

SUMMARY and FISCAL NOTE

Department:	Dept. Contact:	CBO Contact:
Office of City Auditor	Arushi Thakorlal	N/A

1. BILL SUMMARY

Legislation Title:

AN ORDINANCE relating to updating the structure and processes of the Office of City Auditor; amending Chapter 3.40 and Sections 14.08.040 and 14.08.050 of the Seattle Municipal Code; and repealing Section 15.52.100 of the Seattle Municipal Code.

Summary and Background of the Legislation:

The Office of the City Auditor (OCA) was established in the City Charter by voter approval in 1991. The Seattle City Council adopted Ordinance 116368 in 1992 that created the Seattle Municipal Code Chapter 3.40. Since then, Chapter 3.40 has remained largely unchanged, despite developments in the expertise, scope, and operations of OCA. The intent of this legislation is to codify OCA's current policies and practices and provide detail and clarification on the Auditor's role.

The proposed changes have been informed by model legislation prepared by the Association of Local Government Auditors (ALGA), relevant provisions from the King County Code Chapter 2.20 (County Auditor) and the Revised Code of Washington (RCW 43.09.050(7)). It also incorporates input from the City Attorney's Office and OCA staff.

Key updates in the legislation include clarifying OCA's independence as a nonpartisan source of objective, fact-based analysis, and creating a new section of definitions to define audit profession terms. The bill will establish minimum qualifications for the City Auditor and formally codify the existing practice of using a competitive appointment process. The bill expands the Auditor's authority to access records, property, and information, and gives authority (by Council Resolution) to issue subpoenas if access is denied. This legislation will strengthen oversight by requiring external peer reviews to ensure compliance with government auditing standards. Last, the bill will repeal outdated provisions, including an expired requirement for audits of Seattle Police Department Special Event Staff (OCA completed this audit on December 13, 2017).

The only new Audit authority proposed is to issue subpoenas with Council approval. There is no financial impact to this addition.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project?

☐ Yes ☒ No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation have financial impacts to the City?

☐ Yes ☒ No

3.a. Appropriations

☐ This legislation adds, changes, or deletes appropriations.

No changes to appropriations.

3.b. Revenues/Reimbursements

☐ This legislation adds, changes, or deletes revenues or reimbursements.

No changes to reimbursements.

3.c. Positions

☐ This legislation adds, changes, or deletes positions.

No changes to positions.

3.d. Other Impacts

Does the legislation have other financial impacts to The City of Seattle, including direct or indirect, one-time or ongoing costs, that are not included in Sections 3.a through 3.c? If so, please describe these financial impacts.

No.

If the legislation has costs, but they can be absorbed within existing operations, please describe how those costs can be absorbed. The description should clearly describe if the absorbed costs are achievable because the department had excess resources within their existing budget or if by absorbing these costs the department is deprioritizing other work that would have used these resources.

N/A

Please describe any financial costs or other impacts of *not* implementing the legislation.

N/A

Please describe how this legislation may affect any City departments other than the originating department.

N/A

4. OTHER IMPLICATIONS

- a. **Is a public hearing required for this legislation?**
No.
- b. **Is publication of notice with The Daily Journal of Commerce and/or The Seattle Times required for this legislation?**
- c. **Does this legislation affect a piece of property?**
No.
- d. **Please describe any perceived implication for the principles of the Race and Social Justice Initiative.**

N/A

- i. **How does this legislation impact vulnerable or historically disadvantaged communities? How did you arrive at this conclusion? In your response please consider impacts within City government (employees, internal programs) as well as in the broader community.**
- ii. **Please attach any Racial Equity Toolkits or other racial equity analyses in the development and/or assessment of the legislation.**

N/A

- iii. **What is the Language Access Plan for any communications to the public?**

N/A

e. **Climate Change Implications**

- i. **Emissions: How is this legislation likely to increase or decrease carbon emissions in a material way? Please attach any studies or other materials that were used to inform this response.**
- ii. **Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

N/A

- f. 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)? What mechanisms will be used to measure progress towards meeting those goals?**
- g. Does this legislation create a non-utility CIP project that involves a shared financial commitment with a non-City partner agency or organization?**

5. ATTACHMENTS

Summary Attachments:

None.