

Office of the City Auditor

Management Data

Commissioner in Charge: LaVonne Griffin-Valade
 Bureau Director: LaVonne Griffin-Valade
 Website: <http://www.portlandonline.com/auditor/>
 Administration: 3.1%
 M/W/ESB Contract \$: 0.0% Prime & 0.0% Sub

Workforce Data

Minorities: 10.64%
 Female: 65.96%
 Non-Represented: 85.8%
 Span of Control: 1 to 5.6 positions per supervisor
 Management Layers: 1 to 3

Resource and FTE Summary

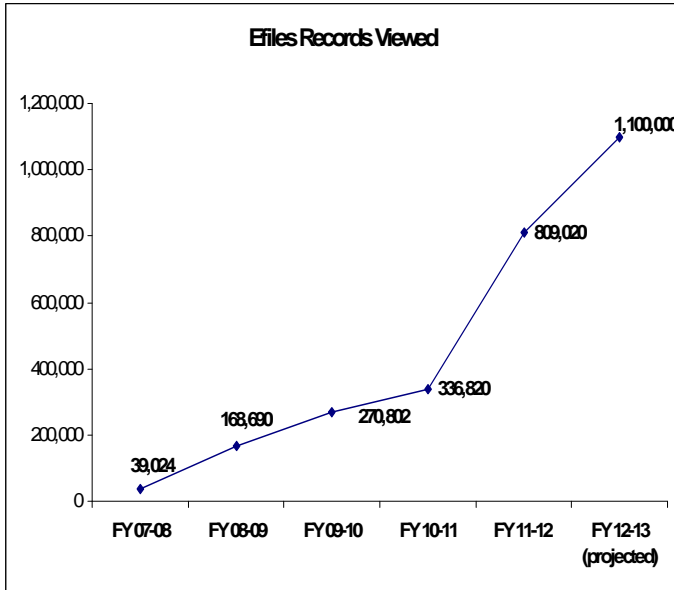
	FY 2012-13 Adopted	FY 2013-14 Base	FY 2013-14 Reductions	FY 2013-14 Add Packages	FY 2013-14 Requested
GF Ongoing	\$3,660,236	\$2,989,363	\$0	\$286,385	\$3,275,748
GF One-Time	\$185,000	0	0	0	0
GF Overhead	\$4,122,089	\$4,999,159	0	0	\$4,999,159
Assessment-related	\$45,743,824	\$32,165,694			\$32,165,694
Other Revenues	\$1,356,802	\$1,324,117	0	0	\$1,324,117
Total Revenues	\$55,067,951	\$41,478,333	\$0	\$286,385	\$41,764,718
FTE	48.3	46.62	0.00	1.5	48.12

Bureau Overview and Significant Issues

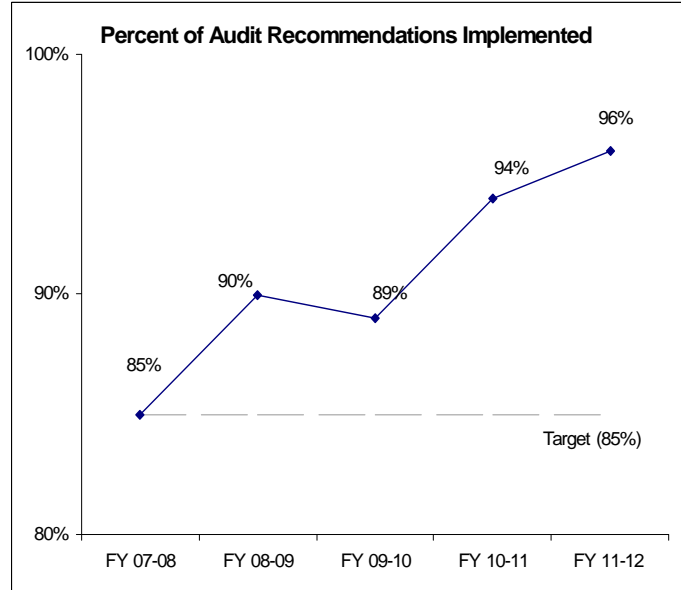
The mission of the City Auditor's Office is to ensure open and accountable government. City Charter assigns the Auditor a variety of duties, including conducting performance audits, supervising City elections, maintaining all official records of the City, overseeing the Council agenda and meetings, and other accountability functions. City Code also authorizes the Auditor to provide civilian oversight of the Portland Police Bureau; impartial hearings of appeals of City decisions; independent investigations of complaints; and management of assessments, liens and foreclosures. *The tables in this document contain figures for both operating (\$9.3 million) and assessments-related (approximately \$32 million) budgets.* Cuts over the last two years and for FY 2013-14 present challenges to continuing the service level and scope of Auditor's Office programs. Additionally, new mandates and continuing funding gaps require attention and resources.

