

Office of the City Auditor

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<http://www.seattle.gov/audit/>

Department Overview

The Office of City Auditor was established by City Charter and serves as Seattle's independent performance audit function. The City Auditor is appointed by the City Council to a four-year term of office.

The Office of City Auditor seeks to promote honest, efficient management and full accountability throughout City government. It serves the public interest by providing the City Council, the Mayor and City employees with accurate information, unbiased analyses and objective recommendations on how best to use public resources.

The Office of City Auditor conducts audits of City departments, programs, grantees and contracts, as well as some non-audit projects. Most of the office's work is performed in response to specific concerns or requests from City Councilmembers, but the City Auditor also independently initiates work to fulfill the office's mission. If resources are available, the City Auditor responds to requests from the Mayor, City departments and the public.

Through its work, the Office of City Auditor answers the following types of questions:

- Are City of Seattle programs being carried out in compliance with applicable laws and regulations, and is accurate information furnished to the City Council and Mayor on these programs?
- Do opportunities exist to eliminate inefficient use of public funds and waste?
- Are programs achieving desired results?
- Are there better ways to achieve program objectives at lower costs?
- Are there ways to improve the quality of service without increasing costs?
- What emerging or key issues should the City Council and Mayor consider?

Budget Snapshot

	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Adopted
Department Support				
General Fund Support	2,810,175	2,864,372	2,611,259	2,079,778
Other Funding - Operating	-	-	-	500,000
Total Operations	2,810,175	2,864,372	2,611,259	2,579,778
Total Appropriations	2,810,175	2,864,372	2,611,259	2,579,778
Full-Time Equivalents Total*	10.00	10.00	10.00	10.00

* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here

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Budget Overview

The 2020 Adopted Budget maintains resources to support the Office of City Auditor and includes technical adjustments to bring the department's budget into alignment with an Annual Wage Increase, a State Paid Family Medical Leave increase, changes to internal service costs, and items previously approved in the 2019 Second Quarter Supplemental Budget Ordinance. In addition, \$500,000 included in the Auditor's baseline budget for the evaluation of the Sweetened Beverage Tax will now be funded from Sweetened Beverage Tax Fund, rather than the General Fund where those tax resources had previously been deposited.

City Council Changes to the Proposed Budget

The Council added \$69,156 to the Office of City Auditor to allow for performance-based salary increases at management's discretion.

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Incremental Budget Changes

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	2020 Budget	FTE
Total 2020 Endorsed Budget	2,611,259	10.00
Baseline		
2020 Coalition and Non-Rep Annual Wage Increase Base Budget	114,822	-
2020 State Paid Family Medical Leave Increase Base Budget	1,900	-
Citywide Adjustments for Standard Cost Changes	32,405	-
Proposed Technical		
Supplemental Changes	(249,764)	-
Transfer Sweetened Beverage Tax Baseline Budget to New Fund	-	-
Council		
Add Funding for Salary Increases	69,156	-
Total Incremental Changes	\$(31,481)	-
Total 2020 Adopted Budget	\$2,579,778	10.00

Description of Incremental Budget Changes

Baseline

2020 Coalition and Non-Rep Annual Wage Increase Base Budget

Expenditures \$114,822

This centrally administered change adjusts appropriations to reflect the Annual Wage Increase, as outlined in the agreements between the City and the Coalition of Unions, for personnel costs included in this department's baseline budget. This includes increases to salary, FICA, Medicare, retirement, overtime and temporary labor.

2020 State Paid Family Medical Leave Increase Base Budget

Expenditures \$1,900

Starting in January 2020, Washington State will offer paid family and medical leave benefits to all workers in the State of Washington, including City of Seattle employees. In 2020, the agreements with the Coalition of Unions moves a portion of the cost responsibility to the employee in 2020, with the City paying the remainder. This item increases appropriations to account for the City's obligation for all employees.

Citywide Adjustments for Standard Cost Changes

Expenditures \$32,405

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, including the Department of Finance & Administrative Services rates, Information Technology rates and Human Resources rates,

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health care, retirement and industrial insurance charges for the department. This adjustment also includes a transfer of resources from the department to the Human Resources Investigations Unit (HRIU) as part of the City's efforts to improve investigative processes and practices across the City departments. While the internal service rates are final for 2020, some of the other adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Technical

Supplemental Changes

Expenditures \$(249,764)

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. This change includes transferring \$249,764 from the Office of City Auditor to the Human Services Department (HSD) for HSD to provide technical assistance to partner organizations that will expand their ability to evaluate programs funded by the Sweetened Beverage Tax.

Transfer Sweetened Beverage Tax Baseline Budget to New Fund

Expenditures -

This technical change reflects the requirements of Ordinance 125886, and transfers the baseline department budget for Sweetened Beverage Tax activity from the General Fund (00100) to the Sweetened Beverage Tax Fund (00155). These changes are net-zero.

Council

Add Funding for Salary Increases

Expenditures \$69,156

This item adds funding from the General Fund, Seattle City Light and Seattle Public Utility funds to provide a five percent salary increase for the Executive Manager positions and the Strategic Advisor positions in the Office of the City Auditor, to be granted at management's discretion in recognition of 2019 performance.

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Expenditure Overview

	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Adopted
Appropriations				
AUD - BO-AD-VG000 - Office of the City Auditor				
00100 - General Fund	2,810,175	2,864,372	2,611,259	2,079,778
00155 - Sweetened Beverage Tax Fund	-	-	-	500,000
Total for BSL: BO-AD-VG000	2,810,175	2,864,372	2,611,259	2,579,778
Department Total	2,810,175	2,864,372	2,611,259	2,579,778
Department Full-Time Equivalent Total*	10.00	10.00	10.00	10.00

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Budget Summary by Fund Office of the City Auditor

	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Adopted
00100 - General Fund	2,810,175	2,864,372	2,611,259	2,079,778
00155 - Sweetened Beverage Tax Fund	-	-	-	500,000
Budget Totals for AUD	2,810,175	2,864,372	2,611,259	2,579,778

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Appropriations by Budget Summary Level and Program

AUD - BO-AD-VG000 - Office of the City Auditor

The purpose of the Office of City Auditor Budget Summary Level is to provide unbiased analyses and objective recommendations to assist the City in using public resources more equitably, efficiently and effectively in delivering services to the public.

Program Expenditures	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Adopted
Office of the City Auditor	2,810,175	2,864,372	2,611,259	2,579,778
Total	2,810,175	2,864,372	2,611,259	2,579,778
Full-time Equivalents Total*	10.00	10.00	10.00	10.00

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