



Council Auditor's Office:

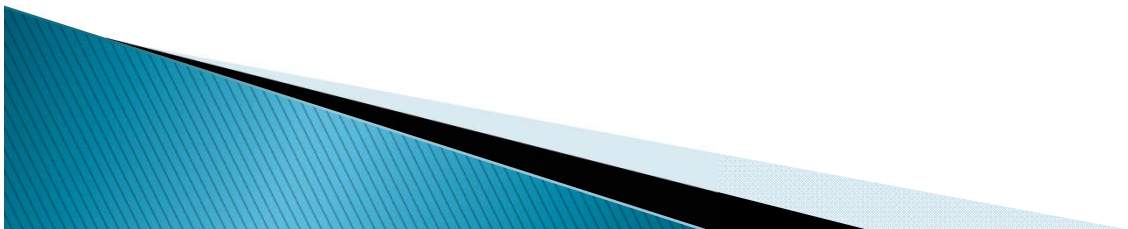
Who We Are

Presented by
Kirk A. Sherman, CPA
Council Auditor

About the Council Auditor's Office



- The Council Auditor's Office is established under Section 5.10 of the City Charter and Chapter 13 of the Ordinance Code
- It has been a part of the core government function as a legislative department since consolidation in 1968
- There have only been four Council Auditors since consolidation



Office Structure & Current Staff



- The Council Auditor's Office is comprised of 18 audit professionals and an administrative assistant
- The Office is broken down into three different functions
 - Internal Audit
 - Special Projects
 - Legislative Review
- 13 licensed CPAs within the office
- Employees combine for an average of 10 years of service

Audit Rights



- Section 5.10 of the City Charter and Section 102 of the Ordinance Codes establishes the audit rights of the Council Auditor's Office
- This includes:
 - Continuous internal audits of the City of Jacksonville and its various departments
 - Audits of Independent Authorities
 - Audits of nongovernmental agencies receiving funds from the City of Jacksonville
 - Audits of the Constitutional Officers' Agencies – required no less than once every five years
- Most City contracts contain audit rights for the City

Internal Audit Function



- Our audits are, in general, performance/operational audits and attestations conducted in accordance with Government Auditing Standards (also known as Yellow Book)
- Examples of reports include:
 - Police and Fire Pension Fund
 - Mayor's Travel
 - City Payroll
 - JPA Accounts Payable
- Reports are issued to the City Council, TRUE Commission, members of the media, and the general public
- Our reports can be found online at <http://www.coj.net/city-council/council-auditor/reports.aspx>

Annual Independent Audit



- The Council Auditor's Office, in conjunction with the City Council's Audit Committee, oversees the selection of an auditor for the City's annual independent audit
- Our office puts together the request for proposals (RFP) based on prior experiences, changes in standards or requirements, and other factors that is presented to the Audit Committee
- The proposals are evaluated by the Council Auditor, at least one member of the Audit Committee, and another individual(s) as identified by the Audit Committee
- Negotiations begin with the highest ranked firm
- Contracts with the independent auditor are for a period of three years, with two one-year renewal options
- The City will have a new independent auditor beginning July 1
– Carr, Riggs & Ingram, LLC

Special Projects



- Our office staffs the special committees of the Council as needed or requested
 - Current examples include:
 - Capital Improvement Projects Special Committee
 - Jacksonville's Neighborhood Blight Special Ad Hoc Committee
 - JEA Agreement Special Committee
 - Solid Waste Rate Reviews
- We monitor the independent authorities' (JEA, JTA, JPA, and JAA) activity through reviewing board packets and attending board meetings as necessary
- We review Public Service Grants for full compliance based on the specifications of their grant awards
- We conduct research and provide information to City Council, Council Committees, or individual Council Members as requested

Quarterly Summaries



- Our office performs a review of the quarterly financial reports required by Ordinance Code Section 106.421
- These reports include the main activities within the City and also includes the independent authorities
- The quarterly summary presents the budget, year-to-date actuals, year-end projections, a summarized balance sheet, and an employee cap analysis
- Our office reviews the information for accuracy and includes notes and explanation on the fiscal conditions of each entity as necessary