- Managing workload and mandated services.** At the 90 % allocation level, the Auditor's Office will have 46.62 FTE in eight divisions, each of which is programmatically distinct. Most have a very small number of staff and workload demands that are outside of their control, so that any increase in workload severely strains staff resources and time. Because taking a cut to a small division could mean eliminating the service altogether, the Auditor focused cuts on two of the largest of the office's divisions: Audit Services and Council Clerk/Contracts. To meet the 90 % target, one position was cut from the Council Clerk/Contracts division and significant materials and services cuts were taken in Audit Services and in other office programs.
- Department of Justice agreement.** Implementation of the Department of Justice (DOJ) agreement will have a significant impact on the Independent Police Review (IPR) division. IPR must significantly shorten the time to complete administrative investigations, conduct more in-depth intake investigations, exhaust every avenue to obtain and analyze all relevant evidence, and meet a higher standard of evidence before dismissing allegations of the use of excessive force. These changes will require a great deal of attention, planning, and resources in the coming years.
- Improving management of electronic records Citywide.** Analysis by the Auditor's Office and a Citywide Steering Committee have revealed significant deficiencies in the management of electronic records in some City bureaus, leaving many critical business needs and retention requirements unmet. There is a need to continue the technology investment the City made in proper management of electronic records, through the TRIM system, to roll it out Citywide, and ensure greater compliance with recordkeeping rules and regulations.

PERFORMANCE DASHBOARD



In FY 2011-12, the number of Efiles viewed rose to 809,020, exceeding the target of 505,000. In FY 2012-13, the Office projects 1.1 million total views.



In FY 2011-12 the Audit Services Division implemented, or is in the process of implementing, 96% of audit recommendations.

Operating and Capital Requirements

	FY 2011-12 Actuals	FY 2012-13 Adopted	FY 2013-14 Base	FY 2013-14 Request	FY 2014-15 Estimate*
Operating - Base	\$28,324,755	\$41,978,757	\$41,478,333	\$41,764,718	\$43,314,477
Operating - One-Time Initiatives	0	0	0	0	0
Capital - New Construction	0	0	0	0	0
Capital - Major Maintenance	0	0	0	0	0
Unappropriated Ending Balance	\$19,057,312	\$13,089,198	0	0	0
Total	47,382,067	55,067,955	\$41,478,333	\$41,764,718	\$43,314,477

*Note: this column includes assessment-related funds that are dependent on local improvement district requests and are very difficult to project. As a result, assessment related funds projections in this column use FY 2013-14 figures as the projection.

Overview of Major Projects and Initiatives

Independent Police Review (IPR) division complaint tracking system. As part of implementation of the City's agreement with the US Department of Justice, IPR is required to establish an online complaint tracking system that is accessible to complainants. This project will also include an update of the complaint filing processes and documents, as well as development of a more effective social media presence.

