



CITY OF PALO ALTO OFFICE OF THE CITY AUDITOR

January 25, 2016

The Honorable City Council
Palo Alto, California

Policy and Services Committee Recommendation to Accept the Auditor's Office Quarterly Report as of September 30, 2015

The Office of the City Auditor recommends acceptance of the Auditor's Office Quarterly Report as of September 30, 2015. At its meeting on November 10, 2015, the Policy and Services Committee approved and unanimously recommended the City Council accept the report. The Policy and Services Committee minutes are included in this packet.

Respectfully submitted,

Harriet Richardson
City Auditor

ATTACHMENTS:

- Attachment A: Auditor's Office Quarterly Report as of September 30, 2015 (PDF)
- Attachment B: Policy and Services Committee Meeting Minutes Excerpt (November 10, 2015) (PDF)

Department Head: Harriet Richardson, City Auditor



CITY OF PALO ALTO OFFICE OF THE CITY AUDITOR

November 10, 2015

The Honorable City Council
Attention: Policy & Services Committee
Palo Alto, California

Auditor's Office Quarterly Report as of September 30, 2015

RECOMMENDATION

The City Auditor's Office recommends the Policy and Services Committee review and recommend to the City Council acceptance of the Auditor's Office Quarterly Report as of September 30, 2015.

SUMMARY OF RESULTS

In accordance with the Municipal Code, the City Auditor prepares an annual work plan and issues quarterly reports to the City Council describing the status and progress towards completion of the work plan. This report provides the City Council with an update on the first quarter for FY 2016.

Respectfully submitted,

A handwritten signature in cursive script that reads "Harriet Richardson".

Harriet Richardson
City Auditor

ATTACHMENTS:

- Attachment A: Auditor's Office Quarterly Report as of September 30, 2015 (PDF)

Department Head: Harriet Richardson, City Auditor



CITY OF
**PALO
ALTO**

Quarterly Report as of September 30, 2015



Office of the City Auditor

"Promoting honest, efficient, effective, economical, and fully accountable and transparent city government."

Overview

The audit function is essential to the City of Palo Alto’s public accountability. The mission of the Office of the City Auditor, as mandated by the City Charter and Municipal Code, is to promote honest, efficient, effective, economical, and fully accountable and transparent city government. We conduct performance audits and reviews to provide the City Council and City management with information and evaluations regarding how effectively and efficiently resources are used, the adequacy of internal control systems, and compliance with policies, procedures, and regulatory requirements. Taking appropriate action on our audit recommendations helps the City reduce risks and protect its good reputation.

Highlights of Activities During the Quarter

- City Auditor Harriet Richardson participated in a peer review of the Lawrence City Auditor’s Office in Kansas to help fulfill our reciprocity requirement for participating in the ALGA peer review program.

Audits

Below is a summary of our audit work for the first quarter of FY 2016 (as of September 30, 2015):

Title	Objective(s)	Start Date	End Date	Status	Results/Comments
Franchise Fee Audit	Determine if 1) the City accurately accounted for and oversaw the Media Center’s use of public, education, and government (PEG) fees, 2) the City established and defined roles and responsibilities to administer its cable communications program and state franchises awarded to Comcast and AT&T, and 3) Comcast and AT&T collected and promptly remitted the appropriate amount of franchise and PEG fees.	02/14	02/16	In Process	We have completed planning and field work and have drafted the report for the second and third objectives; a consultant conducted field work for the third objective and provided us with a draft of the results, which we have reviewed and are incorporating into the draft audit report. The City Attorney will review the draft report before we present it to the departments for review and comments. We expect to present the report to the Policy and Services Committee in February.
Parking Funds Audit	Determine if the City’s parking funds are properly calculated, collected, accounted for, and used in compliance with applicable laws, regulations, policies, and governing documents. The audit focuses on the Parking in-Lieu Fund and the University and California Avenues and Residential Parking Permit Funds.	05/14	12/15	In Process	We have completed planning and field work and have drafted the report, which the City Attorney’s Office and relevant departments are currently reviewing. We expect to present the results to the Policy and Services Committee in December.

