

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
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*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

**1. BILL SUMMARY**

**Legislation Title:** A RESOLUTION establishing a committee to develop recommendations to enhance the capacity of the Office of City Auditor to conduct performance audits.

**Summary and background of the Legislation:** This resolution would create a Working Group for Performance Auditing (“Working Group”) charged with making recommendations to the City Council by July 31, 2020 on enhancing the capacity of the Office of City Auditor to conduct performance audits. The Working Group would consist of seven voting members and one non-voting ex officio member (the City Auditor or his designee) appointed by the City Council, constituted as follows:

- One individual who has held an elected or appointed office in a local government, and has direct experience with local government performance auditing;
- Two individuals with direct experience conducting performance audits of local government;
- One individual from a company that provides performance audit, financial management, and/or government performance analytics services;
- One representative of a labor union;
- One faculty member from an institution of higher education with expertise in government performance analytics;
- One Seattle community leader with experience promoting good government practices; and
- The City Auditor or designee, as a non-voting ex officio member.

The Working Group would consider the opportunities and challenges associated with performance audits conducted by the Office of City Auditor, including but not limited to:

- The benefits realized from performance audits in terms of improved efficiency, effectiveness, equity, increased revenue and savings, and innovation;
- How to maximize the benefits of using consultants in performance audits
- Best practices of comparable local government performance audit programs, including authority, audit topic selection, staff composition and expertise, inclusion of race and social justice issues, regional partnerships, and funding; and

- The capacity of and the required resources for the Office of City Auditor to deliver high impact analyses across City operations.

The Working Group would elect its own chairperson, adopt rules and procedures and be staffed by Council Central Staff.

## 2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? \_\_\_ Yes \_\_\_x\_ No

## 3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? \_\_\_ Yes \_\_\_x\_ No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

No

Is there financial cost or other impacts of *not* implementing the legislation?

No

## 4. OTHER IMPLICATIONS

- Does this legislation affect any departments besides the originating department?**  
Yes, the City Auditor or his designee will serve as an ex officio, non-voting member of the Working Group.
- Is a public hearing required for this legislation?**  
No
- Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**  
No
- Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
No
- Does this legislation affect a piece of property?**  
No
- Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged**

**communities? What is the Language Access plan for any communications to the public?**

While the proposed resolution does not have direct impact on vulnerable or historically disadvantaged communities, it is conceivable that recommendations for efficiencies or cost effectiveness from a given performance audit could have disproportionate impacts on a vulnerable or disadvantaged community. The proposed resolution notes in its recitals that the Office of City Auditor currently addresses this possibility by requiring each Auditor-in-Charge to complete a work paper when initiating a new audit or non-audit project, identifying race and social justice considerations including potential disparate racial/ethnic impacts and potential benefits or issues associated with the audit. The proposed resolution requires the work group to consider inclusion of race and social justice issues when looking for local government best practices for performance audit programs. The proposed resolution does not specify a Language Access Plan, but final documents and reports to the Council will be posted on the City's website and translation service requests can be made through the City Council customer support team at 206-684-8888.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

N/A

**List attachments/exhibits below:**