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1 Internal Audit and the Office of the Inspector General were operationally
2 separated; and

3 WHEREAS, the Internal Audit Compensation Study published by the
4 Institute of Internal Auditors shows that although the demands on today’s
5 internal auditors are increasing, the salaries offered are not keeping pace; and

6 WHEREAS, the Accountability in Government Oversight Committee should
7 have the ability to ensure salaries for the City Auditor and Inspector General
8 are maintained at a level commensurate with their responsibilities and at a
9 level consistent with other city departments with comparably skilled
10 professionals; and

11 WHEREAS, the ability of the Office of Internal Audit to obtain independent
12 legal counsel prevents potential, perceived, or actual conflicts of interest that
13 may arise due to the City Attorney’s client relationship with the City or in the
14 event that the Office of the City Attorney is the subject of an audit; and

15 WHEREAS, last fiscal year the Office of Internal Audit identified over \$1.4
16 million in reduced or avoided costs, recoveries, and increased revenues –
17 representing a 61 percent return on every dollar spent on internal audit
18 operations, not including the deterrence, compliance, and increased
19 efficiencies resulting from its audit services; and

20 WHEREAS, the City further desires to amend certain elements of the
21 ordinance to provide clarity of language and improve realignment with
22 existing City regulations, auditing standards and professional practices.

23 BE IT ORDAINED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY
24 OF ALBUQUERQUE:

25 SECTION 1. Chapter 2, Article 10 of the Revised Ordinances of
26 Albuquerque, New Mexico, 1994, the “Accountability in Government
27 Ordinance” is hereby amended as follows:

28 “§ 2-10-1 SHORT TITLE.

29 Sections 2-10-1 through 2-10-16 may be cited as the “Accountability in
30 Government Ordinance”.

31 § 2-10-2 FINDINGS; PURPOSE; GOALS.

32 (A) The [City] Council finds that good governance, transparency and
33 accountability are critical in the public sector for the effective and credible

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1 functioning of a healthy democracy, and in fulfilling the government’s
2 responsibility to citizens and taxpayers. Transparent and reliable reporting
3 and effective audit[ing] [services] in government ~~[serve to]~~ promote
4 accountability, enhance the effectiveness [and efficiency] of government
5 services to its citizens, and increase the public’s confidence in their
6 government.

7 (B) The Mayor and City Council share a duty to ~~[insure]~~ ensure that the
8 actions of public officials, employees~~[,]~~ [community-based organizations,] and
9 contractors of the ~~[city]~~ City are carried out in the most responsible manner
10 possible and that city policies, budgets, goals and objectives are fully
11 implemented. To accomplish this end, the ~~[city]~~ City requires the services of
12 ~~[an]~~ independent organization~~[s]~~ to perform ~~[internal]~~ audits, ~~[conduct~~
13 ~~management studies and investigate claims of waste and mismanagement]~~
14 [investigations, and other activities].

15 (C) The Committee shall oversee the City Auditor and the Inspector
16 General, whose goals are to:

- 17 (1) Conduct audits~~[,]~~ ~~[and]~~ investigations[, and other activities] in an
18 efficient, impartial, equitable and objective manner;
- 19 (2) Prevent~~[,]~~ deter, and detect fraud, waste and abuse in city activities
20 including all city contracts and partnerships;
- 21 (3) Propose ways to increase the city’s legal, fiscal and ethical
22 accountability through the use of audit and ~~[management studies]~~ [non-audit
23 activities] to ~~[insure]~~ ensure that tax payers’ dollars are spent in a manner
24 that improves the economy [and transparency] of operations; and
- 25 (4) Deter criminal activity through independence in fact and
26 appearance, audit, [review,] investigation and interdiction.

27 § 2-10-3 DEFINITIONS.

28 For the purpose of this article, the following definitions shall apply unless
29 the context clearly indicates or requires a different meaning.

30 [AUDIT SERVICES. Include audit and non-audit activities, such as
31 strategic reviews and advisory services.]

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1 AUDITEES. Auditees are the city related departments, programs,
2 activities, agencies, vendors, contractors or other city related entities affected
3 by an audit or investigation.

4 BOARD OF ETHICS AND CAMPAIGN PRACTICES. The Board of Ethics and
5 Campaign Practices created pursuant to the City Charter, Article XII, Code of
6 Ethics.]

7 CITIZENS' INDEPENDENT SALARY COMMISSION. The Citizens'
8 Independent Salary Commission created pursuant to the City Charter, Article
9 XVIII, Citizens' Independent Salary Commission.]