Title	Objective(s)	Start Date	End Date	Status	Results/Comments
Fee Schedules Audit	Evaluate City processes for establishing fees to determine if the fees cover the cost of services provided when expected. The specific fees to be reviewed will be narrowed down during the planning phase of the audit.	06/15	02/16	In Process	The audit is in the planning phase. Estimated date of draft report is December 2015, and estimated date of final report is February 2016.
Disability Rates and Workers' Compensation Audit	Assess the effectiveness of activities to manage and minimize disability retirements and workers' compensation claims. Review of processes to ensure employee safety, tracking and reporting activities, contract administration, and efficiency of claim processing.	06/15	02/16	In Process	The audit is in the planning phase. Estimated date of draft report is December 2015, and estimated date of final report is February 2016.
Utilities Customer Service: Rate and Billing Accuracy Audit	Evaluate whether the Utilities Department properly implements rates and accurately bills customers.	06/15	02/16	In Process	The audit is in the planning phase. Estimated date of draft report is December 2015, and estimated date of final report is February 2016.
Citywide Analytic Development and Continuous Monitoring: Procure-to-Pay	Develop and implement a continuous monitoring system to increase audit efficiency and coverage through the use of read-only access to City data. The project will involve developing data analytics to identify high-risk areas and improvement opportunities in the City's core processes. The focus of this project is accounts payable.	06/15	01/16	In Process	The project is in the planning phase. Estimated date of draft report is November 2015, and estimated date of final report is January 2016.
Citywide Analytic Development and Continuous Monitoring: Overtime	Develop and implement a continuous monitoring system to increase audit efficiency and coverage through the use of read-only access to City data. The project will involve developing data analytics to identify high-risk areas and improvement opportunities in the City's core processes. The focus of this project is use of overtime.	06/15	01/16	In Process	The project is in the planning phase. Estimated date of draft report is November 2015, and estimated date of final report is January 2016.

Title	Objective(s)	Start Date	End Date	Status	Results/Comments
National Citizen Survey™	Obtain resident opinions about the community and services provided by the City of Palo Alto and benchmark our results against other jurisdictions that participate in the survey.	07/15	01/16	In process	The National Research Center (NRC) mailed postcards and the first wave of surveys in late September to residents who have been selected to participate in the survey. The NRC will mail the second wave of surveys on October 14. The data collection end date is November 11.

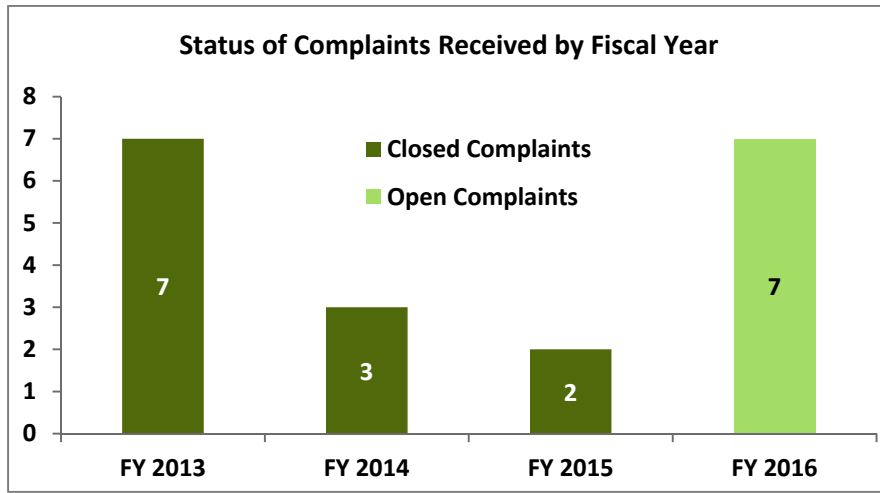
Other Monitoring and Administrative Assignments

Below is a summary of other assignments as of September 30, 2015:

