



**CITY OF AUSTIN**

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**Office of the City Auditor**



# **Annual Service Plan**

**City Auditor**  
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**Deputy City Auditor**  
**Taylor Dudley, CIA, CFE, CGAP**

A full copy of this report is available for download at our website:  
<http://www.ci.austin.tx.us/auditor/performance.htm>. You may also contact our office  
by e-mail at [oca\\_auditor@ci.austin.tx.us](mailto:oca_auditor@ci.austin.tx.us).

Alternative formats are available upon request.  
Please call (512) 974-2805 or Relay Texas #711.



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# City of Austin

# MEMO



## *Office of the City Auditor*

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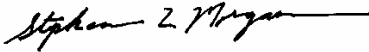
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September 23, 2008

To: Mayor and Council Members  
From: Stephen L. Morgan, City Auditor   
Subject: FY 2009 Approved Annual Service Plan

On September 23, 2008, the City Council's Audit & Finance Committee approved the Office of the City Auditor's (OCA) FY 2009 Annual Service Plan (see attached). The plan is based on resources allocated to OCA in the City of Austin's approved FY 2009 Budget.

Along with projects related to citywide issues, assistance to Council and CMO, and our dedicated Utility and Revenue initiatives, we will also be conducting projects in the following City service areas:

- Community Services;
- Capital Improvement Services;
- Development and Regulatory Services; and,
- Enterprise Services (other than Utilities).

For more information on service areas, please see pages 6-7.

Thank you for your support and I look forward to working with you on our audit, assistance, and investigative projects.

cc: Marc Ott, City Manager

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## Project Summary

PG #	City of Austin Service Area	Project	FY 2009 Projected Budget
<b>Citywide Issues</b>			
3		3-1-1 Customer Service (incl. Implementation Follow-up)	2,500
3		Citywide Fuel Efficiency	2,000
3		Carryover Projects (Citywide Fund Review)	700
3		Integrity Unit (incl. Detection projects)	5,500
<b>Community Services</b>			
3		Affordable Housing (incl. S.M.A.R.T. Housing & RHDA Follow-ups)	2,500
3		Austin Revitalization Authority	1,500
<b>Capital Improvement Services</b>			
4		Street Project / Utility Coordination	1,000
4		SMBR Operations Follow-up	1,000
4		Carryover Projects (Street Maintenance & Easement Coordination Assistance)	500
<b>Development &amp; Regulatory Services</b>			
4		One-Stop-Shop (Including AMANDA system)	2,000
4		Austin Taxicab Permitting Process	1,000
<b>Enterprise Services – Other</b>			
4		Solid Waste Services Code Compliance	2,000
<b>Utility Service Initiatives</b>			
5		AE – CIS Billing (incl. CIS Fees Follow-up)	2,000
5		AWU – Risk/Vulnerability Assessment Update	1,000
5		AWU – Audit identified thru R/V Assessment	1,500
5		Carryover Projects (AWU Water Loss & CIS Remittances)	600
<b>Revenue Initiative</b>			
5		Parking Meter Revenue & Operations	1,500
5		Carryover Projects (Telecommunications Franchise Fees)	700
<b>Assistance to Council &amp; CMO</b>			
5		Boards & Commissions Report Review	1,000
5		Special Requests	500
<b>TOTAL HOURS</b>			<b>31,000 *</b>

Black = Proposed new project;  
 Red = Carryover project from FY08;  
 Blue = Continuing responsibility

\* 30,000 hours from 20.00 FTEs (24.00 Authorized FTEs less 2.00 Admin & 2.00 Exec. Mgmt FTEs) plus 1,000 hours available from Temp budget.

Office of the City Auditor  
FY 2009 Service Plan

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## Detailed Information on Approved Projects