10 CITY AUDITOR. The Director of the Office of Internal Audit.

11 COMMITTEE. The Accountability in Government Oversight Committee.

12 CONTRACTORS. All city contractors[, including community-based
13 organizations].

14 EMPLOYEE. All city employees[, including appointed employees].

15 ~~EXPANDED SCOPE AUDIT. An audit whose original scope is modified by~~
16 ~~the City Auditor or the Committee based on circumstances and findings~~
17 ~~uncovered during the audit.]~~

18 INSPECTOR GENERAL. The Inspector General created pursuant to the
19 Inspector General Ordinance (§§ 2-17-1 et seq.).

20 OFFICIAL. The Mayor [and] [City] Councilors[, and appointed members
21 of City boards, commissions, or committees].

22 PUBLISHED REPORT. [An audit] [A] report that [unless otherwise
23 prohibited,] has been [presented to the Committee,] distributed in final form
24 [~~to the auditees,~~] to the Mayor and Chief Administrative Officer, and to the City
25 Council[~~. A published audit report~~] [and] is available [~~on request~~] to the public.

26 SPECIAL [REQUESTS] [AUDITS]. Exigent [~~audits~~] [engagements] not
27 included in the annual audit plan, because the need for [~~the audits~~] [audit
28 service] was not foreseen when the audit plan was adopted. [Special requests
29 for audit services may include audits, strategic reviews, and advisory services
30 such as benchmarking and best practices analyses requested by an official or
31 the City Auditor, which are initiated at the discretion of the City Auditor.]

32 STRATEGIC REVIEWS. Reportable non-audit work including but not
33 limited to [~~bench marking, best practices, and compliance reviews requested~~

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1 ~~by an official or the City Auditor and at the discretion of the City Auditor]~~
2 [assessments, agreed-upon procedures, compliance reviews, follow-up, and
3 monitoring activities].

4 § 2-10-4 CREATION OF THE OFFICE OF INTERNAL AUDIT; RESOURCES;
5 STAFF.

6 (A) The Office of Internal Audit is created as an independent ~~[and non-~~
7 ~~partisan]~~ office of city government. The Office of Internal Audit is not part of
8 the ~~[city's]~~ [City's] executive branch or the City Council. The City Auditor shall
9 report [directly and have unrestricted access] to the Committee. ~~[The purpose~~
10 ~~of the Office of Internal Audit is to provide independent, objective, assurance~~
11 ~~and non-audit services designed to add value and improve City operations.]~~

12 (B) ~~[To provide for independence and prevent undue influence,]~~ ~~[The]~~
13 ~~[the]~~ Office of Internal Audit shall independently administer its own budget,
14 [recruit, hire, appoint, promote, employ, set compensation for, discipline, or
15 discharge,] and supervise its own staff in compliance with the ~~[city's Merit~~
16 ~~Ordinance and contractual services policies and procedures]~~ [City rules and
17 regulations]. [Adequate funding shall be provided to uphold the ability of the
18 Office of the Inspector General to carry out its duties and support its staff and
19 operating expenses.]

20 (C) The Office of the City Attorney shall advise and represent the Office
21 of Internal Audit, except that the Office of Internal Audit may~~[- in consultation~~
22 ~~with the City Attorney,]~~ [select independent legal counsel from the conflict
23 counsel list maintained by the Office of the City Attorney, or other attorney
24 selected with the assistance of and through the City Attorney's Office. select
25 ~~an independent legal counsel to advise and represent the Office as needed in~~
26 ~~the event of a conflict of interest that the City Attorney determines cannot~~
27 ~~otherwise be cured internally.]~~

28 (D) The Office of Internal Audit shall comply with all ~~[city ordinances and~~
29 ~~policies]~~ [City rules and regulations] dealing with administrative functions
30 including but not limited to those dealing with personnel~~[- the merit system,]~~
31 and procurements.

32 (E) The Office of Internal Audit shall employ such staff as necessary to
33 carry out its functions as prescribed by this article, including but not limited to

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1 the City Auditor, professional audit staff and other staff as may be necessary,
2 subject to budget sufficiency and city personnel [~~policies and procedures~~
3 rules and regulations]. The City Auditor has sole authority to [recruit, appoint,
4 employ] hire, promote, set compensation for, discipline or discharge the staff
5 of the Office of Internal Audit in a manner consistent with the [~~Merit System~~
6 ~~Ordinance and the Grade Series Pay Plan~~] City rules and regulations].

