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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 Institute of Internal Auditors and the Association of Local  
21 Government Auditors – two international authorities on the auditing  
22 profession – and the City’s Accountability in Government Oversight  
23 Committee all support the effort to strengthen and preserve the structural  
24 independence of the Office of Internal Audit by amending the Accountability in  
25 Government Ordinance; and

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

29 BE IT ORDAINED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY  
30 OF ALBUQUERQUE:

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

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1           **“§ 2-10-1 SHORT TITLE.**

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

4           **§ 2-10-2 FINDINGS; PURPOSE; GOALS.**

5           (A) The [City] Council finds that good governance, transparency and  
6 accountability are critical in the public sector for the effective and credible  
7 functioning of a healthy democracy, and in fulfilling the government’s  
8 responsibility to citizens and taxpayers. Transparent and reliable reporting  
9 and effective audit[ing] [services] in government [~~serve to~~] promote  
10 accountability, enhance the effectiveness [and efficiency] of government  
11 services to its citizens, and increase the public’s confidence in their  
12 government.

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

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

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

33           **§ 2-10-3 DEFINITIONS.**

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

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

5 AUDITEES. Auditees are the city related departments, programs,  
6 activities, agencies, vendors, contractors or other city related entities affected  
7 by an audit or investigation.

8 [BOARD OF ETHICS AND CAMPAIGN PRACTICES. The Board of Ethics and  
9 Campaign Practices created pursuant to the City Charter, Article XII, Code of  
10 Ethics.]

11 [CITIZENS' INDEPENDENT SALARY COMMISSION. The Citizens'  
12 Independent Salary Commission created pursuant to the City Charter, Article  
13 XVIII, Citizens' Independent Salary Commission.]

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

15 COMMITTEE. The Accountability in Government Oversight Committee.

16 CONTRACTORS. All city contractors[, including community-based  
17 organizations].

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

19 ~~[EXPANDED SCOPE AUDIT. An audit whose original scope is modified by~~  
20 ~~the City Auditor or the Committee based on circumstances and findings~~  
21 ~~uncovered during the audit.]~~

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

24 OFFICIAL. The Mayor [~~and~~] [City] Councilors[, and appointed members  
25 of City boards, commissions, or committees].

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

30 SPECIAL [REQUESTS] [~~AUDITS~~]. Exigent [~~audits~~] [engagements] not  
31 included in the annual audit plan, because the need for [~~the audits~~] [audit  
32 service] was not foreseen when the audit plan was adopted. [Special requests  
33 for audit services may include audits, strategic reviews, and advisory services

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1 such as benchmarking and best practices analyses requested by an official or  
2 the City Auditor, which are initiated at the discretion of the City Auditor.]

3 STRATEGIC REVIEWS. Reportable non-audit work including but not  
4 limited to ~~[bench marking, best practices, and compliance reviews requested~~  
5 ~~by an official or the City Auditor and at the discretion of the City Auditor]~~  
6 [assessments, agreed-upon procedures, compliance reviews, follow-up, and  
7 monitoring activities].

8 § 2-10-4 CREATION OF THE OFFICE OF INTERNAL AUDIT; RESOURCES;  
9 STAFF.

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

16 (B) [To provide for independence and prevent undue influence,] ~~[The]~~  
17 ~~[the]~~ Office of Internal Audit shall independently administer its own budget,  
18 [recruit, hire, appoint, promote, employ, set compensation for, discipline, or  
19 discharge,] and supervise its own staff in compliance with the ~~[city's Merit~~  
20 ~~Ordinance and contractual services policies and procedures]~~ [City rules and  
21 regulations]. [Notwithstanding other provisions of this Ordinance, the Mayor  
22 and City Council shall establish a dedicated funding source to be used  
23 exclusively to implement the duties and requirements of this Ordinance. The  
24 dedicated funding source shall be established annually at an amount equal to  
25 at least two-tenths of one percent (0.2%) of the City's overall recurring General  
26 Fund budgeted appropriations and each subsequent year, shall not increase  
27 or decrease more than five percent (5%) from the previous year. Any amounts  
28 not expended or encumbered by the end of the fiscal year, shall revert back to  
29 the General Fund. In the event a fiscal emergency is declared, City Council  
30 may adjust the funding model for the fiscal year to be consistent with the  
31 model applied to all city departments. In the fiscal year following the  
32 declaration of fiscal emergency, the funding model described above shall be  
33 reinstated.]