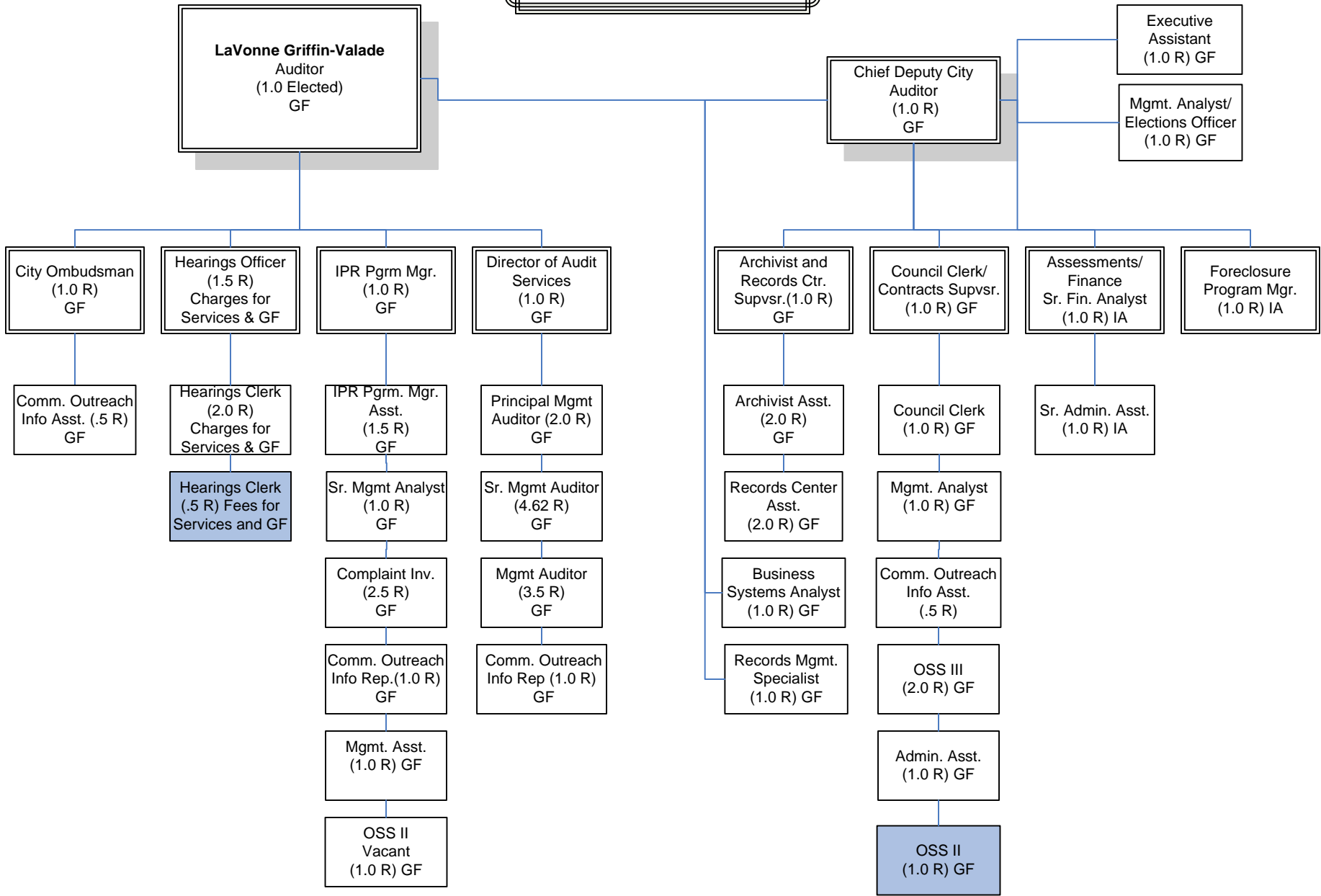
Community outreach. Non-duplicate hits to the Auditor's Council agenda page have increased 61% since 2009, and in 2012, 58% of those hits were from external users. The Auditor is committed to the goal of ensuring that community members have ready access to information about Council decisions in multiple, accessible formats. In consultation with ONI and other City resources, Council Clerk staff will study how the public accesses City information and determine ways to increase or improve that access.

Expand pilot project reviewing City services by neighborhood coalition. By the end of FY 2012-13, Audit Services will issue a report on our audit of City services in the East Portland coalition. This was conducted as a pilot project, with the goal of developing a broad template to duplicate such a review in the other six coalitions. In FY 2013-14, we will apply much of the audit program used in our pilot project to review another coalition.