7 (F) The Office of Internal Audit shall provide staff support to the
8 Committee and the Citizens' Independent Salary Commission and
9 administrative staff support to the Office of the Inspector General.

10 (G) The City Auditor will ensure that the internal audit activity remains
11 free of conditions that threaten the ability of the activity to carry out its
12 activities in an unbiased matter. The internal audit activity will have no direct
13 operational responsibility or authority over any of the activities audited.]
14 Neither the City Auditor nor any employee of the Office of Internal Audit shall
15 engage in any partisan political activities or the political affairs of the [city]
16 [City] during work hours. If independence or objectivity is impaired in fact or
17 appearance, the City Auditor will disclose the details of the impairment to the
18 Committee.]

19 § 2-10-5 CREATION OF COMMITTEE; DUTIES; POWERS; MEMBERSHIP.

20 (A) The "Accountability in Government Oversight Committee" is created
21 and shall oversee the City Auditor and the Inspector General]. The
22 independent Committee shall consist of five members who are residents of
23 the [city] City. To be independent in fact and appearance, the Committee must
24 be free from conflicts of interest and [~~who are~~] not employed by the [city]
25 [City], or in a direct contractual relationship or similar business relationship
26 with the [city] [City]. No member of the immediate family of the Office of
27 Internal Audit or the Office of Inspector General personnel shall be a member
28 of the Committee.] At least one Committee member shall be a [GPA] Certified
29 Public Accountant or Certified Internal Auditor], at least one Committee
30 member shall have a law enforcement or law background and at least one
31 Committee member shall be a professional management consultant. The
32 Mayor and one [City] Councilor appointed annually by the [City] Council
33 President shall be nonvoting ex officio members[~~-. The Mayor and the~~

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1 ~~appointed Councilor~~ [and] may attend or send [a] designee[s] to the
2 Committee meetings [where reports for publication are discussed]. The
3 ~~[committee]~~ [Committee] may request the attendance of other city personnel[,]
4 ~~[or]~~ auditees[, or investigated parties].

5 (B) As vacancies on the Committee occur, the [City] Council and Mayor
6 shall alternatively appoint new members with the [City] Council making the
7 first appointment. All appointments shall be subject to [City] Council approval.
8 The existing Committee members may make recommendations to the Mayor
9 and [City] Council for candidates to fill vacancies on the Committee. If either
10 the Mayor or [City] Council fails to name a replacement Committee member
11 within 45 days of the vacancy, then the other body shall make the
12 appointment. The Committee members shall be appointed for staggered terms
13 of three years unless an appointment is to fill a vacancy. An appointment to fill
14 a vacancy shall be for the unexpired term. Terms shall begin on the first day of
15 September. The Committee members shall elect the Committee Chair annually.

16 (C) [Any Committee member may be removed from office by an
17 affirmative vote of two-thirds of the Committee after due notice if such
18 member has missed three consecutive meetings or has been absent from
19 more than fifty percent (50%) of the meetings held during any twelve
20 consecutive months.

21 (D) Any Committee member may be removed from office by an
22 affirmative vote of two-thirds of the Committee after due notice if such
23 member has violated any law, regulation or charter provision, or for other
24 good cause such as the intentional failure to carry out the duties of the
25 Committee.

26 (E) The Committee shall meet at least four times per year, but may also
27 meet monthly or upon the call of the [Committee] Chair or a majority of its
28 members.

29 (F) ~~[(D)]~~ Committee members shall not receive compensation for their
30 service. Voting members of the Committee shall not serve on any other city
31 board, commission or task force.

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1 ~~[(G)] [(E)]~~ The Chief Administrative Officer and the Director of Council
2 Services or their [respective] designee[s] may attend all Committee meetings
3 [where reports for publication are discussed].

4 ~~[(H)] [(F)]~~ If an Official is the subject of an investigation, then the ex
5 officio members or their designees, shall be recused from all meetings where
6 that particular investigation is being discussed and ~~[they]~~ shall not have
7 access to the investigative file during the pending investigation.

8 ~~[(I)] [(G)]~~ The Committee is a management committee and not a public
9 board, commission or committee as specified by §§ 2-6-1-1 et seq. and not
10 subject to the Open Meetings Act. The Committee is not formed to formulate
11 public policy nor has authority to formulate public policy been delegated to
12 the Committee. The Committee and its members are subject to the City
13 Charter, Article XII Code of Ethics.

