outstanding Achievement Award, October 1986

For outstanding performance during audits of the Interstate Commerce Commission and the U.S. Navy.

## **ADDITIONAL EXPERIENCE**

### **Certifications:**

- Certified Internal Auditor (CIA) from the Institute of Internal Auditors (IIA)
- Certified Government Financial Manager (CGFM) from the Association of Government Accountants (AGA)
- Certified Information Systems Auditor (CISA) from the Information Systems and Control Association (ISACA)

### **Memberships:**

- Association of Local Government Auditors (ALGA) Advocacy Committee, advocate for the establishment and support of local government auditing.
- Former member of the National Association of Local Government Auditors (NALGA) Peer Review Committee and leader of three NALGA peer review teams (reviewed operations of audit offices in Multnomah County, Oregon; Stockton, California; and Austin, Texas). At the request of the King County Auditor, headed the team that performed the peer review of her office in December 2004.
- Member of 2005 King County Auditor Reappointment Committee.

### **Presentations (invited to speak on audit-related topics):**

- Pacific Northwest Intergovernmental Audit Forum
- American Society for Public Administration
- OLGA (a Scandinavian local government auditors association)
- Washington State Finance Officers Association
- Washington Society of Certified Public Accountants
- Washington State Local Government Auditors Association
- Multnomah County Auditor's Office
- University of Washington's Daniel J. Evans School of Public Affairs
- Seattle University's Institute of Public Service
- News Media Internal Audit Association
- Seattle Management Association
- City of Seattle Administrative Forum



**City of Seattle**  
Office of City Auditor

August 9, 2013

Councilmember Tim Burgess  
Chair, City Council Government Performance and Finance Committee  
600 Fourth Avenue, 2<sup>nd</sup> Floor  
Seattle, Washington 98124

Dear Councilmember Burgess,

On December 14, 2009, the City Council appointed me to a four-year term as City Auditor of the City of Seattle. Given my term will expire in December 2013, I am writing to convey my interest in seeking reappointment in the hopes of continuing to promote the effective, efficient, and equitable operations of City government.

The attached resume shows I have the educational background and work experience required for reappointment. I have worked successfully for 28 years as a government performance auditor and for 23 years as a supervisor or manager of auditors. I have performed or supervised all aspects of the audit process, including planning audits, performing and supervising audit fieldwork and analysis, writing and reviewing draft reports, and making presentations to the City Council and the public.

I believe the many accomplishments of our office during the past four years strongly support my reappointment. The following summary describes some of these accomplishments:

**Effectively Responding to City Council Requests**

- We have made it a priority to perform audits requested by City Councilmembers, and these audits have provided the Council with many recommendations for improving City programs. Projects requested by Councilmembers include audits of the Multifamily Tax Exemption Program, City of Seattle Anti-Graffiti Efforts, Promising Practices in Risk Management, Raising Seattle Crime Analysis to the Next Level, and the Seattle Police Department's In-Car Video Program.
- In response to City Council requests for information about the status of our audit recommendations, in 2010 we began issuing annual reports on the implementation status of all of our audit recommendations. These reports have shown that the majority of our recommendations are implemented by departments. Furthermore, in response to individual Councilmembers' interests, we produced in-depth follow up reports on the City's Enforcement of Bias Crimes, Indigent Defense Services, and Pedestrian and Cyclist Mobility Through and Around Construction Sites.
- We have produced several nonaudit reports quickly to provide information to Councilmembers when time does not allow for a traditional audit. Topics covered include the Seattle Youth Violence Prevention Initiative's logic model, Poverty Measures used in

David G. Jones, City Auditor  
700 Fifth Avenue, 24<sup>th</sup> Floor  
P.O. Box 94729  
Seattle, Washington 98124-4729

(206) 233-1095  
davidg.jones@seattle.gov  
<http://www.seattle.gov/audit>

Seattle, Comparing the Costs of City Light Employees to Contract Employees, Proposed Changes to the City's Consultant Contracting Process, Citizen Water Bill Complaints, and a Risk Assessment of City Light.

#### **Focusing on High Risk Areas**

- We completed audits of two Seattle Public Utilities' (SPU) major revenue streams that included recommendations that resulted in reduced expenses, increased revenues, and reduced risks – i.e., Wastewater (approximately \$200 million revenues annually) and Water (approximately \$200 million revenues annually).
- In the wake of an over \$1 million theft, we completed a forensic audit of the financial controls over SPU's Water Main Extension Program that helped SPU tighten controls over this secondary revenue stream.
- We will soon issue an audit report on the financial controls over SPU's New Taps Program, in which we identified approximately \$190,000 in lost revenues that SPU is now expected to collect.
- In response to a request from the Board of the Seattle City Employees' Retirement System (SCERS), we recently completed an audit that discovered some inaccuracies of retirement benefit payments made by SCERS. We made ten recommendations that SCERS management is currently working to implement.
- We hired an information security firm and worked with the Department of Information Technology to conduct risk assessments of two critical City systems that resulted in improved protection of these systems.

