



1. What are the primary functions of the Berkeley City Auditor?

The primary functions of the Berkeley City Auditor are as follows:

- Provide independent assessments of City operations and services
 - Provide level of assurance objectives are being met for City funded programs
 - Perform revenue audits
 - Provide fraud prevention and detection training
2. How has your experience/education prepared you to perform these duties?

As the Finance and Administrative Officer for the Peace Corps, I developed and administered the budget of federal funds, performed all payroll and human resource functions and managed the accounting records. I audited the cash offices which handled 5 currencies to ensure proper cash control and developed systems to manage the collection and disbursement of funds. As an accountant for small businesses, I performed all financial tasks, including setting up and running payroll services for the companies. I received my Masters in Taxation from CSU East Bay in 2007 and my CPA license in 2013. As a CPA, I performed financial and compliance audits of non-profits and for-profit institutions. Currently, I provide compilations and tax services to private clients.

3. The city auditor sets priorities as to the areas to be audited.

Which areas do you think are important for your audit and why?

As the new payroll service will go live on January 1, 2019, the city auditor will need to be meticulous in reviewing the payroll to ensure proper wage payments and tax remittances are made, reporting to tax agencies is accurate and review the reports to determine the system can provide the necessary information on all wage related information. This will include overtime reports, proper accruals for benefits and accurate departmental reports.

The City has funding commitments that must be met both currently and in the future. The City Auditor can review the current grants and contracts to ensure funds are available and being used efficiently and can determine if actions by the City Council are creating commitments beyond where funds have been allotted.

4. As auditor, what are your concerns about the balance between compliance, performance and financial audits?

These are complimentary tasks to ensure the efficient and effective function of governmental offices. Over-emphasis of one over the other can impede the stated goals of that City office. For an office to function properly, the funds must be properly managed, recorded and disbursed, and the services must be tracked to ensure the funds are used effectively.

5. As Berkeley City Auditor, it will be your responsibility to ensure proper use of public funds.

- a) What would you look for as an indication that city program or department is spending as it should?

A review of the contracts and grants associated with the program will provide information on the stated goals. These goals will have outlined funding requirements and output or service schedules. For ballot funded measures, the public documents detail the services the voters expect will be provided

b) How would you determine that the expected community services are being delivered?

The source documents would be examined, then other reports detailing the resulting services would be examined to determine if the funds were spent as planned. A financial audit would review if the funds were spent on the services where allocated. And a report can then be generated detailing the actual level of services provided.

6. How would you inform Berkeley residents of your audits and the benefits of your results?

The City Auditor has a website. But, people need to have a chance to hear what the City Auditor's office is engaged in. Public forums are a great way for the public to meet the Auditor and for the Auditor to explain what is being done for the voters. Further, it is a chance for the public to voice concerns. Forums, such as PTA meetings, monthly open mike meetings at community centers can give the public an opportunity to engage with the Auditor.

7. How does the auditor make sure that maximum revenue is obtained from city fees and taxes such as the fee on short term rentals?

Data collection is one of the keys to determining if maximum revenue sources are being identified and that can lead to the possibility of collections. A survey of short-term rental websites will allow for a sampling. This will give the Auditor's office information on the number of rentals in Berkeley and the amount of funds collected by landlords. The Auditor will obtain information on the owners of the rental units and send letters detailing the responsibilities of the landlord, including obtaining a business license and paying the proper taxes and fees to the City. The Finance Office would then be responsible for collections. Please note, the City already has rules regarding short-term rentals. This sampling may find many of the rentals are operating outside the limits established by the City. Obtaining this information will also assist in regulating these rentals, in addition to the collection of fees and taxes.

8. Share an experience in which you recommended a change in operations based on an audit or investigation you performed.

I worked on audits for two local private schools. One was a payroll compliance audit and focused on the school's following of federal, state and local rules for payroll. I recommended the school change to a payroll company better able to handle the complex system required by the school. In the second audit, a financial audit, I met with the Board to recommend a change in the involvement of the Board in financial decisions at the school. Further, I recommended a change in Board structure to better allow the Board to address specific issues.

9. What matters would you include in an audit of police? Fire services? Public works?

For the Police, I would include an audit of training practices and review the community outreach planning, as well as the hiring goals and Overtime allotments.

For the Fire Services, I would include an audit to determine the amount of funding required for EMT versus fire services and review the prevention services provided to the public. In particular, the Fire Department has an emergency response training program for community groups. I would examine how the Fire Department is contacting the local groups to encourage them to participate in the trainings, to prepare our neighborhoods to respond in case of an emergency.

For Public Works, the repair goals, both short and long term are well-documented. I would audit the level of funding to provide information to the citizenry if the Public Works has sufficient funds to complete these required tasks and what effect the funding levels have on their ability to adhere to the timing of the repair list.

10. How will you, as city auditor, monitor the city's use of overtime, department budget overruns and dispensation of funds raised through ballot measures?

The payroll system will have reporting functions to review the overtime usage, both by staff and department. These should be reviewed regularly. The budget reports will provide information on funds, balances and any overruns. These overruns must be examined for stated reasons and a report must be submitted for how the offices cover the overruns and provide the services as required. Ballot measures, as noted above, have documentation that provides information on the goals the voters expect to be provided. These source documents are reviewed, the funds allotted are examined. Performance goals are also examined, and production reports are matched to determine if the stated goals have been met.

11. How could you uncover corruption in fund management?

There are controls in place to require that all transfers of funds must be properly and extensively documented. This is not as simple as a one-line journal entry. Documentary evidence must be included to provide proof the transfer was required and correct.

Theft, malfeasance or corruption require collusion, opportunity and incentive. Training of managers to spot this trifecta helps to minimize corruption. Evaluating hiring procedures and performance reviews also help. Having an anonymous whistleblower program can provide the Auditor with possible information to examine.