14 ~~[(J)] [(H)]~~ The Committee shall annually ~~[recommend the Office of~~
15 ~~Internal Audit and Inspector General budget to the Mayor and Council through~~
16 ~~the normal city budget process for city departments in an amount sufficient~~
17 ~~for both offices to fulfill their respective function, which proposal may include]~~
18 [review salaries for the City Auditor and the Inspector General. If after such
19 review the Committee determines that] a salary adjustment ~~[for the City~~
20 ~~Auditor or the Inspector General.]~~ [is warranted, the Committee shall notify the
21 Department of Finance and Administrative Services and the Human Resources
22 Department of any salary adjustment, which will be subject to budget
23 sufficiency and city personnel rules and regulations.]

24 ~~[(K)] [(H)]~~ The Committee may provide the City Auditor and the Inspector
25 General with guidance, priorities and potential areas for investigations and
26 audits. The Committee may also lend advice to the City Auditor and the
27 Inspector General regarding technical issues that may arise.

28 ~~[(J)]~~ ~~The Committee shall not prohibit the City Auditor or the Inspector~~
29 ~~General from initiating, carrying out or completing and reporting on any audit,~~
30 ~~investigation or strategic review. If a majority of the Committee members finds~~
31 ~~that an audit, investigation or strategic review is questionable, then the~~
32 ~~Committee may issue a cautionary statement to the City Auditor or the~~
33 ~~Inspector General, as appropriate.]~~

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1 ~~[(L)] [(K)]~~ The Committee shall review ~~[any audit, investigatory or~~
2 ~~strategic review]~~ ~~[all]~~ reports [presented] at each meeting. If the ~~[committee]~~
3 [Committee] approves a report then the City Auditor or Inspector General shall
4 ~~[immediately]~~ cause the report to become a published report. If the
5 ~~[committee]~~ [Committee] does not approve a report, then the City Auditor or
6 Inspector General shall cause the report to become a published report no
7 sooner than 15 business days from the date of the ~~[committee's]~~
8 [Committee's] review or consideration. The ~~[committee]~~ [Committee] may draft
9 a cautionary statement for inclusion with the report during this 15 day period
10 which, if provided to the City Auditor or Inspector General within this
11 timeframe, will be made part of the published report. [The Committee shall not
12 prohibit the City Auditor or the Inspector General from initiating, carrying out
13 or completing and reporting on the activities of their offices. The Committee
14 may elect to defer taking action on the reports presented for up to one
15 Committee meeting, after which, the City Auditor or Inspector General shall
16 cause the report to become a published report no sooner than 15 business
17 days from the date of the Committee's last review or consideration. When
18 activities are provided at the request of the Citizens' Independent Salary
19 Commission, the Board of Ethics and Campaign Practices, or the City
20 Attorney's Office, the usual requirements concerning Committee review of
21 reports should not be followed to maintain the rights and duties of these
22 entities to direct and limit the work performed. The City Auditor or the
23 Inspector General may informally brief the Committee as to the commitment of
24 resources to any work assigned by the Citizens' Independent Salary
25 Commission or the Board of Ethics and Campaign Practices and the progress
26 being made toward the completion of the work conducted.]

27 ~~[(M)] [(L)]~~ The Committee shall prepare a job description, specify
28 qualifications for applicants, work with the Director of the Human Resources
29 Department to advertise for the position and develop the applicant search
30 procedure and make recommendations to the [City] Council on the selection
31 of the City Auditor and the Inspector General. The ~~[committee]~~ [Committee]
32 shall apply human resources best practices to its applicant search relating to
33 advertisement periods, job posting locations including with national industry-

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1 oriented groups or associations, application review processes, interview
2 processes, and contacting of references and prior employers as may be
3 recommended by the Director of Human Resources or other reliable sources.

4 ~~[(N)] [(M)]~~ Any discipline of the City Auditor or the Inspector General, as
5 provided by § 3-1-6 ROA 1994, shall be by the Committee. The City Auditor and
6 the Inspector General shall report to the Committee for approval of vacation,
7 sick, emergency and city business leave.

8 § 2-10-6 SELECTION AND RETENTION OF CITY AUDITOR.

