

OFFICE OF THE CITY AUDITOR
ANNUAL REPORT
June 2019

**Audits and Activities of
the City Auditor's Office
in Fiscal Year 2019**



**CITY OF
KANSAS CITY,
MISSOURI**

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June 4, 2019

Honorable Mayor and Members of the City Council:

The City Auditor's Office promotes government accountability, transparency, and improved city operations through independent assessments of city departments and programs. This report summarizes our activities and audit reports issued for the year ended April 30, 2019.

We released five performance audits in fiscal year 2019, two less than our goal. Our audits recommended ways the city could avoid \$5 million in costs and ensure appropriate controls are in place to manage or protect \$183 million in public assets.

The audits evaluated the following issues across the City Council's finance and governance; planning, zoning and economic development; and transportation and infrastructure goal areas in the citywide business plan:

- The adequacy of Water Services' controls over storeroom inventories;
- Whether contract selection practices previously recommended by the City Auditor's Office were incorporated into the city's written policies and procedures;
- The city's effectiveness in addressing identified network vulnerabilities;
- Whether the investment of public funds in parking garages supports the city's transportation strategies for greater downtown Kansas City; and
- Whether the GOKc Sidewalk Repair Program's practices and observable outcomes could be improved.

In fiscal year 2019, we successfully completed our ninth external quality control review, receiving the highest possible rating. The reviewers determined that the City Auditor's Office complied with *Government Auditing Standards* issued by the U.S. Comptroller General. The reviewers noted our effective teamwork and experienced and well-qualified staff as particular strengths. The peer review report and our response are appended.

We appreciate the Mayor and City Council's ongoing commitment and support of an independent audit function, which was further strengthened by passing Ordinance 180844 to ensure the City Auditor's Office budget receives proper review and discussion. We also appreciate the city manager's support of our work. We look forward to continuing to work with elected officials and city management on finding ways to strengthen public accountability, improve the efficiency and effectiveness of city government, reduce costs or increase revenues, and provide information to facilitate decision making.


Douglas Jones
City Auditor

Audits and Activities of the City Auditor's Office in Fiscal Year 2019

Table of Contents

Mission and Goals	1
Charter Authority of the City Auditor	1
Our Mission	1
Our Work Products	2
Office Operations	5
How Audits Are Selected	5
Expenditures	5
Staffing	6
Professional Development	7
Summary	7
Continuing Education	7
Professional Associations	7
Performance Measures	9
Summary	9
Outputs	9
Outcomes	10
Efficiency	11
Appendices	13
Appendix A: Reports Released in Fiscal Year 2019	13
Appendix B: Reports Issued, Fiscal Years 2016 - 2018	19
Appendix C: External Quality Control Review	21

List of Exhibits

Exhibit 1. City Auditor's Office Annual Expenditures	5
Exhibit 2. Professional Certifications and Licenses	6
Exhibit 3. City Auditor's Office Performance Measures	9

Mission and Goals

Charter Authority of the City Auditor

Article II, Section 216 of the Charter of Kansas City, Missouri, establishes the position of the city auditor as independent of the city manager. The city auditor is appointed by and reports to the Mayor and City Council. The charter grants the city auditor complete access to the books and records of all city departments. The city auditor uses this access, independence, and authority in performing the charter mandate to carry on a continuous investigation of the work of all city departments. The City Council's Finance and Governance Committee oversees the activities of the city auditor.

Our Mission

The mission of the City Auditor's Office is to:

Conduct independent assessments of the work of city government and provide elected officials, management, and the public with objective information and recommendations to improve city operations and strengthen city government's accountability to the public.

We seek to accomplish our mission through performance audits conducted in accordance with *Government Auditing Standards* issued by the U.S. Comptroller General and our core values of accountability, transparency, integrity, and professionalism.