City of Austin Service Area	Project	Projected Budget	Comments
<b>Citywide Issues</b>			
	<b>3-1-1 Customer Service (incl. Implementation Follow-up)</b>	2,500	
	Determine how the 3-1-1 system interacts with other City departments and how those departments track and follow-up on service requests gathered through the 3-1-1 system.		
	Implementation Follow-up – Select and follow-up on high-risk recommendations such as those directed at successfully completing Phase I of the project implementation, achieving full 311 CIC/CSR system potential, facilitating decision making, capturing and appropriately reporting cost, effectively budgeting IT projects, and addressing identified issues for further study.		Routine follow up on prior audits is required by Government Auditing Standards.
	<b>Citywide Fuel Efficiency</b>	2,000	
	Determine what measures City departments are taking to reduce overall fuel use, and what controls are in place to reduce fuel consumption and ensure that only City business is being conducted when employees are using City vehicles?		
	<b>Carryover Project (Citywide Fund Review)</b>	700	
	Identify funds at risk and review for compliance with purchasing regulations.		
	<b>City Auditor's Integrity Unit</b>	5,500	
	<ul style="list-style-type: none"> <li>• Prevention: training, newsletter</li> <li>• Detection: fraud hotline</li> <li>• Investigation and audit work</li> <li>• Follow through: controls reviews</li> <li>• Management Integrity Committee support activities</li> </ul>		
<b>Community Services</b>			
	<b>Affordable Housing (incl. S.M.A.R.T Housing &amp; RHDA Follow-ups)</b>	2,500	
	Review of the City's Consolidated Housing Plan and its implementation including compliance with all regulations. Determine what affordable housing in Austin costs and what it looks like. Ensure that all available funding opportunities are being maximized.		
	S.M.A.R.T Housing and Rental Housing Development Assistance Audit Follow-up – Select and follow-up on high-risk recommendations		Routine follow up on prior audits is required by Government Auditing Standards.
	<b>Austin Revitalization Authority</b>	1,500	
	Determine: <ul style="list-style-type: none"> <li>▪ How does the ARA fit into the NHCD department's Central East Austin Master Plan and the E.11th and 12th Streets Community Redevelopment Plan?</li> <li>▪ How much the ARA has received from the City of Austin and have all of the goals and requirements been met?</li> <li>▪ If the ARA operating efficiently and effectively?</li> </ul>		

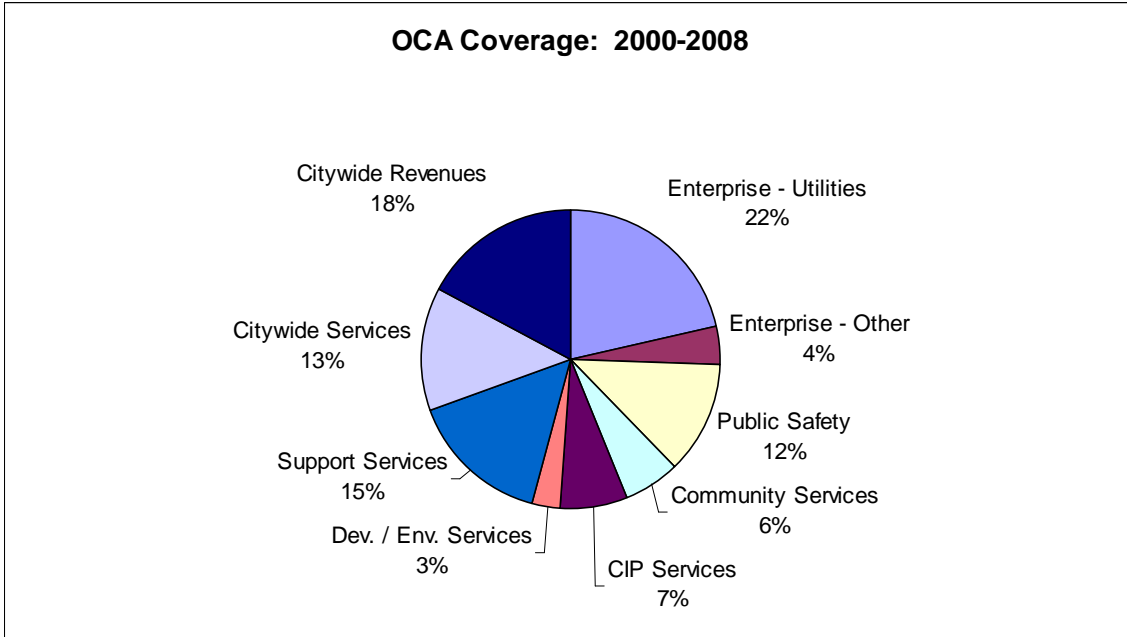
City of Austin Service Area	Project	Projected Budget	Comments
<b>Capital Improvement Services</b>			
	<b>Street Project / Utility Coordination</b>	1,000	
	Is the City achieving its goal of coordinating all projects that affect roads, sidewalks, etc.? Determine how City departments coordinate their operations and those of private utilities to minimize impacts to utility lines during excavation and delays to Capital Improvement Projects (CIP's) caused by unidentified utility conflicts. Additionally, are street cuts coordinated in order to be kept to a minimum once a street is re-constructed and are appropriate fees being charged?		
	<b>SMBR Operations Follow-up</b>	1,000	
	Select and follow-up on high-risk recommendations such as those aimed at correcting existing problems in the maintenance of certified vendors' records; improving certification practices; improving monitoring of City contracts; ensuring enforcement of program rules; and improving SMBR's ability to evaluate its performance and program effectiveness.		Routine follow up on prior audits is required by Government Auditing Standards.
	<b>Carryover Project (Public Works Department Street Repair and Preventive Maintenance)</b>	500	
	Compare Public Works' Street Repair and Maintenance Program to best practices for street quality, maintenance backlog, cost, customer satisfaction, and environmental impact.	(for both projects)	
	<b>Carryover Project (Easement Coordination Assistance)</b>		
	Continue assistance to management as they strengthen management controls over the easements coordination process.		
<b>Development and Regulatory Services</b>			
	<b>One Stop Shop Operations (Incl. AMANDA System)</b>	2,000	
	Assess the process flow and controls to determine whether OSS is ensuring compliance with environmental protections in the land development code while providing improved customer service.		
	Determine what information related to building permits and inspections is available to customers and stakeholders, and whether it is reliable, valid, timely, and consistent?		Government Auditing Standards require that any data used in support of audit findings must be tested for reliability.
	Determine whether the AMANDA system is serving the needs of the OSS and the community.		
	<b>Austin Taxicab Permitting Process</b>	1,000	
	Review the taxicab permit process, including comparing to best practices. Does the current ordinance provide appropriately for equity and competition in meeting citizen taxi needs; are any changes needed; and if so, how could the changes be implemented in the context of City decisions or agreements already made?		
<b>Enterprise Services - Other</b>			
	<b>Solid Waste Services Code Compliance</b>	2,000	
	The purpose of the SWS Code Enforcement program is to provide investigations and inspections for neighborhoods so they can have a higher degree of compliance with City Code. We plan to conduct a risk assessment of Code Compliance activities and audit selected high risk areas.		

