

Audit Committee Comparison:

Other Cities with Internal Auditor

	Spokane, WA	Bremerton, WA	Austin, TX	Denver, CO	San Jose, CA	Portland, OR	Minneapolis, MN	Atlanta, GA	San Diego, CA
Auditor selection method	Appointed by City Council after evaluation and recommendation by Audit Committee	Appointed by Audit Committee	Appointed by City Council	Elected	Appointed by City Council	Elected	Appointed by Audit Committee (entirely new structure as of December 2009)	Appointed by Audit Committee, subject to confirmation by City Council	Appointed by City Manager, in consultation with Audit Committee, subject to confirmation by Council
Audit focus	Performance and financial audits	Financial, compliance, and performance audits	Performance audits	Performance and financial audits	Performance audits (contracts for annual audit of financial statements)	Performance audits (oversees annual audit of financial statements) (Auditor also acts as City Clerk, and manages records and archives, hearing officers, elections, complaints, LIDs, foreclosures)	Financial, fiscal compliance, and financial procedure audits	Performance and financial audits	Performance audits, financial audits, and special investigations
Size of Audit office	1; ~\$140,000	1; ~\$160,000	~25; ~\$1.9 million	~46 (28 in Audit Services Division); \$4.9 million (2010)	~15; \$2.4 million	~12; \$2.2 million (in Audit Services Program)	3 (before December 2009, was 1); ~\$350,000	8; ~\$900,000	~17; ~\$2.5 million
Audit Committee?	Yes	Yes	Audit and Finance Committee	Audit Committee	No, but two Council committees share responsibility (see below)	No, but Council reviews and comments on annual audit plan and proposed amendments to audit plan	Audit Committee	Audit Committee	Audit Committee
Size	Five or seven (currently five)	Five	Five	Seven			Six	Five	Five
Membership	<ul style="list-style-type: none"> All city residents, independent of City government, with relevant experience Plus at least one Councilmember as non-voting liaison member 	<ul style="list-style-type: none"> Two city residents Independent CPA Two Councilmembers (plus one as alternate) Plus City Auditor is ex officio member 	All are Councilmembers	<ul style="list-style-type: none"> Auditor Six appointed members with relevant education or experience; no City employees 			<ul style="list-style-type: none"> Chair of City Council Ways and Means / Budget Committee Two City Councilmembers appointed by Council President Three citizens 	<ul style="list-style-type: none"> Mayor or Mayor's appointee President of Council or President's appointee Three at-large members 	<ul style="list-style-type: none"> Two City Council members Three members of the public with experience and technical expertise
Appointment of members	By City Council	<ul style="list-style-type: none"> City Council designates CPA member and Councilmembers Three designated members select two residents 	By City Council	<ul style="list-style-type: none"> Two by Mayor Two by City Council Two by Auditor 			<ul style="list-style-type: none"> One citizen by Mayor One citizen by City Council One citizen by Park and Recreation Board 	<ul style="list-style-type: none"> Three at-large members appointed by entire City Council 	<ul style="list-style-type: none"> City Council members by City Council Three public members appointed by City Council from pool recommended by screening committee
Term length	<ul style="list-style-type: none"> Three years Maximum three consecutive terms 	<ul style="list-style-type: none"> For resident members and CPA, three years; no term limits For Councilmembers, current term in office; may be reappointed during successive terms of elected office 	<ul style="list-style-type: none"> One year Term limits not mentioned 	<ul style="list-style-type: none"> Four years 			<ul style="list-style-type: none"> Two years for Councilmembers appointed by Council President Three years for citizen members; maximum two terms 	<ul style="list-style-type: none"> Three years for at-large members 	<ul style="list-style-type: none"> Four years for public members; maximum two full consecutive terms
Chair	Not mentioned	Audit Committee elects annually, for one-year term	Not mentioned	Auditor is chair			Council President appoints chair	Members select chair from among themselves	One of the City Council members serves as chair
Compensation	No; expenses may be reimbursed	Not mentioned	Not mentioned (all are Councilmembers)	Per diem and expenses allowed			None	\$50 per meeting for members not officials or employees of city	
Meetings	At least quarterly	Monthly	Monthly	At least quarterly; Auditor can call additional meetings			At least four times a year	At least quarterly	Appears to be about twice a month
<i>Audit Committee role in:</i>									