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1 (C) The Office of the City Attorney shall advise and represent the Office  
2 of Internal Audit, except that the Office of Internal Audit may~~[, in consultation~~  
3 ~~with the City Attorney,]~~ [select independent legal counsel from the conflict  
4 counsel list maintained by the Office of the City Attorney, or other attorney  
5 selected with the assistance of and through the City Attorney’s Office. ~~select~~  
6 ~~an independent legal counsel to advise and represent the Office as needed in~~  
7 ~~the event of a conflict of interest that the City Attorney determines cannot~~  
8 ~~otherwise be cured internally.]~~

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

13 (E) The Office of Internal Audit shall employ such staff as necessary to  
14 carry out its functions as prescribed by this article, including but not limited to  
15 the City Auditor, professional audit staff and other staff as may be necessary,  
16 subject to budget sufficiency and city personnel ~~[policies and procedures]~~  
17 [rules and regulations]. The City Auditor has sole authority to ~~[recruit, appoint,~~  
18 ~~employ]~~ hire, promote, set compensation for, discipline or discharge the staff  
19 of the Office of Internal Audit in a manner consistent with the ~~[Merit System~~  
20 ~~Ordinance and the Grade Series Pay Plan]~~ [City rules and regulations].

21 (F) The Office of Internal Audit shall provide staff support to the  
22 Committee and [the Citizens’ Independent Salary Commission and]  
23 administrative staff support to the Office of the Inspector General.

24 (G) [The City Auditor will ensure that the internal audit activity remains  
25 free of conditions that threaten the ability of the activity to carry out its  
26 activities in an unbiased matter. The internal audit activity will have no direct  
27 operational responsibility or authority over any of the activities audited.]  
28 Neither the City Auditor nor any employee of the Office of Internal Audit shall  
29 engage in any partisan political activities or the political affairs of the ~~[city]~~  
30 [City] during work hours. [If independence or objectivity is impaired in fact or  
31 appearance, the City Auditor will disclose the details of the impairment to the  
32 Committee.]

33 § 2-10-5 CREATION OF COMMITTEE; DUTIES; POWERS; MEMBERSHIP.

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1 (A) The "Accountability in Government Oversight Committee" is created  
2 [and shall oversee the City Auditor and the Inspector General]. The  
3 [independent] Committee shall consist of five members who are residents of  
4 the ~~[city]~~ [City]. To be independent in fact and appearance, the Committee must  
5 be free from conflicts of interest and ~~[who are]~~ not employed by the ~~[city]~~  
6 [City], or in a direct contractual relationship or similar business relationship  
7 with the ~~[city]~~ [City]. No member of the immediate family of the Office of  
8 Internal Audit or the Office of Inspector General personnel shall be a member  
9 of the Committee.] At least one Committee member shall be a [CPA] [Certified  
10 Public Accountant or Certified Internal Auditor], at least one Committee  
11 member shall have a law enforcement or law background and at least one  
12 Committee member shall be a professional management consultant. The  
13 Mayor and one [City] Councilor appointed annually by the [City] Council  
14 President shall be nonvoting ex officio members~~[-The Mayor and the~~  
15 ~~appointed Councilor]~~ [and] may [attend or] send [a] designee[s] to the  
16 Committee meetings [where reports for publication are discussed]. The  
17 ~~[committee]~~ [Committee] may request the attendance of other city personnel~~[,]~~  
18 [or] auditees[, or investigated parties].