Title	Objective(s)	Status	Results/Comments
Sales and Use Tax Allocation Reviews	<p>1) Identify and collect underreported or misallocated sales and use tax from businesses that do business in Palo Alto.</p> <p>2) Monitor sales taxes received from the Stanford University Medical Center Project and notify Stanford of any differences between their reported taxes and state sales tax information, in accordance with the development agreement.</p> <p>3) Provide Quarterly Status Updates and Sales Tax Digest Summaries for Council review.</p>	Ongoing	<p>1) Total sales and use tax recoveries for the first quarter were \$1,508 from the vendor's inquiries. Due to processing delays at the State Board of Equalization, there are 49 potential misallocations waiting to be researched and processed: 16 from our office and 33 from the vendor.</p> <p>2) We receive calendar-year sales tax information for the Stanford project about six months after the end of the calendar year. We will report the sales tax information for this project in our June 2016 quarterly report.</p> <p>3) Quarterly reports are published on the OCA website at www.cityofpaloalto.org/gov/depts/aud/reports/default.asp.</p>
City Auditor Advisory Roles	Provide guidance and advice to key governance committees within the City.	Ongoing	The City Auditor continues to serve as an advisor to various boards and committees: Utilities Risk Oversight Committee, the Library Bond Oversight Committee, the Information Technology Governance Review Board, and the Information Security Steering Committee.

Fraud, Waste, and Abuse Hotline Administration

The hotline review committee, composed of the City Auditor, the City Attorney, and the City Manager, or their designees, meets as needed to review hotline-related activities. We received 7 hotline complaints during the first quarter of FY 2016, which are currently under investigation. Four of the complaints are in regard to the same issue. The chart below summarizes the status of complaints received in each fiscal year.



Source: City of Palo Alto hotline case management system as of September 30, 2015



POLICY AND SERVICES COMMITTEE DRAFT MINUTES

Regular Meeting
November 10, 2015

Chairperson Chair Burt called the meeting to order at 7:19 P.M. in the Community Meeting Room, 250 Hamilton Avenue, Palo Alto, California.

Present: Berman, Burt (Chair), DuBois, Wolbach

Absent:

Chair Burt: We're going to have a small change in our Agenda Item 1, which is the Auditor's Quarterly Report will move down to following Item Number 3. That will help a bunch of people who are here for other items. The Auditor has to be here for Item 4 anyway, so she volunteered to readjust.

1. Auditor's Office Quarterly Report as of September 30, 2015

Chair Burt: We're going to move onto the Auditor's Quarterly Report. Welcome, Harriet.

Harriet Richardson, City Auditor: Good evening, Mr. Chair and Members of the Committee. Harriet Richardson, City Auditor, presenting the Office of the City Auditor's Quarterly Report for the first quarter of Fiscal Year 2016 which ended on September 30th. We have two audits that are nearing completion, the franchise fee audit and the parking funds audit. The parking funds audit is out for City Manager's official written response. We're expecting—it's scheduled on the December 8th Policy and Services Committee agenda, and we're expecting to meet that date. The franchise fee audit, we are still finalizing findings, and we'll give that to the City Attorney for review prior to reviewing it with the departments. We've been working very closely with the City Attorney on this audit due to the nature of the findings. We're tentatively scheduled to present the report to Policy and Services in February, but we may need to delay to March because of the number of parties involved including some outside of the City who will need to review and respond to the report. We have five other audits in progress. The report shows that two of these are expected to be presented in January

