

February 3, 2020

MEMORANDUM

To: Councilmember Lewis
From: Lise Kaye, Analyst
Subject: City of Seattle Auditing Practices

This report provides information on existing auditing practices in the Seattle City government, particularly highlighting differences from the King County model and other relevant jurisdictions. In practice, Seattle and King County have differed somewhat in recent years in their relative emphases on performance audits versus policy oversight and program evaluation. Differences between Seattle and the cities of Nashville, Portland and San Francisco are more significant, notably Nashville's Audit Committee comprised of public and private sector members to oversee the City Auditor, Portland's directly elected City Auditor, and San Francisco's charter specified funding level and work program.

The report is organized into three main sections and includes three attachments: the first section provides an overview and comparison of the Seattle's Office of City Auditor and the King County Auditor; the second section identifies how City Auditors in comparably sized United States cities differ from the Seattle Office of City Auditor; and, the third section briefly describes implementation considerations, should the City Council wish to modify aspects of the Office of City Auditor. Attachment 1 provides a legislative summary of city and county auditor's appointment processes, duties, terms of office and work programs development and adoption, and Attachments 2 and 3 are the current work programs for the Office of City Auditor and the King County Auditor, respectively. Please note that the report does not provide policy or legal analysis of any potential modifications to the Office of City Auditor.

I. Seattle Office of City Auditor and the King County Auditor

City of Seattle Auditor's Office Overview

Seattle voters created the Office of City Auditor in 1991 by amending the [City Charter](#). The [Seattle Municipal Code](#) (SMC) describes the Office's authority and responsibilities, which were initially established by [Ordinance 116368](#). The Auditor is appointed to a four-year term by the Seattle City Council. (Seattle is the only City in Washington State with a City Auditor; the Washington State Auditor conducts accountability and financial audits for all cities in the state). Attachment 1 includes a summary of legislation affecting the City Auditor's appointment, duties, term of office and work program.

As established by the SMC, the Office of City Auditor, under direction of the City Council, conducts performance audits of City departments, programs, grantees and contracts, as well as some non-audit projects. The Auditor's Office performs most of its work in response to specific concerns or requests from City Council members, but the City Auditor may also independently initiate work to fulfill the Office's mission. Subject to available resources, the City Auditor also

responds to requests from the Mayor, City departments and the public. According to [Resolution 31922](#) establishing the committee structure for the City Council in 2020 and 2021, the City Council's Governance and Education Committee provides policy direction and oversight and makes recommendations on legislation matters relating to the Office of City Auditor.

The 10-member office includes one Utility auditor whose position is funded by Seattle City Light (SCL) and Seattle Public Utilities (SPU). In 2006, the City Council transferred appointment of the City Auditor from the Chair of the Finance Committee to the City Council and changed the term of office from six to four years. In 2008, the City Council adopted Resolution 31030, giving the City Auditor authority to establish the Office's work program. The City's adopted 2020 budget appropriates \$2,510,622 to the Office of City Auditor. Attachment 2 summarizes the City Auditor's 2020 Work Program for 2020, which includes six performance audits, follow up on previous audit recommendations, five consultant evaluations managed by the Office of City Auditor and one non-audit project required by ordinance.

King County Auditor's Office Overview

Between 1854 and 1969, the King County Auditor was a directly elected position, independent of the elected county commissioners. In 1969, the County Auditor became an appointed position as a result of a voter-approved [County Charter](#) (which also created the King County Council). In 2007, members of the County Council introduced [legislation](#) to make the County Auditor an elected office, but the ordinance lapsed. A [report](#) prepared by King County Council policy staff noted that 38 out of Washington State's 39 counties have a directly elected auditor.

Attachment 1 includes a summary of legislation affecting the County Auditor's appointment, duties, term of office and work program. According to [Motion 15567](#), establishing the committee structure for the County Council in 2020, the County Council's Government Accountability and Oversight Committee considers and makes recommendations on the annual county audit program.