9 (A) (1) The Committee, through its staff, shall accept applications from
10 candidates, interview candidates, and shall submit to the City Council the
11 names of the three candidates (or more in the event that candidates are tied in
12 ranking) that it finds to be the best qualified to be City Auditor indicating its
13 ranking, together with a general description of its selection process, and the
14 ~~[City]~~ Council shall appoint the City Auditor from the three. The Committee's
15 recommendation to ~~[the City]~~ Council shall be based on the candidates'
16 integrity, capability for strong management and demonstrated ability in
17 accounting, auditing, financial analysis, law, management analysis, public
18 administration, investigation, criminal justice administration or other closely
19 related fields. Experience, performance, certifications, and advanced degrees
20 may also be considered.

21 (2) Upon the expiration of four years from the date of the City Auditor's
22 last appointment by the City Council, the Committee shall submit three
23 candidates to the ~~[City]~~ Council for its consideration for appointment to the
24 position of City Auditor, or in lieu of recommending three candidates to the
25 ~~[City]~~ Council, the Committee may recommend to the ~~[City]~~ Council the
26 reappointment of the incumbent City Auditor. Should the ~~[City]~~ Council decline
27 to reconfirm the incumbent City Auditor, the ~~[City]~~ Council President will
28 notify the Committee that it needs to provide the ~~[City]~~ Council with three
29 alternate candidates pursuant to the provisions of subsection (A)(1).

30 (B) If a current or prior city employee or official is appointed to the
31 position of City Auditor, such person shall not audit or assist in the audit of
32 the department or agency where such person previously served or was
33 employed for a period of four years from the last day of such prior

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1 employment or service. Any audits of such department or agency shall be
2 referred by the City Auditor to an independent third party auditor who shall
3 serve as an independent proxy for the City Auditor, vested with the full
4 authority of the City Auditor only for the purposes of the specific audit(s) so
5 assigned, and who shall report to the Committee relating to the audit in the
6 same manner as the City Auditor would under this article. If a current or prior
7 city official, contractor, or employee is one of the three recommended to the
8 City Council for possible appointment, the Committee shall submit to the
9 [City] Council a statement describing its assessment of possible conflicts or
10 appearances of conflicts, if any, that may result during the fulfillment of duties
11 as City Auditor if that candidate is appointed.

12 (C) As a condition of retention, the City Auditor must obtain certification
13 as a Certified Public Accountant or Certified Internal Auditor through the
14 appropriate entity within two years of appointment. Other professional
15 certifications, such as certified fraud examiner [and certified information
16 systems auditor] are recommended.

17 (D) Prior to submission of the final three candidates to the City Council,
18 the three City Auditor candidates shall be fingerprinted and shall provide two
19 fingerprint cards or the equivalent electronic fingerprints to the Committee to
20 obtain the candidate's Federal Bureau of Investigation record. Records and
21 related information shall be privileged and shall not be disclosed to anyone
22 other than Committee members. The [city] [City] shall pay for the cost of
23 obtaining the Federal Bureau of Investigation records.

24 (E) The City Auditor may be removed from office [for cause] upon an
25 affirmative vote of two-thirds (2/3) of the members of the Committee, [ø] upon
26 [an affirmative vote of two-thirds (2/3) of the members of the City Council, or
27 upon] the City Council's decision to not reconfirm the City Auditor pursuant to
28 subsection (A)(2) of this section. [For purposes of this Section, cause may
29 include, but is not limited to, conduct that is inconsistent with obligations
30 under this ordinance, or otherwise inconsistent with responsibilities to the
31 Committee.] Within five days of removal of the [Director] [City Auditor] the
32 Committee shall report the reasons for that removal to the Mayor and the
33 [City] Council.

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1 [(F) If the City Auditor position is vacated, the City Auditor's first
2 assistant shall serve as Acting City Auditor during the vacancy, subject to
3 Committee discretion.]

4 § 2-10-7 CITY AUDITOR'S DUTIES; RESPONSIBILITIES; AUTHORITY;
5 ADMINISTRATIVE SUBPOENA POWER.

6 (A) If the City Auditor detects apparent or potential violations of law or
7 apparent instances of misfeasance or nonfeasance by an official or auditee,
8 the City Auditor shall report the irregularities in writing to the Committee. If the
9 irregularity is criminal in nature, the City Auditor shall immediately refer the
10 irregularity to the appropriate prosecuting authority and notify the Inspector
11 General. The City Auditor shall not accept complaints related to discrimination
12 or labor law matters, or other matters that are the subject of pending litigation.

13 (B) Upon request of the Mayor or City Council, the City Auditor shall
14 assist or provide resources to assist city departments in the review of state
15 and federal legislation, city ordinances, resolutions, rules, regulations and
16 policies pertaining to that particular city department or office.