19 (B) As vacancies on the Committee occur, the [City] Council and Mayor  
20 shall alternatively appoint new members with the [City] Council making the  
21 first appointment. All appointments shall be subject to [City] Council approval.  
22 The existing Committee members may make recommendations to the Mayor  
23 and [City] Council for candidates to fill vacancies on the Committee. If either  
24 the Mayor or [City] Council fails to name a replacement Committee member  
25 within 45 days of the vacancy, then the other body shall make the  
26 appointment. The Committee members shall be appointed for staggered terms  
27 of three years unless an appointment is to fill a vacancy. An appointment to fill  
28 a vacancy shall be for the unexpired term. Terms shall begin on the first day of  
29 September. The Committee members shall elect the Committee Chair annually.

30 (C) [Any Committee member may be removed from office by an  
31 affirmative vote of two-thirds of the Committee after due notice if such  
32 member has missed three consecutive meetings or has been absent from

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1 more than fifty percent (50%) of the meetings held during any twelve  
2 consecutive months.

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

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

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

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

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

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

27 [(J)] [(H)] The Committee shall annually [recommend the Office of  
28 Internal Audit and Inspector General budget to the Mayor and Council through  
29 the normal city budget process for city departments in an amount sufficient  
30 for both offices to fulfill their respective function, which proposal may include]  
31 [review salaries for the City Auditor and the Inspector General. If after such  
32 review the Committee determines that] a salary adjustment [for the City  
33 Auditor or the Inspector General.] [is warranted, the Committee shall notify the



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1 Department of Finance and Administrative Services' Budget Office and the  
2 Human Resources Department of any salary adjustment, which will be subject  
3 to budget sufficiency and city personnel rules and regulations.]

4 [(K)] [(H)] The Committee may provide the City Auditor and the Inspector  
5 General with guidance, priorities and potential areas for investigations and  
6 audits. The Committee may also lend advice to the City Auditor and the  
7 Inspector General regarding technical issues that may arise.

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

14 [(L)] [(K)] The Committee shall review [any audit, investigatory or  
15 strategic review]-[all] reports [presented] at each meeting. If the [committee]  
16 [Committee] approves a report then the City Auditor or Inspector General shall  
17 [immediately] cause the report to become a published report. If the  
18 [committee] [Committee] does not approve a report, then the City Auditor or  
19 Inspector General shall cause the report to become a published report no  
20 sooner than 15 business days from the date of the [committee's]  
21 [Committee's] review or consideration. The [committee] [Committee] may draft  
22 a cautionary statement for inclusion with the report during this 15 day period  
23 which, if provided to the City Auditor or Inspector General within this  
24 timeframe, will be made part of the published report. The Committee shall not  
25 prohibit the City Auditor or the Inspector General from initiating, carrying out  
26 or completing and reporting on the activities of their offices. The Committee  
27 may elect to defer taking action on the reports presented for up to one  
28 Committee meeting, after which, the City Auditor or Inspector General shall  
29 cause the report to become a published report no sooner than 15 business  
30 days from the date of the Committee's last review or consideration. When  
31 activities are provided at the request of the Citizens' Independent Salary  
32 Commission, the Board of Ethics and Campaign Practices, or the City  
33 Attorney's Office, the usual requirements concerning Committee review of

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1 reports should not be followed to maintain the rights and duties of these  
2 entities to direct and limit the work performed. The City Auditor or the  
3 Inspector General may informally brief the Committee as to the commitment of  
4 resources to any work assigned by the Citizens' Independent Salary  
5 Commission or the Board of Ethics and Campaign Practices and the progress  
6 being made toward the completion of the work conducted.]

7 [(M)] [(L)] The Committee shall prepare a job description, specify  
8 qualifications for applicants, work with the Director of the Human Resources  
9 Department to advertise for the position and develop the applicant search  
10 procedure and make recommendations to the [City] Council on the selection  
11 of the City Auditor and the Inspector General. The [committee] [Committee]  
12 shall apply human resources best practices to its applicant search relating to  
13 advertisement periods, job posting locations including with national industry-  
14 oriented groups or associations, application review processes, interview  
15 processes, and contacting of references and prior employers as may be  
16 recommended by the Director of Human Resources or other reliable sources.

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

21 § 2-10-6 SELECTION AND RETENTION OF CITY AUDITOR.