Our work supports the Council's finance and governance goal by identifying opportunities for cost savings and efficiencies. Our goals when evaluating department and program performance are to:

- strengthen public accountability and transparency;
- provide information, analysis, and recommendations to elected officials and management to facilitate decision making;
- identify emerging issues elected officials and management should consider;
- evaluate the efficiency and effectiveness with which city departments and programs carry out their responsibilities;
- identify ways to reduce costs or increase revenues;
- identify ways to improve city services and operations; and
- improve safeguards over public monies and assets.

Communicating the results of our work to the public is a part of our mission. It also ties into the Council's customer service and communication goal by promoting trust and understanding through transparency. We successfully engage the public by:

- Making audits and other reports available on our website. In fiscal year 2019, 161 audits and other work products were accessed 3,546 times.
- Publicly presenting audits and other reports to council committees, city boards and commissions, and other internal and external groups. In fiscal year 2019, we made 52 presentations related to our work.
- Soliciting audit suggestions from the public via our website. In fiscal year 2019, the public submitted 32 audit suggestions. Since 2015, we have issued five audits based on suggestions from the public.
- Using our Twitter account (@KCMOCityAuditor) to keep the public informed about our audits and upcoming presentations, where to find our reports online, and how to submit their audit suggestions. In fiscal year 2019, we sent 472 tweets related to our activities.

Our Work Products

The City Auditor's Office conducts performance audits and prepares memoranda.

A performance audit "provides findings or conclusions based on an evaluation of sufficient, appropriate evidence against criteria. Performance audits provide objective analysis to assist management and those charged with governance and oversight in using the information to improve program performance and operations, reduce costs, facilitate decision making, and contribute to public accountability."¹

Most audits result in recommendations that should improve resource utilization, better protect city assets, increase productivity, or correct wasteful practices. Audit recommendations can improve services to the public by making programs more effective and efficient. In addition, recommendations can increase the city's responsiveness to citizens and assist the City Council in carrying out its oversight responsibilities.

¹ Comptroller General of the United States, *Government Auditing Standards* (Washington, DC: U.S. Government Printing Office, 2011), p. 17.

Occasionally councilmembers request information about issues coming before them. Staff may be assigned to research costs and other effects of proposed legislation or to provide independent assessments of financial information and other proposals by city management. The resulting memoranda are distributed to the Mayor, City Council, and management staff.

We conduct our audit work in accordance with *Government Auditing Standards* issued by the U.S. Comptroller General. These standards require the following:

- Independence;
- Professional judgment in conducting and reporting on audits;
- Professionally competent staff;
- Audit quality control and assurance;
- Adequate supervision and planning of audit work;
- Sufficient and appropriate evidence;
- Reporting of audit results; and
- Periodic review of the office by outside professionals

As noted above, the standards require us to undergo an external peer review at least once every three years. The objective of a peer review is to determine whether an audit organization's quality control system is suitably designed and operating effectively. A peer review also provides assurance that an audit organization is following its established policies and procedures and applicable auditing standards.

In October 2018, we successfully completed our ninth external peer review. The reviewers determined that the City Auditor's Office complied with *Government Auditing Standards* during the period of September 1, 2015, through August 31, 2018. The reviewers also noted our effective teamwork and experienced and well-qualified staff as particular strengths. The peer review report and our response are included as Appendix C.

Office Operations

How Audits Are Selected

Audits can be initiated one of two ways:

- The City Council as a body may direct the city auditor to conduct an audit.
- The city auditor can initiate an audit.

When selecting audit topics for our annual audit plan, we try to balance audits expected to yield cost reductions, increased revenue, improved services, and strengthened controls with audits that will address broad policy and management issues. Our process for selecting audit topics considers a variety of factors and information sources including risks, City Council goals, KCStat, citizen surveys, and past audits. We also consider complaints we receive, as well as input and concerns from the City Council, city management, and the public.

The annual audit plan is subject to review and can change throughout the year. Changes may be based on City Council directives, the city auditor's discretion, emerging issues, or unanticipated events.

Expenditures

The City Auditor's Office had expenditures of almost \$1.3 million in fiscal year 2019. Personnel costs accounted for about 93 percent of our budget. (See Exhibit 1.)