**Program Summary Template
City Bureau: Auditor's Office**

1. Program Title Manager Phone #	2. Program Description	3. Staff (FTE)		4. Requirements		5. Percent Admin	6. Resources				7. Output and Efficiency Measure(s)	8. Program Rankings	
		Regular	Limited Term	Operating	Capital		General Fund	Rates, Fees & IAs	Federal, State & Local	Other		Bureau	BAC
Audit Services Division Drummond Kahn, Manager 503-823-3536	Promotes transparent, efficient, effective, and fully accountable City government. Conducts independent audits and analyses that provide objective information, strengthen management controls, improve the efficiency and effectiveness of operations, and identify savings.	12.1		2,386,497		15	2,198,247	188,250			Percent of report recommendations implemented FY 2011-12 Actuals:96% FY 2013-14 Target: 85% Number of reports issued FY 2011-12 Actuals: 12 FY 2013-14 Target: 12	1	1
Management Services LaVonne Griffin-Valade, Auditor Sarah Landis, Chief Dep. City Auditor 503-823-4078	Provides leadership, accountability, and support for all activities of the Auditor's Office. Manages City elections, lobbyist program, Portland Policy Documents, other functions that directly serve the public, and internal bureau administration, including the office budget and human resources.	4.5		727,607		50	712,607	15,000			Percent of administrative costs of total budget FY 2011-12 Actuals: 6.4% FY 2013-14 Target: 7.0% Number of election filings FY 2011-12 Actuals: 50 FY 2013-14 Target: 20	8	8
Independent Police Review Mary-Beth Baptista, Manager 503-823-0901	Improves police accountability to the public, provides opportunities for fair resolution of police complaints, identifies and analyzes problems, develops recommendations, works with the Citizen Review Committee, and participates on Police Review Boards.	9		1,298,216		15	1,298,216	-			Number of citizen complaints to IPR FY 2011-2012 Actuals: 451 FY 2013-14 Target: 450 Percent of resident respondents who rate IPR's regulation of Portland Police as good or very good FY 2011-12 Actuals: 33% FY 2013-14 Target: 40%	3	4
City Recorder: Council Clerk/Contracts Sarah Landis, Supervisor Toni Anderson, Manager 503-823-4022	Develops and maintains objective documentation of City Council business, administers City Council meetings, gives final approval for all City contracts and all claims for payment against the City, and provides direct support to the public.	6.0		793,990		15	793,490	500			Number of checks/deposit advices processed FY 2011-12 Actuals: 143,872 FY 2013-14 Target: 125,000	2	3
City Recorder: Archives & Records Management Sarah Landis, Supervisor Diana Banning, Manager 503-865-4110	Responsible for records storage, confidential destruction of records, and preservation of historical records, provides reference and retrieval services for the public and City employees, offers specialized reference and research services, oversees implementation of Efiles/TRIM for Citywide electronic records management.	7.0		2,551,560		15	2,546,560	5,000			Number of researchers assisted by PARC staff FY 2011-12 Actuals: N/A (new measure) FY 2013-14 Target: 1,100 Number of electronic documents viewed through Efiles FY 2011-12 Actuals: 809,020 FY 2013-14 Target: 1,100,000	5	2
Assessment, Finance, & Foreclosure Sarah Landis, Supervisor Dan Schmidt, Assessments and Finance Manager 823-4097 Marco Maciel, Foreclosure Manager 503-823-2037	Assists the City in providing a wide range of services to property owners through special assessments/liens placed on property, helps plan and finance local improvement projects, assists with code enforcement efforts, and assesses civil penalties. The Foreclosure program works to protect the interest of bondholders and tax payers by recovering costs incurred by the City, providing counseling and assistance to property owners, and conducting research as necessary to see if individuals qualify for financial assistance or payment plans.	3.0		695,183		15	-	695,183			New liens assessed FY 2011-12 Actuals: 1,394 FY 2013-14 Target: 1,531	7	7
Ombudsman Office Margie Sollinger, Manager 50-823-4503	Investigates administrative acts of City agencies in an independent, objective, nonadversarial manner. Takes complaints from the public to determine whether the City has acted fairly and efficiently.	1.5		231,170		15	231,170	-			Number of complaints and requests made to the Ombudsman FY 2011-12 Actuals: 332 FY 2013-14 Target: 350	4	5
Hearings Office Gregory Frank, Manager 503-823-7307	Provides a forum for public hearings and renders objective decisions on matters over which City Council grants it jurisdiction, provides a forum to allow the City and parties affected by bureau decisions to present evidence and argument in contested cases.	3.5		628,416		15	208,232	221,244		198,940	Number of code, appeal, land use, and tow cases FY 2011-12 Actuals: 959 FY 2013-14 Target: 950	6	5
Fund Level Expenses	This line contains the total fund level expenses, which includes all debt service, cash transfers, contingency, and unappropriated fund balance.	NA	NA	32,165,694		NA		789,100		31,376,594			
Total		46.6	-	41,478,333	-		7,988,522	1,914,277	-	31,575,534			

Office of the City Auditor





Office of the City Auditor LaVonne Griffin-Valade FY 2013-14 Budget Presentation



Auditor's Office Overview

City Auditor LaVonne Griffin-Valade was re-elected in the May 2010 primary election. Her current term ends 12/31/14.