22 (A) (1) The Committee, through its staff, shall accept applications from  
23 candidates, interview candidates, and shall submit to the City Council the  
24 names of the three candidates (or more in the event that candidates are tied in  
25 ranking) that it finds to be the best qualified to be City Auditor indicating its  
26 ranking, together with a general description of its selection process, and the  
27 [City] Council shall appoint the City Auditor from the three. The Committee's  
28 recommendation to [the City] Council shall be based on the candidates'  
29 integrity, capability for strong management and demonstrated ability in  
30 accounting, auditing, financial analysis, law, management analysis, public  
31 administration, investigation, criminal justice administration or other closely  
32 related fields. [Experience, performance, certifications, and advanced degrees  
33 may also be considered.]

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1           (2) Upon the expiration of four years from the date of the City Auditor's  
2 last appointment by the City Council, the Committee shall submit three  
3 candidates to the [City] Council for its consideration for appointment to the  
4 position of City Auditor, or in lieu of recommending three candidates to the  
5 [City] Council, the Committee may recommend to the [City] Council the  
6 reappointment of the incumbent City Auditor. Should the [City] Council decline  
7 to reconfirm the incumbent City Auditor, the [City] Council President will  
8 notify the Committee that it needs to provide the [City] Council with three  
9 alternate candidates pursuant to the provisions of subsection (A)(1).

10           (B) If a current or prior city employee or official is appointed to the  
11 position of City Auditor, such person shall not audit or assist in the audit of  
12 the department or agency where such person previously served or was  
13 employed for a period of four years from the last day of such prior  
14 employment or service. Any audits of such department or agency shall be  
15 referred by the City Auditor to an independent third party auditor who shall  
16 serve as an independent proxy for the City Auditor, vested with the full  
17 authority of the City Auditor only for the purposes of the specific audit(s) so  
18 assigned, and who shall report to the Committee relating to the audit in the  
19 same manner as the City Auditor would under this article. If a current or prior  
20 city official, contractor, or employee is one of the three recommended to the  
21 City Council for possible appointment, the Committee shall submit to the  
22 [City] Council a statement describing its assessment of possible conflicts or  
23 appearances of conflicts, if any, that may result during the fulfillment of duties  
24 as City Auditor if that candidate is appointed.

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

30           (D) Prior to submission of the final three candidates to the City Council,  
31 the three City Auditor candidates shall be fingerprinted and shall provide two  
32 fingerprint cards or the equivalent electronic fingerprints to the Committee to  
33 obtain the candidate's Federal Bureau of Investigation record. Records and

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1 related information shall be privileged and shall not be disclosed to anyone  
2 other than Committee members. The [city] [City] shall pay for the cost of  
3 obtaining the Federal Bureau of Investigation records.

4 (E) The City Auditor may be removed from office [for cause only] upon  
5 an affirmative vote of two-thirds (2/3) of the members of the Committee, [or]  
6 upon [an affirmative vote of two-thirds (2/3) of the members of the City  
7 Council, or upon] the City Council's decision to not reconfirm the City Auditor  
8 pursuant to subsection (A)(2) of this section. [For purposes of this Section,  
9 cause may include, but is not limited to, conduct that is inconsistent with  
10 obligations under this ordinance, or otherwise inconsistent with  
11 responsibilities to the Committee.] Within five days of removal of the [Director]  
12 [City Auditor] the Committee shall report the reasons for that removal to the  
13 Mayor and the [City] Council.

14 [(F) If the City Auditor position is vacated, the City Auditor's first  
15 assistant shall serve as Acting City Auditor during the vacancy.]

16 § 2-10-7 CITY AUDITOR'S DUTIES; RESPONSIBILITIES; AUTHORITY;  
17 ADMINISTRATIVE SUBPOENA POWER.

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

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

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

31 (D) The City Auditor shall have the power to subpoena witnesses,  
32 administer oaths and require the production of records subject to the New  
33 Mexico Rules of Civil Procedure. In the case of a refusal to obey a subpoena

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1 issued to any person, the City Auditor may make application to any District  
2 Court in the state that shall have the jurisdiction to order the witness to appear  
3 before the City Auditor and to produce evidence if so ordered, or to give  
4 testimony touching on the matter in question.