Exhibit 1. City Auditor's Office Annual Expenditures

Category	Fiscal Year		
	2017	2018	2019
Personnel	\$1,192,758	\$1,156,074	\$1,196,715
Contractual	71,582	70,600	88,299
Commodities	1,960	2,048	3,184
Capital Outlay	3,774	0	765
Total	\$1,270,074	\$1,228,722	\$1,288,963

Source: PeopleSoft Financials.

Staffing

Staff Qualifications

The office has ten full-time staff. All professional staff have advanced degrees in fields such as business, public, or health services administration; accounting; law; and psychology. Several staff members have previous auditing and management experience in the public and private sectors. As an office, we have almost 179 years of audit experience.

Seven staff members have one or more professional certifications or licenses. (See Exhibit 2.)

Exhibit 2. Professional Certifications and Licenses

Professional Certification/License	Number
Certified Internal Auditor	3
Certified Government Auditing Professional	2
Certified Information Systems Auditor	2
Certified Public Accountant	1
Certified Fraud Examiner	1
Certified Government Financial Manager	1
Certification in Risk Management Assurance	1
Licensed Attorney	1

Source: City Auditor's Office records.

Professional Development

Summary

The City Auditor's Office emphasizes professional development to improve our skills, effectiveness, and efficiency. The office provides required continuing education, encourages professional certification, and supports staff involvement in professional associations.

Continuing Education

We exceeded our requirements for continuing professional education hours. Government auditing standards require that each audit staff member complete at least 80 hours of continuing education every two years, with a minimum of 20 hours in each year. In fiscal year 2019, auditors received an average of 62 hours of training by attending seminars, workshops, conferences, college classes, and in-house training sessions, including audio conferences and webinars. Training topics included auditing, cyber security, data security, economics, risk management, ethics, fraud, internal controls, law, and performance management measures.

In addition to conferences, staff attended free training sponsored by Kansas City, Missouri; Johnson County, Kansas; the Information Systems Audit and Control Association; the Institute of Internal Auditors; and local law firms.

Professional Associations

The office as well as individual staff members belong to and are active in a number of professional associations of auditors, accountants, and public managers. Our professional associations include the

- Association of Local Government Auditors,
- Association of Government Accountants,
- Institute of Internal Auditors,
- Missouri Society of Certified Public Accountants,
- Information Systems Audit and Control Association,
- Intergovernmental Audit Forum,
- Association of Certified Fraud Examiners, and
- Missouri Bar Association.

We serve in leadership roles in our professional organizations. The city auditor serves on the Domestic Working Group, an advisory council to the U.S. comptroller general. Additionally, the city

Audits and Activities of the City Auditor's Office in Fiscal Year 2019

auditor is the past chair of the Mid-America Intergovernmental Audit Forum Executive Committee and is the forum's local government representative to the National Intergovernmental Audit Forum.

Several staff serve on Association of Local Government Auditors committees, including the Advocacy and Peer Review committees. One staff member is the secretary and on the board of directors for the Kansas City Chapter of the Information Systems Audit and Control Association; one is on the Missouri Society of Certified Public Accountants' Governmental Accounting Committee, and one is the secretary for the Kansas City Chapter of the Association of Government Accountants.

Performance Measures

Summary

We monitor our performance by tracking outputs or work products, outcomes or results of these work products, and the efficiency with which we produce work products and results. Exhibit 3 includes our performance measures for the last three fiscal years.

Exhibit 3. City Auditor's Office Performance Measures

Performance Measures	Fiscal Years		
	2017	2018	2019
Inputs			
Expenditures	\$1,270,074	\$1,228,722	\$1,288,963
Auditors	7	7	7
Outputs			
Reports Issued	9	6	5
Memoranda	2	1	0
Outcomes			
Recommendation Agreement Rate ²	91%	99%	98%
Recommendation Implementation Rate ³	73%	92%	72%
Potential Direct Financial Impact	\$0	\$16,988,375	\$5,000,000
Potential Indirect Financial Impact	\$4,785,097	\$184,488,679	\$182,900,000
Efficiency			
Average Hours per Report	1,446	1,706	1,662

Sources: PeopleSoft Financials; City Auditor's Office time and utilization records; and City Auditor's Office audit reports.