[Ordinance 18799](#), adopted in September 2018, updated the structure and processes of the King County Auditor and requires the County Auditor to prepare a two-year work program for County Council approval, instead of the previous annual work program. The Auditor's work program includes performance and financial audits as well as other non-audit services, including occasional white papers to help set standards and criteria for future audit work. The Auditor may request by motion to amend the work program to respond to emerging issues. To develop each proposed work program, the Auditor and her staff conduct a risk assessment and meet with Councilmembers, legislative policy staff and executive staff each year to solicit ideas about topics and/or functions that may benefit from a performance audit.

The Office considers the following outcomes when developing a proposed work program:

- Significant cost impact;
- Improvement in public policies and operational practices;
- Increased efficiency, effectiveness, and performance of public services; and
- Enhanced accountability systems and transparency of county operations.

As part of its work program, the Auditor’s 17-member staff administers a capital projects oversight program, a transit audit program and a law enforcement audit program.¹ The 2019-2020 biennial budget appropriates \$5,273,000 (\$2,636,500 per year) for the County Auditor. Attachment 3 is the King County Auditor’s 2019-2020 work program, which includes 13 performance audits, follow up of recommendations from past audits, 11 items for capital projects oversight, follow up of recommendations from past oversight projects, and 9 supplemental performance audits if capacity allows or an issue becomes critical.

Comparison of Seattle and King County Auditor’s Offices

Table 1 compares the legislative authority, organization and work programs of Seattle’s Office of City Auditor and the King County Auditor.

Table 1. Office of City Auditor and King County Auditor: Appointment, Term of Office, Legislative Authority and Work Programs of City Auditor and King County Auditor

	Office of City Auditor	King County Auditor
Appointment	City Council (Majority Vote)	County Council (Majority Vote)
Term of Office	Four Years	Four Years
Authority	Final decision on content of work program; meet quarterly with City Council to review the work program.	Recommend work program for County Council adoption.
Work Program	Overall priorities in developing a work plan are as follows: ² 1) to respond to requests from the City Council; 2) respond to requests from the Executive and Municipal Court; 3) respond to requests from citizens; and 4) choose projects that will help departments improve services, innovate, increase revenues and/or reduce costs.	Auditor’s scope of authority – work program: ³ Audits, studies and oversight promoting due diligence by county officials.

Table 2 lists publications produced by the Seattle’s Office of City Auditor and the King County Auditor according to each office’s Annual Report for the three years from 2016 – 2018.⁴

¹ In 2007, the County Council initiated a Capital Projects Oversight program within the Auditor's Office to provide independent and expert oversight of King County's major capital construction projects and the project remains in place today. [Ordinance 18799](#) requires reports in even-numbered years summarizing work completed and executive implementation relative to the law enforcement audit and transit audit work programs.

² [Resolution 31030](#)

³ https://kingcounty.gov/council/legislation/kc_code/05_Title_2.aspx

⁴ As of 2/3/2020, neither the Seattle City Auditor nor the King County Auditor has published a 2019 Annual Report.

Table 2. Seattle Office of City Auditor and the King County Auditor Publications, 2016 – 2018

	Seattle Office of City Auditor	King County Auditor
2018 Publications		
Audits	<ul style="list-style-type: none"> • City of Seattle Financial Condition • Review of Navigation Team’s Quarter 1 Report • Seattle Public Utilities Wholesale Water Sales • Implementation Status Report 	<ul style="list-style-type: none"> • County Parking • Elections: Ballot Processing • Home Free Guarantee Program • King County Homelessness • Noise Code • Property Tax Appeals • Public Defense Management • RapidRide Fare Enforcement • Tax Title Properties • Audit Follow Up Reports
Capital Projects Oversight	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • Courthouse Revitalization Follow Up • Puget Sound Emergency Radio Network Project • Transit Capital Follow Up
Other Reports/ Contracts	<ul style="list-style-type: none"> • Baseline Report on Sweetened Beverage Tax (contract) • Secure Scheduling Ordinance – Year 1 Evaluation (contract) • UW Seattle Rental Housing Study – Final Report (contract) • Rainier Beach Campus Safety Continuum (Technical Assistance for grant-funded program) • Rainier Beach: A Beautiful Safe Place for Youth (Technical Assistance for grant-funded program) 	<ul style="list-style-type: none"> • N/A
2017 Publications		
Audits	<ul style="list-style-type: none"> • Assessment of the Seattle Municipal Court Resource Center • Audit of New Customer Information System Implementation (Seattle Light and Seattle Public Utilities) • Audit of Seattle's Incentive Zoning for Affordable Housing • City of Seattle Financial Condition 2017 • Review of Hate Crime, Prevention, Response and Reporting phase 1 • Special Events- Police Staffing and Cost Recovery • Implementation Status Report 2017 	<ul style="list-style-type: none"> • Access Paratransit • Best Starts for Kids Evaluation • Department of Permitting and Environmental Review • King County Approach to Driver's Relicensing • King County Sheriff’s Office Overtime • Metro Transit Information Technology • Public Health Communicable Disease and Epidemiology • Audit Follow Up Reports