5 (E) The City Auditor shall maintain a complete ~~[file]~~ [record] of each  
6 ~~[audit]~~ [published] report ~~[and each report of other investigations and~~  
7 ~~strategic reviews]~~ made under legislative or special Committee authority for  
8 ~~[six years]~~ [the retention period required by the City] ~~[from]~~ [beginning] the  
9 date that the ~~[audit or review is closed]~~ [report is published], or longer if  
10 required by law. The ~~[file]~~ [record] should include ~~[audit]~~ work papers and  
11 other supportive material directly pertaining to the [published] report.

12 ~~[Records may be retained in electronic format at the City Auditor's election.]~~

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

18 § 2-10-8 PROFESSIONAL [AUDIT] STANDARDS.

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

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

27 § 2-10-9 [OFFICE OF INTERNAL AUDIT;] PUBLIC RECORDS;  
28 CONFIDENTIALITY.

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

32 (B) During the course of audit activities, all ~~[records shall be considered~~  
33 ~~deliberative in process and not available for outside review]~~ [workpapers that

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1 support audit findings become public after the audit report is published,  
2 except for information that is confidential or privileged by law].

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

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

10 (E) Published reports are public records except that the City Auditor  
11 shall delay the publication of reports when criminal conduct is found and the  
12 Inspector General or appropriate law enforcement authority is pursuing an  
13 investigation and release of the report might jeopardize further investigation.  
14 An audit report that has been delayed pursuant to this section shall be  
15 published promptly at the end of the condition giving rise to the delay.

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

20 § 2-10-10 OFFICE OF INTERNAL AUDIT DIVISION; SCOPE OF AUDITS.

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

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

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

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

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

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- 1           ~~(5) Resources, including funds, property and personnel, are~~
- 2 ~~adequately safeguarded, controlled and used in a faithful, effective and~~
- 3 ~~efficient manner;~~
- 4           ~~(6) Financial and other reports fairly and fully disclose all information~~
- 5 ~~as required by law necessary to evaluate and ascertain the nature and scope~~
- 6 ~~of programs and activities;~~
- 7           ~~(7) Management established operating and administrative procedures~~
- 8 ~~and practices, accounting internal control systems and internal management~~
- 9 ~~controls are adequate and functioning as intended; and~~
- 10          ~~(8) City policies, budgets, goals and objectives are fully implemented.]~~
- 11          (B) At an official's [special] request, the City Auditor ~~[shall]~~ [may] initiate
- 12 ~~[special audits or strategic reviews]~~ [audit services] subject to the provisions
- 13 of § 2-10-12.
- 14          § 2-10-11 ANNUAL AUDIT PLAN.
- 15          (A) Prior to the beginning of each fiscal year, the City Auditor shall
- 16 submit an annual audit plan to the Committee for review and comment. As part
- 17 of these deliberations, the officials shall be invited to recommend areas for
- 18 inclusion in the plan. The plan shall include the auditees scheduled for audit
- 19 during the year, a statement of the scope of the audit and the estimated time
- 20 required to complete the audit.
- 21          (B) The annual audit plan shall be transmitted to the [City] Council for
- 22 final approval as a resolution.
- 23          (C) This plan may be amended during the year after review with the
- 24 Committee.
- 25          (D) In the selection of audit areas, the determination of audit scope and
- 26 the timing of audit work, the City Auditor should consult with federal and state
- 27 auditors and independent auditors so that the desirable audit coverage is
- 28 provided and audit effort may be properly coordinated.
- 29          (E) The City Auditor shall make reports at least quarterly to the
- 30 Committee on the status of the work plan.
- 31          § 2-10-12 SPECIAL [AUDITS] [REQUESTS]; AUDIT REPORTS.