Outputs

We issued five audit reports in fiscal year 2019, two less than our goal of seven. The audits evaluated Water Services' storeroom inventory controls; whether recommended contract selection practices are included in written city procedures; how identified network vulnerabilities are being addressed; whether public investment in parking garages supports city transportation policies; and the GOkc Sidewalk Repair Program's practices and observable outcomes. (See Appendix A for a list and summary of the audits.)

² Percentage of recommendations with which management agreed.

³ Because not all recommendations can be implemented immediately, this represents the percentage of recommendations made two years prior and reported by management as implemented in ARTS reports submitted through April 30, 2019. For example, the fiscal year 2019 rate reports the implementation of recommendations made in fiscal year 2017.

Outcomes

Implementation of Audit Recommendations

The primary benefits of the work of the City Auditor's Office include government accountability and transparency, reduced costs, increased revenues, and improved services. Auditing does not directly produce these benefits; they only come from implementing audit recommendations. It is up to management to implement recommendations, while the City Council is responsible for ensuring that agreed upon recommended changes and improvements occur. It is our responsibility to present accurate and convincing information that clearly supports our recommendations.

We made 44 recommendations in fiscal year 2019. About 93 percent of them were designed to strengthen management controls, 2 percent to improve services, 2 percent to reduce costs, and 2 percent to increase revenues. Recommendations cannot be effective without management's support. To measure the effectiveness of our recommendations, our goal is to achieve management agreement with 90 percent of our report recommendations. In fiscal year 2019, we exceeded our goal with management agreeing with 98 percent of our report recommendations.

Although management agreement is a step towards implementing recommendations, it is not a guarantee that recommendations can or will be implemented. City departments, boards, commissions or other offices of the city audited by the city auditor are required to submit a progress report on the implementation of audit recommendations to the city auditor every six months. This process is called the Audit Report Tracking System or ARTS.

Our goal is for 75 percent of our recommendations to be implemented within two years of when an audit is issued. About 72 percent of our fiscal year 2017 recommendations have been implemented according to ARTS reports submitted by management.

Potential Financial Impact

The potential financial impact from our audits comes from recommendations to reduce costs, increase revenues, improve services, and strengthen management controls and safeguards over public monies and assets.

We estimate the potential direct financial impact based on recommendations to increase revenues or decrease costs. For recurring increased revenues or decreased costs, we estimate

revenues or savings over a five-year period. In our *Addressing IT Network Vulnerabilities* audit, we identified about \$5 million in potential direct financial impact from our recommendations.

Our audits also have a potential indirect financial impact by suggesting ways the city could improve the delivery of services to the public and employees, and ensure appropriate controls are in place to manage or protect public monies or assets. The potential indirect financial impact of our 2019 audits was about \$183 million.

In our *Control Gaps Leave Water's Storeroom Inventory Vulnerable to Errors, Loss, and Theft* audit, our recommendations to improve Water Services' methods of recording inventory transactions and adjustments, conducting physical inventories, and strengthening IT and physical security will help safeguard the \$7.9 million in storeroom inventory.

In the *Parking Garage Investment Needs Planning, Coordination with Transportation Goals* audit, we made recommendations to incorporate the city's transportation policies and goals into parking garage development decisions; consolidate responsibility for parking garage management; and improve maintenance planning and budgeting for the parking garages the city owns or for which it has long-term commitments to help improve how the city manages \$175 million in garage assets.

Efficiency

Staff Hours Per Report

We averaged 1,662 hours per audit in fiscal year 2019, down slightly from 1,706 hours in 2018.