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and three of them in February. As of now, there's not a Policy and Services Committee meeting scheduled for January. I'm now anticipating that we will present these in February and March, and they may stretch out into April depending on the number of items on the agendas. Three of those audits, the first one, the fee schedule audit, we're evaluating processes used within the City to establish fees that are expected to cover the cost of services to ensure that they do cover the cost of services when they're expected to do so or that Council has full information to make policy decisions on how much they want to subsidize. We're also doing the disability rates and workers' compensation audit which is focusing on assessing whether the City's safety practices are effective to minimize on-the-job injuries and illnesses and whether the City is effective at minimizing workers' compensation payments after an injury or illness has occurred. We also have the utilities rate and billing accuracy audit which will evaluate whether the Utilities Department properly implements established rates and accurately bills customers. Because of the large number of rates—there's a variety of rates for each utility depending on the customer, residential, commercial, different types of rates—we'll be using sampling techniques in this audit rather than evaluating every single rate. We also have two continuous monitoring projects in progress. With these projects, we'll be using our data analysis software to identify whether the City has made duplicate payments or is paying overtime when it should not be. In both instances, the scripts we develop will be available to do similar analysis on an ongoing basis. Regular intervals may be quarterly, twice a year, something like that. If those projects are successful at finding opportunities for improvement, then we'll likely expand these techniques to future areas in the City that can provide a quick return on our invested time in a shorter time period than a full audit. That's the benefit of continuous monitoring audits. Looking to page 4 of our report, we've begun the work on the National Citizens Survey. The National Research Center mailed surveys to 3,000 residents in late September, and a second copy to those same residents in mid-October. The data collection period ends this week, and we'll have the draft results in early to mid-December. We'll expect to have the report completed in early January. We also do sales and use tax allocation reviews. We do some, and we also contract with Muni Services who does some of them on our behalf. Total recoveries for the first quarter were \$1,508. This amount was lower than usual on an ongoing basis, but it is typical for the amount recovered to vary significantly from quarter to quarter. I went back and looked at a couple of examples. In one quarter in Fiscal Year '14, we collected 5,900 in one quarter, but then in another quarter that same year we collected 93,000. There's a really wide range, so I'm not alarmed at this point since it's only the first quarter. If it stays low, I would start questioning the need to continue doing this type of work within our office, the cost-benefit of doing it. We continue to do our City advisory roles, Utilities Risk Oversight

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Committee, Library Bond Oversight Committee, Information Technology Governance Review Board and the Information Security Steering Committee. The Library Bond Oversight Committee is wrapping up their work. There's a meeting scheduled in December that we'll be attending. I believe that that might be the last one. There may possibly be one more, but we'll be wrapping up our obligation on that one shortly. The last item we have is the hotline, the number of complaints that we receive each year. We didn't receive—we only received two at the beginning of Fiscal Year '15 and then none later in the last three quarters of Fiscal Year '15. To date, we've already received seven in Fiscal Year '16. Four of those are the same issue. All seven of those are still under investigation, so we don't have an update on closing those out yet. As I said, four are the same. The other three are completely different issues. This concludes my report. I can address any questions that you may have.

Chair Burt: Tom.

Council Member DuBois: I've got three quick questions. On the hotline, are you kind of directly managing that at this point? Has that changed?

Ms. Richardson: We do not—there's actually a committee that involves the City Manager's Office, the City Attorney and my office. When a complaint comes in, we triage the complaints and decide who's going to investigate it. Once it's gone out for investigation, I typically don't have a role in the process.

Council Member DuBois: We had talked about, I think, about you tracking resolution though. Has that changed or not?

Ms. Richardson: We receive comments back from the City Manager's Office. I generally don't get a lot of detail in those comments. When I'm told an investigation is complete and I can close it out, I typically close it out and rely on that information.

Council Member DuBois: On the Utilities one, I'm wondering if there are any—if it's going to be similar to the waste audit in terms of looking at billing, classification. Is there any leverage or are those entirely different systems?

Ms. Richardson: They're different systems. Utilities is billed through the SAP system. The rates are in the SAP system. We're looking at—there's generally one person who's responsible for putting the rates into the system—making sure those rates got entered accurately and that when they come back out onto the bills, that they are accurately going onto the bills

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and the calculation. There's various levels of calculation that have to be done, and we'll be looking at that.

Council Member DuBois: Remind me, because I know we talked about it before. At one point, we talked about possibly an audit on TDR sender sites.

Ms. Richardson: Correct. Our audit plan for this year doesn't have that on it, but I have spoken with Planning and I did talk to you again after that. We do plan to put it on our audit plan for next year.

Council Member DuBois: Thank you.

Chair Burt: Others? Can you review again on when you have the hotline questions, your process for closing cases?