#### **Supporting Evidence-Based Practices and Program Evaluation**

- We reported on research conducted by George Mason University on crime "hot spots" in Seattle and other jurisdictions' hot spots programs. With the encouragement of the City Council, this effort led us to work with George Mason University's Center for Evidence-Based Crime Policy to produce a report on how aligned Seattle's crime prevention programs were with evidence-based practices.
- At the City Council's request, our office is managing several consultant evaluations of City programs including the Sick and Safe Leave regulations, Career Bridge, the Seattle Youth Violence Prevention Initiative, and the Seattle Department of Transportation.
- We provided technical assistance to the City that helped it win three federal grants that will fund research on public safety topics of interest to the City, and we continue to provide advice as needed on the three projects.
- In response to the Council's interest in evidence-based programs and decisions, we helped organize presentations during which academic researchers and expert practitioners presented information and research on topics such as crime prevention.

#### **Advancing Professionalism and Analytical Capabilities**

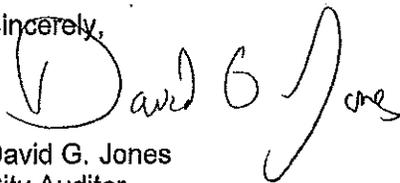
- For the first time in its twenty-year history, our office underwent and passed an external peer review of our compliance with the U.S. Comptroller General's Government Auditing Standards, which was conducted by a team of outside auditors selected by the Association of Local Government Auditors (ALGA).

- We won an ALGA Knighton Award for the quality of our July 2010 report titled City of Seattle Anti-Graffiti Efforts: Best Practices and Recommendations.
- Some of our staff members have learned to how to use data mining and statistical software packages to enhance our audit capabilities, and we have since used these programs in our audits of SPU's secondary revenue streams.
- With the support of the City Council we hired an experienced utility auditor, an experienced performance auditor highly skilled in quantitative analysis, and a highly skilled office manager.
- We have encouraged and supported the professional development of staff, which has resulted in certifications (e.g., CPA, Certified Fraud Examiner), professional memberships, and meaningful training opportunities that enhance the range and competency of our office.

These accomplishments demonstrate the quality, commitment, and value of our office, and I appreciate the highly skilled and dedicated team we have assembled. I look forward to having an opportunity to continue to work with my colleagues on addressing additional areas of risk facing the City, such as healthcare costs and information security threats, as there is a considerable amount of unfinished work left to be done.

Thank you for considering my request for reappointment to the position of City Auditor with the City of Seattle.

Sincerely,

A handwritten signature in black ink that reads "David G. Jones". The signature is written in a cursive style with a large, looped initial "D".

David G. Jones  
City Auditor

Attachment: DavidGJones\_Resume2013



# Seattle City Council

September 30, 2013.

David Jones  
Office of City Auditor  
700 Fifth Avenue, Suite 2410  
Seattle, WA 98104-4729

**Re: Expectations upon Reappointment as City Auditor, City of Seattle**

Dear Mr. Jones,

Thank you for your many years of service to the City of Seattle and for your willingness to serve a second four-year term as City Auditor. This letter, which will be placed in Clerk File 313254, intends to communicate the Council's expectations for your second term.

First, we would like your office to be a champion for effective program design and evaluations within City government. To spend taxpayer dollars efficiently and effectively, we need to know what City-funded programs are designed to accomplish and how well they achieve those goals. This will involve evaluations, but also partnering with departments early in the process to ensure programs are established in such a way that measuring effectiveness is possible.

Second, serving as a resource to City departments in such a manner should not supplant your important role as the City's primary process and accountability watchdog. We encourage you and your staff in this second term to continue to work collaboratively with City departments, but also to stand firmly on your findings and recommendations when you experience pushback or criticism. Your office is independent from the executive branch; this separation should be viewed as one of your most important assets.

Third, to the extent resources are available, we expect you to continue to proactively commence audits on topics you deem to be important and for which further study is in the City's interest. We view your office as an important partner in the larger oversight functions of the legislative branch.

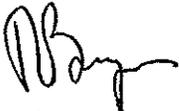
Fourth, while your staff produces high-quality reports, the consistency of report formatting and branding could be improved to make it easier for a reader to quickly grasp a report's key messages. We understand you are developing a more consistent format and brand; we encourage you to continue this work to completion.

The City Council looks forward to working with you in the coming years as we all endeavor to make City government a more transparent, accountable and effective organization.

Sincerely,



Council President Sally J. Clark



Councilmember Tim Burgess  
Chair, Government Performance and Finance