



City of

ALBUQUERQUE

Office of Internal Audit

STRATEGIC REVIEW

17-303

**§5-6 ROA 1994,
MINORITY AND WOMEN'S
BUSINESS ENTERPRISES**

OCTOBER 26, 2016

INTRODUCTION

On July 14, 2016, the Office of Internal Audit (OIA) received an inquiry from a City Councilor regarding City Ordinance §5-6 ROA 1994, Minority and Women's Business Enterprises.

OIA's process for accepting and assigning special audits is to assess the risk of the suggested audit against OIA's existing audit plan and determine if the risk is significant enough to warrant an audit. While gathering initial information, it was determined that no action had been taken by the City in over 15 years with regard to §5-6 ROA 1994 and that no additional research would be conducted.

SCOPE & OBJECTIVES

No scope or objectives were established.

BACKGROUND

Section §5-6 ROA 1994 was originally established in 1974 and was amended in 1984 and states: "It is the policy of the city to take affirmative action to assure that a fair share of city purchases of goods and services, including construction work, is made from enterprises owned and controlled by minorities and women." The Ordinance established certain requirements for the City including:

- The City shall compile and keep current a listing of all Minority Business Enterprises (MBEs) in the area with whom the City might do business;
- The City shall keep cumulative records on city business done with MBEs, broken down by appropriate classifications with comparison to total volumes of similar acquisitions of goods and services by the City;
- The City shall regularly and routinely conduct training sessions and seminars or use other suitable means for informing MBEs and other interested firms of opportunities and procedures for doing business with the City;
- The City shall actively solicit information from such firms regarding unnecessary problems, requirements, or barriers involved in doing business with the City that might be ameliorated; and
- The City shall undertake a review of all processes and procedures involved with private firms doing business with the City with particular focus on input derived from MBEs.

Section §5-6-1 ROA 1994 states, "The Mayor shall submit quarterly reports to the Council regarding steps taken and progress made in the implementation of this article."

RESULTS

In an effort to gather information, OIA contacted the Office of the Mayor. Following this request, it was determined that, for at least the past 15 years, no one had been in charge of overseeing the process or preparing and submitting quarterly reports. The Director of the Office of Diversity has agreed to take over this task and will report according to §5-6 ROA 1994.

As there has been no activity regarding §5-6 ROA 1994, no additional research was conducted.

RECOMMENDATION

The Mayor should ensure compliance with §5-6 ROA 1994 and submit quarterly reports to City Council.

Contract Auditor

REVIEWED & APPROVED:

APPROVED FOR PUBLICATION:

Lawrence L. Davis, Acting Director
Office of Internal Audit

Chairperson, Accountability in
Government Oversight Committee