17 (C) The City Auditor shall promulgate regulations to establish
18 procedures for the Office of Internal Audit.

19 (D) The City Auditor shall have the power to subpoena witnesses,
20 administer oaths and require the production of records subject to the New
21 Mexico Rules of Civil Procedure. In the case of a refusal to obey a subpoena
22 issued to any person, the City Auditor may make application to any District
23 Court in the state that shall have the jurisdiction to order the witness to appear
24 before the City Auditor and to produce evidence if so ordered, or to give
25 testimony touching on the matter in question.

26 (E) The City Auditor shall maintain a complete ~~[file]~~ [record] of each
27 ~~[audit]~~ [published] report ~~[and each report of other investigations and~~
28 ~~strategic reviews]~~ made under legislative or special Committee authority for
29 ~~[six years]~~ [the retention period required by the City] ~~[from]~~ [beginning] the
30 date that the ~~[audit or review is closed]~~ [report is published], or longer if
31 required by law. The ~~[file]~~ [record] should include ~~[audit]~~ work papers and
32 other supportive material directly pertaining to the [published] report.
33 ~~[Records may be retained in electronic format at the City Auditor's election.]~~

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1 (F) In cases where the City Auditor deems it appropriate because of [an
2 ~~audit, investigation, or strategic review~~] [audit activities], the City Auditor may
3 refer opportunities for increased efficiency to the [~~Office of Management and~~
4 ~~Budget~~] [Department of Finance and Administrative Services] to work with
5 respective departments on management and process improvement.

6 § 2-10-8 PROFESSIONAL [AUDIT] STANDARDS.

7 (A) The City Auditor shall adhere to generally accepted government
8 auditing standards in conducting its work and will be considered independent
9 as defined by those standards.

10 (B) The [~~activities of the~~] Office of Internal Audit[~~'s audits,~~
11 ~~investigations, and strategic reviews~~] are subject to quality assurance reviews
12 [in accordance with Government Auditing Standards] by an appropriate
13 professional non-partisan objective group [~~every three years~~]. A copy of the
14 written report resulting from this review shall be furnished to the Committee.

15 § 2-10-9 [OFFICE OF INTERNAL AUDIT;] PUBLIC RECORDS;
16 CONFIDENTIALITY.

17 (A) The City Auditor shall maintain the confidentiality of any public
18 records that are made confidential by law and is subject to the same penalties
19 as the custodian of those public records for violating confidentiality statutes.

20 (B) During the course of audit activities, all [~~records shall be considered~~
21 ~~deliberative in process and not available for outside review~~] [workpapers that
22 support audit findings become public after the audit report is published,
23 except for information that is confidential or privileged by law].

24 (C) Prior to publishing a report, the City Auditor may share selected
25 information with other city departments if the information is needed for
26 decision-making purposes; otherwise, reports remain confidential until
27 published, at which time they become public record.

28 (D) The names and identities of persons making complaints and
29 providing information shall not be disclosed without the written consent of the
30 person unless otherwise required by law or judicial processes.

31 (E) Published reports are public records except that the City Auditor
32 shall delay the publication of reports when criminal conduct is found and the
33 Inspector General or appropriate law enforcement authority is pursuing an

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1 investigation and release of the report might jeopardize further investigation.
2 An audit report that has been delayed pursuant to this section shall be
3 published promptly at the end of the condition giving rise to the delay.

4 (F) The City Auditor may release a preliminary draft of an audit of
5 anyone other than a city department or agency to the auditee for review and
6 comment if the auditee agrees to restrict its use and to maintain the
7 confidentiality of the information.

8 § 2-10-10 OFFICE OF INTERNAL AUDIT ~~[DIVISION]~~; SCOPE OF AUDITS.

9 (A) The scope of internal audit activities encompasses, but is not
10 limited to, objective examinations of evidence for the purpose of providing
11 independent assessments on the adequacy, quality, efficiency, and
12 effectiveness of governance, risk management, and control processes for the
13 City. ~~[The Office of Internal Audit shall conduct audits and strategic reviews~~
14 ~~of all auditees to independently determine whether:~~

15 (1) ~~The city, state or federal law authorizes implemented activities and~~
16 ~~programs;~~

17 (2) ~~The objectives intended by city, state or federal law are efficiently~~
18 ~~and effectively accomplished in the implementation of activities and~~
19 ~~programs;~~