The City Auditor answers directly to the public, providing accountability for the use of public resources.

City Charter authorizes the Auditor to oversee performance audits, administration of City elections, maintenance of all official records of the City, oversight of Council agenda and meetings, and other accountability functions.

City Code also authorizes the Auditor to provide civilian oversight of the Portland Police Bureau, impartial hearings of appeals of City decisions, and independent investigations of complaints. The Auditor carries out these responsibilities independently of City Council through the 8 divisions of the office listed on the following pages.

The Assessments, Finance and Foreclosure program in the Auditor's Office also manages several large funds which finance both large and small local improvement projects.

The mission of the City Auditor's Office is to...

Ensure open and accountable government by conducting independent and impartial reviews that promote efficient, effective, and equitable services and by providing access to City information.

Strategic Direction

Portland has long been a leader in working for government accountability, largely through the efforts of the City Auditor's Office. The Auditor's role is to advocate for efficient service delivery to Portlanders, effective management of the City organization, and open and transparent processes. Accountability is a major focus of all bureau programs.

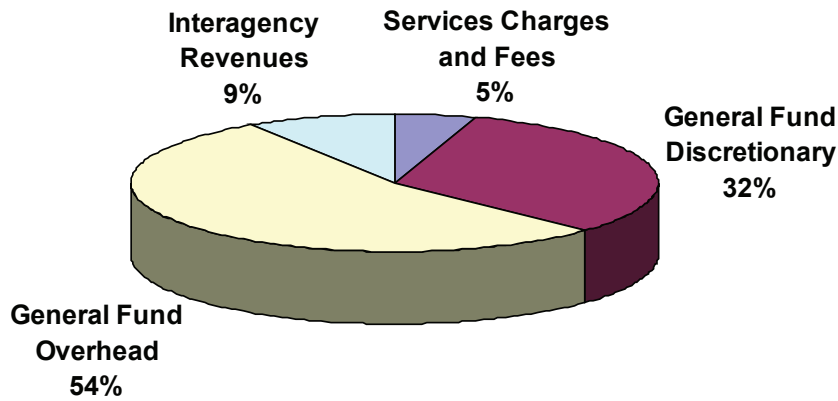
Mayor's Priorities

The requested budget addresses the Mayor's budget priorities:

- *Minimize overhead.* The Auditor's Office has a relatively flat organizational structure, with each of the managers being "working managers," i.e. actively managing caseloads or work processes in addition to their supervisory responsibilities. As a result, overhead is concentrated within each division and the bureau continues to operate with less than 7% of dedicated administrative costs. I have further reduced the EM&S budget as well.
- *Protect public safety.* No personnel cuts were taken in the Independent Police Review Division, even though it is among the largest of the programs in the Auditor's portfolio. This program is vital to the City's work to implement the Department of Justice agreement, by providing fully independent and unbiased reviews and investigations of complaints against the Police Bureau.
- *Preserve core services.* As described above, this requested budget does not eliminate any of the services provided by the Auditor's Office, although it will affect the timeliness and level of expertise of that work product in some cases.
- *Support economic development.* The Assessments, Finance & Foreclosure program provides financing services to property owners for local improvement projects large and small, many of which have economic development goals, such as the Portland Streetcar Loop Extension and the Downtown Transit Mall. The Hearings Office also plays an important role in the land use permitting process, either as the body to which decisions are appealed or in deciding certain types of cases.
- *Manage with performance metrics:* This year, two programs in the Auditor's Office have updated their performance measures to better measure efficiency and effectiveness. The Ombudsman's Office will now measure the implementation rate of recommendations made to bureaus after investigations. Additionally, the Archives and Records Center will now track the number of customers assisted with research and records retrieval as well as the cost of individual transactions in the City's electronic records management system, TRIM.