Ms. Richardson: I typically just rely on what I'm—the information I'm given is that we've investigated it and you can close it. I don't get a lot of detail. I get very little detail, so I don't have the ability, for example, to say it's reasonable to close it or not. I rely on what I'm given generally from the City Manager's Office.

Suzanne Mason, Assistant City Manager: Let me comment. Harriet and I work closely with Molly on this, since I've been here which has been primarily this year's complaints. Most of those complaints—we've had multiple on similar issues. They're mostly personnel items, and personnel items are of a confidential matter. I think sometimes it's difficult to provide results on exactly what has transpired or transpired when it has to do with a confidential matter on a personnel item. That's difficult to provide a lot of detail.

Chair Burt: Do either of you know how similar situations of predominantly personnel hotline issues are handled in other cities that have hotlines?

Ms. Mason: That's one issue that we've been discussing. Harriet, Molly and I are discussing how we handle those. I'm not sure, and that's one of the questions I have. When the original procedure was developed, whether it anticipated the level of items we're getting versus more serious conduct-type items of fraud, really serious. Not that personnel items aren't serious, that people perceive there to be a problem. An argument between coworkers, things of that nature. Some of this is a little bit challenging, so we're exploring that. We just had a dialog about that.

Ms. Richardson: I also think that—I will say I think that we don't always agree on what's a personnel issue and what's not. I think sometimes it's not

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completely black and white that it's strictly a personnel issue. Those are the ones that I think are more difficult. I might view it as there's an aspect of it that could be, for example, an abuse of a position or where someone maybe has been reported as—I believe one of the very original complaints was something about someone not recording time on their timecard when they were leaving. It was treated like a personnel issue, but from an auditor's perspective we look at that as theft of time. That's something that other jurisdictions view as theft of time. That's why I say a lot of times it's not strictly black and white.

Chair Burt: Let's take that hypothetically, just that kind of circumstance. Is that still how the City Manager's Office would view that kind of complaint, as a personnel issue?

Ms. Mason: Yeah. I think if someone's falsifying a timecard, I think that is serious and potential theft. Yes, we view that very seriously. I mean, I view everything reported to the City Manager's Office seriously. The outcome of what happened with an individual or how a situation was handled, that's the matter I'm asking the City Attorney and Harriet for us to look at, if we're recording something back in the system. Those are some of the concerns I have. People are named in complaints. I just want to make sure we're handling it appropriately based on that.

Chair Burt: There's a ...

Ms. Mason: I definitely—that is—falsification of a time record, I mean we are having—every complaint is a (crosstalk).

Chair Burt: There could be serious issues that are still viewed as strictly personnel even though they're also viewed as serious. Seriousness is one filter. Another one would be what is a boundary of a personnel issue versus something else.

Ms. Mason: Right. I may have ventured off topic. Where Harriet was saying we're not providing a lot of detail, that's what I'm trying to address with the City Attorney, how much detail is appropriate.

Council Member DuBois: I think there's two dimensions on that too. There's the level that the City Auditor is involved to determine the categorization versus what's reported back to us. I don't think we're necessarily interested in personnel matters being reported back out. I think we are interested in the City Auditor maybe having more control over the hotline.

Ms. Richardson: When I ...

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Ms. Mason: The hotline's under the City Auditor.

Ms. Richardson: The hotline is under us to receive the calls, but we don't really have any authority beyond that is what it comes down to. When I talk to auditors in other jurisdictions that have a hotline, they maintain a lead role even when they put the complaint out to a department for investigation. They get a enough detail where they can actually overturn the outcome. If someone says it's unsubstantiated, the auditor might look at the detail of the write-up, but they have enough information to be able to do that. They say, "We disagree. This is clearly an issue." I talked to an auditor recently in California where that was the case, where the city manager in that city said it's not an issue. The issue came back through the hotline a second time, and the auditor maintained full control over it and said, "Yes, it is an issue," after he did his investigation.

Chair Burt: Those cities, how does the auditor contend with issues that are personnel issues and have that confidentiality requirement?