20 (3) ~~The expenditure of funds complies with applicable laws;~~

21 (4) ~~The revenues are properly collected, deposited and accounted for;~~

22 (5) ~~Resources, including funds, property and personnel, are~~
23 ~~adequately safeguarded, controlled and used in a faithful, effective and~~
24 ~~efficient manner;~~

25 (6) ~~Financial and other reports fairly and fully disclose all information~~
26 ~~as required by law necessary to evaluate and ascertain the nature and scope~~
27 ~~of programs and activities;~~

28 (7) ~~Management established operating and administrative procedures~~
29 ~~and practices, accounting internal control systems and internal management~~
30 ~~controls are adequate and functioning as intended; and~~

31 (8) ~~City policies, budgets, goals and objectives are fully implemented.]~~

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1 (B) At an official's [special] request, the City Auditor ~~[shall]~~ [may] initiate
2 ~~[special audits or strategic reviews]~~ [audit services] subject to the provisions
3 of § 2-10-12.

4 § 2-10-11 ANNUAL AUDIT PLAN.

5 (A) Prior to the beginning of each fiscal year, the City Auditor shall
6 submit an annual audit plan to the Committee for review and comment. As part
7 of these deliberations, the officials shall be invited to recommend areas for
8 inclusion in the plan. The plan shall include the auditees scheduled for audit
9 during the year, a statement of the scope of the audit and the estimated time
10 required to complete the audit.

11 (B) The annual audit plan shall be transmitted to the [City] Council for
12 final approval as a resolution.

13 (C) This plan may be amended during the year after review with the
14 Committee.

15 (D) In the selection of audit areas, the determination of audit scope and
16 the timing of audit work, the City Auditor should consult with federal and state
17 auditors and independent auditors so that the desirable audit coverage is
18 provided and audit effort may be properly coordinated.

19 (E) The City Auditor shall make reports at least quarterly to the
20 Committee on the status of the work plan.

21 § 2-10-12 SPECIAL [AUDITS] [REQUESTS]; AUDIT REPORTS.

22 (A) In all cases, the City Auditor shall, within 48 hours of
23 implementation, notify the Committee when a special ~~[request]~~ ~~[audit or~~
24 ~~strategic review]~~ is being undertaken.

25 (B) A draft of the report shall be forwarded to the auditees and the Chief
26 Administrative Officer [or their designee] for review and comment before it is
27 provided to the Committee for pre-publication review. The auditees, including
28 departments whose assistance is needed in order to accomplish any audit
29 recommendation, shall respond to the City Auditor, in writing, within 14 days
30 of receipt of the audit report.

31 (C) The auditees' written response shall specify agreement with each of
32 the audit findings and recommendations or reasons for disagreement with
33 findings or recommendations. The auditees' written responses shall include

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1 auditees' plans for implementing solutions to identified problems including
2 timetables to complete such activities.

3 (D) Auditees' comments to the preliminary draft may be utilized to
4 amend the report if appropriate. If the preliminary audit report is amended, the
5 auditees will be given a copy of the amended draft, and the auditees will be
6 given ~~[seven]~~ [up] to 14 days, as determined by the City Auditor and the
7 auditees, to respond to the amended draft of the audit report.

8 (E) The City Auditor shall include the auditees' responses in the audit
9 report.

10 § 2-10-13 [OFFICE OF INTERNAL AUDIT] REPORTS TO THE COMMITTEE.

11 (A) ~~[Each investigation, audit and strategic review]~~ [All assurance
12 activities, unless otherwise provided for under this ordinance,] shall result in a
13 written final report.

14 (B) The City Auditor shall submit ~~[at least five copies]~~ [a copy] of each
15 report to [each member of] the Committee and shall retain a copy as a
16 permanent record for ~~[six years]~~ [the retention period required by the City,
17 beginning] ~~[from]~~ the date it became a published report or longer if required
18 by law.

19 (C) If appropriate, the report shall contain the professional opinion or
20 conclusions of the City Auditor.

21 [(D) The City Auditor's audit reports shall ~~[include:]~~ [comply with
22 reporting requirements as defined by Government Auditing Standards.]