	Seattle Office of City Auditor	King County Auditor
Capital Projects Oversight	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Capital Project Risk Scoring Georgetown Combined Sewer Overflow Puget Sound Emergency Radio Network
Other Reports/Contracts	<ul style="list-style-type: none"> Family Intervention and Restorative Services Center Update (contract) Five Recommendations for Evaluating Seattle's New Police Oversight System Police Secondary Employment Rainier Beach Campus Safety Continuum (Technical Assistance for grant-funded program) Reporting Plan for Navigation Team Summary of Emerging and Best Practices in Public Sector Information Technology Project Management (contract) UW Report on Minimum Wage Ordinance (contract) UW Report on nonprofit response to minimum wage (contract) 	
2016 Publications		
Audits	<ul style="list-style-type: none"> Audit of Services the Metropolitan Improvement District Provides in Belltown Seattle City Light Billable Services Audit Seattle Police Department Overtime Controls Audit Implementation Status Report 2016 	<ul style="list-style-type: none"> Bus Part Rebuilds Emergency Management Emergency Medical Services Lean in King County Merit Pay Real Estate Services Sheriff's Early Intervention System Wastewater Capacity Charge Audit Follow Up Reports
Capital Projects Oversight	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Children and Family Justice Center
Other Reports/Contracts	<ul style="list-style-type: none"> Family Intervention and Restorative Services Center Update (contract) Prescription Drug Disposal: Opportunities for the City of Seattle Ten Things the City of Seattle Should Consider When Evaluating a Pilot Implementation of an Acoustic Gunshot Locator System (contract) UW Report on Seattle's Minimum Wage Ordinance (contract) 	<ul style="list-style-type: none"> Transit Audit Program Annual Report Biennial Budget Summary Capital Project Debt Usage Audit Termination Cost Analysis White Paper Goal Planning White Paper

Key differences in the work programs of the Seattle Office of City Auditor and the King County Auditor's Office from 2016-2018 are noted below.

- The County Auditor's work program focuses on performance audits and capital program oversight, while the City Auditor's work program provides performance audits as well as oversight of policy compliance and program evaluations.
 - Audits: The Seattle Office of City Auditor published 15 Audits and the King County Auditor published 27 Audits (not counting either Seattle's Implementation Status Report or King County's Audit Follow Up Reports⁵).
 - Reports: The Seattle Office of City Auditor published 18 other types of non-audit reports, 13 of which were contributed to or authored by consultants. The King County Auditor published 12 other non-audit reports, including seven Capital Project Oversight Reports.
- The City Auditor commonly publishes reports prepared by consultants; the County Auditor primarily uses consultants as technical contributors but prepares its own reports.
- The County Auditor has a specific capital program oversight function and a data visualization specialist position that the City Auditor does not have; The City Auditor has a designated utility auditor that the County Auditor does not have.
- The City Auditor develops an annual work program; the County Auditor develops a two-year work program.
- The City Auditor has final decision authority over their work program; the County work program is approved by the County Council.
- County and City funding levels for both Auditors in 2020 appear comparable, but the King County Auditor has seven more positions than the Office of City Auditor.
- Consultants developed a significant number of reports for the City Auditor in 2016-2018; the County uses significantly fewer consultant resources.

II. City Auditors in Comparably Sized United States Cities

City of Portland, Oregon

The City of Portland, Oregon had a population of 648,740 in 2018, compared to Seattle's population of about 730,500 that same year.⁶ Portland has had a City Auditor since 1868, and the position has been elected by voters since 1891. Portland is the only city in Oregon with an independent, elected auditor. In 1986, voters approved Charter amendments that clarified the

⁵ The Seattle Office of City Auditor produced one master table each year updating the implementation status of the Auditor's recommendations, whereas the King County Auditor produces a separate paper for each Audit follow up report.