City of Austin Service Area	Project	Projected Budget	Comments
<b>Utility Service Initiatives</b>			
	<b>AE Series (Customer Information System Billing &amp; Fees Follow-up)</b>	2,000	Continue AE audit initiative funded by expense refund.
	Determine if fees for all services provided to customers are properly billed through the Customer Information System?		
	CIS Billing Follow-up - Follow-up on high-risk recommendations related to Anti-Litter, Transportation, and Drainage user fee audits.		Routine follow up on prior audits is required by Government Auditing Standards.
	<b>AWU Series (Update of Risk/Vulnerability Assessment)</b>	1,000	Continue AWU audit initiative funded by expense refund.
	Update the 2006 R/V Assessment and reprioritize possible AWU audits		
	<b>AWU Series (Ongoing Audit Presence)</b>	1,500	Continue AWU audit initiative funded by expense refund.
	Ongoing audits in Austin Water Utility with role and responsibilities similar to the Austin Energy Audit Initiative		
	<b>Carryover Project (AWU Water Loss)</b>	600	
	Quantify the amount of water lost and benchmark to industry best practices.	(for both projects)	
	<b>Carryover Project (CIS Remittances)</b>		
	Are all CIS payments properly reflected / recorded in CIS?		
<b>Revenue Initiative</b>			
	<b>Parking Meter Revenue &amp; Operations</b>	1,500	
	Is the City maximizing parking meter revenues? What controls are in place to ensure that all violations are ticketed? Are handicap parking laws being enforced?		
	<b>Carryover Project (Telecommunications Franchise Fees)</b>	700	
	Determine whether franchise fee payments to the City from telecommunication companies are correct.		
<b>Assistance to Council or Management</b>			
	<b>Board and Commissions</b>	1,000	
	Provide support to the Audit and Finance Committee for Ordinances in Title 2 of the City Code relating to City Boards.		
	<b>Requests for Assistance or Limited Scope audits from Council or Management</b>	500	
	<ul style="list-style-type: none"> <li>Information Provision</li> <li>Information Verification</li> <li>Audit &amp; Finance Committee support activities</li> </ul>		