- 23 ~~[(1) A precise statement of the scope encompassed by the audit;~~
- 24 ~~(2) A statement that the audit was performed in accordance with~~
25 ~~generally accepted government auditing standards;~~
- 26 ~~(3) A statement that an examination for compliance with applicable~~
27 ~~laws, policies and regulations was conducted, and a presentation of the~~
28 ~~findings associated with that examination;~~
- 29 ~~(4) A statement of significant audit findings, including a statement of~~
30 ~~the underlying causes, evaluative criteria used and the current and~~
31 ~~prospective significance of the findings;~~
- 32 ~~(5) A statement that internal control systems were examined and a~~
33 ~~report of any material weaknesses found in the internal control systems;~~

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1 ~~(6) Statements of response submitted by the auditees relevant to the~~
2 ~~audit findings;~~

3 ~~(7) A concise statement by the auditees of the corrective actions~~
4 ~~previously taken or contemplated as a result of the audit findings and a~~
5 ~~timetable for their accomplishment; and~~

6 ~~(8) Recommendations for additional necessary or desirable action.]~~
7 § 2-10-14 [OFFICE OF INTERNAL AUDIT] ANNUAL REPORTING.

8 (A) The City Auditor shall annually report to the [City] Council and the
9 Mayor regarding ~~[his]~~ [the] activities [of the Office of Internal Audit].

10 (B) Within 60 days of the end of each fiscal year, the City Auditor shall
11 issue an annual report to the Committee that separately lists ~~[audit reports,~~
12 ~~review]~~ [all published] reports and other assistance efforts completed during
13 the fiscal year.

14 (C) The Office of Internal Audit shall provide copies of the annual report
15 upon request.

16 § 2-10-15 CONTRACT AUDITORS, CONSULTANTS, AND EXPERTS.

17 The City Auditor may obtain the services of certified public accountants,
18 qualified management consultants, certified fraud examiners, forensic
19 auditors or other professional experts necessary to perform the functions of
20 the Office of Internal Audit. Contractors performing ~~[an audit]~~ [such services]
21 shall not have any financial interest in the affairs of the auditees, officials or
22 employees. The City Auditor shall coordinate and monitor auditing performed
23 by persons under contract to the City Auditor.

24 § 2-10-16 PENALTY; COOPERATION; RETALIATION PROHIBITED.

25 (A) All city officials, employees and contractors shall provide the City
26 Auditor full and unrestricted access to all city offices, employees, records,
27 information, data, reports, plans, projections, matters, contracts, memoranda,
28 correspondence, electronic data, property, equipment and facilities and any
29 other materials within their custody. At the City Auditor's request, an official,
30 employee or contractor shall prepare reports and provide interviews. If an
31 official, employee, vendor or contractor fails to produce the requested
32 information, the City Auditor shall notify the Committee and make written
33 request to the Chief Administrative Officer for ~~[his]~~ [their] assistance in

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1 causing a search to be made and germane exhibits to be taken from any book,
2 paper or record excepting personal property. The Chief Administrative Officer
3 shall require the officials, employees, vendors or contractors to produce the
4 requested information.

5 (B) Every city contract, bid, proposal, application or solicitation for a city
6 contract and every application for certification of eligibility for a city contract
7 or program shall contain a ~~[statement that the individual understands and]~~
8 [provision stating that the contracting parties] will ~~[abide by all]~~ [be subject to]
9 provisions of the Accountability in Government Ordinance.

10 (C) No person shall retaliate against, punish or penalize any other
11 person for complaining to, cooperating with or assisting the City Auditor in
12 the performance of ~~[his]~~ [their] office.

13 (D) Each and every violation of this article is a criminal violation subject
14 to the provisions of § 1-1-99 ROA 1994.

15 (E) Any official or employee who violates the Accountability in
16 Government Ordinance may be subject to discipline as ~~[may be]~~ specified in
17 ~~[the Merit System Ordinance]~~ [City rules and regulations] or any applicable
18 collective bargaining agreement.”

19 SECTION 2. SEVERABILITY CLAUSE. If any section, paragraph, sentence,
20 clause, word, or phrase of this ordinance is for any reason held to be invalid
21 or unenforceable by any court of competent jurisdiction, such decision shall
22 not affect the validity of the remaining provisions of this ordinance. The
23 Council hereby declares that it would have passed this ordinance and each
24 section, paragraph, sentence, clause, word, or phrase thereof irrespective of
25 any provisions being declared unconstitutional or otherwise invalid.

26 SECTION 3. COMPILATION. The amendments set forth in SECTION 1
27 above shall amend, be incorporated in, and made part of the Revised
28 Ordinances of Albuquerque, New Mexico, 1994.

29 SECTION 4. EFFECTIVE DATE. This ordinance shall take effect five days
30 after publication by title and general summary.