<ul style="list-style-type: none"> General 	<ul style="list-style-type: none"> Advise City Council on audit matters Advise and assist Auditor with audit scheduling, follow-up, and special needs 		<ul style="list-style-type: none"> Assist City Council in oversight of and responsibility for auditing "The Office of the City Auditor reports to the City Council and presents its completed work to the City Council for committee acceptance through the Audit and Finance Committee." 	<ul style="list-style-type: none"> Commission and oversee annual independent external financial audit 			<ul style="list-style-type: none"> Oversee internal audit function, financial reporting practices, internal controls, compliance, other 	<ul style="list-style-type: none"> Consult with Auditor regarding technical issues and work to assure maximum coordination between work of Auditor's office and needs of Council, Mayor, and departments and coordination of external audit efforts 	<ul style="list-style-type: none"> Oversee City's auditing, internal controls, and any other financial or business practices Recommend annual budget of Office of City Auditor to Council
<ul style="list-style-type: none"> Work plan 	<ul style="list-style-type: none"> Review and approve audit work schedule and planned budget Review and approve appropriate special audit requests 	<ul style="list-style-type: none"> Review and approve audit work schedule and planned budget Review and approve appropriate special audit requests 	<ul style="list-style-type: none"> Review, comment, (and approve? not clear) 	<ul style="list-style-type: none"> Review work plan, prior to Auditor's submission of plan to Mayor and Council for information only Ultimate decision to perform any audit is in sole discretion of Auditor 	<ul style="list-style-type: none"> City Council Rules and Open Government Committee reviews and approves annual work plan for Audit office 	<ul style="list-style-type: none"> City Council reviews and comments on Auditor's annual audit plan; for mid-year amendments to audit plan, Council members affected by the change review amendment 	<ul style="list-style-type: none"> Review and approve annual audit plan 	<ul style="list-style-type: none"> Review and comment on audit plan, and any amendments to it; submit plan and committee's recommendations to City Council Auditor may conduct any other audits deemed necessary, even if not in plan 	<ul style="list-style-type: none"> "Direct and review the work of the City Auditor"
<ul style="list-style-type: none"> Audit reports 	<ul style="list-style-type: none"> Review audit results before release of audit report 	<ul style="list-style-type: none"> Review audit results before release of audit report 	<ul style="list-style-type: none"> "Monitor the city auditor's audit results and follow-up activity" 	<ul style="list-style-type: none"> Receive results of internal audits and communicate findings and recommendations to Mayor, Council, others in City, public 	<ul style="list-style-type: none"> City Council Public Safety, Finance, and Strategic Support Committee (or Full Council or other appropriate committee) reviews audit report, accepts report, and approves recommendations by majority vote; committee action is subject to ratification by Full Council 	<ul style="list-style-type: none"> Auditor submits each audit report to Council 	<ul style="list-style-type: none"> Review audit reports directed to Council and make recommendations to Council on appropriate course of action on reports Monitor Auditor's results and follow-up activity 	<ul style="list-style-type: none"> Review and approve internal audit report before final audit report is issued 	<ul style="list-style-type: none"> "Direct and review the work of the City Auditor"
<ul style="list-style-type: none"> Selection of Auditor 	<ul style="list-style-type: none"> Recruit, evaluate, and screen candidates Make recommendation to Council for selection 	<ul style="list-style-type: none"> Appoint Auditor May remove Auditor by majority vote 	<ul style="list-style-type: none"> Appoint three of five members of nominating committee to recommend candidates for city auditor to City Council 				<ul style="list-style-type: none"> Appoint and remove Auditor 	<ul style="list-style-type: none"> Appoint Auditor, subject to confirmation by City Council 	
<ul style="list-style-type: none"> Annual performance evaluation of Auditor 	<ul style="list-style-type: none"> Conduct annual performance appraisal 	<ul style="list-style-type: none"> Conduct annual performance appraisal 	<ul style="list-style-type: none"> Review and approve written report from every-three-years peer review 					<ul style="list-style-type: none"> Perform evaluation of Auditor annually and report results to City Council 	<ul style="list-style-type: none"> Conduct annual performance review of Auditor Recommend annual compensation for Auditor