⁶ The City of Portland is the closest city with a comparable population to the City of Seattle. Source: [Oregon Blue Book, Oregon Secretary of State](#) and [Washington State Office of Financial Management](#)

duties of the City Auditor and authorized performance auditing of City operations. Also, in 1986 the Audit Services Division was formally created as an independent audit function reporting to the elected City Auditor.

The City Charter requires the City Auditor to conduct financial audits of City Government, and the Portland City Code authorizes the Audit Services Division to contract for the services of certified public accountants to perform those audits.⁷ The Portland City Council sets the auditor's budget every year; prior to Charter amendments approved by voters in May 2017, her office had to get approval for hiring and procurement decisions from the city's Office of Management and Finance, which is among the bureaus the auditor's office is supposed to review.⁸ That election also allowed the City Auditor to obtain independent legal advice.

The Auditor has authority to select audit areas but submits an annual audit plan to the City Council each year for review and comment. The Auditor identifies audits for the following year based on the potential for cost savings, service improvements, or more equitable outcomes. The audit plan may be amended during the year after review with Councilmembers affected by the change. The Auditor may initiate and conduct any other audit deemed necessary, and Councilmembers may request that the Auditor perform special audits not included in the annual audit plan. Those audits may become amendments to the annual audit plan after consultation with Councilmembers whose work would need to be postponed.

City of Nashville, Tennessee

The City of Nashville, Tennessee had a population of 660,062 in 2018, compared to Seattle's population of about 730,500 that same year.⁹ It is governed by a joint city/county government, the Metro Government of Nashville and Davidson County, within which the city code identifies the Division of Metropolitan Audit as an independent agency.¹⁰

The Metropolitan Auditor is appointed for an eight-year term by a majority vote of the City Council from a list of three persons recommended by an Audit Committee. The Audit Committee consists of the vice-mayor, the director of finance, two Councilmembers, a member of the Nashville Area Chamber of Commerce and a member selected by Nashville Chapter of the Tennessee Society of Certified Public Accountants. The Audit Committee oversees the annual audit plan, concurs with the annual compensation and conducts annual performance

⁷ <https://www.portlandoregon.gov/auditservices/58392>

⁸ The City of Portland has a commission form of government, in which the mayor and council members serve as both the legislative branch of government, responsible for crafting legislation and appropriating the city's budget every year, and the executive branch, responsible for managing the city bureaus that spend that money.

⁹ Nashville was identified as one of the top performing auditors in the US and Canada in an article entitled [Emerging Strategies for Performance Auditing](#). Las Vegas also has a population comparable to the City of Seattle, but little information about the City Auditor's Office is available online. Population Source: [Open Data Network](#)

¹⁰ [City Code of the Metro Government of Nashville and Davidson County](#)

reviews of the Metropolitan Auditor.¹¹ The Division of Metropolitan Audit provides performance, compliance, financial and information systems audits as well as advisory services, including risk and controls awareness training and compliance self-monitoring. It also provides a hot line and due diligence investigations with respect to fraud and abuse.

San Francisco, California

The City of San Francisco, California had a population of 870,044 in 2018, compared to Seattle's population of about 730,500 that same year.¹² It is governed by a joint city/county government, the City and County of San Francisco, and the [San Francisco Charter](#) establishes the Office of the Controller. The Controller is appointed to a 10-year term and serves as the City Services Auditor for the City and County. The Charter establishes the Controller's Audit Fund, with a dedicated source of revenue equivalent to two-tenths of one percent of the budget of the City and County of San Francisco.¹³

The Charter requires that the Civil Services Auditor:

- 1) Performs comprehensive financial and performance audits of selected City departments each year;¹⁴
- 2) Reviews standards for street and park maintenance and perform an annual Clean Streets/Clean Parks audit; and
- 3) Conducts an annual review of management and employment practices, identifies and addresses specific issues with respect to workers compensation and fire department overtime spending, conducts best practices reviews and assists departments in implementing their findings.