Ms. Richardson: Generally, the auditor still sees that information. In our case, there's a very limited number of people who can see the outcomes. We have a system, and the person who complains can see what their complaint is. We write a very general response to the complainant back, but they don't see all of the detail about what has been done to investigate it. Even if I got that information, I mean as an Auditor, I have an obligation to have integrity and maintain confidentiality. I don't see it quite the same way as it being a personnel issue that I shouldn't be able to see the information to make a determination if that was the right outcome. I don't think I need to be actively involved in saying, "You implemented the wrong disciplinary action." I think that's strictly management's decision. If there's enough information to say yes, there is or there isn't a problem, I do see it as ...

Chair Burt: More of a systemic problem you mean or ...

Ms. Richardson: It might be systemic, but it might be pertaining to a specific individual also.

Chair Burt: Cory.

Council Member Wolbach: Actually, I find that kind of concerning. Actually a couple of things. One, I hope that we're using thought and discretion if somebody forgets to punch a timecard, that we don't jump to the conclusion that they're intentionally trying to steal from the City. Sometimes

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something slips their mind, forget to turn off the light switch, forget to lock the door, forget to punch your timecard, not necessarily trying to drain the electricity bill, leave the City unsecured or steal. I just hope we're using good discretion about that. I would like to see us move towards the City Auditor having a little bit more control. The reason for that is I want to make sure that City Staff top to bottom feel comfortable calling the hotline as a way to go outside of their usual chain of command. If it just goes back to the chain of command, then they would just report it up the line. If it just goes up the line anyway, then there's no reason to have a hotline which is designed to provide an outside mechanism. Having heard those concerns from City Staff, just that if that if they were hypothetically in a situation where they wanted to report something, but they don't feel that the current hotline structure provides that anonymity and protection, it says to me that we should have a little bit more independence for the hotline from the usual chain of command. We can explore that more in the future perhaps.

Ed Shikada, Assistant City Manager: I would want to clarify—excuse me—that this is outside the typical chain of command, because it is shared with the City Attorney, the City Auditor as well as the City Manager. Quite frankly, the checks and balances inherent in that three-party review takes it out of the potential of any one of the Council Appointed Officers having the sole direct responsibility for any personnel issue that exists. I would disagree with Harriet. On my experience, it has not been of greater control by the Auditor. Having that shared responsibility among Council appointees is one of the more pressing (inaudible) as well, including with the police auditor in which the police auditor may have the opportunity to review but not to have any more control over the disposition of the investigation any (inaudible).

Council Member Wolbach: I was just going to say I don't want to belabor the point. I wonder if maybe this is something that we'd want to take up in greater depth at some point in the future.

Ms. Mason: One thing I just want to share, we independently investigate the complaints. I make sure Harriet's onboard and Molly with the approach we're going to take. I just want to make sure we jointly approach that and it is an independent investigation. We don't turn it over to the department and the chain of command. We're actively involved in that.

Chair Burt: I heard earlier that there are some issues that are being discussed with the City Attorney on certainly these areas of personnel matters were the ones that you're having additional ...

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Ms. Mason: The appropriate level of detail to provide in a personnel matter is ...

Chair Burt: That aspect, I guess we have to hear back from the group of you after Molly has looked into that more. Is that correct? For us to understand.

Ms. Mason: We're talking about it together. We've really been approaching this as a joint responsibility.

Chair Burt: From the Council's standpoint, who set up the hotline and had it reporting through to the City Auditor, I think a legitimate question that we have is how well is that functioning and to what degree is the hotline independent. We're hearing from the City Auditor concerns that the Auditor's Office or the Auditor herself, if we want to in the case of the hotline even in some of these ones that might include personnel aspects, we might even want to restrict to the City Auditor rather than the City Auditor's Staff involvement in those issues. To what extent should the City Auditor be more informed about the basis for outcomes and engaged in that? It sounds that at the current time those things are being treated as personnel matters outside of any review by the Auditor.

Ms. Mason: I think it would help to have the City Attorney in the dialog. Maybe at the next update Molly can be part of the discussion. I think part of it is if there was a complaint of embezzlement, I think that the Auditor would be the lead investigating that. When it's a personnel matter—again, we're having this independently looked at—the question is where does the personnel function fall. That's when some of our dialog about is the City Manager responsible for appropriate personnel action. That's the dialog we've been having with Molly. I just wanted to share that.