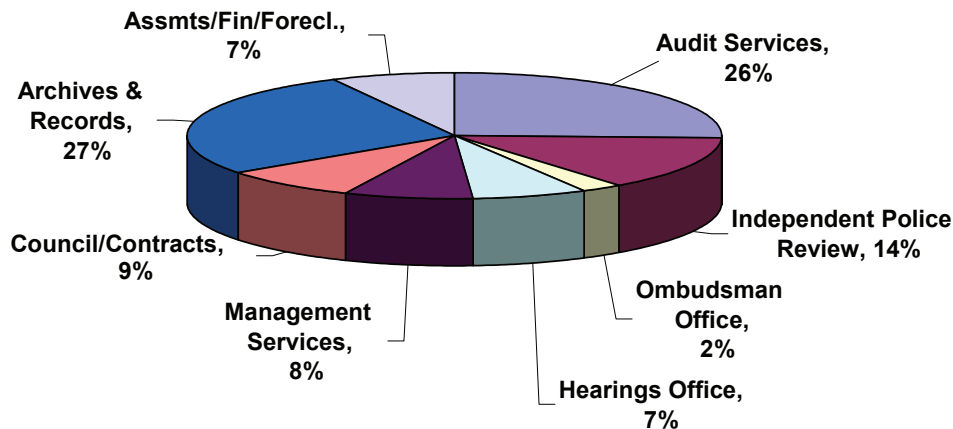
Resources

FY 2013-14 Requested Budget Operating Funds Only



Requirements

FY 2013-14 Requested Budget Operating Funds Only



How We're Funded

Requested FY 2013-14
Bureau Operating Budget:
\$9,312,639

FTE: 46.62

As illustrated in the top left graph, the Auditor's Office is primarily a general fund bureau, with about 14% of resources in the FY 2013-14 Requested Budget for operations funded from inter-agency and outside service charges. Over 50% of the bureau's budget comes from General Fund Overhead.

The bottom graph depicts the percent of the operating budget required by each of the bureau's 8 divisions.

Key Stats (FY 2011-12)

- Conducted 12 audits of city bureaus and offices; 99% of recommendations were implemented
- Processed 451 complaints to the Independent Police Review
- Responded to over 330 complaints to the Ombudsman
- Heard 959 code, appeal, land use, and tow Hearings cases
- Assessed 1,394 liens
- Oversaw 50 elections filings
- Processed 143,872 checks/deposits City-wide

Management Services (Administration & Support)

Chief Deputy City Auditor, Sarah Landis

The Management Services division is the Auditor's executive office, providing leadership, administration, and support for all activities of the City Auditor's Office. This division manages the Auditor's budgeting, accounting, human resources, payroll activities, purchasing, and information technology projects and systems. Management Services also provides direct support to members of the public. This division is responsible for managing elections processes, administration of the lobbyist reporting program, and publication of the Portland Policy Documents on PortlandOnline.

With a staff of 4.5 to handle the leadership, policy, administrative, and other work, no cuts to staffing were made in this division. Reductions in External Materials and Services will reduce the capacity for independent reviews by outside experts when deemed necessary by the Auditor.

Audit Services Division

Director, Drummond Kahn

The Audit Services Division conducts independent audits that, in accordance with government auditing standards, provide objective information and recommendations to City elected officials, managers, and the public. Performance and financial audit reports identify savings and revenue enhancements, strengthen management controls, and improve the efficiency and effectiveness of City government operations. Since 1985, Audit Services has issued more than 200 audit reports and identified over \$18.1 million in measurable financial benefits to the City. Bureaus have implemented, or are in the process of implementing, 96% of audit report recommendations.

Audit Services took a large cut in External Materials and Services, severely limiting its professional services, training, and travel budgets. These deep cuts were taken in lieu of eliminating a position in this division. The cuts could put the office at risk of not meeting audit standards with regard to continuing professional education and could mean that no funds are available to pay for outside experts on audit topics as the need arises. For example, the division recently hired an expert to assess the security of the Police Bureau's evidence facility.