The Charter also authorizes the Citizens' General Obligation Bond Oversight Committee¹⁵ to function as an independent Citizens Audit Review Board to advise the Controller/City Services Auditor and to recommend departments in need of comprehensive audit.

The Charter directs that, other than the annual Clean Streets/Clean Parks Audit, the Controller has discretion to select, on a rotating basis, departments, services and activities for audit. The Controller is to give preference to direct services to residents and to request for performance

¹¹ The metropolitan audit committee consists of six members: The vice mayor and the director of finance; two members of the Metropolitan County Council; one member of the Nashville Area Chamber of Commerce and one member selected by the Nashville Chapter of the Tennessee Society of Certified Public Accountants. Sources: [Charter of the Metro Government of Nashville and Davidson County and Audit Committee Bylaws](#)

¹² [Open Data Network](#)

¹³ [San Francisco Charter](#)

¹⁴ The Charter requires the City Services Auditor to assess measures of workload, efficiency, and effectiveness. Data must be collected and comparisons conducted annually for street and sidewalk cleanliness, public works and public utilities performance, parks, cultural and recreational facilities, transportation, the criminal justice system, fire and paramedic services, public health and human services, city management and human resource functions.

¹⁵ The committee shall consist of at least nine members to be appointed as follows: three members by the Mayor; three by the Board; two members by the Controller; and one member by the Civil Grand Jury.

audits made by the Audit Review Board, the Mayor, the Board of Supervisors, department heads, and commissions.

Seattle's Office of City Auditor Compared to Other Cities

Key differences between Seattle's Office of City Auditor and City Auditors in Nashville, Portland and San Francisco are noted below.

- **Nashville:** The Metropolitan Auditor is appointed to an eight-year term; public/private Audit Committee recommends candidates for the office, oversees the annual audit plan, concurs with the annual compensation and salary adjustment and conducts annual performance reviews of the metropolitan auditor. The office provides a fraud hot line.
- **Portland:** The City Auditor is directly elected; the Auditor can contract with Certified Public Accountants (CPAs) to perform financial audits of City Government.
- **San Francisco:** The Controller serves as the chief accounting officer and auditor and is appointed by the Mayor for a 10-year term. Audit Services funding is established by charter, as is much of the work program. Within Audit Services, the Audits unit manages the Whistleblower program; the Performance Unit provides support to city departments to improve their service delivery.

III. Implementation Considerations

The City Council has some legislative authority to revise the form and function of the Office of City Auditor. A scan of legislation affecting the City Auditor's Office in the last 20 years (see Attachment A) shows little change with respect to the focus or balance of the Auditor's work program between performance audits and City Council requests. A potential shift in the Auditor's operational model took place in 2011, when the City Council established an advisory Audit Committee, but that Committee subsequently dissolved after the current Auditor was reappointed. In addition, the Auditor's final decision-making authority on the Office's work program has remained constant.

If the City Council wished to replicate elements of the King County Auditor's processes and structure, members could adopt legislation giving Council final approval of the Auditor's work program. Similarly, the City Council could also adopt legislation if it wished to set an established funding level and/or permanently define the Auditor's work program along the lines of San Francisco's City Services Auditor. If the City Council wished to emulate the City of Nashville's Audit function, members could pass legislation to create an Audit Committee in either an advisory or an oversight capacity, although legal review of Council's authority would be advisable depending upon the membership and authority of such a Committee. However, if the Council wished to make the Office of City Auditor an elected position, as in the City of Portland, the City Council would need to initiate a charter amendment for voter approval. A detailed analysis of the policy issues or legal authority and risk associated with any potential modifications to the City Auditor's Office can be prepared upon request.

Attachments:

1. Legislative summary of City and County Auditors' appointment process, duties, terms of office and work programs
2. 2020 Work Program for the Office of City Auditor
3. 2019-2020 Work Program for the King County Auditor

cc: Kirstan Arestad, Executive Director

Attachment 1 – Legislative summary of City and County Auditors’ appointment process, duties, terms of office and work programs

City of Seattle Office of City Auditor Legislative History Appointment, Duties, Term of Office, Work Program

Prior to 1991, auditing duties for the City of Seattle were handled by the City Comptroller.

In 1991, voters approved charter amendments set forth in [Ordinance 115766](#) abolishing the City Comptroller and creating a City Auditor, among other changes.

