

City of Lawrence City Commission: Auditing 101
May 11, 2006

Some basic concepts

Principals and agents; external or internal

Independent verification and third-party reporting

- Organizational independence
- Legal mandate
- Unrestricted access
- Sufficient funding
- Competent leadership
- Competent staff
- Stakeholder support
- Professional auditing standards

My role as an auditor

The over all strategy of the auditor's office ought to be to "improve the politics." It's about process, not outcomes. Audit is a governance tool.

Nalbandian's "good politics:"

- All stakeholders have a voice in the decision-making process
- All stakeholders have access to critical information
- The rules of the governance structure are complied with
- Professionalism is respected
- Individual rights are respected

What are the outcomes?

The over-all intended outcome is citizen trust in the government I serve.

Trust requires:

- Good, ethical intentions
- Competent execution
- Transparency

A successful audit is one with impact.

Impact equals:

- Improved program outcomes
- Better policy decisions
- More efficient program delivery

How do you go about the auditing process?

Audit selection

Audit planning

Scope statement

Field work

Message development

Report writing

Report presentation

Follow-up

What kind of working relationships do you have?

Councilmembers

Citizens

Department heads

City staff