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

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

10 (C) The auditees' written response shall specify agreement with each of  
11 the audit findings and recommendations or reasons for disagreement with  
12 findings or recommendations. The auditees' written responses shall include  
13 auditees' plans for implementing solutions to identified problems including  
14 timetables to complete such activities.

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

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

22 § 2-10-13 [OFFICE OF INTERNAL AUDIT] REPORTS TO THE COMMITTEE.

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

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

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

33 ~~[(D) The City Auditor's audit reports shall include:~~



- 1           ~~(1) A precise statement of the scope encompassed by the audit;~~
- 2           ~~(2) A statement that the audit was performed in accordance with~~
- 3 ~~generally accepted government auditing standards;~~
- 4           ~~(3) A statement that an examination for compliance with applicable~~
- 5 ~~laws, policies and regulations was conducted, and a presentation of the~~
- 6 ~~findings associated with that examination;~~
- 7           ~~(4) A statement of significant audit findings, including a statement of~~
- 8 ~~the underlying causes, evaluative criteria used and the current and~~
- 9 ~~prospective significance of the findings;~~
- 10          ~~(5) A statement that internal control systems were examined and a~~
- 11 ~~report of any material weaknesses found in the internal control systems;~~
- 12          ~~(6) Statements of response submitted by the auditees relevant to the~~
- 13 ~~audit findings;~~
- 14          ~~(7) A concise statement by the auditees of the corrective actions~~
- 15 ~~previously taken or contemplated as a result of the audit findings and a~~
- 16 ~~timetable for their accomplishment; and~~
- 17          ~~(8) Recommendations for additional necessary or desirable action.]~~

18           § 2-10-14 [OFFICE OF INTERNAL AUDIT] ANNUAL REPORTING.

19           (A) The City Auditor shall annually report to the [City] Council and the

20 Mayor regarding [his] [the] activities [of the Office of Internal Audit].

21           (B) Within 60 days of the end of each fiscal year, the City Auditor shall

22 issue an annual report to the Committee that separately lists [audit reports,

23 review] [all published] reports and other assistance efforts completed during

24 the fiscal year.

25           (C) The Office of Internal Audit shall provide copies of the annual report

26 upon request.

27           § 2-10-15 CONTRACT AUDITORS, CONSULTANTS, AND EXPERTS.

28           The City Auditor may obtain the services of certified public accountants,

29 qualified management consultants, certified fraud examiners, forensic

30 auditors or other professional experts necessary to perform the functions of

31 the Office of Internal Audit. Contractors performing [an audit] [such services]

32 shall not have any financial interest in the affairs of the auditees, officials or

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1 employees. The City Auditor shall coordinate and monitor auditing performed  
2 by persons under contract to the City Auditor.

3 § 2-10-16 PENALTY; COOPERATION; RETALIATION PROHIBITED.

4 (A) All city officials, employees and contractors shall provide the City  
5 Auditor full and unrestricted access to all city offices, employees, records,  
6 information, data, reports, plans, projections, matters, contracts, memoranda,  
7 correspondence, electronic data, property, equipment and facilities and any  
8 other materials within their custody. At the City Auditor’s request, an official,  
9 employee or contractor shall prepare reports and provide interviews. If an  
10 official, employee, vendor or contractor fails to produce the requested  
11 information, the City Auditor shall notify the Committee and make written  
12 request to the Chief Administrative Officer for ~~[his]~~ [their] assistance in  
13 causing a search to be made and germane exhibits to be taken from any book,  
14 paper or record excepting personal property. The Chief Administrative Officer  
15 shall require the officials, employees, vendors or contractors to produce the  
16 requested information.

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

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

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

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

31 SECTION 2. SEVERABILITY CLAUSE. If any section, paragraph, sentence,  
32 clause, word, or phrase of this ordinance is for any reason held to be invalid  
33 or unenforceable by any court of competent jurisdiction, such decision shall

1 not affect the validity of the remaining provisions of this ordinance. The  
2 Council hereby declares that it would have passed this ordinance and each  
3 section, paragraph, sentence, clause, word, or phrase thereof irrespective of  
4 any provisions being declared unconstitutional or otherwise invalid.

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

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

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