In 1992, [Ordinance 116368](#) codified the position of City Auditor. The Auditor would be appointed to a six-year term by the chair of The Finance Committee, subject to confirmation (and removal) by a majority of the City Council.

In 1993, the City Council adopted [Resolution 28780](#), which established both the overall goals in selecting audits to be performed and a process for selection of an annual work program.¹ The Resolution required the Auditor to submit a draft work program to the Council Finance Committee by December 31st and, after “considering input from the council and other interested parties” publish a final work program by January 31st. The work program was to leave 10-15% of staff time unallocated to accommodate new requests.

In 1998, [Ordinance 118957](#) clarified how to make appointments for incumbents serving consecutive or separate terms and how the Auditor’s Office should function in the event of a vacant appointed City Auditor position. Also in 1998, the City Council adopted [Ordinance 119272](#), which established the Office of City Auditor as a new department within the Legislative Branch, instead of as an Office within the Legislative Department.

In 2000, the City Council adopted [Resolution 30175](#), which superseded [Resolution 28780](#), and provided the City Auditor flexibility to amend the work program to address emergent issues, directed the Auditor to submit, at least twice per year, a copy of the work program to the City Council Finance Committee and authorized the City Auditor to make final audit selection decisions.

In 2006, voters approved a charter amendment set forth in [Resolution 30896](#), which was codified in [Ordinance 122180](#).² The Ordinance transferred appointment authority for the City Auditor from the Chair of the Finance Committee to a majority of the City Council and changed the term of office from six to four years. The accompanying fiscal note stated that “The scope of audits conducted by the City Auditor is much broader than just financial audits, and therefore it is more appropriate to have a majority of the entire city council appoint the City Auditor.”

¹ The overall goals in audit selection is to perform audits of areas which will maximize the following: improved services, innovation, increased revenues and/or reduced costs. Additionally, the City Auditor will consider the needs of departments, quality of internal controls, program funding and program changes, political exposure and adverse publicity, time elapsed since last audit, and skills and availability of audit staff.

² The Council vote on the Ordinance was 7-1.

In 2008, the Council adopted [Resolution 31030](#), recognizing that the City Auditor's overall priorities in developing a work program are:

- 1) to respond to requests from the City Council;
- 2) respond to requests from the Executive and Municipal Court;
- 3) respond to requests from citizens; and
- 4) choose projects that will help departments improve services, innovate, increase revenues and/or reduce costs.

The Resolution also authorized the City Auditor to make final decisions regarding the content of the Office's work program, established a process for selecting projects to be included in a work program and called for the City Auditor to meet quarterly with the City Council to review the work program. The process for selecting projects for the work program largely matched that defined in [Resolution 28780](#) but added the City's Ethics and Elections Commission to entities with whom the Auditor would coordinate to ensure no unintended duplication of effort.

In 2011, [Ordinance 123622](#) established a five-member advisory Audit Committee to give guidance to, and be a resource for, the City Auditor.³ Among other duties, the Committee would provide input to the City Council regarding reappointing the Auditor. The Committee was disbanded after the Ordinance was automatically repealed, per the provisions of the Ordinance.⁴

King County Auditor's Legislative History Appointment, Duties, Term of Office, Work Program

Between 1854 and 1969, the King County Auditor was a directly elected position, independent of the elected county commissioners. In 1952, voters defeated a measure that would have replaced the three County Commissioners with a seven-member non-partisan County Council and an appointed County Administrator and would have transformed all elected offices except the prosecutor's into appointed positions.

In 1969, the County Auditor became an appointed position as a result of a voter-approved [County Charter](#), which also created the King County Council. Officials whose elected offices were abolished by the charter were eligible for re-appointment. The charter also created a new Recorder's Office, which took over the recording functions from the County Auditor.

³ The Audit Committee consisted of the City Councilmember who chairs the City Council standing committee with oversight responsibility for the City Auditor, one representative of the Executive branch, appointed by the Mayor subject to confirmation by the City Council, and three public members to advise the City Auditor, one of whom would be appointed by the Mayor subject to confirmation by the City Council and two of whom would be appointed by the City Council

⁴ As set forth in the ordinance, it would repeal automatically on June 30, 2014 unless the City Council amended that provision.