Ms. Richardson: One of the things that when the hotline was established, it was intended originally—when the audit was done, it was intended to be a fraud, waste, abuse, ethics hotline. I think where it has evolved is a fraud hotline. I think we need guidance as to what Council really wants the hotline to be. If you want it to be fraud, waste, abuse and ethics or do you really only want it to be fraud. I think that might be some of the discussion that we really need to focus on to know what direction we should be going with them.

Council Member Wolbach: Do you need that tonight or ...

Ms. Richardson: I guess that would depend on whether you want to give me some direction tonight to do something.

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Council Member DuBois: The seven, I guess, this year, did you think that was tied to the recent ethics training? Did that trigger more calls to the hotline?

Ms. Richardson: These were before the training started.

Chair Burt: How is the hotline being framed in the training?

Ms. Richardson: It's very limited. Everyone reads the ethics policy, and it does address in there that if someone wants to report anonymously, they can report through the ethics hotline. It was mentioned briefly aside from just reading it, but most of the training has focused on—the ethics policy is much longer than that one little sentence. It's focused on other parts of that and then a lot of case studies of ethical challenges, kind of working through what would you do in those situations.

Ms. Mason: Harriet, I just want to say something. You and I sat through the Executive Leadership Team training, and we were doing kind of feedback, dissecting as we were going through it so that we could give feedback to improve the training. I kicked off the last two sessions, and I opened it welcoming people, explaining why we felt it was important. I pointed out in my comments, "You will notice as part of the training that the ethics hotline is highlighted. There is a phone number. There is a diagram in the training that shows all the ways you can report. You can go to your supervisor. You can go to Human Resources, City Manager, ethics hotline. It's right on that diagram." I just want you to know I've been opening every training. We're just getting started. I am going to be trying to stay through every training, or Ed, one of the two of us, so that we are there to make sure it's clear and clarified. I just want you to know—I know you and I were in a different training, but I was very clear in the beginning. I pointed out the hotline and where the phone number is. I just want you to know that.

Chair Burt: Thanks. Cory.

Council Member Wolbach: I guess—thank you by the way for that. I really appreciate the efforts to increase awareness about it. Speaking for myself, I certainly think that the full scope of the intention of the hotline as originally created should be maintained and should not be narrowed. To clarify on the point of chain of command—I have a great deal of respect and strong confidence in all of our ELT including the City Manager and our two wonderful Assistant City Managers. The chain of command, as I see it, does include those positions. The City Auditor being outside of that chain of command, even to the very top, I think is important, at least when the calls

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first come in, in case there's potentially some point in the future or say some different City Manager and there's a need for the City Auditor to respond to a hotline call independently of the City Manager or City Manager's chain of command. I want to make sure that's still an option that can be utilized if necessary, heaven forbid.

Chair Burt: We'll need to have this come back to the Committee after you've had further huddling and maybe update on what is the current hotline training versus what maybe was the former.

Ms. Mason: It wasn't former. It was just that the first training was with the whole Executive Leadership Team. We wanted to make sure we started at the top, but it was also an opportunity to dialog about maybe this would be better or that. It was kind of a joint training and feedback. I just wanted to show Harriet since we've ruled it out beyond the Executive Leadership Team, I am making sure that's introduced at the beginning.

Chair Burt: There's no action.

Ms. Richardson: Yes, there is.

Chair Burt: There is. I'm sorry. We're still on the quarterly report. We're not going to make that mistake two times in a row on that. We need a motion to recommend to the Council acceptance of the Auditor's Quarterly Report as of September 30th.

Council Member Wolbach: So moved.

Chair Burt: Second.

MOTION: Council Member Wolbach moved, seconded by Chair Burt to recommend the City Council accept of the Auditor's Office Quarterly Report as of September 30, 2015.

Chair Burt: Any discussion? All in favor. That passes unanimously.

MOTION PASSED: 4-0