Appendix A

Reports Released in Fiscal Year 2019

Performance Audits

Control Gaps Leave Water's Storeroom Inventory Vulnerable to Errors, Loss, and Theft (August 2018)

City Should Incorporate Previously Recommended Contract Selection Practices into Written Procedures (September 2018)

Addressing IT Network Vulnerabilities (November 2018)

Parking Garage Investment Needs Planning, Coordination with Transportation Goals (March 2019)

GOkc Sidewalk Repair Program Could Be Improved (April 2019)

Administrative Reports

Annual Report – Audits and Activities of the City Auditor's Office in Fiscal Year 2018 (June 2018)

Implementation Status of Audit Recommendations – Fiscal Years 2014-2018 (November 2018)

Annual Performance Audit Plan – Fiscal Year 2020 (April 2019)

Performance Audits

Control Gaps Leave Water's Storeroom Inventory Vulnerable to Errors, Loss, and Theft (August 2018)

This audit focused on the adequacy of Water Services' controls over storeroom inventories and evaluated the department's processes for managing and controlling about \$8 million in storeroom inventory assets.

We determined that Water Services' controls over inventories contained gaps that left inventory vulnerable to errors, loss, and theft. The department had not established written policies and procedures for the storerooms. Incompatible employee duties were not segregated, and employee identification cards used to issue inventory and track transactions were shared, eliminating accountability. In addition, adjustments to electronic inventory records could not be tracked. During the annual physical inventory, Water Services did not count \$2.9 million of inventory, did not conduct blind inventory counts, and did not use independent counters or supervision for all count teams.

Water Services did not follow city password requirements and employee access to the electronic inventory system was not provided timely or periodically reviewed for continued need. Although the 18th Street storeroom facilities had some physical security measures in place, Water Services had not addressed some safety and physical security weaknesses identified by the department's safety manager.

We made recommendations to improve Water Services' methods of recording inventory transactions and adjustments, conducting physical inventories, and strengthening IT and physical security.

City Should Incorporate Previously Recommended Contract Selection Practices into Written Procedures (September 2018)

This audit focused on whether contract selection practices previously recommended by the City Auditor's Office had been incorporated into citywide, written policies and procedures.

We determined that the city did not incorporate most of the contract selection practices the city auditor recommended into citywide written procedures. The previous recommendations were directed towards addressing audit findings of contract selection practices that exposed the city to claims of bias; caused confusion among the selection committee; and cast doubt on the credibility and integrity of the contract selection process.

We made recommendations to fully incorporate the remaining contract selection audit recommendations into the city's written procedures. Implementing the recommended practices should help ensure public trust; detect deviations from fair and equal treatment; encourage a wide pool of responsive bidders/proposers that are confident they will be treated fairly; ensure that selection committee members are knowledgeable and consistent in their evaluation; ensure documentation properly supports contracting decisions; and ensure contract negotiators are knowledgeable of the city's needs, well-organized, and empowered to secure the best deal for the city.

Addressing IT Network Vulnerabilities (November 2018)

The objective of this audit was to determine whether the IT Division was addressing identified network vulnerabilities appropriately. Because this report is a closed record under RSMo Section 610.021(21), we cannot provide any details about our findings or recommendations.

Parking Garage Investment Needs Planning, Coordination with Transportation Goals (March 2019)

This audit focused on whether the investment of public funds in parking garages supported the city's transportation strategies for greater downtown. This audit was initiated in response to audit suggestions submitted by members of the public.

We determined that the city's economic development incentive process did not incorporate the city's adopted transportation goals and policies, which support shared parking and other city transportation goals. Although the city adopted an economic development evaluation process as part of the AdvanceKC initiative, the process focused on individual project parking needs instead of a comprehensive approach to meeting transportation needs.

We found that city agreements to own or support parking garages had significant ongoing budgetary impacts through debt service payments and commitments to parking garage maintenance that constrain the city's budget. The financial support to build and maintain new parking supply comes at the expense of alternative modes of transportation that support city goals and reduces the city's ability to address other priorities and needs. Between 2007 and 2018, the general fund covered about \$94 million out of approximately \$140 million in debt service payments for parking garages with city commitments.

We found that although parking garages are part of the city's transportation infrastructure, responsibility for developing, operating, and maintaining parking garages is fragmented among

several departments and agencies, making it difficult to plan and implement parking management principles aligned with city transportation goals and policies. Based on age, most garages should have undergone routine capital maintenance, however, the city did not have an established capital maintenance plan, maintenance records, or reserves.