Independent Police Review

Director, Mary-Beth Baptista

The Independent Police Review (IPR) division is an impartial oversight agency under the authority of independently elected City Auditor. IPR was created to improve police accountability, promote higher standards of police services and increase public confidence. IPR receives complaints about possible police misconduct, reviews and participates in ongoing police internal investigations, and monitors and reports on their status. IPR also has the authority to conduct joint or independent investigations when necessary. IPR participates as a voting member of the Police Review Board, which is the body that reviews allegations of police misconduct. Under IPR's authority, the City Auditor hires outside experts to review closed officer-involved shootings and in-custody deaths.

Because IPR plays an important role in the City's efforts to implement the Department of Justice agreement, no staff or significant materials and services cuts were taken in this division.

Office of the Ombudsman

Ombudsman, Margie Sollinger

The Ombudsman receives and investigates complaints from the public and City employees about administrative acts of agencies, including alleged misconduct by City employees, such as fraud and misuse of public resources. The Ombudsman has the independent authority to report investigation findings and push for change. The Ombudsman is committed to ensuring government accountability through oversight, increasing trust in government, continuing outreach efforts to underrepresented members of the public, and investigating and managing reports received from the Auditor's OpenCity Tipline.

This division currently has 1.5 FTE and an increasing workload. Any substantial staffing cut in the Ombudsman's Office would effectively eliminate the program. To ensure its viability into the future, no cuts were made to this program.

Council Clerks/Contracts

Supervisor, Toni Anderson

As the administrator of Council sessions, the Council Clerk prepares the agenda, processes ordinances and resolutions, compiles official minutes, and provides easy access to these proceedings. The staff also produces the official versions of the City Charter and Code, gives final approval of City contract documents, approves claims for payment against the City, and disburses payments.

This division is one of the larger of the divisions in the Auditor's Office, and was therefore included among those programs that would have to take cuts. An Office Support Specialist II position was eliminated. This will mean that remaining staff will have to focus their efforts on mandatory, time sensitive tasks such as administration of the Council agenda and meetings, processing City contracts, and disbursing payments.

Archives and Records Management

City Archivist, Diana Banning

Archives and Records Management is responsible for records, retention schedules, records storage and confidential destruction, preservation of historical records, and reference and retrieval services for the public and City employees at the Portland Archives and Records Center (PARC). The staff assists elected officials and bureaus in managing their public records legally and efficiently. They help bureaus to develop records retention schedules that meet bureau needs, and give guidance and instruction on public records issues. Archives and Records Management also administers the Efiles/TRIM electronic records management and retention system to ensure that the City's electronic records comply with retention regulations and are easily accessible.

This division is experiencing a very large increase in workload, without additional staffing. The new Archives and Records Center reports record numbers of researchers and requests, and the demands on staff administering the TRIM electronic records management system are growing. No significant cuts were made to this division.

Hearings Office

Hearings Officer, Gregory Frank

The Hearings Office provides a forum for public hearings and renders objective decisions based on City Code in matters over which it has jurisdiction. The office provides appeal hearings for City bureaus, conducts hearings on certain types of land use applications, and hears cases through intergovernmental agreements with other jurisdictions such as Multnomah County, the Port of Portland, and Tri-Met. In all types of cases, the purpose of the Hearings Officer is to ensure the actions and determinations by the governmental body are legally supportable.

The workload of the Hearings Office is also growing and with a small staff of 3.5, this division could not absorb any significant cuts. An additional .5 Hearings Clerk is requested as a realignment through one of the Auditor's add packages.

Assessments, Finance and Foreclosure

Sr. Financial Analyst, Dan Schmidt

Foreclosure Manager, Marco Maciel

The Assessments, Finance and Foreclosure program assists the City in providing a wide range of services to property owners through special assessments. The program helps plan and finance local improvement projects, such as sewer and street improvements and sidewalk repairs. The program also assists with code enforcement efforts, assesses penalties and provides property owners with a variety of financing mechanisms to pay off their assessments.

The primary objective of the Foreclosure Program is to protect the interest of bondholders and taxpayers by recovering costs incurred by the City in providing services. The program staff works closely with other city bureaus to provide counseling and assistance to property owners regarding their assessments. Staff investigates and conducts research to see if individuals qualify for financial assistance, prepares individual payment plans, and contacts other agencies for assistance as needed.

This program is not supported by General Fund dollars, but rather through a reimbursement to the Auditor's Office from the LID fund. It has a very small staff of 3 FTE and did not take cuts in the requested budget.