## Audit Coverage of City Programs

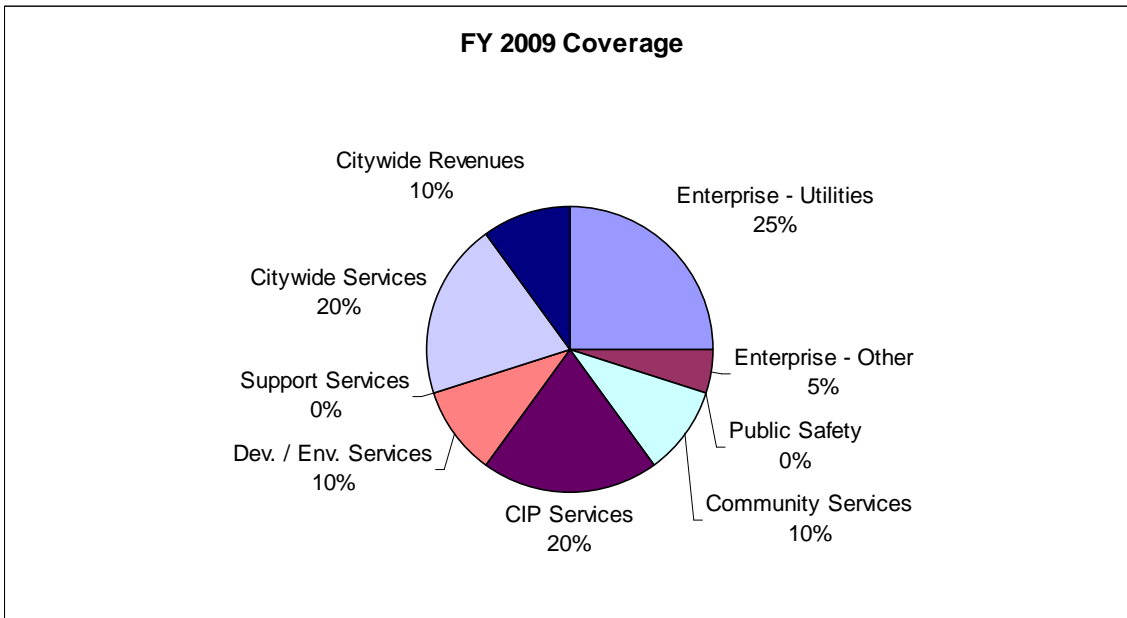
Along with audit projects of citywide issues and ongoing dedicated audit initiatives, the Office of the City Auditor conducts audits of programs throughout the City's many departments. We have grouped the City's departments into "service areas" in order to better show the areas covered by our audits. See page 7 for service area components.

Since FY 2000, OCA projects have covered a wide array of City service areas, as shown below.



SOURCE: OCA Compilation of Audit Project Data

With our Approved FY 2009 Service Plan, we will continue to provide coverage over most of the City's service areas, as shown below.



SOURCE: OCA Compilation of Audit Project Data

City service areas include the following departments:

**Enterprise Services - Utilities**

- Austin Energy
- Austin Water Utility
- Solid Waste Services

**Enterprise Services - Other**

- Aviation
- Convention Center

**Public Safety Services**

- Police
- Fire
- EMS
- Public Safety & Emergency Management
- Municipal Court
- Community Court

**Community Services**

- Health & Human Services
- Neighborhood Housing & Community Development
- Community Care Services
- Library
- Parks & Recreation

**Capital Improvement Services**

- Public Works
- Small & Minority Business Resources
- Office of Contracts & Land Management

**Development & Regulatory Services**

- Economic Growth & Redevelopment
- Neighborhood Planning & Zoning
- Watershed Protection & Development Review

**Support Services**

- Communications & PIO
- Financial & Administrative Services
- Human Resources
- Law
- Management Services
- Office of the City Clerk

Examples of Citywide Issues are:

- Overtime
- Ethics
- Planning

Examples of Citywide Revenues are:

- Sales Taxes
- Property Taxes
- Hotel Occupancy Taxes
- Franchise Taxes