We made recommendations to incorporate city transportation policies and goals into parking garage development decisions; consolidate responsibility for parking management; and improve maintenance planning and budgeting for the parking garages the city owns or for which the city has long-term obligations.

GOkc Sidewalk Repair Program Could Be Improved (April 2019)

This audit focused on the Public Works Department's GOkc Sidewalk Repair Program's first year of operation and whether its practices and observable outcomes could be improved. Voters approved a minimum of \$150 million over 20 years to fund this program. Construction contractors perform the work and city inspectors monitor the contractors' work.

We identified a number of contract requirements that the city did not enforce, including expansion joints not placed where required; some water curbs stop boxes not located or protected; some accessible curb ramps not installed according to the city's adopted accessibility requirements; and some construction cleanup activities not completed timely. We found that the inspection process did not ensure mistakes would not be repeated and when inspecting the contractor's work, inspectors did not use a checklist that included the contract requirements.

We also determined that the program could be strengthened by developing written procedures for sidewalk placement that accommodates trees on private property and communicating to residents about expected landscape renovation.

We made recommendations to improve the integrity, safety, and appearance of sidewalks, driveways, and ADA accessible curb ramps; and to improve the effectiveness of the inspection process and the sidewalk repair program.

Appendix B

Reports Issued, Fiscal Years 2016 - 2018

Accuracy and Validity of 311 Data Could Be Improved (June 2015)
2015 Governance Assessment (August 2015)
2015 Governance Assessment with Responses from Previously
Non-Reporting Organizations (October 2015)
Public Private Partnership: KC Streetcar (October 2015)
City's Performance Under the HUD Memorandum of Agreement
(May 1, 2014 – April 30, 2015) (November 2015)
City Could Strengthen Succession Planning Policy
(December 2015)
Compliance with Street Plate Requirements Could Improve Ride
Quality and Safety (December 2015)
Enterprise Funds: Financial Condition Indicators (January 2016)
Listening to the Workforce – 2016 Employee Ethics Survey (April
2016)
Land Bank's Contract and Deed of Trust Monitoring Processes
Should Be Strengthened (April 2016)
Changes to Police Take-Home Program Could Improve Vehicle
Resource Management (May 2016)
Contract Accessibility Could Be Improved (July 2016)
Recommended Practices Would Strengthen Hotline Operations
(August 2016)
Fire Department: Safeguarding Controlled Substances (Oct 2016)
Mobile Device Security Risks (November 2016)
Bike KC Inadequate to Achieve City Goals (December 2016)
EEO Complaint Investigation Efficiency Can Be Improved Through
Better Documentation and Data (April 2017)
Communicable Disease Prevention and Public Health Preparedness
Division Performance Measures (April 2017)
Independence Avenue Community Improvement District Should
Improve Accountability and Transparency (April 2017)
Animal Health and Public Safety: Community Vision and Improved
Management Oversight Needed (August 2017)
General Services' Payment Process Should Better Protect Public
Resources (October 2017)
Arterial Street Impact Fee Ordinance Should Be Amended to
Correct Structural Imbalance (December 2017)
Comparative Study of Fire Department Use of Resources (February
2018)
Timeliness of Land Development Plan Reviews Could Be Improved
(April 2018)
Preserve and Restore Park Ecology with Sustainable Maintenance
Approach (April 2018)

Appendix C

External Quality Control Review



External Quality Control Review

of the
Office of the City Auditor
Kansas City, Missouri

Conducted in accordance with guidelines of the
**Association of Local Government
Auditors**
for the period September 1, 2015 – August 31, 2018



Association of Local Government Auditors

October 25, 2018

Douglas Jones, City Auditor
Office of the City Auditor
414 East 12th
Kansas City, MO 64106

Dear Mr. Jones,

We have completed a peer review of the Office of the City Auditor, City of Kansas City, Missouri, for the period September 1, 2015, through August 31, 2018. In conducting our review, we followed the standards and guidelines contained in the *Peer Review Guide* published by the Association of Local Government Auditors (ALGA).