1973, the County Council adopted Substitute [Ordinance 1565](#) authorizing the Auditor to inspect all documents and information relating to all financial affairs of every office and department, political subdivision and organization which receive appropriations from the County.

In 1987, the County Council adopted [Ordinance 8264](#) which included a statement of the office's independence and expanded upon the selection process for the Auditor. The ordinance defined the types of audits for which the Auditor would be responsible⁵, specified that the County Council would annually review and approve by Motion the Audit Work Program and could move to amend the approved annual work program⁶, and the conditions under which the auditor could expand the scope of an audit beyond that approved in the work program. The ordinance also required the County Council to designate a committee to receive and review all audits and special studies.

In 2005, the County Council adopted [Ordinance 15241](#), which emphasized performance audits as a vehicle for strengthening operational accountability,⁷ revised the screening committee process for the hiring of the Auditor and allowed for the Auditor to provide oversight and technical assistance to county departments with respect to strategic plans, business plans, performance measures and other performance improvement efforts, as directed by the County Council.

In 2007, members of the County Council introduced [legislation](#) to make the County Auditor an elected office, but the ordinance lapsed. A [report](#) prepared by King County Council policy staff provided background and pros and cons associated with a directly-elected county auditor. In 2007, the County Council initiated a Capital Projects Oversight program within the Auditor's Office⁸ to provide independent and expert oversight of King County's major capital construction projects.

In 2018, the King County Council adopted [Ordinance 18799](#), which revised the County Council's approval of the Auditor's work program to every two years instead of annually, allowed the Auditor to request by motion to amend the work program to respond to emerging issues, modified code requirements pertaining to law enforcement and transit audits, and repealed code authority (adopted in 2005 via Ordinance 15241) that allowed for the Auditor to provide oversight and technical assistance to county departments with respect to strategic plans, business plans, performance measures and other performance improvement efforts.

⁵ To include financial and compliance audits, economy and efficiency audits, program results audits and special studies.

⁶ With the condition that no Council-initiated change could be made that adversely affects an audit or study in progress without the recommendation of the auditor.

⁷ As described in the Staff Report for the proposed Ordinance.

⁸ King County [Ordinance 15652](#) funded a pilot project in the 2007 budget and the program remains in place today.

Attachment 2 – 2020 Work Program for the Office of City Auditor

Project	Source	Estimated Completion
Performance Audits and Audit Recommendation Follow-up		
SCL Customer Billing and Service	CM Mosqueda	1st Qtr 2020
SCL Pole Attachments	City Council	1st Qtr 2020
Non-Police Surveillance Technologies	Council Bill 118930	September 2020; First report on two SDOT technologies
Consultant Evaluations Managed by the Office of City Auditor		
Public Health Seattle King County Sweetened Beverage Tax Evaluation	Ordinance 125324	1st Qtr 2020; Tax impact, one year after implementation
Federally Funded Evaluation of National Institute of Justice Grant: Rainier Beach Campus Positive Behavioral Interventions and Supports	City Council (outgrowth of the Seattle Youth Violence Prevention Initiative)	2020
Future Scheduled Performance Audits, Evaluations, and Other Projects		
Collection of Business Taxes	Performance audit requested by CM O’Brien (follow-up of a 2005 audit).	
Fair Chance Housing Evaluation	Evaluation required by Ordinance 125393 – completion pending Supreme Court decision.	
Notice of Intent to Sell Low-Income Housing	Performance audit required by Ordinance 125873 (Report due to Council by 12/31/21).	
Annual Audit Recommendation 2019 Follow-up Report	Office of City Auditor practice.	
University of Washington/ University of California/ University of Chicago Secure Scheduling Evaluation	Evaluation required by Ordinance 125135 ; final report on second year after the ordinance’s implementation planned to be completed either by 4th Quarter 2020 or 1st Quarter 2021.	
Public Health Seattle King County (PHSKC) Sweetened Beverage Tax Evaluation	Evaluation required by Ordinance 125324 ; reports to be completed on activities through 2021.	
Safe Gun Storage Statistical Reports	Non-audit project required by Ordinance 125620 ; reports to be completed on activities through 2023.	
City of Seattle Financial Condition Report	Performance audit required every two years by Ordinance 125204	