Legislative Review



- As part of the legislative review function, we review pending pieces of legislation for accuracy as well financial impact to the City
- This review includes:
 - Verifying all dollar values
 - Asking questions of the applicable department or bill sponsor as necessary
 - Ensuring applicable Ordinance Code provisions are followed or met to the best of our knowledge
 - Ensuring all referenced and required exhibits are in proper form and are attached to the legislation

Legislative Review



- Our review function for legislative action is advisory in nature in that we provide assistance and technical expertise to the legislative body
- Our office does not have voting rights on legislative action nor do we instruct Council Members how to vote on any legislation
- A staff member(s) attends all Committee Meetings (except for Land Use and Zoning) so that we are available to answer questions related to the legislation or other matters
- Our office marks the agendas for the Committee meetings which include our recommended amendments or other suggested amendments from the Office of General Counsel or the bill sponsor. We also include other important facts or concerns about bills as necessary
- The Council Auditor and Assistant Council Auditor attend City Council Meetings to address questions or concerns that may arise

Council Bond Accounts

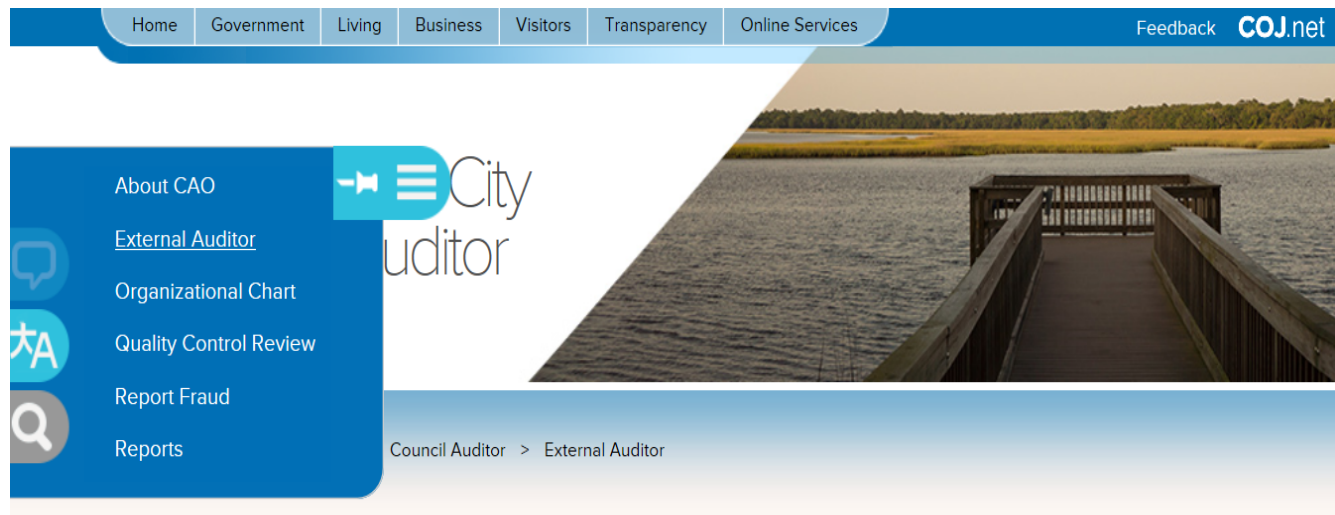


- In the past, District Council Members have been given lump sum appropriations for use at their discretion for City purposes
- Each lump sum has specific guidelines as to how the funds can be used
- Municipal Code Section 106.315 governs the expenditure of Council Bond Accounts
 - Expenditures of \$100,000 or less can go through an administrative process through the Mayor's Office that is much quicker than the legislative process
 - Expenditures greater than \$100,000 require City Council approval in the form of legislation
- Our office produces a quarterly report of activity and remaining balances within each of the separate bond accounts

Council Auditor's Website



- Link: <http://www.coj.net/city-council/council-auditor.aspx>
- Key areas and documents:
 - Audit and Special Reports
 - Anonymous Fraud Reporting
 - Quality Control Review, dated 4/16/15



Contact Us



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