We reviewed the internal quality control system of your audit organization and conducted tests in order to determine whether your internal quality control system operated to provide reasonable assurance of compliance with *Government Auditing Standards* issued by the Comptroller General of the United States. Our procedures included:

- Reviewing the audit organization's written policies and procedures.
- Reviewing internal monitoring procedures.
- Reviewing a sample of audit engagements and working papers.
- Reviewing documents related to independence, training, and development of audit staff.
- Interviewing audit staff and management to assess their understanding of, and compliance with, relevant quality control policies and procedures.

Due to variances in individual performance and judgment, compliance does not imply adherence to standards in every case, but does imply adherence in most situations.

Based on the results of our review, it is our opinion that the Office of the City Auditor, City of Kansas City, Missouri's, internal quality control system was suitably designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* for audits and attestation engagements during the period of September 1, 2015, through August 31, 2018.

We have prepared a separate letter noting areas of the quality control system in which the Office excels.

Sally Barber, CPA, CIA
Audit Supervisor
City of Colorado Springs

Stephen Peters, CPA
Legislative Audit Manager
Howard County, Maryland



Association of Local Government Auditors

October 25, 2018

Douglas Jones, City Auditor
Office of the City Auditor
City of Kansas City
414 East 12th Street
Kansas City, MO 64106

Dear Mr. Jones,

We have completed a review of the Office of the City Auditor, City of Kansas City, Missouri, for the period September 1, 2015, through August 31, 2018, and issued our report date October 25, 2018. There are no formal observations and suggestions stemming from our peer review. In addition, we would like to note some of the areas we believe are particular strengths of the Office:

Effective Teamwork: The Office utilizes an internal practice of involving staff and managers outside of the audit team on a particular project to provide input and comments on project scope, planning, results, and reporting. This practice, known as Extended Review Team, or ERT, allows for greater teamwork and involvement from audit staff and reinforces the concept of the office working together to complete a project. Similarly, the audit staff and management team work together to assess risks and develop the annual audit plan.

Experienced and Well-Qualified Staff: We note that all of the audit staff have advanced degrees and most staff have significant tenure with the Office.

We wish to express our appreciation to you, your staff, and other city officials for their hospitality and cooperation extended to us during our review.

Sincerely,

Sally Barber, CPA, CIA
Audit Supervisor
City of Colorado Springs

Stephen Peters, CPA
Legislative Audit Manager
Howard County, Maryland



Office of the City Auditor

21st Floor, City Hall
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October 25, 2018

Sally Barber, CPA, CIA
Audit Supervisor
Office of the City Auditor
107 N. Nevada Ave., Suite 205
Colorado Springs, CO 80903

Stephen Peters, CPA
Legislative Audit Manager
Howard County
3430 Court House Drive,
Ellicott City, MD 21043

Dear Ms. Barber and Mr. Peters:

Thank you for performing the external quality control review of the City of Kansas City, Missouri, City Auditor's Office.

I am pleased the review team concluded that the City Auditor's Office complies with *Government Auditing Standards*. We have devoted a great deal of effort to developing and implementing an internal quality control system to help us achieve this goal. I appreciate your positive comments on the review team's overall impression of the office, the quality of our audit work, the teamwork we use to develop audits and our annual audit plan, and our well-qualified and experienced audit staff.

We appreciate you taking the time away from your other responsibilities to conduct our peer review and the thoroughness and professionalism with which you conducted the review. We would also like to thank Trevor Williams' efforts in coordinating our peer review and putting together such a good team.

Sincerely,


Douglas Jones, CGAP, CIA, CRMA
City Auditor

cc: Trevor Williams, Chief Audit Executive, Florida International University

City Auditor's Office Staff

(As of April 30, 2019)

Douglas Jones, MBA, CGAP, CIA, CRMA
City Auditor

Terry Bray, MS

Mary Jo Emanuele, MBA, CIA, CGFM

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