PROJECT NAME	PROJECT FOCUS
Performance Audits	
Law Enforcement 	
Jail Use of Force	Evaluate use of force in the jails.
Sexual Assault Investigations	Evaluate Sheriff's Office investigation of sexual assault cases.
Sheriff and Jail Workforce Planning	Evaluate how ready the Sheriff's Office and the Department of Adult and Juvenile Detention are to handle hiring, recruitment, and other workforce challenges.
Transit 	
Transit Community Connections Program	Evaluate Transit's Community Connections program that provides transit to communities outside of the core network.
Transit Cybersecurity	Assess Transit's protection of its IT systems and technology-based processes.
General 	
Contracting with Women and Minority-Owned Businesses	Evaluate King County's use of small contractors and suppliers, including women and minority-owned businesses.
Courthouse Security	Evaluate the screening and security at the King County Courthouse.
Cybersecurity	Evaluate King County's management of cybersecurity risks.
Government Relations	Evaluate the efficiency and effectiveness of King County's government relations functions.
Medical Examiner's Office	Evaluate the efficiency and effectiveness of the Medical Examiner's Office.
Office of Labor Relations	Evaluate the Office of Labor Relations' policies and processes for negotiations.
PeopleSoft	Evaluate PeopleSoft with an emphasis on reducing the risk of incorrect payments.
Follow-up of Past Recommendations	Enhance accountability by following up on more than 200 audit recommendations to drive performance improvement.
Capital Projects Oversight	
Analysis of Capital Project Alternatives	Evaluate the effectiveness of alternatives analyses on large capital projects.
Capital Program Oversight	Monitor Facilities Management, Parks, Solid Waste, Transit, and Wastewater capital programs for key risks. Potentially select high-risk projects within one or more programs for oversight.
Children and Family Justice Center Project (CFJC)	Continue to oversee Facilities Management's CFJC project.
Courthouse Projects	Continue to oversee projects in the King County Courthouse.
Georgetown Project	Continue to oversee Wastewater Treatment Division's Georgetown project.

King County Auditor's Office · 2019-2020 Work Program**PROJECT NAME****PROJECT FOCUS****Capital Projects Oversight (continued)**

Puget Sound Emergency Radio Network Project (PSERN)	Continue to oversee King County Information Technology's PSERN project.
Readiness to Deliver on Capital Commitments	Evaluate how ready divisions and departments are to execute capital programs and projects.
Risk Scoring	Consult during annual risk scoring process to score and select capital projects for mandatory phased appropriation.
South County Recycling and Transfer Station Project	Oversee Solid Waste's South County Recycling and Transfer Station project.
Transit South Campus Capital Projects	Oversee Transit's projects to expand South Base campus.
West Point Follow-Up	In response to KCC Ordinance 18628, follow up on recommendations made to Wastewater Treatment Division about the West Point Treatment facility.
Follow-Up of past Recommendations	Enhance accountability by following up on capital projects oversight recommendations to drive performance improvement.

Supplemental Performance Audits if Capacity Allows or Issue Becomes Critical

Criminal Justice Efficiencies	Evaluate King County's cross-agency efforts to improve delivery of criminal justice services including alternatives to incarceration.
Department of Local Services	Assess the Department of Local Services' customer service, efficiency, and effectiveness.
Emerging Issues in Law Enforcement	Monitor law enforcement issues in King County. The Auditor may select high-risk or emerging areas of interest for evaluation.
Emerging Issues in Transit	Monitor transit issues in King County. The Auditor may select high-risk or emerging areas of interest for evaluation.
Facilities Management Operations	Assess the extent to which the Facilities Management Division provides efficient and effective services for internal county customers.
Integration of Expanding Light Rail Service into Transit Planning	Identify lessons learned and other means to enhance Transit's integration of upcoming expanded Light Rail service into its service planning process.
King County Sheriff's Office (KCSO) Training	Evaluate training in the King County Sheriff's Office.
Strategic Climate Action Plan: Forest and Agriculture	Evaluate performance under Goal Area 5 of the Strategic Climate Action Plan.
Transit Real Estate Management	Evaluate Transit's management of its real estate portfolio, both in terms of property management and acquisition.